



A Guide to Local Union Mergers





**315,000 members from
coast to coast to coast**



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Introduction

Locals are at the core of our Union. When Unifor was formed in 2013, we made strengthening our local unions a priority. A necessary step to develop a strong, dynamic, and democratic Union. A necessary step to win the social, political, and economic changes we want to see in our workplaces and communities.

To accomplish this task, Unifor established the Local Union Task Force (LUTF) – a unionwide initiative that aimed to engage local unions, assess members’ needs and develop recommendations on how to increase member participation, develop grassroots activists, and strengthen local unions across the country.

To support the work of the LUTF, Unifor launched an online survey, and held 49 town hall meetings across the country. Detailed information was gathered about the needs and challenges facing our local unions. In addition, local union participants shared their successes and best practice strategies. Nearly 2,000 members from 350 locals across Canada participated in these town hall discussions.

The Task Force compiled and analyzed the information gathered over a 10-month period and produced a report entitled “Building Stronger Local Unions Together” ([available at unifor.org/lutf](https://unifor.org/lutf)).

The report contained 28 recommendations and an action plan focused on building stronger local unions. The report was presented and adopted at the 2016 Unifor Convention.

During our consultations, we heard about the challenges facing our locals, in particular small single unit local unions. In response, many local union leaders and members highlighted the need for enhanced resource sharing and collaboration among local unions. Members spoke and the task force listened.

This document will focus one of the three key areas identified by the LUTF. There are more resources available to support local unions, please visit unifor.org/resources to find more reference tools.

With this document, our intent is to provide the knowledge and tools necessary for local unions to better collaborate and share resources. Where this objective is best achieved through mergers, we encourage local unions to do so.

Local Union Mergers

Mergers are only challenging experiences if locals go into them unprepared.

However, let us be clear: There is no one-size-fits-all approach to local union mergers, since every local is unique, dealing with its own set of challenges, community dynamics and relations with employers. Therefore, it is important to view a local union merger as both a process and an opportunity, with many steps and factors to consider. Understanding the basic elements of this process will help local leadership in their planning, and avoid pitfalls.

Here are some key things every local union should first research and consider before merging with another local:

Things to consider before undertaking a merger

- ☐ How receptive are or would local union executives and members be to the idea of merging with another local?
- ☐ What goals, needs and expectations do members have in merging with another local?
- ☐ Have members been fully educated and informed as to the benefits of merging?
- ☐ Have members had an opportunity to ask questions or raise any concerns they may have regarding a merger?
- ☐ Which other local union makes the most sense to approach to discuss a potential merger with?
- ☐ What are the local's current assets and liabilities how will they be shared or managed post-merger?

While these are initial items that should be discussed internally amongst local leadership, these could also be discussed with a potential merger partner(s) immediately if a suitable local(s) has been identified.

Why Merge?

Mergers are nothing new within the labour movement. Unifor itself is the result of a series of mergers and amalgamations of 87 different unions, dating back from the earliest craft unions of the 1800s. Unifor's Constitution encourages locals to merge to create stronger local unions, and there are several reasons for this. These might include:

Pooling and accessing new and greater resources

Accessing office or meeting spaces, securing funds to attend workshops or conferences, or even organizing an event in the community can often be a challenge for small locals that do not have substantial resources. Pooling and combining resources between locals can provide greater access to member services as well as opportunities to promote union activism and engagement.

Community and movement building

Small locals in remote regions of the country may feel like their needs are not being met or that they are disconnected from other union activities. Merging locals can boost members' sense of belonging while providing greater opportunities to develop stronger networks and ties both in the community as well as with other Unifor members.

Financial stability

Servicing multiple units can be costly. Job losses and layoffs put added financial strain on local union resources. Often, local unions operating in close proximity to one another (or even representing workers in the same

workplace) may be duplicating resources, which can be otherwise be put to use in other areas such as training and education, communications, or increased representation.

Leveraging worker power

Merging local unions is an effective way to build a stronger base and presence in our communities and increase our political organizing and bargaining power to affect change. In an era of continued political and employer threats, combined with increasing employment precarity and insecurity, it is critical that we leverage all our power and resources to become stronger and united.

