Lakehead University

A STUDY OF THE STRIKE AT CANADA SAFEWAY BY LOCAL 175 OF THE UNITED FOOD AND COMMERCIAL WORKERS

A Thesis

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Partial Fulfillment of the Requirements for the Degree of

Master of Arts at Lakehead University.

BY

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Preface

This study began in 2004, two years after the Canada Safeway Strike had concluded. At the time of the strike, I was completing my undergraduate degree in Education at Lakehead University. During my placement at one of the local elementary schools in November, I witnessed United Food and Commercial Worker (UFCW) members walking the picket line in front of Canada Safeway. Like many people in the Thunder Bay community, I was not completely aware of the issues surrounding the strike. I could only imagine how difficult it was for the members walking the picket line during the winter months. With these thoughts in mind I began to research the Canada Safeway Strike in Thunder Bay. I believed it was a clear cut case: Canada Safeway was the aggressor and the UFCW was defending the rights of its members. The world is not black and white, however, and while evidence showed that Canada Safeway adopted an aggressive policy, it also demonstrated at times how the UFCW had represented its members poorly.

Two local newspapers, *The Chronicle Journal* and the *Thunder Bay Post* provided substantial coverage of the strike. Besides clarifying some basic facts, the editorials and letters to the editor provided feedback from the community and members of Local 175 of the UFCW. Efforts to enlist the help of the UFCW and Canada Safeway proved disappointing, as each side contended that it was looking to move on since the strike ended. Both refused to participate in the study. The UFCW history of the Canada Safeway Strike in Thunder Bay, newspaper articles, and interviews with UFCW members provided plenty of evidence on the Canada Safeway strike. For many of the employees

and ex-employees at Canada Safeway, the strike was still very fresh in their minds; this included the feelings of bitterness, shame, anger, disappointment, and joy they all felt towards each other while on the picket line. Those people I contacted nevertheless remained fearful the company and union would find out about their participation and would retaliate against them. The subjects whom I interviewed thus remain confidential, unless they gave me explicit permission to use their name.

While the interviews followed specific questions, neither the interviewees nor I were tied to them, as I allowed each interview to follow its own path. Some interviews lasted only forty-five minutes, but on the whole those I interviewed spent hours discussing the strike. The interviews conducted during this thesis provided information that could never be found in a newspaper, book or other written record. For this reason, I would like to thank those with whom I conducted interviews; if they had not participated in my thesis, I would never have been able to provide the personal accounts that make this history so intriguing.

Besides those courageous people who participated in the interview process, I would like to thank Professor Marina Robinson, who in my early undergraduate career agreed to teach me a reading course in Canadian Labour History; besides providing valuable insights into labour history, she encouraged me to develop my skills as a writer. Similarly, I could not have improved my writing skills without the help of Dr. Ernest Zimmermann and my thesis advisor, Bruce Strang, both of whom were tireless in their efforts to take a mediocre writer and push him to finish the thesis you see before you. Thanks also must extend to the Social Sciences and Humanities Research Council of Canada (SSHRC) which provided much-appreciated financial support to complete this

thesis in the last year of my Master's thesis. Most importantly, thanks goes out to my wife Bolpar, who for the last two years has heard my constant ramblings about the Canada Safeway strike and who has always supported me in my efforts, financially and emotionally. It is also with great pride that I thank my first-born son, Maximus, for kick-starting my day early every morning.

William Vinh-Doyle

Introduction

Located in Northwestern Ontario, beside Lake Superior and the Kaministqua River, the cities of Fort William and Port Arthur remain geographically isolated from the industrial centers of central Ontario and the farming communities in the Prairie Provinces. The cities' access to rail and sea transportation nevertheless proved useful, as Fort William and Port Arthur became the conduit connecting Eastern and Western Canada. The introduction of the railroad in 1875 led to the development of the region's first major industry in lumber and later mining. The railway was also responsible for bringing grain from Western Canada to the ports of Fort William and Port Arthur, which was eventually shipped to various European countries. By 1929, the world's largest grain elevator, Saskatchewan Pool No. 7, had been built in Fort William.

The abundance of natural resources led to other resource based jobs, including jobs in the pulp and paper and mining industries. Pulp and paper played a significant role in expanding the region, as it became the leading manufacturing industry in Northwestern Ontario and Canada by the end of the 1920s. The notable exception to the region's resource industry was the Can-Car plant, which built small single-engine aircraft, including the Hurricane fighter and Curtiss Helldivers, during the Second World War. By the end of the war, growth in the service sector, education, health, and business services led to increased job opportunities in the region. These jobs, however, did not slow the decline of Thunder Bay's labour market, as the resource economy suffered job losses through lay offs and plant shutdowns.²

Ethnic ties proved useful socially, economically, and politically during the early twentieth century, as workers faced off against employers and the government in their struggle to

² Ibid; 48-53.

¹ James Stafford, "A Century of Growth at the Lakehead," <u>Thunder Bay From Rivalry to Unity</u>, ed. Tonrud and Epp (Thunder Bay: The Thunder Bay Historical Museum Society, Inc., 1995), 39-42.

improve their living and working conditions and to receive union recognition. The Finnish Organization of Canada and the Ukrainian Labour Temple were instrumental in supporting the more militant unions, such as the Industrial Workers of the World (IWW) and the Workers' Unity League (WUL), in organizing the lumber workers during the 1920s. Ethnic bonds, however, also had the negative effect of dividing the community, as employers often played one nationality against another in an attempt "to defeat strikes and block unionization." The Canadian Pacific Railroad, for example, replaced its Greek and Italian workers in 1906 with British-born workers. The following year, after engaging in strike activity themselves, the British workers were similarly replaced by Greeks and Italians. The irregular pattern of working-class success before the Second World War left unions relatively weak and vulnerable to employers and government.

The economic boom of the Second World War led to new challenges for the working-class, as unions and workers rallied to the cause of the war by agreeing not to strike.

Nevertheless, a shortage of labour provided new opportunities for workers, enabling them to demand better working and living conditions, including an increase in pay and union recognition.

Three strikes by freight handlers in Thunder Bay against the National War Labour Board during 1943, for example, were resolved by compromise but led to improved wages. Government legislation in 1944 to appease workers followed a wave of worker militancy from 1941 to 1943.

Bill PC 1003 "established the right of employees to belong to trade unions, which in turn were empowered to elect or appoint representatives to bargain with bosses as long as those

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³ Ibid; 132. For a more detailed examination of Northern Ontario's logging industry see Ian Radforth, <u>Bushworkers and Bosses: Logging in Northern Ontario 1900-1980</u>, (Toronto: University of Toronto Press, 1987).

⁴ Jean Morrison, "The Organization of Labour at Thunder Bay," <u>Thunder Bay From Rivalry to Unity</u>, ed. Tonrud and Epp (Thunder Bay: The Thunder Bay Historical Museum Society, Inc., 1995), 126.

⁵ Ibid. See also Joseph M. Mauro, <u>The Gold Gateway of the Great Northwest A History of Thunder Bay</u>, (Thunder Bay: Lehto Printers Ltd. 1981), 230.

⁶ Morrison, "The Organization of Labour at Thunder Bay," 137.

representatives had the support of a majority of workers in their jurisdiction." While viewed as a milestone in Canadian labour history, the enactment of PC 1001 was the beginning of a broader trend towards the institutionalization of the labour movement in Canada. Following PC 1001 in 1944, Justice Ivan Rand, an arbitrator appointed by the Federal Government to end the Ford Windsor strike in 1945, extended union rights by awarding the union a checkoff system, which guaranteed unions in Canada stable union dues. "The Supreme Court judge believed that by giving the union a firm financial basis on which to grow, it would mature and become a responsible entity."8 While it appeared that unions in Canada had made substantial gains during the war years, the beginnings of the Cold War led employers, government, and conservative trade union members to eject labour's most radical "Communist" elements, denying the labour movement some of its most able leaders. The Port Arthur Labour Council, for example, expelled three "Red delegates for having supported a resolution calling for seating of Communist China in the United Nations, withdrawal of all troops from Korea, and recognition by Canada of Red China." Such attacks against "Reds" weakened the labour movement, reducing the militancy of unions. 11 The decline of labour militancy was especially difficult for unions in Northwestern Ontario as membership in industrial unions declined "under the impact of mechanization, automation, falling markets, and changing transportation routes."¹²

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⁷ Bryan Palmer, Working Class Experience: Rethinking the History of Canadian Labour, 1800-1991, (Toronto: McClelland & Stewart Inc.), 280.

⁸ David Moulton, "Ford Windsor 1945," On Strike Six Key Labour Struggles in Canada 1919-1949, ed. Irving Abella (Toronto: James Lorimer & Company, Publishers, 1975), 148.

⁹ Morrison, "The Organization of Labour at Thunder Bay," 138.

¹⁰ Ibid, 138.

¹¹ For a more detailed account see Irving Abella. Nationalism, Communism, and Canadian Labour: the CIO, the Communist Party, and the Canadian Congress of Labour, 1935-1956, (Toronto: Toronto University Press, 1973). ¹² Morrison, "The Organization of Labour at Thunder Bay," 138. James Stafford contended that "the number of workers in the manufacturing sector declined drastically, despite the success of Bombardier in producing transportation equipment. The loss of jobs in the pulp and paper industry was a major factor in this decline. Another area which saw significant job losses was the transportation sector, where the decline in importance of the St. Lawrence Seaway and rail transportation to the east led to the elimination of 2,000 jobs." James Stafford, "A Century of Growth at the Lakehead," 53.

The decline of full-time permanent union positions in manufacturing and transportation has been offset by the growth of jobs in the public sector, particularly jobs in health, education, and services, which have been primarily filled by women. Unions experienced an increase in membership between 1960 and 1980, coinciding with an increase in public sector employment. Throughout this period, public employees began to assert their rights to receive union recognition, pay equity, and improved wages, leading to increased working-class militancy and working-class feminism in the labour movement.

Growth in the public sector was just one shift in the employment sector. Another, shift in employment was the growth of part-time, in lieu of full-time, job opportunities in the private retail sector. The construction of the Intercity Shopping Centre, Rio Can Centre, and, more recently, the Thunder Centre, has created a number of new retail jobs as companies such as Old Navy, Home Depot, and Home Sense have opened locations in Thunder Bay. In addition to clothing, furniture, and other home decor stores, the city has seen the rise of a number of grocery stores since the 1980s. The most notable example is the Real Canadian Superstore, built during the early 1990s and expanded during the Canada Safeway strike. Other locally owned grocery stores, such as Renco Foods and Quality Market, continue to provide a smaller, more personal shopping experience. Still other non-unionized stores, including Wal-Mart, have expanded their food sections, selling not only canned goods but also a variety of frozen foods and dairy products.

The increase in the number of part-time positions in the retail sector, especially in grocery stores, has created challenges for older unionized companies such as the Atlantic and Pacific Company (A&P) and Canada Safeway, who have retained their full-time permanent

¹³ Ibid; 53.

¹⁴ Meg Luxton, "Feminism as a Class Act: Working-Class Feminism and the Women's Movement in Canada," <u>Labour/Le Travail</u>, Vol. 48 (Fall 2001): 68.

employees. While these companies have responded to the labour trend by introducing loyalty programs, such as offering Air Miles rewards or similar reward point systems to attract customers, they have also attempted to achieve a more flexible labour force. An increase in the number of part-time employees and the reduction of full-time staff and the industry's attempts to limit employee wages and benefit packages are just a few examples of how companies have responded to this competition. The union representing most grocery employees, the United Food and Commercial Workers (UFCW), struggled to maintain a full-time workforce with little success, just as it struggled to preserve employee wages and benefits. Nevertheless, the UFCW leadership continues to try to make inroads into companies such as Wal-Mart, which remains almost entirely union free.

Geographically isolated from other Canada Safeway stores in Western Canada, the three stores in Thunder Bay provided an opportunity for the company to introduce pre-packaged meats as a cost saving measure during contract negotiations in September 2001, which would have resulted in the loss of over thirty full and part-time jobs. Agreeing to strike against the company on October 1, company employees were faced with a tough battle, with little or no assistance from other stores in the region, located in Fort Frances, Dryden and Kenora. Failing to reach an agreement by June 2002, Canada Safeway closed its stores in Thunder Bay and fired approximately 425 employees. Canada Safeway employees continued to picket, hoping for a resolution and a re-vote on the company's last offer. Pending another vote, however, other union members attempted to decertify the UFCW and to charter their own union, the Safeway Workers' Association. The Ontario Labour Relations Board refused to order a re-vote on the company's last offer and denied Canada Safeway employees the right to decertify the UFCW. Shortly thereafter, the UFCW and Canada Safeway agreed on a new contract, with the majority

of workers voting in its favor. The Canada Safeway strike lasted a year and a half, by which time many Canada Safeway employees had found other jobs and the company had won further concessions.

The Canada Safeway strike provides new incentive to study working class history. The historiography of the working class has changed considerably over the course of the twentieth century. The traditional approach to working class history, which was epitomized in the work of Harold Logan's Trade Unions in Canada, focused on the political and institutional activities of the union and employer. 15 During the 1960s and 1970s, however, social upheavals in Europe and America, characterized by industrial unrest, an awareness of black civil rights, and a demand to recognize the equal rights of women, compelled university graduates and scholars to revolutionize the writing of history to reflect the changing social and cultural milieu of the times. Those historians who analyzed labour history began to stress the social experiences reflected by the workers. In Britain, E.P. Thompson placed particular emphasis on the culture of the workingclass=and class consciousness. He argued the characteristics of working-class life were "embodied in traditions, value-systems, ideas, and institutional forms." This view was similar to the perspective in the United States, where labour historians such as Herbert Gutman emphasized the new "American radical history." American scholars adopted a bottom-up approach to historical writing, but concentrated less on "working-class culture as a factor unifying the working class," acknowledging instead a variety of ethnic origins. 18

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¹⁵ Harold Logan, <u>Trade Unions in Canada: their development and functioning</u> (Toronto: MacMillan Co. of Canada, 1948).

¹⁶ E.P. Thompson, The Making of the English Working Class, (London: Penguin Books, 1991), 9.

¹⁷ Kenneth McNaught, "E.P. Thompson vs. Harold Logan: Writing about Labour and the Left in the 1970s," <u>The Canadian Historical Review</u> (1981): 143.

David Bercuson, "Through the Looking Glass of Culture: An Essay on the New Labour History and Working-Class culture in recent Canadian Historical Writing," Labour/Le Travail (1981): 98.

Canadian historians, similarly disillusioned by older approaches to historical writing, were also influenced by a variety of challenges directed against the political establishment in Canada. A new wave of nationalism in Quebec, the rise of nationalism in Canada directed against American interests, and a resurgence of working-class militancy throughout Canada led to increasing calls for broader political, economic, and social responsibility. ¹⁹ Canadian scholars attempted to produce a history that more closely resembled the shifting social, cultural, and political milieu throughout Canada. They were particularly attracted to the "British depiction of a working-class culture underlying the changing expression of class consciousness and buttressing resistance to the discipline of industrial capitalism." These social historians both recognized the need to deal with labour history in a new way and sought to embody their goals in the establishment of a new organization, the Committee on Canadian Labour History (CCLH). The CCLH published a broad range of articles in the semi-annual journal, *Labour/Le Travail*, that gave emphasis to "the social-cultural aspects of working-class history, and to varieties of Marxist interpretation," whilst it maintained the importance of institutional labour history. ²²

Within the organization, however, two distinct groups emerged; the first group favoured a cultural approach to historical writing. It focused on the "beliefs, values and traditions of the workers." Gregory Kealey, Laurel Sefton MacDowell, and other scholars found that workers developed a sense of working-class consciousness despite social division, antagonism and struggle. Others, such as Peter DeLottonville, Bonita Bray, and Suzanne Morton, extended the

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¹⁹ Gregory Kealey, Workers and Canadian History (Kingston: McGill-Queens University Press, 1995), 17.

McNaught, McNaught, "E.P. Thompson vs. Harold Logan: Writing about Labour and the Left in the 1970s," 143.
 Ibid; 144.

²² Ibid, 145.

²³ David Bercuson, "Through the Looking Glass of Culture: An Essay on the New Labour History and Working-Class culture in recent Canadian Historical Writing," 97.

²⁴ See the following articles: Gregory S. Kealey, "The Honest Workingman and Workers' Control: The Experience of Toronto Skilled Workers, 1860-1892," <u>Labour/Le Travail</u> (1976): 32-68. Laurel Sefton MacDowell, "The

concept of working class culture, examining it outside the confines of the union to include community life.²⁵

A second group of scholars challenged the unity of class culture, emphasizing instead the importance of gender, regionalism, and ethnicity in unifying the working classes. Historians who focused on gender issues, such as Susan Trofimenkoff, Mercedes Steedman, Anne Porter, Bettina Bradbury, and Graham Lowe, argued males and females articulated the world differently, setting them apart from one another.²⁶ Other historians, such as Ross McCormack and David Bercuson, contributed to labour history by focusing on regional disparities, arguing workers in Western Canada were more radical. Still others, such as Agnes Calliste, Ian Radforth, and John Lutz, concluded workers often unite against an employer based on their ethnic heritage, as their past traditions help nourished their resistance to capitalism even though they undercut notions of class cohesion.²⁷

Formation of the Canadian Industrial Relations System During World War Two," Labour/Le Travail (1978): 175-

²⁵ See the following articles: Peter DeLottinville, "Joe Beef of Montreal: Working-Class Culture and the Tavern, 1869-1889," Labour/Le Travailleur (1981-1982): 9-40. Bonita Bray, "Against All Odds: The Progressive Arts Club's Production of Waiting for Lefty," Canadian Working Class History Selected Reading 2nd Ed, ed. MacDowell & Radforth (Toronto: Canadian Scholars Press, 2000), 489-522. Suzanne Morton, "The June Bride as the Working-Class Bride: Getting Married in a Halifax Working-Class Neighbourhood in the 1920s," Canadian Working Class History Selected Reading 2nd Ed, ed. MacDowell & Radforth (Toronto: Canadian Scholars Press, 2000), 408-425. See the following articles: Susan Tofimenkoff, "One Hundred and Two Muffled Voices: Canada's Industrial Women in the 1880s," Canadian Working Class History Selected Reading 2nd Ed, ed. MacDowell & Radforth, (Toronto: Canadian Scholars Press, 2000), 143-155. Mercedes Steedman, "Skill and Gender in the Canadian Clothing Industry, 1890-1940," Canadian Working Class History Selected Reading 2nd Ed, ed. MacDowell & Radforth (Toronto: Canadian Scholars Press, 2000), 450-470. Anne Porter, "Women and Income Security in the Post-Ware Period: The Case of Unemployment Insurance, 1945-1962," Labour/Le Travail, 31 (Spring 1993), 111-144. Bettina Bradbury, "Gender at Work at Home: Family Relations, the Labour Market, and Girls' Contributions to the Family Economy," Canadian Working Class History Selected Reading 2nd Ed, ed. MacDowell & Radforth (Toronto: Canadian Scholars Press, 2000), 215-234. Graham S. Lowe, "Class, Job and Gender in the Canadian Office," Labour/Le Travailleur (1982), 11-38.

²⁷ See the following: Ross McCormack, Reformers, Rebels, and Revolutionaries: The Western Canadian Radical Movement, 1899-1919 (Toronto: University of Toronto Press, 1977). David Bercuson, Fools and Wise Men: The Rise and Fall of the One Big Union (Toronto: McGraw-Hill Ryerson Limited, 1978). David Bercuson, Confrontation at Winnipeg: Labour, Industrial Relations and the General Strike (Montreal: McGill-Queen's University Press, 1974). Agnes Calliste, "Sleeping Car Porters in Canada: An Ethnically Submerged Split Labour Market," <u>Canadian Working Class History Selected Reading 2nd Ed</u>, ed. MacDowell & Radforth (Toronto: Canadian Scholars Press, 2000), 596-617. Ian Radforth, "Finnish Radicalims and Labour Activism in the Northern Ontario Woods," Canadian Working Class History Selected Reading 2nd Ed, ed. MacDowell & Radforth, (Toronto:

With the increasing stress on analysis of gender, regionalism, and ethnicity, such cultural historians, as Ruth Bleasdale and Franca Iacovetta examined these issues and concluded that class played a more dominant role.²⁸ Others, such as Irving Abella, have examined the relationship between violence or the threat of violence in some of Canada's most successful labour struggles.²⁹ Still others, including James Struthers, Laurel Sefton MacDowell, Jeremy Webber, and H.M. Grant, have continued to examine politics and institutions.³⁰

Among these historians, only a few attempted to examine the post-1980s, preferring to write about Canada's more distant past. Those who added to the historiography included prominent trade union leaders such as Bob White, President of the Canadian Auto Workers (CAW) in 1980, and Jack Munro, leader of the International Woodworkers of American (IWA) in 1973. Bob White's autobiography, Hard Bargains: My Life on the Line, recounts the nationalistic feelings of the Canadian auto workers in their pursuit of independence from the United Automobile Workers (UAW) in 1985, and the willingness of the UAW to make concessions with the automakers.³¹ Diverging from Bob White's nationalistic sentiments, Jack Munro's autobiography, Union Jack: Labour Leader Jack Munro, demonstrated the divisions that afflicted union leaders and the rank and file membership in 1983, as Art Kube, President of

Canadian Scholars Press, 2000), 471-488. John Lutz, "After the Fur Trade: The Aboriginal Labouring Class of British Columbia 1849-1890," Canadian Working class History Selected Reading 2nd Ed, ed. MacDowell & Radforth (Toronto: Canadian Scholars Press, 2000), 235-261.

²⁸ See the following articles: Ruth Bleasdale, "Class Conflict on the Canals of Upper Canada in the 1840s," Labour/Le Travail (1981): 9-39. Franca Iacovetta, "From Contadina to Worker: Southern Italian Immigrant Working Women in Toronto, 1947-1962," Canadian Working Class History Selected Reading 2nd Ed, ed. MacDowell & Radforth, (Toronto: Canadian Scholars Press, 2000), 620-640.

²⁹ Irving Abella, ed. On Strike: Six Key Labour Struggles in Canada 1919-1949 (Toronto: James Lorimer & Company, Publishers, 1975).

³⁰ James Struthers, No Fault of Their Own: Unemployment and the Canadian Welfare State 1914-1941 (Toronto: University of Toronto Press, 1990). Laurel Sefton MacDowell, "After the strike - Labour Relations in Oshawa, 1937-1939," Canadian Working Class History Selected Reading 2nd Ed, ed. MacDowell & Radforth, (Toronto: Canadian Scholars Press, 2000), 505-523. Jeremy Webber, "Compelling Compromise: Canada Chooses Conciliation over Arbitration," Labour/Le Travail Vol. 28 (Fall 1991): 15-57. H.M. Grant, "Solving the Labour Problem at Imperial Oil: Welfare Capitalism in the Canadian Petroleum Industry, 1919-1929," Labour/Le Travail Vol. 41 (Spring 1998): 69-95.

