



# G S U

## N e w s

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2002 / Issue 6

## Local 3000 pension dispute settled

**On December 17, GSU Local 3000 members voted to approve a letter of understanding settling most, but not all, of their pension plan dispute with their employer, Dawn Food Products (Canada) Ltd.**

The December 17 vote capped a 27-month dispute involving the unions (GSU Local 3000 and UFCW Local 343P-2) and CSP Foods (Sask. Wheat Pool)/Dawn Foods (which purchased CSP from SWP in February 2002).

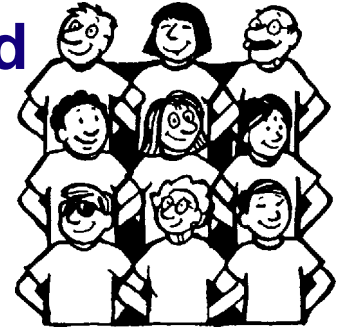
The pension dispute began in September 2000 with a unilateral decision by Sask. Wheat Pool management to take a pension contribution holiday rather than use investment surpluses to improve pension benefits. Both the employers and the employees participated in the contribution holiday.

GSU and UFCW commenced grievance action and a Court of

Queen's Bench challenge to SWP's actions prior to the sale of CSP Foods to Dawn Foods.

"Perhaps it is a telling commentary on why SWP is in the situation it finds itself in," said GSU General Secretary Hugh Wagner. "The settlement approved by GSU and UFCW members on December 17 was offered to SWP before its sale of CSP Foods to Dawn Foods closed, but management ignored the offer."

After the CSP sale, the new owner was content to continue the



*Unity is Strength*

contribution holiday in the belief there was an excess surplus in the pension fund. However, in nine months, the swings of the stock markets changed the situation dramatically.

*(Continued on page 3.)*

## Constitution, Defense Fund resolutions approved

**The 2002 annual meeting vote results have been tallied. The result is something old and something new for GSU in 2003.**



### New GSU Constitution approved

A majority of 90 per cent of GSU members in attendance at 2002 annual meetings voted to approve an overhauled union constitution. As a result, on January 1, 2003 GSU will have a representative structure based on locals comprising members in designated areas/districts.

The dramatic change in the building blocks of GSU promises a streamlined administrative structure

while maintaining members' bargaining unit autonomy. Between February 1 and February 28, 2003, GSU's 16 new locals will hold their founding meetings, elect new officers, and begin the work of the union anew.

GSU members will receive ample advance notice of the new Locals' first meetings. Every member is encouraged to attend a *(Continued on page 4.)*

Check us out online!  
[www.gsu.ca](http://www.gsu.ca)



**Employee Advisor Training continues (page 4.)**

## Upcoming Events

- ✓ *Prairie School for Union Women - March 18 - 22, 2003 - Fort San.*
- ✓ *January 22 and 23, Arbitration of GSU Policy grievance on Sask. Wheat Pool sick leave policy.*
- ✓ *Founding meetings of 16 new GSU Locals begin February 10, 2003. Watch your mail and the GSU website for a meeting notice and meeting locations!*



## GSU News

- **Our Email Address**  
gsu.regina@sk.sympatico.ca
- **Our Web Page**  
www.gsu.ca
- **Our Fax Number**  
306•565•3430
- **Our Street Address**  
2334 McIntyre Street  
Regina, SK S4P 2S2
- **Our Request**  
Please notify us if you change your address!

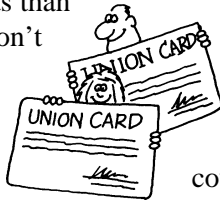


Sent to press Dec. 23, 2002

# Labour's world

## Union card worth \$12,812

Union members in the U.S. average \$5,241 more a year in pay and \$7,571 more in benefits than workers who don't have a union. The average economic value of a union card to the nation's 16 million union members was \$12,812, according to the U.S. Department of Labour. *UCS / CALM*



## What's the cost of corporate fraud?

If it was discovered that people on welfare had ripped \$2 billion off taxpayers, how big would the headlines be? Of if they caught people on UI sneaking \$60 billion out of the country without paying taxes, how loud would the outcry be?

