



2016 ANNUAL REPORT

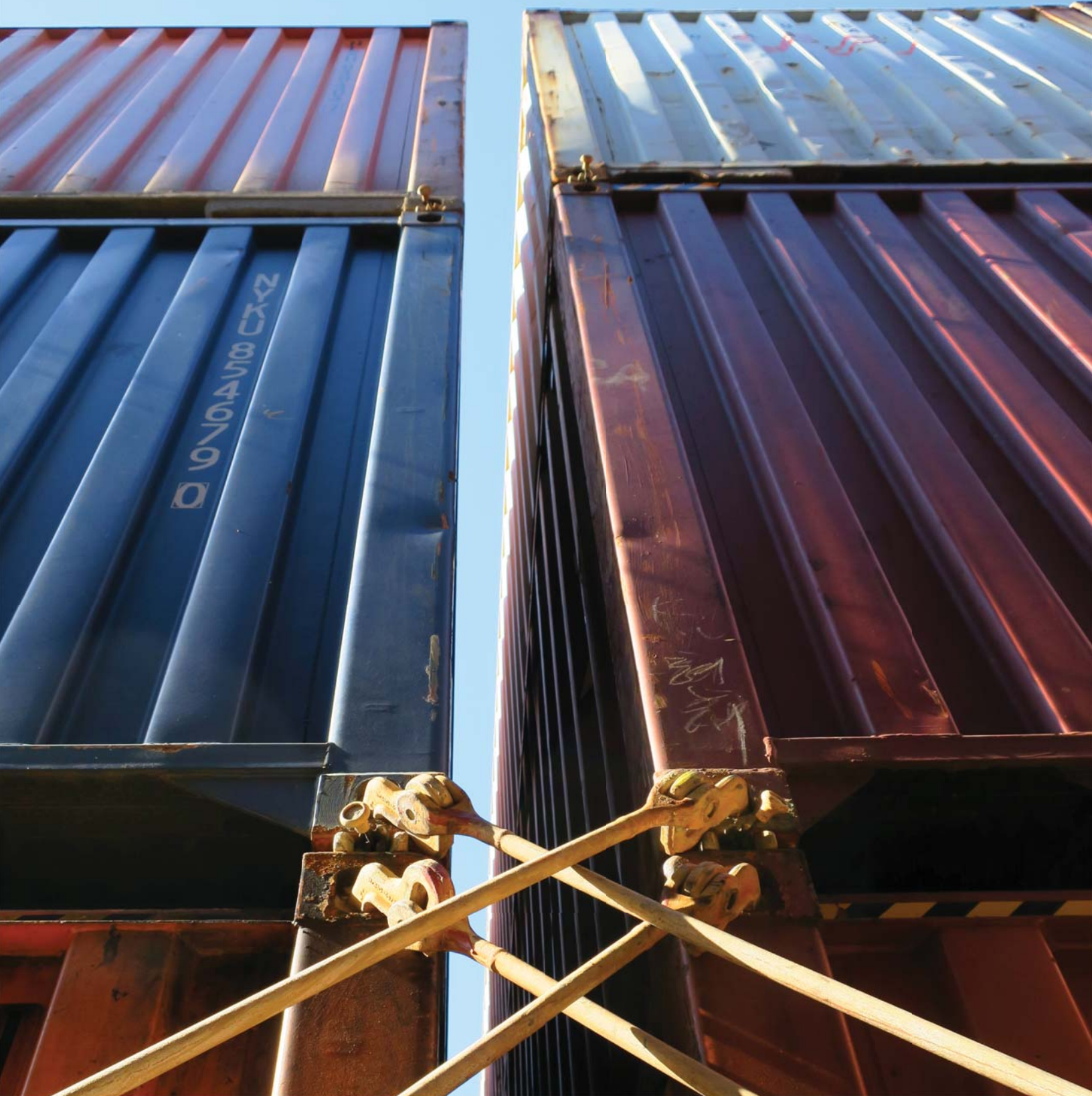






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REPORT FROM THE PRESIDENT + CEO

The British Columbia Maritime Employers Association (BCMEA) experienced a year of innovation and progress throughout 2016, delivering a stable budget and a forward-minded business strategy that assisted our customer-members in capitalizing on opportunities for growth in Canada's Pacific Gateway. We offer a diverse range of services, from labour relations, safety and training, recruitment and human resources to the dispatch of longshore workers throughout British Columbia to customer-members who operate within the Asia-Pacific Gateway that extends from Victoria to the Alaska border. I am pleased to present the BCMEA's 2016 financial results, which demonstrate our enduring commitment to support growth in the marine industry and the economy in British Columbia.

With the active support of our customer-members, we continue to invest in contributing to and developing BC's maritime industry in order to meet the demands for increased capacity and to improve existing infrastructure. Work opportunity continues to expand. The industry saw

a combined 8 million hours of longshore employment in 2016: not only a new record, but also a phenomenal 33% growth over the term of the current Collective Agreement.

To service this expanded base, we recruited 317 new longshore employees in the year, bringing our four-year total to 1,742. We also invested \$12 million in training wages, providing 18,167 days of training to 4,231 longshore employees in the year.

A highlight for the BCMEA this past year was the integration and rollout of Local 508's electronically assisted dispatch system project, a highly collaborative project between International Longshore and Warehouse Union (ILWU) Local 508, the BCMEA and Sierra Systems. The project began in June 2015, was in final testing by the end of 2016, and went live in January 2017. The system is designed with the same level of redundancy and high availability as our Vancouver data centres.

The benefit of this system is that it will provide significant time savings to the Local 508 dispatchers, and will

provide Local 508 employees with the ability to remotely access work information with a high level of detail, perform book-outs and accept their jobs online, all by way of a new website hosted at ILWU Local 508. They will no longer be required to phone the dispatch office to perform these tasks, thus creating more efficiency and user engagement.

The Waterfront Training Centre saw continued improvements in 2016 as the ship-to-shore crane went live in January. With the installation of cell guides in August, another phase of training was moved from the production environment into the controlled off-site training arena. Supplementing this container training is the development of a new lashing training program that includes a new curriculum, a new video and a full-size lashing bay that will be completed in 2017.

On the staff side, BCMEA experienced some notable retirements in the year. Our Dispatch Supervisor, Doug Cleaver, decided that after 42 years with the BCMEA,

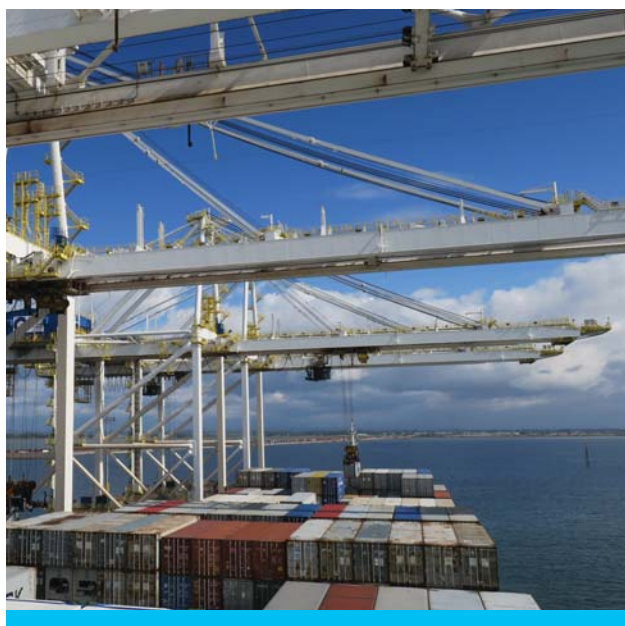
it was time to retire. The Manager of our Waterfront Training Centre, Ted Vincent, also decided to embrace his retirement with a move out of the city. And finally, after eight years of experience on the waterfront, Eleanor (Ellie) Marynuik retired from the BCMEA. Ellie began her career with the BCMEA in 2008 as a Manager with the Labour Relations department before moving to the role she maintained until her retirement as Vice President, Human Resources. Ellie left her mark on the industry by making unprecedented gains in the area of employment equity through acknowledgement of the diverse contributions made by women throughout the various port areas of the BC waterfront.

I would like to acknowledge our customer-members and other stakeholders throughout the province for their continued support, commitment and collaboration as we continue to invest in developing the West Coast waterfront. I also wish to thank the BCMEA's Board of Directors, executive team and staff for all their hard work and leadership. Collectively, we are ensuring that opportunities for development and growth are being embraced sustainably, and that successes are celebrated as we continue to grow and improve in the years ahead. British Columbia has a skilled workforce, holds a critical position in global world trade and has an exceptional opportunity to capitalize on our many assets. As we leverage the passion, skills and talent of our staff along with the experience of our Board, the BCMEA will continue forward in upholding the mandate of the organization in implementing positive impact for the province, the country and its people.



TERRY DUGGAN

President + Chief Executive Officer





REPORT FROM THE CHAIR

I am pleased to share highlights of some of the British Columbia Maritime Employers Association (BCMEA) accomplishments achieved in 2016, as the organization supported infrastructure growth, industry development, and improved training and safety for customer-members located throughout BC's diversified ports.

The maritime industry in British Columbia has always served as a connection to the global market, created employment opportunities and strengthened our economy while being responsible stewards for natural resources and the environment.

British Columbia continues to hold a leadership position as Canada's gateway to some of the world's most dynamic economies. The BCMEA welcomed the year with optimism and energy as the organization actively worked with industry leaders, labour unions and community stakeholders to develop training and safety solutions, focused on innovative operations development, and mitigated any areas of challenge with a problem-solving approach and a collaborative perspective.

Several developments from 2016 are important to mention: the BCMEA logged over 8 million work hours, marking a sixth consecutive record-setting year; stability was achieved, with a change in senior leadership at the management level; and positive relationships were established with all three levels of government, in particular, with Prime Minister Trudeau's new government, including key ministers and personnel. In addition, the BCMEA focused on safety activities, as directed by the Board, at all work sites for continued improvements to overall accident performance, along with new infrastructure improvements and additions made at the Waterfront Training Centre.

BC is Canada's largest gateway connecting Canadian communities to international markets. Maritime trade through West Coast activities and infrastructure actively contribute to Canadian economic activity, and continues to support over 100,000 direct and indirect jobs across the country. These jobs are family-sustaining employment opportunities that ensure and create optimum economic benefits. As a result of these

activities, trade through West Coast ports has very much become an integral part of our lives, providing many of the goods that we use and interact with on a daily basis. The waterfront industry is more relevant today than ever before.

We are pleased to serve our customer-members by providing thoughtful and strategic analysis and support, key training and safety education and developments, and essential labour relations leadership. The BCMEA is part of a dynamic industry: one that is making great contributions to the Canadian economy. I would like to recognize the Executive Committee, my fellow members of the Board of Directors, and the senior management team and the staff, who make the BCMEA what it is through the tremendous effort, time, dedication and skill they provide to the organization.

Additionally, it is valuable to highlight and acknowledge the individuals who share their time by participating in various committees, and their respective organizations that allow for their time to be used in this capacity. Everyone who is involved with the BCMEA, in one way or another, embraces his or her individual role and area of responsibility with professionalism and care, and I wish to thank you for that.

The BCMEA and its customer-members will continue to work closely with all stakeholders to bring about the smooth movement of international trade and operation across all regions in Canada. I am encouraged and look forward to seeing the organization and industry continue to bring about positive change, innovative opportunities, strategic growth and diversity in our shared vision of a future grounded in prosperity for all.



RICHARD CHAPPELL

Westwood Shipping Lines (Canada) Inc.

Chair of the Board of Directors, BCMEA



COMMITTEE REPORTS

JOINT INDUSTRY SAFETY COMMITTEE

The Joint Industry Safety Committee (JISC) met three times in 2016, and continued to push waterfront safety forward. A JISC subcommittee concentrating on the safety of lines workers was formed in August. This subcommittee continues to engage local committees by discussing the hazards applicable to lines workers while sharing best practices for the safety of lines workers from various employers on the waterfront. In addition, the lines worker subcommittee has arranged a meeting with BC Coast Pilots to strengthen communication between the groups.

Other areas of development for the JISC in 2016 included the safety of the newly implemented emergency descent device for ship's cranes, and fatigue in the workplace. Moving forward, the JISC will continue its effort to raise the level of safety on the waterfront.

JOINT INDUSTRY LABOUR RELATIONS COMMITTEE

No formal meetings were held in 2016.

Subcommittee of the Joint Industry Labour Relations Committee

The subcommittee met on several occasions throughout 2016. Key discussion items addressed during those meetings included finalizing the black book document that is scheduled to be published in the first quarter of 2017, pay claims and disciplinary items, referring unresolved matters to arbitration, selecting a new Industry Arbitrator, and collaborating on sector-based labouring programs as outlined in the Labour Relations Highlights – the engaged parties anticipate finalizing the content within the first quarter of 2017.

VANCOUVER ISLAND COMMITTEE

In 2016, the new electronic dispatch system continued forward towards the target completion date. The original target completion date was scheduled for the end of the first quarter of 2017, with respective programming for the new Local 508 dispatch system completed by the end of December 2016. In quarter four of 2016, the Labour Relations Department implemented monthly meetings with Local 508 and the Island Employers to discuss issues that were island-specific. The regular monthly visits consisted of up to three meetings with each of the following groups: employers, the Union and when required, a joint employer/Union meeting.



Senior VP Mike Leonard, Minister of Finance William Morneau, President + CEO Terry Duggan, and Chairman of the Board Richard Chappell.

CUSTOMER + GOVERNMENT RELATIONS

GOVERNMENT RELATIONS

British Columbia is known as one of the most resourceful and sustainable regions in the world. The province has a long history of industrial growth and integrated development of those opportunities. It is a mandate of the BCMEA to advocate on behalf of this dynamic industry and to share these good news stories with all three levels of government. With the change in government on a federal level, the BCMEA made it a priority to initiate conversations and, ultimately, to create opportunities for positive inroads with various ministers and high-level members of government.

BCMEA leadership strived to ensure that the concerns, interests and opportunities of BCMEA customer-members and the maritime industry overall were communicated effectively and that its overall presence was felt and a collective voice was heard. As a result

of these efforts, strong relationships are being formed and ongoing dialogue is taking place.

It is important to mention key highlights from the year. The BCMEA made three separate trips to Ottawa to meet with key ministers and high-level staff to articulate and demonstrate aligned priorities with Prime Minister Trudeau's government with respect to the economy, employment equity, First Nations opportunities and the environment. The BCMEA also met with Minister Garneau and his team during his visit to Vancouver, and travelled to Washington, DC for a state visit and to attend the Canada 2020/Center for American Progress program. The organization also went on to receive recognition in the House of Commons from MP Pam Goldsmith-Jones for bringing diversity to the waterfront industry in British Columbia.

The BCMEA participated and served on a number of diverse committees as active stakeholders, assisting

federal and provincial governments with industry exposure and education to support their processes in making thoughtful and well-informed decisions that positively impact British Columbians. Notably, an invitation was received to participate and present before the Standing Committee on International Trade to provide industry insight on the Trans-Pacific Partnership Agreement (TPP).

The message the BCMEA brings forward is one of opportunity, necessity and sustainability. Support for the marine industry acknowledges that supply chain initiatives that facilitate the secure and efficient movement of goods and passengers throughout BC actively generate vital economic value for the country.

Moving forward, the BCMEA will continue to articulate the legitimate interests and needs of customer-members, stakeholders and communities to make certain that those interests and needs are conveyed to all levels of government. The desire is to ensure that the industry is well represented, and that the contribution of the waterfront sector to a healthy, sustainable and productive Canadian economy and community is understood and acknowledged.

CUSTOMER RELATIONS

Throughout 2016, the BCMEA regularly interacted with customer-members in a variety of ways. These opportunities included diverse strategic initiatives such as sponsored events, one-on-one and sector meetings, roundtables, BCMEA committees and industry working groups. Strong communication, continued relationship development, information sharing, customer service, and expertise were established through these trusted strategic opportunities, thereby further contributing to overall membership engagement.



VP Training, Safety + Recruitment John Beckett (R) at International Labour Organization Meeting of Experts to update the Code of Practice on Safety and Health in ports.



EXTERNAL STAKEHOLDERS

The BCMEA believes in establishing dynamic relationships between customer-members at local, provincial and national levels in order to create healthy, sustainable communities. In addition, building diverse relationships with other key and valued economic stakeholders in the region and industry is exemplified via the organizations that the BCMEA engages with on a regular and active basis. These include:

Association of Canadian Port Authorities (ACPA)
BC Chamber of Commerce
BC Marine Terminal Operators Association
Business Council of BC (BCBC)
Canadian Centre for Occupational Health and Safety (CCOHS)
Canadian Employers Council (CEC)
Canadian Marine Advisory Council (CMAC)
Chamber of Shipping of BC (COSBC)
Conference Board of Canada
Employers' Forum to WorkSafeBC
Federally Regulated Employers – Transportation and Communications (FETCO)
Greater Vancouver Board of Trade
Greater Vancouver Gateway Council
Halifax Employers Association
Industry Training Authority (ITA)
Maritime Employers Association (MEA)
National Maritime Safety Association (NMSA)
Resource Works
*she*Talks Resources
Shipping Federation of Canada
The Canadian Chamber of Commerce
Vancouver Transportation Club
Western Grain Elevator Association (WGEA)
Western Transportation Advisory Council (WESTAC)
Women's International Shipping + Trading Association (WISTA)



LABOUR RELATIONS

In 2016, the BCMEA spent significant time engaging customer-members through a number of communication mediums, including partnering functional areas such as Labour Relations, Training, Safety, Recruitment and Dispatch. This took the form of one-on-one and sectoral meetings, issue-specific conference calls and vessel visits, with the objective of increasing collaboration and information-sharing among customer-member operations and across sectors. These exchanges enhanced strategic and tactical alignment on key topics that will continue well into 2017 in forums such as the Direct Operators and Shipowners Committees.

There were two job arbitrations and one industry arbitration (ongoing) in 2016, compared to five job

arbitrations in 2015. While 2016 did not require as much litigation through the job arbitration process, there were a significant number of matters that were initially heading to third-party intervention, but were either resolved or held in abeyance for a later date. The most significant files are briefly outlined in the Labour Relations highlights section. The BCMEA remains committed to working with all Locals heading into 2017.

In addition to the normal complement of Labour Relations training activities, there was the further development and delivery of new workshops such as work refusals, Fit For Work, and drug/alcohol recognition, which will continue to be a key area of focus in 2017.

HIGHLIGHTS OF 2016

Fit For Work Initiative

The Fit For Work initiative has three main components – fatigue management, impairment and Fit For Work guidelines – which are collectively intended to assist in the promotion of health and safety in the workplace. The education provided within this initiative is consistent with maintaining safety standards in a hazard-intensive work environment, as well as with ensuring compliance by the employer and employees with occupational health and safety laws and the principles of the duty to accommodate.

Previously, as part of a 2015 initiative to improve the industry's medical exemption process for employees with non-claim temporary illnesses and/or injuries, the Association and the Union formed a joint committee.

Once a week, the Medical Exemption Committee (MEC) provides office hours for employees to submit completed Occupational Fitness Assessment (OFA) forms, in order to properly communicate their injury or illness via the dispatch system. This ensures that no employer receives workers who are unfit for the work for which they have been dispatched.

The committee reviews the OFA form and makes a determination of what restrictions to place on the employee's workplace, based on Job Demands Analyses developed for each waterfront job. In some cases, additional medical information may be required.

In 2016, BCMEA's Fit For Work initiative grew to include the following:

- 1) Fatigue management
- 2) Drugs and alcohol recognition
- 3) Fit For Work guidelines

The BCMEA's initial work in these areas focused on awareness and recognition through education:



Fatigue management: BCMEA contracted Six Safety Systems, a nationally recognized consulting firm based in Calgary, Alberta. Six Safety Systems provided a half-day presentation to industry employers as well as to the Joint Industry Safety Committee on the science of fatigue and provided an analysis of the common shift patterns exhibited by longshore employees.

