

Quebec union bosses live it up

By: Graeme Hamilton / The National Post – March 20, 2009

MONTREAL -- Solidarity is a watchword for the Quebec Federation of Labour, the province's largest federation of trade unions. Its investment fund is called the Fonds de solidarité (Solidarity Fund), and its members can be relied upon to chant "So-so-so-solidarité" whenever they protest.

But those fraternal ties have been frayed by recent revelations involving senior union officials. The director of the QFL's construction wing, Jocelyn Dupuis, was shown the door last fall after he rang up \$125,000 in expenses in the space of six months. The president of the QFL, Michel Arsenault, confirmed last week that Mr. Dupuis' name had also surfaced in a police money-laundering investigation involving organized crime. Then Mr. Arsenault himself was put on the defensive following reports that he carried on a cozy relationship with a major Quebec developer.

The scandal comes 35 years after vandalism by unionized construction workers on the James Bay hydro-electric development prompted a provincial inquiry known as the Cliche commission. The commission, which helped launch the career of Brian Mulroney, a lawyer at the time, uncovered corruption and organized-crime links in the province's construction industry. Now some are saying it is time for a fresh inquiry.

Mr. Dupuis had been director of the QFL's 70,000-strong construction wing for 11 years. Trained as a crane operator, he grew up with simple tastes on Quebec's North Shore.

But a Radio-Canada investigation broadcast this month showed how Mr. Dupuis had come to appreciate the finer things. Reporters obtained his expense claims from December, 2007, to May, 2008, and found he had been reimbursed by the union for \$125,000, including \$110,000 in restaurant expenses. He dined regularly at the flashy downtown Montreal restaurant Cavalli, where he spent nearly \$25,000 in two months, and he thought nothing of ordering \$200 bottles of wine.

Radio-Canada also uncovered that some of the receipts he submitted appeared to have been falsified. For example, he claimed expenses for a meal costing \$681 from a greasy spoon. At another restaurant his handwritten receipts were always signed by a waitress named Claudette, but the restaurant said it employed no waitress by that name.

Ken Pereira, the head of a construction union local, brought the expenses to the attention of the QFL executive. The executive responded by voting to expel the whistle-blower, a decision they later reversed. But Mr. Pereira said he has received threats, and he is living under police protection.

One of the people Mr. Dupuis entertained regularly, according to his expense claims, was Raynald Desjardins. Mr. Desjardins, once described by police as the right-hand man of Mafia boss Vito Rizzuto, was released from prison in 2004 after serving two-thirds of a 15-year sentence for a failed plot to import cocaine.

Mr. Desjardins told *La Presse* that he and Mr. Dupuis are friends. He said he abandoned the criminal life after being granted parole, and he started a construction firm drawing on Mr. Dupuis' advice. "He remains my friend, no matter what happens," Mr. Desjardins told the newspaper.

La Presse also reported that Mr. Dupuis had come to the attention of the Sûreté du Québec during an ongoing investigation into money-laundering by biker gangs. After the controversy erupted this month, Mr. Arsenault confirmed to *Presse Canadienne* that the police investigation was a factor in Mr. Dupuis' departure last September. (He reportedly received a \$140,000 severance payment.)

"A retired RCMP officer that I've known for a very long time informed me that Jocelyn Dupuis was under investigation in a case of money-laundering related to biker gangs," Mr. Arsenault said. He added last week that the union will seek to recover any unjustified expenses claimed by Mr. Dupuis, and in a message to the QFL's 500,000 members assured them the union "will not tolerate any infiltration of organized crime within its ranks."

Mr. Arsenault suffered another embarrassment when news broke that he and a colleague from QFL-Construction spent a week in the Caribbean last December on a luxury yacht owned by construction magnate Tony Accurso. Mr. Accurso has long-standing ties to the QFL, going back to the construction of the union's Montreal headquarters. The Fonds de solidarité has invested \$250-million in Mr. Accurso's companies over the past 20 years, according to a Radio-Canada report.

Mr. Arsenault denied that there was anything improper about his holiday, but in a statement on Monday said he plans to change "the way in which I manage my personal activities in order that the duty of discretion demanded by my job is respected."

Writing in *Le Devoir* last Saturday, former political advisor Éric Duhaime argued that it is time to update Quebec labour laws and remove the requirement that all construction workers belong to a union. "With the recent revelations, the time has come to look after the well-being of workers rather than of the union leaders. ... A modern-day Cliche commission is needed," he wrote.

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