

A Message to Retail From One Warehouse Guy

There is a lot at stake in this fight and I'm not sure that this is clear. The union does not seem to be particularly anxious to share the issues with retail. Not since we had to fight to get our chief shop steward invited to the Harrison Conference, and not since. I can only imagine what the management has been telling you.

We at the warehouse are not often given the opportunity to speak to the issues or to other members. At our union meetings we are allowed to stand up and make a point but the union has effectively retained all control over public comment. Or so they thought. This site and ones like it are a most refreshing exception. Given the fact that we have intimate knowledge of the corporate shell game in question it strikes me as strange that we are the one group that is essentially silenced by this system. It has not been very democratic or effective.

Some Background

The quality of your Collective Agreement, especially for new-hires, was shattered by the back-room deal that UFCW used to bring the 777 Local into being. It did however create a great deal more new-hires. They just didn't make nearly as much or work nearly as often. But, because they all paid the same union dues as full-time members, "revenues" in the form of dues collection skyrocketed.

A dominant force in the legacy of the 777 deals is the seniority of the warehousing members. Once our union accepted a Collective Agreement that significantly reduced the labour costs of new-hires with one employer, the other employers predictably started crying foul, "level playing field" and all that. Why shouldn't they? A chink in the armor leads to a serious fracture as the 777 deal inevitably watered down not only the status of new-hires across the board, but the perceived value of those who had been working for many years. Why would your own union go down this road with these predictable consequences for its members? Once the numbers look really, really, really good, politics and greed and nepotism usually come calling. They did and the door opened wide.

According to corporate parlance it might be described as "A Biz opportunity with great numbers." The constitution gave an extraordinary amount of control to the executive over this dough. The inevitable occurred. What had taken several generations of blood, sweat, and tears, has been very recently wiped out by "Biz" unionism. The answer to, "who benefits", now has a new recipient; the union coffers. Needless to say this is not a popular topic of discourse for the Union executive.

Dues collection was the big winner in the end. High seniority employees were not. They were now a liability to established retailers, or so the story goes. New-hire jobs were now much closer to the McJob category. It altered the labour landscape and retail has never been the same.

Why do I go on about the 777 deals? Firstly, it created the water you swim in. Secondly, if you don't understand the dynamics it created then you may find it difficult to understand why the warehousing guys are outside your store and how these dynamics may further impact your life.

These new Collective Agreements were fabulous for a retailer just starting out in the marketplace for the obvious reason: everyone was a new-hire. The established retailers quickly abandoned the "maximizing human capital" rhetoric for the "race to the bottom" rhetoric. Those who had helped build this company from a bit-player to a dominant retailer were instantly transformed into a "fiscal liability", an affront to profit and progress.

It did not take long for the attack to begin. The break-up of the Langley Distribution Center followed shortly thereafter at the cost of who knows how many millions of dollars. Take a distribution center that receives, stores, picks, and loads everything under one roof and what have you got? Prior to the 777 deal it was the most efficient warehouse in the business. After 777 we are slated for extinction. And distribution was spread, once again, all over the valley and as far away as Calgary.

The contracting out continued until the LRB said, “That’s it, the rest of these guys you have to keep.” There were some very unhappy members around here at that time and rightly so. Many were out of work or reduced to part-time after several years’ service. They had bought into the “maximizing human capital” rhetoric. There had been no warning of such an expensive and illogical move. It had taken many years to consolidate the distribution under one roof and it paid off big-time. Then came the 777 deals. The decision to tear apart the warehouse followed not long after. It shattered lives and left many, including warehouse managers, shocked and bitter.

In the corporate world, once a certain amount of money has been spent on a plan, there is a general reluctance to begin questioning the foundation of that plan. No one at Head Office seemed to have the guts to stand up and say, “While we have been bickering with those few guys from the warehouse, our logistics chain has gone down the crapper and costs are getting astronomical.” Probably wouldn’t have been a good career move.