Drug and alcohol recognition: Courses on drug and alcohol symptomology were delivered by a retired RCMP forensic toxicologist. These courses were offered to BCMEA staff with Collective Agreement or operations responsibilities, and to terminal operator employees with responsibilities for cargo handling and maintenance operations.

Fit For Work guidelines: An education guide was developed for superintendents by providing an observation checklist with examples that ensure employers are able to comfortably assess whether medical documentation is required. The process involves the Labour Relations Department and additional referrals to the Medical Exemption Committee (Local 500/BCMEA Labour Relations representative) for assessment.

New Job + Alternate Arbitrator

The BCMEA and ILWU Canada agreed on the hiring of new Job and Alternate Job Arbitrators. Job Arbitrator Mike Fleming, who sat on the BC Labour Board, is an experienced Industrial Relations Adjudicator. Joe Pinto, the Alternate Job Arbitrator, has experience with WorkSafeBC and is currently an umpire for jurisdictional assignments in the construction industry.

New Industry Arbitrator

As a result of Arbitrator Pেকেles resigning in June of 2016 and the upcoming retirement of Arbitrator Kate Young, the parties have agreed to two new Industry Arbitrators, Ken Saunders and Chris Sullivan, who are both seasoned experts in Industrial Relations.

Deltaport Rail Expansion Project (DREP)

The BCMEA has been working closely with Global Container Terminals (GCT) on this substantial project, which includes installing semi-automated equipment in their rail yard.

Significant discussion and research has occurred on the inevitable challenges that will arise during the implementation phase of a project of this size and scope. The Labour Relations Department will continue working alongside GCT as this project comes to fruition in 2017.

Maternity + Parental Leave

The BCMEA and the ILWU have entered into a Letter of Understanding effective November 2016 to update the language and practice of Health and Welfare Plan contributions during approved maternity and parental leaves. Upon the effective date, Union and welfare-paying casual employees will no longer be required to pay Health and Welfare Plan contributions for the duration of their approved maternity or parental leave.

Shipowners Database

In 2016, a shipowners database was created to better understand our customers' businesses and service their needs. The vessel database holds information such as agent, vessel name, shipowner, secondary egress type, representative name and contact information, vessel type, cargo description (e.g., breakbulk, steel, containers), ports frequented, docks frequented and frequency by port.

Labouring Programs

The BCMEA and ILWU Canada continue to work towards a concept agreement on sector-based labouring programs, which would replace all of the existing terminal-specific programs. The parties are hopeful that they will be able to reach a deal by the second quarter of 2017.

Breakbulk Tour + Conference

As customer service representatives for over 59 customer-members, it is important for our Labour Relations Managers to not only reach out locally, but also internationally to leading stevedores, terminals and large-scale shippers that transport cargo around the world.

In 2016, the Labour Relations Department led customer-member representatives from the breakbulk sector through a tour of Houston, Texas, and Mobile, Alabama, in an effort to make industry connections, observe best practices and expand vision beyond the local ports.

In follow-up to the Spring Breakbulk Tour, Labour Relations represented the BCMEA at the 2016 Breakbulk Americas Conference. This annual conference, hosted in Houston, Texas, is the largest exhibition of its kind in America and offers a conference, diverse workshops, and opportunities for networking on operational issues and resolutions to same.



JOB ARBITRATIONS

Question of Safety: Mandatory Guardrails for Grain Loading

In February of 2016, the Union called a meeting with the BCMEA to discuss a 2012 Occupational Health and Safety Tribunal of Canada decision involving a Coast Guard vessel and the alleged requirement for mandatory guardrails on “raised platforms” over 1.2 metres.

The Union took the position that new work procedures that included mandatory guardrails on vessel hatch covers over 1.2 metres in height were required for both “grain tarping” loading and “feeder hole loading” operations. The BCMEA’s view was that this decision was unrelated to our circumstances and, in any event, a guardrail is another form of fall protection, which is the issue currently before the Industry Arbitrator (see below).

The Job Arbitrator was called by the BCMEA and it was argued that the two (2) Job Arbitration awards were final and binding decisions until amended or altered by the Industry Arbitrator, which was scheduled to commence in 2016. The Union had now taken the position that it didn’t intend to be governed by those decisions. The BCMEA sought and was granted an order that the Union must work in accordance with the Job Arbitration rulings until amended by the Industry Arbitrator.

Decision: The Arbitrator ruled in the BCMEA’s favour by ordering longshore to work in accordance with the Job Arbitration rulings unless or until amended by the Industry Arbitrator upon re-hearing. This decision was appealed by the Union to the Industry Arbitrator.

Work Refusal: Work Jurisdiction

On December 13, 2016, longshore employees refused to

work as directed when they were instructed to remove snow from a railway switch in the liquid bulk rail yard at Pacific Coast Terminals. The longshore employees were removed from the job for the duration of their shift without pay. The Union's position was that the work properly belonged to track persons, not liquid bulk operators. As a preliminary matter, the BCMEA took the position that, as discipline was involved, the Job Arbitrator did not have jurisdiction to deal with the issue. If the Job Arbitrator had jurisdiction, then it was the BCMEA's position that the work assignment was correct in accordance with the wording of the applicable black book document that governs operations in the liquid bulk yard.

Decision: The Arbitrator agreed with the BCMEA's preliminary issue by finding that the Job Arbitrator did not have jurisdiction to deal with this dispute, as disciplinary action had been taken. The Union has appealed this decision to the Industry Arbitrator.

INDUSTRY ARBITRATIONS

Loading Grain in Inclement Weather (Fall Protection)

In October and November 2015, the Union refused to conduct grain tarping and feeder hole loading on the

grounds that such work was unsafe because the vessel hatch covers were over 2.4 metres in height.

Two separate Job Arbitrations occurred where the BCMEA's position was that the current loading procedures met all safety requirements under the Canada Labour Code, that they had been appropriately tested in consultation with the Union and that they had been in operation for several years without issue.

The Job Arbitrator ruled in favour of the Union on the grain tarping procedure and, in a separate decision, the Job Arbitrator ruled in favour of the BCMEA on the feeder hole procedure. The grain tarping decision was appealed by the BCMEA to the Industry Arbitrator and the feeder hole decision was appealed by the Union to the Industry Arbitrator.

The BCMEA and ILWU Canada agreed to consolidate the above Job Arbitration appeals into the same Industry Arbitration, as much of the evidence is the same. However, two separate decisions will be rendered – one on grain tarping procedures and one on the feeder hole loading procedures.

Decision: Several hearing dates were held in 2016, and further dates are scheduled in 2017. A decision is not expected until mid-2017.

UNION PAY CLAIMS – ALL PORTS

	2015	2016
Accepted	37	56
Rejected	20	33
Withdrawn	1	3
Pending	1	2
Total	59	94

ILWU LOCAL 514: FOREMEN

Foreman Termination (DP World)

A two-day arbitration was held at the end of 2015 involving the termination of a foreman's employment. The decision was received in May 2016.

The Union grieved the dismissal of a foreman who pled guilty to an offence in the United States and was imprisoned. After his discharge from prison in 2016, he sought to return to work. The employer concluded that the grievor had either resigned from his employment or, failing that, was terminated as having been on a seven-year unauthorized absence.

Decision: The Arbitrator concluded that the employer did not unjustly nor unreasonably dismiss the grievor, as the employer had cause to terminate the grievor's employment due to his unauthorized absence from work.

LABOUR RELATIONS TRAINING INITIATIVES

In 2016, significant efforts were made in further developing and delivering Labour Relations training to customer-members. There was an increased focus on practical application workshops such as Fit For Work and Investigations workshops, as well as on customized offerings for site-specific interests.

These efforts, which were delivered by the Labour Relations team, were developed from the feedback received from customer-members on initiatives and topics of interest that will assist them in their day-to-day operations and support them in maintaining effective working relationships with the ILWU.

Waterfront Leadership Certificate Program

September 2016 kicked off Cohort 3 of the Waterfront Leadership Certificate Program (WLCP), a co-operative



venture between Capilano University (CAPU) and the BCMEA. The program focuses on the importance of investing in people, and in developing and reinforcing team leaders within the BC waterfront industry.

The sessions are based on a blend of theory and practical application through group discussions and presentations. CAPU and the BCMEA have worked hard to ensure that the curriculum has significant “waterfront flavour” and that it incorporates relevant case studies, stories and context.

The program offers 15 days of training over a seven-month period, covering the following topics:

- /// Business Basics
- /// Understanding the Supply Chain
- /// Transformational Labour Relations
- /// Health and Safety Leadership
- /// Corporate Social Responsibility
- /// Operations Management
- /// Higher-Performing Teams Through Coaching
- /// Creativity and Innovation

Cohort 2 marked the addition of Waterfront guest speakers, and Cohort 3 put an additional twist on the program: participants are required to complete a final project, as in previous years, but will have to present in front of a panel of BCMEA department representatives, who will provide feedback on their projects.

Public speaking and accountability are two skills that the program has identified as needing improvement in previous years; this is also a great way to share the hard work the participants have put in.

Participants who attend all of the courses and complete their individualized project to the satisfaction of their sponsor are eligible to receive a CAPU/BCMEA Certificate of Completion.

Please refer to www.bcmea.com for more details.

Labour Relations 101

Labour Relations training has become a regular component in training management staff working in a Unionized environment. The Labour Relations 101 program is a full-day course consisting of four modules, with topics such as Interpreting the Collective Agreement, Managing Work Refusals, Notable Arbitrations, and Discipline/Grievance Procedures. The curriculum encourages ongoing communication among participants to enhance operational knowledge and to create opportunities for active learning to continue on the job.

This course is geared towards management/non-Union personnel who have a general interest in Labour Relations on the waterfront or who have a role, direct or indirect, in Labour Relations activities within their respective organizations. Those in attendance include Assistant Superintendents, Superintendents, and management personnel who are new to the industry and who have little or no Labour Relations industry experience, as well as individuals who are more experienced and looking for refresher or further training.

Work Slowdowns + Refusals

Understanding what rights employers and employees have when there is a work refusal is a topic of interest for many employers. Topics covered in this course include understanding the rights of employers and employees contained in the Collective Agreement and applicable legislation. As well, practical advice is given on how to manage situations involving a work slowdown or refusal.

Regular Maintenance Training

Regular maintenance is an area of interest for many employers, especially those engaging in capital projects where work jurisdiction questions often arise. Topics covered include interpreting provisions of the Collective Agreement dealing with regular maintenance, arbitration awards, ILWU jurisdiction of work, case studies and general discussions concerning regular maintenance.

Duty to Accommodate

The duty to accommodate has become an area of increased focus and scrutiny for employers. The duty emanates from Canadian human rights legislation.

The Labour Relations Department provides an overview of the obligations of employers, Unions and employees in accommodation discussions, including the most common types of accommodation requests, and the factors and processes that employers need to consider in addressing such requests.

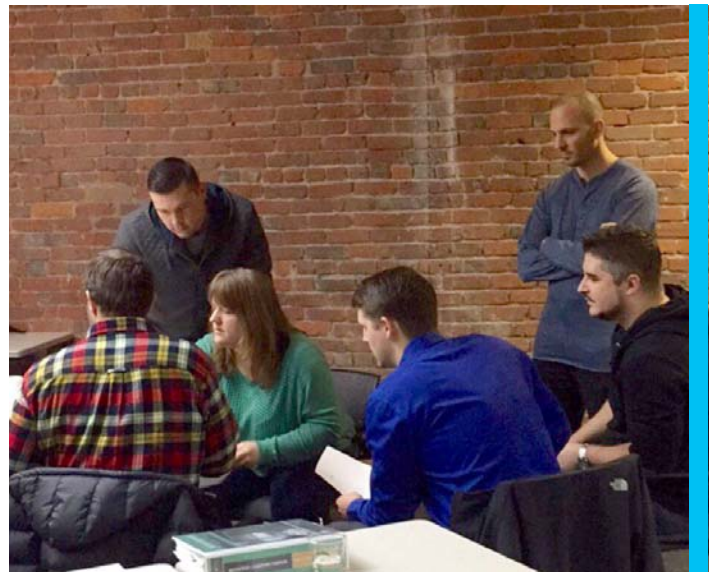
Investigations

Before an employee is disciplined, the Collective Agreement requires that the employer must have just cause. In order to assess just cause, employers have an onus to conduct a proper, thorough and timely investigation into all incidents. The Labour Relations team provides training that covers applicable concepts, case law and Collective Agreement provisions to provide participants with the tools to complete thorough investigations.

Drug + Alcohol Recognition

The industry's zero tolerance policy for drugs and alcohol attracts heavy penalties to those breaching the policy. This requires front-line supervisors to be able to feel comfortable with accurately being able to identify signs of impairment. The Labour Relations Department has offered all sectors drug and alcohol recognition courses, which enable supervisors to better recognize behaviour and symptoms associated with drug and/or alcohol use.

The instructor, Mr. Wayne Jeffery, a member of the Royal Canadian Mounted Police, Toxicology Section, was the first person in Canada to be trained as a Drug Recognition Expert Officer. Mr. Jeffery has instructed police forces all over the world on this topic, and has customized this course for use in our industry.



Fit For Work Guidelines

Workshops, which began to roll out in October 2016, continue in 2017. The Labour Relations team conducted workshops on-site and for individual terminal operators to ensure that tailoring of the guidelines can be addressed as needed. Topics covered include scenarios where a supervisor would need to consider whether he or she has appropriate grounds to request medical information, and how to go about communicating and documenting a particular incident.

PORT LABOUR RELATIONS SECTOR COMMITTEES

Each year, the BCMEA hosts a series of sector-specific meetings with customer-members to share information, both from an industry perspective and from a sectoral perspective. The BCMEA has a number of touchpoints with customer-members, which significantly increased in 2016. These touchpoints have evolved and, in addition to the formal sector meetings, now include informal sector conference calls and dinner events. These sectoral meetings include both the Direct Employers Committee (DEC) and the Shipowners Committee (SOC).

Container Sector:

Two container sector meetings were held in 2016. In addition, conference calls were offered to terminal operators, and a working dinner was held in an effort to increase communication and raise any sector-specific news, issues and/or concerns. Special interest topics discussed included fit for work, new technology, a potential 2017 container sector tour and general developments in labour relations activities, both sector-specific and industry-wide.

Breakbulk Sector:

Two breakbulk sector meetings were conducted in 2016. Conference calls were held to increase communication and to raise any sector-specific news, issues and/or concerns. A fall breakbulk dinner was held in follow-up to the spring Breakbulk Tour. Items discussed included safety, topside extensions, labour allocation, breakbulk tour report, productivity tracking, Fit For Work, and education offerings. Communication among the breakbulk terminal operators was greatly increased by both the Breakbulk Tour and Superintendent Tour offered to the breakbulk group. There were valuable conversations had regarding breakbulk best practices, outstanding issues, and strategies on how the sector would navigate through these areas into 2017.

Bulk Sector:

Two bulk terminal operator sector meetings and bulk sector conference calls in an addition to a sector dinner were held in 2016. Several topics were discussed, including training, safety and labour relations matters, including fit for work initiatives within the sector, pay practices, feeder hole operations and foreman hiring practices.

Grain Sector:

The grain sector met several times in 2016. Issues discussed included grain loading methods, hard hat and respiratory safety initiatives, fit for work, allergy testing for wheat specialty/wheat machine, grain gang composition, wheat specialty/machine job duties and hours of work.

Industry Maintenance Sector:

Two industry maintenance sector meetings were conducted in 2016. Several topics were reviewed, including current maintenance issues and practices by Port Area and Terminal.



HUMAN RESOURCES

EMPLOYMENT EQUITY

The BCMEA is continuing to strengthen relationships with local First Nations communities. Efforts have been made to inform First Nations on who the BCMEA is, and to identify available and potential employment opportunities for First Nations peoples on the waterfront.

Relationship-building opportunities and conversations with First Nations communities and representatives continue to be of great importance for the organization. The BCMEA considers it a priority to engage and actively participate in a number of First Nations outreach forums as a way to provide further education on the industry.

- /// Aboriginal Opportunities Forum
- /// Reconciliation Canada
- /// ACCESS (Aboriginal Community Career Employment Services Society)

In Prince Rupert, for example, neighbouring First Nations communities have grown to become an integral part of the port's business as a result of localized joint ventures and consistent communication, creating mutually beneficial opportunities for development and employment.

Further to initiatives with First Nations communities across BC, the BCMEA continues to remain active in the diversification of the waterfront, narrowing the gap in the areas where shortfalls exist. The Canadian Human Rights Commission remains pleased with the organization's efforts and year-over-year progress and results.

EMPLOYEE RESOURCE DATABASE MANAGEMENT

The redesigned Waterfront Human Resources Information System will provide information sharing of longshore information/records in one file, including notable and value-add details such as ratings, restrictions, board and plate, suspension, dispatch information, work history, employee personnel information, and respective photo. All collected information related to the longshore worker will then be actively stored in one easy-to-access electronic file. The listed application features will be available internally once all detected malfunctions are rectified and corrected. Upon such adjustments, the program will be widely released and integrated for use by BCMEA customer-members.



TRAINING, SAFETY + RECRUITMENT

OVERVIEW

Training, Safety and Recruitment enjoyed another busy and productive year in all of its portfolios. All activities are linked to the organizational strategic plan as adopted by the BCMEA Board.

Training's mandate is broad, with a primary objective of ensuring that an adequate pool of trained and competent longshore workers is available to meet customer-member needs. One benchmark that assists in measuring this expected performance is the Extensions, Doubles and Transfers (EDT) metric, which was 2.6%, versus the target of 2.5%. EDT shows the percentage of Vancouver job orders that are filled by way of extensions, doubles or transfers, or that are left unfilled after dispatch.

Detailed training information for each region of the province can be seen in the **2016 Training Days** chart.

Safety continued to be a key focus for the team, with activities centred around the 2016 strategic plan to reduce the industry accident frequency rate. Significant progress was made through the initiatives of analyzing injury statistics, providing new gloves for lashing and log work, assisting terminals with Hazard Prevention Programs (HPPs), labour training programs and implementing new leading-edge disability management programs.

The BCMEA continued to make improvements to the Waterfront Training Centre (WTC), which has clearly demonstrated its value to the waterfront community as an integrated training facility. These improvements enhanced the effectiveness of WTC training and broadened its scope, with key initiatives such as the integration into training of the new WTC ship-to-shore crane. The operation of the WTC also changed with the implementation of the new Memorandum of Agreement

2016 TRAINING DAYS

Region	Trainee	Trainer	Apprentice	Subject Matter Expert	Grand Total 2016	Grand Total 2015
Vancouver	9,659	5,238	525	44	15,466	16,146
New Westminster	6,055	4,027	400	107	10,585	10,612
Prince Rupert	910	649	181	6	1,746	2,236
Vancouver Island	400	332	-	2	734	630
Stewart	37	34	-	-	71	160
Total	17,061	10,280	1,106	159	28,602	29,784

with the ILWU, which resulted in the addition of two ILWU Industry Training Coordinators and the assignment of two tradespeople and a utility person to assist with optimizing the site on a daily basis.

Recruitment was active, with recruitments being initiated in Vancouver, in New Westminster and on Vancouver Island, for a total of 250 new longshore workers brought into the industry during the year. In addition, 67 new tradespeople were recruited across British Columbia.

INITIATIVES

Dock Gantry Training Program Improvement

In 2015 the BCMEA purchased a ship-to-shore crane for the Waterfront Training Centre in order to reduce the impact of dock gantry training on customer-member terminal production. To assist with this type of training, a container ship hatch equipped with standard cell guides

was erected and commissioned at the WTC in October of 2016. BCMEA has changed the program to 15 training days on the WTC dock gantry crane and 15 training days on-site at the terminals. The training model will be verified in 2017 by comparing new groups of trainees' production evaluation scores with the scores of trainees rated prior to implementation of the crane and cell guides.

