



# Annual Report of the Joint Executive Council Spring 2011

As adopted by the Joint Executive Council of Grain and General Services Union (ILWU • Canada) on April 8, 2011.

We welcome the opportunity to again report to GSU members on the business of your union.

## GSU Finances

GSU is in good financial shape. The audited financial statements, which are included with this report, show that GSU had an operating surplus of \$91,418 as of December 31, 2010. All of GSU's financial commitments are current and the union continues to have a solid financial base as illustrated by the balance sheet in the audited financial statements.

On pages 11 and 12 the audited financial statements describe the various expenses incurred by GSU during the 2010 fiscal year compared to the expenses incurred in 2009. Overall, GSU's operating administration and meeting expenses were \$137,136 higher in 2010 compared to 2009. The \$38,050 rise in administrative expenses was the result, for the most part, of wage and benefit increases. Meeting expenses rose by \$99,086 in 2010 as a result of the GSU convention (held in even numbered years), sending a full contingent of delegates to the SFL convention, bargaining with Grain Millers (GSU Local 4), bargaining with Wild West Steelhead (GSU Local 6) and GSU's local dues rebate program of \$1 per member per month.

In 2010 GSU continued to have significant legal expenses as a result ongoing disputes with Viterra over bargaining unit structures and increased grievance activity. We are happy to report that the bargaining unit disputes with Viterra appear to have been resolved, at least for the moment, with the company's withdrawal of its Federal Court of Appeal applications to quash the decisions issued by the Canada Industrial Relations Board. Nonetheless, we anticipate legal expenses to continue to be significant in light of the numerous unresolved grievances heading to arbitration.

Dues revenues will decline in the order of \$100,000 in 2011 stemming from the rescission of GSU's representation rights for Viterra employees in the union's bargaining unit comprising Local 8 (Alberta/Manitoba). At the same time there will be expense offsets resulting from reduced representation expenses, lower convention expenses and lower agreement renewal bargaining expenses.

GSU will also continue to commit resources to union education, community involvement, and member recognition. In February 2011 another successful union steward educational was held with more to follow.

In addition, the Joint Executive Council (JEC) has committed

to set aside \$5000 a month for leadership training and involvement in defending GSU members' union representation rights. The leadership training session was held in January and the first round of region rep activities took place in February. More will follow as the year unfolds. And, the JEC has earmarked approximately \$30,000 for 75th anniversary activities by Locals and Sub-locals of the union in 2011.

In addition to collective bargaining, servicing, and representation it is essential to nurture the linkages and forge the relationships that renew and strengthen your union. To this end GSU continues to be an active participant in the labour movement and we encourage more members to get involved.

It is your JEC's intention to run a balanced budget in 2011 while continuing to provide the representation and services GSU members have a right to expect. It is our sincere hope that members of the union will closely examine GSU's audited financial statements and raise any questions they may have regarding revenues, expenditures, and union resources.

## GSU Defense Fund

The most recent investment managers' reports and available financial numbers indicate that the GSU Defense Fund has assets

of \$2.7 million based on market values.

For all of 2010, GSU was able to operate without any transfers from the Defense Fund to the union's operating fund. Barring unusual or unexpected events this trend is expected to continue in 2011.

At its autumn 2010 semi-annual meeting of the JEC, your elected representatives debated whether to recommend ceasing the additional dues being paid into the GSU Defense Fund at December 31, 2010, or whether to recommend continuation of the additional dues to the Defense Fund.

As a result of their review and debate, the Council voted to send the following resolution to the autumn 2010 annual meetings for a decision by GSU members:

MOVED AND SECONDED by the Joint Executive Council of Grain Services Union (ILWU • Canada):

*"Be it resolved that the additional dues being paid into the GSU Defense Fund by members/employees represented by GSU shall continue until December 31, 2011, subject to review by members of the union at the 2011 annual Local meetings."*

Each Local or Unit meeting was asked to conduct a recorded vote on the resolution and to report the results of their vote to the General Secretary. This vote was conducted and 78.54 percent of members who voted approved continuation of the Defense Fund dues until December 31, 2011.

At the fall 2011 semi-annual meeting of the JEC, the question will be debated again and union members will once again have the opportunity to decide

whether Defense Fund dues will continue in 2012.

## Labour

Our movement was founded on the principles that what we

**GSU is in good financial shape. The audited financial statements, which are included with this report, show that GSU had an operating surplus of \$91,418 as of December 31, 2010.**

have we want for all others and an injury to one is an injury to all.

It is time for each of us to re-dedicate ourselves to those principles by getting involved in the struggle for labour rights and a just society. We can't have one without the other and we can't possibly sustain our good fortune or improve on it if others around us are experiencing the destruction of their rights and welfare as citizens of this country.

## Union Communication, Education and Information

GSU has a proactive education program for elected officers and stewards.

