

AMICUS AND THE CMA SECTION
REPORT ON THE CURRENT DIFFERENCES BETWEEN THE AMICUS NEC
AND THE CMA SECTIONAL EXECUTIVE COMMITTEE
AND
THE COMMENCEMENT OF CONSULTATION ON THE FUTURE OF THE
CMA SECTION WITHIN AMICUS

This report aims to explain the background to the difficulties which currently exist between the Amicus National Executive Committee and the CMA Sectional Executive Committee.

It is also the start of a consultation process with you about the future, both in terms of what lies in front of the Amicus membership as a whole, and about how we intend to overcome the present difficulties to ensure the continued provision of the highest levels of service, support and representation to all members, particularly those of you in the CMA Section who work for Royal Mail.

To begin with it would be helpful for you to have some understanding of the recent history of the relationship between the CMA Section and Amicus.

Background

Under the Instrument of Transfer between the CMA and the former MSF, the CMA Section as it became enjoyed the benefit of some extremely generous terms. In essence they were allowed to keep all of the assets of the CMA in a reserved fund for a period of five years from the effective date of transfer, and thereafter to retain ownership of the property known as CMA House in Twyford, and any funds arising from its sale or use. These very generous terms included separate members benefits and separate contribution rates (including a levy above the general Amicus rates) for a period of five years.

On the fifth anniversary of the effective date of transfer (unless the CMA Section was otherwise wound up and the transfer negated) the Instrument of Transfer provided for all of the assets of the CMA Section (other than the CMA House and any proceeds from it) to be transferred to the trustees of the former MSF.

Current Dispute

At the time of the fifth anniversary the MSF were in the transition period of the merger with the AEEU, and despite the very clear provision of transfer the CMA assets were not moved across into the MSF Funds. This omission did not alter the right that MSF had to claim the assets of the CMA Section to itself (for the common use in pursuit of benefit of all its members including those members of the CMA Section).

That is not to say the assets of the CMA Section would be subsidising other Amicus members. Currently the opposite is the case as the general funds of Amicus from non-CMA members pay for most CMA activities, including payments towards CMA House's bills, rates and maintenance, far in excess of the income that CMA House brings in.

When the MSF and AEEU merger concluded with the birth of Amicus, all rights to the control of ex-CMA assets passed to Amicus (as inheritor of all MSF rights), in accordance with the terms of the transfer agreement. The CMA Sectional Executive Committee is challenging this situation and has engaged both the Government's Certification Officer and a private firm of solicitors, to press their case at great expense, both to any remaining CMA assets, and to Amicus.

All manner of arguments are being used but the undeniable fact (according to a senior QC engaged by Amicus) is that there is no basis whatsoever for the CMA Section to retain control over its assets following the expiry of the five years transition period.

The CMA Sectional Executive Committee is engaging in what appears to be a pointless and hugely expensive exercise. A complaint was lodged with the Certification Officer, mainly regarding the change of arrangements for access to CMA funds. Amicus were happy to fully co-operate with the Certification Officer on this, and to abide by any decision the CO may have made on the interpretation of our Rules.

Rather than pursuing this relatively quick and inexpensive option, the CMA Sectional Executive Committee have acted in an intransigent and belligerent manner by pursuing arguments and side issues which have resulted in a further waste of the members money in terms of the costs involved. The union has been subjected to a torrent of faxes and letters (often 2 or 3 per day) from solicitors engaged by the members of the CMA Sectional Executive Committee, until we offered to fund a Court action to have a declaration of law made in the Chancery Division of the High Court.

The Certification Officer asked to see draft pleadings in the action to help him decide how or whether he should proceed pending the outcome. Amicus sent draft pleadings both to him and to the CMA Sectional Executive Committee inviting them to come back to us with any points within a set period before proceedings were issued. Instead of welcoming Amicus' offer to fund the declaration of law proceedings in this way, the CMA Sectional Executive Committee instead issued its own (different) court proceedings without notice to us, and the day before our deadline for their response had been received. The method of court action the members of the CMA Sectional Executive Committee have chosen to pursue will be slower and more costly than that proposed by Amicus, and we believe that the Court will also penalise the CMA Sectional Executive Committee with a costs order for the unco-operative way they have approached the proceedings.