GCT Deltaport N4 Upgrade

Navis is the container industry standard terminal operating system. Its purpose is to coordinate and optimize the planning and management of a container yard, including equipment and containers. GCT Deltaport was the first BCMEA customer-member to upgrade their existing Navis system to the newest version: Navis N4. The importance of the upgrade is that Navis N4, unlike the current Navis system, integrates gate, yard and vessel operations into one centralized platform, which allows terminals to share real-time information with their customers and with the terminal community at large.

To support the N4 upgrade, the BCMEA reviewed software changes with the terminal and head checker trainers, then created updated training materials to reflect changes to the job and developed a training delivery plan to provide the entire ILWU Local 502 checker pool with two days of simulated environment training at a mobile computer lab instituted at the WTC.

In addition to the pre-implementation two-day training program, the BCMEA also provided GCT with comprehensive post-implementation training support. The process will also occur in 2017 with DP World Vancouver and DP World Prince Rupert.

Training Program Performance Metrics

As requested by the BCMEA Board of Directors at their strategic planning session in February 2016, the Training Department reviewed all current training programs for alignment of their metrics with industry production metric expectations from the individual terminals. The department reached out to all of the customer-members to determine the production metrics to which the BCMEA should be training for each rating to ensure they obtain their desired production.

As of November 2016, BCMEA metrics-based assessments were found to meet or exceed terminal production

expectations in over 90% of the programs that have measurable metrics. Moving into 2017, all metric-based assessments have been brought into line, and now meet or exceed terminal production expectations.

Deltaport Rail Expansion Project (DREP)

The Deltaport Rail Expansion Project (DREP) is a major initiative that will substantially expand GCT Deltaport's rail capacity, improve rail safety, and increase rail efficiency to capture forecasted volume and job growth. The project affects multiple skill ratings, including Tractor Trailer, Head Checker, Computer Rail-Mounted Gantry, and Dockman.

To prepare for the new expansion, BCMEA's Training and Labour Relations Departments met with Deltaport management on a monthly basis, with training for approximately 1,200 workers expected to start in the first or second quarter of 2017. In preparation for the Tractor Trailer DREP training upgrade, the BCMEA has purchased a new Ottawa tractor and a custom trailer, with an additional pair of tractor trailers to be supplied by GCT.

Lashing Program Redevelopment

Shipboard container lashing is a major source of injuries in the waterfront industry. To ensure that all hazards and required skills were addressed in training, the BCMEA hosted a one-day employer/Union DACUM (Develop A Curriculum) process, facilitated by Vancouver Community College. The DACUM provided the objectives for a comprehensive revision of the recruitment lashing program, which was delivered to over 200 recruits from Locals 500 and 502.

Further, an introductory lashing video was developed in co-operation with the ILWU and GCT Deltaport. Lashing 101 provides an overview of the job and key hazards, and is formatted to give it an edgy, modern vibe that is uncommon in traditional safety training. Lashing 101 is available on YouTube.

BCMEA TRAINING METRICS

**90% of training programs
with measurable metrics
meet or exceed terminal
production expectations.**



Finally, the Waterfront Training Centre lashing training station will be doubled in size in 2017, with two rows of eight containers, four high, separated by a raised walkway similar to those found on a typical vessel. The station will incorporate two high cubes, a simulated 45-foot container and a variety of lashing gear to further re-create vessel conditions.

Design and fabrication of the raised lashing walkway is underway, with completion expected by mid-2017. When the station is complete, trainees will attend one day of fundamental lashing training, followed by a second day of practical exercises that will accurately simulate a full day's work on the vessel. Following training, new workers will arrive at the terminal ready to perform safely in a production environment, fully aware of the hazards, physical demands and techniques.

Trainer Responsibilities

Trainers act as supervisors for their trainees. To further support the BCMEA Industry Trainers, the Training Department created a comprehensive Industry Trainer Responsibilities curriculum that details stakeholders' roles, supervisory responsibilities, and BCMEA policies and expectations. The program also provides basic safety skills such as hazard recognition and control, and accident investigation. The program has been distributed across the province for consultation with various Union Locals and will be delivered to all trainers in 2017.

WATERFRONT TRAINING CENTRE

Over the course of 2016, the Waterfront Training Centre (WTC) occupied an increasingly important role in supporting longshore training. Longshore recruitments for ILWU Locals 500 and 502 took place at the WTC; almost 25% of all training in BC was conducted at the facility, with participants from Stewart, from Vancouver and from across the Lower Mainland.

The Centre benefited from a variety of upgrades throughout the year: new signage was created and installed, a power gate added to the training yard entrance, and the maintenance working area in the equipment parking garage was fully paved to allow for expansion. Two 30K and two 5K lift trucks were added to the WTC equipment fleet, as well as a modified DREP-compatible trailer and tractor.

Industry Training Coordinators

As part of the Memorandum of Agreement established between the BCMEA and the ILWU in 2015, Industry Training Coordinators (ITCs) from Locals 500 and 502 were added to the WTC complement.

The primary functions of the ITCs are to work collaboratively with all parties to ensure training occurs as scheduled, to post trainee and trainer opportunities, to coordinate trainer/trainee activities, and to assist with the annual vetting of applicants for training. ITCs also participate in the development of training curriculum as requested and work with BCMEA staff to improve the effectiveness of training programs.

Navis Computer Lab

A new portable computer lab with ten laptop stations was created in order to accommodate Navis N4 terminal operations software upgrades and installations taking place at customer-member terminals throughout the

province. This portable configuration will allow the lab computers to be used for multiple terminals in the Lower Mainland, and to be shipped to Prince Rupert for a planned 2017 N4 installation at DP World's Fairview container terminal.

Hazard Prevention Program

In 2016, the BCMEA, in conjunction with the Waterfront Training Centre Joint Safety Committee, developed and

implemented a hazard prevention program for the BCMEA Waterfront Training Centre. A hazard prevention program is a workplace-specific program required by Employment and Social Development Canada (ESDC) and Transport Canada. The program is designed to involve workplace committees to prevent accidents and injuries by identifying and controlling workplace hazards specific to their operations.

Pacific Safety, a consulting firm with expertise in federally regulated workplaces, was retained by the WTC workplace committee to assist with the development and implementation of the hazard prevention program. To date, 186 hazards have been identified and a hazard review program has been implemented.

Following the success of the hazard prevention program at the Waterfront Training Centre, the BCMEA provided the same service to its customer-members for the development of their own hazard prevention programs. Currently, six customer-members and workplace committees are working with the BCMEA to ensure hazards are identified and controlled for their operations.

Joint Health and Safety Committee

The WTC Joint Health and Safety Committee (JHSC) worked together to deal with a wide range of health and safety issues during 2016. An ongoing problem with dust from the Heavy Equipment training area was resolved by the installation of dust screening on the perimeter fencing and by the installation of a new wind meter with an alarm system and alert lights.

Safety in the training yard was improved by the addition of more barricaded walkways and protective trainer shacks as part of the HPP program.

The committee also amended its Terms of Reference to ensure that all BCMEA training areas in British Columbia are represented in the JHSC.



WTC Maintenance

Three new Regular Work Force (RWF) employees were added to the WTC: a Local 500 electrician, a Local 502 heavy duty mechanic, and a Local 500 utility person. Under the supervision of the Waterfront Training Centre's Training Safety and Maintenance Supervisor, these new RWF employees provide a full range of coordinated maintenance support for the Centre in order to reduce operating costs by minimizing outsourcing for equipment repairs and maintenance.

To facilitate this process, a computerized maintenance system was instituted to monitor equipment hours and to schedule service and maintenance dates. The existing tool crib was enhanced with a fully stocked and tracked tool kit, a complete welding set-up and a full selection of parts to reduce equipment downtime.

TRAINING BY REGION

VANCOUVER

Pool maintenance training based on customer-member input continued in Vancouver over the course of 2016, with an emphasis on safe work procedures. The addition of new equipment and new processes at bulk and grain terminals also led to an increase in upgrade training.

Labour skills represented a significant focus for training in Local 500. Over 1,100 workers completed Neptune Bulk Labour training, 240 finished the Kinder Morgan Best Foot Forward safety program, and 696 bulk workers were fit-tested for respirators as part of the BCMEA's ongoing commitment to maintaining workplace safety requirements. The GCT Container Labour Program, which focuses on fundamental container labour skills, hazard recognition and safety awareness, saw a total of 79 trainees. Furthermore, a comprehensive Local 500 Container Vessel Safety Training course is planned for 2017.

Due to the unexpected growth and demand in the inner harbour, a series of labour shortages at the end of 2016 and beginning of 2017 were experienced. The BCMEA is focused on solving this by adding additional training programs on all shifts to increase the ratings pools in order to best meet sudden demand, as well as working in collaboration with Local 500 on a series of additional board moves and recruitment initiatives.

Pacific Coast Terminals Remote Operation Shiploader Upgrade

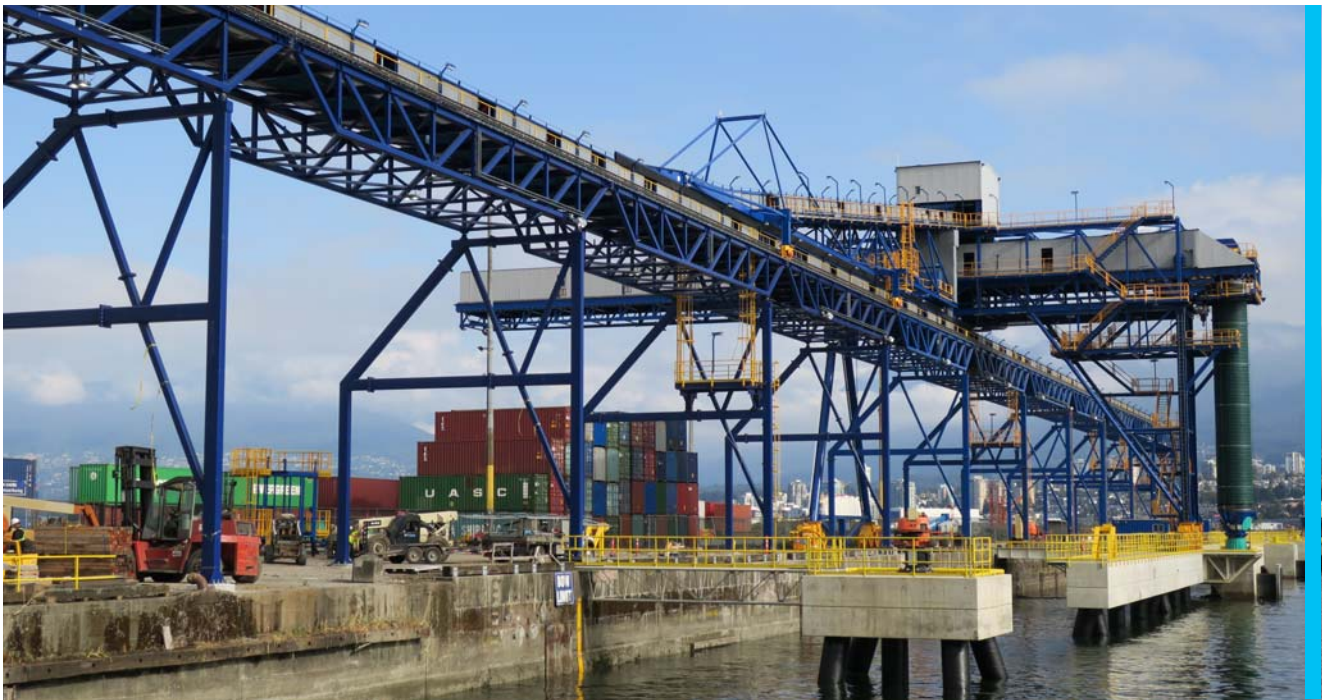
Pacific Coast Terminals (PCT) upgraded their shiploader with a new boom and mast to accommodate different loading spouts required due to the introduction of potash as a commodity handled at the terminal. As a consequence of this upgrade, PCT removed the operator cab from the end of the boom, transferring operation of the shiploader to a control room in the Administration building, which provided the added safety benefit of removing the operator from the machine.

The upgraded shiploader is now equipped with radar/GPS technology for collision avoidance and real-time

VANCOUVER LABOUR SKILLS TRAINING IN 2016

**Neptune Bulk:
1,100 workers**

**Kinder Morgan
Best Foot Forward:
240 workers**



graphic representation of the ship's hold and cargo profile. Cameras have been added to provide additional operator views. The BCMEA documented the process and arranged to seamlessly train Bulk Operators in its operation without interruption to production.

Pacific Terminal Upgrade

In September, Viterra's Pacific Terminal increased their capacity by opening their modernized facility for exporting Western Canadian agricultural products. The enhancements at Pacific Terminal created the ability to handle in excess of six million metric tonnes annually – three times its previous handling capacity. It also added the capability of loading post-Panamax vessels, the largest vessels capable of navigating through the recently expanded Panama Canal.

As part of the upgrade, a new shiploader was commissioned at Lapointe Pier. The shiploader is equipped with a fully enclosed Cleveland Cascade loading

chute to deposit material into the vessel holds with the minimum of fugitive dust disturbance. All operations of the loader are via deck-operated remote controls.

The BCMEA was tasked with developing and delivering training to Wheat Specialty operators on the safe operation of the new Shiploading System. Training commenced in Q4 of 2016, with a total of 74 workers successfully trained.

FRASER RIVER

Pool maintenance training continued in New Westminster, and upgrade training was required for new procedures and increased demand at the terminals. Programs at Fraser Surrey Docks were revised and updated in order to handle new processes and combined duties, and upgrade training started for Deltaport Kone RTG cranes. 57 operators completed the upgrade in 2016, and 115 remain to be scheduled.

414 trainees completed the Fraser Surrey Docks Dock Labour program, with an additional 200 planned for 2017. The new Local 502 Container Vessel Safety training started in the fourth quarter; 129 trainees completed this program in 2016, and 400 more are in the queue for 2017.

The BCMEA continued to assist its industry trainers to develop their skills, as 29 more Local 502 industry trainers successfully completed varying levels of the Vancouver Community College “Train the Trainer” courses.

Fraser Surrey Docks Agri

Agricultural commodities grew in prominence at Fraser Surrey Docks (FSD) in 2016, and so did the rail operations that deliver cargo to the terminal. As a result, FSD decided to hire its first regular workforce rail crew – a good point

at which to review and update the rail programs and add new trainers.

First up in May of 2016 was a complete review of the Switchperson program, which led to a brand-new training delivery plan, along with revised assessments. To follow was the Locomotive program, which received a review in November of 2016.

The new trainers, combined with the new training materials, have helped these programs, resulting in a Switchman program that saw its trainee success rate leap from 10% to 50% and Locomotive at a solid 100%.

FSD Head Checker

Another program that underwent a complete revision was FSD Checker, a program that was formerly two separate ratings, starting with a 14-day dock checker rating followed by a seven-day upgrade to computer checker at a later date, if so desired.

The issue FSD faced was that most trainees only completed the dock checker training, which led to computer checker shortages and difficulty in forecasting checker needs. As a result, it was decided to combine the two checker ratings into one comprehensive rating. A new program was developed in conjunction with the terminal and industry

FRASER SURREY DOCKS DOCK LABOUR TRAINEES

2016: 414

2017: 200





stacker on the terminal, initial intakes and skills training have taken place at the BCMEA Waterfront Training Centre on Mitchell Island.

Nanaimo Harbour Mobile Crane Training

In August of 2015, DP World Duke Point received the Liebherr Harbour Mobile 500 (LHM) crane that had been purchased by the Nanaimo Port Authority.

To support training for this new crane, BCMEA sent a BCMEA Field Training Supervisor and an ILWU Local 508 Industry Trainer to the Antwerp Training School for a harbour mobile crane training course.

The crane required a number of upgrades to meet Canadian safety requirements, which delayed the crane being put in production until November of 2016.

The BCMEA Training Department, in coordination with ILWU Local 508, has trained three operators for production since November. The current rated LHM pool is five, and the goal is to have a total operator pool of eight by June of 2017. Having a small focused pool will improve operator skill development and retention, providing increased production for DPW Nanaimo.

trainers, with revisions and updates to the training delivery plan, the training manual, and assessments.

The new FSD Head Checker program starts trainees with 14 days of dock checker training and flows into seven days of computer checker training. The revisions have been a success, providing FSD with a flexible rating that can easily be moved to the yard or office, depending on dispatch requests.

VANCOUVER ISLAND

This year, the BCMEA provided training in yard tractor, checker, heavy lift truck, lift truck, harbour mobile crane and emergency egress to workers on Vancouver Island. In cases when it proved challenging to provide consecutive days of training for lift truck, tractor trailer and reach

PRINCE RUPERT

204 employees received training in Prince Rupert over the course of 2016. 127 of these were in one-day programs such as Emergency Egress, 8000 lb. Lift Truck and Aerial Lift, and 83 were trained in programs with a duration of four or more days (up to 22 for Dock Gantry).

New Training Office

Training space in Prince Rupert has always been in short supply, and renting classroom space a common occurrence. However, with the expansion of DP World Prince Rupert and the training projects resulting from the expansion, it was decided to look into a more permanent

space that could be purposely outfitted for training purposes. In December, the BCMEA signed a lease for a 2,400-square-foot space that will accommodate increased training and recruitment requirements as the Prince Rupert port community continues to grow.

Training Development

Prince Rupert is occupying an increasingly prominent position in West Coast shipping. In order to accommodate an increased demand for workers, the Training Department has been very active in Prince Rupert, working closely with representatives from the ILWU and local terminals to understand their training needs and to ensure that these needs are being met.

The regional Training Safety Supervisor (TSS) made 15 trips to Prince Rupert in 2016 in conjunction with the Director and the Vice President of the Training, Safety and Recruitment Department. A weekly scheduled meeting allows the TSS to discuss any issues with the Local 505 Training Coordinator and to plan upcoming training.

The BCMEA added nine new trainers for the Topside, Checker, Reach Stacker, Aerial Boomlift, Emergency Egress, and Shiploader programs. Seven trainers attended the Vancouver Community College “Train the Trainer” two-day Trainer Basics course, and three Fall Protection Trainers were trained for instructing Emergency Egress by the Fall Protection Group. Ives Training also provided Aerial Boomlift instruction for four maintenance employees so that they could deliver training for 26 DP World Prince Rupert employees and four Pinnacle workers.

To support a new Topside trainer, a Local 500 industry trainer travelled to Prince Rupert to assist in providing instruction in Gear Inspection to 10 Topside training candidates. Shiploader and HMI Console training material for Pinnacle Pellets was developed by the BCMEA with the assistance of the employer and industry trainers,

and the Training Supervisor worked with CN Rail in the fall to re-certify four shuttle wagon operators working at the terminal.

Locomotive Training

The Local and the employer have had some difficulty maintaining an adequate pool of Locomotive Operators and regularly run into shortages where operators must work double shifts. In Prince Rupert, Locomotive Operators travel on the main CN track outside of the yard and for this reason, the job is considered “safety critical” and requires a stringent CN medical. The Training Supervisor coordinated with CN, the ILWU Local and the local medical centre to successfully vet 14 training candidates to commence training in January 2017.



STEWART

Work in Stewart is generally dedicated to logs. However, with a variety of projects taking place in the North in 2016, Stewart received 10 heavy lift and project cargo vessels carrying wind turbine parts and modules destined for the Alberta oil sands.

To support its customer-members and the Stewart Local, the BCMEA sent Topside trainers from both Locals 500 and 502 to Stewart on three occasions to support the operation and to upgrade eight Local 519 Topside-rated employees for project cargos. 11 employees also received Emergency Egress training from the Fall Protection Group.

In order to allow greater work opportunities, 13 Stewart employees received labour training for dock, container lashing and rail stackerperson in Prince Rupert.

