



# G S U

## N e w s

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2005 / Issue 5

## Survey says!

A survey of GSU members was circulated at the June round of membership meetings. The survey asked members to list their five top collective bargaining priorities and the results have been tabulated.

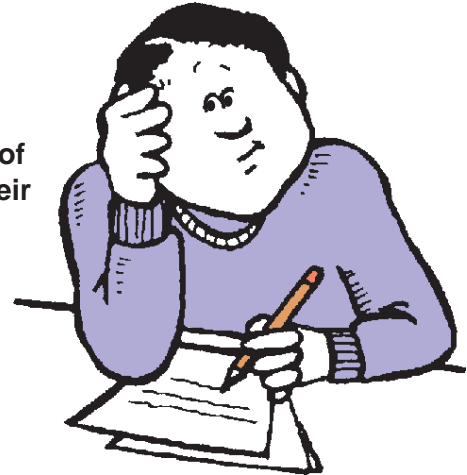
Not surprisingly, pension security was the issue identified as the top priority most often (79 per cent of the replies). This percentage reflected the turnout of union members working for Sask. Wheat Pool and Dawn Foods where the employees' defined benefit pension plans are struggling with solvency issues.

When pension issues are factored out of the equation, survey respondents identified wage increases as their number one priority. Most GSU members share the view that they have sacrificed plenty to assist their employers, and now it is pay-back time.


Aside from substantial general pay increases, union members identified classification adjustments, repairing the effects of previous lump-sum settlements, and improving the pay of those with the lowest wage rates

as key issues to tackle at the bargaining table.

GSU members aren't only interested in monetary issues. Survey respondents frequently tagged extended health care benefits, working conditions, and balancing work and family as bargaining issues. The work force is changing as the rankings of bargaining priorities indicates.



GSU bargaining committees will have their work cut out for them when they take members' bargaining proposals to the table with employers. After the union committees have done their job, the *(Continued on page 4.)*



**SPECIAL MEETING NOTICE!**

Make attending a union meeting a priority in the *real* game of Survivor.

## Your time to step out

From mid-November to early December, 21 GSU annual Local meetings provide another opportunity for GSU members to have a direct say in running the only organization devoted exclusively to improving their conditions of employment.

Meetings are being held throughout Alberta, Saskatchewan and Manitoba.

At each meeting, GSU members will:

- receive an update on GSU business, administration and finances.
- elect who will represent them during the next 12 months.
- exercise their right to debate and pass resolutions to set or change the course of the union.

The annual Local meetings probably aren't as exciting as a well played hockey game nor as entertaining as the latest TV reality show, but they are certainly more important.

Make time to attend a union meeting!

Visit us online.  
[www.gsu.ca](http://www.gsu.ca)



# Calendar of events

Write this down!

- **GSU Defense Fund Board of Director's meeting** - Dec. 6, 2005, Regina.
- **GSU agreement renewal bargaining with Sask. Wheat Pool has been scheduled as follows:**
  - Operations/Maintenance bargaining - Dec. 14 and 15, 2005, Regina
  - Offices bargaining - Dec. 16, 2005, Regina.



'Tis the Season to shop union.

## GSU News

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**GSU Made!**

Sent to press Nov. 30, 2005

# Labour's world

## Wal-Mart semantics

Author John Dicker spotlighted some odd attitudes among Wal-Mart's top executives in his new book, *The United States of Wal-Mart*.

For instance, former Wal-Mart CEO David Glass, in a response to allegations of child labour in foreign factories said, "You and I might, perhaps, define children differently."

Glass told an NBC Dateline interviewer, because Asians are quite short, you can't always tell how old they are. *Label Letter/AFL-CIO/CALM*

## Levi's come clean

A decision by Levi Strauss & Co. to disclose the names and locations of the more than 750 suppliers currently manufacturing its goods been welcomed by the Global Union representing workers in the clothing industry.

Neil Kearney of the Brussels-based Inter-national Textile, Garment and Leather Workers' Federation says, "It is noteworthy that Levi Strauss has come to recognize that disclosing its suppliers will help improve working conditions.

"When Nike published its list of suppliers in April, we expressed the hope that others would follow suit. Progress has been slow, but now

appears to be gathering momentum.

Other companies in the sector should now follow the example of Nike and Levi Strauss.

