



General Presidents' Maintenance Committee for Canada
LEADERS IN UNIONIZED MAINTENANCE

July 26, 2016

Dear Brothers and Sisters,

I would like to begin this letter by offering two words I think you should hear more often: thank you. You are the men and women who have built and maintained the utility and energy infrastructure that powers Albertans' lives and the country's economy. Every Canadian has benefitted from the development of Alberta's oil and natural gas deposits, be it through a job (either directly or indirectly attached to the sector) or the billions of dollars generated for government.

Unfortunately, the economic climate in Alberta has changed dramatically. The province's fortunes have fallen alongside oil prices. Investment has declined sharply as companies either postponed or canceled projects altogether. Making the situation even worse, these companies have also had to cut operating costs in a bid to keep their heads above water. More than 63,000 Albertans lost their jobs in the first eight months of 2015 alone, and that number continues to grow. The losses have been so great that even if you have not been directly affected, you likely have a family member, friend, or neighbor who has.

While economic conditions in the province will eventually stabilize, it is unlikely to happen soon. Alberta's GDP is projected to shrink by another three per cent this year. The implications for our members are clear. With the downturn in the construction market, there are fewer projects to bid on and more players are competing for work within the contract maintenance industry. If we cannot meet these market demands, someone else will. This is the environment we find ourselves in as we prepare to meet with our contractors in August to continue the collective agreement renewal process.

As always, we will be fighting for your interests, but our expectations need to reflect the reality that surrounds us. Our Committee has met with a number of clients who are under tremendous pressure to get in line with international cost structures. If these companies are not in position to grow, our members are going to have fewer opportunities to work. I am confident that we can strengthen our competitive position in the longer term, but we are going to need your support to do so. If we are realistic about what we can achieve in this economic climate, we can keep as many of our members as possible on job sites and position ourselves for continued success. That has to be our overriding goal.

As we prepare for the upcoming meeting, I would ask you to send any thoughts or concerns you may have to inquiries@gpmccanada.com. Your support is critical as we prepare to move forward, so we need to know what you think and where you stand. I look forward to updating you later in the summer.

Sincerely,

A handwritten signature in blue ink that reads 'Brett McKenzie' with a stylized arrow pointing to the right at the end of the signature.

Brett McKenzie
Executive Director
General Presidents' Maintenance Committee for Canada
National Maintenance Council for Canada