

CAW-CANADA/GENERAL MOTORS BARGAINING REPORT

HIGHLIGHTS OF THE TENTATIVE AGREEMENT BETWEEN CAW-CANADA AND GENERAL MOTORS

PRODUCTION AND SKILLED TRADES

OCTOBER, 1999

GM WORKERS MARK THE MILLENNIUM WITH MAJOR GAINS



Highlights

Current Retirees Increases

Future Pension Gains

Wage Hikes

Time Off the Job

Health Care Improvements

Skilled Trades Gains

Childcare, Tuition Assistance

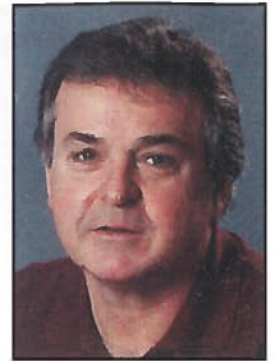
PRESIDENT'S MESSAGE

Pattern Bargaining

Negotiations at the Big Three are about pattern bargaining and solidarity. In the 1996 negotiations, General Motors refused to accept the pattern on outsourcing and our members not only went on strike but, in an historic action, took over GM's Oshawa Fab plant. That strike confirmed two principles: the Big Three could not unilaterally transfer work that was

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Message from Jim O'Neil, Secretary-Treasurer



THIS 1999 TENTATIVE AGREEMENT is an outstanding accomplishment for our union, that I am very proud to present for your ratification. Since the pattern was first set by CAW members at Ford, this agreement has come to be widely recognized as perhaps the best labour agreement to be signed in Canada in a generation. It will make a real difference to the quality of life for our 22,000 CAW members at General Motors.

The improvements we negotiated in our pension plan are nothing short of extraordinary: a 25 percent improvement in the basic benefit, an immediate increase of \$300 a month in the 30-n-out program, big increases for past retirees, and a tremendous breakthrough in early retirement. We also achieved major wage gains, and an additional SPA week that will create 200 new jobs at General Motors alone, and close to 500 across the Big Three.

There are literally dozens of other improvements contained in this contract. As a father of four, I'm especially proud of our new child care benefit (paying \$50 per week for every full-time pre-school child in a childcare program) and an \$800 annual tuition subsidy for children of CAW members attending college or university. These will make a big difference for families trying to balance their budgets.

We have tried to include features in our contract which address the particular life circumstances of CAW members at all stages of their careers: child care support for young

families, tuition subsidies for families with grown children, and enhanced early retirement benefits for our older members. All this is consistent with our broader goal as a union—which is to improve the well-being and health of our families and our whole community.

The economic benefits of the pattern agreement are outstanding, in and of themselves. But this tentative contract also includes gains on long-standing GM-specific issues. We have finally made progress in the area of production standards.

We have negotiated a program to provide incentive opportunities that will help to avoid layoffs and we have restored SUB credits for current laid off employees and for those that will exhaust their benefits during the agreement.

So I am pleased to join with Buzz Hargrove, Mike Shields, and the rest of the CAW-GM Master Bargaining Committee in recommending your ratification of our 1999 tentative agreement.

Jim O'Neil
CAW National Secretary-Treasurer



Message from Mike Shields, Chairperson, CAW/General Motors Master Bargaining Committee

IT IS A GREAT PLEASURE for me to recommend this tentative agreement with General Motors Canada. The agreement contains all of the basic pattern economic gains,

13.5 per cent wage and COLA growth over three years, a huge increase in pensions (especially early retirement benefits), and innovative new programs in areas such as child care and college tuition.

In 1996, GM refused to accept the pattern until we'd spent 3 weeks on the picket line demonstrating nothing can be taken for granted.

This time GM accepted the pattern agreement, a result of the fighting spirit that CAW members showed in 1996, and that allowed us to focus our bargaining on the company-specific problems.

We negotiated a number of production standards improvements. We forced the company to agree to SPA allocations on the basis of seniority. The introduction of TPT workers throughout the GM system will ensure that our members are able to take their earned time off when they need it.

Most important, we stopped the company's plans to outsource almost 1300 jobs and concentrated on the situation in Ste. Thérèse and the much needed investments in Oshawa and St. Catharines, as well as product for Windsor. With improved retirement incentive measures we will be better able to protect workers against layoff.

We've made real progress on a whole range of long-standing and irritating issues. If GM strives to implement these measures in the spirit in which they were negotiated, we may be on the road to a new and better way of doing things.

I join with the rest of the Master Bargaining Committee in urging your support of this outstanding tentative agreement.

Mike Shields
*Chairperson, CAW-GM Master Bargaining Committee
President, CAW Local 222*



Wages

- WAGE INCREASES AVERAGE 4.5% PER YEAR (including COLA)
- 3% AIF EACH YEAR
- COLA FORMULA IMPROVED
- ASSUMES INFLATION OF 1.8%, 2%, 2%

SIGNING BONUS

All those who performed work between
Jan. 1, 1999 and Sept. 27, 1999 will
receive a \$1,000 Signing Bonus

Wage and COLA Increases

	Assembler	Production Technician*	Electrician
CURRENT EARNINGS	\$24.04	\$24.33	\$28.98
1st Year Increases			
BASE	\$0.70		\$0.85
COLA	\$0.41		\$0.41
End of 1st Year	\$25.15	\$25.44	\$30.24
2nd Year Increases			
BASE	\$0.74		\$0.89
COLA	\$0.46		\$0.46
End of 2nd Year	\$26.35	\$26.64	\$31.59
3rd Year Increases			
BASE	\$0.76		\$0.92
COLA	\$0.36		\$0.36
End of Agreement	\$27.47	\$27.76	\$32.87
TOTAL INCREASES			
BASE	\$2.20	\$ 2.20	\$2.66
COLA	\$1.23	\$ 1.23	\$1.23
	\$3.43	\$ 3.43	\$3.89