"Companies genuinely concerned about ensuring a clean supply chain must recognize that sweatshop conditions can only be eliminated if companies are transparent about how they operate, providing



information on working conditions as well as making available details of their suppliers," concludes Mr. Kearney.

*ITGLWF/CALM*



## Finding happiness

"How far you go in life depends on your being tender with the young, compassionate with the aged, sympathetic with the striving and tolerant of the weak and strong. Because someday in your life you will have been all of these."

- George Washington Carver (1864-1943)  
*Internet/CALM*



## A Moment of Mindless Trivia

On the popular 1980s show *Three's Company*, Jack, Crissy, Janet and Larry would frequent a local pub. Name that watering hole!

Do you know the answer? Send it to the Union office by December 16 and you could win a prize.

**Mona Collins is our latest Mindless Trivia winner. Mona named Archie Bunker's son-in-law as 'Meathead.'**

## December 6 is the National Day of Remembrance and Action on Violence Against Women.

On December 6, 1989, a gunman entered Montreal's École Polytechnique and killed 14 women. The women, mostly young engineering students, were hunted down and murdered by a man who blamed women for his failures.

Honour these fallen women by doing what you can to ensure that women, men, and children can live in a world that is free from the culture of violence.

# RWDSU Local 454 strikes Sobeys, Regina

Members of RWDSU Local 454 have been on strike at Regina's South Albert Street Sobeys since September 11, 2005.



Most of these workers are part-time employees. At issue are wages and the wage structure, retroactivity, paid vacations for part-time employees, and improved sick leave provisions.

"In some cases, our Local 454 members' wage structure and wages are less than the non-union corporate stores," said RWDSU staff rep Brian Haughey. "They are way below where the industry is at."

This Local was certified on September 22, 1999. Since then, franchise owners of the South Albert Street Sobeys have been found guilty of numerous unfair labour practices and have attempted decertification on several occasions. The company dragged its feet during the most recent contract negotiations, making itself available only one day each month to negotiate with the union.

On September 29, 2005, the parties met with a conciliator and the union received a final offer from the Company. In a supervised final offer vote conducted November 21, 2005, union members voted 87 per cent in favour of rejecting the Company's final offer. It was the second time a contract vote had resulted in overwhelming membership rejection since the strike began.

Sobeys is the second-largest retail food company in Canada. Its parent company, Empire Co. Ltd., is a large American company.



(L-r) A frosty day on the Sobeys' picketline for RWDSU Local 454 members Karim Azizi, Scott Evans, and Arlene Gailing.

"Sobeys is a huge company trying to avoid being unionized," said RWDSU staff rep Brian Haughey. "That's part of what we are fighting here."

**RWDSU Local 454 members need your support.**

**Boycott Sobeys stores in Saskatoon and Regina.**



## Congratulations and Best Wishes to GSU member Joan Gobert

On September 23, 2005, Joan Gobert retired from Dawn Foods. Joan has more than 45 years of combined service with Sask Wheat Pool, CSP Foods (Dawn Foods' predecessor), and, finally, Dawn Foods.

Before her retirement, Joan was the voice most people heard and the first person they saw when phoning or visiting Dawn Foods in Saskatoon.

On October 20, Joan and her husband Bill were the guests of honour at a special celebration of her long service and friendships made through the work place. Current and past co-workers, current and past managers, and union representatives attended as Joan was presented with a plaque

commemorating her years of excellent service.

"The best way to describe Joan is to say that she was a good co-worker, is a good friend, and a hoot at a party," said GSU bargaining unit Vice President Marlene Quinn. "She is a good person which is the nicest thing that can be said of a person. She will be greatly missed and I wish her a wonderful retirement."

Good luck Joan! We know that you will enjoy your leisure time.

# Low wages same as stealing from children



**How is it possible that our prairie provinces can be flush with cash from resource revenues and yet can't make sure that their most vulnerable workers, their future leaders, get paid a fair wage?**

I was talking to a young friend recently who is attending university. She told me about her struggle to balance work and studies.

She has a part-time job with a pizza chain as a short-order cook. It only pays minimum wage. Promised raises haven't appeared and the place is so busy that she is slotted for work almost twice as many hours as she had agreed when she was hired. Most days no time for breaks is given. On top of studies, she is exhausted. Yet she is hardly able to meet poverty-level living expenses, let alone tuition and books.