31 Bob White, <u>Hard Bargains: my life on the line</u>, (Toronto: McClelland and Stewart, 1987).

the British Columbia Federation of Labour, began Operation Solidarity in "opposition to Social Credit Premier William Bennett's economic restraint program." Munro was just one labour leader, for example, who criticized Art Kube for his decision to push the working class into a strike over wider social issues, risking the workers jobs. 33

The trend in Canadian historiography to examine Canada's trade union leadership continued throughout the 1980s, as Pradeep Kumar and Dennis Ryan interviewed twelve of Canada's top union leaders. Their research, published by the Industrial Relations Centre at Queen's University, responded to the "debate on whether unions in Canada, like their counterparts in the United States, [were] becoming a passing phenomenon." The interviews demonstrated a wide variety of trends in Canada's labour movement, including ways in which the unions had responded to a decline in union membership, their pursuit in "forging closer links with other social groups and community organizations," and their battle to maintain job security by seeking "no layoff provisions, longer notices on plant closing and technological changes, guarantees against contracting out of work and the use of part-time and contract workers, employer-sponsored training and retraining, improved pensions, better severance pay and other income security clauses." Kumar and Ryan also revealed the divisions within the labour movement, as unions raided independents or affiliates of rival unions to increase their own union membership. During interviews, union leaders revealed the dissatisfaction of the rank and file membership over the unions' bargaining performance.

³² Jack Munro, <u>Union Jack Labour Leader Jack Munro</u>, (Vancouver: Douglas & McIntyre, 1988), p. 2.

³³ Thid

³⁴ Pradeep Kumar and Dennis Ryan, "Canadian Union Movement in the 1980s: Perspectives from Union Leaders," Research and Current Issues, No. 53 (Kingston: Industrial Relations Centre, 1988), 2.

³⁵ Ibid; 5

³⁶ Ibid; 7

³⁷ Ibid: 11

The 1990s spurred a new growth of analysis into the recessionary period of the 1980s as a number of historians continued to examine Canada's trade union leadership and the trend in Canada's labour movement towards national independence from international unions. Bryan Palmer's book, *Working Class Experience: Rethinking the History of Canadian Labour, 1800-1991*, reflected frustration with the trade union movement. He argued that trade union leaders "stand fast, not for the interests of workers as a whole, as a class, but for their union's rights over particular workers and their dues." Palmer further contended that the political maneuvering of the union leadership, through social unionism, had created a progressive façade "behind which a wing of the labour hierarchy adroitly masks its traditional business unionist refusal to use and extend the class power of the unions to launch a struggle for social change." His contention that union leaders' refuse to use the power of the working-class to promote change, adds to the growing number of historians who are challenging the labour movement to change their policies.

Craig Heron and Desmond Morton have similarly expressed concern with the trade union movement believing that competition between unions has fragmented the working class community. Craig Heron's analysis, *The Canadian Labour Movement: A Short History*, showed the broadening of union jurisdiction to include white collar workers resulted in "fierce union rivalry" that deepened the divide between organizations in the Canadian labour movement, as they continued to remain suspicious of one another. Desmond Morton similarly discussed union rivalry in his book, *Working People: An Illustrated History of the Canadian Labour Movement*, in which he poignantly referred to the bitter union rivalry between the United Food and Commercial Workers Union (UFCW) and the Canadian Auto Workers Union (CAW) over

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³⁸ Bryan Palmer, Working Class Experience Rethinking the History of Canadian Labour, 1800-1991 (Toronto: McClelland & Stewart Inc., 1992), 371.

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⁴⁰ Craig Heron, <u>The Canadian Labour Movement A Short History 2nd Ed.</u> (Toronto: James Lorimer & Company, 1996), 140.

the bargaining units of Nova Scotia's, New Brunswick's, and Newfoundland's fishery workers in 1986. 41 Morton perhaps best expressed the mood of the working-class and demonstrated the bleak future of trade unions; according to him, "union mergers are rarely a sign of strength. With mass unemployment, militancy faded. A strike could not reopen a factory or store, or prevent privatization; it merely cut off unemployment and severance benefits." In his view, unions remained weak and isolated heading into the 1980s, as their most important bargaining tool, the strike, was limited because of unemployment. The recession made it possible for companies to pressure workers and their unions into accepting concessions.

Less critical of trade union leadership, Sam Gindin and Steven High have demonstrated how class antagonism directed against American internationalism and plant shutdowns led to the development of a unique Canadian "resistance culture." Steven High's *Industrial Sunset: The Making of North America's Rust Belt, 1969-1984* depicted a resurgence of working-class militancy during the 1980s in response to the closure of mills and other factories within North America's "industrial rust belt." Unlike their American counterparts, who shared feelings of displacement, Canadian workers felt closer ties to the union and its leadership as they engaged in strike action against employers. ⁴³ Sam Gindin similarly argued in his article, "Globalization, Nationalism, and Internationalism," that the Canadian Automobile Workers (CAW) asserted its independence from the American United Automobile Workers (UAW) during the 1980s based on the success and confidence it found in struggles with Ford, Chrysler, and General Motors Corporation. The break from the American UAW spurred the growth of Canadian nationalism,

⁴¹ Desmond Morton, <u>Working People An Illustrated History of the Canadian Labour Movement 4th Ed.</u> (Toronto: McGill-Queens University Press, 1998), 331.

⁴³ Steven High, <u>Industrial Sunset: The Making of North America's Rust Belt, 1969-1984</u> (Toronto: University of Toronto Press, 2003), 73.

leading to a resurgence of working-class militancy directed at issues of health and safety, labour education, and a struggle against the Free Trade Agreement (FTA) with the United States.⁴⁴

Further studies by Jean Morrison, examining the labour movements in Northwestern Ontario, have added to the historiography by depicting Thunder Bay as a militant working-class community. Her chapter in *Thunder Bay: From Rivalry to Unity*, edited by Thorold Tronrud and Ernest Epp, depicted the region's ethnic militancy during the 1930s and the relative decline of the labour movement after World War II. Her analysis of industrial, private, and public sector unions in the region reflected the ethnic divisions in the community before the 1930s, the radicalization of Finns during the depression years, and the eventual decline and conservatism of the regions labour movement. Her study closely follows the beliefs of David Bercuson, Ian McCormack, and C.H. Pentland that working-class "radicalism and militancy were much stronger west of the Lakehead as a result of the unique frontier environment in which western workers found themselves." A number of historians have challenged the idea of "western exceptionalism" in the book *The Workers' Revolt in Canada 1917-1925*, edited by Craig Heron, which attributes the unevenness of the workers' revolt across Canada more to the "political economy, social structure and cultural practices and institutions than to region" and questions previous contentions that workers in Thunder Bay and in the west were more radical. 46

While the debate surrounding working class militancy, regionalism, gender, ethnicity and labour leadership continues among labour historians, few have attempted to examine the Canadian retail sector or have limited their discussions to technological changes and management restructuring, where they have focused on workers experiences in the United States.

46 Ibid.

⁴⁴ Sam Gindin, "Globalization, Nationalism, and Internationalism," <u>Canadian Working Class History: Selected Readings 2nd Ed</u>, ed. MacDowell & Radforth, (Toronto: Canadian Scholars Press, 2000), 706-25.

⁴⁵ Craig Heron, The Worker's Revolt in Canada 1917-1925 (Toronto: University of Toronto Press, 1998), 6.

Julie White's article, "Unorganized Women," is one exception, as she examined the level of unionization among women. Her analysis transcended a gender-based study to include the difficulties unions have faced in organizing the retail industry. Her study shows how unions have, since the post-1980s, held information sessions to organize and to expand into non-unionized areas. ⁴⁷ They have also engaged in a new style of social unionism, which engages the union to form coalitions with groups concerned with "the environment, peace, social services, rural issues, and the rights of racial minorities, persons with disabilities, and gays and lesbians." White's article, however, does not demonstrate the difficulties unions have faced in maintaining their foothold in the private sector.

Jan Kainer's study, "Gender, Corporate Restructuring and Concession Bargaining in Ontario's Food Retail Sector", published in 1998, provides a clearer analysis of the private sector, particularly the supermarket industry. Kainer focuses on the gendered inequalities of the supermarket industry, where women are primarily employed as part-time workers in service jobs such as cashier or meat wrapper, compared to men who are hired on full-time production jobs, such as clerks or meat cutters. "Neither the United Food and Commercial Workers Union (UFCW) nor the Retail, Wholesale union (RW)," Kainer argues, successfully resisted "the labour flexibility initiatives of management, especially around part-time employment." In particular, she cites that unions such as the UFCW "are not opposing the implementation of new wage tiers which are dividing the workforce between the predominantly male full-time and predominantly female part-time categories." As a consequence of a business style unionism, Kainer argues

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⁴⁷ Julie White, "Unorganized Women," <u>Canadian Working Class History Selected Readings 2nd Ed</u> ed. MacDowell & Radforth, (Toronto: Canadian Scholars Press, 2000) 726-763.

⁴⁹ Jan Kainer, "Gender, Corporate Restructuring and Concession Bargaining in Ontario's Food Retail Sector", *Industrial Relations/Relations Industrielles*, 53(1), (Winter, 1998), 184.
⁵⁰ Ibid.

that unions are in a "concessionary spiral" in which the retail food workers are becoming subject to declining wages and deteriorating work conditions.⁵¹ The notable exceptions were the Meat Cutters and Butchers, who because of their skill and separate bargaining arrangements, were able to exert considerable bargaining leverage, through which they have maintained higher wage rates and better collective agreements. 52 Kainer's study leads to serious debate about the effectiveness of unions in Canada against giant retailers such as Canada Safeway or the Atlantic & Pacific Company (A&P).

The Canada Safeway strike in Thunder Bay provides new insights into the trade union leadership during the post-1980s. This thesis attempts to answer a number of important questions. Why did Canada Safeway act so aggressively towards the UFCW and its membership? What caused dissention in the UFCW? Why did Canada Safeway policies help foster dissension among the UFCW membership? Did the UFCW adequately represent its membership during the Canada Safeway Strike? Why did a group of UFCW members seek a second vote on Canada Safeway's "last, best and final offer"? Why did a group of UFCW members attempt to create an independent union, the "Safeway Workers' Association"? Within this framework, this study of the Canada Safeway Strike examines working-class experiences in the private retail sector, an area that is largely understudied and needs to be further analyzed.

This study is a chronological analysis of the Canada Safeway strike. For the purpose of clarity, it has been divided into four chapters, each coinciding with a major event that altered the developments on the picket line. Chapter one discusses the history of Canada Safeway and the United Food and Commercial Workers Union, analyzing the Canada Safeway Strike in 1994 and its subsequent impact on the Thunder Bay Safeway employees leading into the Canada Safeway

⁵¹ Ibid, 185. ⁵² Ibid, 187.

Strike which began in October 2001. Chapter two examines the early deception of the UFCW and the reaction of the rank-and-file members, which led some members to criticize the union leadership openly. Chapter three investigates the widening split among the rank-and-file members, leading into the government supervised vote on the "Final Offer." Among other things, it discusses the company's proposed contract, UFCW actions leading up to the vote, and the vote that shattered the UFCW's notions of maintaining any working-class solidarity. Chapter four similarly discusses the fallout from the "Final Offer," which led Canada Safeway to close the three Thunder Bay stores and some UFCW members to file charges against the UFCW with the Ontario Labour Relations Board. It also examines the reconciliation between the company and the union, which led to the ratification of a new contract. This analysis provides a deeper context for further study by Canadian labour historians, and others who are interested in the difficulties unions face in the private retail sector.

Chapter One

A. Canada Safeway before the Strike

The United Food and Commercial Workers (UFCW), established in 1979 as an amalgam of the Retail Clerks International Union and the Amalgamated Meat Cutters and Butchermen, has become the nation's leading private sector union in the supermarket industry, organizing workers at the Atlantic & Pacific Company Ltd., Canada Safeway Ltd, and Loblaws Inc. Subsequent mergers with The Brotherhood of Packinghouse and Industrial Workers Union in 1989, and 80,000 American members of the Retail, Wholesale and Department Store Union and some 6,000 Canadian Retail, Wholesale and Department Store members in 1997, has bolstered the membership of the UFCW. Before the creation of the UFCW in 1979, retail unions enjoyed a prosperous period in union-management relations. During the 1950s and 1960s, for example, "retail unions were able to secure accretion clauses in collective agreements that secured unionization of any new stores in a supermarket chain. The result was that retail unions negotiated master agreement that covered all of the stores in a geographic region."² The relative success at unionizing workers in the supermarket, led the UFCW to support business unionism as its labour philosophy. Business unionism focused on protecting and advancing workers' economic interest at the expense of promoting broader economic or social reforms. Often successful at organizing, business unions, such as the UFCW, often "adopt a conservative approach to bargaining and are unlikely to become involved in militant forms of political action." By the late 1970s and 80s, corporations such as Canada Safeway began to adopt and disseminate more aggressive tactics during negotiations to erode the gains retail unions had made in the previous decades. Business unions responded by amalgamating to form larger

¹ Lisa Williamson, "Union Mergers: 1985-94", Monthly Labor Review, 118(2) (1995), 7.

² Kairen, 188

³ Ibid

organizations, covering a wider geographical region, such as the amalgam between the Retail Clerks International Union and the Amalgamated Meat Cutters and Butchermen, to form the UFCW in 1979. In Thunder Bay, Local 175 of the UFCW enjoyed some success at improving the economic interests of its members, as non-unionized workers were making roughly \$7.00 per hour compared to an average wage of \$17.24 for UFCW cashiers during the 1980s. ⁴ Regardless of these increased wages, the UFCW began to suffer losses in the Thunder Bay region as Canada entered a recession in the 1980s. Its success at unionizing Kresge's in Thunder Bay, for example, was defeated in 1985 after management hired employees who held anti-union sentiments in order to decertify the UFCW as the employees' bargaining agent. ⁵

The UFCW was likewise challenged by Safeway Ltd, which had been established in 1915 by M.B. Skaggs in the United States. The Skaggs chain of stores grew to include 428 stores in 10 states by 1926 and expanded further when this company amalgamated with 322 Safeway stores. Two years later, Safeway was listed on the New York Stock Exchange. The vast expansion of Safeway Limited in the United States prompted it to open stores throughout North America. By 2001, Safeway Limited owned approximately 1,700 stores in the United States and Canada. Contending with differences of labour practices, policies, and legislation, Safeway Limited opened a Canadian headquarters in Calgary to deal with the exigencies of the dissimilar labour market. Remaining tied to Safeway Limited's philosophy and business practices, Canada

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⁴ Jean Morrison, "The Organization of Labour at Thunder Bay," <u>Thunder Bay From Rivalry to Unity</u>, ed. Thorold J. Tronrud and A. Ernest Epp (Thunder Bay: The Thunder Bay Historical Museum Society Inc; 1995), 139.

⁶ Due to the company's refusal to assist me during my research for this, I had limited resources available regarding Canada Safeway's history. What was available was found through websites. For further information see the Canada Safeway Ltd. Website at www.safeway.com.

⁷ Ibid.

Safeway nevertheless followed suit with Safeway Limited and other corporations as they sought to erode the gains retail unions had made since the 1950s.⁸

The beginning of a recession in the 1980s and increased market segmentation has led companies to propose new cost effectiveness measures. As Jan Kainer has shown in her study "Gender, Corporate Restructuring and Concession Bargaining in Ontario's Food Retail Sector," "supermarkets face competition from large non-unionized mega discount stores, such as warehouse clubs and superstores, as well as from convenience stores, independent food retailers or franchise, fast-food outlets and drugstores." Responding to the increased competition from companies such as Walmart, supermarkets adopted a policy of maintaining profitability by reducing their full-time staff to part-time positions and implementing new wage tiers for part-time employees. An increase in competition in Thunder Bay after the construction of the Real Canadian Superstore in 1993, for example, led Canada Safeway to cut twenty-seven of its full-time staff to part-time hours in preparation for expected loss of sales due to increased competition. It

In Thunder Bay, Canada Safeway adopted a more aggressive policy towards the union during contract negotiations in 1994, when it attempted to reduce more of the company's full-time employees to part-time positions. The proposed contract offered buyout packages to 180 of its employees in an attempt to replace them with new part-time workers who would earn \$3.20 an hour less than the part-time employees who had been hired before the ratification of the new contract. It further called for a freeze in wages for two years, providing a fifteen cent per hour

⁸ Safeway Limited was engaged in other strikes in the United States. During the strike against Canada Safeway in Thunder Bay, UFCW members in California were engaged in their own struggles against Safeway Limited.
⁹ Kainer, 186.

¹⁰ Ibid.

¹¹ Diana Alyward, "Superchanges for Safeway Staff," The Chronicle Journal, April 15, 1993, A1.

¹² Author Unkown, "Strike closes 5 Safeway stores: Clerks picket city's biggest grocer after narrowly rejecting lastest offer," *The Chronicle-Journal*, October 31, 1994, A8.

wage increase in the third year for all employees.¹³ On the recommendation of the UFCW local executive, fifty-three percent of the 550 Safeway employees rejected the offer.¹⁴ After a week of strike action by the employees, John Mather, a provincial mediator, recommended that Canada Safeway remove the proposed wage reductions. Agreeing to the recommendations, Canada Safeway forestalled its plan to implement a second tier wage scale for part-time employees. Employees accepted the negotiated contract, which included a two-year wage freeze and a fifteen percent wage increase in the third year by a sixty-six percent majority. The union's success came at a cost, however, as Canada Safeway halted its construction of a new mega-store across from County Fair Plaza on Dawson Road.¹⁵

The UFCW was only partially successful in forestalling Canada Safeway's labour initiatives at reducing its full-time employees to part-time positions. A steady decline in the number of Canada Safeway employees was evident between 1994 and 2001. Canada Safeway employed 550 full and part-time workers during the 1994 strike, for example, but it employed only 430 workers in 2001, a loss of 120 employees over a seven year period. Job losses and shorter hours continued to afflict workers at Canada Safeway as the company restructured stores throughout the country. As early as 1995, Canada Safeway Ltd. closed its County Fair store, moving its twenty-eight full-time workers to part-time positions in other stores, while laying off forty-five part-time workers indefinitely. A similar closure at Northwood Park, two weeks after

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¹³ Doug Ferguson, "Movement in grocery strike: Canada Safeway and Union back into mediation on Friday," *The Chronicle-Journal*, November 3, 1994, A1.

¹⁴ Author Unknown, "Strike closes 5 Safeway stores: Clerks picket city's biggest grocer after narrowly rejecting lastest offer," *The Chronicle-Journal*, October 31, 1994, A8.

¹⁵ Doug Ferguson, "Safeway workers end strike: Company puts freeze on Dawson Road megastore," *The Chronicle-Journal*, November 6, 1994, A1.

¹⁶ Author Unknown, "Safeway closing County Fair store," The Chronicle-Journal, February 28, 1995, A1.

the County Fair store closed, resulted in further job losses of seventeen full-time and forty-three part-time positions.¹⁷

In 1995 Canada Safeway put forward a new contract proposal to the union. It stated the company would resume construction of the new mega-store at Dawson Road, and would rehire some of the employees laid off at the County Fair and Northwood Park stores, if the company received the union's cooperation. The new store was expected to create 160 to 180 jobs. ¹⁸ The proposal also called for a second tier wage scale for all new part-time employees hired after the date of ratification. The union agreed that new part-time employees at the megastore would make a top rate of \$10.38 an hour, compared to the \$14.20 that part-time employees had made in 1995. According to the union, the new contract, which included the introduction of a two-tier wage scale for part-time employees, was acceptable since it provided job security for its membership.

The negotiations in 1995 set a precedent for future negotiations between Canada Safeway and the UFCW. The union's failure to reject the company's introduction of a two tier wage scale for part-time employees after Safeway Canada closed two of the five Thunder Bay stores demonstrated the relative weakness of the union in negotiating with the company. The UFCW entered a "concessionary spiral" which continued to affect the majority of part-time employees during the contract negotiations in 2001. Canada Safeway was able to strengthen its position by asking for further concessions from the union and its members through the rest of the decade, which led to further action by the company against its employees through job layoffs, reduced hours, and cutbacks in employee benefits. In 1996, for example, the company terminated five positions in Thunder Bay, primarily in administrative and secretarial work, and reduced some

¹⁷ Author Unknown, "Safeway closing at Northwood," *The Chronicle-Journal*, March 23, 1995, A1.

¹⁸ John Ayearst, "Green light for Safeway megastore," *The Chronicle-Journal*, May 1, 1995, A1.

full-time positions to part-time "as a result of a corporate restructuring program." A pattern of success for Canada Safeway, whereby it was able to replace much of its full-time staff with parttime employees in an effort to reduce costs was thus well established and led into the Canada Safeway strike in 2001, encouraging the company to continue pursuing this tactic.

B: Strike Vote

Tensions among management, union officials, and Canada Safeway employees reached a boiling point during the 2001 contract negotiations. Employee grievances against the company were a central issue leading into the strike. Employees often complained about the reduction in part-time hours, increased work loads, lack of seniority rights, and arbitrary schedule changes.²⁰ Among the more important issues for part-time employees was the cutback in the number of part-time hours. Some part-time workers complained about management's lack of flexibility regarding shift changes and availability.²¹ While the part-time workers felt the financial burden, full-time senior staff were pushed to their limits as they were forced to do increased amounts of work due to the limited labour fund.²²

Others experienced even more pressure, as employees such as Cindy MacLeod, a meat cutter for fifteen years, "heard that the company was bringing pre-packaged meat to Thunder Bay. It meant if customers wanted a special cut of meat, they had to order it from Winnipeg and most of the local meat cutters... would be let go."23 Customer complaints against the proposed introduction of pre-packaged meat went unheard by the company but not those employees who

¹⁹ Author Unknown, "Job losses, fewer hours part of Safeway changes," The Chronicle-Journal, April 3, 1996, A1. ²⁰ Bill Trbovich, We are here to STAY (Thunder Bay: The United Food and Commercial Workers Union Local 175,

²¹ Interview 3A, January 16, 2006 and Interview 2A, Fall 2005.

²² Interview 1A, Summer 2005.

²³ Trbovich; 2.

worked in the meat department. Cindy MacLeod recalled how customers "couldn't believe that Safeway was actually doing that. I told them they could still get their meat cuts but it's going to take a week. They had to place an order in advance and they would get right pissed at me! I would give them a card and say write to the company and tell them. Boy, they were mad and many of them said they would go elsewhere." Despite customer complaints and employee resistance to the proposed changes, Canada Safeway pressed ahead with its plans.

Early negotiations with the company, beginning in June 2001, proved a disappointment for the UFCW, as Canada Safeway refused to guarantee more hours and higher wages for its part-time employees, refused to increase the number of hours for senior part-time workers, and insisted on introducing pre-packaged meats in Winnipeg and possibly Thunder Bay. Sharon Gall, director of the UFCW Local 175 Northern Region, described the process as slow and tedious for the bargaining committee; "the only gain for part-timers was 30 cents per hour, but what good is that when you can't get your normal quota of hours...? No benefits were offered for part-timers and [the company] wanted to roll back vacation entitlement for existing and new full-time employees." The biggest issue, according to the union, was the proposal introducing counter-ready meats. The fact that the UFCW was an amalgamation of the Retail Clerks
International Union and the Meat Cutter and Butcher Workmen of North America, made the possible elimination of the meat departments all the more painful, as it attacked the foundation of the union, mainly the meat cutters. While the company did not plan to implement counter-ready meats until it had completed contract negotiations with the Manitoba stores in November, the

²⁴ Ibid; 7

²⁵ Kris Ketonen, "Safeway strike near," *The Chronicle-Journal*, September 19, 2001, A3. See also, Wayne Hanley, and Andress, Jim, "Labour Dispute" UFCW Local 175, handout.