Changes at CMA House

You may be aware that Amicus officers and staff are no longer working from CMA House. This was necessary because members of the CMA Sectional Executive Committee had been placing Amicus employees in an impossible situation by instructing them to disobey instructions given by Amicus. No employees have been dismissed. Some are working from other offices; some are working from home, and others are on paid leave pending alternative working arrangements being established. We are actively seeking alternative office facilities locally, but in the mean time we are endeavouring to maintain a full service to CMA members. This has been impeded by the CMA Sectional Executive Committee blocking redirection of the mail, which had been initiated by us to ensure that Amicus employees could fully respond to any matters raised by CMA members by post.

You may also be aware that we had difficulties in collecting recent direct debits. This was due to a technical problems arising from the relocation arrangements for Amicus employees from CMA House, combined with the fact that the CMA Sectional Executive Committee have not shared the membership database with Amicus Head Office. As a consequence it is regrettable that their actions have disproportionately impacted on those CMA members with direct debit arrangements.

CMA Sectional Executive Committee Structure and Cost

When you consider that the funds the CMA Sectional Executive Committee are anxious to retain are used mainly to finance their own meetings, held virtually every month over a period of two to three days at a time, with overnight accommodation for the same period having to be provided in a hotel, you might question whether this is a practice worth defending at great expense.

The CMA Sectional Executive Committee is made up of 10 men (despite the CMA membership being 65% women) all of whom are allowed full time secondment by their employer (Royal Mail) to carry out trade union duties. Nevertheless, despite this level of freedom from the day-to-day rigours of the job, they say they still require 3 days exclusively to meet together to 'sort out' CMA business (a function which all our other industrial, occupational and professional sectors manage with great success without the need for meetings of such frequency or duration).

In contrast the National Executive Committee of Amicus meets either monthly or bi-monthly (as necessary), for one day only, to deal with the business of over one million members. All the members of the Amicus National Executive Committee are lay activists, meaning they have no full time release. The other industrial, occupational and professional sectors of Amicus, many of whom have more than double or treble the membership of the CMA Section, do not have or require their own regular sectional executive meetings, but nonetheless receive highly effective service and support from the wider Amicus structure. In that respect it is extremely difficult not to conclude that 10 people meeting every month for 3 days at a time to deal with the business of a section with just over 12,000 members seems a little excessive.

It is arguable that if the CMA Sectional Executive Committee were to spend less time on meetings this could potentially free up something in excess of 300 additional days for them to service the members they are seconded to represent. Taking into account holidays and weekends, this would be the equivalent of well over one additional full time officer working for one year.

If the CMA Sectional Executive Committee wishes to continue to meet in the manner to which they have become accustomed, then there is no reason why they should not continue to do so out of their own assets (i.e. raised against CMA House). However, it is difficult to justify the subsidising of this unnecessary arrangement from the general funds of Amicus, or from an additional levy on contributions from you, the CMA members.

Conflict of Interest

The first tremors of dissent from the CMA Executive arose when the Amicus National Executive Committee set standard expense rates for all lay members, including mileage rates. The new rates were fair and were designed to cover costs, but were not intended to allow claimants to make a profit on their expenses claims. A full list of the past expense claims of the CMA executive members is available.

Members of the CMA Section may wish to question whether their Sectional Executive Committee has a conflict of interest in using not only the funds of the CMA Section, but the general funds of Amicus and the membership as a whole to fight for an expenses regime, which appears to have been openly referred to by some as a source of additional income (albeit not sanctioned as such by CMA or Amicus members).

