Press Release – 19 May 2017

**APM Terminals Gothenburg forced to impose partial lockout**

**“During today’s negotiations with the Swedish Dockworkers Union, section 4, APM Terminals Gothenburg obtained new information that may affect the legal situation concerning collective agreements. We offered to withdraw our notice of partial lockout if the Swedish Dockworkers Union, section 4, would agree to suspend their industrial actions to allow a period of consultation as the situation demands. They turned down this proposal. The partial lockout will therefore be in effect from 4 pm today,” said Henrik Kristensen, CEO of APM Terminals Gothenburg.**

Over the past year APM Terminals Gothenburg has faced 14 blockades and nine days of strike action by the Swedish Dockworkers Union Port, section 4 (SDU). This has impeded the company’s ability to provide its customers with the required levels of flexibility and service.

“Having been dealing with abnormally high absenteeism rates of 25–30 per cent daily for the past year, we are dependent on flexible labour. The situation has now reached the point where customers can no longer take reliable service for granted in Gothenburg because of blockades and strike action by the SDU. All we can now do is protect our business by being honest with our customers and creating the right conditions for them in this risky situation. Our customers and Swedish industry in general have been hit hard by this dispute, so we are hoping for a speedy resolution with the aid of the Swedish Mediation Institute,” said Kristensen.

As an employer, APM Terminals has three options under Swedish law and Swedish model to sign a contract with the SDU. As APM Terminals has an existing Collective Bargaining Agreement with the Transport Workers Union, the three alternatives are to establish an agreement; a side letter to the existing CBA or to establish a local agreement in accordance with the mediators' proposal; or thirdly, to enter into a third-party agreement which has to be initiated by the Transport Workers Union. APM Terminals supports all three approaches as options to resolve the container port conflict.

The next step is for the Swedish Mediation Institute to resume its mediation efforts. In the meantime APM Terminals Gothenburg, working alongside the Swedish Mediation Insititue and tthe Confederation of Swedish Enterprise, will step up discussions with the Swedish government. The objective is to amend current legislation so that employers covered by a CBA cannot be subjected to blockades and other industrial actions by a trade union that refuses to sign the sector-wide CBA.

The partial lockout will be in effect from 4 pm (1600 hrs) on 19 May until midnight (2400 hrs) on 30 June. During the partial lockout, limited service will be available on business days between 7 am and 4 pm (0700–1600 hrs) and during normal operating hours on weekends and holidays.

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