Devoting the effort and resources to union education is essential to a vital and vibrant union. We urge every member to consider getting on board. Union members who are informed of their rights and who act on their rights achieve superior results day-to-day as well as when the time to bargain renewed collective agreements hits the agenda.

Internal union communication is a constantly evolving part of the organization's function. We continue to publish a hard copy newsletter, periodic electronic information supplements and

maintain an up-to-date website. We are not content, however, to assume these methods will keep members informed and in touch with their union.

It is well known in labour that one of the most effective ways to generate discussion of contemporary issues is when workers discuss these issues with one another. This essential conversation can occur at work or after work in more comfortable environments. Getting people to talk with one another about the issues is the essential component of what some have called the "labour to neighbour" approach to union communication.

The essential question is what do you think we could and should be doing with regard to GSU communications and representation? We are elected to represent you and we ask that you tell us what you want to see happen.

## Representation

Collective bargaining is one of the primary purposes of GSU and in 2011 bargaining amendment, renewal, and settlement of collective agreements won't be a big item on the union's agenda. However, just as much, and more, union collective bargaining work goes into making sure that employees receive the full measure of the bargain their union has made with their employer.

Standing up for your rights and ensuring the contract is followed

as it applies to you, your co-workers and your workplace is an important part of the process. We can grieve problems between agreements but ultimately the real solution is changing the contract. We must be ever vigilant and work together to make sure our changes happen or stand separately and watch as changes are made for us.

Fielding questions, processing grievances and meeting with employees/employers to sort out workplace issues occupies the lion's share of time worked on behalf of employees represented by GSU. This work doesn't have the same kind of news worthy appeal as a tough round of bargaining, but if it isn't carried out everyone loses. And, it takes time to produce results.

GSU is committed to informing you as much as possible about the work your team engages every day and every week. If you want to know what is going on any working day check out the GSU website at [www.gsu.ca](http://www.gsu.ca).

As we plan and prepare for the future, the elected officers and

We have challenges to overcome as we have always had. GSU members' resilience has always been the union's mainstay and we have outlasted every CEO who has tried to test our mettle. Let's keep it that way.

In this annual report we have attempted to report on your union's business and present our analysis of what is to be done. As always it is a pleasure and often a challenge to serve you.

We look forward to continuing to work with you on behalf of GSU in the cause of workplace democracy which your union, and only your union, advocates in your workplace.

Solidarity,



Hugh Wagner  
General Secretary

On behalf of the  
Joint Executive Council,

Grain and General Services  
Union (ILWU • Canada)

## 2011 Council Members

Carolyn Illerbrun, *president*  
Jim Brown, *vice president*  
Mandy Windecker, *vice president*  
Garth Bagnall  
David Boulding  
David Ficzel  
Gord Grande  
Wilfred Harris  
Anna Hilt  
Michelle Houlden  
Michelle Johnson  
Dixie Kolodziejak  
Heather Mackay  
Brett North  
Wes Pearce  
Brent Pelechaty  
Susan Relke  
Gordon Thoms

**Standing up for your rights and ensuring the contract is followed as it applies to you, your co-workers, and your workplace is an important part of the process.**

the GSU staff, intend to work with members from around the union in a concerted effort to improve communication and member participation with a view to making 2011 (our 75th anniversary year) a watershed of renewed growth and enthusiasm for the union.

## Don't be shy - ask questions about this report

Contact your GSU staff rep or general secretary Hugh Wagner with your questions or comments.

Call toll-free: 1.866.522.6686 or email [gsu.regina@sasktel.net](mailto:gsu.regina@sasktel.net).

# INDEPENDENT AUDITORS' REPORT

To the Joint Executive Council of:  
Grain and General Services Union (ILWU. Canada)

## Report on the Financial Statements

We have audited the accompanying financial statements of Grain and General Services Union (ILWU. Canada), which comprise the statement of financial position as at December 31, 2010, and the statement of operations and net assets and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements are presented fairly, in all material respects, the financial position of Grain and General Services Union (ILWU. Canada) as at December 31, 2010, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

REGINA, Saskatchewan  
April 7, 2011

Mintz & Wallace  
Chartered Accountants LLP

## GRAIN AND GENERAL SERVICES UNION (ILWU • CANADA)

### Statement of Financial Position As at December 31, 2010

	<u>Operating Fund</u>	<u>Solidarity Fund</u>	<u>Defense Fund</u>	<u>Certification Protection Fund</u>	<u>2010 Total</u>	<u>2009 Total</u>
<b><u>ASSETS</u></b>						
<b>CURRENT</b>						
Cash						
- Unrestricted	\$ 128,724	\$ 17,871	\$ -	\$ -	\$ 146,595	\$ 74,059
- Restricted	-	-	112,638	20,002	132,640	315,015