SAFETY

Glove Distribution

Hand injuries can be painful and debilitating and, in some sectors, can account for a large proportion of lost-time injuries. Container lashers experience crush, pinch and

cuts to the hands, and logs and breakbulk workers suffer puncture injuries from steel wire jagers in addition to pinching and crushing. In response to this ongoing concern, the Training Department researched a suitable solution and has provided eligible longshore workers throughout the province with two pairs of armoured cut-and-puncture-resistant gloves. To date, over 3,900 pairs have been distributed; the BCMEA continues to work with employers and the supplier to source and develop quality hand protection appropriate for the job.

Emergency Descent Device

In March, a Transport Canada Direction ruled that training is required when a vessel supplies a descent device used for a secondary egress from a ship's crane. Immediately following the direction, the BCMEA worked in conjunction with its customer-members to select a suitable descent device and created a training program for all Topside operators in British Columbia.

On-site training by ILWU industry trainers began instantly across the province to eliminate vessel delays, after which the training was permanently established at the BCMEA Waterfront Training Centre. At present, 352 topside operators have received emergency descent device training and the program has been permanently added to the topside crane operator program.

ARMoured CUT-AND-PUNCTURE- RESISTANT GLOVES

**3,900 pairs
distributed to
longshore workers**

National Maritime Safety Association Representation

The BCMEA continued to be active participants in the National Maritime Employers Association (NMSA) in 2016, with Glen Williams serving on the Board of Directors and David Moorhouse on the Technical Advisory Committee. In addition, the BCMEA continued to sponsor ILWU Canada attendance at Technical Committee meetings in Point Clear, Seattle, Galveston and Philadelphia. This year, the BCMEA participants facilitated safety presentations at the Technical Advisory Committee meetings and contributed to safety initiatives, including a lashing safety video.

Overall, the opportunity to collaborate with the waterfront community around North America has been instrumental for improving the BCMEA training programs and safety initiatives.

COR (Certificate of Recognition)

In 2016, the COR certification program welcomed three new COR-certified companies, and currently provides COR certification to 19 companies overall. Additionally, another 16 interested employers have registered and are actively pursuing certification.

COR diversified its Technical Advisory Committee (TAC) membership by inviting representatives from WestJet, BC Ferries and Thrifty Foods to join other long-standing TAC members from the waterfront industry. The overall leadership from this group will ensure that the COR program continues to achieve the highest degree of industry standards.

Based on TAC recommendations, the BCMEA rolled out a streamlined two-hour auditor recertification training program in March 2016 for experienced auditors, with an optional two-hour recertification course for auditors who completed at least two COR audits in three years and who have continued their education through external means.

RECRUITMENT

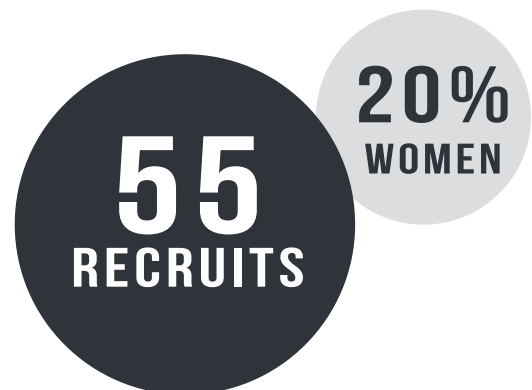
Late summer and autumn 2016 saw recruitment initiatives in Vancouver, in New Westminster and on Vancouver Island. Recruitment started with New Westminster, with 106 of 125 chosen candidates registered.

Vancouver recruitment followed immediately, with the focus on ensuring a diverse workforce. 89 candidates, 10 of whom were female, successfully passed the Waterfront Basics, Physical Demands and Skills Training.

VANCOUVER RECRUITMENT



VANCOUVER ISLAND RECRUITMENT



Vancouver Island Recruitment

A shift of log work from the Fraser River to Vancouver Island coupled with an expansion of TimberWest in Crofton meant a considerable increase in log work for ILWU Local 508. Island dispatch experienced its first significant shortage of labour in early September. When another spike in demand hit in late September, a joint decision by the employers, the BCMEA and the ILWU determined that recruitment was required.

When the driving factor for recruitment is logs, the greatest worry for both the employer and the Union Local is how to reduce the odds of injury in a job that historically has a high incidence of injuries.

Keeping this in mind, the theme for the recruitment was “hazard awareness and recognition”, instructing new recruits on how to keep themselves safe while working in an environment that is full of hazards.

The log training material was revised, and seven new logs trainers were added to the existing four Log Fall Protection Trainers. The new trainers provided outstanding support for both the initial skills training and for trainees working during the post-recruitment period.

The BCMEA put together a recruitment plan that included three two-day sessions of Waterfront Basics, followed by a Physical Demands test that was conducted at Island Timberland, where the site manager helped to set up a realistic-to-the-job log-testing and ladder-climbing stations for the new recruits.

Once registered, the newly hired longshore workers received a further three days of skills training, which included a day of Fall Protection for logs, where theory was taught out of the Tidal Transport offices and the practical piece was conducted using a purpose-built Fall Protection container that simulates the deck of a vessel.

The Nanaimo Port Authority generously offered the BCMEA space in one of its warehouses, allowing the practical training to be conducted in a relatively dry environment.

55 of the 64 chosen candidates were registered, 20% of whom were women, and all are currently working.

Trades Recruitment

Due to constant demand in key trades, the BCMEA undertook continuous intake of Heavy Duty Mechanics and Millwrights in Vancouver and New Westminster throughout 2016.

2016 APPRENTICESHIP PROGRAM

Region	Electricians	HD Mechanics	Millwrights	Total
Vancouver	6	6	2	14
New Westminster	5	5	-	10
Prince Rupert	2	2	-	4
Vancouver Island	-	1	-	1
Total	13	14	2	29

APPRENTICESHIP

The BCMEA currently sponsors 29 trade apprentices who are completing workplace hours across eight different member sites. Kinder Morgan Terminals has joined this list by taking on a Millwright apprentice.

In 2016, the apprenticeship program showed progress with five graduates: four in Vancouver (three Heavy Duty Mechanics and one Electrician), and one Heavy Duty Mechanic in Prince Rupert.

Four Mechanics in New Westminster also successfully challenged the Heavy Duty Mechanic program to be certified, with only one remaining to receive their ticket.

There were six new starts in 2016. For 2017, the BCMEA continues to work with customer-members to replace graduates and to increase the number of apprentice positions, which have decreased somewhat in 2016.

FACILITIES

The recently centralized facilities portfolio continues to develop, with a focus on continuous improvement, quality assurance, preventative maintenance and the addition of redundancies.

To improve vendor management, Facilities has taken on the role of primary contact for multiple vendors across all BCMEA sites. By centralizing communication, staff resources are conserved across sites and vendors can be managed more effectively while securing improved service and pricing due to volume.

Centralized vendor management has also improved the identification of service problems and subsequently enabled the changing of vendors for fire systems, HVAC and security.

2016 saw a variety of asset protection projects, including fire suppression for dispatch servers and the new training quay crane, fire panel programming improvements, and improved security assets at head office with the addition of high-security gates at the rear of the building and an elevator camera. A 10-year capital plan is now in place for 24/7 support at Head Office + Dispatch with assistance from WSP Engineering and Colliers Property Management. A variety of capital projects were also completed, including an energy-efficient LED lighting upgrade, dispatch renovations, 4th floor boardroom refinishing and head office elevator modernization.

CLAIMS MANAGEMENT

There were 142 claim appeal decisions in 2016. The employer success rate was 71% (101 out of a total of 142 decided cases) in these reviews and appeals, with 12 decisions being returned to WorkSafeBC for further adjudication. The total financial implication for the industry was approximately \$1,025,000.

**142 CLAIMS
DECISIONS IN 2016**

**EMPLOYER SUCCESS
RATE: 71%**

**FINANCIAL IMPLICATION:
APPROX. \$1,025,000**

In 2016, there were 32 Oral Hearings at Workers' Compensation Appeals Tribunal (WCAT), which represents a significant increase from 20 in 2015; a total of 186 written submissions were made to the Review Division and WCAT. Key issues at appeal continue to be the duration of wage loss payments and claim acceptance. Bill Blackler, Manager of Claims Services, continued as chair of the Employers Forum Claims Committee of WorkSafeBC (WSBC), but will step down from this position in 2017.

In the last year, the Committee successfully advocated for a more focused and clear policy on modified work adjudication and claims involving compensable consequences, which have been problematic. The Committee also worked with WSBC on improving strategic planning on employer concerns.

Regular meetings with industry employers and WorkSafeBC representatives are scheduled for 2017 to facilitate better communication of WSBC issues as well as to support training for customer-members in their Recover-at-Work programs.

DISABILITY MANAGEMENT

In 2016, the BCMEA worked closely with all stakeholders to develop new initiatives that will help implement and better support Recover at Work (RAW) programs for the waterfront. Successful recent initiatives such as terminal Return to Work programs (RTW), a RAW program guide, third-party claims management/expediting and joint accommodation/retraining programs have helped bring about positive improvement and build a solid base.

The accommodation/retraining initiative has resulted in retraining 84 people to return to work at new waterfront jobs. These new initiatives will help to take waterfront disability management programs to the next level.

25 new modified duty Job Demand Analyses (JDAs) were developed for terminals in order to provide productive and meaningful modified job duties, to allow injured employees to recover at work.

The BCMEA also introduced a software system (XILO) that houses all modified and regular JDAs and permits terminals to search the database for jobs that are within the worker's physical restrictions. This software also allows jobs to be further modified to customize to each worker's specific restrictions and has a Safety Management System (SMS) capability.

Terminal stakeholders have requested further enhancements that will add value to this system, such as WSBC Form 7 reporting capability, which will also allow the collection of accident data. These changes will be rolled out to the industry as a Phase 2 project in 2017.

A new sedentary short-term RAW e-learning program based upon the existing Waterfront Basics safety training program was also commissioned by the BCMEA. This will be available on a web-based Learning Management System (LMS) that is linked to the BCMEA HR system.

Finally, a Direct Access Physiotherapy (DAP) system was developed that was modelled after a previous program from the construction industry in BC.

This involves an employee with a suspected strain and sprain injury being given the option to go directly to a local physiotherapy clinic for diagnosis, treatment and medical approval to participate in a RAW program based upon available modified work within the employee's physical restrictions. Terminals are now able to sign off on a contract with WSBC to start participation.

These new leading-edge and innovative initiatives build upon a solid base of programs already in place that will help bring about improvement in the years to come.

DISPATCH

VANCOUVER DISPATCH ACTIVITY

During 2016 BCMEA dispatched a total of 214,130 employees, compared to 210,331 in 2015 for the Vancouver port area. The following table compares dispatch activity levels for 2015 and 2016 between Union and casual workforces.

As the comparison below shows, BCMEA dispatched 1,100 more Union employees compared to last year. The number of casual employees dispatched in 2016 increased by 2,699 compared to 2015. Total hours for Vancouver were down approximately 67,532 hours from 3.690 million hours in 2015 to 3.623 million hours in 2016.

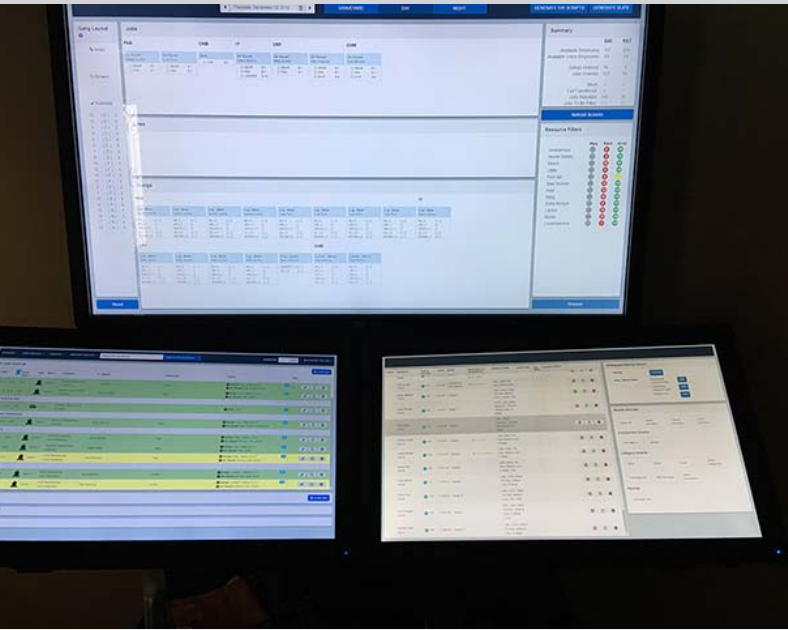
These sessions take attendees through an overview of the dispatch process and applicable provisions of the longshore collective agreement and black book documents. Topics covered include labour allocation and orders, when and how the dispatch process utilizes transfers, shift extensions and doubles to cover shortfalls in supply, order placement, amendment and cancellation, "call backs", "bump-ups" and late orders. The sessions take place at the BCMEA dispatch hall where participants view a live dispatch for an afternoon (16:30) shift.

DISPATCH OUTREACH

The Vancouver Dispatch Department continued its outreach program to customer-members through ongoing dispatch orientation sessions.

EMPLOYEES DISPATCHED PER SHIFT

Shift	01:00 Shift		08:00 Shift		16:30 Shift		Total	
Year	2015	2016	2015	2016	2015	2016	2015	2016
Union	26,249	27,382	36,179	36,629	46,010	45,527	108,438	109,538
Casual	16,209	18,677	53,223	53,332	32,461	32,583	101,893	104,592
Total	42,458	46,059	89,402	89,961	78,471	78,110	210,331	214,130



VANCOUVER ISLAND ELECTRONIC DISPATCH SYSTEM

During 2016, Dispatch continued to provide expertise on the development of a new electronic dispatch platform that will offer Union members and casual employees the ability to book-in and retrieve orders remotely, either by phone or computer. The electronic dispatch platform streamlines a manual legacy process and will provide Chemainus Dispatchers with a faster and scalable capacity for the dispatch of Vancouver Island's labour requirements.

In December of 2016, the electronic platform provided Vancouver Island longshore workers with the ability to receive their next job assignment via computer or mobile phone, to book time off, or to make themselves available through the system for remote work in Gold River, Kultus Cove and Port Alice. Additionally, the new dispatch platform provides employees with their rating, restriction(s) and the capability to book off vacation time.

The electronic dispatch will provide a number of benefits. Historical records of dispatches will be available as an audit trail for Chemainus dispatchers and provide

consistency in dispatching labour, particularly when relief dispatchers are required to fill in. The system will now allow the collection of data to provide insight into the availability of the workforce and the various skill rating inventories to support planning for recruitment and skills training as well as allow the Chemainus Local to meet future increases in labour demand.

INFORMATION SERVICES

The Information Services (IS) department started working closely with the Vancouver Island ILWU Local 508 to modernize dispatch processes and systems. Significant upgrades and updates were required to ensure procedures, processes and tools could meet the current demands of BCMEA employers and the Local for an accurate and transparent dispatch system, and also be scaled to accommodate anticipated future growth.

The Local's involvement in the modernization process was unprecedented: the project received excellent co-operation from local executives and longshore employees, who were involved in all aspects of the system, including design, testing and commissioning activities.

Longshore employees now interact with the dispatch system using the mobile friendly website and interactive voice response (IVR) systems. Dispatch staff use large-format multi-touch screens to accurately match skilled longshore workers with employers' job demands. The new system provides efficiencies and transparencies in the dispatch process that were not possible before.

Island Software Development

New software development methodologies and tools were utilized including state-of-the-art cloud technologies. Software modules were developed and released in an agile fashion; the iterative nature of the new process helped to reduce system deficiencies common to large-scale IT projects, and significantly improved user acceptance.

To meet the challenging timeline of this project, Information Services employed the services of top-tier IT services and consulting firm Sierra Systems Inc. to provide programming resources and technical expertise. Sierra was able to scale development resources as needed to deliver each phase of the project on schedule.

On-Premise and Cloud Data Centres

To meet the challenging demands of the just-in-time labour force and the economical significance of the port-wide dispatch systems to employers and employees, BCMEA demanded a highly reliable system to meet the goals set out in the company's risk assessment.

BCMEA's IS group has been developing and maintaining dispatch systems for several decades; the in-house practices developed over these years along with the experience and expertise of the engineering team were key to ensuring that the new Vancouver Island dispatch system would be highly reliable and perform optimally.

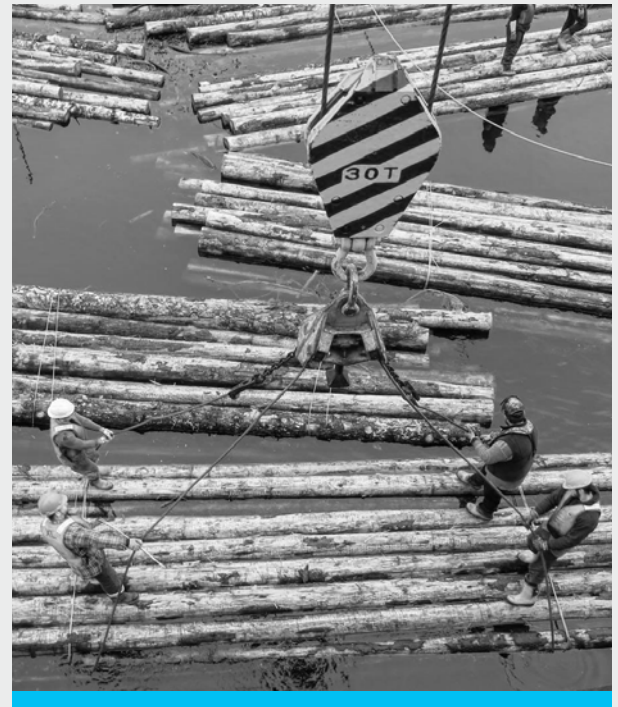
VANCOUVER ISLAND SOFTWARE DEVELOPMENT TIMELINE

Module	Description	Release Date
Gang Hours Calculation System and new Web Portal	Dispatchers can efficiently accumulate and resequence the gang dispatch order daily; employees can view announcements, vessel forecast info and gang rotations on the new Web Portal	2015 Q2
Human Resources and Web Book-Out Systems	Maintenance of employee records such as PI, skill ratings, restriction and book-outs	2016 Q1
Order Entry System	Captures labour requirements electronically from direct employers	2016 Q3
Dispatch and IVR Systems	Matching of available skilled workers with individual positions ordered Slip generation, IVR scripting and hours calculations	2016 Q4

IS designed and implemented a hybrid system combining the best of the on-premise technologies with proven cloud offerings to provide flexibility and reliability in service delivery.

The newly developed on-site data centre in Chemainus has the same high qualities common to many Tier IV data centres: remote manageability, redundant climate control, automated service and environment monitoring, redundant power supply (utilizing a newly commissioned on-site diesel backup power generator), and diverse and redundant network connectivity (fibre optics and cellular). In addition to next-generation firewalls and security devices, access control and surveillance systems were also installed to protect the facility, the system and its data.

The system is 100% virtualized, leveraging VMWare and Microsoft technologies to provide high availability, disaster recovery and remote manageability.



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  <li><abbr title="New Westminster"><a id="a_link_nw" href="javascript:switchForecastDivs('a_link_nw','th_gf_nw','gf_nw')>NW</a></abbr></li>
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  <li><abbr title="Coastwise"><a id="a_link_cst" href="javascript:switchForecastDivs('a_link_cst','th_gf_cst','gf_cst')>CW</a></abbr></li>
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INFORMATION SERVICES

INTERNAL SOFTWARE DEVELOPMENT

Solid progress was made in the modernization of websites and tools utilized by BCMEA and its customer-members. The 2015 risk register had identified substantial technical debt and risk, so the gap on technologies is being closed on key applications and websites critical to operations.

Similar to the Vancouver Island project, new industry-standard software development, project management, and business analysis processes were utilized in-house to ensure the quality and scalability of resulting products, and to mitigate risks of retiring existing systems.

Modern architectural design principles were used to provide reusability of application modules; this approach improves application reliability and maintainability, and is necessary to deal with technical debt and risks identified.