²⁶ Trbovich, 9.

UFCW maintained its duty to protect the thirty full and part-time workers in the meat department who would be displaced by the new contract.²⁷

Members of the UFCW negotiating committee began to question Canada Safeway's agenda during the contract negotiations. Shawn Harris, a negotiator for the UFCW, cited frustration with the company and the belief that the company wanted a strike.²⁸ Executive Assistant John Fuller of UFCW Local 175 also thought that the company

wasn't interested in finding a settlement. The company put out a position, albeit not on paper but across the table, that they were prepared to agree to a full-time job complement if we were prepared to recommend the deal. That wasn't a problem but some of the other four or five issues on the table were a problem. So when I went up two weeks later, we knocked all of those issues down and I said to the company, if you put the full time job complement proposal back on the table this should form a recommended deal from the union negotiating committee. Safeway's negotiators said they weren't prepared to put it back on the table.²⁹

Tim Ryan, another negotiator for the UFCW, felt that the company was playing the full and part-time employees off against each other; he recalls how some of the "issues withdrawn from the table included the ratio of full-time jobs and wording for part-time hours. Once we tried for the wording of the part-time hours and then the full-time was gone. They played the full-timers against the part-timers. It was divide and conquer." Local 175's President, Wayne Hanley, attributed the confusion of the negotiations to Canada Safeway's parent company, Safeway Limited, in the United States. 31 "Up until the strike commenced people from other local unions across the country had said that the decisions wouldn't be at the bargaining table in Thunder Bay; they'd be made down in California. Once the strike started all the shots were openly called

²⁷ Ketonen, "Safeway strike near", A3.

²⁸ Trbovich: 10.

²⁹ Ibid; 10-11.

³⁰ Ibid; 14.

³¹ The UFCW filed an unfair labour practices application with the Ontario Labour Relations Board on September 20, "alleging Safeway violated a section of the Labour Relations Act.... The application was filed because Safeway changed its demands during the course of negotiations.... Safeway dismissed the allegations." Ward Holland, "Safeway set to dump stores: union," *The Chronicle-Journal* October 25, 2001, A3.

from south of the border."³² Union negotiators became frustrated with the negotiation process as Canada Safeway negotiators often had to reconsider, and at times withdraw previous agreements, to suit the needs of Safeway negotiators in the United States.

The company's refusal to deal with issues such as job security for full-time meat cutters and wrappers, a guarantee of hours for part-time employees, and management's honoring seniority rights, ³³ led the workers to reject Canada Safeway's contract offer by a 96 per cent majority in early September 2001. Subsequent attempts by the company to avert a strike through new contract negotiations led the union to postpone the strike deadline. New contract proposals put forward by the company on September 13, 2001 were not taken to the members for a second vote because the UFCW believed that the company had not altered the contract enough to justify bringing it to the membership. ³⁴ A third and final contract proposal, presented to the membership on September 28, 2001, delayed the strike, but only for a short time. ³⁵

Having reached an impasse during the contract negotiations, the UFCW felt that a strike was unavoidable and this led the negotiating committee to reject the offer by Canada Safeway. While the third contract proposal included such benefits as a thirty cent per hour wage increase for part-time employees hired before May 1, 1995, including retroactive pay for all "regular hours worked or paid (including Sunday) from September 9, 2001 until the Saturday following ratification," a five cent an hour night shift premium, and an agreement with the company to follow past practice in respecting seniority rights among part-time workers, ³⁶ it nevertheless sought to implement a number of detrimental proposals. Canada Safeway, for example, would

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³² Trbovich, 15.

³³ Kris Ketonen, "Safeway Strike a go," The Chronicle-Journal, October 1, 2001, A1.

³⁴ Ketonen, "Safeway strike near", A3

³⁵ Kris Ketonen, "Strike closes Thunder Bay Safeway stores," The Chronicle Journal, October 2, 2001, A1.

³⁶ September 28, 2001 "Full and Complete Company Offer In the Matter of Collective Agreement between Canada Safeway Limited, Thunder Bay, Ontario, and United Food and Commercial Workers, Local 175," 2

maintain the right to continue operating under its current scheduling practice, allowing the company to change the "length of shifts for night shift employees subject to business conditions or the requirement to efficiently operate the business necessitating a change."³⁷ Another amendment targeted employees' availability. It would allow the company to schedule new employees hired after ratification to work Sundays "irrespective of their Declarations of Availability."³⁸ Besides the lack of flexibility in part-time hours, another major stumbling block in the proposed contract was Canada Safeway's attempt to secure a new letter of understanding to the effect:

That in the event the Company implements Counter Ready Meat into this market, the solution agreed upon in Manitoba negotiations in respect to Counter Ready Meat will be implemented into the Thunder Bay Retail Collective Agreement in respect to Thunder Bay meat Department employees affected by the introduction of Counter Ready Meat in Thunder Bay.³⁹

While the collective agreement would provide full and part-time meat workers an opportunity to transfer from one department to another, it still would mean a loss of thirty positions at Canada Safeway in Thunder Bay.

On September 28, 2001, four hundred workers employed at Canada Safeway and represented by the United Food and Commercial Workers Union (UFCW) converged at the Lakehead Labour Centre to cast their ballots on this latest contract proposal by the company. Faced with an impending strike, workers were forced to make a decision either to accept the contract, which offered a thirty cent wage increase for part-time workers at the expense of losing thirty full and part-time positions in the meat department, or to reject the offer and to face the company on the picket line in the hopes that the company would withdraw its more controversial proposals and offer a more lucrative deal, including job security, an increase in the number of

³⁷ Ibid; 3. ³⁸ Ibid; 2.

³⁹ Ibid; 2.

part-time hours, and more respect from management. It was clear as soon as members walked into the Labour Centre that the UFCW wanted the membership to vote against the contract and go on strike against Canada Safeway. The hall was filled with anti-Safeway signs, advising "cutting down the club card," and a "Safeway sign with an X through it." The lead speaker, Sharon Gall, the Regional Director of Local 175 Northern Region, was led by a procession of strike supporters playing "Kiss her goodbye," by the Nylons, in order to inflame the members against Canada Safeway; her message was simple "We're going to get what we deserve!" 41 Surrounded by anti-Safeway propaganda, eighty-one percent of the membership voted to go on strike against Canada Safeway beginning October 1, 2001. 42 They would remain on strike until February 17, 2003.

⁴⁰ Interview 4A, 2006. ⁴¹ Ibid.

⁴² Kris Ketonen, "Strike closes Thunder Bay Safeway stores," *The Chronicle-Journal*, October 2, 2001, A1.

Chapter 2

A: Life on the Picket Line

Canada Safeway Ltd., and the United Food and Commercial Workers Union (UFCW) both thought the strike would be short lived. Previous work stoppages in the region often lasted only a few days or had been averted at the last minute. Most members were exuberant about the strike, believing that they would soon be supported by members in Manitoba who were poised to strike against Canada Safeway in November. Support from other Safeway stores was crucial to the negotiation process in Thunder Bay. It was believed that the support of the 3, 300 Manitoba workers would force Canada Safeway to negotiate in a fair and positive manner, and lead to a contract that would benefit the UFCW and its members.

During the strike vote at the Lakehead Labour Centre, union leaders had encouraged members to strike, promising that stores in Fort Frances, Dryden, and Kenora as well as Winnipeg "would support our strike vote by going on strike themselves." Members also received handouts and updates from picket captains indicating the Manitoba workers would be on strike right behind the Thunder Bay workers. The union published messages of solidarity from Manitoba workers and distributed them to members to encourage morale. Heather Reaves, a meat wrapper in Manitoba, wrote a letter to members in Thunder Bay letting them know that they were not alone in their fight with Safeway: "We are all in this together.... Hopefully we will stick to our guns, wanting fairness, job security and benefits, and be as strong as you are being!

¹ Canada Safeway "employees were on strike for seven days in 1994. The Thunder Bay workers also voted 96 per cent in favour of a strike in 1997, and Kenora Safeway employees voted 95 per cent in favour in 1996. Strike action was averted in both cases." Kris Ketonen, "Safeway prepares for strike Stock cutbacks under way in Thunder Bay stores," *The Chronicle-Journal*. September 21, 2001, A1.

² Kris Ketonen, "Strike closes Thunder Bay Safeway stores," The Chronicle-Journal, October 2, 2001, A1

³ Interview 4A, 2006.

⁴ Interview 1A, 2005.

You are sending the message that we hope to send!"⁵ Others such as Diana White, a baker in Manitoba, stated that members in Thunder Bay were "not alone in this battle of fairness; we are in the middle of negotiations and they are not going well. We too may be out in Nov. We have to be strong and unified in our battle. We are behind you 100%"⁶ Statements made by the UFCW and its members in Manitoba were designed to raise morale on the picket line and make members believe they could win the strike against Canada Safeway if they remained united.

Local media coverage of the situation in Manitoba also encouraged UFCW members to think that a strike in Manitoba was pending. An article in the local newspaper, *The Chronicle-Journal*, published in late October, stated that over "3,300 Safeway employees in Manitoba have voted 93 per cent in favour of a strike on Nov. 12." The most pressing issue on the table, according to the newspaper, was Canada Safeway's plan to implement counter-ready meat. ⁷ Issues such as a five dollar per hour wage reduction, put forward in the contract proposal, likewise hindered the negotiation process. Canada Safeway further threatened to liquidate "its 35 stores in Manitoba, leaving 3,300 employees without jobs," if they did not accept the contract. ⁸ Articles presented in the media led a number of workers in Manitoba and Thunder Bay to believe that a strike was inevitable.

A decision by UFCW Local 832 Manitoba and Canada Safeway to go to binding arbitration in order to avert a strike dashed the hopes of many UFCW members in Thunder Bay.

Choosing arbitration over strike action was a difficult decision for the UFCW Local 832

⁵ UFCW, Local 175, handout. "Solidarity! A Message from your Manitoba Brothers and Sisters." ⁶ Ibid.

⁷ Julio Gomes, "Safeway strike front could heat up," *The Chronicle-Journal* October 23, 2001, A3. Another article published in a different local newspaper, the *Thunder Bay Post*, observed that "Safeway workers in Manitoba may also be hitting the streets with 93 per cent of the membership there voting in favour of a strike. They will be in a legal strike position sometime next month." Author Unknown, "Safeway workers left out in the cold," *Thunder Bay Post*, October 19, 2001, A5.

⁸ Ward Holland, "Safeway set to dump stores: union," *The Chronicle-Journal*, October 25, 2001, A1.

⁹ Kris Ketonen, "No Movement on Safeway scene; Arbitration set in Manitoba," *The Chronicle-Journal*. November 6, 2001, A4.

Manitoba members, but as Bob Linton, a UFCW spokesman suggested, it was the more logical choice. In his view, "they probably decided to go to arbitration because, if you look at the company and the profits of the company, it's pretty hard for them to argue they need a wage concession of \$5 an hour." Canada Safeway likewise benefited from binding arbitration, since its major concern was the introduction of counter-ready meats, which other supermarkets, megastores, and warehouse clubs had introduced in previous years, leading the company to believe counter-ready meats would be accepted by an arbitrator.

The decision of the UFCW to pursue binding arbitration in Manitoba benefited Local 832 members, but hindered the negotiation efforts in Thunder Bay. Without the support of the Manitoba members, and with negotiations in Fort Frances, Dryden and Kenora months away, the members of Local 175 wavered in their support of the UFCW and its leadership. Some members in Thunder Bay were not only disappointed the Manitoba workers were not going to strike, but were surprised and angry with the union for not informing them that workers in Manitoba had the option of averting a strike through arbitration. One member criticized the union, arguing that the union leadership "didn't tell the membership that in Manitoba that they have the right to arbitration, so they went to arbitration instead of going on strike. Winnipeg was not behind us ... there was nobody behind us but us." Another member also reflected disappointment with the union but felt the UFCW had not misled members intentionally. 12 Faced with fighting the company alone, many of the members grew tired of being on the picket line. Canada Safeway's refusal to give Thunder Bay workers the same treatment "Safeway's Manitoba workers would get from an arbitrator," only added to the growing "number of members wanting to return to

Ketonen, "No Movement on Safeway scene Arbitration set in Manitoba", A4.
 Interview 4A, 2006.
 Interview 3A, 2005.

work."¹³ While UFCW members still generally supported the UFCW leadership, they felt frustrated with the ongoing strike. For many members in Thunder Bay, the decision of UFCW Local 832 Manitoba to avert a strike through arbitration only added to their frustration at being on strike and led many to fear the strike would last a long time.

Canada Safeway's refusal to accept arbitration to settle the strike in Thunder Bay was just one aggressive move it made against the union, damaging morale on the picket line. Prior to the strike, Canada Safeway had threatened to lay off forty workers, represented by UFCW Local 175, at MacDonald's Consolidated Wholesale Grocers. Four weeks into the Canada Safeway strike, UFCW members at the warehouse received notice that half of the employees would be laid off in early November if the strike continued at the Canada Safeway stores. A Canada Safeway likewise continued to maintain the offer presented to the membership on September 28, 2001, and rejected by an 81 per cent majority, was the best it could do. Unable to reach an agreement, Canada Safeway adopted a more aggressive policy in an effort to end the strike on its terms. On October 23, 2001, the company reported the original contract had been pulled off the table as it examined "the economic consequences of the 23-day-old strike and weigh[ed] last week's news that wholesaler Costco could enter the Thunder Bay market by next summer. The new proposal demanded, among other things, a longer contract, employee layoffs, and the reduction of some full-time staff to part-time positions.

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¹³ Trbovich; 21.

¹⁴ The warehouse supplied one hundred independent grocers with Safeway products, but fifty percent of their supplies went to the three Safeway stores in Thunder Bay. Ward Holland, "Layoffs byproduct of strike: Safeway's distribution warehouse faces worker cuts," *The Chronicle-Journal*, October 26, 2001, A1.

¹⁵ Kris Ketonen, "Strike closes Thunder Bay Safeway stores," The Chronicle-Journal, October 2, 2001, A1.

¹⁶ Julio Gomes, "Safeway strike front could heat up," *The Chronicle-Journal*, October 23, 2001, A3.

¹⁷ Kris Ketonen, "Safeway union looks for support from U.S. members," *The Chronicle-Journal*, November 28, 2001, A3.

the three stores, if the strike lasted too long, demonstrated its commitment to continuing the strike until the union agreed to grant further concessions to make up for the loss in profits.¹⁸

With Christmas fast approaching and no end in sight, some UFCW members responded to the company and union in their own way, causing a serious rift on the picket line. In an unsigned letter to the membership, which was later published in *The Chronicle-Journal*, some members accused the union of prolonging the strike in an effort to "save face by not initiating talks." Written on November 22, 2001, *For Your Information* was intended to strike a chord with workers in an effort to get them to question the union's decisions and encourage them to make their own decisions. The author, Jim Berlinquette, a meat manager at Canada Safeway who was slated to lose his job, criticized the union for having said that "the Safeway stores in Winnipeg were going to be right behind us when the time came" when such a promise could not be realized. He further argued that the UFCW was keeping the membership on the picket line over nothing more than a guarantee of hours for part-time workers, contending that "in this day of slow economic times no company can guarantee hours." Berlinquette also questioned why

¹⁸ Kris Ketonen, "Retail Realities: Safeway may close stores, spokeswoman says," *The Chronicle-Journal*, November 7, 2001, A14.

¹⁹ For Your Information, November 22, 2001.

²⁰ Ibid.

²¹ Ibid. Jim Berlinquette was one of only a few department managers who were in a separate bargaining unit than the rest of Canada Safeway employees, represented by the UFCW. His job still remained on the chopping block, with the rest of the meat department cutters and wrappers. The issues in the Canada Safeway strike did not benefit his bargaining unit, but remained detrimental, which is possibly one reason he remained critical of the union and some its demands of the company. That being said, he was supported by a number of other full-time workers who were on strike and had a vested interest in the bargaining process. See also, Interview 4A, 2006.

²² Ibid. An official UFCW Local 175 newsletter, published in mid-September, stated that "the Company has also failed to address issues such as management working on the floor, a guarantee of 24 hours for part-time employees or a transfer of part-time employees between departments so they can get their 24 hours." Based on the information published by the UFCW it is apparent that Jim Berlinquette's concerns were legitimate. See, <u>Union News</u> UFCW Local 175, "An official publication of UFCW Local 175 to update Members employed at Canada Safeway on the status of negotiations of their new collective agreement."

the UFCW pushed the membership to strike when other unions in the past often continued to work without a contract during the negotiation process.²³

The letter For Your Information struck a chord on the picket line, creating the beginnings of a divide among the membership. Those who supported Jim Berlinquette and the ideas he presented in the letter, sought a resolution to end the strike by pressuring the union and company to resume talks; while aware of Canada Safeway's aggressive policies, they nevertheless criticized the union leadership for the way it handled the negotiations and for having lied to the membership. A second group, which enjoyed considerable support from the membership and community at the beginning of the strike, supported the union leadership and sought to end the strike by maintaining solidarity on the picket line and forcing Canada Safeway to negotiate fairly with the union leadership.

The material presented in For Your Information found support from a number of union members who had already expressed dissent with the UFCW and the majority's decision to vote against the first contract. One worker described the strike vote as a "freak show," arguing the union leadership had not acted in a professional manner. The use of anti-Safeway propaganda, including the procession of union supporters singing "Kiss her goodbye," only inflamed the crowd against Canada Safeway instead of providing the membership with the chance to make an informed decision.²⁴ Another supporter believed that even if Canada Safeway had presented "something made of... gold, "the best offer!" everybody gets a raise! I still think everyone in that room would have rejected it, just because that was the thing to do when any offer is presented to you."²⁵ Those members who disagreed with the strike believed that members were not properly

 ²³ Ibid.
 ²⁴ Interview 4A, 2006.
 ²⁵ Interview 1A, 2005.

informed by the union leadership, leading them to vote in favour of strike action out of ignorance.

Others expressed concern about the way the UFCW had handled the strike vote but attributed the union's anti-Safeway stance to Sharon Gall, director of the UFCW Local 175

Northern Region. They believed that Gall's presence was a disruptive influence during the negotiations since she was from Eastern Ontario and was unfamiliar with the economic difficulties Northwestern Ontario had suffered since the 1980s. They argued, for example, that it was the first time the union had "ever had somebody come from down east to negotiate with Safeways in Thunder Bay. We've had people come from down east, but they worked... in Northwestern Ontario." They also believed that Gall and Colby Flank, another UFCW representative leading the negotiations for the UFCW, did not get along with Jim Witiuk, the President of Labour Relations at Canada Safeway. They contended that Gall was determined to push a strike on Canada Safeway in an effort to further her career in the UFCW. One member pointed to Gall's unprofessional behavior regarding contract negotiations, alleging she had said, "We have Safeway by the balls!" Still others expressed concern since the union was using the membership in Thunder Bay to take a stand against Canada Safeway, setting a precedent for the rest of negotiations across the country.

The UFCW picket line policies and procedures received further criticism by some of the membership. While full and part-time workers received \$125 a week, plus \$5 for each

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²⁶ Interview 4A, 2006.

²⁷ Ibid.

²⁸ Ibid

²⁹ Ibid. During a group interview, all agreed that Canada Safeway had used the Thunder Bay stores as a warning to the rest of the UFCW Locals across the country not to go on strike. Negotiations in Thunder Bay dragged out long enough for Canada Safeway to settle a contract in Manitoba, Fort Frances, Dryden and Kenora, as well as in British Columbia.

dependent, after being on strike for fifty-six days,³⁰ they were nevertheless strictly regulated on the picket line. As solidarity had wavered leading into Christmas, the union sought to impose further restrictions in the New Year, by forcing picketers to be "responsible for one shift between 12:00 noon to 4:00 pm" because of the shortfall the union was experiencing on the picket lines during that time.³¹ Picketers were likewise forced to wear UFCW bibs "in a visible manner" or be refused strike pay.³²

Criticisms made of the union leadership, which began to be vocally expressed on the picket line, soon spilled out into the community. For example, a letter to the editor published in *The Chronicle-Journal* in February 2002 criticized UFCW picket line policies. Written by the son of a twenty-three-year veteran of Canada Safeway who asked to remain anonymous "for the protection and privacy" of his mother, it contended that the UFCW was asking too much from its members by forcing them to work sixteen hours a week "for just barely over \$100." Union members were expected to picket

One weekend day, one day from 8 am to 12 pm, one day from 12 pm to 4 pm, and one evening! How crazy is this? They make very little money, they are striking in winter (thankfully it has mostly not been too cold!), and they do not get to choose their hours! Is it fair to deduct money when someone has put in their 16 hours, but didn't do one of the demanded shifts? Is this even legal?³³

He further discussed the emotional heart ache his mother and her friends felt as a result of the strike. He believed that the "increase in depression is becoming startling and the rise in arguing and bullying on the line among those who used to be friends is frightening!" He called on the Thunder Bay community to contact the UFCW local "and demand fair treatment of Safeway employees," stating "maybe with the help of our city we can get these deserving folks back to

³⁰ Kris Ketonen, "No Movement on Safeway scene: Arbitration set in Manitoba," *The Chronicle Journal*, November 6, 2001, A4

³¹ Sharon Gall, Regional Director, Memo to All Safeway Picketers, January 17, 2002.

³² Interview 4A, 2006.

³³ Letter to the Editor, "Strikers facing unfair demands," *The Chronicle-Journal*, February 8, 2002.

work, and perhaps a few friendships and lives will not have been too damaged."34 The boy's comments were particularly important in demonstrating first hand the emotional turmoil the strike produced in his family. Unlike some members in the community who viewed Canada Safeway as the aggressor, the young man targeted the UFCW in blaming it for the problems his family, particularly his mother, were suffering.

Supporters of the ideas presented in the material For Your Information also believed that, while the strike was fought partly to protect the 35 full and part-time meat department workers who were slated to lose their jobs, the main reason was to ensure a guarantee of part-time hours. One supporter thought "meat was one of the issues, but also... the decreasing of hours. Clerks, for example,.. were not getting their twenty-four hours. That was why I think everyone voted" to go on strike.³⁵

One reason union critics believed part-time workers were prolonging the strike was because junior part-time workers earned more money on the picket line than while working for Canada Safeway. During the strike vote in October 2001, one member overheard Gall telling part-time workers they would make more on the picket line.³⁶ Union critics' concerns appeared legitimate, as a closer examination revealed that part-time workers hired on or after May 1, 1995, particularly those who had suffered a reduction in the number of hours before the strike, did earn more on the picket line than they did while working for Canada Safeway. Prior to the strike, for example, part-time workers hired on or after May 1, 1995 earned a minimum wage of \$6.85 and a top wage of \$12.80. On average, part-time workers in the lower wage bracket would have had to work a minimum of eighteen hours to receive the same pay as they received while on strike. Similarly, workers earning \$7.85 would have to work sixteen hours, workers earning \$8.65

 ³⁴ Ibid.
 35 Interview 1A, 2005.