	<u>Operating Fund</u>	<u>Solidarity Fund</u>	<u>Defense Fund</u>	<u>Certification Protection Fund</u>	<u>2010 Total</u>	<u>2009 Total</u>
<b>ASSETS (continued)</b>						
Accounts receivable	108,830	676	13,966	-	123,472	109,994
Interest receivable	-	-	3,550	-	3,550	2,053
Prepaid expenses	3,294	-	-	-	3,294	7,781
Interfund (Note 5)	(245,071)	(47)	245,118	-	-	-
	<u>(4,223)</u>	<u>18,500</u>	<u>375,272</u>	<u>20,002</u>	<u>409,551</u>	<u>508,902</u>
<b>CAPITAL ASSETS (Note 3)</b>	117,003	282	-	-	117,285	122,143
<b>INVESTMENTS (Note 4)</b>	-	-	2,475,479	-	2,475,479	1,911,759
	<u>\$ 112,780</u>	<u>\$ 18,782</u>	<u>\$ 2,850,751</u>	<u>\$ 20,002</u>	<u>\$ 3,002,315</u>	<u>\$ 2,542,804</u>

### **LIABILITIES AND NET ASSETS**

#### **CURRENT**

Accounts payable and accrued liabilities	\$ 59,336	\$ -	\$ -	\$ -	\$ 59,336	\$ 30,953
Severance payable	87,651	-	-	-	87,651	83,474
Interest payable	1,032	-	-	-	1,032	960
	<u>148,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>148,019</u>	<u>115,387</u>

#### **LONG-TERM LIABILITIES**

Long-term interfund loan (Note 5)	45,908	-	(45,908)	-	-	-
Long-term debt (Note 6)	40,000	-	-	-	40,000	40,000
	<u>233,927</u>	<u>-</u>	<u>(45,908)</u>	<u>-</u>	<u>188,019</u>	<u>155,387</u>

#### **NET ASSETS**

Unrestricted	(238,150)	-	-	-	(238,150)	(314,356)
Restricted	-	18,500	2,896,659	20,002	2,935,161	2,579,630
Invested in capital assets	117,003	282	-	-	117,285	122,143
	<u>(121,147)</u>	<u>18,782</u>	<u>2,896,659</u>	<u>20,002</u>	<u>2,814,296</u>	<u>2,387,417</u>
	<u>\$ 112,780</u>	<u>\$ 18,782</u>	<u>\$ 2,850,751</u>	<u>\$ 20,002</u>	<u>\$ 3,002,315</u>	<u>\$ 2,542,804</u>

### **Statement of Operations and Net Assets Year Ended December 31, 2010**

	<u>Operating Fund</u>	<u>Solidarity Fund</u>	<u>Defense Fund</u>	<u>Certification Protection Fund</u>	<u>2010 Total</u>	<u>2009 Total</u>
<b>REVENUE</b>						
Memberships dues (Note 7)	\$ 1,252,432	\$ 7,052	\$ 174,000	\$ -	\$ 1,433,484	\$ 1,351,061
Miscellaneous income	4,214	-	-	-	4,214	3,040
Donations	-	1,880	-	-	1,880	-
Investment income	(3,747)	16	51,215	2	47,486	44,833
Unrealized gains (losses)	-	-	123,417	-	123,417	347,488
	<u>1,252,899</u>	<u>8,948</u>	<u>348,632</u>	<u>2</u>	<u>1,610,481</u>	<u>1,746,422</u>



	<u>Operating Fund</u>	<u>Solidarity Fund</u>	<u>Defense Fund</u>	<u>Certification Protection Fund</u>	<u>2010 Total</u>	<u>2009 Total</u>
<b>EXPENDITURES (Schedules 1 &amp; 2)</b>						
Meetings	208,003	-	5,055	-	<b>213,058</b>	113,972
Administration	854,386	70	11,246	-	<b>865,702</b>	827,652
Affiliation and organization	68,333	5,750	-	-	<b>74,083</b>	72,411
Building	<u>30,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<b><u>30,759</u></b>	<u>33,017</u>
	<u>1,161,481</u>	<u>5,820</u>	<u>16,301</u>	<u>-</u>	<b><u>1,183,602</u></b>	<u>1,047,052</u>
<b>EXCESS OF (EXPENDITURES) REVENUES</b>	91,418	3,128	332,331	2	<b>426,879</b>	699,370
<b>NET ASSETS</b> - beginning of year	(192,565)	15,654	2,564,328	-	<b>2,387,417</b>	1,688,047
<b>TRANSFERS (Note 5)</b>	<u>(20,000)</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS</b> - end of year	\$ <u>(121,147)</u>	\$ <u>18,782</u>	\$ <u>2,896,659</u>	\$ <u>20,002</u>	<b>\$ <u>2,814,296</u></b>	\$ <u>2,387,417</u>

