

# DRAFT 2019 / 2020 ANNUAL REPORT

**of the Joint Executive Council (JEC) of Grain and General Services Union (ILWU • Canada)  
– Presented to the 2020 GSU Biennial Policy Convention – March 19 to 21, 2020**

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We welcome the opportunity to report to GSU members about the business of your union. It is our sincerest wish that all of you, your families, and communities are healthy and safe at this time of the extraordinary crisis caused by the COVID-19 pandemic.

We acknowledge and thank all of those who are working tirelessly to maintain the health and well-being of people as the effects of the pandemic evolve and grow. In particular, we thank all of the healthcare workers and other providers who are doing all that they can to keep us alive and whole.

We also thank all of the workers who are providing the essentials of life to our communities, including the members of GSU who continue to work in the elevators, ag retail locations, plants, mills and from home to keep system running. Without the labour of those who are working our society would truly be in even greater peril. Your efforts are appreciated.

As a result of the COVID-19 pandemic and corresponding public health crisis, GSU's Executive Committee felt obligated to cancel the Biennial Policy Convention that had been scheduled for March 19 to 21, 2020. And, considering this unprecedented situation, the Joint Executive Council was convened by conference call on April 3, 2020 to conduct the essential administrative business of the union, including the adoption of this annual report.

## GSU Administration and Finances

In light of the cancelation of GSU's 2020 Biennial Policy Convention, the April 3 meeting of JEC amended the constitution of GSU to enable the holding of the next GSU policy convention within the first five months of 2021. The JEC also voted to extend the terms of office of the president, vice presidents and general secretary until the next policy convention is convened in 2021.

The audited financial statements included with this report show that GSU had a modest operating deficit of \$12,753 for 2019. Dues revenues for 2019 were virtually the same as in 2018 while operating expenses were \$35,000 higher.

The audited 2019 financial statements were presented, reviewed, and approved by the JEC at its April 3 meeting and are included as part of this report.

We expect to operate modestly in the black for 2020 largely as a result of a reduction in expenses resulting from the efforts taken to adjust and respond to the COVID-19 pandemic.

On the administrative front, Debbie Head took over the financial accounting and related responsibilities in September 2019 and very quickly grasped the details of GSU's system. Debbie's job is part-time at 21 hours per week.

We thank Lynn Woods-Nordin for stepping up to the plate and immersing herself in the unfamiliar work of GSU's accounting and pay roll systems as we transitioned forward after the retirement of Dorothy Merk in February 2018.

We also thank Dale Markling, Steve Torgerson and Donna Driediger for pitching in and making it possible to function with one less staff person for the better part of two years.

Notwithstanding the impact of the COVID-19 pandemic, GSU continues to be in good financial shape. Although the Dec. 31, 2019 statement of financial position shows that the union's net assets stood at \$5,040,749 at the end of last year, the recent turmoil in the financial markets and temporarily reduced the value of GSU's investments by more than \$500,000 according to our RBC investment advisor. All of GSU's financial commitments are current and there is no external debt other than the demand loan owed to Local 2 (Viterro Head Office) which was reduced to \$23,304 by the end of 2019.

Overall, GSU has a solid financial foundation. However, when everything is considered, careful management of GSU resources is always required. When decisions are made to take on more or expand existing programs it will be necessary to find the financial resources or juggle priorities.

## Bargaining 2020

GSU is engaged in agreement renewal collective bargaining covering Local 5 (The Western Producer), Local 7 (Heartland Livestock), and Local 15 (Nutrien Ag Solutions).

Success at the bargaining table is directly affected by the involvement and support of members on the job. Staying on top of the issues and openly expressing support for our union's bargaining efforts is a key ingredient required for successful results.

Agreement renewal bargaining for GSU members will involve a clash between members' reasonable expectations of decent wage increases and protection of their hard-won gains versus employers who want to wrestle away protections and wring out as many dollars of cost as they can from our collective agreements.

The clash between two sets of values at the bargaining table will test the resolve of affected members. This clash is no more pronounced than at the Local 15 bargaining table with Nutrien where the employer wants to remove the current collective agreement provisions covering sick leave and the pension plan in favour of company policy that, on its face, appears to be a slight improvement. Unfortunately, Nutrien's bargaining proposals in this connection would leave union members vulnerable to unilateral employer actions to change vital benefits without any check or balance whatsoever. No one will understand this predicament better than Local 1 (Viterra) members who gave up significant rights in their collective agreement in return for the promised rewards of a new pay system, only to see any of the gains in the so-called pay-for-performance program evaporate within five years.

