



# G S U N e w s

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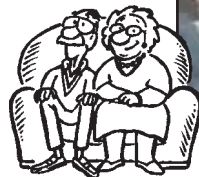
2005 / Issue 3

## GSU Local meetings a success

**Nearly 500 GSU members, retirees, and spouses attended eight union local meetings held throughout Saskatchewan from June 13 to 23.**



Normally a roster of 13 Saskatchewan meetings would have been held, but elected officers decided to hold combined functions in recognition of the crowded union agenda and the busy time of year for all members.



*Hugh Wagner answers questions on the SWP/GSU Pension Plan at the June 13 meeting in Regina.*

Each meeting began with a brief report on union administration and finances, plus bargaining and organizing projects. The annual report of GSU's Joint Executive Council was distributed at the meetings. Members who were unable to attend the meeting can read/download the Council's annual report on GSU's web site or ask to be mailed a copy.

Brief survey questionnaires were also distributed at the meetings as members were asked to identify their top priorities for GSU in the coming months. The survey results will be published in the next edition of GSU News.

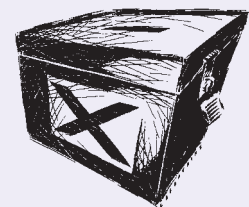
The hottest topic at the eight Local meetings was the financial situation of the SWP/GSU Pension Plan. Former SWP employees who retired from inscope jobs and their spouses/beneficiaries were invited to attend the union meetings to receive a report on the funding status of their pension plan and to participate in a

discussion about alternatives to addressing an impending solvency deficiency in the Plan.

All in attendance received an extensive report on the solvency status of the SWP/GSU Plan, the factors contributing to the solvency problem, an update on pension *(Continued on page 3)*

### WPP employees ratify pension agreement

**In a marked contrast to pension bargaining at SWP, on May 17 GSU members working for the Western Producer approved a new pension agreement with their employer GVIC.**



The pension agreement includes employee participation in a defined contribution pension plan for their service from January 9, 2002 forward (the date SWP sold the Western Producer to GVIC). In return GVIC will pay an additional \$400,000 into employees' pension accounts according to an agreed

distribution method designed to partially compensate employees who are negatively affected by departing the SWP/GSU defined benefit pension plan.

The proposed pension agreement, negotiated between GSU representatives and GVIC over a *(Continued on page 4.)*



**Check our web page for the latest news!**

**www.gsu.ca**

**GSU delegates attend CLC Convention – page 4**

# Calendar of events

Write this down!

- ✓ **GSU / UFCW Local 342P-2 and Dawn Foods pension bargaining** - August 3, 2005.
- ✓ **GSU / SWP Pension Plan bargaining** - August 9, 2005.
- ✓ **GSU and Western Producer bargaining** - August 30 and 31, 2005.
- ✓ **SFL's Occupational Health & Safety Conference** - September 8 to 10, 2005 - Saskatoon, SK.  
Are you interested in attending? Contact the GSU office for more information.



## GSU News

- Our Email Address  
gsu.regina@sasktel.net
  - Our Web Page  
www.gsu.ca
  - Our Fax Numbers  
306.565.3430 Regina  
306.384.1006 Saskatoon
  - Our Phone Numbers  
866.522.6686 Toll-free  
306.522.6686 Regina  
306.384.7314 Saskatoon
  - Our Street Addresses  
2334 McIntyre Street  
Regina, SK S4P 2S2  
  
2154 Airport Drive  
Saskatoon, SK S7L 6M6
- GSU-made!**   
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# Labour's world

## Canadians want socially responsible corporations

Canadians want companies to behave in a socially responsible manner.

A survey conducted by GlobeScan suggests that 92 per cent of Canadians are more inclined to give their business to companies they believe are socially and environmentally responsible.

Meanwhile, 91 per cent prefer working for companies that behave in a socially and environmentally responsible way.

An even higher number of those surveyed (93 per cent) felt social responsibility should be as important to companies as shareholder value.

However, far fewer were willing to give Canadian companies a passing grade. Half of all respondents felt Canadian companies were performing only at an average level compared to companies in other countries.

NUPGE/CALM

## Outsourcing not good business

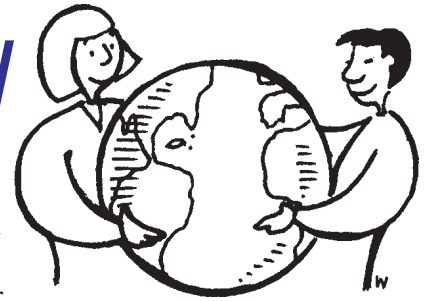
A study by a leading business consulting firm has found many companies that have tried outsourcing information technology and business process work are bringing operations back home.

