

TABLE OF CONTENTS

**President and
Chief Executive Officer's Report..... 3**

Financial Report 15

Statistical Reports 25

Board of Directors & Executive Committee 32

Committees 33

Membership List 37

Financial Statements..... 39

The People of the BCMEA 46



BCMEA

**2 0 0 2
ANNUAL
REPORT**

PRESIDENT AND CHIEF EXECUTIVE OFFICER'S REPORT

My first year as President & CEO of the Association was a busy and exciting one. In May 2002 the Board of Directors met with senior Association staff to establish a blueprint for the Association's operations over the next five years. This 'Strategic Planning' session addressed such fundamental questions as: What is the future of the BCMEA? Should the Association continue? What should our focus, priority or direction be over the long term? New priorities were set as a result of these efforts and a new, revitalized five-year business plan was developed and set in motion.

Improvements in industry performance in the area of Health and Safety moved to the top of the list. The Association advanced several safety, training and administrative initiatives. In addition, a search was undertaken for a Director of Health & Safety to complement the existing staff and to lead the Association's new Health & Safety initiatives.

At the conclusion of the Strategic Planning session, work began in earnest, to prepare for collective bargaining. A new approach was implemented in anticipation of the next round of Collective Agreement negotiations. Committees were established for Maintenance, Grain, Despatch and Deepsea. The committees met with the Union's sector bargaining committees to discuss industry proposals. Senior operations personnel, with expertise in each area, met with Association staff and representative Board members to develop proposals and advance the industry's position on Collective Agreement changes. The meetings produced thoughtful and constructive debate between the parties and were a positive enhancement to this year's bargaining process.

In addition, the Association has been actively engaged in developing a long-term 'Strategic Communications & Advocacy Plan'. The continued improvement of the Association's web site is a key component of this plan. Further progress on this initiative will be realized in 2003.

BCMEA STAFF

Mr. Mike Leonard was promoted to Director, Labour Relations in early 2002. Ms. Julia Mijo transferred from the Despatch office to join our Labour Relations department in the capacity of Labour Relations Assistant, replacing Ms. Lauree Thomlinson who left us to attend university. Mr. Graham Spence left the Despatch office to pursue opportunities outside of the industry. Ms. Brenda Houg joined us in November to begin her orientation as executive assistant in preparation for Mrs. Jennifer Chen's retirement in February 2003.

COMMITTEES

Joint Industry Labour Relations Committee

The Committee held no formal meetings in 2002. The two co-chairs of the Committee conducted the year's business informally.

Joint Industry Labour Relations Sub-Committee

The Committee met on five occasions during 2002 and dealt with six grievances and fifteen summary dispositions. Of the six grievances, one was withdrawn and five were resolved. At year-end there were no grievances outstanding. Of the fifteen summary dispositions, one was expunged and three appeals were withdrawn by the Union. At year-end, eleven summary dispositions remain under discussion.

PORT LABOUR RELATIONS COMMITTEE

Bulk Sector

No formal meetings of the Committee were held during 2002. Matters were resolved, on an informal basis, to the satisfaction of the parties.

Ship Owners and Stevedores Sector

No formal meetings of the Committee were held during 2002. Matters were resolved, on an informal basis, to the satisfaction of the parties.

General Wharf Operators Sector

The Committee met once during 2002. Two employees were dismissed for possession and use of drugs at the Vancouver Despatch Hall, in violation of the Association's Drug and Alcohol policy. The employees' grievances were not resolved and were subsequently referred to the Joint Industry Labour Relations Sub-Committee for resolution.

Chemainus Port Labour Relations Committee

Prince Rupert Port Labour Relations Committee

No formal meetings of the Committees were held during 2002. Matters arising within the Port areas were resolved, on an informal basis, to the satisfaction of the parties.

New Westminster Port Labour Relations Committee

The Committee met once during 2002. One grievance involving an employee dismissed for assaulting a supervisor was reviewed and was referred to the Joint Industry Labour Relations Sub-Committee for resolution.

Vancouver Island Committee

The Committee met on three occasions during 2002. The discussions addressed collective bargaining items, workforce size, training, and despatch issues.

Joint Safety Committee

The Joint Safety Committee met twice during 2002. The Committee addressed many issues during the year, reaching agreement on the following:

- To review and update the first aid manual
 - To issue personal flotation devices to linesmen
 - To promote careful use of personal protective equipment to prevent damage or mutilation of the equipment
 - To have the Joint Safety Sub-Committee perform a risk assessment of the need for drivers involved in automobile discharge operations to wear steel-toed footwear. It was determined that operational procedures controlled the hazard and steel-toed footwear was not required for drivers on automobile Ro-Ro discharge operations.
-

Allocation Committee

The Committee continued to convene daily throughout 2002 to ensure fair and equitable distribution of labour to all Association members. The changes implemented in 2001 were closely monitored and are working well. No changes or recommendations were made to the Allocation Rules in 2002.

The Chamber of Shipping Liner Committee continued to assist the despatch process by forecasting labour requirements during the busy months of December and January. Daily communication with the membership gave us the ability to forecast the level of work and anticipate periods of congestion. Up to date information was broadcast daily to the workforce to keep them apprised of industry requirements and work opportunity.

Industry Training Committee

No formal meetings of the Committee took place during 2002.

In preparation for the implementation of the new computerized operating system at Terminal Systems Inc. (Vanterm), time was spent developing training programs and material for the upgrading of Bombcart and Heavy Lift Truck drivers, Rubber Tired Gantry operators and Head Checkers. In addition, time was spent completing the employee upgrading process at Casco Terminals Limited (Centerm).

The upgrading programs for Vanterm and Centerm employees were conducted in a classroom setting resulting in an increased throughput of trainees and a reduction in the cost of training. The upgrading program for Bulk Operators of the Agri System at BCR Marine Ltd. (Vancouver Wharves), was implemented through PowerPoint presentations and a 'hands on' computer-based learning module. The methodology of classroom training and upgrading will be expanded further in 2003 for the Bulk Operator and Head Checker programs.

The Waterfront Training Centre operated at a reduced capacity during 2002. Training efforts were concentrated on one-day evaluation and upgrading of Locker personnel as well as upgrading Trades employees in the safe and efficient handling of fork lifts in a non-production environment.

The following training activities to maintain required inventories in critical skill categories took place in 2002:

	Passed		Failed		Incomplete		Total Processed
	U	C	U	C	U	C	
U = Union C = Casual							
VANCOUVER (Local 500)							
Topside Category							
Topside	4	-	2	-	-	-	6
Dock Gantry Crane	4	-	-	-	-	-	4
Dock Gantry Crane Upgrade	5	-	-	-	-	-	5
Dock Gantry Crane Upgrade - NW	10	-	-	-	-	-	10
VW Ship Unloader Upgrade	6	-	-	-	-	-	6
Wheat Specialty Category							
Wheat Specialty Upgrade	5	-	-	-	-	-	5
Machine Category							
Lift Truck Completion	-	13	-	2	2	19	36
Bombcart Centerm Upgrade	58	39	-	-	-	-	97
Bombcart Vanterm Upgrade	363	248	-	-	-	-	611
Front End Loader	2	6	-	1	-	-	9
- Upgrade	-	4	-	-	-	-	4
Pusher	1	3	-	-	-	-	4
Bulldozer	1	3	1	1	3	2	11
- Upgrade	-	1	-	-	-	-	1
Bombardier	1	-	-	-	1	-	2
Heavy Lift Truck Upgrade - Centerm Fantuzzi	30	13	-	-	-	-	43
Heavy Lift Truck Upgrade - Centerm	33	6	-	-	-	-	39
Heavy Lift Truck Upgrade - Lynnterm	17	-	-	-	-	-	17
Heavy Lift Truck Upgrade - Vanterm	124	72	-	-	-	-	196
Rubber Tired Gantry Upgrade	91	37	-	-	-	-	128
Excavator	-	2	-	-	-	-	2
- Upgrade	1	-	-	-	1	-	2
Trades							
Electrician Upgrade	-	3	-	-	-	-	3
Maintenance Lift Truck	33	38	4	13	-	-	88
Checking Category							
Centerm Head Checker Upgrade	15	15	-	-	-	-	30
Vanterm Head Checker Upgrade	40	16	-	-	-	-	56
Van Wharves Head Checker	2	-	-	-	-	-	2
Standard Checker	2	1	-	-	-	-	3
Squamish	-	2	-	-	-	-	2
Coastwise							
Mobile Crane	4	-	-	-	1	-	5
Mobile Gangway	38	-	-	-	-	-	38
Bulk Operator							
Vancouver Wharves Ltd.							
Bulk Operator Upgrade	48	-	-	-	-	-	48
Rotary Dumper Upgrade	6	-	-	-	-	-	6
Fibreco Export Inc.							
Rotary Dumper Upgrade	1	-	-	-	-	-	1

	Passed		Failed		Incomplete		Total Processed
	U	C	U	C	U	C	
U = Union C = Casual							
Bulk Operator (cont'd)							
Neptune Bulk Terminals Ltd.							
Bulk Operator Upgrade	31	-	-	-	-	-	31
Pacific Coast Terminals (Port Moody)							
Bulk Operator Upgrade	4	-	-	-	-	-	4
Rail Category							
Railperson	5	1	-	-	-	-	6
Liquid Bulk Operator							
Dow - Upgrade	14	8	-	-	-	-	22
Port Moody - Upgrade	23	9	-	-	-	-	32
NEW WESTMINSTER (Local 502)							
Topside Category							
Topside	2	2	1	2	1	2	10
Dock Gantry Crane	14	-	1	-	2	-	17
- Upgrade - Vancouver	10	-	-	-	-	-	10
Checker Category							
Delta Port Checker	-	19	-	6	-	1	26
FSD Checker	-	8	-	-	-	-	8
FSD Computer Checker	-	11	-	-	-	-	11
Machine Category							
Standard Lift Truck	-	46	-	7	-	-	53
- Upgrade	-	2	-	-	-	-	2
Heavy Lift Truck	2	14	-	3	-	-	19
Reach Stacker	1	15	-	2	-	-	18
- Upgrade	1	-	-	-	-	-	1
Rubber Tired Gantry	2	13	2	3	-	-	20
Rail Mounted Gantry	11	9	-	-	-	-	20
Multi Tractor	1	41	-	11	-	-	53
- Upgrade	-	1	-	-	-	-	1
Rail Category							
Switching	-	-	-	-	2	-	2
Log Safety Training							
Boom	-	60	-	-	-	-	60
Trades Category							
HD Mechanic Apprentice	-	1	-	-	1	-	2
Electrical Apprentice	-	1	-	-	-	-	1
PRINCE RUPERT (Local 505)							
Topside	1	-	-	1	-	1	3
Console	2	-	-	-	-	-	2
Wheat Specialty	-	-	-	-	2	-	2
CHEMAINUS (Local 508)							
Topside	5	-	1	-	-	-	6
- Upgrade	2	-	-	-	-	-	2

1. 2002 First Aid Training

40 longshore employees newly qualified or renewed their first aid certificate in 2002.

	U	C	Total
Vancouver / New Westminster	22	13	35
Chemainus	3	0	3
Prince Rupert	1	1	2
Total	26	14	40

2. Topside Training

As a result of reduced work opportunity, the Training Gang did not get sufficient exposure to equipment to improve their skills. Consequently, the Topside Training Committee, the Association, and Local 500 representatives agreed to place a moratorium on topside training. The program is streamlined such that training can start immediately should need warrant and will produce the number of operators as required by the training plan.

3. Dock Gantry Training

The format of the Dock Gantry training program was revised after lengthy discussions amongst the employers, the Association, and Local 500 representatives. A pilot program incorporating a reduced time frame for the program was implemented. The shorter training program did not yield a significant difference in the productivity of operators. Twenty Dock Gantry operators (ten from Local 500 and ten from Local 502) were upgraded to work in both ports, increasing the availability and flexibility of Dock Gantry operators.

4. Trades Training

We sponsored apprentices in the following areas:

New Westminster Local 502

- Two Heavy Duty Mechanic Apprentices
- Two Electrical Apprentices

5. New Westminster and Deltaport

Training and upgrading continued throughout the year.

A recruitment program developed by the British Columbia Institute of Technology was implemented in Local 502. This pre-industry employment program consisted of two phases:

- 1 day testing and orientation phase - including 3 tests covering English comprehension, mathematics and mechanical aptitude.
- 5 day training on lift trucks, lashing, warehouse inventory management and basic computer skills.

A total of 276 people completed both phases of the program and are eligible for registration in Local 502. As at year-end, 80 new employees were randomly drawn and registered in Local 502.

6. Head Checker Training

All the Head Checkers were provided upgrading on the new computer system at Centerm and Vanterm. The Head Checker program was redeveloped to reflect the new technological changes.

7. New Developments

Efforts are well under way to set up a classroom with computer workstations for programs such as Head Checker and Bulk Operator training. The classroom will also be used for upgrade training due to system changes at container and bulk terminals.

TRANSPORT CANADA - MARINE SAFETY

Transport Canada appointed a new Regional Manager for the Pacific Region in early 2002. The Association met informally on a number of occasions with the new Regional Manager and his staff to deal with specific industry issues.