GSU's leadership commits to supporting Local 15 in resisting Nutrien's takeaway demands as we do for any Local that finds itself in a fight with their employer. We have the financial resources to do the job. We just have to match those resources with the courage and grit to stand our ground.

While we fight to protect what we have, it must also be said that the time for real increases to the wages of every member of the Canadian working class is long overdue. The time has also come for Canada's political and business leaders to acknowledge that fixing working peoples' stagnating standards of living is a key to prosperity across this wealthy land.

Once again, the inadequacies of our socio-economic system have been revealed by the absence of any established income protection programs, other than meagre EI benefits and emergency band aids for workers who are negatively affected by the widespread effects of COVID-19 pandemic. Similarly, workers who already economically insecure do not have adequate protections in the likely event of an economic recession.

It is high time to provide for major improvements to our socio-economic system, including universal paid sick leave, affordable childcare, paid child and eldercare leave, vastly improved investments to public healthcare and affordable housing for all Canadians, especially young people and other economically vulnerable citizens.

The chronic underfunding of our health care and social support systems, including the payment of decent wages, has been revealed for its short sightedness. Let's work together to make the political and economic changes we must make as we move forward into an uncertain future. Never again should we discover that vital equipment and resources are scarce when most needed.

As disruptive to peoples' lives and livelihoods as the COVID-19 pandemic is, it has also revealed that we can pull together as a country in dire circumstances and we can marshal enormous resources to combat a common enemy. It is clear that we have the national resources and capacity to root out and fix the problems of poverty, inequality and enormous wealth disparity. Our aim is to build on advances made by those who came before us. Our mission is to leave in place a better future for those who come after us. What we have for ourselves, we want for all others.

## GSU Defense Fund

At Dec. 31, 2019, the market value of GSU Defense Fund assets was \$4.9 million. Our investment strategy of preserving capital while seeking steady positive returns continues to pay off. It also paid off in the recent market convulsions triggered by the COVID-19 pandemic and the Russia/Saudi Arabia oil supply standoff as the Fund's investments weren't hit as hard as the broader market indexes.

Hopefully market losses for the Fund will be recovered over the longer term and it is important to remember that our investment strategy is a long-term value-based approach as opposed to

the prevailing obsession with quarterly results. Updates on the Fund's value will be provided as frequently as we have solid information to report.

The GSU Defense Fund is administered by a Board of Directors elected by the delegates to biennial policy conventions of the union. In order to maintain an arm's length relationship between GSU's day-to-day operating finances and the Defense Fund, members serving as directors of the Fund cannot also sit on the union's Joint Executive Council (JEC).

As a result of the cancelation of GSU's 2020 biennial policy convention, the JEC appointed the following members to term extensions as directors of the GSU Defense Fund until the 2021 GSU convention:

Despite market ups and downs, the Fund continues to grow steadily through the combination of investment returns and the additional dues of \$10 per member per month being paid into the Fund.

The GSU Defense Fund is solid insurance for GSU members and a very useful resource in assisting members with their collective bargaining agendas.

Strike or lockout pay is set by the Board of Directors of the GSU Defense Fund and is not subject to income tax. Strike/lockout pay currently stands at 75 percent of a member's regular wage/salary provided they directly participate in the authorized action in a collective bargaining dispute involving their Local. In addition, the Defense Fund will pay the benefit premiums to continue members' group insurance coverage during a strike or lockout.

In autumn 2019, GSU's Executive Committee again submitted a motion to the annual membership meetings recommending continuation of the additional dues being paid to the GSU Defense Fund. The motion was voted on and approved by 86 percent of the members who voted. In autumn 2020, the question of continuation will be voted on again at the annual meetings of the Locals.

## Succession Planning and Transition

Elected officers and GSU staff are devoting time at the 2020 JEC meetings to discuss the elements a succession plan and ensure that administration and leadership of the union transitions well to a new generation of union people.

