

## **BRIEFING DOCUMENT**

### **RE: POSSIBLE LABOUR DISRUPTION FOR WEST COAST PORTS**

**DECEMBER 12, 2008**

**ISSUE:** LABOUR NEGOTIATIONS FOR THE RENEWAL OF THE BCMEA AND ILWU LOCAL 514 COLLECTIVE AGREEMENT WHICH EXPIRED ON MARCH 31, 2007

**STATUS:** BCMEA & ILWU LOCAL 514 HAVE NOT AGREED TO AN EXTENSION OF THE CONCILIATORS 60 DAY MANDATE PURSUANT TO SECTION 73 (2) OF THE CANADA LABOUR CODE. THEREFORE, A PAIR OF CONCILIATORS APPOINTED TO THE DISPUTE ARE DEEMED TO HAVE REPORTED OUT OF THE DISPUTE PURSUANT TO SECTION 75 (2) OF THE CANADA LABOUR CODE.

#### **CALENDAR TIME LINE: ("21 DAY COOLING OFF PERIOD"):**

PURSUANT TO THE FOLLOWING CALENDAR TIME LINE THE PARTIES WILL BE IN A LEGAL STRIKE /LOCKOUT POSITION (S.89(D) OF THE CANADA LABOUR 21 DAYS FOLLOWING DECEMBER 09, 2008 WHICH IS **DECEMBER 30, 2008.**

#### **CALENDAR TIME LINE ("72 HOURS STRIKE/LOCKOUT NOTICE"):**

IN ORDER TO STRIKE OR LOCK-OUT 72 HOURS NOTICE MUST BE SERVED PURSUANT TO S(87.2). THERAFATER, PARTIES IN A LEGAL POSITION STRIKE OR LOCKOUT.

**CALENDAR TIME LINE:** EXPIRY OF THE 72 HOURS NOTICE IS **JANUARY 02, 2009.**

**RISK:** STOPPAGE OR DISRUPTION TO WEST COAST PORT OPERATIONS AND INTERNATIONAL SHIPPING OF GOODS THROUGH THE WEST COAST ON JANUARY 02, 2009.

GIVEN THE RECENT PROROUING OF PARLIAMENT, THERE IS A SUBSTANTIAL RISK THAT IF STRIKE NOTICE IS SERVED AND THE UNION STRIKES ON JANUARY 02, 2009 THERE WILL BE A PROTRACTED LABOUR DISPUTE THAT WILL SHUT DOWN CANADA'S WEST COAST PORTS FROM JANUARY 02, 2009 UNTIL THE HOUSE IS RECALLED ON OR ABOUT JANUARY 27, 2009.

THAT RISK IS COMPOUNDED BY THE ABSENCE OF ANY STATUTORY PROVISION ALLOWING THE FEDERAL CABINET OR THE MINISTER TO LEGISLATE THE UNION BACK TO WORK IN THE ASBENCE OF RECALLING THE HOUSE.

### **Relevant ILWU Local**

1. Local 514 represents all Ship and Dock Foreman. Its membership is approximately 450 members. The jurisdiction of Local 514 includes all the ports where the ILWU is present.

### **Other Relevant ILWU Locals**

Should strike notice be served by ILWU Local 514 later this month it will have the effect of preventing the following ILWU Longshore Locals from working after January 02, 2009.

2. Local 500 is the largest of the longshore locals with approximately 1388 union members, 280 welfare casuals and another 789 casual workers working in the port area. The jurisdiction of Local 500 includes all of Burrard Inlet and the Squamish and Woodfibre docks.
3. Local 502 is another longshore local with approximately 610 union members, 202 welfare casuals and 877 casual workers. The jurisdiction of Local 502 includes the docks along the Fraser River and the Westshore/DeltaPort Sites (Roberts Banks);
4. Local 505 is a longshore local with approximately 59 Union members, 1 welfare casual, and 159 casual workers. The jurisdiction of Local 505 includes Maher Terminals in Prince Rupert, log loading vessels in the stream, Prince Rupert Grain through BCMEA stevedore companies;
5. Local 508 is a longshore local with approximately 133 Union members, 18 welfare casual, and 64 casual workers. The jurisdiction of Local 508 includes Vancouver Island .

### **Total ILWU Membership Affected by Local 514 Strike.**

Should ILWU Local 514 strike on January 02, 2009 a total of 5160 ILWU members will be prevented from working as a result of the dispute.

### **Status of Negotiations:**

The Parties have been negotiating since April 2008 and have currently entered the 21 day cooling off period which expires on December 30, 2008.

## **BCMEA Offer**

The BCMEA has tabled a comprehensive offer on November 20, 2008 that provides for

- **The hourly straight time base rate of wages shall be as follows:**

Effective April 01, 2007 - **\$1.53** per hour on the straight time base rate (New straight time base rate April 01, 2007 is **\$ 42.81**);

Effective April 01, 2008 - **\$1.60** per hour on the straight time base rate. (New straight time base rate April 01, 2008 is **\$44.41**);

Effective April 01, 2009 - **\$1.60** per hour on the straight time base rate. (New straight time base rate April 01, 2009 is **\$46.01**).

- **Increased Modernization and Mechanization payments as follows:**

Effective April 01, 2007 – from \$ **58,750** to \$ **63,750**

Effective April 01, 2008 – from \$ **63,750** to \$ **66,250**

Effective April 01, 2009 – from \$ **66,250** to \$ **68,750**

- **Retroactivity:**

The BCMEA has proposed Main Industry retroactivity from April 01, 2007 to date of implementation of new rates.

Note: The above payment amounts, which are identical to both ILWU Foremen and Longshore, are made in exchange for an Employers unfettered ability to introduce technological change in the workplace for the purpose of modernizing work processes & to improve efficiencies of the operation.

The foregoing is addition to a total \$0.65 cents across a three year agreement that can be allocated to benefits/pensions or elsewhere except wages.

The total package cost of the BCMEA's November 20, 2008 offer is 11.97% across three years.

## **Remaining Outstanding Items:**

In addition to the foregoing, ILWU Local 514 seeks the following items:

- 13% total wage increase;
- Increase in pension floor from existing three million to six million

- Addition of a destination/departure point to the current Travel Time Allowance Provision of the Collective Agreement;
- Addition of new benefit (Accidental Death and Dismemberment) to the existing welfare plan;
- Modernization and Mechanization payment for ILWU Ship Planners and Dispatchers.

The BCMEA remains committed to negotiating a fair and reasonable contract with ILWU Local 514.