SYSTEMS AND INFRASTRUCTURE

Operational Services

IS supports and maintains mission critical services in four facilities: BCMEA Head Office, Vancouver Dispatch Centre, Waterfront Training Centre, and Vancouver Island Dispatch Centre. Significant growth in systems, services and users was observed in 2016, but through use of efficient practices and effective tools, IS staff were able to meet increased demands without incurring additional staffing costs.

Critical business systems experienced near 100% uptime in 2016 and no significant unplanned system outages were reported. The Customer Care team responded to over 1,200 incident notification tickets in 2016, of which 75% were resolved the same day; the team continues to receive positive feedback from customers.

Business Continuity Improvements

In 2016, over 4,000 employees and customer-member staff interacted with dispatch systems using online applications and interactive voice response (IVR) systems. System availability is crucial for the smooth operation of the dispatch centres and the port – whether it's longshore employees indicating their availability for work, or waterfront employers placing labour orders, it is vital for systems to be available and responsive at all times.

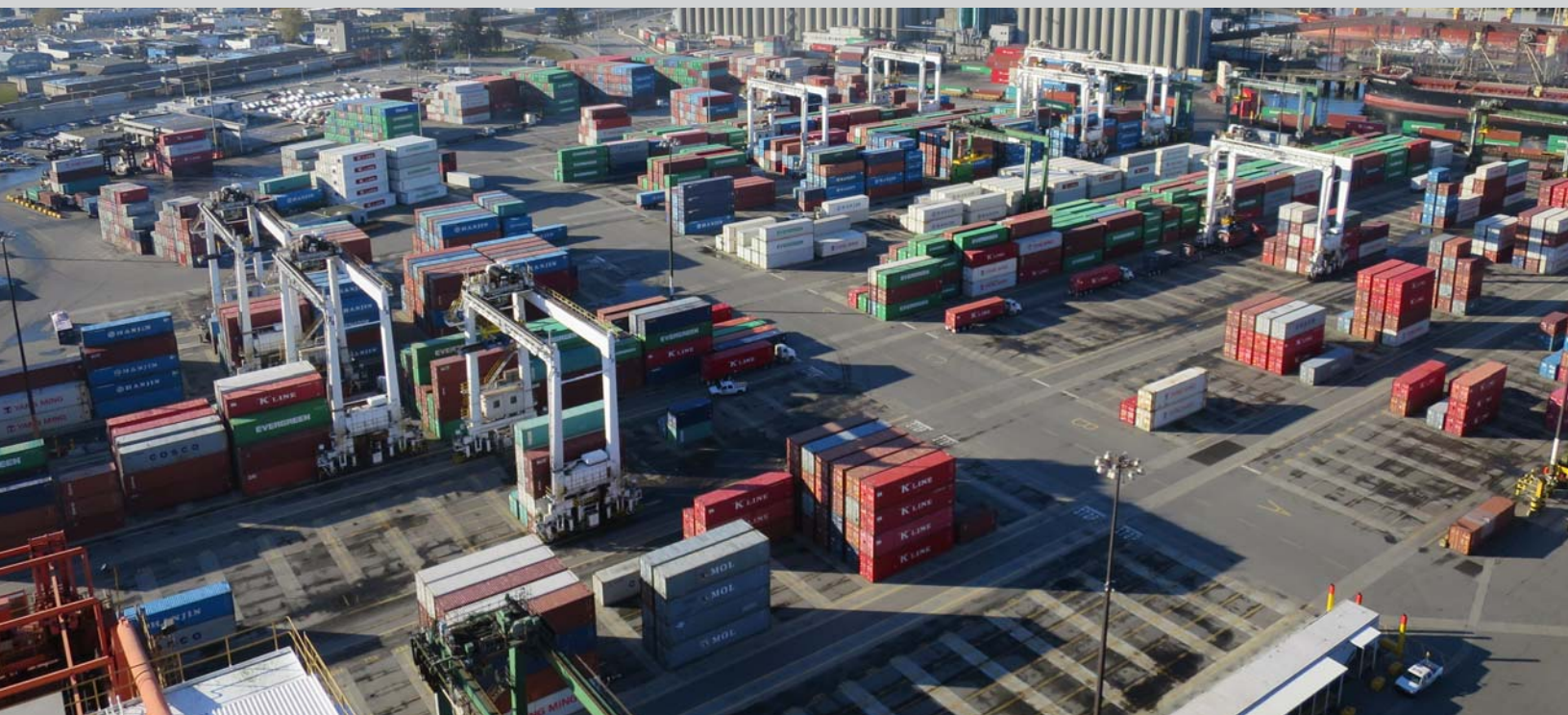
For years, systems were run from the BCMEA Head Office data centre only, due to the environmental and technical limitations of the Vancouver dispatch hall; in 2016, considerable work was done at the hall to address these issues.

As a result of these improvements, BCMEA IS now has the capability for failover services between the BCMEA Head Office and Vancouver dispatch hall data centres in the event of a complete or partial site failure. In a disaster scenario, the dispatch centre is now capable of operating

autonomously and continuing to offer a full range of dispatch services (which had been identified as a risk in the 2015 IT risk assessment).

Messaging System Optimization

To maintain its current high service levels, BCMEA IS utilizes proactive automated service monitoring and notifications. In the 2015 IT risk assessment, an email system failure was identified as having the potential to disrupt prompt responses and negatively impact operations; to mitigate this risk, BCMEA implemented a new system that spans multiple sites to ensure that timely flow of email is unaffected by site and component failures. The new email system also utilizes the latest in spam-filtering and email security features to help protect the organization from external email-borne cyber threats. IS designed the system using industry best practices and Microsoft preferred architecture, and the system was reviewed comprehensively and validated by a vendor-certified industry expert.



FINANCIAL REPORT

GENERAL

The overall financial results for 2016 once again exceeded expectations with respect to payroll and labour, and with respect to cargo volumes in the Asia-Pacific Gateway. After a low point of 4.9 million hours in 2009, there has been steady year-over-year recovery and growth. Most recently, there have been five successive record years: 2011 at 6.3 million hours of work, 2012 at 6.7 million, 2013 at 7.0 million, 2014 at 7.8 million, and 2015 at 8.0 million hours of work. Despite an uncertain economic environment, 2016 closed the year matching the record 8.0 million hours of work set in 2015.

With a budget of 7.8 million hours for 2016, the additional volume resulted in payroll and cargo revenues exceeding budget expectations, which left the BCMEA with a healthy balance sheet for the end of 2016.

Uncertainty continues to be the trend for 2017 and a healthy dose of conservatism was included in the 2017 budget, which is based on 8.1 million hours.

FINANCIAL RESULTS

The balance sheet shows cash, investments and other assets of \$183 million at the end of 2016. Much of these balances represent amounts payable early in 2017 for Gainshare contributions (\$44 million), and for longshore vacation pay (\$35 million). The liabilities of \$136 million also include an accrual of \$43 million for the Modernization and Mechanization (M&M) benefits. With a surplus from operations in the year, the net assets show a cumulative surplus of \$46 million, further improving on the surplus of \$42 million from 2015.

Most of this was invested in plant and equipment, including \$23 million at the Waterfront Training Centre.

The statement of revenues and expenses shows total revenues of \$229 million, up from last year's \$226 million, reflecting higher volumes in payroll revenues. Expenses at \$225 million are up from 2015 levels. The net results from operations for 2016 show a surplus of \$4.1 million, compared to last year's \$7.3 million surplus.

INVESTMENTS

The BCMEA's invested funds have been managed by Leith Wheeler Investment Counsel, and held for safekeeping by RBC Investor Services since August 2006. The BCMEA maintains a conservative portfolio mix, with a current asset allocation of approximately 40% cash and fixed income, and 60% equity. These are well within the ranges as formalized within the Statement of Investment Policy and approved by the Board. The markets finished 2016 on an optimistic note but certainly the year was not without its challenges, with Brexit and the US election results still weighing on the markets. The investment returns in this account were very strong at 14.8% in 2016, which far surpassed the benchmark return of 9.6% in 2016. Total market value of the investments in this account is approximately \$12.1 million.

CONTAINER GAINSHARE (INDUSTRY INQUIRY COMMISSION OBLIGATIONS)

During 1991, the parties of the longshore Collective Agreement agreed that all monies flowing from the Container Gainshare and Waterfront Industry Productivity obligations, as mandated by the Industrial Inquiry Commission, would be paid on an annual basis to the Waterfront Industry Pension Plan. The

Commission requires the BCMEA to pay \$10 for every twenty-foot equivalent unit (TEU), full or empty, handled in excess of the 278,000 TEUs handled in 1987. A similar Supplementary Agreement with ILWU Local 514 sets out a related formula-driven contribution that has, by mutual agreement, been paid annually to the Waterfront Foremen's Pension Plan.

Since the elimination of the Container Clause from the 1987 Collective Agreement, the total number of TEUs handled by customer-members has increased at an average compounded annual growth rate of 9.9%. This has resulted in contributions of \$419 million to the longshore pension plan and an additional \$120 million to the foremen's plan.

To the end of 2016, these Gainshare contributions have been used to purchase fully funded benefit improvements of \$44.28 per month per year of eligible service in basic benefit plus \$10.35 per month per year of qualifying service in bridge benefit, applicable on average to all Union longshore members and retirees. Gainshare contributions to the foremen's plan have been blended with other employer and employee contributions in funding benefits under that plan.

The Gainshare Fund is designed to be self-sustaining, and assessment rates have been amended from time to time as the steadily increasing volume of containers has increased funding obligations. For 2017, there is no change in the current assessment rate of \$12.00 per TEU.

ASSESSMENTS

For the 2017 assessments, the Board once again considered the uncertain environment that the Canadian economy is currently facing. Operating budgets as well as assessment rates were established with that firmly in mind. For 2017, no changes were made to the hourly assessment of \$5.45 per hour, or the payroll assessment,

which also remains at 25.15%. The payroll and hourly assessments are established by the Board of Directors to cover vacation pay, industry pension and benefit contribution requirements, and certain other Collective Agreement costs.

The cargo assessment rates are established to fund the BCMEA's operating, dispatch and capital expenses as well as the costs of the industry's M&M (retiring allowance) benefits for longshore and foremen employees. With cargo volumes expected to continue to increase in 2017, the demand for rated employees has seen spending on longshore training expand from \$6 million in 2012 to \$16 million in 2016. For 2017, direct training costs have been budgeted once again at \$16 million, with terminal demand far exceeding that number. While the final 2016 budget contained no general increase in cargo assessment rates, for 2017 the Board approved a 3% general cargo rate increase to ensure the Association has the necessary resources to continue to meet the demands of our terminal operators.

VANCOUVER ISLAND GANG INTERCHANGE POOL

This pool is designed to equalize the cost of employing longshore labour on Vancouver Island. The pool reimburses Direct Employers a portion of the travel time and fares they pay when longshore workers are required to travel to directly or indirectly service ships working at most Vancouver Island ports. Since the consolidation of the Vancouver Island workforce into a single Local in 2000, the majority of labour has been provided out of Chemainus.

After suffering deficits in 2010 and 2011 due to uneven demand for labour, resulting in expensive transfers of gangs from the Lower Mainland to Vancouver Island, the Vancouver Island Committee implemented a "user-pay" system for these off-island transfers starting in October 2011. This resulted in a turnaround in this account and, as at the end of 2016, this account continues to have a



healthy surplus balance of about \$800,000. There were no changes to the assessment rates or reimbursement formula for 2017 for this account.

LOWER MAINLAND INTERCHANGE POOL

This pool was established by the Board of Directors in 2002 to ensure that costs were transparent and equitable for employees travelling to and within the Lower Mainland. The Lower Mainland Interchange Pool is to be self-sustaining and is to be funded through assessments on all cargo handled in the Lower Mainland, excluding grain. The pool reimburses Direct Employers for a portion of the costs of travelling longshore labour to and within the Lower Mainland when required and when authorized by the Vancouver Dispatch Centre.

There has been no change in the assessment rates for this account since April 2011 when they were reduced by approximately 40%. With the increased cargo volumes over the last several years, this account had an accumulated surplus of \$510,000 at the end of 2014. In 2015, the fund came under significant pressure, as the reimbursements far exceeded the assessments, reducing the cumulative surplus to \$84,000 at the end of 2015. The Board established a subcommittee to review the operation of the fund and the subcommittee concluded that the erosion of the fund was due to difficulties in the fulfilment of the Squamish Complement.

Without sufficient local labour supply, employers were required to bring employees in from Vancouver at a considerable travel-time cost. BCMEA Labour Relations as well as Squamish Terminals worked with the Union to ensure that the requirements of the Squamish Complement are met. In 2016, despite the improvements to the Squamish Complement, the fund continued to operate at a deficit. The Board subcommittee advised the Finance and Audit Committee that there have

been no increases to the Lower Mainland interchange assessment rates for many years, even though the wages continued to increase, per the collective agreement. After further consultation, the Finance and Audit Committee recommended to the Board that the Lower Mainland interchange assessment rates be increased by 50% effective April 1, 2017. This was subsequently approved by the Board, and the Finance and Audit Committee will continue to closely monitor the Lower Mainland Interchange Fund to determine if the changes are having a positive effect.

CONCLUSION

I would like to extend my sincerest gratitude to the members of the Finance and Audit Committee and the Board of Directors who have contributed their time and effort to ensure that the BCMEA continues to meet the demands of our Industry.

2016 has proven to be a most challenging year and there is no reason to expect that 2017 will be any less demanding. The Board of Directors, the Finance and Audit Committee, and the BCMEA staff are focused on maintaining a healthy, fiscally responsible and sustainable organization.



TONY KEUNG

Senior Director, Finance + Information Systems

FINANCE + AUDIT COMMITTEE

The Finance and Audit Committee is charged by the Board of Directors with two distinct areas of responsibility.

The main responsibilities of the Audit Committee are to review and discuss, with management and the External Auditor, all of the financial reporting and accounting standards and principles, to recommend the External Auditor to the Board, to evaluate the independence, effectiveness and cost of the audit services provided by the External Auditor, and to review and monitor the BCMEA's major financial risks and risk management policies.

The primary duties of the Finance Committee are to make recommendations to the Board of Directors in respect of all financial matters including annual operating and capital budgets, strategic financial plans, assessments, significant financial reports of a predictive nature, and the appropriateness and validity of any fundamental assumptions and estimates used in the preparation of such financial plans and assessment recommendations.

This Committee met on seven occasions through 2016 and advised and/or reported to the Board on the following:

- /// Approval of the 2015 audited financial statements for inclusion in the annual report
- /// Review of 2016 interim operating results
- /// Review of assessed values and insurance levels carried by the BCMEA
- /// Review of the Enterprise Risk Assessment process and report
- /// Recommendation on 2017 cargo, payroll and hourly assessment levels
- /// Recommendation on 2017 operating and capital budgets
- /// Review of five-year assessment and cash flow budgets through to 2021
- /// Review and report on Container Gainshare funding formula and surplus/deficit positions
- /// Review and report on Gang Interchange and Lower Mainland Interchange assessments and surplus/deficit positions
- /// Review and report on current issues in the industry pension and benefit plans

The committee also worked with customer-members in providing cargo and payroll volume forecasts that were updated throughout the year. The co-operation received from customer-members was invaluable in providing a continually evolving view of the industry's economic outlook, and provided a solid foundation for ensuring that the spending plans were commensurate with revenue expectations. Also, for the first time, the Finance and Audit Committee met together with the Direct Employers Committee to review the Training budget as part of the 2017 budget approval process. This was instrumental in ensuring that training demands are met at a reasonable cost. All these activities will continue into 2017.

AUDITORS' REPORT

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

TO THE MEMBERS OF BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

Report on the Summary Financial Statements

The accompanying summary financial statements, which comprise the summary statement of financial position as at December 31, 2016 and the summary statement of operations for the year then ended, are derived from the audited financial statements of British Columbia Maritime Employers Association for the year ended December 31, 2016. Our opinion on those audited financial statements contained a qualification on certain financial statement items due to the fact that British Columbia Maritime Employers Association derives its revenues from assessments of its members. We did not review the accounting records of the member employers to ascertain whether all required cargo assessments and Container Gainshare levies have been remitted. Accordingly, our verification of cargo assessments and Container Gainshare levies were limited to the amounts reported by members to British Columbia Maritime Employers Association. Therefore, we were not able to determine, as at and for the year ended December 31, 2016, whether any adjustments might be necessary to cargo assessments and Container Gainshare levies and excess of revenues over expenses reported in the statements of operations and cash flows, and current assets, current liabilities and net assets reported in the statements of financial position.

These summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of British Columbia Maritime Employers Association.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with Canadian accounting standards for not-for-profit organizations.

Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, Engagements to report on summary financial statements.

Opinion

In our opinion, the accompanying summary financial statements which have been derived from the audited financial statements of British Columbia Maritime Employers Association for the year ended December 31, 2016 are a fair summary of those financial statements, in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Professional Accountants

February 28, 2017

Vancouver, Canada

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

(Incorporated under the *Society Act* of the province of British Columbia)


STATEMENT OF FINANCIAL POSITION

December 31, 2016, with comparative information for 2015

	2016	2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$113,931,449	\$109,604,034
Short-term investments	549,398	144,809
Accounts receivable and other assets	15,606,601	15,027,455
	130,087,448	124,776,298
Long-term investments	11,535,470	10,381,814
Property and equipment	34,908,763	34,614,327
Intangible assets	6,067,523	7,562,205
	\$182,599,204	\$177,334,644
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities	\$12,371,854	\$11,550,589
Accrued longshore vacation pay	35,140,283	33,374,717
Accrued Container Gainshare liability	43,564,690	45,819,399
Deferred revenue	1,009,330	995,589
Post-employment benefit liability	33,684	29,784
Modernization and mechanization allowance liability	4,917,000	3,925,000
	97,036,841	95,695,078
Post-employment benefit liability	1,533,896	1,251,925
Modernization and mechanization allowance liability	37,810,000	38,307,000
Asset retirement obligation	100,962	-
Net assets:		
Investment in property and equipment	34,907,156	34,614,327
Capital replacement reserve	500,000	500,000
Unrestricted surplus	10,710,349	6,966,314
	46,117,505	42,080,641
	\$182,599,204	\$177,334,644

Approved on behalf of the Board.

 Director

 Director

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

(Incorporated under the *Society Act* of the province of British Columbia)

STATEMENT OF OPERATIONS

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
Revenues:		
Payroll assessments	\$104,878,747	\$103,839,909
Hourly assessments	41,601,103	39,097,379
Cargo assessments, net of rebates	35,314,616	35,140,547
Investment income	2,487,037	677,563
Container Gainshare levies	43,366,877	45,587,327
Vancouver Island Gang Interchange	893,434	876,332
Lower Mainland Interchange	596,640	826,397
Worksafe BC COR program contributions	169,569	173,239
	229,308,023	226,218,693
Expenses:		
Payroll related labour fringe benefits	99,719,908	95,507,829
Hourly related labour fringe benefits	42,510,557	39,497,813
Cargo related expenses	37,762,244	36,257,514
Container Gainshare contributions	43,564,690	45,819,399
Vancouver Island Gang Interchange expenses	893,434	876,332
Lower Mainland Interchange expenses	596,640	826,397
Worksafe BC COR program expenses	169,569	173,239
	225,217,042	218,958,523
Excess of revenues over expenses	\$4,090,981	\$7,260,170

Readers are cautioned that these summary financial statements do not include all disclosures required for complete and fair presentation. Members may obtain complete financial statements directly from BCMEA.