**Statement of Cash Flow  
Year Ended December 31, 2010**

	<u>Operating Fund</u>	<u>Solidarity Fund</u>	<u>Defense Fund</u>	<u>Certification Protection Fund</u>	<u>2010 Total</u>	<u>2009 Total</u>
<b>OPERATING ACTIVITIES</b>						
Excess of revenues	\$ 91,418	\$ 3,128	\$ 332,331	\$ 2	<b>\$ 426,879</b>	\$ 699,370
Plus items which do not require cash outlay:						
- realized (gains) losses on sale of investments	-	-	(12,681)	-	<b>(12,681)</b>	(12,465)
- unrealized (gains) losses on market value adjustment	-	-	(123,417)	-	<b>(123,417)</b>	(347,488)
- amortization	<u>4,788</u>	<u>70</u>	<u>-</u>	<u>-</u>	<b><u>4,858</u></b>	<u>5,773</u>
	96,206	3,198	196,233	2	<b>295,639</b>	345,190
Net change in non-cash current assets and liabilities						
Accounts receivable	(12,424)	20	(1,074)	-	<b>(13,478)</b>	(9,052)
Interest receivable	-	-	(1,497)	-	<b>(1,497)</b>	(1,510)
Prepaid expenses	4,487	-	-	-	<b>4,487</b>	(5,454)
Accounts payable and accrued liabilities	<u>32,632</u>	<u>-</u>	<u>-</u>	<u>-</u>	<b><u>32,632</u></b>	<u>(80,537)</u>
Net cash from (used in) operating activities	<u>120,901</u>	<u>3,218</u>	<u>193,662</u>	<u>2</u>	<b><u>317,783</u></b>	<u>248,637</u>
<b>FINANCING ACTIVITIES</b>						
Interfund transfers (Note 5)	(21,515)	2,613	(1,098)	20,000	-	-
Repayment of interfund loan	<u>(32,681)</u>	<u>-</u>	<u>32,681</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash from financing activities	<u>(54,196)</u>	<u>2,613</u>	<u>31,583</u>	<u>20,000</u>	<u>-</u>	<u>-</u>
<b>INVESTING ACTIVITIES</b>						
Purchase of investments	-	-	(598,630)	-	<b>(598,630)</b>	(156,281)
Proceeds on sale of investments	-	-	171,008	-	<b>171,008</b>	153,265
Purchase of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,817)</u>

	<u>Operating Fund</u>	<u>Solidarity Fund</u>	<u>Defense Fund</u>	<u>Certification Protection Fund</u>	<u>2010 Total</u>	<u>2009 Total</u>
Net cash from investing activities	-	-	(427,622)	-	(427,622)	(6,833)
<b>INCREASE IN CASH RESOURCES</b>	66,705	5,831	(202,377)	20,002	(109,839)	241,804
CASH - beginning of year	62,019	12,040	315,015	-	389,074	147,270
CASH - end of year	\$ 128,724	\$ 17,871	\$ 112,638	\$ 20,002	\$ 279,235	\$ 389,074
Cash consists of the following:						
Unrestricted	\$ 128,724	\$ 17,871	\$ -	\$ -	\$ 146,595	\$ 74,059
Restricted	-	-	112,638	20,002	132,640	315,015
	\$ 128,724	\$ 17,871	\$ 112,638	\$ 20,002	\$ 279,235	\$ 389,074

---

**Notes to the Financial Statements  
December 31, 2010**

**1. NATURE OF OPERATIONS**

Grain and General Services Union (ILWU • Canada) (the union) is a not-for-profit organization and as such, it is exempt from income taxes. Its sole purpose is to represent employees of:

- |                                       |                                    |
|---------------------------------------|------------------------------------|
| 1) Viterra                            | 8) PrintWest Communications        |
| 2) Western Producer Publications/GVIC | 9) Hillcrest Farms                 |
| 3) Heartland Livestock Services       | 10) Grain Millers Canada Corp.     |
| 4) Titan Ventures                     | 11) Finora Inc.                    |
| 5) Carman Bean                        | 12) Unisource Canada Inc.          |
| 6) Dawn Food Products (Canada) Ltd.   | 13) Viterra (Alberta and Manitoba) |
| 7) Wild West Steelhead                | 14) IATSE - Regina                 |

The Union is certified to represent these employees by the Canada Labour Code and the appropriate Provincial Labour Relations Acts. The Union also provides administrative, arbitration, bargaining and research services.

During the year the Union changed its name from Grain Services Union (ILWU • Canada) to Grain and General Services Union (ILWU • Canada).

