



Canwest™

May 30, 2008

Rob Lumgair
#540 – 1199 West Pender Street
Vancouver, BC
V6E 2R1

Dear Mr. Lumgair;

RE: Eastern Canada Bargaining Unit

On May 20, 2008, I received a letter from you dated May 14, 2008 in which you indicated that the CEP continues to refuse to participate in collective bargaining until the Union's reconsideration application has been dealt with. It is disappointing that the Union continues to be unwilling to negotiate and as a result, increases in wages and benefits for our employees are being delayed. As you are aware, many of our employees have not received wage increases since the fall of 2005 and the Union's position will only further delay any wage increases.

As you recall, the first time the CIRB awarded three bargaining units in 2005 and the Union applied for reconsideration, the Parties did not receive the decision for twelve (12) months. There is no reason to think that this latest reconsideration application by the Union won't also result in significant delays in getting agreements negotiated.

On April 25, 2008, the Board directed the Parties to reach agreement on the "remaining issues (scope of the bargaining units, inclusions and exclusions and collective agreements (emphasis added))". In your letter you propose to limit the negotiations to scope and inclusions/exclusions and state that "...collective bargaining would be premature and counterproductive".

With respect, we do not agree with the position that the Union has taken. We sent you notice to bargain for the Eastern Bargaining Unit on January 14, 2008 and again on February 7, 2008. In our follow up letter on February 29, 2008 we outlined the details of the proposal we previously discussed to address the issues the Union and employees identified as being important to resolve quickly --- benefit improvements, wage increases and severance issues for those employees impacted by digital news implementation. In exchange for these increases we want a long term deal through 2011, status quo on collective agreements and scope. We would also need a commitment from the Union that there would be no further applications to the Board, or and other action that would undermine the commitment made for the duration of the negotiated Eastern agreements.

As previously communicated, I thought the Union would find our proposal attractive as employees would be able to benefit from these improvements and the Union would still be able to pursue its reconsideration application.



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The CIRB has now ruled for a second time that there are 3 bargaining units. As a result, there will be three (3) separate discussions on scope and three separate sets of collective bargaining. With respect to the Eastern bargaining unit, if the Union is prepared to negotiate over scope and inclusions/exclusions while the reconsideration process continues, it is difficult to understand why it would not also be prepared to negotiate for wage and benefit increases at the same time. Wages, benefits and severance for employees facing layoff would seem to be of more immediate concern to CEP's existing members rather than engaging in a lengthy process to determine whether any new members will be added to the unit. In the seven years that the Union application has been before the CIRB, the Union has never identified increased scope i.e. increasing the number of employees covered by the agreement as a reason for the application. Now that the CIRB has made its final decision, the Union's position on scope negotiations will result in a significant delay in collective bargaining over the very issues that it has identified as the reasons for its application in the first place.

We are prepared to commence negotiations immediately for the Eastern Bargaining Unit. Please contact me regarding bargaining dates for the Eastern Bargaining Unit.

Please contact me at your earliest convenience.

Yours truly,

Carol Beisel

Cc David Lewington, Kim Power, Lea Baturin, CEP
General Managers
CEP Local Presidents