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CARGO

CARGO VOLUMES BY SECTOR

YEAR	TONNES BULK (000)	TONNES BREAKBULK (000)	TONNES CONTAINERIZED (000)	FULL TEUS HANDLED
2012	41,842	8,414	29,431	2,840,805
2013	45,172	8,269	31,031	2,995,347
2014	50,457	8,636	31,561	3,046,450
2015	52,707	8,127	33,198	3,204,483
2016	53,702	7,734	32,471	3,134,319

LONGSHORE HOURS + PERCENTAGES BY SECTOR

YEAR	BULK & BREAKBULK		CONTAINERS	
	Longshore Hours	Percentage Hours	Longshore Hours	Percentage Hours
2012	2,757,000	41.2%	3,934,000	58.8%
2013	2,843,000	40.6%	4,159,000	59.4%
2014	3,217,000	41.3%	4,581,000	58.8%
2015	3,210,000	40.3%	4,760,000	59.7%
2016	3,014,000	37.7%	4,986,000	62.3%

CONTAINER GAINSHARE FUNDING

YEAR	IMPORT TEUs FULL & EMPTY	EXPORT TEUs FULL & EMPTY	TOTAL TEUs FULL & EMPTY	LONGSHORE INDUSTRIAL INQUIRY COMMISSION OBLIGATION	LONGSHORE GAINSHARE ASSESSMENT RATE PER TEU	FOREMEN GAINSHARE OBLIGATION
2012	1,765,900	1,509,497	3,275,396	\$ 29,973,770	\$ 11.80	\$ 8,816,591
2013	1,808,198	1,550,194	3,358,393	\$ 30,803,740	\$ 11.80	\$ 8,706,839
2014	1,899,422	1,614,775	3,514,196	\$ 32,361,770	\$ 11.80	\$ 9,724,739
2015	2,023,216	1,814,188	3,837,404	\$ 35,593,850	\$ 11.80	\$ 10,225,549
2016	1,992,625	1,680,147	3,672,772	\$ 33,947,530	\$ 12.00	\$ 9,617,160
Total 1990 to date				\$ 418,727,951		\$ 120,404,724

CARGO

TONNAGE & HOURS BY COMMODITY AND PORT AREA (000'S)¹

	2012	2013	2014	2015	2016
VANCOUVER					
Bulk	21,626	24,052	24,958	25,222	26,151
Grain	15,281	15,608	18,146	19,635	19,455
Logs	6	0	0	0	50
Lumber	358	241	298	157	86
General	2,534	2,270	2,572	2,747	2,310
Containers	10,115	11,062	10,703	10,899	11,710
Total	49,919	52,234	56,677	58,660	59,762
Hours Worked in -	3,266	3,389	3,663	3,690	3,623
NEW WESTMINSTER					
Bulk	0	0	0	26	47
Grain	155	374	526	806	1,062
Logs	936	958	786	660	497
Lumber	0	0	0	0	6
General	919	856	1,109	997	882
Containers	14,735	15,282	15,495	16,213	14,510
Total	16,746	17,470	17,916	18,702	17,004
Hours Worked in -	2,538	2,711	3,127	3,220	3,247
CHEMAINUS					
Bulk	0	0	0	0	0
Logs	1,906	2,154	2,161	1,941	2,435
Lumber	429	395	404	309	261
General	770	818	721	752	727
Containers	0	0	0	0	0
Total	3,105	3,367	3,286	3,002	3,423
Hours Worked in -	408	436	431	390	452
PRINCE RUPERT					
Bulk	0	1	502	735	896
Grain	4,780	5,137	6,325	6,283	6,091
Logs	296	328	306	395	305
Lumber	0	0	0	0	0
General	2	0	1	0	6
Containers	4,581	4,687	5,363	6,086	6,251
Total	9,659	10,153	12,497	13,499	13,549
Hours Worked in -	468	454	552	646	648
OTHERS					
Logs	258	249	270	169	147
Lumber	0	0	5	0	0
General	0	0	3	0	22
Total	258	249	278	169	169
Hours Worked in -	12	12	24	24	31
TOTAL					
Bulk ²	21,626	24,053	25,459	25,983	27,094
Grain	20,216	21,119	24,997	26,724	26,608
Logs	3,402	3,689	3,523	3,165	3,434
Lumber	787	636	707	466	353
General ³	4,225	3,944	4,406	4,496	3,947
Containers	29,431	31,031	31,561	33,198	32,471
Total	79,687	84,472	90,652	94,032	93,907
Hours Worked in -	6,691	7,002	7,798	7,970	8,000

1 Metric Tonnes handled by ILWU/BCMEA labour

2 Including Bulk Liquids

3 Including Vehicles

WORKFORCE

SUMMARY OF HOURS AND EARNINGS

	2012	2013	2014	2015	2016	2016 % VARIANCE FROM 2015
NUMBER OF EMPLOYEES WORKING						
Union	2,070	2,220	2,389	2,340	2,828	20.85%
Welfare Casual	732	783	875	1,081	672	-37.84%
Casual	2,377	2,304	2,499	2,494	2,458	-1.44%
Subtotal Longshore	5,179	5,307	5,763	5,915	5,958	0.73%
Foremen	501	495	540	549	552	0.55%
Total	5,680	5,802	6,303	6,464	6,510	0.71%
HOURS WORKED						
Union	3,706,013	3,785,612	3,964,468	4,202,312	5,014,844	19.34%
Welfare Casual	1,251,684	1,367,529	1,619,237	1,988,747	1,173,485	-40.99%
Casual	1,733,164	1,849,043	2,214,044	1,777,483	1,811,978	1.94%
Subtotal Longshore	6,690,861	7,002,184	7,797,748	7,968,542	8,000,307	0.40%
Foremen	1,088,896	1,115,978	1,231,285	1,278,989	1,300,237	1.66%
Total	7,779,757	8,118,162	9,029,034	9,247,531	9,300,543	0.57%
AVERAGE HOURS WORKED						
Union	1,790	1,705	1,659	1,796	1,773	-1.26%
Welfare Casual	1,710	1,747	1,851	1,840	1,746	-5.08%
Casual	729	803	886	713	737	3.43%
Average Longshore	1,292	1,319	1,353	1,347	1,343	-0.33%
Foremen	2,173	2,255	2,280	2,330	2,356	1.11%
AVERAGE EARNINGS PER WORKER ¹						
Union	\$ 97,009	\$ 94,549	\$ 95,496	107,216	108,094	0.82%
Welfare Casual	\$ 86,300	\$ 89,803	\$ 99,354	102,306	98,523	-3.70%
Casual	\$ 34,191	\$ 38,517	\$ 44,178	36,574	38,781	6.03%
Average Longshore	\$ 66,664	\$ 69,523	\$ 73,829	76,533	78,419	2.46%
Foremen	\$ 177,839 ²	\$ 177,760	\$ 189,400	197,868	208,796	5.52%
AVERAGE EARNINGS PER HOUR WORKED						
Union	\$ 54.18	\$ 55.45	\$ 57.55	59.70	60.96	2.10%
Welfare Casual	\$ 50.47	\$ 51.42	\$ 53.69	55.61	56.42	1.46%
Casual	\$ 46.89	\$ 47.99	\$ 49.86	51.32	52.61	2.51%
Average Longshore	\$ 51.60	\$ 52.69	\$ 54.56	56.81	58.40	2.80%
Foremen	\$ 81.82	\$ 78.85	\$ 83.06	84.93	88.64	4.37%
BASIC RATES OF PAY						
Longshore	\$ 36.26	\$ 37.16	\$ 38.21	39.51	40.56	2.66%
Foremen	\$ 48.35	\$ 49.55	\$ 50.95	52.41	54.08	3.19%

¹ Includes vacation and holiday pay earned during the appropriate period.

² 2012 foremen earnings include lump sum payments and retroactive pay on ratification of 8 year Collective Agreement.

WORKFORCE

DISTRIBUTION OF LONGSHORE & FOREMEN EARNINGS

Year	Group	1 - 10 HOURS PER WEEK		11 - 20 HOURS PER WEEK		21 - 30 HOURS PER WEEK		31 - 40 HOURS PER WEEK		40 + HOURS PER WEEK	
		Number Paid	Average Annual Earnings	Number Paid	Average Annual Earnings	Number Paid	Average Annual Earnings	Number Paid	Average Annual Earnings	Number Paid	Average Annual Earnings
2011	Union ¹	130	\$ 15,421	187	\$ 47,650	329	\$ 74,831	577	\$ 101,531	768	\$ 131,751
	Casual ¹	676	\$ 9,941	469	\$ 37,503	551	\$ 63,876	497	\$ 90,986	289	\$ 116,234
	Foremen	9	\$ 24,937	21	\$ 56,429	22	\$ 94,110	90	\$ 142,417	336	\$ 179,053
2012	Union	134	\$ 12,953	198	\$ 44,040	340	\$ 73,446	582	\$ 99,568	824	\$ 130,678
	Casual	1253	\$ 6,820	442	\$ 37,054	531	\$ 63,229	576	\$ 88,111	299	\$ 115,452
	Foremen ²	45	\$ 15,801	25	\$ 67,206	21	\$ 98,681	105	\$ 156,318	339	\$ 200,465
2013	Union	265	\$ 7,984	179	\$ 45,019	354	\$ 74,988	601	\$ 103,389	840	\$ 133,444
	Casual	1060	\$ 8,204	521	\$ 36,930	529	\$ 64,488	607	\$ 89,964	351	\$ 116,776
	Foremen	18	\$ 31,637	11	\$ 69,204	19	\$ 100,734	80	\$ 150,498	373	\$ 193,816
2014	Union	359	\$ 7,010	196	\$ 48,231	369	\$ 79,480	618	\$ 107,605	861	\$ 140,817
	Casual	1,083	\$ 9,425	519	\$ 38,382	608	\$ 67,357	688	\$ 96,585	462	\$ 126,837
	Foremen	18	\$ 26,363	16	\$ 68,460	22	\$ 105,815	93	\$ 156,535	386	\$ 215,205
2015	Union	166	\$ 14,835	195	\$ 49,121	376	\$ 80,198	682	\$ 109,440	932	\$ 144,398
	Casual	1,312	\$ 7,959	461	\$ 40,152	632	\$ 69,000	681	\$ 96,901	478	\$ 130,126
	Foremen	16	\$ 28,135	8	\$ 65,874	21	\$ 116,785	76	\$ 155,185	427	\$ 216,176
2016	Union	193	\$ 14,895	231	\$ 49,615	384	\$ 81,388	671	\$ 113,385	946	\$ 148,014
	Casual	1,248	\$ 8,270	517	\$ 41,907	631	\$ 72,268	676	\$ 98,811	461	\$ 131,416
	Foremen	14	\$ 21,391	9	\$ 79,943	23	\$ 122,107	72	\$ 165,756	434	\$ 228,599

1 2011 longshore earnings include lump sum payment on ratification of 8 year Collective Agreement.

2 2012 foremen earnings include lump sum payments and retroactive pay on ratification of 8 year Collective Agreement

WORKFORCE

LONGSHORE EMPLOYEES BY LOCAL ¹

	2012	2013	2014	2015	2016
UNION					
500 Vancouver	1,234	1,169	1,198	1,241	1,254
502 New Westminster	813	844	862	971	1,001
505 Prince Rupert	90	90	102	117	131
508 Chemainus	131	118	125	124	125
515 Port Simpson	0	0	0	0	0
519 Stewart	3	8	9	11	27
Total Union	2,271	2,229	2,296	2,464	2,538
WELFARE PAYING CASUALS					
500 Vancouver	335	363	382	402	386
502 New Westminster	337	345	427	552	568
505 Prince Rupert	43	45	49	94	99
508 Chemainus	10	24	24	21	20
Total Welfare Paying Casuals	725	777	882	1,069	1,073
CASUALS					
500 Vancouver	924	1,006	1,053	1,159	1,183
502 New Westminster	951	910	1,044	1,011	1,064
505 Prince Rupert	296	318	242	272	243
508 Chemainus	146	159	145	137	175
515 Port Simpson	0	0	0	0	0
519 Stewart	60	76	62	60	35
Others	0	0	0	0	0
Total Casuals	2,377	2,469	2,546	2,639	2,700
TOTAL LONGSHORE	5,373	5,475	5,724	6,172	6,311
FOREMEN EMPLOYEES ¹					
Local 514	501	495	540	549	552
GRAND TOTAL	5,874	5,970	6,264	6,721	6,863

¹ As at December 31

WORKFORCE

HOURS AND EARNINGS BY LOCAL (000'S)

	2012	2013	2014	2015	2016
LONGSHORE (ALL PORTS)					
Wages	\$ 310,501	\$ 333,196	\$ 386,349	\$ 407,580	\$ 421,671
Vacations & Holidays ¹	\$ 35,830	\$ 38,400	\$ 44,042	\$ 47,165	\$ 49,455
Longshore Earnings	\$ 346,331	\$ 371,596	\$ 430,391	\$ 454,745	\$ 471,126
Pensions, Welfare, C.P.P. & E.I. ²	\$ 96,339	\$ 101,818	\$ 115,978	\$ 123,321	\$ 126,619
TOTAL LABOUR COST	\$ 442,671	\$ 473,413	\$ 546,369	\$ 578,066	\$ 597,745
Hours Worked	6,691	7,002	7,798	7,970	8,000
VANCOUVER					
Wages	\$ 150,514	\$ 161,093	\$ 180,162	\$ 187,128	\$ 189,973
Vacations & Holidays	\$ 19,009	\$ 20,143	\$ 22,332	\$ 23,320	\$ 23,809
Longshore Earnings	\$ 169,524	\$ 181,236	\$ 202,494	\$ 210,449	\$ 213,782
Pensions, Welfare, C.P.P. & E.I.	\$ 46,700	\$ 49,227	\$ 54,083	\$ 56,619	\$ 57,045
TOTAL LABOUR COST	\$ 216,224	\$ 230,463	\$ 256,577	\$ 267,068	\$ 270,827
Hours Worked	3,266	3,389	3,663	3,690	3,623
NEW WESTMINSTER					
Wages	\$ 121,919	\$ 133,401	\$ 160,761	\$ 170,684	\$ 177,541
Vacations & Holidays	\$ 13,128	\$ 14,272	\$ 17,027	\$ 18,629	\$ 19,858
Longshore Earnings	\$ 135,047	\$ 147,673	\$ 177,788	\$ 189,313	\$ 197,399
Pensions, Welfare, C.P.P. & E.I.	\$ 37,828	\$ 40,764	\$ 48,259	\$ 51,644	\$ 53,312
TOTAL LABOUR COST	\$ 172,875	\$ 188,437	\$ 226,047	\$ 240,957	\$ 250,710
Hours Worked	2,538	2,711	3,127	3,220	3,247
PRINCE RUPERT					
Wages	\$ 22,471	\$ 21,858	\$ 27,882	\$ 33,358	\$ 34,346
Vacations & Holidays	\$ 2,051	\$ 2,242	\$ 2,832	\$ 3,343	\$ 3,513
Longshore Earnings	\$ 24,522	\$ 24,100	\$ 30,714	\$ 36,701	\$ 37,859
Pensions, Welfare, C.P.P. & E.I.	\$ 6,972	\$ 6,679	\$ 8,370	\$ 10,093	\$ 10,313
TOTAL LABOUR COST	\$ 31,494	\$ 30,779	\$ 39,084	\$ 46,794	\$ 48,173
Hours Worked	467	454	552	646	648
VANCOUVER ISLAND					
Wages	\$ 15,118	\$ 16,342	\$ 16,501	\$ 15,352	\$ 18,372
Vacations & Holidays	\$ 1,604	\$ 1,704	\$ 1,770	\$ 1,791	\$ 2,160
Longshore Earnings	\$ 16,721	\$ 18,046	\$ 18,271	\$ 17,142	\$ 20,532
Pensions, Welfare, C.P.P. & E.I.	\$ 4,691	\$ 4,994	\$ 4,953	\$ 4,645	\$ 5,517
TOTAL LABOUR COST	\$ 21,412	\$ 23,040	\$ 23,224	\$ 21,787	\$ 26,049
Hours Worked	408	436	431	390	452
OTHERS ³					
Wages	\$ 478	\$ 501	\$ 1,043	\$ 1,057	\$ 1,439
Vacations & Holidays	\$ 38	\$ 40	\$ 82	\$ 82	\$ 115
Longshore Earnings	\$ 517	\$ 541	\$ 1,124	\$ 1,140	\$ 1,554
Pensions, Welfare, C.P.P. & E.I.	\$ 148	\$ 153	\$ 313	\$ 320	\$ 432
TOTAL LABOUR COST	\$ 665	\$ 694	\$ 1,437	\$ 1,460	\$ 1,986
Hours Worked	12	12	24	24	31
FOREMEN (ALL PORTS)					
Wages	\$ 79,256 ⁴	\$ 77,507	\$ 91,073	\$ 96,038	\$ 101,766
Vacations & Holidays	\$ 10,305	\$ 10,834	\$ 12,376	\$ 12,434	\$ 13,364
Foremen Earnings	\$ 89,561	\$ 88,341	\$ 103,450	\$ 108,471	\$ 115,130
Pensions, Welfare, C.P.P. & E.I.	\$ 23,509	\$ 23,766	\$ 28,845	\$ 28,536	\$ 28,982
TOTAL LABOUR COST	\$ 113,070	\$ 112,107	\$ 130,294	\$ 137,008	\$ 144,112
Hours Worked	1,089	1,116	1,231	1,279	1,300

¹ Earned during the appropriate period by members of that Local.

² Workers' Compensation and other insurance costs are not included. Pension costs include the Container Gainshare and other Pension contributions.

³ Consists of work at Bella Coola, Massett, Nisga'a, Port Simpson and Stewart.

⁴ 2012 foremen earnings include lump sum payments and retroactive pay on ratification of 8 year Collective Agreement

WORKFORCE

LONGSHORE HOURS WORKED IN EACH PORT AREA

PORT AREA	HOURS WORKED BY VANCOUVER EMPLOYEES	HOURS WORKED BY NEW WESTMINSTER EMPLOYEES	HOURS WORKED BY VANCOUVER ISLAND EMPLOYEES	HOURS WORKED BY PRINCE RUPERT EMPLOYEES	HOURS WORKED BY OUTPORT ¹ EMPLOYEES	HOURS WORKED BY ALL EMPLOYEES
VANCOUVER						
2012	3,137,722	23,795	6,323	870	255	3,168,964
2013	3,310,682	26,408	8,929	225	355	3,346,599
2014	3,560,865	20,534	10,121	649	458	3,592,626
2015	3,612,393	7,931	12,065	561	1,600	3,634,548
2016	3,552,786	9,374	12,705	289	585	3,575,738
NEW WESTMINSTER						
2012	126,502	2,514,030	1,079	3,037	1,615	2,646,262
2013	78,080	2,683,637	1,731	2,855	2,155	2,768,458
2014	101,429	3,106,481	2,630	3,538	2,763	3,216,841
2015	77,399	3,211,872	507	3,693	3,427	3,296,897
2016	69,708	3,237,661	445	2,627	4,266	3,314,705
PRINCE RUPERT						
2012	-	9	24	463,135	392	463,560
2013	-	46	-	451,313	222	451,581
2014	2	-	26	547,985	2,190	550,202
2015	82	18	-	641,591	3,114	644,805
2016	32	-	-	644,673	2,285	646,990
VANCOUVER ISLAND						
2012	1,896	112	400,327	-	-	402,335
2013	14	669	425,046	-	-	425,728
2014	99	0	418,668	104	82	418,952
2015	120	-	377,400	-	-	377,519
2016	24	273	438,722	29	261	439,308
OTHERS						
2012	10	61	18	422	9,421	9,931
2013	9	8	6	34	9,763	9,819
2014	237	224	2	54	18,629	19,144
2015	174	-	-	217	15,583	15,974
2016	180	112	-	84	23,189	23,565
TOTAL						
2012	3,266,129	2,538,007	407,770	467,464	11,683	6,691,053
2013	3,388,785	2,710,767	435,711	454,427	12,495	7,002,184
2014	3,662,632	3,127,239	431,445	552,329	24,120	7,797,764
2015	3,690,168	3,219,821	389,971	646,061	23,723	7,969,743
2016	3,622,730	3,247,420	451,871	647,701	30,585	8,000,307

¹ Hours worked in Stewart, Bella Coola, Massett, Nisga'a and Port Simpson.