³⁶ Interview 4A, 2006.

would have to work fourteen hours, workers earning \$9.65 would have to work thirteen hours, and those in the top wage would have to work at least nine hours to receive the same wage as they did on the picket line. Part-time workers were also eligible to receive financial assistance from the UFCW to cover medical expenses, the cost of utilities or to help pay a mortgage, which they otherwise would have had difficulty meeting had they been employed at Canada Safeway.

A letter to the editor by a full-time Safeway worker, published in the *Thunder Bay Post* on February 15, 2002, criticized the UFCW and attacked the part-time workers who were on strike. The author argued that it was ridiculous for the UFCW to expect previous full-time workers to picket "according to their rules," when they were now forced to work at minimum wage to pay bills; "you are not paying my bills UFCW. I am working part-time and picketing hours around this job, so don't dictate to me." Attacking the part-time workers, the author argued that part-timers should work the hours the UFCW needed covered since it was paying for their mortgages and loans, even though they were the ones who wanted to strike. The letter concluded: "If the part-timers are so unhappy for so many years why have they not looked elsewhere? And 'bull' that you say the morale is high! You know for a fact it is not!" The union critics questioned a number of UFCW policies and procedures, leading some UFCW supporters to defend the strike and union leadership.

Ian Miller, a retired UFCW Local 175 Union Representative, living in Deseronto,
Ontario, helped manage the strike funds. "He said the guidelines for additional financial
assistance were quite straightforward. Members who fulfilled their strike duties and faced
financial hardship, could apply for assistance.... The policy of the local union is to make the

³⁷ Letters to the Editor, "Safeway strike response," *Thunder Bay Post*, February 15, 2002, p. A7.

³⁸ Ibid.

decisions entirely based on merit, on what's on the paper in front of me at the time." ³⁹
Nevertheless, cases of discrimination against those members who were outspoken against the union did take place. One member recalled how everyone looked at the union critics differently because they supported some of the ideas presented in the material *For Your Information*; critics were often followed on the picket line as a means of intimidation. Members who supported the union assumed the critics were acting as spies for the company. They were often bombarded by propaganda from the picket captains or other members in an attempt to bring them back into the fold of union supporters. ⁴⁰ Another member who disagreed with the strike recalled how he/she had fulfilled his or her picket duties but was deducted pay for taking too long a break, while other acquaintances who supported the union and logged the same break time received their full strike pay. ⁴¹ Most members were unaware that they had the option of performing volunteer work in the community, as long as it was approved by the UFCW, in lieu of picket duty to receive financial assistance, because the union did not bother to inform its members of their choices.

While opposition to the UFCW policies and procedures appeared on the picket line and in the community, the union still enjoyed support from the membership. Bob Linton, a UFCW spokesman, was one of the first to deny the accusations published by the material *For Your Information*, saying "that at no time did the union assure its Thunder Bay members that Winnipeg would back them up. They operate quite separately from us." He further added that part-time workers at the Atlantic and Pacific Company Ltd. (A&P) received guaranteed hours, just as Canada Safeway workers should receive them. ⁴² Taking a hard line approach with those

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³⁹ Trbovich; 25.

⁴⁰ Interview 4A, 2006.

⁴¹ Ibid

⁴² "With less than one year seniority, A&P workers are guaranteed five hours per week. With more than one year, they get at least 15 hours per week. With five years, it's 18 hours; more than seven years, 22 hours; and eight years, 24 hours." Kris Ketonen, "Union not tyring to end strike: Safeway worker," *The Chronicle-Journal*, November 26, 2001, A1 and A3. A follow up article questioned this assumption, arguing that the "A&P collective bargaining

members who disagreed with the union leadership, Linton criticized the writer for not signing the document: "If the membership felt that way, why aren't they signing it? And the reality is, this is a democracy and democracy rules. And although not everyone may agree with it, that's the way we operate....The majority rules." In an attempt to curtail further dissension on the picket line, President Wayne Hanley of the UFCW Local 175 attempted "to set the record straight." He reaffirmed that A&P had guaranteed hours for part-time workers, and that "there was no stumbling block respecting guaranteed hours for part-time as that issue was on the table and agreed upon." Moreover, Hanley clearly stated that there were no ties between workers in Manitoba and Thunder Bay but did not reiterate that no promises had been made to the membership that Manitoba workers would be on strike right behind the Thunder Bay workers.⁴⁵ Reacting similarly to Bob Linton, Hanley criticized the writer, by arguing the letter constituted "fear mongering and [was] totally unproductive and destructive. These people should stop now!" He further reassured the membership that their Local was listening to them, was willing to talk to them, and fully supported them.

The supporters of the union were often reverent in their loyalty. A letter from Karen Wyder sent to the editor at the Chronicle Journal, for example, expressed gratitude to the UFCW for everything the union leadership had done in supporting the members on the picket line. She particularly expressed appreciation to the union for establishing a food cupboard, for providing financial assistance, and for setting up a motor home for members to warm themselves in while on the picket line. She further chastised the "few bad apples in the bunch, who recently put out a

agreement... uses the phrase 'where practicable' regarding guaranteed hours.... Linton was quick to assure the phrasing isn't an 'out' for the company, and part-time workers do get the hours they're guaranteed in the contract." Kris Ketonen, "Safeway union looks for support from U.S. members," The Chronicle-Journal, November 28, 2001,

⁴³ Ketonen, "Union not trying to end strike: Safeway worker," A1 and A3.

⁴⁴ Wayne Hanley, "A Message from President Wayne Hanley," United Food & Commercial Workers International Union Locals 175 and 633, November 26, 2001. 45 Ibid.

letter... blaming the union for the length of this strike," contending that they forgot the company was the one who put their employees out on the picket line in the first place. 46 She also admonished them for their behaviour, contending that

I am proud of our union and my brothers and sisters I walk with. It is a shame that all our members do not feel this way. Do these few people feel that whining and complaining is of any benefit to anyone? Also, printing hurtful comments is a very childish thing to do. To not even have the courage to own up to it. Do you feel so much better now? We know who you are? Eventually, we will return to work again. Have you thought about that?⁴⁷

Remaining critical of the company, Wyder commented that she felt embarrassed to say she worked for Canada Safeway.⁴⁸

Another union supporter, Pauline Quinn, responded with her own letter to the writer and his supporters, which she paid to have published in a full page advertisement in the *Chronicle-Journal* on December 8, 2001. According to Quinn, over half of her co-workers who voted to strike did not endorse the "For Your Information viewpoint." She defended the union and its leaders' ability to preserve morale on the picket line by maintaining a respectful and approachable manner and by offering strike seminars to the membership. Criticizing the writer and his supporters, Quinn challenged "their statements, method of delivery, and lack of ethics in the content of the leaflet," suggesting that "they are the chosen few who stand to benefit from the ethical approach Canada Safeway has opted to employ." Others defended UFCW policies and procedures on the picket line. Heidi Pineau and Barb Carr, for example, stated in a letter to the editor that they had been "treated more than fairly" by the union. They cited occasions such as the "Christmas gift certificates, meals, parties," and the food bank, demonstrating the union's fairness. They further contended that "people who are on assistance get help so none lose houses

⁴⁶ Karen Wyder, Interview 5A, 2006.

⁴⁷ Ibid.

⁴⁸ Ibid

Pauline Quinn, "An Open Letter From a UFCW 175 Safeway Striker," *The Chronicle-Journal*, December 8, 2001.

50 Ibid.

or cars and so we all have heat and food."51 Pineau and Carr also believed that UFCW policies and procedures on the picket line were reasonable, since the union had already reduced the required twenty hours per week down to sixteen. Moreover, members with children were usually given the option of leaving the picket line at 3:00 pm. 52

To boost morale, Michael Fraser, Canadian director of the UFCW, asked its American members to support Thunder Bay workers in "any way they could show support and solidarity."⁵³ Morale was further boosted by community leaders when, in December, Thunder Bay's City Council sent a letter to Canada Safeway asking both parties to return to the negotiating table, because councilors felt the strike was affecting the city. Thunder Bay's Chamber of Commerce likewise sent its own letter with a similar request. 54 Many members were appreciative of the community and union for showing support during the Christmas month. An Arthur Street picketer, for example, said the union received a lot of food and monetary support from the community to help workers through Christmas. The union also had collected several hundred Safeway Club cards returned by disaffected customers since the beginning of the strike, which it planned to send to Canada Safeway. 55 The union also held a successful Christmas dance, receiving various donations from other UFCW Locals, workers' organizations such as the United Steelworkers of America and Canadian Labour Council, and private companies, including Molson, A&P, Carol's Cakes, Loblaws, Kelseys, and Pepsi Cola, to name only a few. 56

The lead up to the New Year was a particularly difficult time for the members of Local 175 in Thunder Bay. Previous beliefs that the strike would be over before Christmas had been

⁵¹ Letter to the Editor, "Safeway strikers defend their union," The Chronicle-Journal, February 18, 2002.

⁵³ Kris Ketonen, "Safeway union looks for support from U.S. members," The Chronicle-Journal, November 28,

⁵⁴ UFCW Local 175, Union News, December 10, 2001.

⁵⁵ Kris Ketonen, "On Safeway line 'morale's good," *The Chronicle-Journal*, December 29, 2001, A1. 56 UFCW Local 175, <u>Union News</u>, December 10, 2001.

dashed, partially as a result of a decision made by the UFCW in Manitoba to avert a strike through arbitration. While the union leadership understood the labour laws in Manitoba and Ontario, the membership did not, leading some members to believe that the UFCW leaders had purposely lied to the membership to force a strike vote against the company. A small minority of union critics began to create dissent on the picket line, which slowly spread into the community. Union critics believed that the union leadership needed to address many issues, including the rigid picket line schedule, strike pay for part-time workers, and minor cases of discrimination against those members who did not share the union's views. Nevertheless, the union continued to enjoy the support of the majority of UFCW members and community. Messages of solidarity from other organizations and Locals across the country, coupled with the support of community members and leaders, encouraged Local 175 members and helped boost morale on the picket lines.

Chapter 3:

A: Lead up to the "Last, Best, and Final Offer"

Aware of the growing division on the picket line, Canada Safeway became more aggressive in its attempts to cause dissension among union members in the hope of gaining concessions from its Thunder Bay employees. Following through on a previous threat to close the MacDonald's Consolidated Warehouse Facility, the company terminated all forty-three workers, including thirty-five UFCW members, effective March 16, 2002. Toby Oswald, a Canada Safeway Spokeswoman, argued that it would be

more economical for the company to serve Northwestern Ontario from its Winnipeg store. We had an opportunity during the strike to evaluate it and found it to be outdated. You have to decide whether to renovate or move to another location that can accommodate your business. We regret having to take this action which will have a direct impact on a number of our Ontario employees.¹

Meeting its minimum obligations, Canada Safeway offered severance packages to all its employees consistent with the UFCW agreement and the Ontario Employment Standards Act. Criticizing the company for doing the "bare minimum," Bob Linton, a UFCW representative, argued it was callous of Safeway "to do it at this time in the midst of a labour dispute." He believed the company should have increased its severance package, from one week for every year worked to a maximum of 26 weeks, to "three weeks for every year worked."

The closure of the Waterloo Street warehouse caused further debate in the Thunder Bay community. An editorial, "Closure is callous," published in *The Chronicle-Journal* on January 21, 2002, condemned the closure of the Waterloo Street warehouse and contended that

¹ Jim Kelly, "43 lose jobs at warehouse Safeway closes Waterloo facility," *The Chronicle-Journal*, January 18, 2002. A1.

² Ibid. During the interview process, most participants were not surprised that Canada Safeway closed the Waterloo Street warehouse, believing that it had been slated to close for years. One member believed that the warehouse workers would have been employed for maybe a couple of more years had the strike not occurred but that their layoffs was just a matter of time.

It is easy to view the closure as a tactic that's intended to send a message to the workers: accept the company's final offer or we'll sell the stores out from under you, too. If it is a tactic, it's a dirty one for people on a winter picket line. If, not, it's an extremely poorly timed business decision that Safeway executives know full well will be seen as a tactic by the union, and many in the public at large.³

The ideas expressed in the editorial received mixed responses from the community. Ernie Epp, President of the Thunder Bay-Superior North NDP Riding Association, wrote on behalf of the executive to express support for the Safeway workers in their struggle with their employer, Canada Safeway. Condemning Canada Safeway, he argued that "the callousness of your employer is becoming clear to all of us. The editorial in *The Chronicle-Journal Jan.* 21 ("Closure is callous") underscores the truth of these assertions." The closure of the warehouse was just one more tactic employed by Canada Safeway to pressure UFCW members into accepting its proposal. Comments condemning Canada Safeway's policies by community members such as Ernie Epp, were arguably well founded and provided UFCW members with the encouragement they needed to continue the strike.

Disagreeing with the editorial, "Closure is callous," an anonymous member of the community argued the Canada Safeway decision to close the warehouse was legitimate. The writer reasoned that

A corporate entity is... driven by economic forces that require actions that will allow it to be profitable in the present time and viable in the future.... It is unlikely that any research-based decisions were made by the union in convincing the members to strike. Had they analyzed the present market and the future path of the retail community, they would have known that now was not the time to strike.⁵

The anonymous writer came under attack, however, as one UFCW member, Kristine Boon, defended the actions of her union. She chastised the writer for remaining anonymous, contending that "this is not the first time we have heard anti-union propaganda from these nameless,

⁵ Ibid.

³ Editorial, "Closure is callous," *The Chronicle-Journal*, January 21, 2002.

⁴ Letters to the Editor, "Two views of the Safeway strike," The Chronicle-Journal, January 30, 2002.

faceless, gutless mud-rakers." Unlike the anonymous writer, who believed union leaders should be "formally educated in business and knowledgeable about the economic forces that drive companies." Boon defended union leaders by stating that they had "representation from people" with years of experience working the same retail environment our members now occupy.... The representatives also continue their attempts to bring the company back to the bargaining table."8 Boon's pro-union sentiments and condemnation of the union critics, demonstrated the growing division within the union ranks, and the emotional turmoil UFCW members had suffered since the beginning of the strike.

Whereas some members continued to criticize the UFCW leadership, the union continued to enjoy some support in the community and from other workers' organizations. Members of Industrial Wood and Allied Workers of Canada Local 2693, left their own picket site at Industrial Hardwood Products on Mission Island to join the UFCW members at the Arthur St. location. Likewise, a visit by Wayne Samuelson, President of the Ontario Federation of Labour, in late February was received with applause by some members of the UFCW and hailed with thanks by the UFCW leadership. Colby Flank, a UFCW representative, maintained that morale on the picket line was "upbeat." The UFCW was also hoping that "displays of solidarity from other UFCW locals across Canada" would help restart negotiations with Canada Safeway. 10 Other UFCW locals responded to UFCW Local 175's request by doing their own fundraising to help the Thunder Bay employees. Kevin Shimmin, a union representative, for example, said that

⁶ Letter to the Editor, "Who are cowards bashing our union Re: Two views of the Safeway strike," The Chronicle-Journal, February 2, 2002.

The Editor, "Two views of the Safeway strike"

Letters to the Editor, "Two views of the Safeway strike"

Letter to the Editor, "Who are cowards bashing our union Re: Two views of the Safeway strike"

Sandi Krasowski, "IWA shows support," The Chronicle-Journal, February 7, 2002.

¹⁰ Kris Ketonen, "Safeway workers get a lift from labour leader," The Chronicle-Journal, February 28, 2002, A3.

other locals in the province had helped members financially to make sure that members were able to make their mortgage payments.¹¹

After nearly seven months on strike, the UFCW leadership continued to be supported by the membership and the community. Canada Safeway's aggressive tactics were criticized by the community and members. Their criticisms of the company nevertheless were offset by some community members who began to express dissatisfaction with the union leadership and the prolonged nature of the strike.

B: Canada Safeway's Last, Best and Final Offer

The arbitrated agreement between Canada Safeway and UFCW Local 832 Manitoba in April 2002 shifted the momentum of the strike in the company's favour and provided fuel for union critics. The new agreement was a leading factor in the company's decision to pursue new negotiations with UFCW in Thunder Bay. Arbitrator William Hamilton "denied Safeway the major wage and benefit decreases they were seeking and awarded some wage increases," but he nevertheless granted a number of important concessions to the company. He established,

A new tier wage rate for new employees hired after April 1, 2002, and also moved the Trainees into this category.... The Arbitrator also agreed with the Company's proposal in regard to Counter-ready Meat... but allowed [the meat cutters] to bump into other departments. 12

The elimination of the meat department workers through the introduction of counter-ready meat had been a key issue leading the UFCW to reject the company's proposal in Thunder Bay in October 2001. The proposal had specified that the company would not introduce pre-packaged

¹¹ Kris Ketonen, "UFCW Locals aid Safeway employees," The Chronicle-Journal, March 26, 2002, A10.

¹² A Manitoba agreement, settled by William Hamilton an arbitrator, in 2002, provided that "Existing health and welfare benefits, which the Company wanted eliminated in some instances and drastically reduced by reducing the funding, have been maintained by the Arbitrator. In fact, the Arbitrator increased the Company's contributions to the Health and Welfare Group Insurance Plan, the Pension Plan as well as the Education and Training Trust Fund." The term of the award was for only two years, expiring on November 9, 2003. William H. Hamilton, <u>Summary of Arbitration Award</u>, Canada Safeway Limited and UFCW Local 832, April 30, 2002.

meat until the conclusion of negotiations in Manitoba. Having won concessions through arbitration in Manitoba, especially regarding the elimination of the meat department, Canada Safeway felt confident that it could gain further concessions from its Thunder Bay employees. This led the company to reopen negotiations with the UFCW.

Company negotiators and union leaders decided, however, that negotiations between the union and company in Thunder Bay would best be kept silent. *The Chronicle-Journal* nonetheless acquired a letter from Jim Witiuk, Canada Safeway's Director of Labour Relations, that invited the UFCW to "attempt to reach a conclusion" to the ongoing strike. Maintaining Canada Safeway's earlier position, he stated in the letter that "any solution to the strike in Thunder Bay must deal with Thunder Bay realities, which includes the cost of the strike, the cost of maintaining the stores unopened during the dispute and the loss of sales." Considering the company's proposal, which offered no improvements to the original contract put forward in September 2001, talks ended rather quickly, with the UFCW leadership walking out of negotiations after only nine hours. John Fuller, a UFCW negotiator and representative, stated that he did not think the parties were any closer to settling a contract than they had been six months earlier. 14

The company, however, made it clear that it intended to bring the "final offer" to the union membership in a government-supervised vote. ¹⁵ The Ontario Labour Relations Act provides under section 41 that employees in a bargaining unit shall "be given the opportunity to accept or reject the offer of the employer's last received by the trade union." Pushing ahead on its "Last, Best and Final Offer," Canada Safeway forwarded a copy of its offer to the UFCW and

¹³ Ward Holland, "Safeway, union meet," The Chronicle-Journal April 20, 2002, A3.

¹⁴ Ward Holland, "Safeway-UFCW talks fail," The Chronicle-Journal, April 21, 2002, A3.

¹⁵ Ibid

¹⁶ Ontario Labour Relations Act, 1995, section 41. Section 41 is just one labour law that is anti-union in design. It postulates that the employer best understands employee concerns rather than the union that represents them.

its members to facilitate the vote that the Ontario Ministry of Labour wanted to conduct on May 7, 2002. In a letter to all its former Thunder Bay employees, dated April 22, 2002, Chuck Mulvenna, the President and Chief Executive Officer of Canada Safeway, argued that the

Offer is fair and provides for improvements with minimal impact on current employees. If the Offer is accepted by you, our employees, we will immediately begin steps to reopen for business and recall our employees to work. However, if the Offer is rejected in the Final Offer Vote conducted by the Government, we have advised the Union that we will exit the market by permanently closing our stores. The decision is yours.¹⁷

The latter represented a clear threat to the UFCW membership, as store closures would cost everyone their jobs. The proposed contract aimed to implement a number of items that would be detrimental to the employees. It was designed, as UFCW representatives stated, to make the employees pay for the loss of sales that Canada Safeway had suffered during the ongoing labour dispute.¹⁸

Among the more controversial issues was the company's plan to implement a four year collective agreement, compared with previous agreements that had lasted only two years. Such a proposal would lend Canada Safeway time to recoup some of the financial losses it had suffered during the strike. ¹⁹ In an attempt to introduce a number of cost saving measures, the company sought to implement a new tier III wage scale for part-time workers hired after the date of ratification. The introduction of a new tier wage scale would have divided the part-time workers into three categories. Tier III part-time workers were slated to earn from \$6.85 to \$12.50 compared with previous wage scales of \$6.85 to \$12.80 for tier II part-time workers. ²⁰ Tier III workers were also going to be given precedence for hours over tier I part-time workers and tier II part-time workers following ratification of the agreement; as outlined in the offer "the priority

¹⁷ Chuck Mulvenna, "Negotiation Report," Canada Safeway Limited, April 22, 2002.

¹⁸ Ward Holland, "Safeway-UFCW talks fail," The Chronicle-Journal, April 21, 2002, A3.

¹⁹ "Last Best and Final Company Offer in the Matter of a Collective Agreement between Canada Safeway Limited, Thunder Bay, Ontario and United Food and Commercial Workers, Local 175," April 22, 2002. ²⁰ Ibid: 8.

for scheduling will be Full Time, Tier III part-time and finally Tier II Part Time. This means that Tier I, Tier II part-time or full time employees will have no claim on any hours created by the buyout and allocated to Tier III employees." The current part-time employees saw the introduction of a new part-time tier wage scale as a threat to their current scheduling practice and the number of hours they were slated to receive, causing many part-timers to reject the Final Offer.

The contract was largely designed to make Tier I, II and III part-time employees pay for the expenses that had occurred as a result of the strike. Besides the new lower wage bracket for Tier III part-time workers, Tier I and II part-time workers were limited to a mere 6% and 8% in vacation pay, while Tier III part-time workers were limited to the provincial statutory minimums of 4%. Moreover, the company sought to reduce sick leave from 148 hours to 48 hours for all new full-time employees hired after the date of ratification. ²³

The company also sought to reduce the number of senior part-time and full-time employees by offering them buyout packages. Employees who had accepted the buyout package and resigned but who wished to return to Canada Safeway for employment would waive "any previous experience credit under the agreement," forcing them to be rehired under the Tier III part-time wage scale.²⁴ A clause in the contract also gave the company the powers to force senior part-time and full-time employees to accept the buyout package; the proposal specifically stated that:

Some full time jobs may not be required upon return to work because of lost volume. The parties herein agree that any contractual or legislated notice is deemed provided by the

²¹ Ibid.

²² Ibid: 2

²³ Ibid. Canada Safeway's full-time workers worked on average 35-40 hours per week.

