



bargaining report

GSU Local 2 (Viterra Head Office)

February 8, 2016

GSU Local 2 (Viterra Head Office) 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 fact 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.

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)



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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 hours of work per day which average up to thirty-seven and a half (37.5) 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 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 eleven and a half hours worked and would not be paid double time until he/she works beyond eleven and a half hours on a day of rest.

Hours of work and related issues such as "on call shifting" might not be as prominent for employees in the Regina head office as they are for employees working in Viterra's terminal elevators. Nonetheless, as part of GSU's approach to a common labour platform the union bargaining committee has presented 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 ($1 \frac{1}{8} \times$) 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 1/2X). 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 problems associated with call out and standby duties.

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, including more than fifty Regina office 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@regina.net.