

ADVISORY LETTER

BY E-MAIL

AL 23 - 07

November 8, 2007

TO: ALL FIR MEMBER COMPANIES

Gentlemen and Mesdames:

Re: Benefit Repayment Grievances

Some operations are reporting that grievances are being laid over the recovery of benefit premiums after the strike. The issue so far seems to be concentrated on employees who were laid off at the commencement of the strike. This Advisory Letter is to provide employers with some further background which may be useful in responding to a grievance if it arises at your operation.

The principles for continuation of benefits during a strike were set forth by the Health and Welfare Trustees at a 1992 Meeting and recorded in the Minutes as follows:

- premiums are paid during the strike for all benefits (i.e. Group Life, Accidental Death and Dismemberment, MSP, Dental and EHB), other than WI, Pensions or LTD;
- premiums are paid by the employer and reimbursed by the employees after return to work;
- benefits coverage during the strike continues as usual except for WI:
 - i) for disabilities beginning before the work stoppage, WI payments continue,
 - ii) for disabilities beginning during the work stoppage, the WI waiting period starts on the day that other employees return to work.

If such an agreement had not been made by the Trustees, no benefits at all would be payable during the strike because the Master Agreement provisions cease to exist while the strike takes place.

The Trustees' agreement embodies the basic concept that all employees would be treated equally and there should be no advantage to any "class" of employee, whether laid off, on leave, disabled, or active.

The January 8, 1973 Interpretation Award by Mr. Justice Hinkson will be valuable to us in arguing grievances on this issue. It stands for the proposition that the collective agreement ceases to exist during the period of a legal strike. When employees are on strike, "*they are not within but without*" the terms of the Master Agreement. Hence, they are not in a position to invoke collective agreement benefits such as layoff coverage that falls within the strike period.

See our Advisory Letters AL 21-07, AL 12-07 and AL 10-07 for further background on the issues.

Yours very truly,

A rectangular box with a light blue background and a thin black border, used to redact the signature of Thomas J. Getzie.

Thomas J. Getzie
Vice President, Education and
Benefits Administration

TJG:jc