



August 8, 2008

Dear ACTRA member,

We are writing to bring you up to date on our negotiations with Canada's advertising industry towards a new National Commercial Agreement (NCA).

As your commercial negotiating team, we have been in bargaining on your behalf for 15 months, since May 2007, doing solid, steady work towards a new agreement.

As you may know, both sides agreed to a one-year extension from July, 2007 to June 30, 2008, with a 3% increase in rates and 1% into insurance. Both sides also agreed to enter into talks on a list of key issues. The ACTRA membership voted to approve these terms and this approach.

You haven't received an update before now, because although the process was moving, there wasn't much to report.

Here's the good news: we've made some important progress in negotiations on some key issues: non-union production and new media.

Here's the bad news: as we write, we are deadlocked over some equally important issues, about performance categories and pay.

As a result, on July 28, ACTRA and the advertising industry jointly asked for government conciliators to step in and help us complete this agreement.

Hopefully we'll succeed. Otherwise, we may be in a serious dispute over this agreement in the fall.

Let's start with the good news. In discussions with advertisers, we have persuaded them, tentatively, to agree to the following:

Canadian signatory advertising agencies will stop shooting non-union commercials.

This is not a small issue. In recent years, several adhered engagers have tried to build side-businesses shooting non-union commercials. We are looking for a new agreement that ends this practice.

Rules for new media will be harmonized with the groundbreaking terms ACTRA achieved in the 2007 Independent Production Agreement (IPA).

This is also not a small issue. We're looking for a new agreement that applies our successful film and television new media model to advertising in new media – so that this type of work, the future of advertising, is done through ACTRA at fair rates.

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Now the bad news:

Advertisers came into this negotiation determined to eliminate some of our performance categories – specifically, the "Silent On Camera" category – without compensation or any offsetting changes.

ACTRA and advertisers have been debating this for months.

Our position is that we will not agree to eliminate or fundamentally change our performance categories.

We ARE prepared to consider redefining categories clearly and appropriately based on today's production environment – provided that there is a substantial offsetting gain for all members in pay.

The advertisers refuse. We've reached a deadlock. So what happens now?

After months of negotiations, both sides have agreed that we're not going to settle this agreement by ourselves. So we have jointly applied for conciliation, naming Reg Pearson, Director of Labour Management Services for the Ontario Ministry of Labour, as conciliator.

We're hopeful that we will complete these negotiations through conciliation with the help of Mr. Pearson when we next meet on September 3 and 4, 2008. In the meantime, the industry will continue to operate under the terms and conditions of the current NCA.

If we succeed, we'll be sending you a detailed report on a proposed agreement in mid-September. If we do not succeed, there may be a test of wills between ACTRA members and the advertising industry this fall.

In that circumstance, you'll be getting a very different, detailed report in mid-September, outlining why we still disagree, and asking you to give your bargaining committee the power they need to prevail in this negotiation.

One of the options your committee will consider is to ask the membership for a mandate to strike. If it comes to that, your union will need your support to ensure we succeed in bargaining acceptable terms.

Throughout this long process, your bargaining committee remains a solid team. We bring our collective experience and understanding of the industry to the table and are doing our best to represent your interests.

Please keep an eye on www.actra.ca for further news and information.

In solidarity,

ACTRA's National Commercial Agreement Negotiating Committee

Richard Hardacre, ACTRA National President and NCA Negotiating Committee Chair

Stephen Waddell, ACTRA National Executive Director and Chief Negotiator

Heather Allin (Toronto), Joanna Bennett (Toronto), Marium Carvell (Toronto),

Paul Constable (Toronto), Bruce Dinsmore (Montreal), Ian Finlay (Montreal), Rob Morton (UBCP),

Doug Murray (Toronto), Karl Pruner (Toronto), David Sparrow (Toronto), Howard Storey, (UBCP)