Yet that's exactly what corporations and the banks have done in recent months. And the fraud has gone almost ignored. The federal Science Research Tax Credit was supposed to cost taxpayers \$100 million, but eventually cost \$4.2 billion. Of this, \$2 billion was fraudulently claimed and will probably never be recovered. The reporting? A quarter-inch headline in the Ottawa Citizen announced, "Revenue Canada ready to close book on \$4.2 billion fiasco -- biggest tax loss in history."

(Did you miss that one?)

And in May the Financial Post reported that "Billions of dollars slip offshore undetected." Banks and corporations ship money out of the country without telling the government, thereby avoiding taxes. (Did you miss the media campaign against corporate and bank fraud? So did we.) *ELP / CALM*

## The old heave-ho

The list of terms used to describe getting fired continues to grow -- as does the number of workers who are victims



of "indefinite idling," "skill mix adjustment," and "chemistry changes." A recent New York Times article referred to a "requested adjustment" -- requested by the boss that is. How about "coerced transition." That must be fun. Or "selected out." Sounds like the stock-yards, doesn't it? Plus the ever-growing list beginning with the letters de -- as in "decruted," "degrowing," and "deselected." It's downright despicable! *CALM*

## Working facts

- 360,000 Canadians hold down two or more jobs
- Three million Canadians work shifts
- One million Canadians work Saturdays, and 500,000 work Sundays
- Two million Canadians are subject to on-the-job electronic surveillance to monitor their work habits
- Women hold 72 per cent of the lowest-paying jobs in Canada and 20 per cent of the highest-paying jobs. *CALM*



## Best Wishes

for health, happiness and prosperity in 2003 from the Officers and Staff of Grain Services Union.



## Pension dispute settled

(Continued on page 1.)

The letter of understanding approved by the GSU Local 3000 and UFCW Local 343P-2 members provided the following:

1. Effective Jan. 1, 2003, company contributions to the Plan will rise to 6.9 per cent of employee earnings, and employee contributions to the Plan shall rise to 5.6 per cent of their earnings. (This is based on the current assumption from the actuary that contributions will have to increase to 12.5 per cent. Should this percentage change based on the valuation at Dec. 31, 2002

contributions would be adjusted accordingly.)

It is agreed that once the Plan's solvency deficiency has been remedied that

contributions will revert to their normal levels of 5.2 per cent and 4.2 per cent respectively.

2. There will be an actuarial valuation effective Dec. 31, 2002, and each year thereafter until otherwise agreed to by the Company and the Unions. The costs of such valuations shall be borne by the Plan.

3. **All future surpluses in the Plan as identified by the actuary shall be utilized exclusively to improve the pension benefits provided by the Plan to the extent deemed to be prudent by the Plan Trustees on the advice of the actuary. Improvements to pension benefits will be implemented only if deemed to be sustainable on an ongoing and solvency basis by the Plan actuary.**

4. In the case of future deficiencies which can be attributed by the Plan actuary to the implementation of enhanced

benefits over and above those currently offered by the Plan, it is understood that the Company's contribution will not exceed 5.2 per cent of employee earnings.

5. Improved pension benefits to be provided by the Plan shall be implemented in accordance with paragraph number 3 above, in the following order of priority:

- a) implementation of an Early Retirement Bridge Benefit,
- b) implementation of a Rule of 80 retirement threshold,

c) such other amendments as deemed to be prudent and beneficial for employees participating in the Plan.

6. Ratification: The Unions agreed to recommend full acceptance of all of the foregoing to their members.

"The settlement approved by the members does not settle the grievances or lawsuit over the employers' actions," Wagner said. "It does, however, signal a new beginning in the pension bargaining relationship with Dawn Foods."



## AgPro locals chalk up arbitration win

On January 9, 2002 GSU launched grievance action on behalf of union members working at the AgPro terminal elevators in Saskatoon (Local 4000), St. Boniface (Local 4500), and Moose Jaw (Local 5000).

The grievance challenged the Employer's decision to stop making and deducting pension contributions on employees' overtime earnings.

The Employer's action and the grievance occurred after the employees in the three GSU Locals agreed to switch from a defined contribution pension plan administered by Great West Life to the Sask. Wheat Pool and Affiliated Companies Accumulation Pension Plan.