The Association's representatives attended the National Canadian Marine Advisory Council meetings in Ottawa to support the interests of our members. Transport Canada – Marine Safety, in conjunction with Human Resources Development Canada, and industry stakeholders are reviewing the Marine Occupational Health and Safety (MOHS) Regulations. Work on this project was delayed in mid 2002 because Transport Canada resources were focused on the revision of the Canada Shipping Act. The MOHS review will resume in early 2003. We are monitoring this closely.

HUMAN RESOURCES DEVELOPMENT CANADA (HRDC)

Warning Lights on Trailers

HRDC has issued member companies an 'Assurance of Voluntary Compliance' instructing them to install 'warning lights' on motorized materials handling equipment used at night as a consequence of an industry employee complaint made to HRDC and a prior ruling on appeal heard by the Regional Safety Officer relating to a similar case in Eastern Canada. Trailers and bombcarts used in the industry have not been equipped with 'warning lights' for night use. Reported incidents where this issue could have had causative impact were minimal.

The industry held numerous meetings to discuss the issue. Following a legal review of member options the Association met with HRDC and advised that our members would install warning lights on equipment. HRDC indicated that warning lights alone would not suffice, notwithstanding that was all that was required of employers in Eastern Canada. In light of the divergence of opinions between the parties, HRDC advised it will be reviewing the matter internally and will advise the Association of its conclusions.

Sulphur Appeal

HRDC issued a 'No Danger' decision relating to a sulphur dumping operation following a refusal to work. The Union appealed this decision to the Appeals Officer. The Association represented the employer in this matter and the decision of 'No Danger' was upheld.

Health & Safety Initiatives

Throughout the year the Association met with senior HRDC management to discuss how the industry and HRDC could work cooperatively to improve health and safety in the industry. The discussions centered on focusing resources on high hazard operations.

At the request of HRDC, the industry (i.e., the Association, Union and Employers) collaborated in the development of a Work Safe training program for drivers involved in automobile discharge operations on Ro-Ro vessels. The program will be introduced in early 2003.

CANADIAN HUMAN RIGHTS COMMISSION

Employment Equity

During 2002, the Association continued to work with the Canadian Human Rights Commission to ensure compliance with the Employment Equity Act. The audit process that began in 2001 has not yet resulted in a final report. To facilitate the process, the Association worked with the Union to increase the participation rate of the employee self-identification survey. The Association continues its efforts in this regard. In the coming months, we will be meeting with the Human Rights Commission to review our status with reference to compliance. We will be reviewing the demographics of our workforce as well as the required representation for each designated group.

FEDERAL COURT OF CANADA / SUPREME COURT OF BRITISH COLUMBIA

No actions were brought before the Federal Court of Canada during 2002.

The Association referred one of the Industry Awards for judicial review before the Supreme Court of B.C. The review process was unsuccessful.

ARBITRATIONS

The Association presented three Job Arbitrations during 2002.

There were four Industry Arbitrations, three that involved appeals from the Job Arbitrator's Summary Dispositions from previous years. The fourth Industry Arbitration dealt with the dismissal of a Union member for fraudulently collecting WCB benefits. The Arbitrator upheld the dismissal.

PICKET LINE NOTIFICATIONS, LOCKOUTS, INJUNCTIONS

There were no official picket line notifications in 2002.

The BC Terminal Elevator Operators Association locked out the Grain Workers Union Local 333 from August 25, 2002 to December 12, 2002, interrupting the flow of product from grain terminals in Vancouver.

In May 2002, the IWA picketed vessels at Fraser Surrey Docks to protest the export of raw logs from BC. On behalf of its members, the Association applied for and received a court injunction to prevent further action.

UNION PAY CLAIMS – ALL PORTS

	2001	2002
Accepted	17	14
Rejected	17	18
Withdrawn	15	2
Pending	3	10
Total	52	44

SECTORAL INITIATIVES

General Wharf Operators Sector

Maintenance Sector

Bulk Operators Sector

Stevedores Sector – General Cargo

Stevedores Sector – Grain

Ship Owners Sector

Vancouver Island Employers Sector

Sectoral meetings continued to be an effective forum for staff and operating managers from member companies. In 2002 meetings were held in each sector but were devoted, almost exclusively, to the development of bargaining proposals in preparation for the renewal of the BCMEA/ILWU Collective Agreement expiring on December 31, 2002. As an initiative to provide in depth discussion of the bargaining issues, negotiations were divided into sessions with direct participation from operational representatives from each sector.

NEW OPERATIONS AND TECHNOLOGICAL CHANGE

BCR Marine Ltd. (Vancouver Wharves) introduced bar code technology for rail cars on Berth 4 and Berth 5. Casco Terminals Limited (Centerm) introduced their computerized operating system in 2001 and implementation was finalized in early 2002. Terminal Systems Inc. (Vanterm) is finalizing their computerized operating system and it will be implemented in early 2003.

HEALTH AND SAFETY

The BCMEA-ILWU Safety Orientation section of the recruitment program was updated in 2002.

In 2002, for the first time, the Safety Orientation program was presented on four occasions to new employees entering the workforce in New Westminster Local 502. 80 new employees were registered upon successful completion of the Safety Orientation section.

The Association continues to participate as an employer representative on the WCB Research Advisory Committee. The Committee reviews and makes recommendations for funding of research projects through the WCB.

The Association continues to maintain contact with industry representatives in Eastern Canada and the United States to keep apprised of issues arising in other longshore jurisdictions. In Fall 2002, the Association's representatives attended a meeting of the US group, the National Maritime Safety Association ("NMSA"). The meeting was held at one of the largest terminals in the Los Angeles/Long Beach area and allowed us to view the operation. The Association also had an opportunity to tour the Pacific Maritime Association's training facility for Southern California.

Through the Association's membership in the Federally Regulated Employers, Transportation and Communication Organization ("FETCO") our members' interests continue to be represented. At the Regulatory Review Committee, the Association asked that HRDC change the regulations relating to 'warning lights' on trailers. At present, HRDC has decided not to change the regulations. FETCO also expressed opposition for the need for a regulation dealing with ergonomics.

The Association continues to monitor regulatory change under the Marine Occupational Health and Safety (MOHS) Regulations undertaken by HRDC in conjunction with Transport Canada Marine Safety Branch.

Throughout the year the Association sponsored a number of seminars and training sessions for our members dealing with such issues as changes to the WCB Act and Regulations, the roles and responsibilities of Health and Safety Committee members, and accident investigation. More sessions will be scheduled for 2003.

CLAIMS MANAGEMENT

WCB activity was heavy during 2002 and is projected to increase in 2003. Changes to the WCB Act, Regulations and the Appeal process are expected to culminate in increased scheduling of outstanding WCB appeals.

During 2002, approximately 60 appeals were initiated. Appeal decisions received in 2002 breakdown as follows: 64% of employee-initiated appeals were decided in the employers' favour and 50% of employer-initiated appeals were decided in the employers' favour.

Despite the efforts of all those in the industry, the WCB rate will increase in 2003 to a base rate of \$6.34 per \$100 of assessable payroll, representing an approximate increase of 3.3% over the 2002 base rate.

The Association continued its initiative to work with employees with a high incidence of claims. We continue to contact these employees and offer assistance, help programs or retraining as appropriate to their particular situation to try to prevent further injuries.

The Association and its members implemented 38 graduated return-to-work programs and spent significant time returning / integrating injured employees to the workplace.

In addition, a needs analysis was developed by the Association in conjunction with the WFEA to evaluate industry requirements and determine the need for contracting a third party to provide medical management services. In consultation with our members, PricewaterhouseCoopers Consulting was selected to provide the review and their report was presented in late 2002. Their recommendations are currently under study.

The development of a Universal Database for Health and Safety and Claims Management is nearing completion. Following a series of meetings with our members, requirements for the database were identified, as was the vendor company. Once implemented members will access the system through the internet. The program will feature one point entry to a centralized industry database allowing for reporting to regulatory agencies and eliminating the need for the duplicate entry system that is currently in place.

DESPATCH

Under the current Collective Agreement, orders for labour requirements are placed through the various despatch offices in British Columbia; Vancouver, New Westminster, Chemainus, Prince Rupert, and Stewart. The Despatch Manager and staff monitor all labour requirements, discrepancies, and shortages through one centralized office in Vancouver. Continual effort is made to minimize delays and shortages.

In May 2002, an agreement was reached by the Despatch Committee to decrease the number of registered gangs from twelve (nine day gangs and three night gangs) to eight (six day gangs and two night gangs) to better meet the requirements of the industry.

In conjunction with the Information Services department, the despatch computer system is in the process of being re-engineered from a DOS to Windows-based platform. As reported previously, the Administration module of the system was completed in 2001. The Order Entry and Vessel Allocation modules were completed in October 2002. The balance is projected to be completed in 2003.

We continue to expand our communication with the industry and workforce via the Association's web site. Button and work information is updated regularly and is easy to access. This user-friendly enhancement has been widely accepted by the workforce.

Ongoing meetings between our member companies in Vancouver and the Association's representatives continue to provide a positive forum in which to address the despatch and information services concerns of our members.

INFORMATION SERVICES

Despatch Order Entry and Vessel Allocation

The re-engineering of the despatch office computer system continued in 2002. The Order Entry and Vessel Allocation components of the system were successfully implemented in October. The re-engineering project will be completed in 2003, two years ahead of schedule and under budget.

Direct Remote Order Entry ("DROE")

BCR Marine Ltd. became our first DROE client in 2002. The DROE project facilitates the direct exchange of Association computer data and member company computer data via electronic file transfer over the internet. The direct data exchange allows our members to develop customized computer systems that increase efficiency and accuracy within their site. The deployment of DROE will continue in 2003.

Senior staff continued their program of regular visits to Association member sites to monitor re-engineered Direct Remote Order Entry system activities and to maintain ongoing dialogue with site representatives.

Web Site Development

The development of an internet based Universal Database for health and safety statistical information is nearing completion. The database will allow for review of accident trends to enable the industry to focus prevention activities in priority areas. The system will be implemented during the first quarter of 2003.

Regular enhancements to the Association's web site are an ongoing project. In 2002 a 'Members Only' section was created. The information posted contains items of interest to the BCMEA Board of Directors, for example, board meeting minutes and future meeting agendas. During 2003, we will be enhancing the Members Only section to provide updates and information relevant to our full membership.

The Association's Disaster Recovery Plan was updated and tested to ensure critical systems availability in the event of a disaster.

Strategic Planning

The BCMEA Strategic Planning Committee for Information Services was formed in 2002. Several meetings were held during the year and additional meetings are planned for 2003. The committee is comprised of direct employer and Association staff. The mandate of the committee is to "bring interests together for the Waterfront and promote cost savings".

CONCLUSION

I would like to take this opportunity to acknowledge the many individuals who have helped make my transition from Vice President to President as seamless as possible. In particular, I would like to express my sincere appreciation for the guidance and support given me throughout the year by the Board of Directors, the Staff and our Standing and Sector Bargaining Committee Members. All of your contributions were welcomed and appreciated. I look forward to the advancement of the many initiatives we set forth last Spring and welcome your further support in 2003.

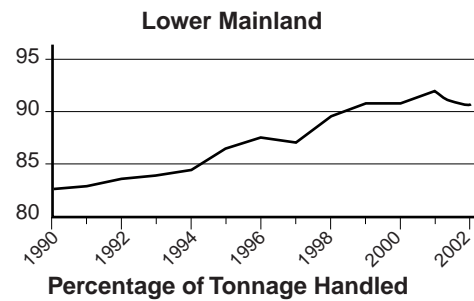
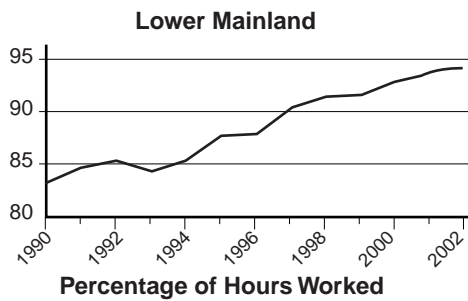


F. A. Pasacreta
President and Chief Executive Officer
February 24, 2003

FINANCIAL REPORT

GENERAL

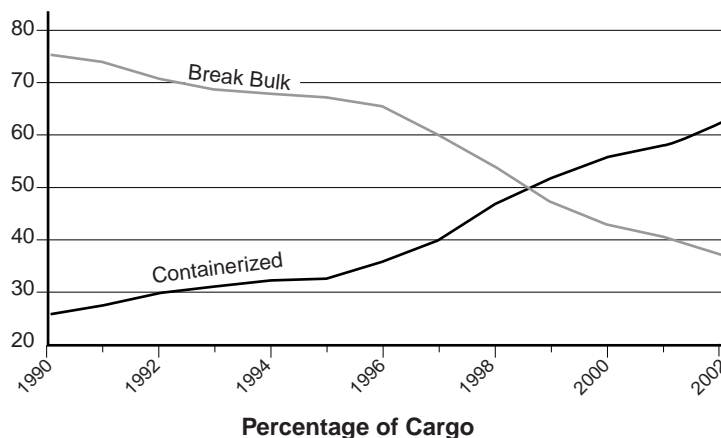
The percentage of hours worked and tonnage handled in the Lower Mainland ports of Vancouver and New Westminster, compared to the total for all B.C. ports, continues its average upward trend with approximately 93.7 percent of the work opportunity and 90.3 percent of the tonnage being handled in the Lower Mainland ports of Vancouver and New Westminster.