Knowledge sharing

Bringing together diverse groups of members and leadership creates opportunities for sharing of knowledge and innovative best practices between various bargaining units as well as between experienced and new local union members.

A concern smaller locals may have in merging with another local is the perceived loss of identity, autonomy, and decision-making power. While this is a valid concern, there are ways in which amalgamated local unions can work to ensure that there is equitable representation amongst various bargaining units, industries, regions, and members. Additionally, while smaller locals benefit most from mergers, it is worth emphasizing that mergers are intended to have overall positive benefits for all involved – with increased members, resources, expertise, and community and union engagement. Whatever the motivation behind a local union's interest in merging, this guide aims to

help locals understand the thinking, planning and procedures that can ease the process and make for more effective outcomes.

Local Union Structure & Governance: Constitution and by-laws

Unifor's Constitution ([Article 15, subsection 'L', available at \[unifor.org/constitution\]\(http://unifor.org/constitution\)](#)) encourages the merger of local unions as part of an effort to create stronger locals. The Constitution not only spells out the required procedures for initiating a merger, but also provides guidance on matters involving national union affairs, such as the maximum number of local union delegates that can be sent to meetings and conventions, and other general local union matters, including committees, audits, dues, officer responsibilities, and more.

In regards to local union structure and governance, these are determined by a local's by-laws. All local union by-laws must adhere to Unifor's Constitution. Please refer to your by-laws if there are any questions or concerns about the structure of your executive board, local union officers, local dues, or membership meetings. Often times there may be the need to amend a local's by-laws following a local union merger.

It is important that local union's interested in merging (or looking to amend the by-laws) refer to the Constitution to help guide their approach and to answer any questions raised by the members.

"We successfully merged units, pooled resources and assembled most activities into one local union hall. We now have a stronger sense of community and the move made member mobilization, educational activities and communications much easier to plan and execute."

- Local Union Task Force Participant

"A Council of Locals with a common employer meets twice a year to discuss concerns and share bargaining strategies. Some also discuss how they can work on broader objectives of the union."

- Local Union Task Force Participant

Because both the Constitution and 'Guide to Local Union By-laws' can be amended or updated on occasion, it is highly recommended that locals consult with the most recent online versions of these documents.

Unifor's Guide to Local Union By-laws ([available at \[unifor.org/localunionbylaws\]\(http://unifor.org/localunionbylaws\)](#)) is a helpful resource that provides critical information on revising or amending a local's by-laws.

Local Union Mergers: Steps to Take

Once locals have thought through these items, the following steps should be taken to initiate the merger process.



Step One Identifying a potential merger partner(s)

Ideally, a Local should seek out a merger partner that not only is open to the idea of merging, but also one that shares common views and goals, and is in the same or approximate geographic vicinity. Having a previous relationship with the local (e.g., having shared resources or space together either currently or in the past) while ideal, is not necessary. If you are uncertain of which local to approach as a potential merger partner, please contact your National Staff Representative or Area Director for assistance.



Step Two Begin discussions with local union executive board members

The leadership of each Local Union Executive Board should begin having discussions together

on what they hope to achieve by merging, their needs and expectations, asking questions and raising concerns, identifying solutions, and developing a rough action plan, timetable and proposal they can bring back to their respective membership. It is important to consider what the local union's goals are and how a merger can help deliver them.

Analyzing a potential merger from all angles is critical. Find out what key local union representatives think are the benefits and drawbacks of a merger, and what are the strengths and weaknesses. It is recommended that meeting conversations are properly documented so that there are no misunderstandings or confusion that could derail merger plans down the road.



Step Three Talk to the membership

It is critical to gauge the receptiveness and motivation of local union members to undertake a merger. Without rank-and-file support, mergers are destined to fail.