WORKFORCE

LONGSHORE WAGES & COMPARISON OF WAGES PAID TO WAGES & FRINGE BENEFITS PAID

YEAR	HOURS WORKED 000'S	BASIC WAGE RATE	WAGES PAID 000'S	WAGES & FRINGES PAID 000'S	FRINGES AS A % OF WAGES PAID
2007	6,068	\$ 32.11	\$ 244,405	\$ 347,176	42.05%
2008	6,032	\$ 33.31 ¹	\$ 266,067 ²	\$ 373,803	40.49%
2009	4,914	\$ 34.51 ¹	\$ 215,089	\$ 314,065	46.02%
2010	5,852	\$ 34.51	\$ 261,778	\$ 373,761	42.78%
2011	6,367	\$ 35.36 ¹	\$ 303,770 ³	\$ 424,102	39.61%
2012	6,691	\$ 36.26	\$ 310,501	\$ 443,072	42.70%
2013	7,002	\$ 37.16	\$ 333,196	\$ 472,425	41.79%
2014	7,797	\$ 38.21	\$ 386,349	\$ 546,093	41.35%
2015	7,969	\$ 39.31	\$ 407,580	\$ 577,365	41.66%
2016	8,000	\$ 40.56	\$ 421,671	\$ 598,083	41.84%

¹ Effective April 1

² 2008 earnings include retroactive wages for the period April 1 to December 31, 2007.

³ 2011 earnings include lumpsum payments of \$19.7m.

EMPLOYER ASSESSMENTS PAID TOWARDS LONGSHORE FRINGE BENEFITS

YEAR	VACATIONS 000'S	STATUTORY HOLIDAYS 000'S	INDUSTRY PENSION 000'S ¹	CANADA PENSION 000'S	HEALTH & BENEFITS 000'S	M&M ALLOWANCE 000'S	OTHERS 000'S ¹	WSBC 000'S	TOTAL 000'S
2007	\$ 21,287	\$ 7,153	\$ 50,389	\$ 6,955	\$ 13,594	\$ 2,540	\$ 477	\$ 376	\$ 102,771
2008	\$ 21,681	\$ 7,369	\$ 52,382	\$ 7,285	\$ 15,013	\$ 3,113	\$ 547	\$ 347	\$ 107,736
2009	\$ 19,739	\$ 6,604	\$ 45,199	\$ 6,387	\$ 14,749	\$ 5,543	\$ 539	\$ 216	\$ 98,976
2010	\$ 22,778	\$ 7,546	\$ 54,135	\$ 7,328	\$ 16,021	\$ 3,474	\$ 501	\$ 200	\$ 111,984
2011	\$ 24,974	\$ 8,290	\$ 57,502	\$ 8,154	\$ 17,216	\$ 3,173	\$ 602	\$ 421	\$ 120,332
2012	\$ 26,616	\$ 9,287	\$ 64,975	\$ 8,817	\$ 18,410	\$ 3,399	\$ 690	\$ 378	\$ 132,571
2013	\$ 28,728	\$ 9,604	\$ 67,834	\$ 9,445	\$ 19,920	\$ 2,514	\$ 701	\$ 483	\$ 139,229
2014	\$ 32,750	\$ 11,276	\$ 75,837	\$ 12,972	\$ 22,111	\$ 3,431	\$ 782	\$ 584	\$ 159,744
2015	\$ 34,491	\$ 12,674	\$ 81,633	\$ 11,019	\$ 25,152	\$ 3,088	\$ 940	\$ 788	\$ 169,785
2016	\$ 36,176	\$ 13,279	\$ 82,258	\$ 11,777	\$ 26,905	\$ 4,158	\$ 1,076	\$ 782	\$ 176,412

¹ Includes cost of Employee Assistance, Jury Duty and Bereavement Leave.

WORKFORCE

FOREMEN WAGES & COMPARISON OF WAGES PAID TO WAGES & FRINGE BENEFITS PAID

YEAR	HOURS WORKED 000'S	BASIC WAGE RATE	WAGES PAID 000'S	WAGES & FRINGES PAID 000'S	FRINGES AS A % OF WAGES PAID
2007	1,010	\$ 42.81 ¹	\$ 59,157	\$ 85,401	44.36%
2008	984	\$ 44.41 ¹	\$ 57,766	\$ 83,719	44.93%
2009	835	\$ 46.01 ¹	\$ 57,818 ²	\$ 84,134	46.09%
2010	960	\$ 46.01	\$ 61,962	\$ 90,523	45.62%
2011	1,055	\$ 47.15	\$ 68,160	\$ 98,903	45.10%
2012	1,089	\$ 48.35	\$ 79,203 ³	\$ 113,842	43.73%
2013	1,116	\$ 49.55	\$ 77,455	\$ 112,502	45.25%
2014	1,231	\$ 50.95	\$ 91,073	\$ 131,236	44.10%
2015	1,279	\$ 52.41	\$ 96,038	\$ 138,110	43.81%
2016	1,300	\$ 54.08	\$ 101,766	\$ 145,556	43.03%

1 Effective April 1

2 Foremen earnings include retroactive wages for the period April 1, 2007 to December 31, 2008.

3 Foremen earnings in 2012 include lump sum payment and retroactive wages for the period April 1, 2010 to December 31, 2011.

EMPLOYER FUNDING PAID TOWARDS FOREMEN FRINGE BENEFITS

YEAR	VACATIONS 000'S	STATUTORY HOLIDAYS 000'S	INDUSTRY PENSION 000'S ¹	CANADA PENSION 000'S	HEALTH & BENEFITS 000'S	M&M ALLOWANCE 000'S	TOTAL 000'S
2007	\$ 6,743	\$ 1,744	\$ 13,628	\$ 932	\$ 2,501	\$ 697	\$ 26,244
2008	\$ 6,546	\$ 1,675	\$ 13,491	\$ 919	\$ 2,450	\$ 872	\$ 25,953
2009	\$ 6,019	\$ 1,777	\$ 13,977	\$ 866	\$ 2,069	\$ 1,751	\$ 26,316
2010	\$ 7,012	\$ 1,806	\$ 15,290	\$ 894	\$ 2,374	\$ 1,186	\$ 28,561
2011	\$ 7,770	\$ 2,012	\$ 16,748	\$ 988	\$ 2,597	\$ 628	\$ 30,743
2012	\$ 8,298	\$ 2,132	\$ 18,630	\$ 1,094	\$ 3,310	\$ 1,175	\$ 34,639
2013	\$ 8,879	\$ 2,158	\$ 18,621	\$ 1,151	\$ 3,502	\$ 735	\$ 35,047
2014	\$ 9,955	\$ 2,421	\$ 20,881	\$ 1,195	\$ 4,187	\$ 1,523	\$ 40,163
2015	\$ 10,895	\$ 2,532	\$ 22,043	\$ 1,307	\$ 4,579	\$ 717	\$ 42,072
2016	11,555	\$ 2,627	\$ 21,958	\$ 1,354	\$ 5,042	\$ 1,254	43,790

PENSIONS & BENEFITS

Longshore Pension Plan

Longshore pension benefits are provided to retirees, their widows and beneficiaries under the Waterfront Industry Pension Plan. The benefit is based on a fixed amount per year of eligible service. The trustees have been able to provide a consistent record of benefit increases after review of the contributions, investment returns and actuarial advice.

WATERFRONT INDUSTRY PENSION PLAN

YEAR	NUMBER OF BENEFIT RECIPIENTS				MONTHLY PENSION BENEFIT			MONTHLY BRIDGE BENEFIT ¹		
	Pensioners	Spouses	Others	Total	Maximum Years of Service	Maximum Rate per Month	Maximum Monthly Benefit	Maximum Years of Service	Maximum Rate per Month	Maximum Monthly Benefit
2007	1,340	383	15	1,738	35 years	\$ 70.00	\$ 2,450.00	25 years	\$ 29.00	\$ 725.00
2008	1,358	397	16	1,771	35 years	\$ 75.00	\$ 2,625.00	25 years	\$ 29.00	\$ 725.00
2009	1,388	405	13	1,806	35 years	\$ 75.00	\$ 2,625.00	25 years	\$ 29.00	\$ 725.00
2010	1,395	415	14	1,824	35 years	\$ 80.00	\$ 2,800.00	25 years	\$ 36.35	\$ 908.75
2011	1,375	430	16	1,821	35 years	\$ 82.70	\$ 2,894.50	25 years	\$ 36.35	\$ 908.75
2012	1,374	442	16	1,832	35 years	\$ 82.70	\$ 2,894.50	25 years	\$ 36.35	\$ 908.75
2013	1,376	450	16	1,842	35 years	\$ 85.00	\$ 2,975.00	25 years	\$ 36.35	\$ 908.75
2014	1,348	446	14	1808	35 years	\$ 95.00	\$ 3,325.00	25 years	\$ 36.35	\$ 908.75
2015	1,344	443	16	1803	35 years	\$ 110.00	\$ 3,850.00	25 years	\$ 36.35	\$ 908.75
2016	1,356	473	15	1844	35 years	\$ 113.17	\$ 3,960.95	25 years	\$ 36.35	\$ 908.75

¹ Payable from age 62 to 65 in the amount shown above or at a lesser rate if retired at age 55 or over but under age 62.

² Members who have reached 35 years or more and retire between the ages of 60 to 65 receive an enhanced bridge of \$1,272.25 (35 years * \$36.35)

³ Pensioners continuing to work in the industry: 21 in 2012, 27 in 2013, 25 in 2014, 24 in 2015, 20 in 2016.

CHANGES IN PENSION FUND ASSETS

YEAR	ASSETS AVAILABLE AT BEGINNING OF YEAR	PENSIONS PAID	ADMIN. EXPENSE	EMPLOYER CONTRIBUTION	INVESTMENT INCOME	MARKET VALUE GAIN (LOSS)	ASSETS AVAILABLE AT END OF YEAR
2007	\$ 685,785,683	\$ 33,756,846	\$ 1,909,473	\$ 49,884,811	\$ 24,965,244	\$ (20,554,710)	\$ 704,414,710
2008	\$ 704,414,710	\$ 36,133,297	\$ 1,840,133	\$ 52,873,564	\$ 33,031,583	\$ (140,877,868)	\$ 611,520,021
2009	\$ 611,532,021	\$ 38,701,835	\$ 2,474,367	\$ 45,199,243	\$ 22,579,953	\$ 76,491,116	\$ 796,030,190
2010	\$ 714,626,132	\$ 40,390,427	\$ 3,320,363	\$ 54,134,808	\$ 22,215,298	\$ 48,602,656	\$ 795,868,104
2011	\$ 795,868,104	\$ 43,734,494	\$ 3,618,656	\$ 58,690,954	\$ 24,248,746	\$ (11,361,869)	\$ 820,092,785
2012	\$ 820,092,785	\$ 43,755,750	\$ 3,227,891	\$ 64,975,074	\$ 29,749,478	\$ 47,830,089	\$ 915,663,785
2013	\$ 915,663,785	\$ 49,368,247	\$ 3,147,228	\$ 67,834,491	\$ 30,325,320	\$ 109,647,241	\$ 1,070,955,362
2014	\$ 1,070,955,362	\$ 50,886,499	\$ 3,927,668	\$ 75,837,318	\$ 30,113,125	\$ 93,916,617	\$ 1,219,437,186
2015	\$ 1,219,437,186	\$ 58,194,381	\$ 4,232,209	\$ 81,632,512	\$ 44,687,447	\$ 3,619,840	\$ 1,292,082,479
2016	\$ 1,292,082,479	\$ 63,182,491	\$ 4,616,858	\$ 86,913,107	\$ 55,125,842	\$ 55,419,241	\$ 1,427,828,303

The Waterfront Employers of British Columbia (WEBC) provides pension and benefit administrative services to members working in the industry on behalf of four joint Trusts.

PENSIONS & BENEFITS

Foremen Pension Plan

Similar benefits are provided to foremen retirees, widows and beneficiaries under the Waterfront Foremen's Pension Plan. A significant revision to the foremen's plan in 2001 resulted in two distinct benefits for service up to 2001 and service after that date.

Foremen's service after 2001 has been credited at \$240.83 per month for each year of service. This amount has been adjusted by the trustees annually to keep pace with increases in the CRA maximum allowable pension.

Foremen's service prior to 2002 has been credited at \$117.29 per month for each year of service.

WATERFRONT FOREMEN PENSION PLAN

Year	NUMBER OF BENEFIT RECIPIENTS				MONTHLY PENSION BENEFIT				MONTHLY BRIDGE BENEFIT ¹		
	Pensioners	Spouses	Others	Total	Maximum Years of Service	Maximum Rate per Month	Maximum Monthly Benefit	Maximum Earning Subject to 2%	Maximum Years of Service	Maximum Rate per Month	Maximum Monthly Benefit
2007	329	55	3	387	n/a	\$ 185.19	no max.	\$ 111,111.00	25 years	\$ 28	\$ 700
2008	336	60	5	401	n/a	\$ 194.44	no max.	\$ 116,667.00	25 years	\$ 28	\$ 700
2009	341	66	3	410	n/a	\$ 203.70	no max.	\$ 122,222.00	25 years	\$ 28	\$ 700
2010	344	72	3	419	n/a	\$ 207.87	no max.	\$ 124,722.00	25 years	\$ 28	\$ 700
2011	356	77	1	434	n/a	\$ 212.69	no max.	\$ 127,611.00	25 years	\$ 28	\$ 700
2012	356	81	0	437	n/a	\$ 220.56	no max.	\$ 132,333.00	25 years	\$ 28	\$ 700
2013	357	83	0	440	n/a	\$ 224.72	no max.	\$ 134,833.50	25 years	\$ 36.35	\$ 908.75
2014	354	89	1	444	n/a	\$ 230.83	no max.	\$ 138,500.00	25 years	\$ 36.35	\$ 908.75
2015	358	92	1	451	n/a	\$ 234.91	no max.	\$ 140,944.50	25 years	\$ 36.35	\$ 908.75
2016	362	96	3	461	n/a	\$ 240.83	No max.	\$ 144,500.00	25 years	\$ 36.35	\$ 908.75

¹ Payable from age 62 to 65 in the amount shown above or at a lesser rate if retired at age 55 or over but under age 62.

² Pensioners continuing to work in the industry: two in 2012, four in 2013, four in 2014, seven in 2015, seven in 2016.

CHANGES IN PENSION FUND ASSETS

	ASSETS AVAILABLE AT BEGINNING OF YEAR	PENSIONS PAID	ADMIN. EXPENSE	EMPLOYER CONTRIBUTION	EMPLOYEE CONTRIBUTION	INVESTMENT INCOME	MARKET VALUE GAIN (LOSS)	ASSETS AVAILABLE AT END OF YEAR
2007	\$ 210,628,113	\$ 11,403,560	\$ 668,562	\$ 13,627,787	\$ 4,737,816	\$ 7,698,388	\$ (6,322,441)	\$ 218,919,252
2008	\$ 218,919,252	\$ 11,307,622	\$ 673,295	\$ 13,491,902	\$ 3,862,568	\$ 10,321,272	\$ (43,330,580)	\$ 191,283,496
2009	\$ 191,283,496	\$ 12,220,388	\$ 878,347	\$ 13,977,247	\$ 3,777,519	\$ 7,453,664	\$ 26,668,033	\$ 230,061,227
2010	\$ 230,061,227	\$ 11,936,597	\$ 1,014,851	\$ 15,313,111	\$ 3,826,335	\$ 6,734,073	\$ 17,971,016	\$ 260,954,313
2011	\$ 260,954,313	\$ 12,309,342	\$ 1,441,534	\$ 16,745,994	\$ 4,006,454	\$ 7,394,970	\$ (7,900,461)	\$ 267,450,395
2012	\$ 267,450,394	\$ 13,760,365	\$ 1,366,365	\$ 18,630,244	\$ 4,295,457	\$ 9,326,671	\$ 17,655,950	\$ 302,231,987
2013	\$ 302,231,987	\$ 15,696,409	\$ 1,293,667	\$ 18,621,071	\$ 4,199,748	\$ 10,655,676	\$ 43,822,133	\$ 362,540,539
2014	\$ 362,540,539	\$ 15,299,271	\$ 1,488,449	\$ 20,881,436	\$ 389,307	\$ 10,042,004	\$ 31,801,466	\$ 408,867,032
2015	\$ 408,867,032	\$ 17,663,338	\$ 1,585,894	\$ 22,042,641	\$ 510,385	\$ 15,525,418	\$ (366,179)	\$ 427,330,065
2016	\$ 427,330,065	\$ 18,048,315	\$ 1,564,780	\$ 21,958,109	\$ 534,932	\$ 19,864,698	\$ 22,194,189	\$ 472,268,898

PENSIONS & BENEFITS

Longshore & Foremen Benefit Plans

Longshore benefits are provided to active and retired employees under the ILWU Employer Association Health and Benefit Plan and the ILWU Employer Association Employee Life and Health Trust. Similar benefits are provided to foremen employees and retirees under the Waterfront Foremen's Welfare Plan.

Benefits under both Plans are provided through specific Trusts established for that purpose. Benefits are generally paid based on a flat entitlement amount per period. The Trusts pay the cost of premiums for selected comprehensive coverage from independent third party carriers (basic medical, vision care, life insurance, AD&D). The balance of benefits are self-funded and limited by the remaining assets of the Trusts.

Each Plan is managed by six Trustees, three appointed by the Association and three appointed by the Union. Day-to-day benefits administration is carried out on behalf of the Trusts by the Waterfront Employers of B.C.

Cost of Longshore Health and Benefit Plan

	2012	2013	2014	2015	2016 ¹
REVENUES					
Employer	\$ 18,408,878	\$ 19,919,973	\$ 22,111,162	\$ 25,152,149	22,250,287
Employee	\$ 6,025,156	\$ 6,430,399	\$ 7,006,577	\$ 7,941,030	8,557,398
Investment & Other	\$ 881,305	\$ 527,894	\$ 1,806,127	\$ 1,353,707	581,094
Total	\$ 25,315,339	\$ 26,878,266	\$ 30,923,867	\$ 34,446,886	31,388,779
EXPENSES					
Weekly Indemnity	\$ 3,003,457	\$ 3,467,877	\$ 1,269,099	\$ 3,793,548	\$ 5,055,043
M.S.P. of B.C.	\$ 5,005,793	\$ 5,329,918	\$ 5,719,676	\$ 6,255,660	\$ 6,868,074
Dental	\$ 3,215,366	\$ 4,025,055	\$ 4,906,273	\$ 5,176,116	\$ 6,589,549
Group Life	\$ 2,187,293	\$ 2,695,167	\$ 1,996,227	\$ 3,130,729	\$ 3,437,195
Long Term Disability	\$ 2,342,846	\$ 2,482,079	\$ 1,402,298	\$ 2,136,088	\$ 2,513,734
Provisions for Disability Claims	\$ (1,256,200)	\$ 100,490	\$ (412,586)	\$ 5,959,580	\$ (1,060,089)
Extended Health	\$ 2,794,973	\$ 4,029,381	\$ 4,433,680	\$ 4,576,844	\$ 6,299,384
Vision Care	\$ 283,448	\$ 500,242	\$ 574,011	\$ 685,215	\$ 993,740
Pensioners Survivor Benefits	\$ 147,043	\$ 157,457	\$ 204,000	\$ 203,494	\$ 144,506
Accidental Death & Dismemberment	\$ 300,400	\$ 319,919	\$ 355,190	\$ 391,963	\$ 424,300
Administration, Consultants	\$ 701,680	\$ 910,847	\$ 1,149,092	\$ 1,244,091	\$ 1,010,427
Total	\$ 18,726,099	\$ 24,018,432	\$ 21,596,960	\$ 33,553,328	\$ 32,275,863
EXCESS (SHORTFALL)	\$ 6,589,240	\$ 2,859,834	\$ 9,326,907	\$ 893,558	\$ (887,084)

1 Unaudited.

PENSIONS & BENEFITS

Longshore & Foremen Benefit Plans

Benefit Type	Longshore	Foremen
Weekly Indemnity	"A" Coverage - \$728 per week to a maximum of 52 weeks	\$749 per week to a maximum of 52 weeks
Medical Services Plan of BC*	Including pensioners & surviving spouse	Including pensioners & surviving spouse
Dental	"A" Coverage - 100% of all routine, restorative and surgical costs (\$10,000 annual reimbursement limit) Orthodontics - Limited at 50% to a \$3,500 lifetime max. reimbursement limit "B" Coverage - \$750 annually, paid at 100%	100% of all routine, restorative and surgical costs (\$6,000 annual reimbursement limit) Orthodontics - Services included in limit above
Pensioner & Surviving Spouse Dental	\$750 annual reimbursement limit, paid at 100%	100% of routine (\$1,500 annual reimbursement limit)
Group Life*	"A" Coverage \$215,000 (eff. Sept. 1, 2016) "B" Coverage \$108,000 (eff. Sept. 1, 2016)	\$200,000
A D & D*	"A" Coverage \$215,000 (eff. Sept. 1, 2016) "B" Coverage \$108,000 (eff. Sept. 1, 2016)	\$200,000
Long Term Disability	"A" Coverage \$2,225 per month (taxable)	\$3,990 per month (taxable)
Extended Health*	100% of covered expenses to a lifetime limit of \$50,000 Including pensioners and eligible surviving spouses	100% of covered expenses to a lifetime limit of \$35,000 Including pensioners and eligible surviving spouses
Vision Care*	\$565 per individual dependent family member every 2 years	\$350 per individual dependent family member every 2 years
Pensioner & Surviving Spouse Vision Care	\$285 per individual dependent family member every 2 years	\$350 per individual dependent family member every 2 years
Pensioners Survivor Benefits	\$3,000 survivor benefit - pensioners only	\$3,000 survivor benefit - pensioners only

* 'B' Board Casuals who maintain hours eligibility qualify for limited benefits coverage (EHB, MSP, Vision Care, B Board Dental Benefits, and 50% of Group Life and AD&D).