Under the employees' former pension plan, pension contributions were made on regular pay and overtime pay. Under the new plan the employer stopped calculating pension contributions on employees'

overtime pay. GSU grieved that the change introduced by the employer had not been bargained or agreed to by the parties. The Arbitrator awarded in favour of GSU.

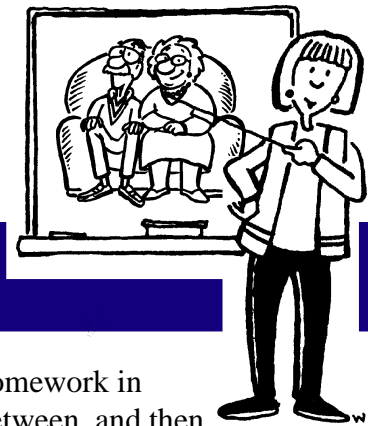
GSU's grievance was heard on June 19.

**The Arbitrator's decision, which was received on December 4, says at the end of the 16 page award :**

**"In the result, the grievance is allowed and there will be an order that the previous practice of calculating and remitting employer/employee pension plan contributions on basic compensation, including overtime, be reinstated retroactive to July 1, 2001 or whatever date the AgPro employees commenced participation in the Accumulation Plan."**

GSU representatives are talking to management about implementing the Arbitrator's decision.

# Employee Advisor Trainees focus on SWP/GSU Pension Plan



*"I learned more about our pension plan in the first morning of this course than I knew from all my years as an employee."*

That's what one participant in GSU's Employee Advisor training program said Dec. 12 at the start of Module 2 on pensions.

Nine GSU members from Local 1000 (SWP-Operations) started the Employee Advisor training program in October. They will attend five training modules, each of which lasts for two and a half days.

Module 2, which ran from December 11-13 focused on the SWP/GSU Pension Plan. Participants learned how the pension plan evolved, what its key features are, and how to calculate basic pension benefits.

"Many members don't know they are guaranteed a pension for life or that their monthly pension cheque increases every time there's an annual increase in the unit benefit," said Adriane Paavo, the GSU staff representative who designed the training program. "Many members don't understand what 'commuted value' means or understand what they get if they take their money out of the pension plan."

Employee Advisors who take the pension module will not be giving investment advice or telling GSU members what choices to make about their pensions. "But they can help members understand the basic principles of the pension plan,

correct misunderstandings, and point out what Union members should be considering when they decide what to do with their pension," Paavo said.

## New training session starts in 2003

Another group of participants will be starting the Employee Advisor training program in early March 2003. "Two spaces are filled already, but there is still room for another 10 members," said Paavo.

Participants must be members of Local 1000 (SWP) and must be at least five years away from retirement. They must be willing to attend all five training modules, do some internet-based

homework in between, and then act as an information source and problem-solver in their facility or area.

The Employee Advisor training program is funded by the Training Trust Fund, which is jointly administered by the Union and SWP. While Fund activities are usually restricted to Operations employees, the board of directors has agreed that some Offices employees can take the 2003 round of training.



**If you are interested in finding out more about the Employee Advisor course or to sign up, talk to staff representative Adriane Paavo at 306.522.6686 ext. 224 or at [gsu.paavo@sk.sympatico.ca](mailto:gsu.paavo@sk.sympatico.ca).**

## Constitution, Defense Fund resolutions approved

*(Continued on page 1.)*

meeting, participate to the fullest, and to run for office in the new GSU.

### Defense Fund Vote

A majority of 83.3 per cent of GSU members in attendance at 2002 annual meeting voted to approve continuation of additional union dues to the union's Defense Fund. The additional dues will be reviewed again at the fall 2003 annual meetings of the union's locals.

The GSU Defense Fund is financed by additional dues of 1 per

cent of each member's/employee's regular pay to a maximum of \$10 per member/employee per month. Currently the Defense Fund has assets of \$2.8 million.

In related news, on December 19, GSU's Joint Executive Council elected the following members to a one-year term as the Board of Directors of the GSU Defense Fund:

- Blaire Temple (Local 1000)
- Brent Pelechaty (Local 1000)
- Brian Janssen (Local 1000)
- Bryan Hammer (Local 1000)
- Michelle Houlden (Local 1200).