



2019 Forest Industry Bargaining

USW LOCAL 1-1937 UPDATE

2019 BARGAINING UPDATE #18 – September 5, 2019

Coast Bargaining Committee - News Release

WFP & 3 WOODLAND CONTRACTORS ON TFL 44 WITHDRAW FINAL OFFER DUE TO THEIR PENSION PROPOSAL WHICH INVALIDATED THE OFFER

As members have been previously advised, WFP has been using three (3) Franklin Woodland Contractors (Island Forest Company, Big Lake Logging, and Mount Sicker Timber Company) to try and advance their concessions by applying to the LRB for a final offer vote on a Collective Agreement, which is filled with concessions. Note: Under LRB rules, companies only have one opportunity to request a Final Offer be voted on prior to a labour dispute beginning.

Yesterday, September 4th, the employers withdrew their application and the vote scheduled for the following day was cancelled. They will have no other opportunity to make another Final Offer through the LRB.

The reason these companies withdrew their LRB application the day before the vote was to take place is clear. WFP was advised by the Pension Plan that their proposal to have all new members go into an RSP Plan and existing members to have the right to stay in or opt-out of the IWA-Forest Industry Pension Plan was not possible as the Pension Plan requires that all employees be either in the IWA-Forest Industry Pension Plan or all out.

This information invalidated the concessionary Final Offer.

They had no choice but to withdraw their offer, as it was doomed to fail in the Union's pending appeal of the original application. The lack of forethought on their pension proposal is astounding, especially when WFP currently has a Trustee on the Pension Board. The USW Trustees have been actively questioning the commitment of this Trustee to determine if they are committed to making decisions in the best interests of the Plan Members. This is a fiduciary responsibility for all Trustees. It is this review that has flagged the concern over WFP's concessionary pension proposal.

The Local Union would like to thank the TFL 44 Franklin Camp Committee for their hard work in informing the members of the dangers of these concessions and for building the solidarity and strength with the crew. If a Final Offer vote had taken place today, there is no doubt that it would have been overwhelmingly rejected by the crew. Congrats to all our members for sticking together and standing against these very anti-union and two-faced employers.

For a bit of comic relief, the Local Union has noticed Facebook posts by some of these TFL 44 Woodland Contractors where they are trying to spin their defeat on their Final Offer Application due to the invalid Pension proposal as follows: IFC – "After listening to the concerns of the Franklin

members and observing division amongst the crew we have decided it is the best interest of all to withdraw the final offer”.

Let's be clear, no one in Local 1-1937 believes any of these employers changed their mind to withdraw their Final Offer because they listened and found compassion or had concern for workers. These are the same employers trying to sue the Union for damages and propose concessions that would tear apart and gut the Collective Agreement for rights that have been built upon for generations. These are the same employers who lied to the crew when they threatened to leave if the crew would not agree to divide the single seniority list into five separate lists in 2018 for the Franklin Operation. When the crew voted against it, it was learned that the contractors had already signed their Five-Year Woodland Agreements with WFP before the vote had taken place. There can be no trust in what any of these companies say.

Clearly, they withdrew because WFP told them they had too, due to the pension issue. That's it.

UPDATE ON WYE LAKE FINAL OFFER

Wye Lake Contracting is a small Woodland Contractor in the Jordan River area that is trying the same Final Offer process that WFP attempted to put in place in TFL 44. Wye Lake is using the same WFP lawyer for its Final Offer Vote Application.

A hearing was held in August on the Local Union's objection into the Wye Lake Application, and the Local Union has now made a request to the LRB to reopen this because it is now obvious that **the same concessionary Pension proposal is invalid**. The Union's position is that members who voted on this concessionary proposal should not have voted on something that the employer has no ability to implement. The Union is waiting for a response from the LRB.

TENTATIVE MEDIATION DATE SET WITH VINCE READY

While the Union was on a call informing Vince Ready (September 4th) that WFP must withdraw their invalid demand on Pensions the Local 1-1937 received an email confirmation that WFP and the three TFL 44 Woodland Contractors were withdrawing their Final Offer application. We fully expect that the ill-conceived and invalid concessionary proposal will be withdrawn by the Company the next time we meet.

During that call to Vince Ready, he advised he was meeting with WFP that day and intended to meet again with their committee on Saturday, September 7th. He advised he would call us at the beginning of next week and advise if there has been enough movement for the Union to meet with him. In the event there is enough movement, the Local Union tentatively set the afternoon of Friday, September 13th and Saturday, September 14th to continue the process.

It was reported in the print and television media that meetings have been scheduled for September 13th, but the media did not contact USW Local 1-1937 to confirm that information or ask for our input. Had they done so, they would have learned that those tentative dates are contingent on significant movement being made by WFP to facilitate the desire for a meeting. I would request in the future for

media outlets to contact the Local Union for comment before they print or air their stories in order to have accurate and balanced reporting.

BENEFITS UPDATE

The Union's Co-Chair of the Health & Welfare Benefits Plan is still awaiting a response from the Plan Manager on the Union's clear position that the benefits cannot be cancelled due to the policy and practice approved by the joint Trustees, that has continued and remains in place since 1993. As of this posting, the benefits are still in place.

The Industry Trustees, we assume on behalf of WFP, are claiming that the policy was cancelled, yet have provided nothing that substantiates that claim. The Trustees are therefore deadlocked and are entering a process to have a third party hear the case.

In the meantime, the Plan Manager has been advised by the Union Trustees that the policy must remain in place and companies are bound to continue the benefits until a third party renders a decision. The Union Trustees are confident in their position going into the third-party process.

Of note, WFP keeps communicating that the USW has to pay for the benefits. They are correct that the Labour Code allows for a Union to pay for benefits if a company cancels benefits during a strike, if they chose to do so, but they fail to mention that we have a provision in the H&W Trust Agreement that binds them to continue benefits during a strike with employees paying the premiums back on a graduated basis once they return to work. This has been in place since 1993 and in every strike, since that time the employer has continued the benefits. The only thing that has changed since 1993 is WFP has continued to become more and more anti-union. They simply do not care that someone may not get their cancer drugs or that if tragically someone were to die in an accident, widow or children would not receive \$240,000 in AD&D benefits. This is shameless and shameful behaviour that WFP is involved in.



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