**2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Union have been prepared in accordance with Canadian generally accepted accounting principles. The significant accounting policies are:

Revenue recognition

The Union follows the restricted fund method of accounting for contributions. Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The portion of unrestricted contributions to be used for international and local development is recognized as revenue of the Solidarity Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for member use in the event of a strike are recognized as revenue in the Defense Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Fund accounting

A portion of the monies received by the Union may only be used for specific purposes and accordingly are accounted for in separate funds. Temporary transfers of monies between these funds are recorded as interfund receivables/payables. Permanent transfers are recorded as transfers in the net asset accounts.

Funds included in these statements are:

Operating - records the day to day operations of the Union.

Defense - receives local strike assessments and supports members in the event of a dispute.

Solidarity - to assist international and local development projects at the discretion of the Joint Executive Council.

Certification Protection - to compensate members who are off the job while being trained to manage de-certification situations.

#### Capital assets

Capital assets are stated at cost less accumulated amortization. Building and office equipment are amortized over their estimated useful lives at the following rates and methods:

Building	5%	declining balance method
Office equipment and furniture	20%	declining balance method

The Union regularly reviews its capital assets to eliminate obsolete items.

#### Investments

Investments are accounted for as Held-for-Trade financial assets. Under this method, the investments are reported at fair market value and unrealized gains and losses are included in investment income and recognized as revenue in the statement of operations and net assets.

#### Financial instruments

Cash and investments are classified as held-for-trade and are measured at fair market value. Receivables are classified as loans receivable and are measured at amortized cost. Accounts payable and accrued liabilities and long-term debt are classified as other financial liabilities and are amortized at cost.

As at December 31, 2010 and December 31, 2009, the Union does not have any outstanding contracts or financial instruments with embedded derivatives.

#### Capital management

Capital is comprised of the Union's net assets and any debt that it may issue. As at December 31, 2010 the Union's net assets were \$2,814,296 and it had outstanding debt of \$40,000. While the Union is a registered not-for-profit organization, capital management is an important part of sustaining the operations.



### 3. CAPITAL ASSETS

	-----2010-----		---	2009---
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 75,000	\$ -	\$ 75,000	\$ 75,000
Building	90,625	61,678	28,947	30,471
Office equipment and furniture	<u>142,577</u>	<u>129,239</u>	<u>13,338</u>	<u>16,672</u>
	\$ <u>308,202</u>	\$ <u>190,917</u>	\$ <u>117,285</u>	\$ <u>122,143</u>

In requirement of owning real property, the Union holds beneficial title to the assets through a bare trustee Grain Services Holdings Inc.

### 4. INVESTMENTS

	<u>Interest</u>	<u>Matures</u>	<u>2010</u>	<u>2009</u>
Common shares			\$ 690,318	\$ 421,772
Investors Group mutual funds			1,292,542	1,210,630
Affinity Credit Union - cash			50,000	50,000
Fixed Income Bonds:				
Government of Canada	3.75%	June 1/19	44,262	21,231
Canada Housing Trust	4.00%	June 15/12	44,441	22,028
Canada Housing Trust	4.05%	March 15/11	44,255	22,819
Canada Housing Trust	3.55%	September 15/10	-	23,478
Canada Housing Trust	3.60%	June 15/13	44,679	21,790
Financement Quebec	4.25%	March 1/14	44,474	23,198
Province of Ontario	4.20%	March 18/18	44,151	23,338
Province of Ontario	4.40%	March 8/16	43,968	24,216
Province of Ontario	4.20%	June 2/20	44,342	-
Province of New Brunswick	4.50%	February 4/15	44,109	23,403
Province of Quebec	4.50%	December 1/17	43,938	23,856
			\$ <u>2,475,479</u>	\$ <u>1,911,759</u>

### 5. INTERFUND TRANSFERS AND BALANCE

During 2010, the Union administered funds on behalf of the Defense and Solidarity Funds, which resulted in the following payable:

	<u>2010</u>	<u>2009</u>
Solidarity Fund	\$ (47)	\$ 2,566
Defense Fund - non-interest bearing	<u>245,118</u>	<u>244,020</u>
	<u>245,071</u>	246,586
Interfund loan	<u>45,908</u>	<u>78,589</u>
	\$ <u>290,979</u>	\$ <u>325,175</u>

On February 1, 2005 the operating fund borrowed \$100,000 from the Defense Fund. The loan bears interest at 6% per annum and is repayable in monthly blended payments of \$3,042. The loan was to mature on February 1, 2009, but additional advances were made on June 27, 2007 and December 23, 2009 for \$50,000 and \$85,000 respectively and are to be repaid under similar terms. This new loan expires April 1, 2012.

During the year the Union transferred \$20,000 into a certification protection fund which will be used to educate, train and organize members to be taken off the job in the event a bargaining unit tries to decertify.

