



# bargaining report

## GSU Local 1 (Viterra Operations & Maintenance)

February 8, 2016

**GSU Local 1 (Viterra Country Operations & Maintenance) members,**

On January 25, 2016 agreement renewal bargaining for GSU Locals 1 and 2 broke off following Viterra management's rejection of the union bargaining committee's detailed response to the company's so-called final offer of December 16, 2015.

GSU's bargaining committee offered to continue meeting on January 26, but Viterra declined. For similar reasons a bargaining meeting will not occur on February 9 as there hasn't been any change in bargaining positions and Viterra has indicated it is considering applying to the Federal Minister of Labour for conciliation.

Several of Viterra's bargaining demands attempt to roll employees' working conditions back to the 1970s.

Viterra hasn't presented arguments or facts that would lead GSU's bargaining committee to agree to the negative changes to the collective agreements senior management is proposing. Management has not provided any evidence to suggest that GSU members have failed to execute a train, complete their work on time, or that management has otherwise been hampered in managing the company's business.

GSU's bargaining committee has rejected Viterra's so-called final offer and management has not asked that their so-called final offer be taken to a vote. I think they know what the result would be. If you think differently it is your right to tell GSU's bargaining committee and to let me know what you think by emailing [gsu.regina@sasktel.net](mailto:gsu.regina@sasktel.net).

The major bargaining issues not resolved are set out in the attached report.

Sincerely,  
ON BEHALF OF  
GSU LOCAL 1 & 2 BARGAINING COMMITTEE

Hugh Wagner  
Bargaining Committee Spokesperson

#### BARGAINING COMMITTEE MEMBERS

Local 1 - Jim Brown (Balgonie), Brett North (Moose Jaw), Wilfred Harris (Carnduff), Travis Brewer (Saskatoon)  
Local 2 - Michelle Hofer (Regina), Kevin Wagner (Regina)



# bargaining report

## GSU Local 1 (Viterra Operations & Maintenance)

**Viterra's proposed changes to section 18.2 of Article 18 would give management the ability to impose new work schedules without any bonafide checks or balances.**

### ARTICLE 18 – HOURS OF WORK AND OVERTIME

Viterra proposes to change the second paragraph of section 18.2 of Article 18 to read as follows:

“The Company may implement modified work schedules or schedules **with variable hours of work per day which average up to forty (40) hours per week** over the rotation cycle of the schedule as determined by the Company. The Company will consult with employees respecting the conditions and the operation of such work schedules. The Company will provide a minimum of fourteen (14) calendar days' notice of the implementation of the new schedule, or its modification or cancellation.”

While Viterra's proposed changes to section 18.2 of Article 18 say the company will consult employees the fact is the change would give management the ability to impose new work schedules without any bonafide checks or balances.

Employees' right to agree to or reject proposed new work schedules would be eliminated entirely, even though these rights are guaranteed by the Canada Labour Code and your current GSU collective agreement.

The hours of work situation in many elevators isn't great right now, but instead of working with GSU to improve working conditions it seems Viterra's senior management wants to grab total control over employees' lives.

**Just imagine how giving management the ability to impose variable hours of work per day would work for you.**

**Viterra's proposed changes to section 18.4 of Article 18 would virtually eliminate double-time overtime pay.**

GSU's bargaining committee is also opposed to Viterra's changes to section 18.4 Overtime of Article 18 of your collective agreement since the changes would eliminate double-time overtime pay for all practical intents and purposes.

*Example:*

If an employee working a 12-hour shift is asked/ordered to work overtime at the end of the shift, he/she would not be paid double time overtime pay until he/she begins to work the 17th hour after the end of the shift.

OR

If an employee is asked/ordered to work on a day of rest, he/she would be paid time and a half ( $1 \frac{1}{2} \times$ ) for the first twelve hours of work and would not be paid double time until he/she begins working her/his 13th hour on her/his day of rest.

Viterra also proposes to change the second paragraph of section 18.4 of Article 18 of the collective agreement to read as follows:

"When the needs of the operation require it, employees may be required to work overtime. However, all overtime is voluntary after an employee has worked twelve hours in any shift or forty-eight (48) hours in any week "00.01 Sunday to 24:00 the following Saturday."

Management has not explained what this proposed change means, but it could mean that an employee working a Monday to Friday work week or Tuesday to Saturday work week would only be paid straight time if asked to work on a Sunday?

