



2022 Red Chris Mine Bargaining

USW LOCAL 1-1937 UPDATE

BARGAINING UPDATE #16 – August 4, 2022

Dear Brothers and Sisters,

We finished three days of mediation with Newcrest representatives today. Over the three days the parties only resolved three minor issues. The parties then reached an impasse on the outstanding monetary issues and the job security language in our contracting out proposal. The monetary issues include: Wages (including retroactive pay), Profit Sharing (Copper Bonus), Overtime Pay, Night Shift Premium and Travel Payments.

Incredibly on August 2, Newcrest representatives made the claim that the mine is not profitable and that operations may be suspended. After nine (9) months of bargaining and mediation this is the first time we heard the employer make such a statement! At the 11th hour of bargaining the employer is trying to claim that it cannot afford more than the 1% wage increase per year for two years that they have proposed.

Their representatives suggested our bargaining committee review the information on the company's website, which we did that evening. We knew before even reading the material and it was confirmed after reading it, that the representatives claims were not credible. Their claims ring hollow when you know that Newcrest is heavily investing in the mine and those investments are not being made to lose money, but to lower costs and make significantly more money in return.

Newcrest bought 70% of the Red Chris Mine from Imperial at a fire sale price of 1.1 billion dollars after Imperial had significant financial troubles following the very public and very costly tailings dam breach at Mount Polley. Recent exploration has uncovered further significant high-grade gold deposits on the claim, which were also previously unknown. To be clear, a mine that is being heavily invested in and is expanding, is not a mine that is contemplating on shutting down, especially at today's high mineral prices.

Since the parties are at impasse under Section 55 (6) of the BC Labour Relations (BCLRB) Code, the parties were asked to submit their positions on the outstanding issues to be resolved under the code. The mediator has given the parties until August 19 to make their submissions to the BCLRB. They will then advise the parties of the next steps to be taken under Section 55 (6).

The Union and its bargaining committee have advised Newcrest that, with the inflation rate at a 40-year high and alluring offers being made by other employers and a consumer Price Index at 6.5% with significant labour/trades market shortages and the mobility of the workforce, Newcrest needs to get serious. Newcrest does not seem to realize that they need to meet their employees' expectations, or they stand to lose employees seeking fair compensation in this extremely competitive labour market. We believe Newcrest representatives know they underpay their workers as the Union has stated the comparables within the industry.

Here is what your bargaining committee members had to say:

"Our committee is extremely disappointed in Newcrest's wage and compensation offer. I know many of my co-workers are waiting to see if Newcrest will pay us equal to what other Unionized operation pay. It is frustrating that our employer doesn't seem to care." **stated Matt Bergson.**

"Newcrest's response to our profit-sharing (copper bonus) proposal that would see our members getting fair quarterly adjustments to wages based on the price of copper was an insult. With today's high mineral prices our members should be sharing in those profits. The employer's spokesperson said that bonuses are usually done

for things that are hard to achieve and responded with a proposal that would pay out next to nothing.” **stated Troy Krauss.**

“The company does not pay travel time as per employment standards now and our proposal to be fairly compensated for our travel time to and from the site was countered by Newcrest with a provision that would increase the rate for next to nobody. It is completely unacceptable.” **stated Donnie McNeil.**

The Union will now develop our submission to advise the BCLRB of our best and final position on the outstanding issues along with the reasons our proposals are fair and justifiable in todays competitive labour climate.

We will update our members on site as soon as developments take place.

We again thank you for your patience in this process.

As always, if you have any questions, please reach out to **Dusty Palmer** at (250)-710-6768 or by email at dpalmer@usw1-1937.ca.

Committee members at the mine site can also be reached by phone or email as follows:

Troy Krauss (604)-997-7539 or tmlk@hotmail.com

Donnie McNeil (250)-550-4789 or wfg.donaldmcneil@gmail.com

Matt Bergson (236)- 550-9970 or mattbergson1@gmail.com

In solidarity,

Your Bargaining Committee,

Brian Butler, Dusty Palmer, Richard Arnason, Jeff Bromley, Troy Krauss, Donald McNeil, Matt Bergson

USW Local 1-1937 Offices: Duncan, Port Alberni, Courtenay, Port McNeill, and Burnaby

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