²⁴ Ibid; 9.

ratification of this agreement except that the Company will provide full time employees two weeks notice of reduction to part time in accordance with the collective agreement.²⁵

The latter proposal was designed to reduce the number of higher paid employees. The expected increase in the number of part-time workers led the company to change the part-time maximum number of hours from 24 hours per week to 30 hours. New employees hired after the date of ratification were likewise required to work on Sunday and any other scheduled shift, regardless of availability, compared to previous contracts which employed workers on Sunday on a voluntary basis.²⁶

Besides an increase in the number of hours for all part-time employees, Canada Safeway also provided a lump sum payment to full and part-time employees who reported to work after the ratification of the agreement. Other lump sum payments of one hundred to five hundred dollars were to follow on September 8, 2002, September 13, 2003 and September 11, 2004.²⁷ Meat Managers, Meat Cutters and Meat Wrappers, remained on the proverbial chopping block, pending the implementation of counter-ready meat, but were given the option of either accepting a buyout package or bumping another full or part-time junior employee to retain their full-time status.²⁸ After nearly eight months of walking the picket line and with support for the UFCW dwindling, Canada Safeway negotiators believed that their offer would be accepted by the membership regardless of the proposals because the majority of workers, in their opinion, wanted to end the strike.

To sell the final offer to the membership, Canada Safeway hosted a meeting at the Italian Cultural Centre on May 3, 2002, "to allow the employees to express themselves and their

 ²⁵ Ibid.
 26 Ibid, 2.
 27 Ibid, 2.

²⁸ Ibid. p. 3.

questions freely."29 Chuck Mulvenna attended the meeting with the idea that he would be able to answer the members' questions. His presence, however, only inflamed an already hostile crowd, since he proved unable to answer any questions effectively. The company would have been better off had it sent someone to Thunder Bay who knew the issues involved in the strike, such as Jim Witiulk or Tobay Oswald-Felker, two representatives of Canada Safeway. Canada Safeway's message that a no vote means "no lump sums, no buyouts, and no severance.... You eliminate the opportunity for your co-workers to receive the lump sums or buyouts."³⁰ poured fuel on the fire for those members who viewed Canada Safeway as the aggressor in the strike.

Besides criticism from union-supporters during the meeting, Mulvenna was also seen as damaging the company cause by those who supported the company. One critic said that "we would have been better if [Mulvenna] hadn't come... he should have just given his presentation and that was it.... When everyone started asking him questions, he couldn't really answer us, he wasn't really well informed."³¹ Still others commented about the lack of organization and direction at the meeting, criticizing the company for allowing members to be too free with their questions and comments.³² While a large number of members vocally opposed the offer, with some employees storming out of the meeting before it was over, others who spoke with Mulvenna after the meeting tended to be more receptive towards the company's offer.³³

²⁹ Kris Ketonen, "Safeway, union gear up for vote," The Chronicle-Journal, May 3, 2002, A3.

³⁰ Jim Kelly, "Safeway makes its pitch: Strikers pan company's offer," The Chronicle-Journal, May 4, 2002, A1.

³¹ Interview 4A, 2006.

³³ The media and UFCW representatives were not allowed to attend the meeting, but *The Chronicle-Journal* reported that "while most of the employees sat through about three hours of the company's presentation many stormed out of the meeting long before it was over. Some, anger spilling across their faces, were seen discarding the 12 page final offer in nearby garbage cans. 'Shut the stores down and let us get on with our lives,' said one man who refused to give his name. 'Safeway workers are getting screwed,' yelled a woman. 'The mood in that room is angry,' said another woman. A union official from Toronto, who was not allowed in the meetings, said he sensed that employees were bitter." Jim Kelly, "Safeway makes its pitch: Strikers pan company's offer," The Chronicle-Journal, May 4, 2002, A1.

In the interlude leading up to the vote on the Final Offer, Canada Safeway made clear that a no vote meant "no lump sums, no buyouts and no severance." Reeling from the disastrous meeting on May 3rd, the company sent out a video of Chuck Mulveena explaining the offer in more detail in the hope that it would answer a number of questions that he had been incapable of answering at the company meeting. One of the things he attempted to clarify was the company's introduction of a new tier III part-time workforce. According to Mulvenna, tier III part-time employees would only be scheduled with the "bought hours" the company gained from those who accepted the buyout packages;

Bought hours will always be calculated as a percent of hours in a given department at the conclusion of the buyout. The means that if the bought hours plus attrition equals ten percent of the hours in the produce department the new tier will be scheduled no more than ten percent of the scheduled hours, regardless if the total number of hours increases or decreases with changes in sales.³⁴

A plan to introduce tier III part-time employees was crucial to the company's strategic plan to deal with the economic consequences of the strike. A major concern for the company, according to Mulvenna, was that Canada Safeway's "ability to regain lost business and make a profit" had been severely compromised by the strike.

Anger over the contract proposal gathered force on the picket line, as some members, including Colby Flank, a UFCW representative, called it a "piece of shit." She contended that it was "extremely insulting to the members" to think "that after seven months of being on strike this is what they think of the membership. You can't even say it was an offer." UFCW members responded in full force as about 150 pro-union members walked the picket line carrying UFCW flags or signs of protest that read, "Just Sell: Desperate but not Stupid," and

³⁴ Canada Safeway Ltd. Thunder Bay, ON. May, 2002. Video explaining the Last, Best, and Final Offer.

³⁵ Kris Ketonen, "Anger brews on picket line: Safeway workers take aim at company's stance," *The Chronicle-Journal*, April 26, 2002, A3.

"Very Profitable Store for Sale."³⁶ Many members were particularly angered over Canada Safeway's statements that it would "liquidate" the Thunder Bay stores if UFCW members failed to accept the company's offer.³⁷

In a campaign to bolster support for the Union, Michael Fraser, the Canadian director of the UFCW, wrote an open letter to the Editor of the Chronicle Journal defending the actions of the union, specifically the representatives and negotiators in Thunder Bay. He contended that the

Negotiating committee worked very hard to reach a settlement with the company. This included a request to me to contact representatives of Safeway in the United States to see if we could avoid a strike.... On September 28, I contact[ed] Lou Hogan, Vice President of Labour Relations for Canada Safeway and spoke to him about arranging a meeting in Thunder Bay. I was told that no one from Safeway was available to go to Thunder Bay. The strike commenced Oct. 1.

Fraser criticized Steve Burd, the Chief Executive Officer of Safeway in California, for prolonging the strike. Fraser contended that

After two weeks, on Oct. 15, I had a meeting in Toronto with the President of Canada Safeway, Grant Hansen and the Senior Vice President of Industrial Relations for Safeway from California, David Faustman. In our discussions we reached a consensus on how to reach a settlement and end the strike.... The next day I received a phone call from David Faustman informing me the settlement we had discussed was not possible and Safeway wanted even more concessions.... I believe this decision could only have been made by Steve Burd, the Chief Executive Officer of Safeway in California. Contrary to Safeway statements since Oct. 16, Safeway had never made any attempts to reach a settlement or meet with the union. The length of this strike can be totally attributed to the arrogance of the Safeway executive.

Michael Fraser's defense of the UFCW and criticism of Canada Safeway was intended to clarify some of the rumours circulating on the picket line which pointed to the UFCW as the aggressor.

³⁶ The UFCW members were bolstered by about thirty striking members of the Ontario Public Service Employees Union, who showed up on the picket line in solidarity. Ibid.

³⁷ Kris Ketonen, "Safeway threatens to liquidate, union says," *The Chronicle-Journal* April 22, 2002, A1. See also, Kris Ketonen, "Safeway confirms closure threat," *The Chronicle-Journal* April 23, 2002, A1.

Fraser hoped he could turn the tide of the strike, which had slowly been receding, in the UFCW's favour.38

The UFCW responded to the company's threat to close the three stores by encouraging other grocery stores to buy the three Safeway stores, believing other employers would want to hire the current employees at Canada Safeway. ³⁹ John Fuller, a UFCW representative, commented that other Canadian grocery store chains were interested in buying the Safeway stores, but he would not reveal which chains were interested. 40 Toby Oswald-Felker, Spokeswoman for Canada Safeway, contradicted such claims, asserting that no other companies had expressed interest in acquiring Safeway stores in Thunder Bay. She stated that the stores would more likely "join the more than 400 non-operating sites in North America;" they would then be the responsibility of Canada Safeway's real estate department.⁴¹

Although there appeared to be many opponents of Canada Safeway's Final Offer, there still remained a small number of outspoken UFCW members who were critical of the union and who supported Canada Safeway's proposal. They believed that enough of the members supported the company's offer to win the contract vote. The experiences of the union critics leading into the vote was very different from those who supported the membership as they found themselves targeted by some of the union supporters for supporting the Final Offer.

In one incident, union critics were harassed at the Brew Pub, a Thunder Bay restaurant and bar, where they had reserved a private room to discuss Chuck Mulvenna's speech to the membership leading into the contract vote for the Final Offer. A number of union supporters interrupted the evening and attempted to intimidate and harass those who supported Final Offer.

Michael Fraser, "Letter to the Editor," *The Chronicle-Journal* April 27, 2002.
 Kris Ketonen, "Safeway confirms closure threat," *The Chronicle-Journal* April 23, 2002, A1.
 Kris Ketonen, "Safeway, union grear up for vote," *The Chronicle-Journal*, May 3, 2002, A3.

⁴¹ Kris Ketonen, "Safeway still thinking of closures in Thunder Bay," The Chronicle-Journal, May 1, 2002, A3.

Union supporters forcefully and aggressively pounded "against the glass wall to the restaurant immediately adjacent to where the group of 'Safeway employees' were dining" while shouting harassing and abusive comments. One union supporter shoved another union member. Union supporters took pictures of dissidents meeting at the Brew Pub. Only after restaurant management and staff asked the troublemakers to leave and called the police were company supporters able to leave the restaurant. Union critics expressed fear that there would be further retaliation, requesting that the police escort them to their vehicles; no one, however, pressed charges. 42

Union representatives, while denying that any intimidation or harassment took place at the Brew Pub, admitted the union supporters had come to the Lakehead Labour Centre to advise "the Union that the company managers were buying drinks for the employees at the Pub." They further argued that while "the camera may have flashed on one occasion there was in fact no film in the camera; the police came to the location, satisfied themselves that nothing was the matter and left without asking anyone to leave or laying any charges." While union representatives downplayed the incident, the fact that the Brew Pub's management had to request union supporters to leave and felt obliged to call the police, leaves little doubt the UFCW members engaged in some forms of intimidation and harassment.

The incident at the Brew Pub was only part of the ongoing dispute between those who supported the union and those who criticized the union and its policies. Both sides remained

⁴² Labour Relations Act, 1995. Amended Application Under Section 74 of the Act (Union's Duty of Fair Representation). Before the Ontario Labour Relations Board. Between: Mary Hembruff, Vanda Bernaudo, Helene Drebit, Cindy Normand, Donna Fortes, Lori Berringer, Susan Wojciechowski, Frank Nasr, Mena Lopez-George and Leena Kopenen Applicant, and United Food & Commercial Workers Union, Local 175, Colby Flank, Sharon Gall, Mike Fraser, John Fuller and Wayne Hanely. Responding Party.

44 Ibid.

⁴³ Labour Relations Act, 1995. Response to Application Under Section 96 of the Act (Unfair Labour Practice). Before the Ontario Labour Relations Board Between: Mary Humbruff, Vanda Bernaudo, Helene Drebit and Cindy Normand and Applicant: United Food & Commercial Workers, Local 175, Colby Flank, Sharon Gall, Mike Fraser, John Fuller and Wayne Hanely, 11.

confrontational as the vote loomed closer. A union meeting held on May 5th to explain the offer to the membership, for example, led to further abuses by union representatives. UFCW representative, John Fuller presiding over the meeting, had previously expressed his desire to hear from all members at the meeting, regardless of their opinions; in a letter to the membership, dated April 25, he acknowledged the division afflicting the community and picket line, contending that

We know there is a lot of public attention surrounding this issue – pro and con. Whether it be in the form of written media, radio or television media, letter to the editor (pro or con), or other types, we encourage you to come out to your meeting and review your issues as a bargaining group of employees. We should all hear what you and your co-workers have to say. It is well and good for other members of the public to offer their opinion, pro or con, but what really matters is the decision of your bargaining unit.⁴⁵

He appeared to change his mind as the vote drew near, however, and this led him to regulate the meeting. Unlike the Canada Safeway meeting, for example, where everyone, regardless of their allegiances, spoke up, Fuller was quick to chastise anyone who spoke against the union and its policies. ⁴⁶ One union critic left the union hall disgusted by the proceedings, only to be taunted by union supporters who clapped their hands and responded "good riddance."

The union, meanwhile, attempted to boost morale by using some of the more prominent union supporters to help strengthen the members' morale. Karen Wyder, an outspoken proponent of the UFCW, spoke to the crowd, fervently defending the union and criticizing the Last, Best and Final Offer and its supporters. She staunchly defended the union, saying that "Without the Union there would be NOTHING! The UNION was created because of COMPANIES LIKE SAFEWAY! The Union was created to protect and service the rights of the employees! United

John Fuller, Information Update for UFCW Local 175 Members at Safeway – Thunder Bay, April 25, 2002.
 Interview 4A, 2006. See also Labour Relations Act, 1995. Amended Application Under Section 74 of the Act (Union's Duty of Fair Representation). Before the Ontario Labour Relations Board. Between: Mary Hembruff, Vanda Bernaudo, Helene Drebit, Cindy Normand, Donna Fortes, Lori Berringer, Susan Wojciechowski, Frank Nasr, Mena Lopez-George and Leena Kopenen Applicant, and United Food & Commercial Workers Union, Local 175, Colby Flank, Sharon Gall, Mike Fraser, John Fuller and Wayne Hanely. Responding Party.
 Interview 4A, 2006.

we STAND!"⁴⁸ Her condemnation of the company's offer was comparable to the executioner waiting to execute his prisoner; "If you agree to this so called offer, you might as well hang yourself, because this company has gone to great lengths, and great language, to make sure that the noose is tightly around your neck!"⁴⁹ She pinpointed a number of issues that were detrimental to the employees, including the company's discretion in choosing which employees were needed to resume operations and which employees were not, and the power the contract provided in allowing the company to lay off workers who were not given hours within four weeks after the date of ratification.⁵⁰ Wyder further commented that at "least with a NO VOTE the company will have to pay me severance because the Labor Relations Board specifies they have to be accountable. With them behind me, at least I will have a guarantee!"⁵¹ Her speech was supported by a number of union supporters and the UFCW leadership for highlighting the detrimental policies in the new contract proposal as well as the benefits of rejecting the offer, such as receiving severance pay.

Severance pay became a major issue leading into the vote on the Final Offer. The UFCW leadership told its members that the company was required to pay severance according to the Employment Standards Act. ⁵² Canada Safeway, however, argued "that severance pay would not be owing if the stores close[d]," stating that "severance pay is not owing when a closure results from the economic consequences of a strike." ⁵³ Mulvenna's attempts to clarify the issue by

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⁴⁸ Copy of speech delivered to UFCW members on Sunday May 5, 2002. Provided by Karen Wyder. Interview 5A, 2006.

⁴⁹ Ibid.

⁵⁰ Ibid.

⁵¹ Ibid.

⁵² Some interviewees stated that the UFCW leadership promised its members that it would get its members severance pay. Group Interview, March 15, 2006. In other interviews, the interviewee believed that Canada Safeway was required to pay its members severance according to the Labour Relations Act/Employment Standards Act. Interview 3A, 2006 and Karen Wyder, Interview 5A, 2006.

⁵³ Canada Safeway memo to UFCW members of frequently asked questions regarding the Last, Best, and Final Offer, April 29, 2002, 2.

exposing the myth that the UFCW had been perpetuating to its members went largely unheeded because of his previous aggressive tactics. Union supporters viewed his statement that a no vote decision would result in no lump sums, no buyouts and "no severance" as just another threat the company was using to push a contract that was detrimental to the membership.⁵⁴ Members of Local 175 thus continued to believe the union. The union asked its members to calculate the number of hours they had worked leading into the strike in order to expedite severance packages in case the membership rejected the offer and were fired, leading members to believe severance pay would be owed if the stores closed.⁵⁵

Confusion surrounding severance pay stemmed largely from section 64, 1 a. and b., of the Employment Standard Act, which stated

- 64. (1) An employer who severs an employment relationship with an employee shall pay severance pay to the employee if the employee was employed by the employer for five years or more and,
- (a) the severance occurred because of a permanent discontinuance of all or part of the employer's business at an establishment and the employee is one of 50 or more employees who have their employment relationship severed within a six-month period as a result; or
- (b) the employer has a payroll of \$2.5 million or more. 2000, c. 41, s. 64 (1). 56

While Canada Safeway fulfilled the requirements of Section 64, it was nevertheless excused from paying severance due to Regulation 288/01, section 9(1) of the Employment Standards Act, which stated that employees are not entitled to severance pay under section 64 of the Act if "an employee whose employment is severed as a result of a permanent discontinuance of all or part of the employer's business that the employer establishes was caused by the economic

⁵⁴ Ibid. On May 6, 2002 Mulveena also sent a letter to all Safeway employees where he explained that "If the Offer is rejected, the stores will close. Under the law, employees on strike do not receive severance if the closure results from the economic consequences of the strike." Chuck Mulvenna, Canada Safeway Limited, May 6, 2002.

⁵⁵ Karen Wyder, Telephone Interview 5B, 2006. Karen Wyder was present at the union hall where she collected information for the UFCW regarding employee hours which were going to be used for the purpose of collecting severance pay.

⁵⁶ Employment Standards Act, 2000 Section 64(1).

consequences of a strike."57 Remarks by the UFCW and rumours circulating on the picket line were thus ill-founded. The union, all the same, either out of ignorance or as a deliberate act, was able to confuse the members, leading some members to vote against the Final Offer, in the belief that they would at least receive severance pay following a no vote. Karen Wyder's speech at the Lakehead Labour Center to the UFCW membership was just one case where Sharon Gall and John Fuller, two UFCW representatives, failed to correct the misunderstanding surrounding severance pay, leading one to conclude that on balance the union misled the membership regarding this issue as they got closer to the vote.

C: Voting Day

The government-supervised vote, held at the Valhalla Inn on May 7, 2002, divided the union membership more, as members were forced to pick a side, either accepting the contract and aligning themselves with the union critics, or rejecting the offer and supporting Local 175 of the UFCW. Those who had originally supported the ideas presented in the material For Your Information now found a wider audience who expressed similar concerns about the union bureaucracy. An article published in *The Chronicle-Journal* on May 7, for example, discussed a "silent majority" who planned to vote in favor of the company's Final Offer. Wishing to remain anonymous, the author contended that union officials from southern Ontario were unfamiliar with the realities of the "economic situation of Thunder Bay, and how hard it is to find a job." Their biggest question was: "Where are people that have no education, no degrees, a lot of them middle aged, going to find a job that pays them \$15 an hour?"⁵⁸ Many of the senior part-time and full-time employees who had made a career with Canada Safeway retained numerous skills but

 ⁵⁷ Employment Standards Act, 2000 Regulation 288/01 Section 9(1).
 ⁵⁸ Kris Ketonen, "Safeway vote may be close: 'Silent majority' get their say today," *The Chronicle-Journal*, May 7, 2002, A1.

feared that, without an education, they would have difficulty finding a job with similar pay and benefits.

In another act of defiance against the union, one member, who also wished to remain anonymous, sent a letter to the editor of *The Chronicle Journal* expressing exasperation with the strike. He or she argued that the

The meeting with the company on Friday night was at best a circus sideshow. The company sent the president, who could not answer many of the questions employees had, and a handful of employees clearly attended the meeting to heckle the company and any employees who are still interested in working for Safeway. However, it is my opinion that we should accept the offer. ⁵⁹

In the author's view, many reasons existed to accept the company's Final offer. Many employees wanted to return to work, and those who did not should take the buyout and move on. The union could also not guarantee that the stores would be bought by another grocery store chain.

Moreover, if employees returned to work for Canada Safeway, they would get a signing bonus, whereas the company made it clear that no severance pay was owing to its employees. 60

In a show of defiance against Canada Safeway's offer, the union gathered roughly a hundred of its most vocal supporters to parade into the Valhalla Inn wearing anti-Safeway T-shirts, carrying the UFCW flag, and singing "na, na, na, na, na, Hey, Hey, Goodbye!," a song entitled "Kiss Her Goodbye," covered by the Nylons. Led by Sharon Gall, the UFCW regional director, and accompanied by the same UFCW members who had intimidated and harassed

⁵⁹ "Letters to the Editor," The Chronicle-Journal, May 7, 2002, A6.

[∞] Ibid

⁶¹ Karen Wyder, Telephone Interview 5B, 2006. See also, Labour Relations Act, 1995. Amended Application Under Section 74 of the Act (Union's Duty of Fair Representation). Before the Ontario Labour Relations Board. Between: Mary Hembruff, Vanda Bernaudo, Helene Drebit, Cindy Normand, Donna Fortes, Lori Berringer, Susan Wojciechowski, Frank Nasr, Mena Lopez-George and Leena Kopenen Applicant, and United Food & Commercial Workers Union, Local 175, Colby Flank, Sharon Gall, Mike Fraser, John Fuller and Wayne Hanley. Responding Party, p. 4. See also, Labour Relations Act, 1995. Response to Application Under Section 96 of the Act (Unfair Labour Practice). Before the Ontario Labour Relations Board Between: Mary Humbruff, Vanda Bernaudo, Helene Drebit and Cindy Normand and Applicant: United Food & Commercial Workers, Local 175, Colby Flank, Sharon Gall, Mike Fraser, John Fuller and Wayne Hanely, p. 12.

union critics at the Brew Pub the previous Friday, the union was able to establish a dominant presence at the government-supervised vote. The wearing of anti-Safeway t-shirts was a visible reminder of the divisions afflicting the union membership. The presence of a large number of union supporters actively showing their allegiance by wearing anti-Safeway T-shirts was also perceived by some as threatening, leading some union-critics to perceive every stare or gesture as a hostile act. They contended, for example, that they had to make their way "through a wall of Union representatives while being subjected to insults, threats and gestures intended to intimidate... employees to vote against the offer out of fear." The union denied any such charges, arguing that members were met inside the hotel by both Canada Safeway and UFCW representatives and that government-appointed representatives were present to ensure that no harassment or intimidation took place.

Having cast their ballots, members waited with trepidation for the votes to be counted. The next day's headlines, "Safeway Workers say no: 6 vote difference, Company won't close city stores immediately, another vote sought," caught most members by surprise. The UFCW declared victory over Canada Safeway, declaring in one union publication that "the outcome was very close but the members rejected the offer by a margin of 201-195. The Company and the Dream Team members were stunned. They learned a hard lesson: solidarity is forever." Solidarity was nevertheless far from reality, as a six-vote difference clearly demonstrated the rift among the union membership.