It's a story I've heard many times in the eight years that we have had children in university.

If you're a rural family sending a child off to college this year, it's hard not to feel guilty. With farm incomes still in the tank, it's tough to come up with many thousands of dollars in parental support each year to keep them out of debt.

But there's no way that they can earn enough on their own. The federal student loan program acknowledges that students living away from home cannot save anything for their school year in a summer of full-time work.

It's true that tuition costs have increased by up to 10 times since the early 1970s when I attended university, almost twice the rate of inflation.

But they are only part of the problem. Most students are still only paying 10 to 20 per cent of the real cost of their education.

The deeper issue is the way in which we devalue the work of our young people. The basic costs of living on one's own — a room in a house, food, transportation, utilities, medicine, recreation — those costs have increased about five and a half times since my university days, according to the Consumer Price Index.

The minimum wage jobs available to young people haven't kept up. To buy the same basket of goods today that I bought with an hour's minimum wage in 1970 would require a minimum wage of about \$9. But it's still down around \$7.

In real, inflation-adjusted dollars, 15- to 24-year-old men only earn about 75 percent of what they earned 30 years ago, women about 80 percent.

You might assume that, in real terms, minimum wages have been artificially reduced so that small struggling companies can have a source of cheap labour. In some cases that's true.

But most entry-level jobs available to young people are in international fast food chains and other giant corporations. And they are making billions. Those billions

are being stolen from our children with the tacit agreement of our governments.

They seem to have decided that young people don't have to be paid the full value of their labour. Corporate profit matters more. They are consigning our students to decades of crippling debt when they graduate.

Even worse is what they are doing to young full-time workers who aren't in school. There are fewer decent-paying jobs available that don't require an education, but young, single parents can't usually manage school on top of children and full-time work. Even working hard, full-time, they face a lifetime of poverty.

How is it possible that our prairie provinces can be flush with cash from resource revenues and yet can't make sure that their most vulnerable workers, their future leaders, get paid a fair wage?

*Reprinted with the permission of the author. Cam Harder is associate professor of systematic theology at the Lutheran Theological Seminary in Saskatoon.*

## Survey says!

*(Continued from page 1.)*

responsibility for completing the bargaining project on acceptable terms shifts to union members. The most important factors in good collective bargaining settlements are member-to-member solidarity and willingness to strike.

Any survey reflects the moment and the circumstances in which it is conducted. The most important and lasting expression of members' views is reflected in the numbers that turn out to union functions and the numbers who make the extra effort to stay informed and involved.

# SWP/GSU Pension bargaining enters critical phase



Following meetings with Sask. Wheat Pool management on October 31, November 9, and November 16, GSU's Pension Bargaining Committee presented compromise proposals on November 21 in effort to move matters towards a settlement.

Commenting on the situation, GSU General Secretary Hugh Wagner said, "Union members will zero in on GSU's proposal to amend the SWP/GSU Pension Plan's early retirement Rule of 80 by replacing it with an early retirement Rule of 85."

"However, it would be wrong to conclude that the GSU Pension Bargaining Committee and Executive Board are proposing to give away the ability of members to retire or terminate employment under a Rule of 80," Wagner said. "In fact, what is being proposed by GSU would remove the liability for a Rule of 80 from the SWP/GSU Plan and transfer the potential cost to payroll, guaranteed by the Union's collective agreements with the Company."

GSU's proposals to the Company represent a sincere effort to reasonably address the accumulated pension liabilities. The solvency liability reductions would be approximately \$10 million under GSU's proposals.

Since a September 30, 2005, estimate of the Plan's solvency deficiency prepared by AON Consulting Inc., a recovery in long-term interest rates has likely shaved another \$6 million off the deficiency. After accounting for the impact of GSU's proposals, the deficiency would drop to an estimated \$33 million; still a very sizeable amount, but there are indications long-term interest rates will rise further.

"We are trying to convince Sask. Wheat Pool management to accept the Company's obligation to shoulder

much more of the burden and risk of a pension solution," Wagner said. "To date they've only been willing to consider a role that is very modest in the over all scheme of things."

Under GSU's November 21 proposals, the estimated annual additional cost to the Company for making special solvency payments to the Plan would be \$7.4 million if amortized over five years; or \$4.1 million if amortized over 10 years; and/or \$3.0 million if amortized over 15 years. Any amortization period longer than five years would require special regulatory approval.