This change in work opportunity and tonnage handled is primarily attributable to a change in the traditional methods of shipping forest related products, a decline in the volume of bulk cargoes and an increase in the number of containers handled. Changes that not only effect the amount of cargo shipped by waterborne transportation but how and where that cargo is shipped/received.

The ever-increasing trend to ship non-bulk goods, including forest related commodities, in containers has resulted in a dramatic shift in the traditional methods of handling water-borne cargo. As can be seen from the following schedule, the percentage of non-bulk cargo being handled on a Break Bulk basis has steadily declined from 75% in 1990 to 37% in 2002, while the percentage of containerized cargo handled has increased from 25% in 1990 to 63% in 2002.

MOVEMENT OF NON-BULK CARGO BREAK BULK VERSUS CONTAINERS

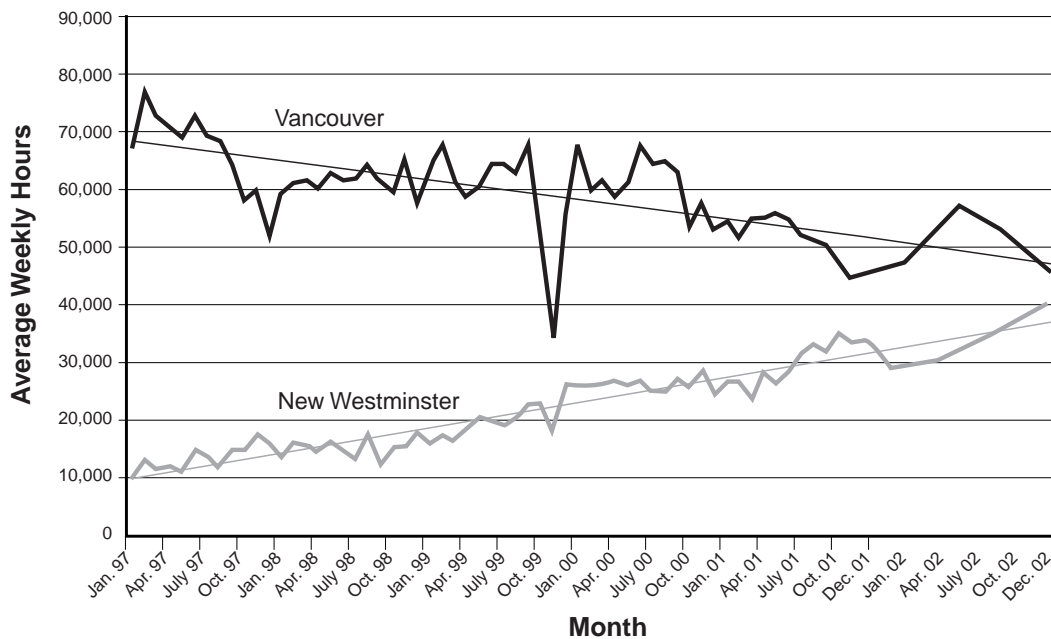


Container terminals need to be near transportation hubs with efficient road and rail access in order to allow for the timely and efficient receipt and delivery of goods. In anticipation of the coming change in the method of shipping/receiving cargo, port authorities in the lower mainland, in conjunction with the terminal operators, embarked on a program of improving and expanding the capacity of and access to their existing container terminals and the construction of a container terminal facility.

As a result of these moves, the lower mainland's container throughput capacity has more than doubled.

The effect that all of the above noted changes have had on the distribution of work opportunity in the lower mainland can be seen in the following chart. A closer examination discloses that since 1997 the work opportunity serviced by the Vancouver local of the ILWU has declined by 919,048 hours while the work opportunity serviced by the New Westminster local of the ILWU has increased by 1,018,414 hours.

AVERAGE WEEKLY HOURS WORKED IN VANCOUVER AND NEW WESTMINSTER



Over the period 1995 to 1999, the Board of Directors set cargo assessment rates at levels less than those necessary to meet the Association's operating, despatch and Collective Agreement costs. This was done in an effort to assist the Industry in maintaining its relative competitive position during times of significant change. Beginning in 2000, the Board of Directors initiated a three-year program to return cargo assessment rates back to a net break-even position. This net break-even position was achieved in 2002.

BCMEA ASSESSMENT RATE HISTORY

EFFECTIVE DATE	CARGO										PAYROLL	HOURLY
	OTHER BULK per METRIC TONNE	BULK per HOUR	GRAIN per METRIC TONNE	LOGS per M. SCRIBNER	LUMBER per M.B.M.	GENERAL per METRIC TONNE	VEHICLES per VEHICLE	STEEL per METRIC TONNE	CONTAINERS per TEU	AS A % OF EARNINGS	DOLLARS per HOUR	
Jan-76	0.0363	1.1200	0.1270	0.6610	0.3000	0.1726	0.0000	0.0000	0.0000	12.500%	1.300	
Jan-77	0.0363	1.1200	0.1270	0.6610	0.3000	0.1726	0.0000	0.0000	0.0000	12.500%	1.300	
Jan-78	0.0363	1.1200	0.1270	0.6610	0.3000	0.1726	0.0000	0.0000	0.0000	12.500%	1.300	
Jan-79	0.0363	1.1200	0.1270	0.6610	0.3000	0.1726	0.0000	0.0000	0.0000	12.500%	1.300	
Jan-80	0.0272	0.7800	0.0840	0.4698	0.2100	0.1179	0.0000	0.0000	0.0000	12.500%	1.250	
Jan-81	0.0330	0.7800	0.0840	0.4698	0.2100	0.1430	0.0000	0.0000	0.0000	13.100%	1.200	
Jan-82	0.0330	0.7800	0.0840	0.4698	0.2100	0.1430	0.0000	0.0000	0.0000	14.930%	1.370	
Jan-83	0.0500	1.1700	0.0840	0.7047	0.3150	0.2150	0.0000	0.0000	0.0000	12.100%	1.390	
Jul-84	0.0530	1.2600	0.0840	0.7569	0.3380	0.2300	0.0000	0.0000	0.0000	14.600%	1.860	
Jan-85	0.0590	1.4100	0.0840	0.8280	0.3780	0.2570	0.0000	0.0000	0.0000	14.900%	1.970	
Jan-86	0.0590	0.4770	0.0840	0.8280	0.3780	0.2570	0.0000	0.0000	0.0000	14.900%	1.970	
Mar-87	0.0530	0.5520	0.0750	0.7450	0.3400	0.2310	0.0000	0.0000	0.0000	14.900%	1.970	
Jan-88	0.0450	0.5640	0.0640	0.6330	0.2890	0.1960	0.0000	0.0000	0.0000	14.900%	1.970	
Jan-89	0.0530	0.6770	0.0750	0.7450	0.3400	0.2310	0.0000	0.0000	0.0000	15.600%	2.070	
Jul-89	0.0530	0.6940	0.0750	0.7450	0.3400	0.2310	0.0000	0.0000	0.0000	23.920% ¹	0.740 ¹	
Mar-90	0.0620	0.8080	0.0870	0.8680	0.3960	0.2690	0.0000	0.0000	0.0000	25.960%	0.890	
May-90	0.0620	0.8720	0.0870	0.8680	0.3960	0.2690	0.0000	0.0000	0.0000	22.810%	0.890	
Jan-91	0.0700	0.9850	0.0980	0.9810	0.4470	0.3040	0.0000	0.0000	3.1500	23.200%	1.090	
Jan-92	0.0700	0.9850	0.0980	0.9810	0.4470	0.3040	0.0000	0.0000	3.1500	23.444%	2.410 ²	
Jan-93	0.0700	0.9850	0.0980	0.9810	0.4470	0.3040	0.0000	0.0000	3.1500	23.444%	2.410	
May-94	0.0700	0.9850	0.0980	0.9810	0.4470	0.3040	0.0000	0.0000	3.1500	25.750% ³	2.760	
Oct-94	0.08	0.93	0.06	0.90	0.35	0.24	0.00	0.00	2.00	25.75%	2.76	
Jan-95	0.08	0.93	0.06	0.90	0.35	0.24	0.00	0.00	2.00	24.25%	2.70	
Jan-96	0.08	0.93	0.06	0.90	0.35	0.24	0.00	0.00	2.00	24.88%	2.76	
Oct-96	0.09	1.02	0.06	0.99	0.39	0.27	0.00	0.00	2.20	24.88%	2.76	
Jul-97	0.10	1.18	0.06	1.15	0.45	0.31	0.00	0.00	2.55	24.88%	2.76	
Jan-98	0.11	1.31	0.06	1.28	0.50	0.34	0.00	0.00	2.83	24.88%	2.81	
Jan-99	0.11	1.31	0.06	1.28	0.50	0.34	0.00	0.00	2.83	24.88%	2.81	
Jan-00 ⁴	0.17	1.80	0.06	0.72	0.54	0.32	0.72 ⁵	0.44 ⁵	3.12	24.88%	3.05	
Jan-01	0.22	2.29	0.06	0.92	0.69	0.41	0.92	0.56	3.97	24.88%	3.05	
Jan-02	0.24	2.54	0.06	1.02	0.76	0.46	1.02	0.62	4.40	25.25%	3.15	
Jan-03⁶	0.24	2.54	0.06	1.02	0.76	0.46	1.02	0.62	4.40	25.25%	3.15	

1 Funding of Longshore Pension Plan changed from Dollars per Hour to a Percentage of Earnings.

2 Total negotiated increase applied to Longshore Pension and Health & Benefit Plans.

3 The Association imposed a 9.15% surcharge of wages January 2, 1994, which was eliminated May 1, 1994 and replaced by increased Payroll and Hourly Assessments.

4 Effective January 1, 2000 cargo assessment rates were adjusted so that the cost of handling each type of cargo was the same cost per unit of cargo handled per longshore hour worked.

5 Previously included as general cargo.

6 Effective January 1, 2003, the Board of Directors of the BCMEA instituted a 2.0% surcharge on all longshore wages, payroll and hourly assessments.

The ratio of overtime and premium shift hours worked as compared to the Monday to Friday day shift hours worked remains high. This continuing trend confirms previous assertions that in order to maintain "just in time" delivery schedules there is a greater tendency for vessels to work around the clock or more than just the day shift.

PERCENTAGE OF OVERTIME HOURS TO MONDAY TO FRIDAY SHIFT HOURS WORKED

1985	37.0%	1994	46.9%
1986	37.5%	1995	48.6%
1987	40.0%	1996	49.3%
1988	42.4%	1997	48.8%
1989	43.7%	1998	48.8%
1990	44.4%	1999	49.6%
1991	45.4%	2000	50.2%
1992	45.1%	2001	50.0%
1993	43.7%	2002	51.5%

The first of the following tables provides an historic review of the number of longshore hours worked, basic Monday to Friday day shift rate of pay and total annual wages (excluding Vacation and Holiday Pay) paid to longshore workers by members of the Association.

The second table shows the annual cost to Association members of fringe benefits paid directly by the Association from its assessment revenues.

BASIC LONGSHORE WAGE RATE AND COMPARISON OF WAGES PAID TO WAGES & FRINGE BENEFITS PAID 1972 TO 2002

YEAR	HOURS WORKED 000's	BASIC WAGE RATE	WAGES PAID 000's	WAGES & FRINGES PAID 000'S	AS % OF WAGES PAID	YEAR	HOURS WORKED 000's	BASIC WAGE RATE	WAGES PAID 000's	WAGES & FRINGES PAID 000'S	AS % OF WAGES PAID
1972	6,281	5.18	38,526	46,578	20.90%	1988	5,446	17.76	119,832	147,034	22.70%
1973	5,692	5.60	41,195	50,122	21.67%	1989	5,116	19.01	120,511	155,741	29.23%
1974	5,773	5.93	43,898	53,994	23.00%	1990	4,946	20.21	122,858	157,142	27.91%
1975	4,545	7.23	41,546	51,847	24.79%	1991	4,904	21.41	128,339	164,693	28.33%
1976	5,095	8.03	50,744	63,012	24.18%	1992	4,648	21.41 ¹	121,842	164,512	35.02%
1977	5,309	8.60	56,808	72,019	26.78%	1993	4,216	22.06 ²	113,245	155,368	37.20%
1978	5,499	9.10	62,578	79,003	26.25%	1994	4,385	22.71	122,130	165,598	35.59%
1979	5,363	10.00	68,343	83,798	22.61%	1995	4,546	23.36	130,983	177,571	35.57%
1980	5,638	10.90	79,936	96,947	21.28%	1996	4,569	23.96/24.06	135,473	184,184	35.96%
1981	5,556	12.55	90,032	108,959	21.02%	1997	4,669	24.61/24.71	142,414	194,164	36.34%
1982	5,026	13.85	89,356	109,328	22.35%	1998	4,327	25.36	135,517	187,288	38.20%
1983	4,708	15.45	93,178	114,816	23.22%	1999	4,579	25.81	147,084	204,556	39.08%
1984	4,849	15.95/16.10	95,627	118,323	23.73%	2000	4,956	26.46	163,692	226,801	38.55%
1985	4,585	16.90	95,062	118,890	25.07%	2001	4,523	27.11	153,146	215,172	40.50%
1986	4,535	16.90	94,968	118,632	24.92%	2002	4,599	27.76	160,978	228,338	41.84%
1987	5,350	17.24	114,239	140,239	22.99%						

1 One year contract extension with negotiated increased hourly rate directed to be paid into the Waterfront Industry Pension and Health & Benefit Plans.

