

Employers take exception to Industrial Inquiry Commission recommendation

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May 12, 2011, St. John's, NL – The NL Employers' Council (NLEC), the leading employer advocacy organization in this province on labour relations, is disappointed with the Phase Two Report from the Voisey's Bay Industrial Inquiry Commission. The organization takes exception to the Commission's recommendation for radical change to labour legislation that would impact all unionized workplaces in this province, based on one labour dispute – a dispute which has already been resolved under our current legislation.

The Inquiry Commission is recommending that government amend the Labour Relations Act to allow imposition of a collective agreement by a third party, appointed by government, to end a labour dispute. The NLEC strongly urges government to reject this recommended change in legislation, as it would damage the labour relations and business investment climates in this province.

Such legislation exists in only one jurisdiction in all of North America. Imposition of a collective agreement by a third party removes the responsibility of the two parties involved in the dispute to come to an agreement on their own. This increases the probability both parties will rely on third party involvement to end disputes, potentially lengthening disputes. It can also cause the dispute to take a more disruptive form, or simply postpones disagreements to future rounds of negotiations.

The legislation would also have negative implications on business investment in this province. Business will think twice about investing in a province where they do not have control over major operational decisions that impact the financial viability of the organization -- especially when that entity is political. Government is not aware of the business's goals, financial resources and commitments and operational realities. Companies will choose not to operate in this province if they do not have authority to assert their own interests in collective bargaining.

Labour legislation in this province is currently being reviewed by a tripartite committee including labour, business and government. Many, if not all, of the issues addressed in this inquiry have been considered by this group. To take a recommendation based on an inquiry into one labour dispute, outside of this process, and amend legislation that would apply to all unionized workplaces in this province is irresponsible.

“Our current labour legislation is balanced and works,” says NLEC Executive Director, Richard Alexander. “While the Voisey's Bay strike was lengthy, the parties did reach an agreement on their own. Let's not allow political pressure from this one dispute radically change labour legislation that is currently working.”

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Interview opportunities available.

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