

Harmac legal battles roll on

Case winds its way into Delaware court

BY ROBERT BARRON, DAILY NEWS JANUARY 26, 2011

The ongoing legal saga over lost vacation pay at Nanaimo's Harmac pulp mill will return to Canadian courts on Feb. 2 after a hearing in Delaware on Monday.

Peter Roberts, a lawyer from Vancouver's Lawson Lundell law firm, representing Harmac's union, said Monday's court date was a joint hearing of the case by the Supreme Court of B.C. and the Delaware Bankruptcy Court.

Roberts said the U.S. courts decided the case in which the Harmac workers, represented by the Pulp, Paper and Woodworkers of Canada Local 8, are seeking about \$6 million in vacation pay from their bankrupt previous employer, should be dealt with by Canadian courts.

"We're pleased because it moves the process forward and we're one step closer to resolving the matter," Roberts said Tuesday.

"It's a good case, but there's lots of legal issues to be dealt with so we still have a long way to go. I expect we're looking at anywhere from one to two years before the case is settled."

While the workers waived the right to go after the assets of Delaware-based Pope & Talbot for their vacation pay as part of the deal for the workers to buy Harmac along with three private partners in 2008, they retained the right to pursue the company's directors and officers to recover their pay.

About 530 Harmac workers lost their jobs when Pope & Talbot's court-extended creditor protection ended in May 2008, as well as hundreds more at the company's other mills in Canada and the U.S.

About 250 are currently working at Harmac after they paid \$25,000 toward the mill's purchase.

The union has spent about \$250,000 in legal fees in pursuit of the money since the mill deal was reached and expects to pay more before the courts make their final decisions on the case.

Union president Arnold Bercov said that while the lawyers for Pope & Talbot's directors and officers could appeal the U.S. court's decision to move the court proceedings to Canada, he's "confident" the decision means the workers are getting closer to receiving their vacation pay.