Now that OFG, according to the EV Logistics Job Fair ad, is “...calling for a single provider with expertise in multi-temperature distribution services.” we feel more than a little cynical. That we have a bigger dry grocery facility than EV creates a sense of betrayal. To be saddled with a management team that doesn’t seem to know how to run a lemonade stand has put more stress on us than I can describe here. Most of us feel that we have been deliberately painted as a troublesome and expensive. A “charade” is the term I use most often.

Now they want what’s left, largely because “what’s left” has a ton of seniority and seniority is now bad, bad, bad. It’s a nasty reminder to the junior members that they might have a legitimate claim to more of those record profits than they are getting. It’s a reminder that their union and their employer used to provide the means to raise a healthy family. It creates “unreasonable expectations which could negatively impact profit streams.” both for the company and the union.

From a June 24,2002, letter I wrote to Mr. Ivan Limpricht regarding my concerns about this battle:

“I would like to remind you of your statement at the Harrison conference: ‘One of the most gratifying things I get to see on a regular basis is our union going to the wall and defending the rights and dignity of our members.’

“And Brooke Sundin: ‘The company is just dismissing them like they don’t matter, and we’re all busting our butts fighting to save their jobs and right this wrong that the company is trying to jam down their throats.’

“With only a few months left, now would probably be a good time to put some meat on those statements. I have the following for your comments and consideration.

“This dispute should be seen as the opening skirmish of retail negotiations. It is a chance for UFCW to set the stage for next year, to flex some muscle and show that unions still matter. That once a line of fairness and equity has been crossed the stand will be aggressive and strong. Our success here will have a strong

reflection on what power UFCW brings to the table next year. This is not just about 250 jobs. Do you agree?"

Apparently he does not. So far the term "the UFCW Econo-Fight" is appropriate. It has been extremely frustrating for us. Having to embarrass the union into action was not what we expected after paying a mountain of money into it. In hindsight it is not surprising.

So understand that we feel we have our backs against the wall. There is the employer who recognizes only the almighty dollar. There is the Union who appears to share that priority. There is this bogus shell company created for our demise. And there is us who will bear the consequences.

There is no getting around one simple fact. Taking our story to the consumer is all that we have to fight with. It is the only thing that will make the employer act responsibly. As "fiscal liabilities" created by the 777 deal, it's simply our turn for the 777 legacy to come calling. Our name reached the top of the list. I suggest very strongly that your name may be on the list too.

Remember the retail dispute in 97. Jimmy's boy and the gaggle of right-wingers behind him are all abuzz about changing replacement worker law and what great sense it made. OFG took an incredibly hard line at the table and achieved what was predictable: a strike. Election day arrives and Jimmy is on TV. With his boy Campbell awaiting results. But the NDP win and as fast as you can say "WHOOOPS" the hard line disappears and the strike is settled. Are you ready for the next round?

In a July 26, 2002 letter to Angie Schirra of the B.C. Federation of Labour, Brooke states, "The decision has been made to once again escalate Local 1518's leafleting campaign against OFG's stores. Our members employed at the warehouse have begun leafleting the customers of OFG's Save-On Foods stores in a systematic effort to bring pressure upon the employer. Moreover, as of the week of July 29, 2002, Local 1518 members employed in OFG retail food stores, as well as our Union's members from Safeway, will join the warehouse members in further expanding our leafleting campaign."

If the quality of your Collective Agreement is to provide stable jobs that are worth having, I hope you understand that our fight is your fight. It is just the opening round. We are simply the initial skirmish with the Jimmy/Gordon dynamic duo. Our actions and success now will have an enormous influence on how you will fare next spring.

At the very least I want you to know that we never wanted to cost anyone hours. We all have other things we would rather be doing than leafleting the stores. We have been left with little choice by OFG. After working for the same company for 25 years I will not go quietly and I believe you would not either. If you would like to get involved in taking a stand on getting more from the employer than working poverty please contact us at 604-882-9693 and ask for the leaflet coordinators. You will be glad you did next spring.

In Solidarity,

Darryl Gehlen

<http://www.ufcw.net>