Cost of Foremen Health and Benefit Plan

	2012	2013	2014	2015	2016 ¹
REVENUES					
Employer	\$ 3,309,904	\$ 3,509,478	\$ 4,187,037	\$ 4,578,731	\$ 5,041,723
Employee	\$ 1,903,286	\$ 1,964,959	\$ 2,141,124	\$ 2,239,855	\$ 2,279,084
Investment & Other	\$ 245,151	\$ 145,656	\$ 491,325	\$ 323,002	\$ 201,781
Total	\$ 5,458,341	\$ 5,620,093	\$ 6,819,486	\$ 7,141,588	\$ 7,522,588
EXPENSES					
Weekly Indemnity	\$ 253,876	\$ 260,863	\$ 203,928	\$ 509,849	\$ 451,117
M.S.P. of B.C.	\$ 1,106,158	\$ 1,149,453	\$ 1,221,102	\$ 1,322,021	\$ 1,377,353
Dental	\$ 882,203	\$ 904,373	\$ 1,121,431	\$ 1,251,290	\$ 1,289,188
Group Life	\$ 415,827	\$ 460,610	\$ 460,610	\$ 478,109	\$ 476,338
Long Term Disability	\$ 435,930	\$ 385,323	\$ 131,531	\$ 156,612	\$ 262,076
Provisions for Disability Claims	\$ 514,153	\$ (370,138)	\$ (37,246)	\$ 288,283	\$ 49,661
Extended Health	\$ 643,487	\$ 806,345	\$ 960,886	\$ 1,128,542	\$ 1,087,668
Vision Care	\$ 86,416	\$ 105,950	\$ 82,218	\$ 127,345	\$ 149,560
Pensioners Survivor Benefits	\$ 22,500	\$ 37,500	\$ 30,500	\$ 36,000	\$ 30,000
Accidental Death & Dismemberment	\$ 52,092	\$ 55,939	\$ 59,388	\$ 62,514	\$ 63,034
Administration, Consultants	\$ 159,305	\$ 169,400	\$ 334,329	\$ 309,781	\$ 220,391
Total	\$ 4,571,947	\$ 3,965,618	\$ 4,568,678	\$ 5,670,346	\$ 5,456,386
EXCESS (SHORTFALL)	\$ 886,394	\$ 1,654,475	\$ 2,250,808	\$ 1,471,242	\$ 2,066,201

1 Unaudited.



APPENDICES

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BOARD OF DIRECTORS



R. Chappell, Chair
Westwood Shipping Lines
(Canada) Inc.



D. Bedwell
COSCO SHIPPING Lines



J. Belsheim
Neptune Bulk Terminals
(Canada)



B. Chrystal
International
Chartering
Services Ltd.



B. Eshleman
Western Stevedoring
Company Ltd.



L. Friberg
Pacific Coast Terminals
Co. Ltd.



K. Lige
Fibreco Export Inc.



M. Mihic
DP World (Canada) Inc.



B. Pottinger
ACGI Shipping Inc.



S. Pyne
Montship Inc.



J. Scott
Fraser Surrey Docks LP



E. Waltz
GCT Canada Ltd.
Partnership



J. Webber
Squamish Terminals Ltd.

DIRECT EMPLOYERS CLASS

General Terminal (Breakbulk) Operators Sub-class

B. Eshleman	Western Stevedoring Company Ltd.
J. Webber	Squamish Terminals Ltd.

Container Terminal Operators Sub-class

J. Scott	Fraser Surrey Docks LP
E. Waltz	GCT Canada Ltd. Partnership
M. Mihic	DP World (Canada) Inc.

Bulk Terminal Operators Sub-class

J. Belsheim	Neptune Bulk Terminals (Canada)
K. Lige	Fibreco Export Inc.
L Friberg	Pacific Coast Terminals Co. Ltd.

SHIPOWNERS CLASS

D. Bedwell	COSCO SHIPPING Lines – Container
R. Chappell	Westwood Shipping Lines (Canada) Inc. – Breakbulk
B. Chrystal	International Chartering Services Ltd. – Bulk
B. Pottinger	ACGI Shipping Inc. – Bulk
S. Pyne	Montship Inc. – Container

THE MEMBERSHIP

SHIPOWNERS CLASS

AAL Shipping (Austral Asia Line PTE. Ltd.)

APL (Canada)

CMA CGM (Canada)

Compass Marine Services Inc.

Evergreen America Corporation

Grieg Star Shipping (Canada) Ltd.

Hapag-Lloyd (Canada) Inc.

Inchcape Shipping Services

Interocean Steamship Corporation

"K" Line Canada, Ltd.

Mason Agency Ltd.

MSC Mediterranean Shipping Company (Can)

Navitrans Shipping Agencies Inc.

Oldendorff Carriers

Pacific Northwest Ship + Cargo Services Inc.

Sinotrans Canada Inc.

Westward Shipping Ltd.

Wilhelmsen Ship Service

ACGI Shipping Inc

COSCO SHIPPING Lines

Colley West Shipping Ltd.

Empire Shipping Agency Ltd.

Gearbulk Shipping Canada Ltd.

Hanjin Shipping Canada Inc.

Hyundai America Shipping Agency (P.N.)

International Chartering Services Ltd.

Island Shipping Ltd.

Maersk Canada Inc.

McLean Kennedy Inc.

Montship Inc.

N Y K Line (Western Canada) Inc.

OOCL (Canada) Inc.

Saga Welco AS

Trans-Oceanic Shipping Co. Ltd.

Westwood Shipping Lines (Canada) Inc.

Zim Integrated Shipping Services (Canada)

DIRECT EMPLOYERS CLASS

Bulk Terminal Operators Sub-class

Fibreco Export Inc.

Neptune Bulk Terminals (Canada)

Pinnacle Renewable Energy Inc.

Kinder Morgan Canada Terminals ULC

Pacific Coast Terminals Co. Ltd.

Container Terminal Operators Sub-class

DP World (Canada) Inc.

Fraser Surrey Docks LP

DP World Prince Rupert Inc.

GCT Canada Ltd. Partnership

General Terminal (Breakbulk) Operators Sub-class

Associated Stevedoring Co. Ltd.

Empire Grain Stevedoring Ltd.

Pacific Rim Stevedoring Ltd.

PCDC Canada Ltd.

Vancouver Shipping Agencies Ltd.

Western Stevedoring Terminal Operations Ltd.

Cerescorp Company

Louis Wolfe + Sons (Vancouver) Ltd.

Pacific Stevedoring + Contracting Co.

Squamish Terminals Ltd.

Western Stevedoring Company Ltd.

ASSOCIATE MEMBERS CLASS

Chamber of Shipping of BC

Tidal Transport and Trading Ltd.

Shipping Federation of Canada

Viterra Inc.

COMMITTEES OF THE BOARD

EXECUTIVE COMMITTEE

J. Belsheim, Neptune Bulk Terminals (Canada)
B. Eshleman, Western Stevedoring Company Ltd.

R. Chappell, Westwood Shipping Lines (Canada) Inc.
J. Scott, Fraser Surrey Docks LP

FINANCE + AUDIT COMMITTEE

G. Benitez, Neptune Bulk Terminals (Canada)
L. Friberg*, Pacific Coast Terminals Co. Ltd.
B. Pottinger*, ACGI Shipping Inc.
J. Scott*, Chair, Fraser Surrey Docks LP
T. Duggan, Standing Member, BCMEA

D. Dunbar, Western Stevedoring Company Ltd.
D. Leung, GCT Canada Ltd. Partnership
S. Pyne*, Montship Inc.
R. Uy, DP World (Canada) Inc.
T. Keung, Standing Member, BCMEA

**Constitute the Audit Committee*

GOVERNANCE COMMITTEE

J. Belsheim, Neptune Bulk Terminals (Canada)
J. Scott, Fraser Surrey Docks LP
M. Leonard, Standing Member, BCMEA

B. Pottinger, Chair, ACGI Shipping Inc.
T. Duggan, Standing Member, BCMEA

SHIPOWNERS COMMITTEE

D. Bedwell, Chair, COSCO SHIPPING Lines
B. Chrystal, International Chartering Services Ltd.
S. Pyne, Montship Inc.
J. Beckett, Standing Member, BCMEA

R. Chappell, Westwood Shipping Lines (Canada) Inc.
B. Pottinger, ACGI Shipping Inc.
T. Duggan, Standing Member, BCMEA
M. Leonard, Standing Member, BCMEA

All members of the Shipowners Class may participate.

DIRECT EMPLOYERS COMMITTEE

J. Belsheim, Neptune Bulk Terminals (Canada)

L. Friberg, Pacific Coast Terminals Co. Ltd.

M. Mihic, DP World (Canada) Inc.

E. Waltz, GCT Canada Ltd. Partnership

J. Beckett, Standing Member, BCMEA

M. Leonard, Standing Member, BCMEA

B. Eshleman, Chair, Western Stevedoring Company Ltd.

K. Lige, Fibreco Export Inc.

J. Scott, Fraser Surrey Docks LP

J. Webber, Squamish Terminals Ltd.

T. Duggan, Standing Member, BCMEA

All members of the Direct Employers Class may participate.

MEMBERSHIP COMMITTEE

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C. Faleiro, Saga Welco AS

M. Leonard, BCMEA

E. Waltz, GCT Canada Ltd. Partnership

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BCMEA

I. Nicol

B. Campbell

T. Chan

DP World (Canada) Inc.

F. Tallarico

M. Yale

B. Mortimer

ALTERNATES

J. Matic

GCT Canada Ltd. Partnership

C. Labrash

ALTERNATES

H. Fan

K. Wong

K. Lieu

K. Jones

Western Stevedoring Company Ltd.

C. Dow

B. Short

ALTERNATES

J. Katz

DIRECT OPERATORS COMMITTEE

R. Booker, Neptune Bulk Terminals (Canada)

B. Gimblett, GCT Canada Ltd. Partnership

S. Hopton, Neptune Bulk Terminals (Canada)

B. Hull, DP World (Canada) Inc.

C. Jones, Kinder Morgan Canada Terminals ULC

J. Kim, GCT Canada Ltd. Partnership

W. Leslie, Pacific Coast Terminals Co. Ltd.

D. Lucas, Western Stevedoring Company Ltd., Co-Chair

D. Martin, Fraser Surrey Docks LP , Co-Chair

N. Vancic, DP World (Canada) Inc.

J. Webber, Squamish Terminals Ltd.

M. Leonard, Standing Member, BCMEA

J. Vogt, Standing Member, BCMEA

SPECIAL + STANDING COMMITTEES

JOINT SAFETY COMMITTEE

G. Williams, Chair, BCMEA

Deep Sea Matters

R. Beatch, Western Stevedoring Company Ltd.

S. Mincher, DP World (Canada) Inc.

R. McFarlane, Star Shipping (Canada) Ltd.

General Wharf Operators Matters

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B. Mann, Global Container Systems Inc.

M. Chernomorchenko, Western Stevedoring Company Ltd.

E. Jarrett, Squamish Terminals Ltd.

M. Kwon, Fraser Surrey Docks LP

D. Razzell, Global Container Systems Inc.

J. Crique, Western Stevedoring Company Ltd.

K. Warwick, Squamish Terminals Ltd.

J. Rushton, DP World Prince Rupert Inc.

Bulk Terminals Matters

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J. Hayes, Neptune Bulk Terminals (Canada)

B. Watson, Viterro Inc.

G. Sims, Pacific Coast Terminals Co. Ltd.

H. Zea, Fibreco Export Inc.

Coastwise Matters

E. Ferguson, Cerescorp Company

COR TECHNICAL ADVISORY COMMITTEE

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J. Flemming, WestJet

A. Vingnes, Catherwood Towing

J. Santos, Thrifty Foods

G. Anderson, Island Tug + Barge

D. Fagen, BC Ferries

S. Kolberg, WorkSafeBC

JOINT INDUSTRY LABOUR RELATIONS COMMITTEE

M. Leonard, Chair, BCMEA

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D. Bedwell, COSCO SHIPPING Lines

D. Lucas, Western Stevedoring Company Ltd.

ALTERNATES

R. Chappell, Westwood Shipping Lines (Canada) Inc.

D. Martin, Pacific Rim Stevedoring Ltd.

D. Nonis, Kinder Morgan Canada Terminals ULC

J. Vogt, BCMEA

LONGSHORE + FOREMEN PENSION/HEALTH + BENEFIT PLAN TRUSTEES

Foremen

K. Catton

G. Friesen

T. Keung, BCMEA

Longshore

K. Catton

G. Friesen

G. Gardner

VANCOUVER ISLAND COMMITTEE

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R. Brinkhurst, Tidal Transport and Trading

J. Darbyshire, DP World (Canada) Inc.

P. Fry, DP World (Canada) Inc.

D. Lucas, Western Stevedoring Company Ltd.

E. Scott, Gearbulk Shipping Canada Ltd.

J. Briant, Western Stevedoring Company Ltd.

R. Chappell, Westwood Shipping Lines (Canada) Inc.

C. Faleiro, Saga Welco AS

L. Hewavitharana, Grieg Star Shipping (Canada) Ltd.

A. Moore, Western Stevedoring Company Ltd.

PORT LABOUR RELATIONS COMMITTEES

VANCOUVER

Deep Sea Matters

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J. Webber, Squamish Terminals Ltd.

R. Beatch, Western Stevedoring Company Ltd.

D. Lucas, Western Stevedoring Company Ltd.

ALTERNATES

K. Green, DP World (Canada) Inc.

Grain Matters

F. Blair, Chair, BCMEA

A. Magro, Empire Grain Stevedoring Ltd.

ALTERNATES

F. Parneta, Empire Grain Stevedoring Ltd.

General Wharf Operators Matters

M. Nielissen, Chair, BCMEA

D. Lucas, Western Stevedoring Company Ltd.

ALTERNATES

M. Mihic, DP World (Canada) Inc.

Bulk Terminal Matters

F. Blair, Chair, BCMEA

W. Leslie, Pacific Coast Terminals Co. Ltd.

ALTERNATES

J. Anderson, Neptune Bulk Terminals (Canada)

NEW WESTMINSTER**Deep Sea Matters**

L. Familton, Chair, BCMEA

C. Chernoff, Pacific Rim Stevedoring Ltd.

ALTERNATES

D. Suttis, DP World (Canada) Inc.

General Wharf Operators Matters

M. Nielissen, Chair, BCMEA

M. McClellan, GCT Canada Ltd. Partnership

ALTERNATES

C. Parker, GCT Canada Ltd. Partnership

T. Baker, Western Stevedoring Terminal Operations Ltd.

D. Suttis, DP World (Canada) Inc.

F. Ramanzin, DP World (Canada) Inc.

B. Gimblett, GCT Canada Ltd. Partnership

J. Webber, Squamish Terminals Ltd.

R. Booker, Neptune Bulk Terminals (Canada)

H. Zea, Fibreco Export Inc.

R. Beatch, Western Stevedoring Company Ltd.

B. Webster, Western Stevedoring Terminal Operations Ltd.

D. Martin, Fraser Surrey Docks LP

A. Whiffin, Pacific Rim Stevedoring Ltd.

VANCOUVER ISLAND**Port Relations Committee**

L. Familton, Chair, BCMEA

P. Fry, DP World (Canada) Inc.

J. Briant, Western Stevedoring Terminal Operations Ltd.

PRINCE RUPERT**Deep Sea Matters**

L. Familton, Chair, BCMEA

M. Zawislak, Empire Grain Stevedoring Ltd.

R. Beatch, Western Stevedoring Company Ltd.

ALTERNATES

B. Webster, Western Stevedoring Terminal Operations Ltd.

General Wharf Operators Matters

M. Nielissen, Chair, BCMEA

M. Mihic, DP World Prince Rupert Inc.

ALTERNATES

R. Alvarez, DP World Prince Rupert Inc.

PEOPLE

EXECUTIVE OFFICERS + DIRECTORS

Terry Duggan	President + CEO	tduggan@bcmea.com
Mike Leonard	Senior Vice President, Employee Relations, Dispatch + Corporate Secretary	mleonard@bcmea.com
John Beckett	Vice President, Training, Safety + Recruitment	jbeckett@bcmea.com
Tony Keung	Senior Director, Finance + Information Systems	tkeung@bcmea.com
Peter Edwards	Director, Training, Safety + Recruitment	pedwards@bcmea.com
Jack Vogt	Director, Labour Relations	jvogt@bcmea.com

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HEAD OFFICE

Ipek Albas	Manjit Dulay	Donna Edwards	Linda Jones	Elizabeth Wong
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TRAINING, SAFETY + RECRUITMENT

Amar Badhesha	Mat Campbell	Morgaina Dematao	Wendy Ebbs	Christi Frank
Suki Hache	David Iwata	Adarsh Johel	Meadd Miller	David Moorhouse
Sid Plested	Kate Southwell	Joe Shewfelt	Damon Smith	Veronica Smith
Kristopher Villeneuve				

INFORMATION SYSTEMS

John Clarke	Sheldon Craig	Vahid Farschi	Peter Fee	Wilson Lee
Kuldeep Kaur	Vincenzo Militello	Carol Nejedly	Tavaras Powell	Gurpreet Singh Prihar
Pardeep Puar	Nora Sabau	Ivan Sangala	Greg Sangha	Vik Singh
Amit Trehan	Fred Wei	Peter Whiteside	Steven Zhou	

DISPATCH

Saeed Ahmed	Ryan Beattie	Bill Campbell	Piero Cantagallo	Tommy Chan
Ian Cheung	Pavanjot Gill	John Hook	Brie Jepson	Amrit Johal
Hannah Julian	Fran Ozee	Mike Rutherford	Greg Todhunter	

FINANCE

Francesco Di Placido	Jennifer Rhodes	Premila Singh	Yuri Yamada	Lisha Zhang
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