Review of Groups and Associations

There is however a more fundamental point to all this. The Amicus Rules Commission, when drawing up the new rule book which was finally adopted by the Rules Conference in June 2003, foresaw the need to create equality between all members and to dispense with the various sectoral differences and thus they included Rule 14 to allow for a review of Groups and Associations within the union.

Rule 14 of the Amicus Rules gives the National Executive Committee the right, following consultation, to alter the pre-existent structures of a sector or group (of which the CMA is but one) to reflect the core structures of Amicus as voted for by the rules conference. This does not mean a loss of the opportunity for the members of the CMA Section to meet, in line with all the other industrial, occupational and professional sectors, to consider issues specific to CMA Section. Instead it would open up the opportunity for working representatives, and not just seconded representatives to participate, e.g. through a sector advisory committee, or other structure provided for under the Rule Book.

There have been attempts to consult with the CMA Sectional Executive Committee about this but to little avail. Arguably, it could be said that the CMA Executive Sectional Executive know they are onto a good thing, and are not prepared to give it up without engaging in a fight at the expense of the membership as a whole. Perhaps grasping at any straw, they now ignore all of the consultation meetings, and claim there has been no consultation and that Amicus is riding roughshod over the CMA membership. In any event the Amicus leadership feel that genuine consultation directly with you as Amicus members of the CMA Section is now imperative.

It is questionable whether all the Amicus members of the CMA Section have been given the full picture about what has been going on. Nor is it likely in our view that Amicus members of the CMA Section would consider an argument about expenses and meetings of a Sectional Executive Committee, or whether there should be an annual conference lasting two days or four days, more important than the need for the union to focus on and represent their interests at a time when job security and increasing workloads are causing them so much anxiety.

Reduction in Contribution Rates for CMA members

If the structure of the CMA Section is finally brought in line with the general Amicus rules, structure and benefits, then Amicus would be able to deliver the same resources, service and level of representation to CMA members as it does to all the other industrial, occupational and professional sectors at the normal Amicus contribution rate of **£2.12** per week (or less for certain categories), and at the same time do away with the additional levy which Amicus members of the CMA Section are currently required to pay under the old CMA rules.

The Future

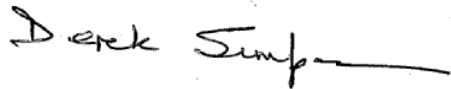
The threat of job losses in Royal Mail remains, and if they do come the impact on the membership in the CMA Section may be disproportionately high. Thousands of CMA members risk losing their jobs.

Amicus will naturally do all it can to minimise and avoid the impact. The current Minister responsible for Royal Mail is actually an Amicus member, and whilst there can be no favouritism it will help to ensure we get the opportunity to put our case to the person responsible. Amicus will use all its organisational, industrial and political weight to defend our members in the CMA Sector, and will continue to provide the representational resources in terms of dedicated full time officers and service as required. The ability to utilise our considerable political influence as Amicus on behalf of members of the CMA Section far outweighs anything that the CMA Sectional Executive Committee thinks they can do, or the old, autonomous CMA, could deliver.

It is clear, therefore, that the actions and activities of the old CMA Sectional Executive Committee will only serve to frustrate Amicus' ability to protect members not only in Royal Mail, but also in their outsourced operations. Whilst their actions are unlikely to alter the eventual result they will waste a huge amount of time and money in the process, as well as creating unnecessary divisions within the membership at a time when we need to be united and focussed on the external threat.

Both the Amicus National Executive Committee, and I, would like to receive your views on the real issues involved, and on how you see the future as a member of the CMA Section playing a full and integral role as part of Amicus.

You can write to me at Hayes Court, West Common Road, Hayes, Bromley, Kent BR2 7AU. Please mark your envelope 'CMA Consultation'. Alternatively you may email your views at: 'CMA.sector@amicustheunion.org' (*without the quotation marks*). Also, if you have any employment related or membership queries, then please telephone: 0845 850 4242

A handwritten signature in black ink that reads "Derek Simpson" followed by a horizontal line.

Derek Simpson
General Secretary