

**To: All Members**

**1) BCMEA and its Members both Direct Employers and shipping lines and agencies remain committed to bargaining a collective agreement with the foremen's union ILWU 514**

**2) ILWU 514 is currently in the process of taking a strike vote; it will be in favour of taking a strike. The earliest a strike or a lockout can take place is January 2<sup>nd</sup>, 2009**

**3) Although the BCMEA bargaining team has made repeated efforts to reach an agreement (please see attached Bargaining updates dated December 12<sup>th</sup> and 15<sup>th</sup>) the 514 bargainers remain stalled with a set of demands which are problematic in the extreme for our direct employers. These demands include a demand for a guarantee of pension contributions at \$7 million dollars a year, a level not sustainable especially in the current economic downturn. As well, 514 are attempting to put parts of the foremen's agreement in place for the "Appendix 2" employees, a small unit of 21 technical and administrative employees of TSI and DPW. As part of this they have demanded that the M & M retiring allowance be extended to the Appendix 2 employers who are rail, yard and other planners. Clearly the knock on effect of creating this significant wage and benefit anomaly for 514 technical and administrative employee members is of grave concern to all our waterfront employers. Additionally 514 is attempting to change long held practices regarding manning, pension cost capping and the formula by which the longshore agreement is applied to the Foremen's agreement. All of these attempts reflect the Foremen's disregard of the serious financial and operating challenges facing our industry.**

**4) As recently as Monday of this week the Foreman have been adding, not withdrawing items to their demands, as a result the BCMEA bargaining team decided to withdraw from bargaining to get a clear mandate from their principals. This we have done. A meeting was held yesterday of all the Direct Employers and the mandate for the BCMEA bargaining group was reiterated.**

**5) Bargaining will recommence with assistance of the government Mediators on Friday. We will let you know as soon as anything substantive materializes.**

**6) Attached you will find a precis of our position as of December 9th as communicated to all our 514 employees.**

**Regards,**

*Greg Vurdela*

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