

Report to MFL Executive Council – Feb 22 & 23, 2010

TEAM-IFPTE Local 161

Key issues facing TEAM-IFPTE Local 161 members

- **Pension:** On January 19, 2010, the Manitoba Court of Queen's Bench ruled in favour of the MTS Pension Plan members by requiring MTS Allstream to return to the plaintiffs what now amounts to approximately \$100 million dollars, and also governance of how these funds will be utilized. This ruling represents a vindication of the plaintiffs (TEAM, CEP, IBEW, and retirees) rightful claim to the initial surplus.

The judge did not provide the plaintiffs with any meaningful control over the pension plan, raising serious concerns from the three unions.

Lawsuit timeline:

Jan 07, 1997	–	MTS Privatized.
Jan 01, 1998	–	MTS started five year plus contribution holiday.
Jun 25, 2007	–	Court of Appeal rules lawsuit can go to trial.
Apr 29, 2008	–	Trial begins.
Feb 17, 2009	–	Closing arguments.
Jan 19, 2010	–	Judgment delivered.

Next steps:

MTS Allstream has publically stated that it will appeal the decision; the plaintiffs will fight the appeal. MTS stated that they have strong grounds for appeal, but then again, for years leading up to this decision they have been reporting to investors that "we believe that it is unlikely that the plaintiffs will be successful". An excerpt from the decision:

"(483)Ultimately, the initial surplus resulted in a financial status for the New Plan which enabled MTS to take contribution holidays for several years after the plan's inception. That was precisely what they and the Government agreed not to do and what they told the employees/retirees would not happen."

The cost to fight the appeal is in the region of \$500,000.

The full 170 page decision is available on TEAM's website at:

<http://www.teamunion.mb.ca/renderpage.php?cat=news&subcat=pension&id=269>

- **Negotiations:** TEAM begins negotiations with the Company on Wednesday, February 24th. TEAM will be seeking to protect against a reduction in the future accrual of benefits for Defined Benefit Pension Plan members, and a commitment that no TEAM member will be forced out of the DB Plan and into the Defined Contribution plan.

Other issues TEAM will take to the table include: work overload, stress, bullying prevention, health benefit improvements, expedited grievance and arbitration process, career opportunities, plus a number of proposals related to pay levels.

Submitted by,

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