2 1993 information has been updated to include retroactive costs paid in 1994.

EMPLOYER ASSESSMENTS PAID TOWARDS LABOUR FRINGE BENEFITS

YEAR	VACATIONS 000s	STATUTORY HOLIDAYS 000s	INDUSTRY PENSION 000s ¹	CANADA PENSION 000s	HEALTH & BENEFITS 000s	RETIRING ALLOWANCE 000s ²	OTHERS 000s ^{4/5}	WORKERS COMP. 000s ³	TOTAL 000s
1972	2,705	943	2,655	369	671	709	0	0	8,052
1973	2,840	1,067	3,252	336	723	709	0	0	8,927
1974	3,130	1,109	3,668	386	714	1,089	0	0	10,096
1975	3,273	1,043	3,912	404	667	696	306	0	10,301
1976	4,040	1,542	4,194	449	840	948	255	0	12,268
1977	4,545	1,695	5,494	505	1,418	816	738	0	15,211
1978	5,092	1,882	6,570	580	1,566	672	63	0	16,425
1979	6,028	1,951	4,363	658	1,565	713	177	0	15,455
1980	7,075	2,236	4,500	746	1,749	562	143	0	17,011
1981	7,973	2,601	4,680	864	1,748	909	152	0	18,927
1982	8,201	2,299	5,040	904	2,018	990	520	0	19,972
1983	8,696	3,081	5,040	903	2,204	1,258	486	0	21,668
1984	9,156	3,170	5,400	1,011	2,496	965	498	0	22,696
1985	9,340	3,286	5,880	1,075	2,691	1,074	482	0	23,828
1986	9,300	3,286	5,880	1,164	2,586	985	463	0	23,664
1987	10,506	3,692	5,880	1,392	3,235	997	559	0	26,261
1988	10,995	3,837	5,880	1,536	3,302	1,081	571	0	27,202
1989	10,562	3,648	14,750	1,578	3,257	906	529	0	35,230
1990	11,542	3,963	11,217	1,596	4,072	1,353	541	0	34,284
1991	12,057	4,338	11,129	1,859	4,864	1,575	532	0	36,354
1992	12,024	4,070	16,755	1,899	5,810	1,200	525	387	42,670
1993	11,573	3,888	16,897	1,993	5,540	1,560	133	539	42,123
1994	12,180	4,022	17,665	2,036	5,510	1,348	128	579	43,468
1995	12,768	4,182	19,469	2,278	5,725	1,467	131	568	46,588
1996	13,650	4,396	20,141	2,405	5,959	1,486	138	536	48,711
1997	14,016	4,498	22,137	2,678	6,043	1,738	138	502	51,750
1998	13,618	4,420	22,563	2,790	5,722	2,070	144	444	51,771
1999	13,824	4,708	26,083	3,103	5,973	3,059	2,891	552	60,193
2000	15,275	5,189	29,256	3,784	6,455	2,163	474	593	63,189
2001	15,114	4,896	27,715	4,024	6,069	3,439	440	575	62,272
2002	15,543	5,071	31,995	4,566	6,215	3,070	445	594	67,499

1 Includes the following lump sum payments: \$1,300,000 for 1977, \$2,250,000 for 1978 and \$5,000,000 in 1989 relating to 1986, 1987 and 1988. Effective 1988 an Industrial Inquiry Commissioner ruled that the Association must compensate Longshoremen for the elimination of the Container Clause.

In 1989, the Parties agreed that all such payments would be made to the Waterfront Industry Pension Plan. In addition, the Union instructed that \$692,738 of funds previously used to provide SUB benefits be paid to the Waterfront Industry Pension Plan in 1995.

2 Updated to include a Supplementary Retiring Allowance program negotiated to become effective January 1, 1993.

3 Effective January 1, 1992, the Association structured an agreement with the WCB to pay WCB premiums on Vacation and Statutory Holiday Pay.

4 Includes cost of Employee Assistance, Jury Duty and Bereavement Leave, Medical Exams, Midnight Deadtime plus SUB program which was cancelled effective December 31, 1992.

5 Health & Benefits, Retiring Allowance, Workers Compensation and Others updated to include retroactive costs paid by the Association.

FINANCE COMMITTEE

The Finance Committee, comprised of representatives from each sector of the Industry plus senior staff members, is charged by the Board of Directors with the responsibility of reviewing the financial position of the Association on a continuous basis and, where appropriate, making recommendations with respect to all budgetary issues and assessment levels.

Staff and members of the Finance Committee, through dialogue with Association members and non-member users of port facilities across British Columbia, monitor the impact of the industry's fluctuating work opportunity. As a result we are able to keep the Board apprised of current waterborne cargo forecasts. The Finance Committee met on three occasions; using information gathered from the above noted parties, the Committee recommended and received Board agreement and/or approval of the following:

- 2001 internal statements as fairly representing the activities of the Association throughout the year
- 2001 draft and audited Financial Statements
- the Association's available cash position resulting from the downturn in work experienced during the first half of the year
- results of the Association's operations during 2002
- 2003 operating and capital budgets and assessments for Collective Agreement labour fringe benefits
- 2003 payroll, hourly, cargo, container gainshare, lower mainland and gang interchange assessment rates.

INVESTMENTS

Investments and other income decreased from \$481,084 in 2001 to \$361,123 in 2002. This decrease resulted from the Association depleting all of its unrestricted cash reserves during the year combined with an overall decline in available interest rates.

VANCOUVER ISLAND AND THE GANG INTERCHANGE POOL

As can be seen from the statistical data reported later in this report, work opportunity on Vancouver Island has declined by approximately 35% from 337,429 hours in 1997 to 220,177 hours in 2002, while the number of Vancouver Island workers available to handle this work has declined by approximately 29% from 286 workers in 1997 to 203 workers in 2002.

The consolidation of the Vancouver Island locals and the establishment of small resident workforces in both Victoria and Port Alberni combined with the reduced work opportunity have resulted in charges against the Vancouver Island Gang Interchange Pool (Pool) roughly equalling revenues credited to the Pool. Additionally, the Association agreed to transfer \$75,000 for 2001 and \$50,000 for 2002 into the Pool in order to help smooth out any excessive charges against the Pool resulting from the consolidation of the Vancouver Island locals.

The Pool is a self-sustaining fund designed to equalize the cost of employing longshore labour on Vancouver Island. The fund reimburses direct employers of labour for the amount paid to longshore workers for travel time and fares, less the travel and fare costs equal to that stipulated for travel from Chemainus to Crofton, when longshore workers are required to travel to directly or indirectly service ships working at most Vancouver Island ports.

The Finance Committee in conjunction with the Vancouver Island Committee reviewed the balance of the fund and recommended to the Board that the current Gang Interchange Assessment rates are sufficient and that there is no need to change these rates at this time.

LOWER MAINLAND INTERCHANGE POOL

In 2001 the Board of Directors of the Association determined that the practice whereby some lower mainland travel is paid for by Employers and some by the BCMEA from general revenues was not equitable. The Board further agreed that the cost of traveling employees to and within the lower mainland should be as transparent as possible.

Effective 2002, the Board established a self-sustaining Lower Mainland Interchange Pool, to be funded through assessments on all cargo handled on the lower mainland, except grain. This Pool reimburses direct employers of labour for the costs of traveling longshore labour to and within the lower mainland. The employer is only reimbursed for employees who are required to travel by the Vancouver Despatch Centre and only in accordance with a pre-approved set of rates.

The Finance Committee reviewed the balance of the fund and recommended to the Board that the current Lower Mainland Interchange rates are sufficient.

INDUSTRIAL INQUIRY COMMISSION OBLIGATIONS (CONTAINER GAINSHARE)

During 1991, the Parties to the Collective Agreement agreed that all the monies then accumulated and current monies flowing from the Gainshare and Waterfront Industry Productivity obligations mandated by the Industrial Inquiry Commission would be paid on an annual basis to the Waterfront Industry Pension Plan. The Commission requires the Association to pay \$10.00 for every TEU, full or empty, handled in excess of the number of TEU's handled in 1987 (the base year).

Since the elimination of the Container Clause and the imposition of the Industrial Inquiry Commission Obligations in 1987, the total number of TEU's handled by Association members has increased at an average growth rate of approximately 12.2%. This has resulted in the Waterfront Industry Pension Plan being the beneficiary of a total of \$65,872,563.

	IMPORT TEU's FULL & EMPTY	EXPORT TEU's FULL & EMPTY	TOTAL TEU's FULL & EMPTY	INDUSTRIAL INQUIRY COMMISSION OBLIGATION	GAINSHARE ASSESSMENT RATE per TEU ⁴
1987	124,308	153,711	278,019	0	0.0
1988	150,304	174,014	324,318	\$ 462,990	\$ 2.33
1989	154,711	166,648	321,359	\$ 433,400	\$ 2.00
1990	164,187	170,896	335,083	\$ 570,640	\$ 2.00
1991	188,829	196,290	385,119	\$ 1,071,002	\$ 2.00
1992	213,340	232,939	446,279	\$ 1,682,598	\$ 4.00 ¹
1993	214,414	246,110	460,524	\$ 1,825,050	\$ 4.50 ²
1994	242,594	292,143	534,737	\$ 2,567,180	\$ 5.50 ²
1995	236,080	299,774	535,854	\$ 2,578,348	\$ 5.50
1996	297,867	337,156	635,023	\$ 3,570,043	\$ 5.50
1997	365,800	398,605	764,405	\$ 4,863,860	\$ 6.75 ¹
1998	427,806	456,200	884,006	\$ 6,059,868	\$ 6.75
1999	532,133	583,105	1,115,238	\$ 8,372,195	\$7.25/\$8.00 ^{4/1}
2000	579,313	650,913	1,230,226	\$ 9,522,070	\$ 8.00
2001	577,540	630,824	1,208,364	\$ 9,303,449	\$ 8.00
2002	797,130	779,876	1,577,006	\$ 12,989,870	\$ 8.25
Total				\$ 65,872,563³	

¹ Effective July 1

² Effective October 1

³ Paid to the Waterfront Industry Pension Plan

⁴ Effective January 1

Total Gainshare contributions of \$52,882,693 to the end of 2001 have been used by the Waterfront Industry Pension Plan Trustees to purchase an increased benefit, on a fully funded basis, totalling \$8.90 per month per year of service in basic benefit plus \$2.00 per month per year of qualifying service in bridge benefit, applicable to all Union longshore members and retirees.

COLLECTIVE AGREEMENT OPERATING ITEMS

	1998	1999 ²	2000	2001	2002	2001 % Variance from 2000	
Number of Employees Working							
Union	1,919	2,021	2,068	1,952	1,940	-0.61%	
Welfare Casual	336	320	314	384	400	4.17%	
Casual	1,193	1,153	1,209	1,122	1,372	22.28%	
Total	3,448	3,494	3,591	3,458	3,712	7.35%	
Hours Worked							
Union	3,223,970	3,347,687	3,636,744	3,253,444	3,238,619	-0.46%	
Welfare Casual	504,019	535,564	440,251	574,660	532,230	-7.38%	
Casual	598,372	695,725	879,503	695,042	827,898	19.11%	
Total	4,326,361	4,578,976	4,956,498	4,523,146	4,598,747	1.67%	
Average Hours Worked							
Union	1,680	1,656	1,759	1,667	1,669	0.12%	
Welfare Casual	1,500	1,674	1,402	1,497	1,331	-11.09%	
Casual	502	603	727	618	603	-2.43%	
Average	1,255	1,311	1,380	1,308	1,239	-5.28%	
Average Earnings Per Worker¹							
Union	\$61,210	\$61,523	\$67,403	\$67,908	\$67,654	-0.37%	
Welfare Casual	\$48,877	\$55,951	\$48,526	\$52,463	\$50,111	-4.48%	
Casual	\$16,150	\$19,450	\$23,938	\$17,968	\$21,509	19.71%	
Average	\$44,417	\$47,138	\$51,119	\$49,989	\$48,538	-2.90%	
Average Earnings Per Hour Worked							
Union	\$ 36.43	\$ 37.14	\$ 38.33	\$ 40.74	\$ 40.54	-0.49%	
Welfare Casual	\$ 32.58	\$ 33.43	\$ 34.61	\$ 35.05	\$ 37.65	7.43%	
Casual	\$ 32.20	\$ 32.23	\$ 32.91	\$ 29.07	\$ 35.61	22.48%	
Average	\$ 35.40	\$ 35.97	\$ 37.04	\$ 38.22	\$ 39.18	2.60%	
Basic Rates of Pay							
Day	Monday to Friday	\$ 25.36	\$ 25.81	\$ 26.46	\$ 27.11	\$ 27.76	2.40%
	Saturday	\$ 32.46	\$ 33.04	\$ 33.87	\$ 34.70	\$ 35.53	2.39%
	Sunday	\$ 40.58	\$ 41.30	\$ 42.34	\$ 43.38	\$ 44.42	2.40%
Night	Monday to Friday	\$ 31.95	\$ 32.52	\$ 33.33	\$ 34.15	\$ 34.97	2.40%
	Saturday & Sunday	40.58	\$ 41.30	\$ 42.34	\$ 43.38	\$ 44.42	2.40%
Graveyard	Monday to Friday	\$ 39.46	\$ 40.16	\$ 41.17	\$ 42.18	\$ 43.19	2.39%
	Saturday & Sunday	40.58	\$ 41.30	\$ 42.34	\$ 43.38	\$ 44.42	2.40%

1 Includes vacation and holiday pay earned during the appropriate period

2 1999 rates effective January 1 but not introduced until November

OTHER

As mentioned earlier in this report, there has been a significant shift in the location of the work opportunity within the lower mainland ports covered by Union, Welfare Paying Casual and Casual employees of all of our longshore locals.