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⁶² Labour Relations Act, 1995. Amended Application Under Section 74 of the Act (Union's Duty of Fair Representation). Before the Ontario Labour Relations Board. Between: Mary Hembruff, Vanda Bernaudo, Helene Drebit, Cindy Normand, Donna Fortes, Lori Berringer, Susan Wojciechowski, Frank Nasr, Mena Lopez-George and Leena Kopenen Applicant, and United Food & Commercial Workers Union, Local 175, Colby Flank, Sharon Gall, Mike Fraser, John Fuller and Wayne Hanely. Responding Party, p. 4.

⁶³ Labour Relations Act, 1995. Response to Application Under Section 96 of the Act (Unfair Labour Practice). Before the Ontario Labour Relations Board Between: Mary Humbruff, Vanda Bernaudo, Helene Drebit and Cindy Normand and Applicant: United Food & Commercial Workers, Local 175, Colby Flank, Sharon Gall, Mike Fraser, John Fuller and Wayne Hanley, p. 12.

⁶⁴ Bill Trbovich, We are here to STAY, 41.

Realizing the membership was deeply divided, Canada Safeway's President and Chief
Operating Officer, Chuck Mulvenna, postponed closing the stores, contending that he did not
think the vote represented the true wishes of the employees. Instead, he planned to ask the
Ministry of Labour to conduct a second vote on the Final Offer. 65 Mulvenna argued that the
presence of UFCW members from Manitoba and Toronto on the picket lines and at the Valhalla
Inn left some members feeling intimidated. The wearing of anti-Safeway T-shirts and the
carrying of the UFCW flag created a hostile atmosphere for those who did not support the union
and had planned to vote in favour of the Last, Best and Final Offer. He was concerned that "there
may have been intimidation and undue influence exerted by the union in the conduct of the
vote." 66 Whether or not Mulvenna believed members were intimidated into voting against the
contract, he used the rift among the membership for his own agenda, which was to force the
contract on the membership even though it had been rejected. Continuing with the company's
previous practice of using threats, Toby Oswald-Felker, Canada Safeway's spokeswoman,
likewise stated that the stores would close if the second vote was denied or the second vote was
rejected by the membership. 67

The possibility that a second government-supervised vote could be held sparked debate in the Thunder Bay community. An editorial in *The Chronicle Journal* for example, stated the vote against the "Last, Best, and Final Offer must be respected for what it is – the will of the majority." Nevertheless, the editorial went on to question the practices of the UFCW leadership, believing there had been "growing signs of intimidation at work.... Employees have written to us asking to be published anonymously because they said they feared retribution from elements

⁶⁵ Kelly Leydier, "Safeway Workers say no: 6-vote difference, Company won't close city stores immediately, Another vote sought," *The Chronicle-Journal*, May 8, 2002, A1.

⁶⁷ Kris Ketonen, "Safeway applies for 2nd vote," *The Chronicle-Journal*, May 10, 2002, A1.

within their union.... This sort of guff is what continues to give some unions a bad name."⁶⁸ The editorial argued that, while Canada Safeway had employed its own acts of intimidation by threatening to close the stores if the Final Offer was not accepted, it was nevertheless correct in seeking a second vote from the Ontario Ministry of Labour.⁶⁹

Not everyone agreed with the editorial, as some community members responded with strong criticism of the company. Len Day, for example, regarded the company threat to close the stores and the fact that it kept its employees out of work for eight months as a bigger act of intimidation than anything the union was accused of having done. Day also stated that "I and likely many others, will avoid Safeway like the plague because of the bad taste they have left in our mouths." Dorise Barrett, another community member, wrote an open letter to Grant Hansen, President and CEO of Canada Safeway, expressing similar disgust with the company and its policies during the strike. She chastised Hansen for treating Safeway employees "in such a disgraceful manner." In her opinion, when

An employee with long-term standing is told that he/she will receive no severance unless they accept, economics and fear of unemployment become the ultimate priority and pride is put aside. Rest assured, I and other union supporters in Thunder Bay will not be shopping at your stores anywhere in this country.⁷²

As a member of the community, her words weighed heavily compared to those of disgruntled workers who chastised the company and its policies.

Barrett's letter struck a cord with Chuck Mulvenna, the new President and CEO of Canada Safeway, who responded with his own letter in *The Chronicle-Journal*. Mulvenna attempted to clarify some of the "misleading information that the union has repeatedly communicated to

⁶⁸ Ian Pattison, "Muddy tactics in Safeway vote," *The Chronicle-Journal*, May 9, 2002, A6.

⁶⁹ Ihid

⁷⁰ "Letters to the Editor," *The Chronicle-Journal*, May 9, 2002, A7.

^{71 &}quot;Letters to the Editor," The Chronicle-Journal, May 10, 2002, A7.

⁷² Ibid.

Safeway employees and the public."⁷³ Addressing Ms. Barrett, he assured her that Canada Safeway treated its employees well and that they remained some of the highest paid workers in the industry. More important, he made clear that the company's statements in October of 2001 explaining that the offer would not improve if a strike occurred, was not said lightly or as a threat "but to give a truthful and clear understanding of the consequences of a strike."⁷⁴ He further contended that the employees did not understand what they were doing by rejecting the Final Offer, stating that

The union misled them and then used intimidation to unduly influence the outcome of the vote. When the union presented our last, best and final offer to employees on May 5 before the supervised vote, the union executive suggested that it was not the final offer, that there would be more to come and that if the offer were rejected, further negotiations would be held. This even though the union had been told repeatedly that the last, best and final offer was indeed just that, our last, best and final, and if it was rejected the Safeway stores would close. Before the vote took place, the union brought supporters from out of town, in reality agitators to assist in influencing the striking employees. In one instance the police were called. In addition, the raucous display and the presence of many pickets, both outside and inside the voting venue was very intimidating and had no place in a government supervised vote.⁷⁵

Mulvenna further reminded members in the community such as Ms. Barrett that Canada Safeway had been employing members of the Thunder Bay community since 1929, which it hoped to continue to resume doing if a second government-supervised vote was held to express the true wishes of the employees and produced acceptance of the company's offer.

Len Day, Dorise Barrett, and others in the community who supported the union appeared to be a minority, as more individuals showed support for the company and expressed disdain for the union and its policies during the government-supervised vote. Adam Murray, for example, expressed disgust for those who rejected the offer, stating "I have been looking for work for 2 ½ months now, and would be quite happy to work for a company like Safeway, but now I may

⁷³ "Letters to the Editor," The Chronicle-Journal, May 16, 2002, p. A7.

⁷⁴ Ibid.

⁷⁵ Ibid.

never be given the chance."⁷⁶ Pat Blackwood, the wife of one of the Safeway strikers, made similar comments and brought home the realities the no vote had had on her family. For example, her family was now without retirement savings and it had lost its medical benefits. Contrary to UFCW statements that no one would lose their homes, ⁷⁷ Blackwood talked about how the families' income, which was partially lost during the strike, was not enough to cover the cost of mortgage payments and other household expenses.⁷⁸

Discussions with the Ontario Ministry of Labour to conduct a second government supervised vote were nevertheless postponed, as Canada Safeway was informed by the Ministry of Labour that it had to take its case to the Ontario Labour Relations Board. According to Reg Pearson, Ministry Director of Labour Management Services, the accusations of intimidation filed against the UFCW fell under the "receipt of a judicial or quasi-judicial decision confirming your views as to the invalidity of the vote." All parties during a Labour Relations Board hearing were obliged to present testimonies and were allowed to cross-examine testimony in the legal proceeding. ⁷⁹ Moving ahead to appear before the Labour Relations Board, Canada Safeway filed an application for a hearing to be set which, if accepted, would lead one step closer to a second government-supervised vote. A scheduled meeting with Kevin Whitaker, the Labour Board Chairman, on June 5, allowed both parties to present evidence in an informal hearing to ascertain whether or not the matter would go to a Labour Board hearing. 80 Mr. Whitaker decided to move towards a Labour Board hearing, but such a process was lengthy; Voy Stelmaszynski, a Labour Board spokesman, stated the hearing could happen as late as September or October.

⁷⁶ "Letters to the Editor," The Chronicle-Journal, May, 10, 2002, A7.

⁷⁷ Interview 4A, 2006.

^{78 &}quot;Letters to the Editor," The Chronicle-Journal, May, 10, 2002, A7.

⁷⁹ Kris Ketonen, "Safeway has to take new route for vote," *The Chronicle-Journal*, May 16, 2002, A3. ⁸⁰ Kris Ketonen, "Safeway, union to meet against with labour board," *The Chronicle-Journal*, May 24, 2002, A3.

The Ontario Labour Relations Board's announcement that an official hearing and decision would not be made until the fall led the company to close the three Safeway stores on June 6, 2002, seemingly ending the careers of over 400 Safeway employees. Toby Oswald-Felker, Safeway's vice-president of public affairs, noted the company "had asked for an immediate resolution for this issue. But the fact that now that possible resolution would be many months down the road meant that... we would just be incurring further losses.... Safeway's business in Thunder Bay is dead." While, on the one hand, Canada Safeway claimed its business in Thunder Bay was dead, it continued to play an active role in the ongoing dispute between the union critics and the UFCW. Oswald-Felker, for example, would not comment immediately on the future of the stores' locations, stating only that the stores would be boarded up, signs taken down, and that they would join the other non-operating stores owned by Canada Safeway. Affirming previous statements made in the media and to the UFCW members through letters, public announcements, and a video, Oswald-Felker stated there was no requirement to provide severance pay to the employees because the closure resulted from the consequences of a strike.

John Fuller, a UFCW spokesman, responded in turn, saying only that the union was planning to look into the matter of severance pay. ⁸³ In another statement, he pledged to fight the company's assertion that the closure resulted because of the economic consequences of a strike, instead arguing the stores closed as a result of a business decision. ⁸⁴ The UFCW particularly criticized the company for stating on the Employment Insurance forms that Safeway had closed as a result of a labour dispute. According to the union, this "had a negative impact on the

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⁸¹ Kris Ketonen, "SAFEWAY CLOSES DOOORS Company's business in Thunder Bay 'is dead," The Chronicle-Journal, June 7, 2002, A1.

⁸² Ibid

⁸³ Ibid

⁸⁴ Kris Ketonen, "There's hope for Safeway stores, company suggests," *The Chronicle-Journal*, June 11, 2002, A3.

members' Employment Insurance benefits applications.... The company could have stated: job loss due to store closure or anything else, but chose not to."85 Nevertheless, the company's choice of words reflected the realities of the strike and it would have been detrimental to the company had it chosen other wording, since the UFCW would have used such a declaration to force the company to pay severance. As it was, the UFCW was able to convince the federal government to provide Employment Insurance benefits to former Canada Safeway employees.

In the lead up to the Final Offer, Canada Safeway had adopted a more aggressive policy, partially resulting from the increased number of UFCW members who voiced opposition to the UFCW about prolonging the strike. The achievement of an agreement in Manitoba, which saw the introduction of counter-ready meat, provided further reason to push forward to the Final Offer. The new proposal put forward a number of issues which were detrimental to the UFCW membership but were designed by the company in the hope that they might be accepted, since support for continuing the strike had wavered. The behavior of a number of union supporters in the lead up to the Final Offer was perilously close to intimidation, leading the company to request that a second vote be taken on the offer after it was rejected by the membership by a six vote majority. The decision of the Ontario Labour Relations Board to reject a second vote left the company with two choices: continue the strike or close the stores to pressure the union into accepting another vote. Choosing the latter, the company used every tactic to block its employees from receiving any compensation, including Severance or Employment Insurance payments.

⁸⁵ Trobovich; 44.

Chapter 4

A: A Membership Divided

As employees faced the reality of watching Canada Safeway board up the windows and take down the Safeway signs, union critics found wider support among UFCW Local 175 members. While some members were relieved to end the strike after eight months, the majority of workers confronted the grim reality of trying to find another job that would pay as good a wage as Canada Safeway. Younger part-time workers found the transition easier, due to their age and the readiness to accept lower wages. Others, however, such as the senior part-time and full-time workers who had spent twenty or more years working for the company were less confident about their future prospects. The union nevertheless planned to maintain the picket lines until the union deemed it "appropriate to take them down." 1

In an effort to save their jobs, a group of about twenty union members began to circulate a petition requesting the UFCW leadership to agree to a second government-supervised vote. Gary Nistico, a produce manager at Canada Safeway for thirty-one years, was one member who sought a second vote; he, like many others, felt saddened by the company's closure, commenting that "it was like my dad died 11 years ago... and that hurt." He, along with others, such as Jim Berlinquette, thought the union had misled employees about the offer with its claims that the stores could be sold or that members would receive severance. Their goal to reach 250 out of the 480 UFCW members was a difficult task, according to Berlinquette, because many of the members were afraid of union retaliation; they could lose their union card, which would prohibit

¹ Kris Ketonen, "SAFEWAY CLOSES DOORS Company's business in Thunder Bay 'is dead,'" The Chronicle-Journal, June 7, 2002, A1.

² Kris Ketonen, "Last-ditch fight for work: Group of Safeway workers push for contract vote," *The Chronicle-Journal*, June 10, 2002, A1.

them from working at any grocery store unionized by the UFCW, including the Real Canadian Superstore and A&P.³

Those members who sought a second vote on the Last, Best and Final Offer received a boost of encouragement from the company when Chuck Mulvenna commented that if the UFCW accepted the company's bid for a second vote, then the stores might reopen.⁴ He cautioned members, however, stating that the company would only wait so long to see whether or not the union accepted the petitioning group's offer.⁵ Berlinquette and others were able to collect 241 signatures, more than half the membership, requesting such a vote. The UFCW leadership was less than willing to accept another vote, however, even in light of a petition presented to them by the membership. John Fuller, a UFCW negotiator, argued that the group collecting the signatures intimidated other members into signing the petition, with some members "receiving up to 15 phone calls.... Others said they were told the company would know who signed and who didn't, and therefore feared retribution." He made the point further that the UFCW did not operate by petition. The two sides reached a compromise, however, and contacted Chuck Mulvenna to requested that Canada Safeway propose a similar contract to the ones agreed to in Fort Frances, Dryden and Kenora. Mulvenna refused, stating "we've gone as far as we can possibly go."8

Mulvenna's decision to reject the offer was not surprising when one compared the Thunder Bay contract members worked under before the strike and the Fort Frances, Dryden and Kenora contract. While the Fort Frances, Dryden, and Kenora contract, which was settled in June 2002, had introduced counter-ready meat, providing either a buyout for meat department

⁴ Kris Ketonen, "There's hope for Safeway stores, company suggests," The Chronicle Journal, June 11, 2002, A3.

⁵ Kris Ketonen, "Up to union to act, Safeway chief says," <u>The Chronicle Journal</u>, June 12, 2002.
6 Kris Ketonen, "UFCW sides reach agreement; Safeway holds fast," <u>The Chronicle Journal</u>, June 13, 2002, A3.

⁷ Contract negotiations between Canada Safeway and the UFCW in Fort Francis, Dryden, and Kenora were being negotiated since late 2001. An agreement was finally reached in June 2002.

⁸ Kris Ketonen, "UFCW sides reach agreement; Safeway holds fast," The Chronicle-Journal, June 13, 2002, A3.

employees or allowing them to bump other employees based on seniority, the wage difference remained too great for the company to accept. The company, for example, had only negotiated a second tier wage scale for part-time workers in FortFrances, Dryden and Kenora in June 2002. Tier II part-time employees still earned considerably more than the Thunder Bay Tier II employees. Tier II employees in Fort Frances, Dryden, and Kenora, for example, were slated to earn \$7.20 to \$14.35 for Sales/Service Clerks, and \$8.00 to \$16.75 for production staff, compared to the previous Thunder Bay wage rates of \$6.85 to \$12.50. Had Canada Safeway accepted the deal, the company would have lost considerable profit considering that employees in Thunder Bay earned less per hour. It was highly unlikely the company would have provided a minimum thirty-five to eighty-five cent raise, let alone a maximum raise of \$2.15 to \$4.25.9 The wage disparity, however, also demonstrated the extent to which Canada Safeway had adopted an aggressive policy towards its employees in Thunder Bay by ensuring that its workers earned less than the other stores in the region.

Disheartened by the positions being taken by the union and the company, the petitioning group presented the UFCW with a letter stating group members had retained legal counsel in an effort to push ahead with a second government-supervised vote. Represented by a pro-business firm, Weiler, Maloney, and Nelson, the petitioning group filed charges against the UFCW under sections 96 and 74 of the Ontario Labour Relations Act. Section 74 stated that

A trade union or council of trade unions, so long as it continues to be entitled to represent employees in a bargaining unit, shall not act in a manner that is arbitrary, discriminatory or

⁹ The contract provided for the introduction of counter-ready meat, providing either a buyout for meat department employees or allowed them to bump another employee based on seniority. Canada Safeway also provided lump-sum payments to its full-time and part-time employees, of between \$75 and \$500. Moreover, the company sought to restructure the stores by offering buyout packages to employees in order to reduce its senior part-time and full-time staff. The new contract implemented a new tier-II part-time workforce, but the company maintained that it would respect seniority rights, giving preference to full-time and tier I employees. For further information see Memorandum of Agreement. In the matter of a collective agreement between Canada Safeway Limited (Dryden, Kenora and Fort Frances Ontario) and United Food and Commercial Workers, Local 175. June 7, 2002.

10 Ibid.

in bad faith in the representation of any of the employees in the unit, whether or not members of the trade union or of any constituent union of the council of trade unions, as the case may be.¹¹

The petitioning group cited a number of instances where the union had acted in an arbitrary and discriminatory manner, including the incident at the Brew Pub and the union supporters' rally during the government-supervised vote on the Final Offer. They made particular reference to the UFCW representatives who were flown into Thunder Bay to intimidate members into rejecting the offer. They further argued that the union's refusal to accept the petition for another vote was conducted in bad faith, contrary to section 74 of the Ontario Labour Relations Act.¹²

While the company continued to keep its options open, remaining non-committal but generally supportive of the petitioning group, Local 175 members remained divided. In a new turn of events, the UFCW criticized Canada Safeway for not participating in a store closure program that was designed to help former Safeway employees find new jobs. Although the union had initiated some programs to improve basic computer skills, it sought additional help from the company in an effort to improve the program. The union planned to establish a training committee that would look into the job market and make recommendations and provide the

Section 74, Ontario Labour Relations Act, 1995. Section 96 states, "Where a labour relations officer is unable to effect a settlement of the matter complained of or where the Board in its discretion considers it advisable to dispense with an inquiry by a labour relations officer, the Board may inquire into the complaint of a contravention of this Act and where the Board is satisfied that an employer, employers' organization, trade union, council of trade unions, person or employee has acted contrary to this Act it shall determine what, if anything, the employer, employers' organization, trade union, council of trade unions, person or employee shall do or refrain from doing with respect thereto and such determination, without limiting the generality of the foregoing may include, despite the provisions of any collective agreement, any one or more of,

⁽a) an order directing the employer, employers' organization, trade union, council of trade unions, employee or other person to cease doing the act or acts complained of;

⁽b) an order directing the employer, employers' organization, trade union, council of trade unions, employee or other person to rectify the act or acts complained of; or

⁽c) an order to reinstate in employment or hire the person or employee concerned, with or without compensation, or to compensate instead of hiring or reinstatement for loss of earnings or other employment benefits in an amount that may be assessed by the Board against the employer, employers' organization, trade union, council of trade unions, employee or other person jointly or severally. 1995, c. 1, Sched. A, s. 96 (4). Ibid."

^{., &}lt;sup>12</sup> Kris Ketonen, "Safeway Saga Over: No hope seen for Thunder Bay stores to reopen," *The-Chronicle Journal*, June 20, 2002, A1

necessary training for individual members to be qualified to work in a particular industry. Chuck Mulvenna, however, stated that he was "not prepared under the circumstances to participate in the program," but he would not explain why.¹³

Defending Canada Safeway, the petitioning group criticized the UFCW in an open letter to the membership, arguing the company had already contributed to the store closure program by providing funds to the UFCW through the training and education fund that the 1987 collective agreement established. The training and education fund was used by the UFCW to fund training and education programs for union stewards and other union members. From 1987 to 1995, Canada Safeway contributed two cents per hour for each hour worked by all Safeway employees, and from January 1996 to 1997 it provided ten cents per hour, finally increasing its total contributions to fifteen cents per hour from 1997 to the beginning of the strike. 14 According to Canada Safeway, it had contributed approximately \$130,000 a year into the training and education fund before the strike, based on the number of employees and hours worked by Thunder Bay employees. 15

The training and education fund became a heated point of contention between the two groups. The petitioning group challenged the UFCW to be accountable for the funds, stating "We want to know that has happened to this Fund? We are wondering why the UFCW does not utilize this money to help all of the ex-employees that will now be required to find new employment?" The group further suggested the reason the UFCW pushed for a no vote during the Final Offer was because the union was slated to lose the resources the training and education fund provided to the union. Had a precedent been set in Thunder Bay, the union would have lost considerable

¹³ Kris Ketonen, "Safeway bows out of effort to retrain ex-employees," *The Chronicle-Journal*, June 21, 2002, A1.

¹⁴ Letter to the membership: "Safeway Workers Believe Loss of Contributions to Training and Education Fund by Safeway a Major Stumbling Block in UFCW Negotiations." June 2002.

15 Chuck Mulvenna, Canada Safeway Video on the Last, Best, and Final Offer, May 2002.

revenue as the training and education fund would most likely have been dropped from other contracts throughout Canada. ¹⁶ Considering how the training and education fund provided a minimum of \$130,000 a year to the UFCW from employees at Canada Safeway, the UFCW probably feared other companies such as the Atlantic & Pacific Company (A&P) would follow suit.

While the divisions on the picket line continued to grow, efforts to get a second government-supervised vote on the Last, Best and Final Offer collapsed, as the Ontario Labour Relations Board ruled that it would grant a hearing into the allegations the petitioning group made against the UFCW under section 74, but it would not grant a second vote. ¹⁷ Mary Ellen Cummings, in the decision released by the Board, declared that the Board did not possess the jurisdiction to order another vote:

Even if the applicants were able to prove all of their allegations, the Board would not as a remedy, declare the vote to be of no force and effect. While the conduct engaged in by the responding parties, if proven, may well constitute a violation of section 76 which prohibits trade unions from seeking by intimidation or coercion to prevent persons from exercising rights under the Act, I am not satisfied that it was so egregious that it would have prevented employees from exercising their right to participate in a secret ballet vote and vote in accordance with their true wishes.¹⁸

A hearing set by Cummings for October 30, 2002, into the allegations filed under section 74 created its own problems, as the petitioning group feared that it would be too late as Chuck Mulvenna had made repeated statements that the company would only wait so long to consider re-opening the Safeway stores. ¹⁹ The members fears were quickly realized when Mulvenna

¹⁶ Letter to the membership: "Safeway Workers Believe Loss of Contributions to Training and Education Fund by Safeway a Major Stumbling Block in UFCW Negotiations." June 2002.

¹⁷ Jim Kelly, "Thunder Bay Safeway Workers have another setback," *The Chronicle-Journal*, August 24, 2002, A1.

¹⁸ Mary Ellen Cummings, Alternate Chair, Decision of the Board, August 21, 2002.

