

Hello Everyone,

June 15th 2009

Chrysler Report

Finally the merger of Chrysler and Fiat is complete so now the work begins as we have a new lease on life moving into the future. After six long weeks of lay-off and some uncertainty, we can now breathe a little easier knowing we finally have a return-to-work date which will be June 29th. The plant is expected to start production on June 29th with all departments up and running.

Things are still changing daily as management sorts out a number of issues pertaining to the resumption of production so I would like to express that what I report today is subject to change.

The expectation is to run all three shifts for the first two weeks (June 29th and July 6th) clearing the 2009 units out of the system and filling the system with 2010 units. (But even that is still up for debate as suppliers push back on a three shift operation. So the running of three shifts starting June 29th may well change in the next few days.) The plant would then shut down for the normal two week period already scheduled (July 13th & 20th). We are uncertain as to what will happen to the third shift at this point, but we can tell you there is tremendous pressure from the supplier plants to reduce the third shift quickly. Most of the supplier plants have already reduced their third shift due to the cost savings and can no longer supply the demand for parts. So with that said, we suspect the third shift will be dismantled rather quickly but we will have to wait until the company confirms the reduction of a shift.

Your plant committee is working on a mass posting season that certainly will be required in order to unwind the third shift. We will put more information out there once we get the timing down on some of the events. As for the buy-outs, we will continue to move forward with the janitor program seeing that it was well on its way, and then we will move into more senior buy-outs for the elimination of the SPA which is in the neighborhood of 185 more. Once we get confirmation of the third shift elimination we will begin discussions with the company for those buy-outs.

Let me spend a minute on “World Class Manufacturing” (WCM) and the high priority it is becoming. The WCM is a Fiat manufacturing program which to be honest is their version of the Chrysler WOM program. In reality both programs are versions of the Toyota production system and companies have been attempting to take Toyota’s system and reproduce it in their manufacturing facilities for years now. The difference between the old Chrysler version and the new Fiat system is the intensity in which Fiat is launching it. Fiat has launched the system in 300 plants around the world, all have their unique culture, and some are better than others.

So with that said, you will see it and feel it the first day back to work and we will continue to give our members as much information about the new program as we can. I believe the more members know about the system the better the understanding.

Last week the company brought the representatives in to roll out the new program. This week the company has brought in the leaders for training so as you can see they are moving quickly. The Fiat management has praised our plant for the work that has already been done in terms of the manufacturing system and believes we can be a world class plant.

It is my opinion the manufacturing system can and does work; one only has to look at Toyota and see that they have been successful in using the manufacturing system to produce good quality vehicles. It takes a commitment from the entire management side and Fiat has stressed with us that they will remove the barriers in their way including members of management who do not change their old ways. I attended a meeting in London recently and the Fiat management in attendance stressed they have removed 100% of management in some facilities. So I look forward to working with the new management in a joint and renewed effort to make our plant a World Class Manufacturing Facility that will produce world class cars and trucks.

In saying that I also expect the company to put as much emphasis on workers’ issues that clearly need to be addressed. The plant three representatives have expressed tremendous frustration over the payroll system which, quite frankly, is a mess. The company outsourced the payroll department to Jamaica over a year ago and since then we have continued to raise problems but to no avail. It has truly become unacceptable. We requested a meeting with the company last November

and just recently met only to be given excuses as to why individual pay problems are occurring. We were also told it is not a WAP problem, that it is corporation-wide. This infuriated us because the company knows there are problems within the system but would rather ignore them in hopes they will go away.

I have made it clear to the company we expect them to fix the payroll issues so we can become a world class manufacturing facility through and through. We will continue to monitor the progress and report back to the members.

Casino Report

As most of you know the passport program has come into effect as of June 1st 2009, and we are seeing the effects of it on the casino floor. It is concerning when we lose 20% of the business overnight. It reminds us of the smoking ban a few years back. The company has not yet called us to a meeting but I certainly expect one is coming. We are hopeful that most people will apply for their passport and business will slowly turn around. We expect the next couple of months to be a little busier as many summer events will be taking place.

City Strike

Unfortunately the City strike has gone on far too long and the end resolve may well be binding arbitration. After having some dialogue with the Mayor, Councilors, C.U.P.E. leadership and some of its members, it is very clear both sides are now stuck in the mud with no apparent way out. At C.A.W. we felt compelled to inform and clarify some of the issues that are responsible for this prolonged dispute that has our great city on the verge of destruction. C.A.W. has always been in the forefront of workers' struggles and this strike is no different, so for the record we are in full support of C.U.P.E. members and their leadership. This is a C.U.P.E. fight not a C.A.W. fight but what it truly is, is an attack on working people in our community that must be defended.

Make no mistake about it the Mayor is attacking workers and is clearly using the tactic of "divide and conquer mentality" which should not and will not be tolerated in this community. An attack on one worker is an attack on all working people so we must respond to the tactics of the

Mayor. Eddie Francis defends his use of these tactics by suggesting all of the community is solidly behind him. It is imperative we send a strong message to the Mayor and city councilors that we cannot and will not tolerate their attacks on working class people. The divide and conquer tactic is clearly dividing our community and has created a very hostile environment for the bargaining process to work.