Members' resistance to a proposed merger may be well founded. Members may feel that it is not in the best strategic interest of the local union. At the same

time, resistance may stem from misguided fears about the loss of local union autonomy. Alternatively, it may be rooted in a deep-seated emotional attachment to a local union's own history. Sometimes, resistance stems from a simple lack of understanding of the merger process itself, or not knowing its intended benefits and the opportunities for greater union and community building. Having open conversations with members of the local union executive, stewards, committeepersons and the members' themselves can serve as a helpful starting point. Locals may also consider conducting a simple survey of members.

local follow and how files and records will be transferred

- **Elections and governance:** what will the Local leadership structure (including committees) look like and the date of the next elections for local union officers
- **Assets and liabilities:** how will the assets and liabilities of the joining local union be transferred and managed, including any bank/credit union accounts
- **Finances:** how and when local financial audits will take place, and local dues requirements and formula

A sample Merger Agreement template for you to use and modify has been included as an appendix in this document. However, if you require further assistance in developing a Merger Agreement, please contact the Unifor Constitutional Department.



Step Four Draft a merger agreement

A Merger Agreement is an important document that essentially outlines the full merger proposal between the locals. While each Merger Agreement will be unique to the locals involved, many may include similar language or clauses around:

- **Local union number:** which number will the amalgamated local take
- **Administration:** the date in which the merger will come into effect, which by-laws (and amendments) will the



Step Five Present a proposal, and full information, to members for approval

Once a proposal and Merger Agreement is crafted, it is vital that a meeting is called and that the merger proposal and

agreement is presented to members for discussion, debate and a membership vote. Members will expect to receive full information about the decision-making process. Local leadership will also need to explain how the proposed merger would benefit the members and how many (if not all) of the potential challenges will be managed.

Members will expect to know how a merger will affect existing democratic structures, representation (including among elected members of the Executive Board), committees, delegate entitlements to councils and conventions, and other matters. Members may also be eager to know what a merger will mean for resources like office space, financial assets and liabilities, staffing and other details. It is important for local union leadership to anticipate these and other questions before a presenting a formal proposal and come prepared to answer these questions.

Members' questions and concerns may require follow-up discussions with the partnering local union before approving a final draft.

In organizing a special membership meeting, it is recommended to provide at least 14 days of notice and to hold the meeting at a location that provides for maximum participation of the membership.

While a simple majority membership vote (of those present) is required in order to proceed with any local union merger, we do recommend that members vote by secret ballot with clear, easy to understand language that spells out the intentions of the two local unions.



Step Six **National Executive Board** **approval of merger** **application**

Once the membership has approved the merger, the final step is for the Merger Agreement to be brought to Unifor's National Executive Board for review and approval. A notification of approval will go to the local coming from the National President's office.

Merger Success Stories: Local 1524 and Local 1106

In Kitchener, Ontario, Local 1524 and Local 1106 already had developed an existing relationship by sharing a common union hall space (owned by the national office) in order to save on rental costs. Despite coming from very different sectors, Local 1524 in manufacturing (with approx. 850 members) and Local 1106 in healthcare (with approx. 3,200 members) both groups worked well together. The continued decline in the manufacturing sector however had taken a toll on the membership of 1524.

Doubts later began to rise as to the future of the Lear plant, the closure of which would negatively impact the local members at 1524. The leadership became increasingly concerned with their ability to maintain the resources necessary to continue participating in national union meetings, educational workshops, events and conferences. The leadership of both locals discussed the potential of a formal merger of 1524 into Local 1106 and reached out to the Area Director to receive assistance in drafting a Merger Agreement. The proposal was brought forward to the membership of each local for review.

The biggest concern raised by members was around the differences between the two sectors (manufacturing and healthcare) and how it may impact the overall functioning of the local and servicing. To overcome this challenge, steps were taken to have two service representatives with a healthcare background, and one from a manufacturing background put into place to assist the local. The local's by-laws were also amended to reflect this change of having a combination of servicing reps from both sectors.

"We overcame member's fear of the unknown by talking to them, acknowledging their concerns, and finding appropriate solutions that worked for everyone. In the end, the merger of the two locals was seamless and we are able to continue supporting our members in being engaged in the overall work of the Union."