According to the GSU Committee, it is important to remember the union's proposals are designed in anticipation of a return to higher long-term interest rates, to ride out the storm, and to protect all Plan members' pension benefits.

Relatively modest rises in long-term interest rates will reduce Plan liabilities and reduce or eliminate the obligation of the Company to make special solvency payments to the Plan. In addition, GSU has proposed to compensate SWP out of future plan surplus in return for the Company agreeing to back stop (guarantee) members' pension benefits today.

**GSU has also advised Company management that if a solution to the Plan's issues cannot be agreed to, the Union is prepared to submit the issue of responsibility for the solvency deficiency to binding arbitration.**

As this edition of *GSU News* goes to print, the Company's reaction to the arbitration proposal has not been received.

"Management was invited to carefully consider the proposals and options presented by GSU on November 21," Wagner said. "But, I'd be kidding everyone if I didn't also advise that managements' reaction to the union proposals was negative."

GSU has presented a variety of options to amending the SWP/GSU Plan consistent with the Company's duty to protect the pensions of present and former employees. At the same time, the union has endeavored to be sensitive to the financial capacity of the Company.

While the numbers involved in a Company backstopping operation are large, in actuality the claim on resources is comparable to the annual cost of the pay and benefits package of the top 10 or so Sask. Pool executives.

"What we are proposing preserves the welfare of more than 2000 people plus their families," said Wagner. "What the Company is already doing for the top brass takes care of a very small group that already has it pretty good. Where is the justice?"

**GSU's November 21, 2005, pension bargaining proposals are printed on the reverse.**

# GSU's Pension Bargaining Proposals

These bargaining proposals were authorized by the Executive Committee of Grain Services Union's ("GSU") Operations/Maintenance and Offices bargaining units. These proposals are a sincere attempt to reach a compromise with Saskatchewan Wheat Pool ("the Company") leading to a solution of the impending solvency deficiency in the SWP/GSU Pension Plan ("the Plan").

Any amendments to the Collective Agreements and the Plan which flow from these proposals are be subject to approval by the members of GSU.

GSU invites the Company to give careful consideration to the following proposals and to bargain in the interest of arriving at a mutually agreeable pension solution to secure the pension benefits of all Plan members.

## GSU proposes:

1. That the Defined Benefit (DB) Plan be suspended effective December 31, 2005; and, that effective January 1, 2006, a Defined Contribution (DC) component be established for active members of the Plan; and,
2. That the DB Plan be amended effective December 31, 2005, to replace the early retirement Rule of 80 with an early retirement Rule of 85 for active members of the Plan; and,
3. As of the effective date of the aforesaid early retirement Rule amendment and the DB component suspension, the Company shall make the required special solvency payments to the Plan, amortized over 10 (ten) or 15 (fifteen) years, subject to regulatory approval, to resolve any solvency deficiency in the SWP/GSU Defined Benefit Pension Plan as identified in the December 31, 2005, actuarial valuation and subsequent actuarial valuations.
4. GSU commits to join with the Company to obtain regulatory approval of the foregoing proposals and time frames for amortizing the solvency deficiency of the Plan. And, GSU commits to identifying and implementing an actuarially prudent process whereby the Company can realize financial relief commensurate with its special solvency payments to the Plan.
5. That the collective agreements between the Company and GSU be amended to save active members of the SWP/GSU Pension Plan harmless from the impact of replacing the early retirement Rule of 80 with an early retirement Rule of 85, by providing a Company-paid early retirement allowance to union members who retire or whose employment terminates prior to achieving the Rule of 85.  
  
The aforementioned early retirement allowance shall be equal to the actuarially determined difference between the retiring member's discounted pension benefit under the early retirement Rule of 85 in the amended DB component of the Plan and the pension benefit that members would have received from the Plan had the early retirement under a Rule of 80 remained intact.
6. That the Company commit to a binding agreement on it and its successors not to seek, provoke, precipitate, or otherwise cause a Plan wind-up. And, amend the collective agreements to provide that, in the event of a Plan wind-up, the Company shall compensate each active, in-active, and deferred member to the extent of their loss of benefit/commuted value when comparing the early retirement Rule of 80 to an early retirement Rule of 85.
7. That all administrative and member information functions currently provided by AON be returned to the Company's Human Resources Division.