	YEAR	WORKERS	HOURS WORKED WITHIN LOCAL	HOURS PER WORKER
Vancouver	1997	2,626	3,502,689	1,334
	2002	2,058	2,583,641	1,255
New Westminster	1997	708	707,306	999
	2002	1,149	1,725,720	1,502
Vancouver Island	1997	286	337,429	1,180
	2002	203	220,177	1,085
Prince Rupert	1997	203	117,749	580
	2002	191	61,065	320
Total Industry	1997	3,919	4,669,072	1,191
	2002	3,727	4,598,747	1,234

However, there remains an excellent opportunity for dedicated and skilled employees to earn an excellent living from the longshore industry. During 2002, 739 (640 in 2001) longshore workers earned in excess of \$80,000. Of this number, 234 (189 in 2001) longshore workers earned between \$90,000 and \$100,000 with 186 (120 in 2001) longshore workers earning in excess of \$100,000.

In order for ports in British Columbia to remain viable, the industry must have, among other things, a well trained and knowledgeable longshore workforce capable of meeting the complex skill requirements demanded by our industry. To this end, the Association commits a considerable portion of its operating revenues to providing training for longshore workers. During 2002, longshore training accounted for 35.0% of the Association's discretionary expenses (48.3% in 2001) and is budgeted to account for 41.7% of our 2003 discretionary expenses. The Association continues to explore alternatives that will allow us to meet the industry's training requirements in the most timely and cost effective manner possible.

In addition to the shifting work locations, another area of significance is the large number of longshore workers who retire or leave the industry each year. In addition to training workers to fill the increasing needs of the longshore industry, it is necessary to train employees to replace those who retire or leave the industry. As can be seen below, since 1990 the industry has had a turnover of 5,938 workers. Most if not all of these individuals possessed work skills that had to be replaced.

LEAVING THE LONGSHORE INDUSTRY

YEAR	RETIREMENTS	TRANSFER TO FOREMAN	LEFT THE INDUSTRY	TOTAL
1990	94	18	550	662
1991	100	19	379	498
1992	68	13	421	502
1993	79	6	509	594
1994	72	13	329	414
1995	88	22	421	531
1996	80	18	397	495
1997	95	21	264	380
1998	110	3	370	483
1999	112	20	272	404
2000	76	28	245	349
2001	76	5	271	352
2002	61	15	198	274
Total	1,111	201	4,626	5,938

CONCLUSION

The financial challenge that senior staff and the Finance Committee face is to ensure that the Association is in a position to meet the various needs and demands of our industry and membership while maintaining complete fiscal responsibility. With the continued hard work of our staff and the countless volunteer hours put in by members of the Board and the Finance Committee, I am convinced that we will continue to meet this objective.



B. D. Ciccozzi
Vice President - Finance

February 14, 2003

STATISTICAL REPORTS

LONGSHORE EMPLOYEES BY LOCAL ¹

LOCAL	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Union										
500 VANCOUVER	1,562	1,532	1,541	1,603	1,583	1,520	1,509	1,504	1,458	1,395
502 NEW WESTMINSTER	221	225	228	228	225	261	286	337	349	378
508 CHEMAINUS ²	314	296	279	269	246	220	212	199	179	166
505 PRINCE RUPERT	70	69	67	61	67	68	67	64	64	61
515 PORT SIMPSON	0	0	0	0	0	0	1	1	1	0
519 STEWART	4	3	3	3	3	4	4	4	4	4
Total Union	<u>2,171</u>	<u>2,125</u>	<u>2,118</u>	<u>2,164</u>	<u>2,124</u>	<u>2,073</u>	<u>2,079</u>	<u>2,109</u>	<u>2,055</u>	<u>2,004</u>
Welfare Paying Casuals										
500 VANCOUVER	252	248	252	232	272	256	247	246	245	238
502 NEW WESTMINSTER	44	46	45	47	54	56	80	66	105	88
508 CHEMAINUS ²	5	6	6	7	7	7	1	1	1	1
505 PRINCE RUPERT	52	51	49	33	26	19	17	25	23	24
515 PORT SIMPSON	0	0	0	0	0	0	0	0	0	0
519 STEWART	0	0	0	0	0	0	0	0	0	0
Total Welfare Paying Casuals	<u>353</u>	<u>351</u>	<u>352</u>	<u>319</u>	<u>359</u>	<u>338</u>	<u>345</u>	<u>338</u>	<u>374</u>	<u>351</u>
Casuals										
500 VANCOUVER	655	786	847	868	771	625	481	491	445	425
502 NEW WESTMINSTER	285	345	316	259	429	365	458	525	472	683
508 CHEMAINUS ²	28	34	40	34	33	37	23	24	35	36
505 PRINCE RUPERT	129	145	109	117	110	100	95	84	83	106
515 PORT SIMPSON	68	65	65	20	28	4	4	8	7	9
519 STEWART	56	74	55	37	36	38	43	46	46	49
OTHERS	49	36	51	39	29	24	48	31	31	64
Total Casuals	<u>1,270</u>	<u>1,485</u>	<u>1,483</u>	<u>1,374</u>	<u>1,436</u>	<u>1,193</u>	<u>1,152</u>	<u>1,209</u>	<u>1,119</u>	<u>1,372</u>
GRAND TOTAL	<u><u>3,794</u></u>	<u><u>3,961</u></u>	<u><u>3,953</u></u>	<u><u>3,857</u></u>	<u><u>3,919</u></u>	<u><u>3,604</u></u>	<u><u>3,576</u></u>	<u><u>3,656</u></u>	<u><u>3,548</u></u>	<u><u>3,727</u></u>

¹ as at December 31

² In December 1998, the Canada Labour Relations Board ruled that all of the locals on Vancouver Island be consolidated into one local. Chemainus is a consolidation of the information previously reported as Chemainus, Port Alberni and Victoria.

SUMMARY OF EARNINGS AND HOURS 1998 - 2002

	(000)				
	1998	1999	2000	2001	2002
ALL PORTS					
Wages	135,517	147,084	163,692	153,146	160,978
Vacations & Holidays ¹	<u>17,633</u>	<u>18,244</u>	<u>19,865</u>	<u>19,002</u>	19,862
Longshore Earnings	153,150	165,328	183,557	172,148	180,840
Pensions, Welfare, C.P.P. & E.I. ²	<u>34,571</u>	<u>39,815</u>	<u>43,496</u>	<u>41,550</u>	45,214
TOTAL LABOUR COST	<u>187,721</u>	<u>205,143</u>	<u>227,053</u>	<u>213,698</u>	226,054
Hours Worked	<u>4,326</u>	<u>4,579</u>	<u>4,956</u>	<u>4,523</u>	4,599
VANCOUVER					
Wages	100,942	105,265	112,451	97,223	98,310
Vacations & Holidays	<u>13,497</u>	<u>13,442</u>	<u>14,340</u>	<u>13,253</u>	13,267
Longshore Earnings	114,439	118,707	126,791	110,476	111,577
Pensions, Welfare, C.P.P. & E.I.	<u>25,709</u>	<u>28,290</u>	<u>29,661</u>	<u>26,481</u>	27,897
TOTAL LABOUR COST	<u>140,148</u>	<u>146,997</u>	<u>156,452</u>	<u>136,957</u>	139,474
Hours Worked	<u>3,173</u>	<u>3,238</u>	<u>3,372</u>	<u>2,887</u>	2,831
NEW WESTMINSTER					
Wages	23,385	29,487	38,726	45,199	51,621
Vacations & Holidays	<u>2,228</u>	<u>2,976</u>	<u>3,646</u>	<u>4,088</u>	4,905
Longshore Earnings	25,613	32,463	42,372	49,287	56,526
Pensions, Welfare, C.P.P. & E.I.	<u>5,653</u>	<u>7,898</u>	<u>10,222</u>	<u>11,884</u>	14,133
TOTAL LABOUR COST	<u>31,266</u>	<u>40,361</u>	<u>52,594</u>	<u>61,171</u>	70,659
Hours Worked	<u>762</u>	<u>914</u>	<u>1,164</u>	<u>1,285</u>	1,415
VANCOUVER ISLAND ³					
Wages	7,320	8,594	8,476	7,298	7,300
Vacations & Holidays	<u>1,424</u>	<u>1,365</u>	<u>1,377</u>	<u>1,222</u>	1,204
Longshore Earnings	8,744	9,959	9,853	8,520	8,504
Pensions, Welfare, C.P.P. & E.I.	<u>2,166</u>	<u>2,546</u>	<u>2,464</u>	<u>2,180</u>	2,126
TOTAL LABOUR COST	<u>10,910</u>	<u>12,505</u>	<u>12,317</u>	<u>10,700</u>	10,630
Hours Worked	<u>261</u>	<u>306</u>	<u>292</u>	<u>245</u>	237
PRINCE RUPERT					
Wages	3,783	3,443	3,777	3,205	3,485
Vacations & Holidays	<u>480</u>	<u>444</u>	<u>486</u>	<u>425</u>	473
Longshore Earnings	4,263	3,887	4,263	3,630	3,958
Pensions, Welfare, C.P.P. & E.I.	<u>1,021</u>	<u>996</u>	<u>1,071</u>	<u>933</u>	990
TOTAL LABOUR COST	<u>5,284</u>	<u>4,883</u>	<u>5,334</u>	<u>4,563</u>	4,948
Hours Worked	<u>126</u>	<u>110</u>	<u>119</u>	<u>99</u>	108
OTHERS ⁴					
Wages	87	295	262	221	262
Vacations & Holidays	<u>4</u>	<u>17</u>	<u>16</u>	<u>14</u>	13
Longshore Earnings	91	312	278	235	275
Pensions, Welfare, C.P.P. & E.I.	<u>22</u>	<u>85</u>	<u>78</u>	<u>72</u>	68
TOTAL LABOUR COST	<u>113</u>	<u>397</u>	<u>356</u>	<u>307</u>	343
Hours Worked	<u>4</u>	<u>11</u>	<u>9</u>	<u>7</u>	8

1 Earned during the appropriate period by members of that Local.

2 Workers compensation and other insurance costs are not included. Pension costs include the Container Gainshare and other Pension contributions.

3 In December 1998, the Canada Labour Relations Board ruled that all of the locals on Vancouver Island be consolidated into one local. Vancouver Island is a consolidation of the information previously reported as Chemainus, Port Alberni and Victoria.

4 Consists of work at Bella Coola, Massett, Nisga'a, Port Simpson and Stewart.

EMPLOYEE HOURS WORKED IN EACH PORT AREA

PORT AREA	Hours Worked by Vancouver Employees in	Hours Worked by New Westminster Employees in	Hours Worked by Vancouver Island ¹ Employees in	Hours Worked by Prince Rupert Employees in	Hours Worked by Outport ² Employees in	Hours Worked by All Employees in
Vancouver						
1997	3,480,259	7,804	694	13,921	11	3,502,689
1998	3,108,478	10,893	5,799	1,705	851	3,127,726
1999	3,145,632	7,581	3,934	8,532	1,059	3,166,738
2000	3,205,660	16,542	4,296	5,073	805	3,232,376
2001	2,693,423	2,547	1,985	2,807	65	2,700,827
2002	2,574,537	2,171	1,765	5,168	0	2,583,641
New Westminster						
1997	34,477	671,013	183	1,555	78	707,306
1998	65,440	751,028	7,123	2,413	48	826,052
1999	92,364	906,654	6,366	16,734	1,538	1,023,656
2000	166,622	1,147,734	11,449	22,381	1,762	1,349,948
2001	193,486	1,282,244	13,587	22,008	2,617	1,513,942
2002	256,058	1,412,847	15,512	39,410	1,893	1,725,720
Vancouver Island						
1997	2,383	33	335,013	0	0	337,429
1998	0	0	247,782	8	16	247,806
1999	449	0	295,785	0	0	296,234
2000	42	0	276,424	0	0	276,466
2001	136	0	228,971	0	0	229,107
2002	288	0	219,263	218	408	220,177
Prince Rupert						
1997	0	0	0	117,718	31	117,749
1998	0	0	0	122,472	192	122,664
1999	0	0	0	84,624	182	84,806
2000	0	0	0	91,543	359	91,902
2001	24	0	0	74,025	421	74,470
2002	0	0	0	60,069	996	61,065
Others						
1997	0	0	0	24	3,875	3,899
1998	0	0	0	0	2,113	2,113
1999	76	0	0	0	7,466	7,542
2000	24	0	0	0	5,782	5,806
2001	8	0	0	33	4,759	4,800
2002	42	0	426	2,989	4,687	8,144
TOTAL						
1997	3,517,119	678,850	335,890	133,218	3,995	4,669,072
1998	3,173,918	761,921	260,704	126,598	3,220	4,326,361
1999	3,238,521	914,235	306,085	109,890	10,245	4,578,976
2000	3,372,348	1,164,276	292,169	118,997	8,708	4,956,498
2001	2,887,077	1,284,791	244,543	98,873	7,862	4,523,146
2002	2,830,925	1,415,018	236,966	107,854	7,984	4,598,747

