



2019 Forest Industry Bargaining

USW LOCAL 1-1937 UPDATE

2019 BARGAINING UPDATE #7 – June 11, 2019

Coast Bargaining Committee - News Release

Once again WFP is using fear and uncertainty to try and influence our members during our Area Meetings & Strike Vote process. In a notice WFP put out today, the Company once again made very misleading statements.

Pension Plan - In their response to the Union regarding their demand to replace the members Pension Plan with an defined contribution plan (RSP) they neglect to advise that WFP has a Trustee on the Forest Industry Pension Plan and they know full well that removing our members who work for WFP from the plan would have a drastic and long-lasting negative impact on the Pension Plan. The Union will never allow this to happen. Please remember the Company is only looking after their best interest and are not demanding this because it's in our member's best interest.

Local Agreements - In response to WFP's attack on our member's rights by the cancellation of virtually all Local Agreements, the Union notes they quite clearly say they are taking away your seniority rights. They say they offered the Union to "see drafts" and "comment upon" new policies that would replace local agreements, which is clearly saying the members would no longer have those rights as the Company would have the right to make up whatever policy they want. In other words, they will take away agreements and replace them how they see fit by a company directive. The Union will never let this stand.

LTD premium claw back - In response to the WFP's cash grab from the LTD Plan they are being upfront that they want to reduce their contributions by .22 cents per hour as well as employees, but the fact is, what they do not say is how that funding concession will impact the LTD Plan. It will take away the ability of the Union to improve the LTD Plan by extending coverage to age 65 (you cannot receive LTD past age 60 at present) and it also takes away the Unions ability to increase the monthly LTD benefit with a cost of living increase every three years. Industry Trustees would very likely block Union Trustees future benefit improvements, as they have done in the past. The Union will never allow them to take away funding for this important benefit for injured members.

Wages - In response to the WFP wage proposal, the fact is, the company fails to advise that the Coastal Industry is not the same as the Interior Industry. The Interior Industry is a commodity-based industry that for the most part supplies the US construction industry, with commodity products (2x4, 2x6). The Coast Industry, by contrast, is a largely non-commodity bases industry, wherein WFP's case, over 70% of their products are high-value niche products with an average selling price of over \$1100 per thousand. The Interiors average selling price is less than half of that figure.

The fact is, WFP has made record earnings in recent years and all of WFP's own projections state markets are good and growing. With the rising cost of living, offering 2% increases based on a different industry is not realistic. For our member's information, WFP's CEO increased his compensation by 30% over a two-year span (2016/17) and a number of other company executives earned double-digit increases over the same period. The bottom line is the company needs to acknowledge the hard work of our members and reward them with a fair share of the wealth they create for the company.

Although it makes little difference, WFP did not table the wage proposal noted in their notice today. The percentage increase they proposed in year four of their proposal was 2%, not 2.5%.

On their issue of lump sums, the Union has been clear with WFP that we do not want small one-time lump sums in place of wage increases. Lump sums don't compound like percentage wage increases and workers cannot take lump sums to the bank for a loan.

The Union also wants to point out that we would like to reach a collective agreement with WFP, but WFP's actions at the bargaining table by failing to recognize the hard work of our members and attacking our member's rights with concessionary demands of all types is not something that will bring the parties to agreement. The Union will not accept concessions. The path to an agreement involves WFP removing their concessionary demands and responding to the Unions demands in a serious and meaningful way.

As the Local Union moves forward with its Area Meetings and Strike Votes in all areas of the Local, I ask members to reject the fear and uncertainty that WFP is trying to promote with operational shutdowns and by spreading misleading statements. If they truly had your best interest in mind, they would not be asking you for massive concessions and offering you less than what you are worth.

Stay Strong and Resist WFP's Tactics



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