**Viterra's proposed changes to section 18.5 of Article 18 eliminates employees' right to veto averaging and it enables the employer to gain total control over your work life.**

Viterra proposes to change the first paragraph of section 18.5 of Article 18 of your collective agreement to read as follows:

"The hours worked by employees may, in the Company's discretion, be averaged over a four (4) week period. All hours worked in excess of one hundred

and sixty (160) hours in said four (4) week period shall be deemed to be overtime work.”

GSU’s bargaining committee opposes Viterra’s proposed change to your collective agreement since it kills employees’ right to veto averaging and would give the employer unbalanced control over employees.

**Viterra’s proposed changes to section 18.5 of Article 18 also includes an expansion of averaging of hours of work.**

Viterra proposes to change the second paragraph of section 18.5 of Article 18 by deleting the reference to Assistant Manager or higher positions in relation to 320 hour averaging and substituting salary grade 4 or higher positions instead.

This change would expand the ranks of employees whose hours of work could be averaged over eight (8) weeks (320 hours) to include Asset Protection Trainers, Quality Assurance Coordinators, Sales Reps (Grain Buyers), all Automation positions plus Maintenance Journeypersons and Maintenance Supervisors.

GSU’s bargaining committee is opposed to any expansion of averaging of hours of work. The existing averaging provision for Assistant Managers and higher positions is a throwback to the time when Ag sales were part of Viterra’s business.

**Averaging of hours of work should be eliminated altogether. Averaging of hours of work is simply a way for an employer to avoid properly recognizing or paying employees for overtime.**

GSU members working in terminal elevators have repeatedly said they want something to be done to provide some relief from the constant juggling and uncertainty caused by unpredictable and spotty railway service.

In reality, Viterra’s senior management has not shown any willingness to stand up to CN and CP or to take any concrete steps to reduce the burden placed on country operations employees by sketchy railway service.

For these reasons, GSU has presented bargaining proposals intended to incentivize management to show greater concern for employees in relation to hours of work or being on standby or being called back to work.

GSU’s proposals on shift differentials, call out and standby pay are set out below.

## ARTICLE 19 – SHIFT DIFFERENTIAL, CALL OUT AND STANDBY PAY

A shift differential of one dollar and fifty cents (\$1.50) per hour shall be paid on all hours worked between 1800 hours and 0600 hours.

A weekend differential of time and one eighth ( $1 \frac{1}{8} X$ ) per hour shall be paid on all hours worked between 00:01 on Saturday to 24:00 on Sunday.

A minimum of four (4) hours call out pay and a stipulation that when called out the employee is only required to remain at work for the time required to complete the task he/she was called to perform.

Standby pay of two (2) hours pay at the employee's regular hourly rate of pay for each four (4) hours the employee is on standby.

Standby pay shall be paid to employees on standby in addition to the hours the employee works when called out for duty. The hours worked by an employee who is called out shall be paid for at time and a half ( $1 \frac{1}{2} X$ ). Tentative scheduling shall entitle the employee for pay as described in this section.

Viterra management says GSU's proposed weekend differential would cost the company \$2.00 per hour at the low end and \$4.00 per hour at the average wage. GSU does not dispute the cost calculation, but we insist that positive steps be taken to fix the problem of perpetual "on call shifting".

Viterra's response is a proposal to increase the weekend differential to \$1.25 per hour and to raise the standby premium to 1.5 hours for each eight (8) hours and employee is on standby duty.

This might represent a very little bit of progress, but when examined alongside what Viterra management wants to do in relation to hours of work and overtime these extremely modest improvements represent a very small drop in a bottomless bucket.

### **Viterra proposes to attack employees' options in Article 24 – Position Elimination**

For 30 years employees who have been notified their job is being eliminated have been able to rely on Article 24 – Position Elimination of the GSU collective agreement with the company.

Since 1986, Article 24 has been a mainstay for more than 1000 employees who have had to contend with job elimination as a result of consolidation, closures, and corporate reorganizations brought about by mergers, takeovers, de-regulation and technological change.

The most recent groups to benefit from Article 24 were employees whose jobs were eliminated after they were transferred to CPS by Viterra.

According to management, no other employees in Saskatchewan or western Canada, including non-union Viterra employees, have the same level of job elimination benefits available to GSU members in Article 24 of your collective agreement.

Management is right in this regard, and we take pride in what GSU has accomplished for employees whose jobs are eliminated.

