

Renewal of an Agreement when a Plant Closes Down

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Article abstract

By a majority decision, the Board recommends the maintenance of the statu quo subject to the proviso that if the Company renews operations, the Union's right shall be recognized a new.

Dispute between Waterloo Plywood Limited and International Woodworkers of America, Local 205, Chairman, Henri T. P. Binet; Employer's member, K. A. Wilson; Employees' member (dissenting), Fernand Daoust, 26th of October, 1960. Ministère du Travail, no 1491-1960.

à l'ensemble de la convention; tenant compte surtout des articles 15.2 et 15.8; ayant analysé très sérieusement les arguments qui ont été avancés par les parties,

Le Tribunal en vient à la conclusion que par une disposition claire et précise la convention, à l'article 15.8, a conservé pendant six mois la qualité d'employé régulier à ceux qui sont mis à pied; que la Compagnie a reconnu cette interprétation en reprenant en septembre les employés mis à pied non pas comme des employés à l'essai, mais comme des employés réguliers qui sont reconnus comme tels dans le premier jour de réembauchage en septembre 1959 et 1960.

En conséquence, pour tous ces motifs le Tribunal décide que les employés mis à pied demeurent des employés réguliers au service de la Compagnie et cela pendant une période de six mois en vertu de l'article 15.8 de la convention.

RENEWAL OF AN AGREEMENT WHEN A PLANT CLOSSES DOWN

*By a majority decision, the Board recommends the maintenance of the statu quo subject to the proviso that if the Company renews operations, the Union's right shall be recognized a new.*¹

The mandate assigned to the Board concerned litigation arising between the parties in connection with the contemplated renewal of a Collective Agreement that expired on 14 May 1960, but which contains a provision to the effect that it will remain in force until such time as another agreement is concluded.

The text of the Agreement, together with a document containing the proposals of the Union for the revision thereof, were duly submitted to the Board.

At the very outset of the deliberations, the representative of the Company called the attention of the Board to the fact that the Company had already discontinued operations some months ago, that it actually retained in its service only three of the workers covered by the Agreement, and would completely liquidate its affairs within a matter of weeks, so that no useful purpose would be served by a renewal of the Agreement.

The representative of the Union, on the other hand, observed that the Company was still free to modify its present plans, and might eventually renew operations. He argued that in the absence of some guarantee to the contrary the Union was justified in proposing the renewal of the Agreement. At the request of the Board he then made a brief survey of the essential points in regard to which the Union wanted a revision. In reply the representative of the Company explained that there were several aspects of the Union's proposals with respect to which the Company could not agree, and protracted negotiations involving loss of time and money would be required before an acceptable adjustment could be reached.

Realizing that for all practical purposes the litigation rested on a question of procedure rather than one of substance, and that as the Company was going out of business no real good for anyone concerned would be achieved by a renegotiation

(1) Dispute between Waterloo Plywood Limited and International Woodworkers of America, Local 205, Chairman, Henri T. P. Binet; Employer's member, K. A. Wilson; Employees' member (dissenting), Fernand Daoust, 26th of October, 1960. Ministère du Travail, no 1491-1960.

of the Agreement, the Board felt that the guarantee required by the Union, in the event the Company decided to renew operations, could be secured in the Board's recommendation to the Minister of Labour. A suggestion made accordingly met with the approval of the parties and forms the substance of the following recommendation.

The Board, consequently, recommends the maintenance of the *status quo* with respect to the Agreement which is still in force and shall so remain for as long as the Company continues in existence without renewing its manufacturing operations, whether under its present name or any other name, subject to the proviso that if the Company should change its present plans as declared to the Board by its representative, and decide to renew operations, then the Union's right to collective negotiations for the revision of the agreement shall be recognized anew.

In view of the fact that the Employee's Member, Mr. Fernand Daoust who is dissenting from the above views and will submit a minority report, the above recommendations represent the majority decision of the Board who have the honour to submit it to the Honourable Minister of Labour for his good consideration.

COMMENTAIRE

LIQUIDATION DES AFFAIRES ET RENOUVELLEMENT DE CONVENTION

Un tribunal d'arbitrage décide (majoritairement, l'arbitre syndical étant dissident) de recommander le « statu quo », c'est-à-dire le maintien de la convention collective existante plutôt que d'entendre les représentations des parties sur les points au mandat en vue d'un renouvellement de convention. La décision est à l'effet que, la Compagnie devant procéder à sa propre liquidation sous peu et ne retenant plus que deux ou trois employés à son service, il n'y avait pas d'objet à procéder à l'arbitrage selon le mandat qui était le sien.¹

Un tribunal d'arbitrage peut-il s'abstenir d'entendre les parties (si une d'elles au moins le désire) en vue d'un renouvellement de convention collective sous prétexte que trois employés seulement restent à son service et que sous peu il y aura liquidation des affaires de la Compagnie?

Le syndicat, quoique fort réduit dans le nombre de ses membres à l'emploi de la Compagnie, continue d'exister; il détient toujours son certificat d'accréditation; les négociations ont eu lieu entre les parties et la procédure de conciliation a suivi son cours; la Compagnie n'est pas encore dissoute; les représentants syndicaux veulent, et sont prêts à présenter leurs demandes sur les points en litige tels qu'exprimés au mandat du tribunal d'arbitrage.

(1) Waterloo Plywood Limited et International Woodworkers of America — Local 205 — T.-P. Binet, président; K. A. Wilson, arbitre patronal; Fernand Daoust, arbitre syndical. Ministère du Travail, Québec, no 1491 — 4 novembre 1960.