¹⁹ Kris Ketonen, "Little hope seen in Safeway move," The Chronicle-Journal, August 29, 2002, A3.

declared that the October 30th meeting was too far off for the company to wait any longer and the company would have to decide when to leave the city.²⁰

Faced with the possibility of losing any chance of the three stores reopening, the petitioning group, based on a recommendation by its lawyers, Weiler, Nelson, and Maloney, applied to decertify the UFCW as the Safeway employees' bargaining agent. By decertifying the UFCW, the petitioning group hoped that it could either force the UFCW to accept a second government-supervised vote on the Final Offer or conduct a vote itself once the union was decertified. The Ontario Labour Relations Act required that at least forty per cent of the bargaining unit support the petition. The petitioning group was certain, however, that it had enough support. Besides the petition signed by 241 members requesting a second vote on the Final Offer, some members believed sympathy had shifted on the picket lines to support the petitioning group.

Whereas union critics had remained a small minority on the picket line leading up to the government-supervised vote, often being taunted by union supporters, they emerged from the vote with more support from rank-and-file members who sought a resolution to the strike and a chance to regain their positions at Canada Safeway. One member described the shift on the picket line, saying that after the Last, Best and Final Offer "it was more divided." Another member commented that the line changed; "the ones that supported the company got bigger and the ones that supported the union got smaller." Cindy Normand, a spokeswomen for the

²⁰ Kris Ketnoen, "Time Running out: Safeway's future in Thunder Bay on the clock," *The Chronicle-Journal*, August 30, 2002, A3.

²¹ Kris Ketonen, "New Union soguht by Safeway workers," *The Chronicle-Journal*, September 10, 2002, A1. Interview 4A, 2006.

²² Ibid. Section 63(5) of the Ontario Labour Relations Act states that "If the Board determines that 40 per cent or more of the employees in the bargaining unit appear to have expressed a wish not to be represented by the trade union at the time the application was filed, the Board shall direct that a representation vote be taken among the employees in the bargaining unit. 1995, c. 1, Sched. A, s. 63 (5).

²³ Interview 4A, 2006.

petitioning group, also commented that she was "certain the result would be different if a second vote is granted, as former workers have realized they'll not likely get jobs as high paying as their position with Safeway, regardless of whether the city stores get sold."²⁴ The petitioning group's attempt to decertify the UFCW led Canada Safeway to announce that it would not pull out of the city until after the decertification bid was resolved. This led more members to join the petitioning group in its efforts.²⁵

The Ontario Labour Relations Board scheduled a vote to decertify the UFCW as bargaining agent for the Safeway employees for September 26, 2002. Although the vote occurred on September 26, 2002, the ballots would remain sealed until an official hearing by the Ontario Labour Relations Board ruled on whether the vote was proper. The UFCW challenged the decertification vote, arguing that Safeway had fired all its Thunder Bay employees on June 6, 2002, which would make the vote ineligible since none of the members were employed by Canada Safeway. Chuck Mulvenna, however, disagreed with the union's interpretation of the situation, contending that the company would do its part to support the petitioning group by notifying all of its eligible employees about the vote to decertify the UFCW as the employees' bargaining agent.

In an effort to expedite the vote, the petitioning group forwarded a letter to all Safeway employees in Thunder Bay explaining its agenda and the reasons members should vote to decertify the UFCW as their bargaining agent. The UFCW's failure to accept the petition requesting a second vote, for example, left its members with little choice:

²⁴ Kris Ketonen, "Little hope seen in Safeway move," *The Chronicle-Journal*, August 29, 2002, A3.

²⁵ Kris Ketonen, "New road for Safeway chief: Company's next move depends on decertification vote," *The Chronicle-Journal*, September 17, 2002, A5.

²⁶ Ibid. See also, Timothy Sargeant, J.A. Rundle and H. Peacock, Decision of the Board. Ontario Labour Relations Board, file 2002 CanLII 39516, September 11, 2002.

²⁷ Ibid.

After the store closure many employees recognized the fact that the final offer was the best we could get from Safeway. We tried to get our union to recognize that fact, and let us revote and accept that offer so we could still have our jobs. The UFCW would not. We must now seek another union to represent our wishes and present them to Safeway so they can re-consider closing their stores.²⁸

The letter promoting the decertification of the UFCW and the certification of a new union struck a chord among the rank and file members and led many members to support the union critics.

The union remained publicly optimistic in the days before the decertification vote. Victor Carrozzino, the director of the UFCW training and education centre, for example, contended that up to seventy per cent of the former employees had already found new jobs or retired. The union believed most members would not be interested in voting because they had moved on with their lives.²⁹ The union's leaders left nothing to chance, however, and sent a letter to the membership explaining what they considered to be the "correct facts" surrounding the decertification vote. The letter attacked the petitioning group and Canada Safeway, arguing that both had been misinforming the membership and the community. 30 The union argued, for example, that the petitioning group had misled the membership by telling them that they could form another union. In a subsequent paragraph, the UFCW argued that it held the bargaining rights for the three Safeway stores in Thunder Bay, including successor bargaining rights if they were bought by another employer. The letter further stated that "if you vote to decertify, no other Union could even attempt to organize the stores and bargain a new collective agreement until Safeway or a new purchaser opened the stores and commenced business." The UFCW successor rights were at jeopardy, however, because of the petitioning groups bid to decertify the union. Moreover, there was no guarantee that the UFCW would remain the bargaining agent of its members if the

²⁸ Handout to Safeway Employees, "What does de-certify mean?"

²⁹ Kris Ketonen, "Ex-Safeway Workers get on with lives," *The Chronicle-Journal*, September 25, 2002, A3.

³⁰ Mail out by union, September 2002.

³¹ Ibid.

stores were sold to another business. The Ontario Labour Relations Act stated in section 69 paragraph 6 that

Where a business was sold to person who carries on one or more other businesses and a trade union or council of trade unions is the bargaining agent of the employees in any of the businesses and the person intermingles the employees of one of the businesses with those of another of the businesses, the Board may, upon the application of any person, trade union or council of trade unions concerned,

- (a) declare that the person to whom the business was sold is no longer bound by the collective agreement referred to in subsection (2);
- (b) determine whether the employees concerned constitute one or more appropriate bargaining units;
 - (c) declare which trade union, trade unions or council of trade unions, if any, shall be the bargaining agent or agents for the employees in the unit or units; and
 - (d) amend, to such extent as the Board considers necessary, any certificate issued to any trade union or council of trade unions or any bargaining unit defined in any collective agreement.³²

The UFCW might not have continued to represent Safeway employees had a new company bought the stores from Canada Safeway, although the Labour Relations Board probably would have maintained the successor bargaining rights if a similar retail store had purchased the properties.

In another move to undermine the petitioning group, the UFCW leadership stated that it was "convinced Safeway is behind or working with the Group to decertify the Union and the Union has filed charges at the Ontario Labour Relations Board." They cited the fact that "every time the group dives in another direction; Safeway dives in after them." The union, nonetheless, was only partially correct in its statements. Both the company and the petitioning group were well aware of the repercussions that a joint venture would have on their cause and therefore offered no assistance to each other, financially or otherwise. The Ontario Labour Relations Act prohibited the parties from seeking a joint effort under section 53 which stated that

³² Ontario Labour Relations Act, Section 69, paragraph 6.

³³ Ibid.

An agreement between an employer or an employers' organization and a trade union shall be deemed not to be a collective agreement for the purposes of this Act if an employer or employers' organization participated in the formation or administration of the trade union or contributed financial or other support to the trade union. 1995, c. 1, Sched. A, s. 53.³⁴

The petitioning group appeared to be more aware of the Labour Relations Act than the UFCW, and took every precaution not to join forces with company management or to seek financial assistance from them. Enough evidence exists, however, to demonstrate that Canada Safeway used the petitioning group's cause to drag out the strike in an effort to extract more concessions from Thunder Bay employees. Although Chuck Mulvenna's carefully worded statements in the press helped to encourage members to support the petitioning group and its efforts to decertify the union, there is no evidence of direct collusion between the petitioning group and the company.

Whereas the UFCW believed it had enough support among the membership to retain its bargaining rights, Jim Berlinquette, one of the leaders of the petitioning group, viewed the situation differently. He believed that most former Safeway employees would vote to decertify the UFCW because "most of the jobs out there are part-time." Besides the increased wages, compared to other retail sector jobs, Canada Safeway offered seniority rights and benefits. One former employee was working three part-time minimum wage jobs to support his or her children. Like many others, the employee missed working for Canada Safeway and the opportunities the company provided. Besides wages, the company offered decent benefits and the opportunity to expand personal growth, something the employee could not find in any other part-time job. Safeway and the opportunity to expand personal growth, something the employee could not find in any other part-time job.

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³⁴ Ontario Labour Relations Act, section 53.

³⁵ Interview 4A, 2006.

³⁶ Kris Ketonen, "Ex-Safeway Workers get on with lives," The Chronicle-Journal, September 25, 2002, A3.

J' Ibid.

³⁸ Interview 4A, 2006.

Needing only forty per cent of the membership to vote to decertify the UFCW, Jim Berlinquette and others of the petitioning group remained optimistic that they had enough supporters. Of the 329 members who voted on September 26, 2002, Berlinquette commented that he thought at least 184 members voted to decertify the UFCW. Heidi Pineau, a union advocate, believed otherwise, contending that the vote would heavily oppose decertification. She also believed that the Labour Board would throw out the vote in October, since everyone voting had been fired on June 6, 2002, making the vote ineligible.³⁹

The petitioning group's confidence that the UFCW would be decertified pushed it into forming its own association, the Safeway Workers' Association. The group's lawyers, Weiler, Nelson and Maloney, argued that the new association would regulate "labour relations between Canada Safeway Limited... and the employees of Canada Safeway Limited or such Successor Employer." Specifically, the group sought to renew the old contract or seek a new collective agreement with Canada Safeway Limited. During an October 11th meeting, fifty UFCW members adopted the Safeway Workers' Association Constitution. The Safeway Workers Association needed at least forty per cent or 184 members to sign union cards in order to secure the Ontario Labour Relations Board's approval for a vote. Still, the association remained dependent on a decision of the Ontario Labour Relations Board decertifying the UFCW as the bargaining agent for Safeway employees. 41

Threatened by the Safeway Workers Association, the UFCW adopted a more aggressive stance, informing its members that those who joined the Safeway Workers' Association would

³⁹ Jim Kelly, "Good turnout for vote one UFCW decertification," *The Chronicle-Journal*, September 27, 2002, A3.

⁴⁰ Constitution of the Safeway Workers' Association, section 2, paragraph 2.1.
⁴¹ Kris Ketonen, "New move to get vote: Ex-Safeway workers to form association," *The Chronicle-Journal*, October 11, 2002, p. A3.

not be welcome on the picket line and would lose their strike pay. ⁴² The petitioning group claimed, however, that members who joined the association were protected by confidentiality rights outlined in the Ontario Labour Relations Act. According to them, the act prohibited the UFCW from engaging in any acts of intimidation, coercion or pecuniary penalties on a person because they had filed an application under the Ontario Labour Relations Act. Section 87, paragraph 2, for example, states that

- (2) No trade union, council of trade unions or person acting on behalf of a trade union or council of trade unions shall,
- (a) discriminate against a person in regard to employment or a term or condition of employment; or
- (b) intimidate or coerce or impose a pecuniary or other penalty on a person, because of a belief that the person may testify in a proceeding under this Act or because the person has made or is about to make a disclosure that may be required in a proceeding under this Act or because the person has made an application or filed a complaint under this Act or has participated in or is about to participate in a proceeding under this Act. 1995, c. 1, Sched. A, s. 87.⁴³

The UFCW maintained, however, that it was not discriminating against those members who joined the association because they had filed to form a new association under the Ontario Labour Relations Act, but rather because members had violated the United Food & Commercial Workers International Union Constitution. Charged under sections 25(B)(4), 25(B)(5), 25(B)(11) and 25(B)(14) of the UFCW International Constitution, the members of the Safeway Workers' Association took the matter to the Ontario Labour Relations Board.⁴⁴ They argued that the UFCW international constitution did not apply to their case, because they were legally entitled to

⁴² Ibid.

⁴³ Ontario Labour Relations Act, 1995, 87(2).

⁴⁴ Mail out regarding charges filed against the forty Safeway Workers Association members, October 17, 2002. According to the UFCW leadership, those members who joined the Safeway Workers' Association violated the UFCW International Constitution. The constitution stated in section Twenty-five that any member who advocated for withdrawal of a Local Union, accept membership in another union, violate their responsibility to the union, interfere with the contractual rights and obligations of the union, and violate any constitution or laws of the international union, be subject to disciplinary proceedings. For further information see United Food and Commercial Workers International Union, CLC, AFL-CIO: Constitution As amended and revised at the Fourth Regular Convention, July 1998.

form a new union without discrimination under section 87(2) of the Ontario Labour Relations

Act. Those members suspended likewise accused the UFCW of having sent representatives to the meeting on October 11th to identify the members who joined the new association.⁴⁵

The Ontario Labour Relations Board commenced a hearing to announce the board's decision as to whether the bid to decertify the UFCW was eligible in early November. On November 6, 2002, Kevin Whitaker for the board ruled the vote to decertify the UFCW was ineligible. He ruled that no one was employed in the bargaining unit at the time of application. A statement made by the board stated that

All authorities without exception support the UFCW's submission that once an employee had had their employment relationship with the employer terminated or severed, they cease to be an employee for purposes of a termination application. There is not a single case cited where employees who have been terminated or severed have been found to be employees in the bargaining unit for purposes of a termination application.⁴⁷

Along with the denial of the decertification bid, Kevin Whitaker ruled that the UFCW charges against Canada Safeway under section 96 of the act detailing unfair labour practices was a "moot" point since the three Safeway stores were permanently closed on June 6, 2002 and the bid to decertify the UFCW was dismissed.⁴⁸ John Fuller, a UFCW spokesman, viewed the decision with mixed feelings. He did comment that the union would continue to pursue charges against the members who joined the Safeway Workers' Association.⁴⁹

Although the decertification bid was denied, the Ontario Labour Relations Board postponed its verdict regarding those charges filed against the UFCW under section 96 of the

49 Ibid.

⁴⁵ Kris Ketonen, "Strike pay suspended: UFCW members," *The Chronicle-Journal*, October 24, 2002, A3.

⁴⁶ Kris Ketonen, "Union hangs on to Safeway employees: Decertification bid denied," *The Chronicle-Journal*, November 7, 2002, A1.

⁴⁷ Decision of the Board, November 6, 2002. Ontario Labour Relations Board, Docket 1732-01-U.

⁴⁸ Kris Ketonen, "Union hangs on to Safeway employees: Decertification bid denied," *The Chronicle-Journal*, November 7, 2002, A3.

Labour Relations Act. Mary Ellen Cummings, Alternate Chair presiding over the hearings, summarized the charges;

First, the applicants allege that a number of individuals, acting on behalf of the union engaged in a course of conduct that was intended to intimidate and coerce employees into rejecting the employer's offer in a Minister ordered vote, with the result that the outcome does not reflect the true wishes of the employees. Second, the applicants allege that the union breached its duty of fair representation to the members of the bargaining unit in failing to consider and act on a petition requesting that a new vote on the employer's offer be scheduled. Third, the applicants allege that the union has penalized them for bringing this application by denying them access to strike pay and other monetary assistance. ⁵⁰

As per the decision of the August 21, 2002 hearing, Cummings upheld the Board's decision that, even if it had the jurisdiction to grant a second vote, the petitioning group did not make out "a prima facie or arguable case for such a remedy." When dealing with the second issue regarding charges made against the UFCW under section 96, Cummings ruled that

Whatever might have been the point in inquiring into the union's conduct around its consideration of the applicant's petition for a second vote has now evaporated with the loss of the employment relationship. There is no labour relations purpose in inquiring into that dispute since there is no effective remedy. As counsel for the union put it, events have overtaken the litigation.

There is similarly, no point to inquiring into the applicants' allegations that employees were intimidated and coerced in respect of the vote on the employer's final offer. Counsel for the applicants conceded that once the Board removed the possibility of ordering a second vote, those allegations only served as a useful back drop or context to the allegations around the union's response to the applicant's petition for a second vote. ⁵²

The dismissal of the unfair labour practices application was a major set back for the petitioning group.

Cummings nevertheless considered the application under section 87(2), alleging that the union had denied some of its members the opportunity to receive strike pay and benefits because they had attended the Safeway Workers' Association meeting and had filed charges against the

⁵⁰ Ontario Labour Relations Board, Decision of the Board. November 15, 2002, file 0766-02-U and 2261-02-U.

⁵¹ Ibid.

⁵² Ibid.

union with the Ontario Labour Relations Board.⁵³ Cumming's decision was a disappointment for the petitioning group in its efforts to get a second vote on the Final Offer. After the Ontario Labour Relations Board threw out the unfair labour application, Canada Safeway's President, Chuck Mulvenna, no longer needed the support of the petitioning group and he became more elusive in his statements to the press about the future of the stores in Thunder Bay. The UFCW, meanwhile, viewed the Board's decision with enthusiasm, hoping the community and its members would once again support the union leadership.

The United Food and Commercial Workers (UFCW) had been steadily losing support since Canada Safeway closed the three stores. The *Thunder Bay Post's* question of the week, for example, asked community members whether they supported "management or the union in the Safeway dispute?" Their survey found that 63.9% of the 269 people who voted supported management, and only 20.8% supported the union, with 15.2% abstaining. ⁵⁴ Criticism of the union likewise increased, as more community members wrote letters to the editor in the *Thunder Bay Post* and *The Chronicle-Journal*. Some comments particularly emphasized the loss of wages the workers had suffered, but not the union officials; "I am wondering if these UFCW officials are going to give up their salary to help the 200 ex-Safeway employees who wanted their jobs back to get them through this tough time ahead with the loss of their jobs or careers." Still others wrote to encourage UFCW members to "apply for a job with the UFCW. Let us know if they care enough to give you a job to replace the one they just cost you." Community member Robert Graham expressed the frustration felt about the strike when he wrote that

⁵³ Ibid. The application under section 87(2) was initially brought forward to the board on July 8, 2002 where Mary Ellen Cummings concluded that the UFCW had breached section 87(2). The UFCW challenged that "the applicants never specifically alleged that section 87(2) had been violated and it is too late, on the evening of the hearing, for the applicants to add that ground." During the hearing Mary Ellen Cummings ruled that the application should proceed. ⁵⁴ "What's your opinion," *Thunder Bay Post*, June 14, 2002. ⁵⁵ Ibid.

With Safeway now delivering on its promise to close their three locations in Thunder Bay, will the UFCW (United Food and Commercial Workers) fulfill its promise to its 481 members? That is to say, will the union provide for those members and their families who are now out of work and out of money? As well as providing for them in the short term, is the union going to provide for their members' children to go to college as well as providing for their retirement? Simple answer to these questions is No.

He believed that the union had lost track of its primary goal - "to keep the members working." 56

Criticism from the community against the union sparked condemnation of the UFCW from the editor of *The Chronicle-Journal*. The editor supported the petitioning group in its efforts to secure another government-supervised vote, contending that "enough workers claimed publicly they felt threatened by the presence of certain union members brought in from other cities during the voting process to case serious doubt upon its veracity.... Big unions know a thing or two about 'persuading' votes the way they want them to go.... If you want a chance to return to work... sign the petition this morning." In another editorial, the editor remarked on the irony of the union's refusal to accept the petition for a second government-supervised vote because "democracy demanded the first close vote result stand," even after it was presented with a petition signed by the majority of its members. By September 2002, the editor clearly recognized what the UFCW refused to acknowledge: "In the Safeway dispute, employees themselves are fiercely divided between support for the vote against the company's final offer, and for a second vote to counter persistent claims and strong evidence that the first, close tally did not represent the true majority will." Statements made by the editor of *The Chronicle*

⁵⁶ Letters to the Editor, "Reality of Safeway strike hits home," *The Chronicle-Journal*, June 10, 2002, A7.

⁵⁷ Editorial, "There won't be a third time," *The Chronicle-Journal*, June 12, 2002, A6.

⁵⁸ Editorial, "A strange ending to Safeway strike," *The Chronicle-Journal*, June 14, 2002, p. A6. The editor also made the following comment, criticizing the petitioning group; "In the end, too, the holdout employees made the old mistake of stooping to a foe's level. When they claimed they feared the presence of alleged union enforcers during the vote, the workers gained public sympathy in their bid to return to work after eight months on the picket line. But when other employees at the meeting complained of being hounded and threatened to sign the petition, the rightness of that cause suffered."

⁵⁹ Editorial, "Many players in this game," *The Chronicle-Journal*, September 5, 2002, A6.

Journal tended to reflect the situation on the picket line as more Safeway employees sought to return to work or to find alternative employment.

B: The New Deal

Aware that the tide of support had turned against the UFCW, and having settled a number of outstanding issues with the Ontario Labour Relations board, the union attempted to push the company to sell the three Thunder Bay stores. John Fuller, a UFCW representative, commented that "right from the company's announcement they were closing, our position has been put them up for sale at a reasonable price.... We think now it's certainly the time for the company to either make the decision that they're going to re-open the stores with a proper collective agreement, or sell them." Frustrated with the company, Fuller admitted for the first time that there was nothing the union could do but wait. Although the union leadership had previously claimed that it had had potential buyers in an effort to encourage its members to vote against the Final Offer, Fuller and others came up empty handed. Instead, the union decided that it would maintain the picket line until Safeway made a decision. 61

The New Year brought no news for the Safeway workers walking the picket lines. Efforts by the union leadership and Thunder Bay's Mayor, Ken Boshcoff, to force Canada Safeway to sell the three stores made little headway. John Fuller continued to argue that the company should either sell the stores or make a deal; "very simply, our position is we're always ready to talk to Safeway or any other employer about reopening negotiations." The petitioning group remained mystified by the UFCW's rejection of the petition requesting a second government-supervised vote. Cindy Normand, a spokeswoman for the group, expressed frustration with the situation

⁶¹ Ibid.

⁶⁰ Kris Ketonen, "Safeway delay frustrates union," The Chronicle-Journal, November 27, 2002, A3.

when she said that "it all became a game of saving face between the union and the company and we were the pawns." Even though the petitioning group represented more than forty percent of the former Safeway employees, their efforts to force the company and union into negotiations and their attempt to decertify the UFCW remained dead in the water.⁶²

Statements made by the UFCW leadership in the press hid the fact that negotiations between the UFCW and Canada Safeway had begun again in late 2002. According to the President of the UFCW, Wayne Hanley, a behind-the-scenes official from Canada Safeway made subtle overtures to him to suggest that a resolution could be reached on the ongoing labour dispute in Thunder Bay. According to Hanley,

At this juncture in time, our membership had accepted termination and closure and it was time to move on. The last thing we wanted to do was to raise false hopes for the members only to have them dashed again. We also didn't want to give the dissenters any reason to start up again or provide an opportunity for further turmoil in the community. 63

John Fuller likewise believed it was in the best interests of the union to keep the negotiations hidden from the membership. He contended the proposal was close to the deal Local 175 had presented to the company around the time of the Manitoba agreement. Once the company and union resumed talks, a proposal was quickly agreed upon to bring forward to the negotiating committee and to the members: "as quickly as Wayne could document details of the agreement, a meeting was convened with the Bargaining Committee to bring them up to speed. The committee was unanimous in its support of what had transpired to reach the agreement and the agreement itself." The unanimous approval of the agreement reflected the negotiating committee's determination in seeking an end to the strike. They believed the proposal was the best

⁶² Ward Holland, "Mayor pressures Safeway: Boshcoff wants answer about firm's future in city," *The Chronicle-Journal*, January 10, 2003, A5.