1 In 1998 the Vancouver Island Locals 503, 504 and 508 were consolidated into one local - Local 508

2 Hours worked in Stewart, Bella Coola, Massett, Nisga'a and Port Simpson

TONNAGE DISTRIBUTION & HOURS BY COMMODITY AND PORT AREA (000)¹

	1998	1999	2000	2001	2002
VANCOUVER					
Bulk	21,009	19,740	20,292	17,125	17,089
Grain	11,444	11,807	14,398	12,896	5,011
Logs	468	680	561	291	88
Lumber	879	803	866	676	557
General	3,454	3,791	3,711	3,257	3,142
Containers	5,407	5,795	6,200	4,400	6,052
Total	<u>42,661</u>	<u>42,616</u>	<u>46,028</u>	<u>38,645</u>	<u>31,939</u>
Hours Worked in -	<u>3,128</u>	<u>3,167</u>	<u>3,232</u>	<u>2,701</u>	<u>2,584</u>
NEW WESTMINSTER					
Bulk	64	27	45	22	36
Logs	7	40	158	552	906
Lumber	493	398	364	323	252
General	1,329	1,344	1,543	1,426	1,386
Containers	2,272	3,842	4,780	6,832	8,222
Total	<u>4,165</u>	<u>5,651</u>	<u>6,890</u>	<u>9,155</u>	<u>10,802</u>
Hours Worked in -	<u>826</u>	<u>1,024</u>	<u>1,350</u>	<u>1,514</u>	<u>1,726</u>
VANCOUVER ISLAND ⁴					
Bulk	0	0	24	0	0
Logs	0	7	0	0	4
Lumber	1,005	1,153	987	931	971
General	632	773	912	755	785
Containers	0	24	12	1	0
Total	<u>1,637</u>	<u>1,957</u>	<u>1,935</u>	<u>1,687</u>	<u>1,760</u>
Hours Worked in -	<u>248</u>	<u>296</u>	<u>276</u>	<u>229</u>	<u>220</u>
PRINCE RUPERT					
Bulk	12	43	0	0	0
Grain	2,929	1,867	2,619	2,028	2,534
Logs	18	109	224	126	160
Lumber	181	170	196	93	0
General	478	334	423	204	66
Total	<u>3,618</u>	<u>2,523</u>	<u>3,462</u>	<u>2,451</u>	<u>2,760</u>
Hours Worked in -	<u>123</u>	<u>85</u>	<u>92</u>	<u>74</u>	<u>61</u>
OTHERS					
Logs	20	86	57	50	74
Total	<u>20</u>	<u>86</u>	<u>57</u>	<u>50</u>	<u>74</u>
Hours Worked in -	<u>2</u>	<u>8</u>	<u>6</u>	<u>5</u>	<u>8</u>
TOTAL					
Bulk ²	21,085	19,810	20,362	17,147	17,125
Grain	14,373	13,674	17,017	14,924	7,545
Logs	512	922	1,001	1,018	1,232
Lumber	2,558	2,524	2,412	2,024	1,780
General ³	5,893	6,242	6,588	5,642	5,379
Containers	7,679	9,661	10,992	11,233	14,274
TOTAL	<u>52,101</u>	<u>52,833</u>	<u>58,372</u>	<u>51,988</u>	<u>47,335</u>
Hours Worked in -	<u>4,326</u>	<u>4,579</u>	<u>4,956</u>	<u>4,523</u>	<u>4,599</u>

1 Metric Tonnes handled by ILWU/BCMEA labour

2 Including Bulk Liquids

3 Including Vehicles

4 In 1998, the Vancouver Island Locals 503, 504 and 508 were consolidated into one local - Local 508 Chemainus

LONGSHORE TONNAGE, HOURS & LABOUR COST

	LONGSHORE HOURS (000)	LONGSHORE LABOUR COST ¹ (000)	TONNAGE (000)	COST per HOUR	COST per TONNE	HOURS per TONNE	TONNES per HOUR
1993	4,216	\$154,144	48,677	\$ 36.56	\$ 3.17	0.087	11.54
1994	4,385	\$164,390	54,574	\$ 37.49	\$ 3.01	0.080	12.45
1995	4,546	\$178,870	54,358	\$ 39.35	\$ 3.29	0.084	11.96
1996	4,569	\$184,630	53,707	\$ 40.41	\$ 3.44	0.085	11.75
1997	4,669	\$194,806	55,695	\$ 41.72	\$ 3.50	0.084	11.93
1998	4,326	\$187,721	52,101	\$ 43.39	\$ 3.60	0.083	12.04
1999	4,579	\$205,143	52,833	\$ 44.80	\$ 3.88	0.087	11.54
2000	4,956	\$227,053	58,372	\$ 45.81	\$ 3.89	0.085	11.78
2001	4,523	\$213,698	51,988	\$ 47.25	\$ 4.11	0.087	11.49
2002	4,599	\$226,054	47,335	\$ 49.15	\$ 4.78	0.097	10.29

¹ Longshore Labour Cost consists of Wages, Vacation Pay, General Holiday Pay, Pensions, Health & Benefits, C.P.P. and E.I. earned. Workers Compensation and other insurance costs are not included.
Longshore Labour Cost amended to include wage and benefit cost of 1993 Collective Agreement settlement paid in 1994.

DISTRIBUTION OF LONGSHORE EARNINGS

	1 - 10 Hours per Week		11 - 20 Hours per Week		21 - 30 Hours per Week		31 - 40 Hours per Week		40 + Hours per Week	
	Number Paid	Average Annual Earnings	Number Paid	Average Annual Earnings	Number Paid	Average Annual Earnings	Number Paid	Average Annual Earnings	Number Paid	Average Annual Earnings
1993 ¹ Union	91	\$8,919	175	\$26,559	472	\$42,462	891	\$57,284	409	\$69,018
Casual	1,019	\$3,625	252	\$21,903	210	\$35,671	116	\$51,069	26	\$62,175
1994 Union	95	\$8,469	147	\$27,646	406	\$43,382	858	\$58,881	469	\$71,483
Casual	1,107	\$3,308	276	\$22,886	240	\$37,030	181	\$52,275	32	\$67,990
1995 Union	92	\$9,173	147	\$28,510	389	\$44,845	827	\$60,833	504	\$75,360
Casual	1,041	\$3,999	262	\$23,679	251	\$38,274	217	\$53,909	64	\$69,386
1996 Union	83	\$9,009	138	\$28,631	378	\$46,304	834	\$63,202	571	\$77,278
Casual	924	\$4,188	292	\$23,719	265	\$39,164	175	\$54,662	37	\$69,833
1997 Union	96	\$9,380	162	\$30,518	397	\$48,448	820	\$65,497	513	\$80,848
Casual	931	\$4,396	312	\$24,352	287	\$40,494	191	\$57,204	69	\$73,652
1998 Union	107	\$8,415	163	\$28,634	441	\$48,682	728	\$66,655	490	\$82,967
Casual	766	\$5,401	271	\$25,358	256	\$42,324	167	\$58,177	69	\$74,944
1999 Union	126	\$10,130	189	\$31,622	418	\$49,288	790	\$67,511	504	\$85,134
Casual	647	\$4,697	265	\$23,969	255	\$41,969	239	\$59,982	75	\$79,139
2000 Union	140	\$11,231	184	\$31,833	355	\$51,385	734	\$70,050	651	\$88,124
Casual	596	\$4,511	285	\$25,680	239	\$42,371	258	\$60,625	149	\$80,718
2001 Union	120	\$12,774	166	\$32,931	431	\$52,938	742	\$70,748	499	\$90,990
Casual	683	\$5,587	264	\$26,426	215	\$44,280	186	\$65,168	140	\$88,019
2002 Union	126	\$12,629	180	\$34,148	405	\$53,713	708	\$72,246	522	\$94,625
Casual	770	\$4,693	279	\$27,856	242	\$47,320	230	\$68,071	123	\$93,540

¹ Amended to include wage cost of 1993 Collective Agreement settlement paid in 1994.

LONGSHORE BENEFIT PLAN

Benefits provided under the Longshore Pension and Health & Benefit Plans are administered by six Trustees, three appointed by the Association and three appointed by the Union. The Trustees are responsible for determining benefit levels in an equitable manner based on qualified advice, but subject to the limitations imposed on the Trustees by the Pension and Welfare Agreements. Day to day administration of these plans is carried out by the Waterfront Employers of B.C.

WATERFRONT INDUSTRY PENSION PLAN

	NUMBER OF BENEFIT RECIPIENTS				MONTHLY PENSION BENEFIT			MONTHLY BRIDGE BENEFIT ¹		
	Pensioner	Spouses	Others	Total	Maximum Years of Service	Maximum Rate per Month	Maximum Monthly Benefit	Maximum Years of Service	Maximum Rate per Month	Maximum Monthly Benefit
1988	1,163	97	17	1,277	25 years	\$22	\$550	25 years	\$22	\$550
1989	1,183	108	18	1,309	32 years	\$22	\$704	25 years	\$22	\$550
1990	1,210	124	19	1,353	35 years	\$22	\$770	25 years	\$22	\$550
1991	1,246	136	17	1,399	35 years	\$23	\$805	25 years	\$22	\$550
1992	1,242	151	18	1,411	35 years	\$30	\$1,050	25 years	\$25	\$625
1993	1,224	167	19	1,410	35 years	\$31	\$1,085	25 years	\$25	\$625
1994	1,216	180	22	1,418	35 years	\$32	\$1,120	25 years	\$27	\$675
1995	1,198	201	17	1,416	35 years	\$33	\$1,155	25 years	\$27	\$675
1996	1,212	216	23	1,451	35 years	\$35	\$1,225	25 years	\$27	\$675
1997	1,223	229	21	1,473	35 years	\$42.50	\$1,487.50	25 years	\$27	\$675
1998	1,237	241	17	1,495	35 years	\$45	\$1,575	25 years	\$28	\$700
1999	1,267	266	16	1,549	35 years	\$49	\$1,715	25 years	\$28	\$700
2000	1,268	269	14	1,551	35 years	\$52	\$1,820	25 years	\$28	\$700
2001	1,276	286	16	1,578	35 years	\$55	\$1,925	25 years	\$28	\$700
2002	1,300	300	17	1,617	35 years	\$56.50	\$1,977.50	25 years	\$28	\$700

¹ Payable from age 62 to 65 in the amount shown above or at a lesser rate if retired at age 55 or over but under age 62.

CHANGES IN PENSION FUND ASSETS

	Assets Available at Beginning of Year	Pensions Paid	Administration Expense	Employer Contribution	Investment Income	Market Value Gain (Loss)	Assets Available at End of Year
1988	\$ 71,437,149	\$ 7,299,874	\$ 224,181	\$ 5,880,000	\$ 8,231,707	\$ 0	\$ 78,024,801
1989	78,024,801	8,560,311	219,205	14,750,000	9,164,999	0	93,160,284
1990	93,160,284	9,552,678	249,729	11,217,031	10,648,114	(2,180,115)	103,042,907
1991	103,042,907	10,130,488	256,738	11,129,394	11,986,265	10,348,493	126,119,833
1992	126,119,833	12,558,608	286,254	16,659,739	13,172,381	(843,133)	142,263,958
1993	142,263,958	12,441,167	330,239	16,686,621	13,808,314	15,627,188	175,614,675
1994	175,614,675	13,151,584	387,639	17,876,087	13,950,657	(19,513,316)	174,388,880
1995	174,388,880	13,629,392	470,918	19,468,827	14,584,977	20,151,996	214,494,370
1996	214,494,370	14,676,178	543,120	20,140,972	15,172,843	18,047,702	252,636,589
1997	252,636,589	17,988,072	795,306	22,136,855	14,949,173	28,438,069	299,377,308
1998	299,377,308	19,077,999	1,266,394	22,562,643	14,954,848	6,603,429	323,153,835
1999	323,153,835	21,691,694	1,157,375	26,083,000	14,322,626	2,393,348	343,103,740
2000	343,103,740	23,572,290	1,191,634	29,256,281	16,675,759	19,958,685	384,230,541
2001	384,230,541	24,627,526	1,203,439	27,714,898	16,791,783	(5,666,206)	397,240,051
2002	\$397,240,051	\$26,411,535	\$1,128,439	\$31,995,253	\$15,651,958	\$(21,445,003)	\$395,902,283

ILWU - BCMEA HEALTH AND BENEFIT PLAN

Benefits Provided

Benefits under the ILWU - Employer Association Health and Benefit Plans are provided through a Trust. Benefits paid are limited by the assets of the Trust and are generally based on a flat amount per period. The Trust pays the cost of premiums for selected comprehensive coverage from independent third party carriers (basic medical, vision care and life insurance). The balance of the benefits are self funded and limited by the remaining assets of the Trust.