**6. LONG-TERM DEBT - Operating Fund**

	<u>2010</u>	<u>2009</u>
Term loan payable to Regina Region Grain Services Union (ILWU. Canada) with no specific repayment terms and currently paying interest at 2.58%.	\$ <u>40,000</u>	\$ <u>40,000</u>

**7. MEMBERSHIP DUES**

Funds received by the Operating Fund related to membership dues were:

	<u>2010</u>	<u>2009</u>
Local 1 (Viterra country operations and maintenance)	\$ 861,111	\$ 935,091
Local 2 (Viterra head office)	134,910	-
Local 3 (Unisource Canada Inc.)	728	1,102
Local 4 (Grain Millers Canada Corp.)	61,321	44,227
Local 5 (Western Producer)	49,971	50,302
Local 6 (Wild West Steelhead)	8,711	8,415
Local 7 (Heartland Livestock)	14,966	17,511
Local 8 (Viterra Alberta & Manitoba operations)	100,949	85,543
Local 9 (Finora Inc.)	6,053	12,445
Local 10 (Carmen Bean)	7,502	7,996
Local 11 (Printwest Communications)	3,953	3,934
Local 12 (Hillcrest Farms)	424	454
Local 13 (IATSE - Regina)	1,833	1,816
Unit 1.45 (Titan Ventures)	-	2,463
Unit 3.0 (Dawn Foods)	-	1,578
	<u>\$ 1,252,432</u>	<u>\$ 1,172,877</u>

Funds received by the Defense Fund (excluding interest):

	<u>2010</u>	<u>2009</u>
Local 1 (Viterra country operations and maintenance)	\$ 113,535	\$ 127,508
Local 2 (Viterra head office)	17,998	-
Local 4 (Grain Millers Canada Corp.)	10,831	8,397
Local 5 (Western Producer)	6,610	6,849
Local 6 (Wild West Steelhead)	2,913	2,296
Local 7 (Heartland Livestock)	5,628	3,262
Local 8 (Viterra Alberta & Manitoba operations)	13,607	11,392
Local 9 (Finora Inc.)	1,234	2,286
Local 10 (Carmen Bean)	1,218	2,113
Local 12 (Hillcrest Farms)	186	153
Local 13 (IATSE - Regina)	240	210
Unit 1.45 (Titan Ventures)	-	1,490
Unit 3.0 (Dawn Foods)	-	200
	<u>\$ 174,000</u>	<u>\$ 166,156</u>

Dues received from Local 2 Viterra head office were included in Local 1 in the prior year.

**8. LEASE COMMITMENTS**

The Union has long-term leases with respect to its office equipment. Future minimum lease payments as at December 31, 2010, are as follows:

2011 - \$ 14,314
2012 - \$ 9,156
2013 - \$ 7,986
2014 - \$ 6,816

## 9. MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates include providing for amortization of capital assets and goodwill. Actual results could differ from these estimates.

## 10. FINANCIAL INSTRUMENTS

The Union's financial instruments consist of cash, accounts receivable, interest receivable, investments, accounts payable and accrued liabilities, and long-term debt.

### Business risk

As a result of the nature of the Union's operations, it may be exposed to various forms of risk. Those forms of risk include credit risk, interest rate risk, and liquidity risk.

### Credit risk

Credit risk is the risk of financial loss resulting from default of financial obligations by a debtor to the Union. These obligations are primarily dues withheld from employees that are due to the Union and it is management's opinion this risk is low since dues are remitted promptly.

Due to the nature of investments and their susceptibility to changes in market value, the associated credit risk is reflected in the market value of the investments, as reported in Note 4.

### Interest rate risk

The union's interest rate risk is nominal. While interest rate fluctuations affect the return on investments, this can be managed.

### Liquidity risk

Liquidity risk is the risk of financial loss in the event that the Union will not be able to fund obligations as they become due. Liquidity risk is not considered significant due to the nature of investments.

### Fair Value

Fair value represents an estimate of the consideration that would be agreed to between knowledgeable and willing arm's length parties with no compulsion to act. Fair values are estimated at year end based on subjective assumptions and may contain significant uncertainty. Potential expenses that may be incurred on actual dispositions have not been reflected in the fair values reported.

Changes in market interest rates, the relative risk of the investment and the term to maturity on fixed rate financial assets and financial liabilities have a direct impact on the fair value of those financial instruments. The Union accounts for its investments as "held-for-trade" and accordingly these financial assets are stated at market value at the year end with fluctuations in value from one year end to the next reported in income annually.

The stated value for cash and cash equivalents, accounts receivable and accounts payable approximate their fair value due to their short-term nature.

The long-term debt due at the yearend is owing to a related partner union and the rate of interest is below the current market rate. Since there are no specific repayment terms to this debt, the fair value of this debt in relation to current market rates is not readily determinable.

## 11. ECONOMIC DEPENDENCE

The dues revenue from members of the bargaining of Locals 1, 2, 8 and 10 units accounts for 87% of the total membership revenue in the current year (86% in 2009).

