

August 13, 2007

Wilcox Group revealed: FOI points to hidden civic agenda

In late June, CUPE discovered the Wilcox Group had been hired by the GVRD Labour Relations Bureau when we noticed a press release issued by the Bureau that had Wilcox Group contacts at the bottom. We immediately submitted a *Freedom of Information Request (FOI)* to find out more, and have just received all Wilcox Group and Bureau correspondence from Monday, June 18, 2007 to Friday, June 29, 2007.

The 48 pages of correspondence we received from the FOI are revealing and are described in this article. Included is a July 2007 invoice for Wilcox Group communications services valued at **\$50,000** – a bill that is paid for by Lower Mainland taxpayers and amounts to more than what the average civic worker makes in a year. The correspondence also includes evidence that the approval and direction of Vancouver's General Manager of Human Resources Mike Zora was sought in Bureau decisions made regarding other municipalities. Other interesting revelations include the "[confidential](#)" long list of clients for whom the Wilcox Group has provided labour relations communications, counsel and strategy.

How the GVRD Labour Relations Bureau called on Wilcox Group: The Story

Bargaining a collective agreement is rarely an easy process. But this round of 2006-2007 Lower Mainland civic bargaining, CUPE expected, was going to be easier than other rounds – we are in the middle of a construction boom, the economy is thriving, labour shortages are a real problem and the [improvements CUPE civic workers are seeking](#) are reasonable and measured.

It became obvious early on, however, that something was terribly wrong with the GVRD Labour Relations Bureau's bargaining agenda. Everywhere across the region, the Bureau was demanding hurtful takeaways and contract language that undermined our union and ignored economic realities.

In Delta, the employer wanted language that would give the Corporation of Delta the power to force their workers to see Corporation-appointed doctors rather than their own family doctors. In North Vancouver, we saw the demand for a \$6 an hour wage cut for seasonal workers, an already under-compensated group. In Vancouver, there was the demand to freeze the wages of some of city's lowest paid workers, 150 building cleaners.

Along with this were a host of employer demands for cuts to benefits and vacation and refusal to deal with issues that are important to the union. CUPE launched a public campaign called "[FAIRNESS FOR CIVIC WORKERS](#)" to shake off the worst of the concessions, dig us out of the hole we were placed in at the bargaining table and get Lower Mainland employers to bargain fair contracts with their civic employees.

Furthermore, there was this bizarre demand for a 39-month contract term – something that made little sense in the Olympic City of Vancouver, but even less sense in municipalities like Delta. At best, it was a cynical attempt to leave civic workers negotiating their next contract two weeks after the Olympics ends and precisely when the Olympic bills start rolling in.

To make a rather long story short, CUPE's campaign was successful and one-by-one municipalities tore away from this concessionary bargaining agenda, forcing even Vancouver to move off of the 39-month contract term demand. But not before putting Lower Mainland residents under the threat of a region-wide civic strike, with record breaking strike votes being registered by civic workers in municipality after municipality.

What came out in the wash however, was evidence that the origin for the 39-month contract, as well as the rigid "take it or strike" bargaining tactics that included months and months of stalling and mean-spirited takeaways, was in the NPA-controlled Council Chambers and bargaining apparatus of the City of Vancouver, expressed through their civic bargaining vehicle – the GVRD Labour Relations Bureau.

And this points to a bigger problem. The GVRD Labour Relations Bureau, like all political bodies, is most strongly influenced by the most powerful political force exerted on it. A force, that in this case, is also the Bureau's largest source of income – the City of Vancouver. The Bureau has an annual budget of \$2.7 million dollars. Of that amount, \$2.1 million is requisitioned from municipalities. Vancouver provides 42 percent of that requisition – more than any other municipality.

Since the Bureau's job is to ensure a regional settlement pattern is established across the Lower Mainland, if the City of Vancouver wants to put the screws to its civic workers, it needs to also put the screws to the region's civic workers through the Bureau. And that is precisely what the City set out to do.

The good news is that their plans failed miserably. A regional settlement pattern was set in Richmond (which does not employ the Bureau) and to the credit of the political leadership in Delta and Burnaby, employers pushed the Bureau aside and bargained directly with their CUPE civic workers. After nine or ten months of stalled talks involving the Bureau, these employers reached fair deals with their civic workers in a matter of days.

Before their plans failed, however, the GVRD Labour Relations Bureau took a very unusual step – it hired the corporate public relations firm, the Wilcox Group, the same firm (our FOI reveals) that was employed by the City of Vancouver during the 8 week

CUPE civic strike in 2000 – a strike that occurred under the NPA-controlled council of Mayor Philip Owen.

Typical clients of the Wilcox Group pay with corporate profits, not public taxes.

In the Wilcox Group promotional material to the GVRD Labour Relations Bureau disclosed in the FOI request documents, the PR firm rolled out some of their “[blue-chip clients](#)” and what they have managed to accomplish for them in terms of labour relations communications expertise.

