



# 2019 Forest Industry Bargaining

## USW LOCAL 1-1937 UPDATE

2019 BARGAINING UPDATE #16 – August 21, 2019

### Coast Bargaining Committee - News Release

#### Mediation Update

To date, Vince Ready has met with each party twice in an effort to determine if meaningful progress can be made to move towards a mediated settlement. Due to the fact the parties entered this process with the very same positions they started bargaining in mid-April, it is taking time to determine the core issues.

Western Forest Products' unwarranted and numerous concessionary demands remain the biggest impediment to progress. At the same time, WFP refuses to address any of the Union's positions including those on Alternate Shifts, WFP's Drug & Alcohol Policy, and Contractor Delinquency. There are also significant differences between the parties on Wages, Benefits, Premiums, Term, and language issues.

Given the slow pace of talks, it is difficult to produce updates as there is little to update for the members. Rest assured we will provide updates to members as soon as there is something worthy to report.

#### Litigation Update

WFP is continuing its **American Style** litigation strategy. Two applications are still being processed by the Labour Relations Board but it is anticipated neither will be successful.

Recently members working for three WFP Woodland Contractors on Tree Farm License (TFL) 44 in Port Alberni voted overwhelmingly to take Strike Action and joined the other two Woodland Contractors on the picket line.

We believe WFP has directed the three Woodland Contractors (Island Forest Company, Big Lake Logging, and Mount Sicker Timber-Franklin) to commence two more actions.

One is an application to the Labour Relations Board for a final offer vote. The offer they are trying to put to a vote of the members employed by the three contractors is filled with concessions. WFP is using these contractors to do its dirty work in the hope they can get someone to agree to numerous concessions as Local 1-1937 clearly will not bend to their demands. The Union expects this offer to be strongly rejected by the members in those operations. WFP knows it will not be able to negotiate concessions with the Local Union so they are trying to use a section of the Code that allows one final offer vote if the application is filed prior to strike action. The Union has had two meetings with these members and will have more prior to the LRB ordered vote in order to advise members of the damage they would cause to their working careers and to their families, if they were to accept these massive concessions, which would negatively affect their pensions, seniority, benefits, job security, and many other issues.

We also suspect WFP is behind four lawsuits filed in the BC Supreme Court by the three contractors and TFL 44, which is 93% owned by WFP. These actions claim identical large sum damages, where none exist, for the short period of time the contractors were picketed. Although these contractors had refused to provide dates to bargain as requested by the Union, the LRB deemed the Union was not in a legal position to strike as there had been no bargaining. After that decision, the contractors took a long time to recall the workers then laid them off a short while later. This demonstrates the contractors suffered no losses and their lawsuits are just further evidence of WFP's attempt to waste time and money fighting groundless legal battles. The Union then bargained to impasse with the contractors; took a strike vote and issued 72 hours' notice before commencing strike action.

### **WFP's Anti-Union Agenda**

WFP's attack on their employees' rights at the bargaining table, coupled with their ongoing litigation attacks against Local 1-1937, very clearly demonstrates Western Forest Products has an anti-union agenda and is not serious about reaching an agreement.

How else can the actions of this Company be explained? Do they not understand they are frustrating progress in mediation and delaying an agreement by wasting time and money on baseless litigation?

By WFP's own admission lumber markets are strong and growing. This publicly-traded company, harvesting public forests, is reporting record earnings year after year and has dramatically increased its Executive compensation. Yet in this positive operating environment, it seeks to gut the collective agreement and strip away 40 plus years of workers' rights and benefits and ignore its employees' proposals for the Collective Agreement they deserve.

WFP's positions do not make any sense and our members are firm; they will not give up on their proposals and they will not accept concessions. The employer continues to point to the closure of commodity sawmills in the Interior which are due to fibre shortages (pine beetle, fires) and are irrelevant to the Coast.

The quickest way to an agreement is for WFP to respect its workforce and negotiate the Collective Agreement its employees (our members) deserve. That requires WFP to withdraw their concessions, reinstate Local Agreements and fairly negotiate the Union's issues. This will only happen if WFP realizes its current litigation and concessionary strategy are not acceptable to our membership and will not produce an agreement.

### **Employee Benefits**

In an extraordinary and vindictive move, WFP now says they are departing from the Trustee approved process followed in all prior labour disputes since 1993, whereby the employer has continued to pay the premiums to continue coverage with the members reimbursing over time following the conclusion of the work stoppage.

WFP sent a communication to its employees this week to say that while they have been paying for benefits for July and August, they have given notice to stop paying for benefits in September.

In WFP's communication, they state that the Trustees of the USW-Coastal Forest Industry Health & Welfare Plan confirmed in a Memorandum that the Company has no obligation to provide benefits. This statement is not true. The Union Trustees did not agree that the Company can cancel benefits during a strike. The Memorandum sent on August 13, 2019, to participating employers (including WFP) from the Trustees of the USW-Coastal Industry Health and Welfare Plan was not authorized by the Union Trustees, who have now asked the Health and Welfare Plan office to rescind the Memorandum and notify participating employers.

The Union Trustees rely on a motion passed by both Union and Industry Trustees in 1993 that committed companies to continue benefits during a strike, with benefit premiums to be paid back by employees, on a graduated basis, once the strike ends. The current Industry Trustees have stated that the 1993 motion was cancelled, but have produced no evidence that it has been cancelled. Therefore, it is the Union's confirmed and repeated position that WFP is not able to cancel benefits in line with the 1993 Trustee motion and that benefits must be continued.

On another point, clearly the Union does not have the resources to cover all members' benefits and WFP knows that, but they do not care. WFP's actions, once again, point to decision-makers with WFP who have no history on the Coast and who simply do not understand that when the strike ends, they will have to work with their employees again and their antagonistic approach is making that an increasingly difficult prospect.

It is very sad to see how far WFP has sunk in its approach, not only in bargaining and labour relations but in just about everything they do. It is as if they don't know that their workforce is what has created the wealth for the Company and should be treated with respect.

While the Parties are definitely at odds over a Collective Agreement, it appears WFP does not have the common sense to do the right thing. The right thing to do is for WFP to provide the employee benefits, both legally and morally, so families are not left with the difficulty and risk associated with having little or no coverage. We hope they at some point recognize the error of their ways.

It is the Union Trustees' position that benefits cannot legally be cancelled by any participating company while they are being struck. The Union Trustees are requesting an immediate meeting of all Trustees to clarify the stance that the Health and Welfare Plan will take. We will update members ASAP on the Benefits issue.



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