## 12. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

### Schedule of Meeting Expenses Year Ended December 31, 2010

Schedule 1

	Operating Fund	Solidarity Fund	Defense Fund	Certification Protection Fund	2010 Total	2009 Total
<u>Meetings</u>						
Defense Fund Board of Directors	\$ -	\$ -	\$ 5,055	\$ -	\$ 5,055	\$ 2,136
Joint Executive Council Meetings	11,001	-	-	-	11,001	17,842
Local 1 (Viterra)						
- Board Special	6,925	-	-	-	6,925	5,728
- Local Executive Board executive and bargaining meetings	10,348	-	-	-	10,348	12,360
- Area meetings	7,028	-	-	-	7,028	2,638
- Executive committee	5,966	-	-	-	5,966	5,977
- Committee meetings	25,483	-	-	-	25,483	27,183
Local 2 (Viterra head office)						
- Local Executive Board executive and bargaining meetings	108	-	-	-	108	-
- Committee meetings	2,844	-	-	-	2,844	-
Local 5 (Western Producer/GVIC)						
- Executive and bargaining meetings	866	-	-	-	866	-
Local 7 (Heartland Livestock)						
- Executive and bargaining meetings	394	-	-	-	394	6,818
Unit 1.45 (Titan Ventures)						
- Executive and bargaining meetings	-	-	-	-	-	850
Local 10 (Carman Bean)						
- Executive and bargaining meetings	3,584	-	-	-	3,584	3,945
Unit 3.0 (Dawn Food Products)						
- Executive and bargaining meetings	-	-	-	-	-	467
Local 6 (Wild West Steelhead)						
- Executive and bargaining meetings	6,194	-	-	-	6,194	838
Local 12 (Hillcrest Farms)						
- Executive and bargaining meetings	113	-	-	-	113	-
Local 4 (Grain Millers Canada Corp.)						
- Executive and bargaining meetings	23,895	-	-	-	23,895	4,700
Local 9 (Finora Inc.)						
- Executive and bargaining meetings	1,034	-	-	-	1,034	213
Local 8 (Viterra Alberta and Manitoba)						
- Executive meetings	7,109	-	-	-	7,109	7,849
Dues rebate	4,633	-	-	-	4,633	-
Convention and education seminars	90,478	-	-	-	90,478	14,428
	\$ <u>208,003</u>	\$ <u>-</u>	\$ <u>5,055</u>	\$ <u>-</u>	\$ <u>213,058</u>	\$ <u>113,972</u>

**Schedule of Expenses**  
**Year Ended December 31, 2010**

	<b>Operating Fund</b>	<b>Solidarity Fund</b>	<b>Defense Fund</b>	<b>Certification Protection Fund</b>	<b>2010 Total</b>	<b>Schedule 2 2009 Total</b>
<b>ADMINISTRATION</b>						
Advertising	\$ 644	\$ -	\$ -	\$ -	\$ 644	\$ 5,737
Amortization	3,264	70	-	-	3,334	4,169
Arbitration boards	8,467	-	-	-	8,467	15,606
Audit	9,207	-	-	-	9,207	8,910
Employee benefits	50,957	-	-	-	50,957	44,566
Interest	1,032	-	-	-	1,032	960
Investment council fees	-	-	11,246	-	11,246	8,495
Legal fees and costs	75,623	-	-	-	75,623	68,733
Miscellaneous	100	-	-	-	100	262
Office rent	12,000	-	-	-	12,000	12,000
Postage	13,795	-	-	-	13,795	10,101
Printing and office supplies	50,192	-	-	-	50,192	44,070
Promotional	15,343	-	-	-	15,343	10,802
Salaries and consulting fees	556,527	-	-	-	556,527	509,800
Steward training	542	-	-	-	542	27,525
Strike pay	-	-	-	-	-	(2,723)
Telephone	14,705	-	-	-	14,705	14,573
Travel	41,988	-	-	-	41,988	44,066
	<u>\$ 854,386</u>	<u>\$ 70</u>	<u>\$ 11,246</u>	<u>\$ -</u>	<u>\$ 865,702</u>	<u>\$ 827,652</u>
<b>AFFILIATION AND ORGANIZATION</b>						
Alberta Federation of Labour	\$ 913	\$ -	\$ -	\$ -	\$ 913	\$ 632
Canadian Labour Congress	12,068	-	-	-	12,068	11,885
Donations and contributions	8,114	5,750	-	-	13,864	7,050
ILWU	8,619	-	-	-	8,619	8,490
Manitoba Federation of Labour	335	-	-	-	335	252
Other affiliate expense	12,891	-	-	-	12,891	12,127
Saskatchewan Federation of Labour	14,393	-	-	-	14,393	15,281
Scholarship Fund	11,000	-	-	-	11,000	3,000
Organizing	-	-	-	-	-	13,694
	<u>\$ 68,333</u>	<u>\$ 5,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,083</u>	<u>\$ 72,411</u>
<b>BUILDING</b>						
Amortization	\$ 1,524	\$ -	\$ -	\$ -	\$ 1,524	\$ 1,604
Insurance	1,448	-	-	-	1,448	1,357
Interest	1,367	-	-	-	1,367	1,788
Repairs and maintenance	14,204	-	-	-	14,204	16,362
Taxes	5,645	-	-	-	5,645	5,689
Utilities	6,571	-	-	-	6,571	6,217
	<u>\$ 30,759</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,759</u>	<u>\$ 33,017</u>