During 2002, qualifying Union and Welfare Eligible Casuals were eligible to apply for the following benefits:

Weekly Indemnity	\$472 per week to a maximum of 52 weeks
Medical Services Plan of B.C.	including Pensioners
Dental	80% of all routine, restorative and surgical costs. Orthodontics, limited at 50% - \$2,000 lifetime
Group Life	"A" coverage \$90,000, "B" coverage \$45,000
Long Term Disability	\$2,000 per month but only after qualifying for CPP permanent disability benefits
Extended Health	80% of covered expenses including prescription drugs, long term care, ambulances, wheelchairs, etc.
Vision Care	\$175 per individual dependent family member every 2 years
Death Benefit	\$2,000 survivor benefit

COST OF HEALTH AND BENEFIT PLAN BENEFITS

	1996	1997	1998	1999	2000	2001	2002
REVENUES							
Employer	\$5,958,770	\$6,042,674	\$5,722,171	\$5,972,966	\$6,467,183	\$6,078,596	\$6,220,330
Employee	3,936,403	3,978,181	3,988,686	4,214,876	4,597,364	4,324,029	4,297,545
Investment & Other	239,102	254,726	332,832	347,748	460,858	419,915	299,049
Total	<u>\$10,134,275</u>	<u>\$10,275,581</u>	<u>\$10,043,689</u>	<u>\$10,535,590</u>	<u>\$11,525,405</u>	<u>\$10,822,540</u>	<u>\$10,816,924</u>
EXPENSES							
Weekly Indemnity	\$1,901,667	\$2,188,063	\$1,983,600	\$1,692,948	\$1,561,596	\$1,838,459	\$1,877,393
M.S.P. of B.C.	2,421,191	2,458,846	2,467,085	2,454,648	2,512,581	2,548,018	3,359,006
Dental	1,478,379	1,621,479	1,525,089	1,889,515	1,911,870	1,884,307	1,861,302
Group Life	1,281,986	1,284,882	1,310,016	1,398,198	1,371,059	1,455,670	1,153,123
Long Term Disability	1,132,161	1,125,796	1,089,264	1,102,508	1,051,347	1,183,091	1,223,507
Extended Health	508,206	566,750	628,634	804,234	835,116	775,208	978,837
Vision Care	103,496	123,644	84,709	67,664	71,533	106,255	103,938
Death Benefits	140,000	136,000	134,000	126,000	122,000	144,000	122,000
Administration, Consultants	311,149	316,063	334,381	372,268	372,487	383,370	387,715
Total	<u>\$9,278,235</u>	<u>\$9,821,523</u>	<u>\$9,556,778</u>	<u>\$9,907,983</u>	<u>\$9,809,589</u>	<u>\$10,318,378</u>	<u>\$11,066,821</u>
EXCESS (SHORTFALL)	<u>\$856,040</u>	<u>\$454,058</u>	<u>\$486,911</u>	<u>\$627,607</u>	<u>\$1,715,816</u>	<u>\$504,162</u>	<u>(\$249,897)</u>

BOARD OF DIRECTORS & EXECUTIVE COMMITTEE

BOARD OF DIRECTORS

Board Chair

T. J. Chapman

WESTERN STEVEDORING COMPANY LIMITED

R. K. Anderson
SQUAMISH TERMINALS LTD.

D. G. Bedwell
CHINA OCEAN
SHIPPING CO. (CANADA) INC.

R. A. Chappell
WEYERHAEUSER
CANADA LTD.

J. B. Chrystal
INTERNATIONAL CHARTERING
SERVICES LTD.

S. Cutler
SAGA FOREST CARRIERS
INTERNATIONAL (CANADA) LTD.
to June 19, 2002

L. W. Friberg
PACIFIC COAST
TERMINALS CO. LTD.

D. R. Greer
GREER SHIPPING LTD.

P. Jaskiewicz
PACIFIC RIM
STEVEDORING LTD.

G. Langlais
WESTWARD SHIPPING LTD.
from July 22, 2002

G. S. Robbins
WESTCAN STEVEDORING LTD.

Captain N. C. Stark
TERMINAL SYSTEMS INC.

G. J. Taylor
NEPTUNE BULK TERMINALS
(CANADA) LTD.

W. J. Weymark
BCR MARINE LTD.

EXECUTIVE COMMITTEE

Chair

T. J. Chapman

WESTERN STEVEDORING COMPANY LIMITED

R. K. Anderson
SQUAMISH TERMINALS LTD.
from July 30, 2002

D. G. Bedwell
CHINA OCEAN
SHIPPING CO. (CANADA) INC.

S. Cutler
SAGA FOREST CARRIERS
INTERNATIONAL (CANADA) LTD.
to June 19, 2002

W. J. Weymark
BCR MARINE LTD.

COMMITTEES

JOINT INDUSTRY LABOUR RELATIONS COMMITTEE

Chair

O. S. Athwal
BRITISH COLUMBIA MARITIME
EMPLOYERS ASSOCIATION

T. J. Chapman
WESTERN STEVEDORING
COMPANY LIMITED

P. Jaskiewicz
PACIFIC RIM
STEVEDORING LTD.

R. A. Chappell
WEYERHAEUSER
CANADA LTD.

W. J. Weymark
BCR MARINE LTD.

FINANCE COMMITTEE

Chair

S. Cutler
SAGA FOREST CARRIERS
INTERNATIONAL (CANADA) LTD.
to June 19, 2002

M. B. Bjorndal
SEABOARD SHIPPING
COMPANY LIMITED

B. Eshleman
WESTERN STEVEDORING
COMPANY LIMITED

L. A. W. Seney
NEPTUNE BULK TERMINALS
(CANADA) LTD.

Chair

D. R. Greer
GREER SHIPPING LTD.
from July 30, 2002

B. D. Ciccozzi
BRITISH COLUMBIA MARITIME
EMPLOYERS ASSOCIATION

M. Kaye
BCR MARINE LTD.

Standing Member

F. A. Pasacreta
BRITISH COLUMBIA MARITIME
EMPLOYERS ASSOCIATION
from February 1, 2002

Standing Member

R. V. Wilds
BRITISH COLUMBIA MARITIME
EMPLOYERS ASSOCIATION
to January 31, 2002

TRAINING COMMITTEE

Chair

J. Steinmann

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

M. Christoffersen
TERMINAL SYSTEMS INC.

B. W. Crosson
TFL FOREST LIMITED -
STUART CHANNEL WHARVES DIVISION

C. Stewart
CASCO TERMINALS LIMITED

G. J. Taylor
NEPTUNE BULK TERMINALS
(CANADA) LTD.

B. Thorson
WESTERN STEVEDORING COMPANY LIMITED

VANCOUVER ISLAND COMMITTEE

Chair

D. Sagar

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

S. Brown
GEARBULK SHIPPING
CANADA LTD.

R. A. Chappell
WEYERHAEUSER CANADA LTD.

B. W. Crosson
TFL FOREST LIMITED -
STUART CHANNEL WHARVES DIVISION

G. D. Koster
WESTCAN TERMINALS LTD.

K. Larson
CANADIAN STEVEDORING
COMPANY LIMITED

L. Washington
WESTERN STEVEDORING
COMPANY LIMITED

MEMBERSHIP COMMITTEE

Chair

M. B. Bjorndal

SEABOARD SHIPPING COMPANY LIMITED

K. Catton
PACIFIC COAST TERMINALS
CO. LTD.

P. J. McKay
WESTERN STEVEDORING
COMPANY LIMITED

Secretary

G. Vurdela

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

SAFETY COMMITTEE*Chair***E. Skowronek**

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

Deepsea Matters**E. Brochmann**
GEARBULK SHIPPING
CANADA LTD.**F. Leigh-Spencer**
PACIFIC COMMERCE LINE INC.**F. Parneta**
EMPIRE GRAIN STEVEDORING LTD.**A. Ritchie**
CANADIAN STEVEDORING
COMPANY LIMITED**B. Webster**
SEABOARD SHIPPING
COMPANY LIMITED**C. Carlsen**
WESTCAN STEVEDORING LTD.**B. McCormick**
STAR SHIPPING (CANADA) LTD.**M. Phillips**
PACIFIC RIM STEVEDORING LTD.**G. Thompson**
WESTERN STEVEDORING
COMPANY LIMITED**J. Webber**
SQUAMISH TERMINALS LTD.**General Wharf Operators Matters****B. W. Crosson**
TFL FOREST LIMITED
-STUART CHANNEL WHARVES DIVISION**G. Poitras**
TERMINAL SYSTEMS INC.**B. Thorson**
WESTERN STEVEDORING
TERMINAL OPERATIONS LTD.**G. D. Koster**
WESTCAN TERMINALS LTD.**B. Powell**
CASCO TERMINALS LIMITED**B. Vail**
FRASER SURREY DOCKS**J. Webber**
SQUAMISH TERMINALS LTD.**Bulk Matters****R. Ladd**
PACIFIC COAST
TERMINALS CO. LTD.**R. Meyer**
BCR MARINE LTD.**M. Sullivan**
FIBRECO EXPORT INC.**D. Parry**
NEPTUNE BULK TERMINALS
(CANADA) LTD.

**WATERFRONT INDUSTRY PENSION
AND HEALTH AND BENEFIT PLAN TRUSTEES**

B. D. Ciccozzi
BRITISH COLUMBIA MARITIME
EMPLOYERS ASSOCIATION

M. Gordienko
ILWU - CANADA

L. A. W. Seney
NEPTUNE BULK TERMINALS
(CANADA) LTD.

B. Eshleman
WESTERN STEVEDORING
COMPANY LIMITED

J. McKinley
ILWU - LOCAL 500

M. Turmel
ILWU - LOCAL 502

MEMBERSHIP LIST

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

SHIP OWNERS CLASS

Anglo Canadian Shipping Company
APL (Canada)

Canada Maritime Agencies Limited
China Ocean Shipping Co. (Canada) Inc.
China Shipping (Canada) Agency Co. Ltd.
Colley West Shipping Ltd.
Compass Marine Services Inc.

Dominion Shipping Co. Ltd.

Empire Shipping Agency Ltd.
Evergreen America Corporation

Fesco Agencies N.A. Inc.

Gearbulk Shipping Canada Ltd.
Greer Shipping Ltd.

Hanjin Shipping Company Limited
Hapag-Lloyd (Canada) Inc.
Hyundai America Shipping Agency (P.N.), Inc.

Inchcape Shipping Services - Canada
International Chartering Services Ltd.
Interocean Steamship Corporation
Island Shipping Limited

Kerr Norton Strachan Agency, Canada
Kingsley Navigation Ltd.

Lavino Shipping Agencies

McLean Kennedy Inc.
Maersk Canada Inc.
Maple Shipping
Mason Agency Ltd.
Montship Inc.

Norasia Container Lines Canada Ltd.
Norsk Pacific Steamship Canada Limited
Nortec Marine Agencies Inc.
North Pacific Shipping Company Ltd.

Oldendorff Carriers
OOCL (Canada) Inc.

P&O Nedlloyd Limited
Pacific Commerce Line Inc.
Pacific Northwest Ship & Cargo Services Inc.
Pacific Rim Waterways Inc.
PacNord Agencies Ltd.

Saga Forest Carriers International (Canada) Ltd.
Seaboard Shipping Company Limited
Seabridge International Shipping Inc.
Sinotrans Canada Inc.
SMI Marine Limited
Star Shipping (Canada) Ltd.
Sunline Shipping & Enterprises (Canada) Ltd.

Trans-Oceanic Shipping Co. Ltd.

Westward Shipping Ltd.
Weyerhaeuser Canada Ltd.

STEVEDORES CLASS

Arrow Stevedoring Inc.
Associated Stevedoring Co. Ltd.

Canadian Stevedoring Company Limited

Empire Grain Stevedoring Ltd.

Louis Wolfe & Sons (Vancouver) Ltd.

Pacific Rim Stevedoring Ltd.
Pacific Stevedoring & Contracting Co. Ltd.
PCDC Canada Ltd.

Vancouver Shipping Agencies Ltd.

Westcan Stevedoring Ltd.
Western Stevedoring Company Limited

GENERAL WHARF OPERATORS CLASS

Casco Terminals Limited

Fraser Surrey Docks Ltd.

Squamish Terminals Ltd.

Terminal Dock Limited
Terminal Systems Inc.
TFL Forest Limited - Stuart Channel Wharves Division

Westcan Terminals Ltd.
Western Stevedoring Terminal Operations Ltd.

BULK TERMINAL OPERATORS CLASS

BCR Marine Ltd.

Fibreco Export Inc.

Neptune Bulk Terminals (Canada) Ltd.
Pacific Coast Terminals Co. Ltd.

ASSOCIATE MEMBERS CLASS

Coastal Containers Ltd.