Included in this group is **BHP Billiton**, the world’s largest mining company which last year made \$10 billion in net profit alone. The material boasts that the Wilcox Group “activated its communications war-room for 96 consecutive days when the union that represents EKATI Diamond Mine’s bargaining unit employees...took its members off the job.” The strike lasted for four months.

Telus is another one of their clients. The Wilcox Group provides Telus with “ongoing strategic counsel, labour and media relations, crisis and issues management and internal communications”, including support for the “four-and-a-half-year-long contract negotiations that culminated in a strike of more than 12,000 unionized employees across Canada.” That strike also lasted 4 months.

Included in their list of media clients are **BCTV/CHEK TV/Can West Global Communications** and Pacific Newspaper Group (**Vancouver Sun** and **The Province**). The Wilcox Group boasts that they “literally moved into BCTV and CHEK TV during their strike and labour dispute...we managed all communications...while the news anchors and reporters walked off the job.”

The Wilcox Group’s relationship with the **Pacific Newspaper Group** is ongoing. They write: “Throughout the three-week dispute, we provided hands-on media, consumer and community communications counsel to this client, which resulted in the orderly return-to-work of all unionized employees and a good retention rate of existing newspaper readers. Since then, Wilcox Group has been PNG’s agency of record for all labour relations and crisis projects, most recently working alongside PNG as they successfully concluded their 2005 negotiations.”

The firm also takes credit for a communications campaign that resulted in the CEP-decertification at **Purdy’s Chocolate Factory**, after the first strike by the workers in the company’s 96-year history. They also “contained” unionization plans of bank workers at **TD Financial Group** and took credit for “containing the [**Starbucks**] union drive to a mere 10 per cent of the Starbucks operations in union-friendly B.C.”

The list just goes on and on and includes work for the employer in the **Coast Mountain Bus Company** dispute that lasted 4 months, work for **ARAMARK** in privatizing B.C.’s

health care services, and corporate communications for **Starwood hotels/the Sheraton Centre Toronto** in an effort to hamper the “Hotel Workers Rising” campaign by UNITE HERE.

And now, the Wilcox Group’s new client is the **GVRD Labour Relations Bureau**. Seems a bit out of place? Well that’s because it is. The other client that seems grossly out of place on their list is the **City of Vancouver** – for whom they provided “behind-the-scenes strategic counsel and media relations support” during the Vancouver civic strike of 2000.

If you were an employer looking to find a peaceful resolution to civic negotiations, would you hire the Wilcox Group? What do Lower Mainland taxpayers think about paying for the services of a high priced corporate PR firm? Is it a coincidence that the same PR firm that the NPA-dominated Vancouver City Council employed in 2000, is still in action in Vancouver today and happens to be the same firm hired by the GVRD Labour Relations Bureau.

The workings of the City of Vancouver and GVRD Labour Relations Bureau are paid for by taxpayer dollars, not corporate revenue and profit. The Bureau has a communications department that is paid out of its \$2.7 million a year budget. Why does the Bureau need the “assistance” of hired PR guns?

The truth be damned. Wilcox Group says it three ways.

It is uncertain in how many labour disputes the Wilcox Group has worked on “behind-the-scenes” (as they say in their promotional material). This is made even harder by the three different accounts found in Wilcox literature.

On the Wilcox Group web page where they describe their “[24/7 communications war room](#)” they state that: “in the past five years we have worked on more than **28** labour disruptions”. On their web page dedicated solely to their [Labour Relations](#) communications services, they state that: “in the past five years we have worked on more than **45** labour disruptions”.

Unbelievably, in their June 18, 2007 e-mail to GVRD Purchasing and Risk Manager Tracey Husoy (obtained through FOI request), a Wilcox Group representative writes that they have “worked on more than **32** labour disruptions in the past five years.”

Okay, which one is it? Who at the GVRD Labour Relations Bureau was not doing their homework before they hired this group?

Can two clients be one? Maybe, if they are the City of Vancouver and the Bureau.

Oddly enough, when promoting their services to Ms. Husoy (mid-June) at the GVRD, the Wilcox Group does not speak about communications services they can provide the

Bureau throughout the region (which they ultimately did get involved in), but instead describe how they “can help with the **city’s current labour negotiations.**” Which city? White Rock? Pitt Meadows? Or the City of Vancouver?

This could be seen as an honest slip of the keyboard, unless you go on to read the second paragraph: “As you may recall, our firm worked with the City of Vancouver when 4,500 employees went on strike in September 2000. During the strike, we provided strategic counsel, media relations and media training to the city’s management team.”

If you are promoting your services to a body whose function it is to bargain on behalf of most Lower Mainland municipalities, why would you focus your attention on one city? Was it so obvious to all parties involved that they were brought in on the City of Vancouver’s behalf that Wilcox did not even feel the need to pretend they were serving the broader needs of the Bureau?

When you think “civic strike” what do you picture? A waterfront city on fire?