After 30 years, it seems petty and mean that management wants to take away a big portion of the income protection and options now provided by Article 24 of your collective agreement.

Viterra proposes to re-write the first paragraph of Article 24.1 to give the company the absolute ability to pay out all of the 120 calendar day notice pay, including the company's share of pension contributions and benefit premiums.

To some, including company pension contributions and benefit premiums might sound like a gain, but in reality Viterra wants the ability to show employees the door, cut participation in benefit plans, and be done with employees whose jobs are eliminated even before the notice period has runs its course.

Under your current collective agreement, position elimination does not take effect until the 120 calendar notice period is complete. This is an intentional part of the adjustment process. However, Viterra wants the ability to terminate the employment of affected employees immediately on payment of the "notice pay".

As if the company's proposed changes to section 24.1 of Article 24 and the proposed elimination of section 24.2 aren't bad enough, management also wants to remove sections 24.5 and 24.6 of the collective agreement.

Section 24.5 of Article 24 of your collective agreement provides employees whose jobs are eliminated with the option of deferring employment termination at the end of the 120 day notice period in favour of going on lay off subject to recall for up to six months and, provided they qualify for EI benefits, to have those benefits topped up to 75% of their normal weekly

earnings under the Supplemental Employment Benefit (SEB) provided in Article 14 of the collective agreement.

Using the current average salary as a benchmark, GSU's analysis reveals that section 24.5 of Article 24 is worth more than \$21,000 on average (including EI benefits) to an employee whose job is eliminated and who takes the full six month layoff option and receives the topped up EI benefits provided in the collective agreement. Viterra's share of the bill in this example is \$8,450.

Section 24.5 of Article 24 of GSU collective agreements has been available to employees contending with job elimination since 1986, but in 2016 Viterra wants to take it away since it is better than anything they provide or offer to non-union employees, except perhaps for senior management personnel.

It is noteworthy, that section 24.5 of Article 24 – Position Elimination is also part of the collective agreements covering GSU members working for CPS and Richardson Pioneer. Neither of those employers have expressed any concerns or proposed to remove section 24.5 from their collective agreements with GSU.

Viterra also wants to rid itself of the obligation to notify employees whose jobs are eliminated of any vacancies occurring in the bargaining unit.

**Wage Increases - Viterra won't commit to raising each and every employee's wage each year by an amount that would at least reflect the rise in the cost of living. Viterra also rejects the idea that the minimums and maximums of each salary grade should rise each year in a new collective agreement.**

GSU's bargaining committee proposes that each and every employee should receive a wage increase of 2.5% effective January 1, 2016, and retroactive to that date; and wage increases of 2.5% on January 1, 2017 and 2.5% on January 1, 2018.

GSU also proposes that the minimum and maximum salaries of the new five grade wage structure should increase by 2.5% each year of a new collective agreement.

The wage increases proposed by GSU are moderate; reflecting core cost of living increases we can anticipate experiencing over the next three years.

For its part, Viterra proposes aggregate wage increases (meaning increases to payroll and not assured individual employee wage increases) of 2.0% effective January 1, 2016 and 1.75% effective January 1, 2017 and 1.75% effective January 1, 2018.

So far Viterra won't commit to raising each and every employee's wage each year by a percentage that would at least reflect the rise in the cost of living.

Viterra also rejects the idea that the minimums and maximums of each salary grade should rise each year in a new collective agreement.

Viterra management says it will rely on "market data" to determine wage increases. When asked to spell out the market data it is relying on, management has been unwilling to disclose any hard information that can be checked and compared.

GSU relies on credible and publicly available statistics such as Statistics Canada and the Saskatchewan Trends Monitor in relation to wage increase proposals.

According to the December 2015 edition of the Saskatchewan Trends Monitor the 2015 increase in the average hourly wage rate of a Saskatchewan wage earner was 2.5% compared to an inflation rate of 1.6%. The average wage rate of a wage earner in Saskatchewan was \$25.95 per hour in 2015.

Employees work hard and deserve certainty, dignity and transparency in relation to wages and wage increases. A fair wage increases for all is reasonable and it is what your GSU bargaining committee is committed to achieving.

## Questions? Comments? Concerns?

Contact a bargaining committee member directly or email bargaining committee spokesperson Hugh Wagner at [gsu.regina@sasktel.net](mailto:gsu.regina@sasktel.net).