Deloitte Consulting's report, "Calling a Change in the Outsourcing Market," said 70 per cent of respondents cited dissatisfaction with

outsourcing in aspects where they expected positive results, including costs and complexity.

Eighty-one per cent said a lack of transparency in vendors' pricing systems brought increased costs.

A majority said they absorbed costs that they had expected vendors to absorb, or encountered hidden costs.



Many companies also said managing outsourced contracts required more senior management attention than anticipated.

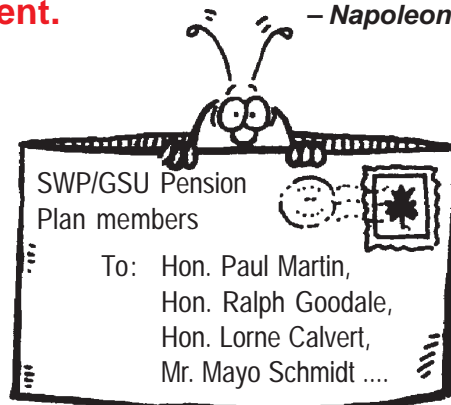
"Structural advantages envisioned do not always translate into cheaper, better or faster services," said Deloitte's Ken Landis. "As a result, larger companies are scrutinizing new outsourcing deals more closely, renegotiating existing agreements and bringing functions back in-house with increasing frequency."

UCS/CALM



**Ten persons who speak make more noise than ten thousand who are silent.**

— Napoleon Bonaparte



## Make your voice heard! It's not too late to send your pension plan postcards.

Stamp and send them to the recipients or send them all to us and we'll stamp and send them for you! Get involved! Join GSU and SWP/GSU Pension Plan members as we seek resolution to the current pension crisis.

**Do you need post cards?** Contact the union office and we'll send them to you.

# Pension bargaining at Dawn Foods

**It seems bargaining over pension plan issues seems to be a recurring theme for many GSU members including employees of Dawn Food Products in Saskatoon.**

Two years ago, the unions representing Dawn Foods employees bargained an increase to employee and employer contributions to the defined benefit pension plan in order to address a solvency deficiency identified by the 2002 actuarial valuation of the Plan.

On the recommendation of the Plan's actuary, AON, in 2004 contribution rates were reduced from a combined total of 12.5 per cent of payroll to 11.8 per cent of payroll. The actuary indicated that progress in reducing the Plan's solvency deficiency was more advanced than had been anticipated a year earlier.

Unfortunately, at the beginning of June an actuarial valuation of the Dawn Foods Defined Benefit Pension Plan as at December 31, 2004, revealed to the Plan's trustees that the solvency deficiency has grown. Ever lower long-term interest rates and new commuted value standards (February 1, 2005), which push up the cost of Plan liabilities, are the primary

drivers of the larger solvency deficiency.

The Plan trustees have referred the solvency issue to the Company and the two unions, along with advice that combined contribution rates will have to rise to 15 or 16 per cent of regular payroll in order to maintain the current benefit structure.

GSU Unit 3.0 and UFCW, Local 342P-2 representatives held an initial meeting with Company management on June 14. Management representatives seemed taken aback when GSU spokesperson Hugh Wagner

proposed that the Company and AON take full responsibility to pay down the additional solvency deficiency.

A second meeting scheduled for June 29 was postponed at management's request. The parties will now meet on August 3.

"While low interest rates and new commuted value standards are certainly part of the problem facing this pension plan and the majority of defined benefit pension plans in Canada, an employer-enforced contribution holiday of two years duration when Sask. Wheat Pool owned the Saskatoon operations is a major factor contributing to the current situation," said GSU General Secretary Hugh Wagner.

## Grain Millers continues to expand

**Members of Unit 7.8 – Grain Millers (formally Popowich Milling) in Yorkton have gone through a number of changes in the last few months.**

A new warehouse and packaging line have been added, along with a central office complex.

The milling portion of the facility has been expanded and modernized boosting capacity significantly. Employment at the oat milling plant has been rising steadily and prospects for the future look bright

once the state of the art facility is up to full capacity.

As is often the case with a big project, there have been some growing pains and frustration as the system works itself out. Several new classifications have been added to accommodate the new processes, and employees have had the opportunity to improve their training and advance in their positions. Issues regarding shifts, overtime, and absenteeism continue to require attention.

The Collective Agreement runs to June 30, 2007.

### Local meetings a success

*(Continued from page 1.)*

bargaining between SWP and GSU, and alternative options to addressing the solvency issues. In addition, everyone was asked to participate in a GSU action campaign to defend members' and retired members' pension benefits.