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION
(incorporated under the Society Act of the Province of British Columbia)

FINANCIAL STATEMENTS

December 31, 2002

AUDITORS' REPORT

February 12, 2003

To the Directors and Members of
British Columbia Maritime Employers Association

We have audited the balance sheet of British Columbia Maritime Employers Association as at December 31, 2002 and the statements of revenues and expenditures and changes in accumulated excess of revenues over expenditures for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards required that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Association derives its revenues from assessments of its members. We did not review the accounting records of the member employers to ascertain whether certain assessments had been completely remitted. Accordingly, our verification of certain assessments was limited to amounts recorded by the Association.

In our opinion, except for the effect of any adjustments that might have been required had we been able to satisfy ourselves concerning the completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the British Columbia Society Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

PricewaterhouseCoopers LLP

Chartered Accountants

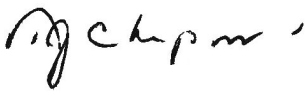
BRITISH COLUMBIA MARITIME
(incorporated under the Society Act of

BALANCE

ASSETS

	December 31	
	2002	2001
Current assets:		
Cash and term deposits	\$29,221,425	\$23,524,331
Accounts receivable-		
Cargo assessments	5,827,588	3,892,130
Payroll & Hourly assessments	2,156,434	1,919,301
Accrued interest receivable	49,923	41,061
Other	208,649	127,192
	<u>37,464,019</u>	<u>29,504,015</u>
 Fixed assets, at cost:		
Buildings	3,851,257	3,851,257
Furniture and equipment	5,954,031	5,221,718
	<u>9,805,288</u>	<u>9,072,975</u>
Less: Accumulated depreciation	6,759,082	6,149,069
	<u>3,046,206</u>	<u>2,923,906</u>
 Land	753,700	753,700
	<u>3,799,906</u>	<u>3,677,606</u>

Approved by the Board:



Director

\$ 41,263,925

\$ 33,181,621



Director

EMPLOYERS ASSOCIATION
the Province of British Columbia)

SHEET

LIABILITIES

	December 31	
	2002	2001
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,938,106	\$ 625,685
Accrued vacation pay	14,928,555	14,266,295
Accrued Industrial Inquiry Liability	12,989,870	9,303,449
Due to Waterfront Industry Pension Plan (Note 6(b))	1,215,749	1,136,751
Due to Waterfront Employers of B.C.	457,394	1,676,408
Due to ILWU-Employer Association Health and Benefit Plan	465,542	444,617
Due to Waterfront Foremen Employers Association (Note 7)	1,050,593	976,240
COLA Clause (Note 9)	876,276	0
	33,922,085	28,429,445

ACCUMULATED EXCESS OF REVENUES OVER EXPENDITURES

Unappropriated	1,532,533	(1,089,842)
Waterfront Industry Pension Equalization Reserve (Note 5)	2,250,000	2,250,000
Retiring Allowance Reserve (Notes 5 and 6 (a))	2,800,000	2,800,000
Gang Interchange Pool (Note 3)	451,408	362,569
Lower Mainland Interchange Pool (Note 3)	210,502	0
Industrial Inquiry Commission Pool (Note 4)	97,397	429,449
	7,341,840	4,752,176
Commitments and contingent liabilities (Note 6)	\$ 41,263,925	\$ 33,181,621

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION
STATEMENT OF REVENUES AND EXPENDITURES

	Year ended December 31	
	2002	2001
Revenues:		
Payroll and Hourly assessments	\$ 54,282,894	50,570,164
Cargo assessments	12,475,743	10,716,696
Investment income	361,123	481,084
	<u>67,119,760</u>	<u>61,767,944</u>
Labour fringe benefits:		
Provision for vacation pay	15,543,279	15,114,176
Waterfront Industry Pension Plan (note 6(b))	19,005,383	18,411,449
General holiday pay	5,071,173	4,896,279
ILWU-Employer Association -		
Health & Benefit Plan	6,215,204	6,069,122
Canada Pension Plan	4,566,351	4,024,315
Boot Allowance (Note 8)	275,800	273
Retiring Allowance (Note 6(a))	2,895,817	3,246,820
Supplementary Benefits (Note 6(a))	174,088	192,399
WCB on Longshore vacation & general holiday pay	593,712	574,869
COLA Clause (Note 9)	876,276	0
Bereavement and Parental leave	78,013	80,580
BCMEA-ILWU Employee Assistance Program	87,955	83,165
Jury Duty	2,984	4,429
	<u>55,386,035</u>	<u>52,697,876</u>
	<u>11,733,725</u>	<u>9,070,068</u>
Expenses:		
Operating and despatch (Schedule)	5,054,379	4,613,352
Longshore training	2,558,200	4,118,430
Central records & employee services	1,413,660	1,336,148
Midnight deadtime	33,069	33,655
Medical exams	2,042	13,159
	<u>9,061,350</u>	<u>10,114,744</u>
Excess (Deficiency) of revenues over expenditures for the year - carried to general reserve	<u>\$ 2,672,375</u>	<u>\$ (1,044,676)</u>

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

STATEMENT OF CHANGES

ACCUMULATED EXCESS OF REVENUES OVER EXPENDITURES

	Year ended December 31	
	2002	2001
UNAPPROPRIATED		
Balance at beginning of year	\$ (1,089,842)	\$ 29,834
Transfer to Gang Interchange Pool	(50,000)	(75,000)
(Deficiency) excess of revenue over expenditures	2,672,375	(1,044,676)
Balance at end of year	\$ 1,532,533	\$ (1,089,842)
WATERFRONT INDUSTRY PENSION EQUALIZATION RESERVE		
Balance at beginning and end of year (Note 5)	\$ 2,250,000	\$ 2,250,000
WATERFRONT INDUSTRY RETIRING ALLOWANCE RESERVE		
Balance at beginning and end of year (Notes 5 and 6 (a))	\$ 2,800,000	\$ 2,800,000
GANG INTERCHANGE POOL		
Balance at beginning of year	\$ 362,569	\$ 222,466
Levies	599,061	574,333
From unappropriated balance	50,000	75,000
Expenditures	(560,222)	(509,230)
Balance at end of year (Note 3)	\$ 451,408	\$ 362,569
INDUSTRIAL INQUIRY COMMISSION POOL		
Balance at beginning of year	\$ 429,449	\$ 107,756
Levies	12,657,818	9,625,142
Expenditures	(12,989,870)	(9,303,449)
Balance at end of year (Note 4)	\$ 97,397	\$ 429,449
LOWER MAINLAND INTERCHANGE POOL		
Balance at beginning of year	\$ 0	\$ 0
Levies	415,658	0
Expenditures	(205,156)	0
Balance at end of year (Note 4)	\$ 210,502	\$ 0

**BRITISH COLUMBIA MARITIME
EMPLOYERS ASSOCIATION**

(incorporated under the Society Act
of the Province of British Columbia)

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002**

1. Labour negotiations:
British Columbia Maritime Employers Association, on behalf of the Association's member companies, negotiates the labour agreement with the Canadian Area of the International Longshore and Warehouse Union.
Negotiations are currently under way for a renewal Collective Agreement.
2. Significant accounting policies:
Depreciation –
Depreciation is provided on the buildings and furniture and equipment on a straight-line basis over periods varying from 3 to 20 years which will depreciate their original cost over their estimated useful lives.
3. Interchange Pool:
Gang Interchange Pool -
This Pool is only available to equalize travelling costs which result from interchanges of longshore workers between certain ports on Vancouver Island.
Lower Mainland Interchange Pool -
This Pool is only available to pay for selected costs of travelling longshore workers to work destinations within the Vancouver and New Westminster locals when such travel is authorized by the Association.
Vancouver Island, Squamish and New Westminster Interchange Pool -
In 2002, the Lower Mainland Interchange Pool was created. The costs of travelling workers to the Lower Mainland are now being paid from this pool and not from general revenues. Therefore, there are no 2002 costs showing for Vancouver Island, Squamish & New Westminster Interchange as these costs are now paid directly from the Lower Mainland Pool.
4. Industrial Inquiry Commission Pool:
This Pool is only available to pay for liabilities associated with the elimination of the Container Clause.
5. Waterfront Industry Pension Equalization and Retiring Allowance Reserves:
These reserves, when combined with the unappropriated balance total \$6,582,533, and are invested predominantly in fixed assets with a net book value of \$3,799,906.
These reserves are intended to stabilize the rate of contributions to these programs.
6. Commitments and contingent liabilities:
 - (a) Waterfront Industry Retiring Allowance Agreement – Under this Agreement, the Association is required to provide both a lump sum and supplementary payment to eligible Union members upon retirement or death. If all Union members with an entitlement were to have retired at December 31, 2002, the Association's liability would have been approximately \$19,030,671.
The Retiring Allowance is funded on a current assessment basis. The Association estimates that a total of \$3,748,613 will be paid under the Agreement in 2003.
 - (b) Waterfront Industry Pension Agreement –
The Association is obliged to contribute a minimum \$10,500,000 per annum, based on a percentage of total longshore payroll, plus a further contribution of \$1.40 per longshore hour worked in 2002.
Under the solvency deficiency provisions of the Pension Benefits Standards Act, 1985, there is a requirement to value the assets and liabilities of the Plan on a plan termination basis. The Office of the Superintendent of Financial Institutions Canada, which is responsible for the administration of the Pension Benefits Standards Act, has agreed that the levels of contributions are sufficient to meet its requirements.
7. Due to Waterfront Foremen Employers Association:
Effective July 1, 1997 the Association agreed to collect and remit selected assessment levies on behalf of the Waterfront Foremen Employers Association.
8. Boot Allowance
During 2000, HRDC implemented a requirement for the use of CSA approved footwear. Through negotiation with ILWU-Canada, the Association agreed to pay longshore workers, who met the minimum work criteria over 2000 and 2001, \$100 towards the purchase of the required footwear.
9. COLA Clause:
Included in the Collective Agreement is a provision for the payment of a cost of living allowance (COLA) for 2002 only in the event that the Vancouver Consumer Price Index (CPI) for the period January 1, 2002 to December 31, 2002 increases in excess of 2.5%. The Vancouver CPI for the period triggered a COLA obligation of \$876,276 to be paid no later than March 31, 2003.

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION
SCHEDULE OF OPERATING AND DESPATCH EXPENSES

	Year ended December 31	
	2002	2001
Salaries and wages	\$ 2,220,232	\$ 2,325,539
Employee benefits	631,121	409,332
Depreciation	610,014	399,833
Consulting fees	253,346	84,140
Legal	128,658	68,380
Property taxes	125,539	123,979
Miscellaneous	119,654	113,130
Telephone and facsimile	100,991	123,087
Janitor services	96,689	97,414
Office supplies and printing	91,802	95,815
Automobile expense	70,754	71,748
Utilities	64,802	63,038
Dues and subscriptions	43,580	33,494
Audit	42,855	36,325
Repairs and maintenance	37,480	38,572
Insurance	35,657	31,646
Recruitment	32,886	0
Travel	30,342	41,221
Arbitration	28,655	33,289
Annual meeting	21,632	19,353
High visibility vests	9,087	12,166
New Westminster Interchange	0	67,835
Squamish Interchange	0	63,448
Vancouver Island Interchange	0	7,297
Despatch errors	0	4,854
	4,795,776	4,364,935
Operating expenses recovered	187,362	187,362
Despatch Sign & Vending revenues	13,808	13,480
	4,594,606	4,164,093
Outport despatch	459,773	449,259
Operating and despatch expenses for the year	\$ 5,054,379	\$ 4,613,352

Note:

Approximately \$1,247,620 (2001 - \$1,358,926) of the operating and despatch expenses for the year represent expenses applicable to Vancouver and Outport despatch activities.

THE PEOPLE OF THE BCMEA

BRITISH COLUMBIA MARITIME EMPLOYERS ASSOCIATION

500 - 349 Railway Street
Vancouver, B.C., Canada
V6A 1A4

Tel: (604) 688-1155
Fax: (604) 684-2397
E-mail: information@bcmea.com
Internet: www.bcmea.com

EXECUTIVE

F. (Frank) A. Pasacreta
O. (Onkar) S. Athwal
B. (Brian) D. Ciccozzi
M. (Mike) Leonard
G. (Greg) Vurdela

President and Chief Executive Officer
Vice President - Operations
Vice President - Finance
Director Labour Relations
Corporate Secretary and
Director of Information Services

E-mail address

fpasacreta@bcmea.com
oathwal@bcmea.com
bciccozzi@bcmea.com
mleonard@bcmea.com
gvurdela@bcmea.com

SENIOR STAFF

J. A. (Tony) Genest
A. (Andy) Martin
D. (Drew) Sagar
E. (Eric) Skowronek
J. (Johann) Steinmann

Manager - Labour Relations
Manager - Despatch
Manager - Labour Relations
Manager - Health, Safety and Claims
Manager - Training

tgenest@bcmea.com
amartin@bcmea.com
dsagar@bcmea.com
eskowronek@bcmea.com
jsteinmann@bcmea.com

HEAD OFFICE

Jennifer Chen
Brenda Houg
Janet Kong
Julia Mijo

TRAINING

Karen Connelly
Ian Nicol

INFORMATION SERVICES

Rick Barnes
Wil Campbell
Gavin Loh
Diane Sithoo

DESPATCH

Joe Barich
Bill Campbell
Tommy Chan
Doug Cleaver
Tom Deak
Gary Fenske
Christi Frank
Robert Gray
Bruce McIsaac
Raymond Sisson
Franco Tallarico