⁶³ Trbovich; 50.

⁶⁴ Ibid. See also, Mike Stimpson, "Safeway union had deal," *The Chronicle-Journal*, February 15, 2003, A1.

opportunity for former Safeway employees to return to work. The UFCW presented the settlement to the membership on Sunday, February 16.

The new agreement, however, contained a number of controversial clauses which, when compared with the October 2001 offer, were much more detrimental to the membership. Of the over four hundred employees who went on strike initially in October 2001, for example, only 64 full-time and 193 part-time employees were slated to return to work under the new agreement.⁶⁵ The new agreement likewise eliminated meat cutters and meat wrappers with the introduction of counter-ready meat. It specified, as did the October proposal, that those meat cutters who were displaced by the contract could either opt to exercise seniority rights or receive a resignation allowance. 66 The company also reserved the right to "limit the number of employees leaving" from each individual department and job function," while maintaining the power to reduce fulltime employees to part-time status if enough full-time employees did not accept the resignation allowance.⁶⁷ The resignation allowance was similarly limited by the company in both dollar terms and the number of employees who were eligible to accept it.⁶⁸ Perhaps the most controversial clause in the new collective agreement was the introduction of a new Tier Three part-time wage scale. Besides the implementation of lower wages, the company also specified that employees hired after the date of ratification were required to work on Sunday regardless of their availability if enough volunteers were not available.⁶⁹ The new agreement nevertheless included a couple of proposals that were more beneficial to the employees. Canada Safeway, for example, maintained its early submission to provide four lump sum payments, averaging \$500 or

⁶⁵ Memorandum of Settlement, presented to UFCW Local 175 membership on February 16, 2003.

⁶⁷ Ibid. Safeway Canada did agree that if an employee elected "to become part-time and if a full time job is not available within 4 weeks," then they could accept the Resignation Allowance. ⁶⁸ Ibid: 7.

⁶⁹ Ibid: 3.

less, over a 36 month period.⁷⁰ In addition, the company maintained its previous employee benefits, sick leave, and vacation pay.⁷¹

Confident that the proposal would be accepted, the union and company aimed to resume operations as quickly as possible. To facilitate its operation, the agreement included a number of amendments to reinstate friendly relations with all parties involved, including the petitioning group. Section 39(G), for example, eliminated the option of members' pursuing "any contractual or legislative notice of reduction to part-time including but not limited to notice of termination, termination pay and severance pay under the Employment Standards Act 2002." A further amendment under section 39(K) agreed that the company and union would withdraw any applications they had filed with the Ontario Labour Relations Board and that they would not initiate any further applications. Perhaps the most controversial clause in the opinion of the union supporters was section 39(M) which stated that

It is further agreed that neither the Company nor the Union will take any new action against each other or against any employees and/or former employees for any activities that may have occurred during the labour dispute. The Company agrees to use its best efforts to have the employees withdraw any action already commenced against the union on account of any activity occurring during the labour dispute and if successful the union will not proceed with outstanding internal union charges against any member.⁷²

Many of the union supporters believed that the union critics were getting too much out of the deal and should be punished further. Nevertheless, their opinions were ignored and section 39(Q) stated that the company and union agreed that there would be no recrimination against any employees because of their participation in the strike.⁷³

The agreement between Canada Safeway and the UFCW caught most members by surprise. One member recalled how she first heard about the tentative deal on Valentine's Day

⁷⁰ Ibid; 4.

⁷¹ Ibid; 10.

⁷² Ibid; 11.

⁷³ Ibid.

while attending a Thunder Wolves hockey game. A newspaper article in *The Chronicle Journal* the following day surprised most members, but it was received with enthusiasm by all, including the petitioning group. For those members who had been working two or three jobs to support their families, a tentative agreement seemed unreal. Regardless of some of the more controversial policies, many viewed the proposal as an opportunity to end a bitter strike. Thus, when the deal was proposed to the membership, an overwhelming ninety percent of the membership in attendance ratified the collective agreement. The UFCW likewise claimed victory, contending that the collective agreement "removed many of the issues that gave rise to our members' earlier rejection of company offers." Spearheading the new alliance with Canada Safeway, the UFCW enticed its members, as agreed to in the collective agreement, to rebuild the three Safeway stores. In a message to the membership the union wrote,

On this labour dispute our members faced the challenges that most strikers face – but they stood together for 16 ½ long months, supported each other, they laughed and cried together, hunted for Easter eggs with their kids and union together, they performed day care duties together, cooked and served soup together – and the list goes on. They faced much unnecessary challenge from a few within their own ranks and overcame that challenge from each and every direction. They showed that as dedicated and committed as they were to their customers before the strike – they would and could channel that same dedication and commitment to winning their strike – and they did. Now they must get on with their next challenge. That challenge will be to convince their former customers and friends to return to Safeway stores where they will see that same dedication and commitment rebuild Safeway's business in Thunder. 76

Comments reflecting the dedication and solidarity of the rank and file helped bolster the members for the challenge of re-building the customer base.

The UFCW's message, however, was not reflective of the realities of the strike. A closer examination of all three contracts reveals that Local 175 members received a poorer contract than they had originally rejected in September 2001. Besides the obvious loss of jobs that

⁷⁴ Interview 4A, 2006.

⁷⁵ UFCW publication to UFCW members, February, 2003.

⁷⁶ Ibid.

approximately 450 to 254, the company was able to introduce counter-ready meats, eliminating the 35 full and part-time jobs the UFCW was said to be defending in October 2001. A company proposal to force new employees to work on Sunday irrespective of their availability became another heated point of contention with the union in September 2001 but was accepted as part of the February 2003 contract without significant opposition. Employee grievances against the company complaining about the reduction in part-time hours and management disrespect regarding seniority rights fell to the wayside during the 16½ month strike. The new letter of understanding proposed in the September 2001 contract found its way into the February 2003 contract, agreeing to "establish a scheduling committee that will on a regular basis (no less than quarterly) review work schedules with a view to making recommendations for improvement." Needless to say, the thirty cent pay increase demand was also missing from the February 2003 contract.

While it appears that the UFCW lost most of the proposals for which it went on strike in October 2001, it did make some headway when compared to the May 2002 Final Offer. The company, for example, withdrew any attempt to reduce employee benefits, vacation or sick leave. The company was, however, able to introduce a Tier Three part-time workforce starting after the date of ratification in February 2003. The introduction of a Tier Three part-time workforce had been a major stumbling block during the May 2002 negotiations, but after losing their jobs in June 2002 it became less of an issue, as UFCW members sought to return to work. The company did remove some of the more controversial language surrounding the Tier Three part-time employees, such as its insistence that it give new tier three workers more hours than

⁷⁷ Memorandum of Settlement, presented to UFCW Local 175 membership on February 16, 2003, 4.

Tier One or Tier Two part-time workers. In the end, the union was able to ensure that the only difference between the three tiers was the wage scale.

Since employees still had the Final Offer fresh in their minds and were disheartened by the stores' closure in June 2002, any offer recommended by the UFCW seemed like a victory, even if it was a hollow one. Even those members of the petitioning group who had criticized the union from the beginning of the strike viewed the contract as a victory, since all they had wanted since the beginning of the strike was to return to work. Sections 39(M) and (Q) were particularly welcome for those UFCW members who had sided with the petitioning group, since they now had the option of returning to work for Canada Safeway without the possibility of losing their union card. Upon the ratification of the contract, most members of the petitioning group withdrew their applications with the Ontario Labour Relations Board under section 87(2). Only two applicants, Helen Drebit and Mary Humbruff, who had found other jobs in the community, pursued their applications. A decision of the board, presided over by Mary Ellen Cummings on June 9, 2003, struck down the charges "because the applicants did not attend to introduce evidence to which the union was required to respond." The applicant's lawyers, Weiler, Nelson and Maloney, argued that the applicants could not afford the flights or accommodations required to attend the meeting and asked the board to reschedule the meetings in Thunder Bay. The board's decision remained the same, however, contending that "the board has made a decision to schedule the matter in Toronto in the interests of the Board's overall efficiency," leading it to uphold its verdict.⁷⁸

For a small minority of UFCW members, the concessions agreed upon in the new contract were unacceptable. One member, Karen Wyder, was completely shocked and angered at the way

⁷⁸ Ontario Labour Relations Board. Decision of the Board. June 9, 2003, file 0766-02-U and 2261-02-U.

in which the union pushed the new contract on the membership. She was one of only a few who realized that

After being on strike for a year and a half ... the contract they came up with did not justify the means. We deserved better. There was still no guarantee for part-timers, there was nothing in there for the full-timers, the meat department was still going to be gone, and there was a lot of language in there that allowed a discretion, Safeway to have discretion to do this, that and the other thing.⁷⁹

As much as Karen Wyder did not agree with the new contract, she questioned why the UFCW had rushed the contract after being on strike for a year and a half. No one in the union, however, would answer any of her questions. She complained that the membership did not know anything before the contract vote; as members, they were not informed about anything, it was all

hush hush until that morning when the paper said there was a meeting to vote on the new contract... it was very sad. Everything had been taken care of.... The people on our negotiating committee had not been informed until that day that we sat at the labour hall and there was one lady who just came off the plane and had no clue about what was going on.... We didn't have time to think about it, there was people that weren't even there, they were out of town, they didn't even get to vote. After a year and a half I think every member had the right to vote on that contract, it could have waited a week.⁸⁰

Fortunately or unfortunately, most members did not agree with Karen Wyder. They voted to accept the offer and return to work or accept the resignation allowance.

After a year and half of being on strike, most members just wanted to return to work and finally move on with their lives. Solidarity on the picket lines, having been weakened by the petitioning group's efforts to secure a second government-supervised vote, first through the petition, and then through the decertification bid and the formation of the Safeway Workers Association, led to a situation where the union's only hope for a resolution that would provide some vestige of victory came from Canada Safeway. Chuck Mulvenna knew that he still had an edge in negotiations, as his biggest bargaining chip, the stores' closure, remained in effect,

⁷⁹ Karen Wyder, Interview 5A, 2006 ⁸⁰ Ibid.

leading him to present an offer that provided substantial economic gains for the company, while providing some incentive for UFCW Local 175 members to accept the contract. The introduction of a Tier Three part-time work force and the company's demand to have people work on Sunday's are just two examples where the company exacted more from its employees when it should not have. Mulvenna's confidence and the company's previous success at winning gains against UFCW Local 175 led him to introduce only the bare minimum for employees to accept the new contract.

VI: Conclusion

The Canada Safeway strike ended after a year and half, 504 days of walking the picket line. None of the 450 Safeway employees, nor the UFCW leadership or Safeway management figured that the strike would last as long as it did. It challenged all parties to the fullest, with some succeeding and others failing. In the end everyone lost – some more than others. Some got their jobs back, but nearly half of them were forced to move on and find alternative employment. Previous strikes against the company in Thunder Bay had set a tone for the October 2001 strike. The strike in 1994, for example, was settled after less than a week. The union's victory was short-lived, however, as the company used pressure tactics to reach a new collective agreement in 1995, which, although it offered jobs to those union members who were displaced because of store closures, nevertheless reduced the number of full-time and senior part-time employees, and introduced a second tier-wage scale for part-time workers. Encouraged by this victory, Canada Safeway saw the October 2001 strike as an opportunity to push forward its plan to introduce counter-ready meat. Taking a hard-line approach from the beginning, the company refused to offer a better contract and employed various threats to get the membership to support it against the UFCW.

Like Canada Safeway, the UFCW believed that a line had to be drawn in Thunder Bay. While fighting the company in the name of the thirty-five full and part-time meat department workers who were slated to lose their jobs, the UFCW leadership engaged in some questionable practices in order to win the members' support. The UFCW leadership stated that members in Manitoba, Fort Frances, Dryden and Kenora would be on strike in support of the Thunder Bay members. That support did not materialize, and some

members felt deceived. This unrealized promise undermined the UFCW's goal of creating solidarity among members and in the community. Instead, it divided the membership into two camps: union supporters and union critics. The union also erred when it flew members in from different locals to encourage morale on the picket line leading up to the vote on the Final Offer. These militant members hindered the UFCW, as they attempted to intimidate union critics. The incident at the Brew Pub and the perceived threats the union critics felt leading into the vote on the Final Offer led to increased division within UFCW Local 175. The union's poor understanding of the severance pay issue was another area in which the UFCW leadership appeared to mislead their members.

In the end, a six vote difference separating the membership clearly demonstrated that the UFCW did not have the solid support of members. The closure of the three stores in June 2002 was a signal to the UFCW that it had lost the strike; it was time to compromise. Arguing the democratic principle that the majority had ruled, the UFCW stood fast and refused to accept a petition requesting a second government-supervised vote, even though the petitioning group seemed to have support from the majority of members.

The petitioning group had few options, as its members were desperate to retain their jobs. The group filed the unfair labour practices application against the UFCW with the Ontario Labour Relations Board, sought to decertify the UFCW, and created a new union, the Safeway Workers' Association, in order to compel the UFCW to accept the petition requesting a second government-supervised vote on the Final Offer.

Unfortunately, the company had fired everyone on June 6, 2002, and the Ontario Labour

Relations Board felt obliged to argue that the decertification was ineligible because no one was employed in the bargaining unit at the time of application.

Following the Ontario Labour Relations Boards decision on November 15, 2002, the UFCW and Canada Safeway re-opened negotiations. In the end, members received a better contract than was offered by the Final Offer in May 2002, but a worse contract than they rejected in September 2001. The meat department workers and others lost their jobs, some members lost their homes, others experienced months of emotional pain and suffering because of the union's decision and the company's high-handed actions.

The conclusion of the strike presented new difficulties both for the union and the company as they sought to rebuild the bonds that had been broken during the strike. For some members such as Karen Wyder, those bonds could never be healed, as she opted to take the severance package and leave the company and union behind her. Other former employees refuse to shop at Safeway stores any longer, because they felt betrayed by the company or the union. Arguably, the biggest challenge for the company has been to encourage its customers to return to the three Safeway stores after having closed them for a year and a half. Nevertheless, the Air Miles program and friendly customer service have led many of its former customers to forgive and forget. More recently, Canada Safeway has expanded its stores throughout Canada to include an updated deli and meat department and has added Starbucks café to stores to draw in new customers. The UFCW, likewise, continues to promote good relations with the company, encouraging its employees and members of the Thunder Bay community to shop at the three Canada Safeway stores.

The Canada Safeway strike provides further insight into some of the problems the UFCW has contended with in opposing the labour initiatives of management, especially concerning part-time employees. Unlike its previous success at defending the interests of the skilled meat department employees, the UFCW was unable to resist the initiatives of management in its efforts to reduce the number of meat cutters and butchers through the introduction of counter-ready meat. During the strike, the demands of the part-time and full-time employees led to competition and division in the UFCW as the membership became divided over priority issues of job protection and security for the full-time employees, especially in the meat department, and a guarantee of part-time hours. In October 2001, for example, workers voted to strike against the company because it would not guarantee part-time hours and planned to implement counter-ready meat which would eliminate thirty full and part-time positions. Despite these problems, the contract had provided the opportunity for meat department employees to be placed in other departments, suggesting that job losses could be minimized. A guarantee of part-time hours became a major stumbling block during the negotiations as the UFCW sought a guarantee of 24 hours for part-time workers and the ability for workers to transfer between departments to ensure they received their guaranteed hours. Canada Safeway, however, refused to guarantee part-time hours.

The union sought to avoid the loss of jobs in the meat department, but Manitoba arbitrator William Hamilton's decision to allow Canada Safeway to implement counterready meats in Manitoba removed any chance the union had of forestalling the

¹ In Jan Kainer's study, she contended the "male-predominant meat cutters and butchers, who were the first to unionize in grocery retail, [and] because they were the most skilled... were thus able to exert considerable bargaining leverage. To this day, the meat cutters have higher wage rates and better collective agreement protections than other workers in the store.", 187.

introduction of counter-ready meat in Thunder Bay. The company refused to grant a contract similar to the one offered to Manitoba workers and instead sought further concessions from the Thunder Bay employees by reducing some of its full-time staff to part-time positions. The strike thus changed character as the full-time workers sought to end the strike to retain their full-time positions and part-time workers continued to fight for a guarantee of part-time hours. The UFCW leadership attempted to minimize its failures by taking a hard-line approach with the company and continuing to insist on a guarantee of part-time hours. The divisions among UFCW members resulted from the union's poor leadership and from Canada Safeway's more controversial policies that divided the membership.

The divisions afflicting the Thunder Bay workers during the Canada Safeway strike was primarily over whether it should continue the strike. The UFCW leadership felt it was necessary to continue the strike, while the union's critics sought to end the strike. Even though the union's critics received minimal support at the beginning of the strike, their cause grew in strength as the evidence continued to mount against the UFCW. The union's refusal to accept a petition requesting a second government-supervised vote pushed even more members to support the petitioning group in its efforts to decertify the UFCW and to create an employers' organization, the Safeway Workers' Association. The UFCW succeeded in maintaining the bargaining rights of the Canada Safeway employees because the Ontario Labour Relations Board ruled that none of the employees was employed in the bargaining unit at the time of the application to decertify the UFCW.

Dissent in the UFCW hindered the strike, as more members complained that the union did not adequately represent them, even though union leaders continued to argue

that they had the support of the membership. Conversations with individuals during the thesis research revealed that most members in the UFCW felt that the union failed to provide them with clear and accurate information about the ongoing negotiations and strike. Such communication would have increased the union's likelihood of garnering support from the membership.

Since the 1980s, unions have been in a relatively weak position, especially in the retail industry, where companies have greater power and can afford to close down their businesses for a prolonged period. The Canada Safeway strike is just one example where a company could afford to close its business without significantly affecting its overall revenue. While the company lost money because of the strike, it also was able to cut down its expenditure in the long run by gaining a number of concessions, such as the introduction of a new Tier Three part-time wage scale. UFCW locals across the province were unable to engage in sympathy strikes in support of the Thunder Bay because section 46 of the Ontario Labour Act outlaws wildcat strikes. The establishment of the Rand Formula prohibited strikes during the life of a collective agreement. In effect, this made any sympathetic strike illegal.

Faced with the realities of current economic trends towards a growing part-time workforce, and of unions' difficulties in adequately representing their members, the rank-and-file membership needs to take a more active role in deciding the policies of the union. This means that employees in a bargaining unit need to attend their union meetings. Without being informed about union decisions, the rank-and-file risk being pawns in the struggle between the union leadership and company bosses. Sometimes this might mean the members need to support the union leadership, and at other times oppose

them. Either way, in today's economic climate, workers in the retail industry remain vulnerable.

The Canada Safeway strike challenges some of the theoretical structures commonly accepted in Canadian historiography. Scholars during the 1960s and 1970s challenged traditional approaches to history that had examined the political and institutional policies of unions and employers, opting instead to focus on ideas such as working-class consciousness, gender, regionalism, and ethnicity. These historians have largely neglected the recent trends in the Canadian labour movement pointing to a resurgence of concerns among the rank-and-file over the economic, political, and institutional activities of their unions and employers. While Sam Gindin and Steven High have demonstrated the emergence of a unique Canadian resistance culture in the industrial factory that allowed rank-and-file members to forge closer links with union leaders, their studies are not reflective of the changes in the Canadian job market that have seen an increase in the number of service industries, especially in the retail industry. Some labour historians have briefly examined the retail industry, such as Kumar and Ryan, Bryan Palmer, and Craig Heron. Their studies reflect the divisions afflicting the rank-and-file members, the rise of union bureaucracy, which has led union leaders to pursue an agenda at the expense of their members, and the increased rivalry between unions, which has led unions to take a more pro-active approach against union dissenters. Kumar and Ryan's study of the labour movement, which focused on interviews with some of Canada's most prominent trade union leaders during the 1980s, provides insight into union strategies and the agenda of union leaders during this era. Union leaders admitted that the rank-and-file remained unsatisfied with their union's bargaining

performance, whether it was a national or international union. Palmer's study reflected a darker image of the contemporary labour leader. He argued that "trade union leaders in Canada are overwhelmingly committed to the principles of reformist politics," focusing on workers as property in order to maintain union dues.² He extends this argument, contending that social unionism, the supposed antithesis of business unionism, has failed to

stress the extent to which only mobilizations led by the working class and backed by the working-class capacity to stop the productive forces of advanced capitalist society in their tracks have the actual power to transform social relations.... All the while using their own powers and considerable financial and bureaucratic clout to control coalitions and steer them in directions the labour hierarchy can tolerate.³

Palmer's point of view resonates clearly – most labour leaders in the contemporary working class movement remain concerned with their own interests. Heron similarly remains critical of the union leadership, contending that the "story of the Canadian labour movement, then, is one of hostility from employers and the state, but also of frequent internal turmoil, of craft unionist against industrial unionist, of rank-and-filer against bureaucrat, of Marxist against labourist or social democrat, of women against men." Jan Kainer's study, examining the business unionism of the UFCW and its failure to resist the initiatives of management at introducing new tier wages for part-time employees or reducing full-time workers to part-time positions, demonstrates similar findings. Unfortunately, the Canada Safeway strike shows that skilled cutters and butchers in the meat department who had been able to maintain their wages and full-time jobs because of their skills during the mid-1990s have now joined those workers in other departments

² Bryan Palmer, Working Class Experience Rethinking the History of Canadian Labour, 1800-1991 (Toronto: McClelland & Stewart Inc., 1992), 371.
 ³ Ibid, 372.

⁴ Craig Heron, <u>The Canadia</u> <u>oour Movement A Short History 2nd Edition</u>, (Toronto: James Lorimer & Company, Publishers, 1996), wiii.

who have suffered a reduction in hours and a loss of job opportunities because of the UFCW's failure to deal with the exigencies of management's labour initiatives.

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- Interview 1A, 2006 UFCW member and Safeway Employee. The employee interviewed did not agree with the decision to strike in October 2001. They believed that Canada Safeway remained a positive place to work.
- Interview 2A, 2006 UFCW member and Safeway Employee. The employee interviewed supported the union from the beginning of the strike. They viewed the company as the aggressor.
- Interview 3A, 2006 UFCW member and Safeway Employee. The employee interviewed supported the union from the beginning of the strike. They viewed the company as the aggressor.
- Interview 4A, 2006 Group Interview with UFCW members and Safeway Employees.

 The majority of employees viewed the union as responsible for the length of the strike. They believed that Canada Safeway remained a positive place to work.
- Karen Wyder, Interview 5A and Telephone Interview 5B, 2006 Former UFCW member and Safeway employee. Wyder supported the union from the beginning of the strike, until a new collective agreement was signed in February 2003, when she expressed frustration with the union for accepting a contract that was more detrimental to the membership.

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