- Bill McLachlan, Local 1106 President

Merger Success Stories: Local 2098 and Local 200

In the region of Windsor-Essex, Local 2098 was struggling after a particularly difficult round of contract bargaining with its main workplace, Diageo. With a shirking membership (hitting close to 130 members) and reduced resources, the local had already initiated discussions with another area local, Local 200, on ways they could share resources, such as office space and support staff. The President of Local 200 (with almost 2,000 members) approached the leadership of 2098 to discuss the possibility of a merger.

After a few months of discussions with respective local leadership, a Merger Agreement was drawn up that included pieces that Local 2098 felt it was critical to protect should a merger proceed. This included language around their retirees' chapter and the locations of their membership meetings. The national office was also consulted on how to deal with local finances during a merger.

The proposal was then brought back to the membership for their input. Some Local 2098 members expressed concerns that this was a takeover by Local 200 that would result in not only a complete loss of identity for local members, but losing control and autonomy in local affairs. Concerns were acknowledged and reassurances were made that this was not a takeover and that Local 200 was in no way going to interfere in how 2098 contracts would be bargained. The vast majority of members eventually voted to support the merger and final approval was given by Unifor's National Executive Board.

"It is important to stress that mergers are not takeovers. While smaller locals have a lot to gain by merging, larger locals also stand to greatly benefit by gaining knowledge of an entirely new sector and learning new perspectives and strategies around bargaining and how to represent members."

- Dan Lacey, Local 200 Unit Chairperson (Diageo)

Local Union Merger Agreement Template

Merger Agreement

between

Unifor Local 123

and

Unifor Local 456

Purpose of this Agreement

- Unifor Local 123 and Unifor Local 456 entered into discussions regarding the merging of Local 123 and its members into Local 456.
- Subject to National Executive Board approval, the following are the terms of the merger which shall be completed immediately after the National Executive Board approves the merger:

Part 1: Administration

1. Members of Unifor Local 123 will become members of Unifor Local 456 and will be bound by the By-Laws and policies of Local 456 and the Constitution of Unifor.
2. Members of Unifor Local 123 members will not be required to pay Local 456 initiation fees.
3. All collective bargaining rights of Local 123 shall transfer to Local 456. Local 456 will notify employers and where necessary make any applications to update bargaining unit certifications to reflect Unifor Local 456 as the bargaining agent.
4. All members will have the same rights and benefits and will be serviced and represented in the same manner.
5. Local 123 will give all records, documents, and files (both hard copy and electronic) to Local 456.
6. Unifor Local 123 Executive Officers will resign their positions no later than the date of the merger. Their resignations are deemed to be freely tendered. No officer may pursue any actions or claims under any statute or otherwise arising from the resignation.

(Note: Not all merger agreements require the resignation of local union officers. In some cases, the receiving local union will agree to expand their Executive Committee to include former officers from the disbanded local. This normally remains in effect until the next local union executive election.)

Part 2: Assets

7. Unifor Local 123 will conduct a final audit, by an independent auditor, to determine the Local's finances prior to the effective date of this Agreement.
8. The President of Local 456 will participate in all aspects of the Unifor Local 123 final audit process as an observer.
9. All current liabilities and assets, including funds and property held by Unifor Local 123, shall become the responsibility of Unifor Local 456 and shall be transferred in full to Local 456. All bank accounts of Local 123 will then be closed.
10. All administrative and fiscal matters will become the responsibility of the Executive Board and officers of Local 456.
11. The members of the former Local 123 shall pay dues to Unifor Local 456 based on Local 456's formula.

Part 3: General

12. A copy of this Agreement was provided to each member at the ratification meeting.
13. In the event a dispute arises about this Agreement or any other matter related to the merger of Unifor Local 123 with Unifor Local 456, it shall be referred to the National Executive Board for final and binding resolution.
14. The Executive and members of Unifor Local 123 voted in favour of merging with Unifor Local 456 on (insert date)
15. The Executive and members of Unifor Local 456 voted in favour of merging with Unifor Local 123 on (insert date)
16. Local 123 and Local 456 will make joint application to the National Executive Board for approval of this merger.

Signed on (insert date, month and year) _____

Authorized by: _____
For Unifor Local 123

Authorized by: _____
For Unifor Local 456

Signature for Unifor Local 123

Signature for Unifor Local 456



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