

# Shaking up the house

COLLECTIVE ACTION LEADS TO PROGRESSIVE CHANGE AT PBC



**BURNABY | CUPE 1816 President Beth Miller doesn't hesitate when asked to identify the tipping point that signalled it was time for a new board of directors at Pacific Blue Cross.**

"It came after several months of failed bargaining, the employer's refusal to take concessions off the table, and a resounding strike vote by our members," she recalls.

"After doing nothing to help prevent the first job action in company history, then saying nothing when PBC locked us out, the board sent us an e-mail expressing their unqualified support for the employer's position. That was the point of no return."

When a collective agreement was reached in September, finally ending the 66-day lockout, many thought that CUPE 1816's victory at the bargaining table—four years of wage increases, no concessions, and preservation of retiree benefits the company was trying to claw back—was a fitting end to the dispute. Instead, it was only the beginning of a more critical fight: a struggle for the heart of Pacific Blue Cross that would culminate with the election of seven progressive new board members at the non-profit benefit provider's December 13 annual general meeting.

## Accountability at issue

Shortly after the lockout began in early July, Pacific Blue Cross President and CEO Jan Grude announced that PBC's scheduled September 7 AGM had been cancelled indefinitely, citing the uncertainty caused by the labour dispute. CUPE challenged the move at BC Supreme Court, arguing that cancelling the meeting

violated the BC Societies Act by exceeding the 15-month limit between AGMs.

Meanwhile, few were fooled by Grude's explanation. Miller says that Pacific Blue Cross had cancelled the September 7 meeting only a day after receiving a special resolution calling for the removal of seven directors from the board. CUPE BC Secretary-Treasurer Trevor Davies, who questioned the board's behaviour in his Fall column for *Public Employee*, was similarly unimpressed.

"We saw this as a desperate move by the CEO to prevent the board from having to face accountability," recalls Davies. "That was a clear signal that this board had lost its way. It was especially alarming to us that the labour members of the board had abandoned any sense of vision for steering the future direction of this organization. They had become part of the problem."

PBC did not finally schedule the December 13 AGM date until the end of October. By that time, CUPE BC and Local 1816 had already set the wheels in motion for a massive, multi-union campaign to replace the seven board members whose terms were up in 2017. Shortly after officially launching the campaign in November, CUPE announced a slate of candidates committed to advancing a progressive vision for Pacific Blue Cross (see sidebar).

"Bad employers need to be held accountable wherever they emerge, particularly when they demand concessions from working people while purporting to be a progressive company—and the same goes for any board of directors that supports such demands," says CUPE BC President Paul Faoro.

"The board's support for this anti-worker strategy inconvenienced countless plan members and put 600

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