The bargaining should have been left to those negotiating at the bargaining table; instead the bargaining is now taking place in our city parks and in the media. The Mayor has interfered with bargaining right from the very start of this process. Our city councilors are split on the resolve with no one willing to compromise their position, which is purely politics from their perspective. C.U.P.E. members are in confrontations daily with the general public some even finding themselves in confrontations that cannot be condoned by anyone in a leadership position. There have been a few incidents that certainly were not warranted by striking C.U.P.E members but we cannot condemn the entire C.U.P.E. membership for a handful of bad decisions by aggressive members.

This strike is really all about retirement health care benefits and it is very clear the city is using the current recession to get at the benefits of the working people. But yet the Mayor and City councilors are entitled to benefits for life if they have served four terms in office and if they don't meet the required eligibility they can still purchase them at one half of the prevailing rate. Sounds like we have a two tier system already, one for the working class and one for the upper class!! The Mayor has recently been quoted, as saying the liability cost of post retirement benefits for all city workers is \$291.1 million. What is not explained is this number of \$291.1 million is for the benefits of **all city workers** including the Fire and Police departments along with many other city workers. The Mayor is also not telling you that they have already gone to arbitration with a smaller group of city workers (Huron Lodge Nurses) and attempted to take away their post retirement benefits but lost. The arbitrator ruled they must win the reduction of post retirement benefits through the bargaining process first, so in essence he is trying to take this opportunity of the current recession to get this accomplished even if he has to break the Union and split the citizens of Windsor.

The post retirement benefits have long been a sore spot with companies and it has been a long standing principle of the Union to hold onto such benefits. Even in the latest round of bargaining with Chrysler, GM and the CAW, the companies were demanding our post retirement benefits. If the city is able to accomplish this task during this round of bargaining we can all rest assured the companies will be attacking all collective agreements with post retirement benefits. This would be the City's foot in the door; again it is all about breaking the will of working people. Most people are not even aware C.U.P.E. has recently moved off their original position and agreed to help pay for future hires' health care benefits, but this is not good enough for the Mayor, he wants it all. Now that C.U.P.E. has compromised their position, you must ask yourselves, what are the Mayor and City Councilors doing to find some common ground in order to find a resolve? We need them to come to the table and both sides must be flexible or they will never reach an agreement.

Ken Lewenza, Mike Vince and Rick Laporte met with Mayor Eddie Francis on the morning of Friday May 29th unfortunately it turned out to be a very short meeting but it was clear Mayor Francis was not interested in true negotiations nor was he interested in arbitration it seems he was only interested in his way or the highway. The problem now becomes much different as the Mayor indicated to us he was very disappointed with the picketers coming to his home. Mr. Francis has now declared war on these workers because they made the issue personal by picketing around his home. The Mayor's leadership is certainly questionable as we move into the future; you cannot take these issues personal without there being some lasting effects which will certainly interfere with the positive advancement of the City of Windsor.

It is questionable as to what is being done with all the money that is being saved on this strike. The City of Windsor has the most productive garbage collection system in the province of Ontario, for every time the garbage truck stops in front of your home it cost 75 cents. Most residents are paying \$1.00 a bag to dispose of their garbage. It took the Mayor seven weeks before he opened a place to drop off your garbage for free but was sure to direct the residents past striking members of C.U.P.E. first, just another union busting tactic being used by the Mayor and councilors of Windsor. The Mayor was quoted as saying the savings would amount to \$300 thousand a month in city savings, he also claimed he would reimburse citizens their tax dollar savings at the end of the

strike. We find it absolutely remarkable that the City of Windsor is going to charge citizens to ride on the Windsor transit system on fireworks nite unless a sponsor is found in light of all these savings the City is accumulating.

The Mayor has been putting a spin on the strike since day one and again he is using the divide and conquer tactic not only with striking workers and citizens but all unionized workers in Windsor and Essex County. The Mayor has publicly announced that people should not be cutting the grass at parks or other city property but he has never enforced the city bylaw prohibiting the cutting of grass on public property. At best he has sent out mixed messages to the general public which in turn could certainly lead to a confrontation with workers. Is it done by design? Again the tactic of divide and conquer is hard at work here and they are trying to undermine the working class and we cannot tolerate these tactics. This Mayor and city councilors are leading us down the wrong path today and we will be hard pressed to see them leading us in the future. There is only one answer to this ongoing struggle and that is an independent arbitrator to come in and make the final decisions on unresolved issues. C.U.P.E. has already agreed to this process, the Mayor has absolutely refused to look at this option as a resolve. He will have you believe this is about controlling his own destiny, it's about a "Windsor made solution", well a Windsor made solution is not about "divide and conquer" it's about building relationships with community partners.

It is time to end this strike because if no resolve can be found soon, this struggle will only escalate further to the point of no return. Binding arbitration does not mean "giving up the farm" as the Mayor would have you believe, arbitration is a fair process using impartial third parties who have no vested interest with either side. The problem the city politicians will have if they allow it to go to arbitration is simple, they believe they will lose their bid to strip workers of post retirement benefits and then the public will question the legitimacy of a lengthy strike. This strike is not about bargaining a fair and equitable agreement it is about breaking the will of working people and their collective right to bargain an agreement that takes into consideration the future of working people. Please contact your city councilors now and insist they vote for binding arbitration for a resolve to the conflict. C.U.P.E. is prepared to allow an independent arbitrator resolve the outstanding issues but the Mayor and city

councilors will not move from their position putting this entire city at future risk.