One interesting thing to note is that on each Wilcox Group webpage, they have posted a picture, some of smiling corporate clients, others of products they have happily promoted. On the [Labour Relations](#) page, they chose a picture of a large waterfront metropolitan city at night engulfed in flames.



The picture is saved in Wilcox Group web archives as “fire_night”. Odd choice of picture...and words, for that matter. Is this what the Wilcox Group envisions when they hear the words “civic strike”? Is this their vision for Vancouver? Or were they appealing to potential clients? If so, what kind of clients would associate ‘labour relations’ with a city on fire?

Serious inter-municipal interference on record

CKNW’s Connie Thiessen first coined the phrase “inter-municipal interference” in a radio interview she did with Robin Jones, the CUPE National Representative that broke the Bureau’s civic settlement stalemate and set a template for the region, when he negotiated the 5-year civic agreement with the City of Richmond on behalf of their 1,200 inside and outside workers. Through this interview, listeners learned that the City of Vancouver tried to stop the City of Richmond from settling with their CUPE workers while they were trying to force an inferior offer on Vancouver’s inside workers through the final offer vote process.

This City of Vancouver serious misstep or overstep was widely reported in the media and confirmed by representatives of the City of Richmond, who explained they met and chose to ignore the pressure from Vancouver and settle a fair deal with their workers.

The documents produced by our FOI request show more evidence of this “inter-municipal interference”. As the Bureau geared up to force a final offer vote on Delta public employees, represented by CUPE 454, the Wilcox Group kicked into action. They established a conference call contact list under the title “**Project Lightning EMERGENCY Contact List**”. On the lists are five individuals – Malcolm Graham, Manager of the Bureau; George Harvie, CAO for the Corporation of Delta; Mat Wilcox, CEO of the Wilcox Group; Kelly Broderick, a Wilcox Group consultant; and none other than the General Manager of Human Resource Services for the City of Vancouver, Mike Zora.

This is the same Mike Zora, that to this day, has failed to sit at CUPE 15, CUPE 1004 and/or CUPE 391 bargaining tables in Vancouver – even as over 5,500 workers walk the picket-line.

Mr. Zora is also copied on e-mails to Mr. Graham regarding an ad campaign Wilcox Group planned around the time of the final offer vote in Delta – ads for print in the *Delta Optimist*, *South Delta Leader*, *Vancouver Sun* and *Vancouver Province*. The firm’s CEO Mat Wilcox reports she called the publisher (and her client, the Pacific Newspaper Group) and expressed her concern that the ads may not be published because the union (CEP) “can vet all ads” and “there is a possibility they will not run our ads.”

Not to worry. Wilcox assures Mr. Graham that “we have alternate options for you to think about if that is the case.”

Wow. Why can’t the Bureau and Mr. Zora exercise this same level of involvement and effort at the bargaining table in Vancouver? Why is it that they commit so much energy to imposing their will (examples: final offer votes, inter-municipal interference, etc.), rather than engaging with the other side at the bargaining table in a genuine give and take? Why is it that the Bureau and the City of Vancouver find negotiated settlements so difficult to reach?

City of Vancouver downplays impact of strike: standard Wilcox tactic

City of Vancouver spokesperson Jerry Dobrovolny continues to downplay the impact the strike is having on Vancouver residents. When it comes to garbage, in particular, he argues that the city is in good shape. Try telling that to residents and businesses trying to store accumulating garbage, or to low income parents who have to find alternate day care arrangements, or companies that are trying to get building permits, or tourists that are let down by their experience of a city on strike.

Well, it turns out that this is a tried and true Wilcox Group tactic they advise their clients to use during labour disruptions. On their promotional material highlighting their work on four-month strike at EKATI mines (BHP Billiton), they write: “a key component of the communications program was to reassure the media and business community that production had not been impacted at all”.

What is the idea here? The bigger the lie, the more believable?

Note to public: how much of your taxpayer dollars are being spent on the Wilcox Group?

You can be sure that CUPE will continue to pursue information related to the role the Wilcox Group has played in Lower Mainland civic bargaining, and the costs that the firm’s services have incurred on Lower Mainland taxpayers – and continue to incur on Vancouver residents.

We will also seek to further expose the GVRD Labour Relations Bureau’s blind allegiance to the City of Vancouver’s “take it or strike” attitude that ignores the issues of civic workers at the bargaining table and has lead to this civic strike in Vancouver – an island in a sea of civic settlements.

In the meantime, we urge the public to hold their elected officials accountable and demand they answer how and why they are wasting time and resources on prolonging the strike rather than settling it.

For now, it seems that we are left with as many questions as we have answers. The information we do have, however, leads us to wonder what Mayor Sullivan and his NPA-dominated Council’s agenda really is and how we can ever reach a fair contract and end the current strike in Vancouver while such an agenda exists.

One thing is for certain, however, so often when you see the Wilcox Group in action, you see strikes that are counted in months, not weeks.

Contact: Diane Kalen, CUPE Communications, 778-229-0258