"Once people get into the facts and options related to their pension plan, their initial shock and anxiety gives way to a determination to act in defense of the retirement benefits they earned through years of hard work and sacrifice," said GSU

General Secretary Hugh Wagner. "I reported to each of the eight meetings and came away with a firm sense that solidarity between retired members and those still working for SWP took a big step forward."

"I think SWP management would do well to pay very close attention to the Company's responsibility to protect the pensions of the people who built the Pool and who sacrificed mightily to keep it from going under," Wagner said.

Each meeting also received a report on SWP's June 9, 2005, pension bargaining proposal. GSU's

leaders and members noted management's latest proposal is the first occasion the Company acknowledged an obligation to pay down at least a portion of the impending solvency deficiency.

"We ran management's proposal up the flag pole but, because of its many shortcomings, no one stood up to salute," Wagner said.

**Pension bargaining between Sask. Wheat Pool management and GSU is scheduled to resume Tuesday, August 9. A GSU update will be issued following the meeting.**

# GSU delegates attend Canadian Labour Congress convention

Rod Peterson, Bargaining Unit 1A Chairperson, and Lawrence Maier, GSU staff, represented the GSU at the 24th CLC convention Montreal. From June 13 to 17 roughly 2,000 trade unionists from across Canada attended the Convention.

The convention theme was “Unions Make A Difference In People’s Lives.” Major reports were debated, including the impact unions have in the workplace, the community, the country, and around the world.

Delegates approved a number of action plans against privatization, the attack on worker rights, destruction of the environment, and the threat of war.

GSU members hold two top positions in the CLC Executive – Vice President Barb Byers, and Executive Council Member Larry Hubich. Marie Clarke Walker and Hassan Yussuff were also unopposed for their VP positions and delegates returned President Ken Georgetti to office with a comfortable margin of victory.

GSU members were proud to be part of the ILWU group at the Convention, and very happy that Brother Tom Dufresne, ILWU President, was elected to another term on the CLC Executive Council representing small Unions.

Guest speakers included Jack Layton, Leader of the Federal NDP, and Gilles Duceppe, leader of the Bloc Quebecois. Stephen Lewis, Special United Nations Envoy, gave a passionate and moving presentation on his work fighting the AIDS epidemic in Africa.

“I was amazed at the concern for humanity as a whole and the direction that the labour movement was heading in attempting to address poverty and human rights,” said GSU delegate



*GSU's Rod Peterson and Lawrence Maier join friends and fellow delegates outside the convention hall. (L-r) Rod Peterson, GSU; Wanda Bartlett, RWDSU; Lawrence Maier, GSU; Brian DeBeck, RWBC; Diane Melrose, RWDSU; Walter Eberle, WCB and former GSU Staff; Chris Banting, RWDSU; Al Le Monnier, ILWU Canada.*

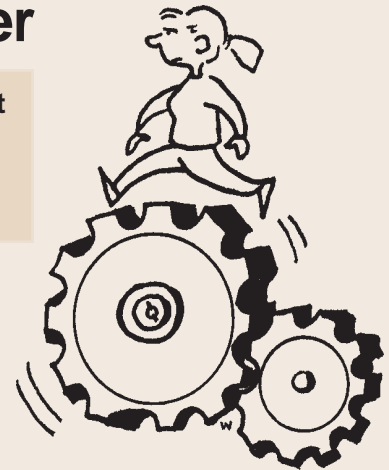
and first time CLC convention attendee Rod Peterson. “It wasn’t just unionized people we were addressing, but humanity as a whole.”

## Members gear up for bargaining at Western Producer

**The current collective agreement between GSU and GVIC covering Western Producer employees expires July 31.**

In addition to voting on a pension agreement at a bargaining unit meeting on May 17, union members also adopted a series of agreement renewal bargaining proposals to take to the bargaining table.

The dominant themes in GSU proposals are improving wage levels and narrowing wage gaps.



Union members expressed the widely-held view that employees have done their part to make the Producer a very successful investment for GVIC. Accordingly, a significant boost to wages is being pursued.

The Company and GSU representatives have discussed dates to begin the bargaining and the first meeting will take August 30 and 31.

GSU’s bargaining committee is comprised of Michael Raine, Laurie Michalycia, and staff rep Dale Markling.

### WPP employees ratify pension agreement

*(Continued from page 1.)*

number of months, was approved by a strong majority of affected union members even though many members view defined benefit pension plans to be significantly more advantageous.

The enrollment process in the new defined contribution pension plan is virtually complete.

And, one could say pension issues will begin to recede for GSU members at the Producer except that nearly 60 current employees are inactive members of the SWP/GSU Pension Plan with a big stake in the outcome of that struggle.

