

MINISTRY OF LABOUR

MEETING NOTE

Cliff #: 56669

Date: November 13, 2018

PREPARED FOR: Honourable Harry Bains, Minister of Labour

DATE OF MEETING: 3 pm, November 26, 2018, Minister Bains' office (Room 342, Legislature)

ATTENDEES: Minister Bains; Trevor Hughes; Mike Bailey (Founding Partner at Western Policy Consultants Inc.); Angie Kalhar (President of KTL Transport); Rod Wallace

ISSUE: Representatives of Euro Asia Inc. have requested a meeting with the Minister to discuss the importance of labour relations in the trucking and transload sector in BC.

BACKGROUND:

Euro Asia Inc., mainly operating out of Richmond, is one of North America's largest multi-modal export container transload companies. Euro Asia's sister company (i.e., owned by the same parent company), KTL Transport, operates 215 trucks serving the Port of Vancouver.

In total, the company employs 350 people, the majority of whom belong to the West Coast Trucker's Union.

DISCUSSION:

In light of the ongoing review of the *BC Labour Relations Code*, Euro Asia Inc. has raised a concern that "government may be considering legislating collective sectoral bargaining rights."

The term "sectoral bargaining" is used in a variety of ways. However, generally speaking, sectoral bargaining involves a system whereby multiple employers across a sector are formed into an "employer organization" which has the exclusive authority to bargain a sector wide collective agreement with a council of trade unions. A *mandatory* sectoral bargaining system would require the unions to participate in the bargaining council and force all unionized employers in the sector to be members of the employer organization –

thereby immediately subjecting them to the existing sector wide collective agreement. This would apply to existing and future certifications.

Although sectoral bargaining has been raised in the past, by some unions, as a potential long term solution to labour instability in the container trucking sector, the issue was not addressed in the recent *Labour Relations Code* review report of the section 3 committee. In discussing sectoral bargaining more generally (i.e., not specific to trucking), the committee stated that

We did not receive sufficient information to make recommendations for Code amendments in this area. The issue of broader based bargaining structures requires further examination and analysis through a process like the Korbin Commission or under Section 80 of the Code. We therefore make no specific recommendations for sectoral collective bargaining.

Recommendation No. 19

Sectoral multi-employer collective bargaining should be examined by industry councils under Section 80 and, in appropriate circumstances, by an industrial inquiry commission.

Given that Euro Asia Inc. articulated its concern about potential sectoral bargaining *prior* to the public release of the section 3 report, the concern may be reduced by the advice of the section 3 committee.

In May 2018, the Minister of Transportation and Infrastructure directed the Container Trucking Commissioner to conduct a review of the *Container Trucking Act* and Regulation, with specific focus on Part 4 of the Regulation (Rates & remuneration). The Commissioner completed consultations with industry and undertook analysis during the summer of 2018, and has produced a draft report and recommendations. Ministry of Transportation and Infrastructure (MOTI) staff are currently reviewing the draft report and recommendations and considering next steps. Once MOTI has had time to review the report and consider next steps with the Minister and her staff, they will be sharing more information with stakeholders.

SUGGESTED RESPONSE/KEY MESSAGING:

- *Thank you for taking the time to share your views on the container trucking sector and about the importance of maintaining long term labour stability.*
- *With respect to the current review of the Labour Relations Code, the Labour Relations Code review panel submitted its report with recommendations to the Ministry on August 31. The report was made public on Oct. 25, and the ministry is seeking feedback on the recommendations from stakeholders and the public before making final decisions.*
- *If you have not done so already, I would encourage you to make a submission prior to the November 30 deadline.*
- *Other issues related to the port container trucking sector should be raised with my colleague, the Honourable Claire Trevena, Minister of Transportation and Infrastructure.*

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