The central components of developing a succession plan for GSU are:

1. Identifying the core functions that have to be fulfilled.
2. Identifying the qualifications needed to fulfill the functions.
3. Providing the internal education/training required by those interested in GSU leadership.
4. Establishing a selection/election process.

The general secretary and staff are compiling a list of leadership and administrative functions of the general secretary and the staff in general, all of which form the essential parts of GSU's obligations and responsibilities. In addition, the recommended educational and experiential qualifications expected of candidates for the general secretary position will be identified. Once these tasks are complete the material will be shared with the JEC for debate, refinement and adoption.

The process for choosing the next general secretary has sparked considerable debate and reflection at the JEC. This is not surprising considering the current incumbent's long tenure.

GSU's constitution stipulates that the general secretary be elected for a two-year term at each biennial policy convention of the union. There is no established recruitment or screening process in relation to the general secretary election and concern has arisen that without a thoughtful approach to succession GSU runs the risk of results that would undermine the stability of the union.

Accordingly, it is recommended that the JEC create an ad hoc recruitment and nominating committee (RNC) comprised of five representatives on the JEC. The RNC would be responsible for obtaining expressions of interest from prospective candidates and interviewing candidates in advance of the biennial convention at which a new general secretary is elected.

The RNC would have the authority to determine the qualifications required to be general secretary and to advertise for expressions of interest within and beyond the membership of GSU. In order to be eligible for nomination to the general secretary position, candidates would be required to submit to an interview and screening process in order to obtain the endorsement of the RNC.

Candidates endorsed by the RNC would then be presented for nomination and election by the delegates at biennial GSU conventions.

In the event of a vacancy in the general secretary position between biennial conventions, the JEC would have the authority to appoint an RNC to assist in filling the position on an interim basis. An individual appointed to be interim general secretary would be eligible to be a candidate at the next biennial convention, provided she/he is endorsed by the RNC.

## GSU Education

GSU can and will provide internal targeted workshop/seminar opportunities covering shop steward training and local leadership/representation as well as introductions to labour law and collective bargaining. In conjunction with internally delivered education, GSU will support attendance at labour education programs like the CLC/SFL Spring School.

GSU sponsors up to three opportunities for elected members to attend the CLC/SFL Spring School. This year's school was cancelled due to the COVID-19 pandemic. In the future GSU will do more to expand and promote participation in the Spring School as well as the Prairie School for Union Women.

GSU will advise and remind members that if they aspire to work for GSU as a staff member or fulltime elected officer they should consider stepping up to be a local union delegate, a local executive committee member, or a local representative on the JEC in addition to attending internal and external education events and forums such as the GSU biennial policy convention and the CLC/SFL Spring School.

Programs offered by external educational institutions will be made available to union staff in order to round out and/or bolster their credentials. In addition, consideration will be given to the best way to deliver/provide executive development support to GSU's senior elected officers.

## Organizing

Corporate acquisitions and mergers as well as regulatory and technological changes have taken their toll and altered the nature of jobs in agricultural services, crop processing and grain handling over the last three decades. GSU's membership numbers and the kinds of jobs members are employed in reflect these trends.

Recently there has been somewhat of a reversal in employment numbers as new grain handling companies have entered the market in Western Canada. As a result, the potential to grow the union is out there.

It's been quite some time since GSU has engaged in an organizing drive and it is time to get back to the work of actively recruiting new members. To this end, our plan is to develop a new outreach effort to educate current and prospective members about the union advantage in general and the GSU advantage in particular.

Most importantly, rather than talking about organizing we have to engage in active organizing. If you have any leads on employees who would benefit from GSU representation, please let us know.

## The ILWU Canada Family

May 1, 2020 marks the 25th anniversary of GSU's affiliation to ILWU Canada. Through affiliation we became part of a larger union family including Retail, Wholesale and Department Store Union (RWDSU) Saskatchewan; Retail Wholesale Union (RWU) in British Columbia; and Grain Workers Union (GWU) Local 333. Together we constitute an organization of more than 16,000 progressive trade unionists who share a strong commitment to economic and social justice. We look forward to continuing our work with the ILWU Canada family to advance the welfare of the working class and our communities.

Solidarity,

The Joint Executive Council of Grain & General Services Union (ILWU•Canada)

[List of JEC members]



