

June 15, 2020

SENT VIA EMAIL

Sarah Davis
President, Loblaw Companies Limited

Dear Ms. Davis,

I am writing to share my concerns about your [memo to Loblaw employees](#), including thousands of Unifor members, on June 12.

Let me begin by saying that I am astounded by your expression of shock, dismay and disappointment regarding the negative attention Loblaw received in recent days, after ending its essential pay premium program for employees.

For starters, this pandemic is far from over. Whether you categorize the \$2/hour pay premium as “essential pay” or “danger pay” really makes no difference, and misses the bigger point. Supermarket work is essential, full stop.

The skills, dedication and commitment of workers to grow and sustain this industry – young and old – is grossly undervalued.

Ms. Davis, surely you understand that your supermarkets are staffed predominately by workers earning at, near, or (in the case of student workers) below provincially legislated general minimum wages.

This is not inflammatory rhetoric or deceit. Sadly, this is fact.

You must also know that over decades, Loblaw has deliberately reduced its workforce of full-time jobs in stores, the jobs that provide the highest wages and greatest access to benefits in the industry. Instead, Loblaw over-relies on part-time workers to operate its stores. In fact, just last year your company announced a restructuring plan that eliminated more than 20% of all full-time supermarket jobs in the province of Newfoundland and Labrador – with the intent that part-time workers pick up the slack. For many workers in these stores, wages have not kept up with inflation past decades. In some Loblaws-owned stores across Canada today, 90% of the entire staff is now part-time.

Let me assure you, this is not misinformation. This is the truth of Canada's largest retailer; a firm that raked in \$1 billion in net profits last year alone. This is what's driving the outrage you are witnessing, both inside and outside the company.

I was surprised to read the comments from Loblaw's Executive Chairman Galen Weston, regarding his support for legislating living wages. This is a goal that our union shares, and I appreciate his sentiment. However, I, along with Unifor members, would appreciate action rather than sentiment.

Not once did I hear Mr. Weston denounce the Ford government's decision to strike down a \$15 minimum wage in Ontario. Not once did I hear Loblaw put forward a living wage recommendation during last year's Newfoundland and Labrador Minimum Wage Review. Canadians do not need Loblaw executives, who themselves make millions of dollars each year, paying lip service to their employees about living wages when they are buried in bad press. We need Canada's foremost retailer to take action and show leadership.

Ending the pay premium was the wrong thing to do. Unifor does not accept whatever deal Loblaw and the UFCW has struck. It is our view that the pay premium must stay, permanently. Keeping it in place shows a commitment to employees now, as this pandemic continues to unfold, but it rectifies the depressed wages faced by workers over decades. It also goes a long way to recognizing the "extraordinary effort" that Loblaw's employees put in each and every day to make this company profitable, and its executives very rich.

Sincerely,



Jerry Dias
National President

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