In June 1936 country elevator and head office employees of the Saskatchewan Wheat Pool founded the Saskatchewan Wheat Pool Employees Association (SWPEA).

The main objectives of the new organization were to improve working conditions, negotiate for better wages, obtain relief from exposure to grain dust, and establish a pension plan for employees.

The membership of SWPEA grew and became more diverse. In 1974 the name of the union was changed to Grain Services Union (CLC). On May 1, 1995, the union's name changed to Grain Services Union (ILWU•Canada) following a vote by union members to approve affiliation with the International Longshore and Warehouse Union – Canada. On Jan. 1, 2010, the union's name changed again to Grain and General Services Union (ILWU • Canada).

G.S.U. and its members are celebrating their anniversary milestone in a variety of ways throughout the year.

G.S.U. News is featuring snippets from G.S.U. News' predecessor—The SW'eeet PEA—and recounting G.S.U.'s history.

**Join the celebration and help make our 75th year one to remember.**

Each G.S.U. sub-local/local has access to anniversary event funding to celebrate the union's 75 years with members of the local.

If you have any suggestions how to celebrate in your sub-local or local, contact your local elected G.S.U. representatives.



# 1.866.522.6686

Help is only a toll-free phone call away.



## **Experiencing a problem in the workplace? Not sure where to turn? Contact GSU and we will do our best to help you.**

You will never receive a bill for the assistance GSU provides or the advice we give you. Any services GSU provides to you are covered by your union dues.

GSU's staff help all members of the union bargaining units who request assistance with employment related issues including, but not limited to the following:

- advocating for employee rights in the workplace,
- assisting employees when the provisions of the collective agreement aren't being applied fairly or consistently,
- assisting employees who have been harassed or discriminated against in the workplace and ensuring employees have a safe and healthy work environment,
- assisting employees who are injured on the job and have difficulty claiming Worker's Compensation or returning to work,
- assisting employees who are ill and denied sick leave, short- or long-term disability benefits,
- bargaining and administering a binding collective agreement that can't be unilaterally or arbitrarily changed,
- assisting employees to ensure they are paid the appropriate rate of pay and receive pay increases as called for by their position and the collective agreement,
- assisting employees who are unjustly dismissed or disciplined.

## 2011 Joint Executive Council

### President

Carolyn Illerbrun, Executive Committee

### Vice-Presidents

James Brown, Executive Committee

Mandy Windecker, Executive Committee

### Local 1 (Viterra Ops/Maintenance)

Garth Bagnall

David Boulding

Wilfred Harris

Brett North

Brent Pelechaty

Wes Pearce

### Local 2 (Viterra Office)

Susan Relke

Anna Hilt

### Local 3 - Unisource Canada

Dave Ficzel

### Local 4 (Grain Millers)

Dixie Kolodziejak

### Local 5 (WPP)

Michelle Houlden

### Local 6 (Wild West Steelhead)

Gord Grande

### Local 7 (Heartland)

Heather MacKay

### Local 12 (Hillcrest)

Gordon Thoms

### Local 13 (IATSE)

Michelle Johnson

## GSU Defense Fund board of directors

Robert Brochu

Ken Clemence

Karen Morrison

Brian Sansom

## Scholarship Committee

Jim Brown

Carolyn Illerbrun

Mandy Windecker

## GSU staff members

General Secretary Hugh Wagner

Assistant General Secretary Lynn Woods-Nordin

Staff Representative Lawrence Maier

Staff Representative Dale Markling

Staff Representative Steve Torgerson

Executive Assistant Dorothy Merk

Administrative Assistant Brittany Weber

## Office Contact Information

### Phone

866.522.6686 Toll-free

306.522.6686 Regina

306.384.7314 Saskatoon

### Street Addresses

2334 McIntyre Street

Regina, SK S4P 2S2

2154 Airport Drive

Saskatoon, SK S7L 6M6

### Email

gsu.regina@sasktel.net

### Web Page

www.gsu.ca

### Fax

306.565.3430 Regina

306.384.1006 Saskatoon