*Assembler + \$.29

Wage and COLA Summary

	Assembler	Production Technician	Electrician
1st Year Increase	\$1.11	\$1.11	\$1.26
2nd Year Increase	\$1.20	\$1.20	\$1.35
3rd Year Increase	\$1.12	\$1.12	\$1.28
TOTAL	\$3.43	\$3.43	\$3.89

Base Rate Changes

	Change	Assembler	Change	Prod. Tech.	Change	Electrician
BASE RATE, CURRENT		\$23.31		\$23.60		\$28.25
AIF Year 1	\$0.70		\$0.70		\$0.85	
FOLD-IN	\$0.68		\$0.68		\$0.68	
BASE YEAR 1		\$24.69		\$24.98		\$29.78
AIF Year 2	\$0.74		\$0.74		\$0.89	
BASE YEAR 2		\$25.43		\$25.72		\$30.67
AIF Year 3	\$0.76		\$0.76		\$0.92	
BASE YEAR 3		\$26.19		\$26.48		\$31.59



Pension Plan Improvements

TENTATIVE AGREEMENT, GM 1999 PENSION HIGHLIGHTS

GOING-IN GOALS

- RAISE PENSIONS SUBSTANTIALLY
- STRUCTURE TO ENCOURAGE EARLY RETIREMENT
- BRING PRE-1987 RETIREES UP
- TRADES PENSIONS TO MORE CLOSELY REFLECT WAGE DIFFERENTIAL

GENERAL

- Continue 6 year Pension Agreement
- Tables and examples attached

IMPROVEMENTS, BASIC PENSION

- Production 1st year increase of \$6.50 (to \$55.00)
Technician: Total increases of \$12
(to \$60.50/month)
- Trades: 1st year increase of \$8.95 (to \$61.20)
Total increases of \$17.75
(to \$70/month)

IMPROVEMENTS, 30-N-OUT

- ❑ Production: 1st year increases of \$300/month
Technician: (to \$2800/month)
Total increases of \$600/month
(to \$3100)
- ❑ Trades: 1st year increases of \$345/month
(to \$3000/month)
Total increases of \$715/month
(to \$3370)
- ❑ EXTENSION OF 30-N-OUT BENEFIT FROM AGE 60 TO AGE 65
- ❑ Set 30-N-Out Benefit so it is equivalent to full Canada Pension Plan (CPP) benefit, Old Age Security (OAS) pension, and Basic benefit AT TIME OF RETIREMENT.

CREDITED SERVICE

- ❑ Employees who are absent from work due to an occupational injury or disease, and as a result receive Workers' Compensation while on an approved sick leave of absence, will be credited for such time up to a maximum period equal to seniority.
- ❑ As a result of the lengthy changeover in the Windsor Transmission which started in 1993, many workers who were laid off did not get pension credits for much of their time on layoff. We have negotiated the restoration of these lost pension credits for those who have returned to work.

EARLY RETIREMENT BEFORE 30 YEARS

- ❑ Three early retirement windows with unreduced Basic pension and supplement for members age 55 or over with age plus service equal to 80 or more (80 point rule - new). Windows in 2000, 2002, and 2004.
- ❑ 85 point retirement will now have reinstatement of full benefit at age 60 (formerly 62).
- ❑ Reduction for retirements on or after age 60 with 10 or more years of credited service is now eliminated.

SURVIVOR OPTION

- ❑ Reduction factor beyond 5% will not be increased if spouse is up to 10 years younger.
- ❑ The surviving spouses benefit is increased from 60% to 66 2/3% for future retirees.

PAST RETIREES

- ❑ Pre-87 retirees Basic benefit brought up to \$36.25 Oct 1/99 and then indexed so that the estimated pension benefit at the end of agreement reaches \$40.
 - ▶ Immediate increase of \$7.20 for pre-79 retirees (currently at \$29.05) and approximately \$11 over the agreement.
 - ▶ Immediate increase of \$3.65 for 1979-87 group (currently at \$32.60) and approximately \$7.40 over the agreement.
- ❑ Oct. 1987-Sept. 93 retirees (currently at \$36.01 to \$38.27) are brought up immediately by \$2.24 and then indexed (estimated to get to \$42.20).
- ❑ For members who retired on or after Oct. 1, 1993 (currently at \$43.09 to \$48) indexation continues.
- ❑ Surviving spouses of past retirees will receive the applicable increase based on the above.



Pension Plan Improvements

FUTURE RETIREES

CLASS C PRODUCTION TECHNICIAN

	BASIC	30-N-OUT
CURRENT	\$48.50	\$2500
OCT/1999	\$55.00	\$2800
OCT/2000	\$56.10	\$2855
OCT/2001	\$57.20	\$2910
OCT/2002	\$58.30	\$2970
OCT/2003	\$59.40	\$3030
OCT/2004	\$60.50	\$3100

CLASS D (E.G. ELECTRICIAN)

	BASIC	30-N-OUT
CURRENT	\$52.25	\$2655
OCT/1999	\$61.20	\$3000
OCT/2000	\$63.00	\$3075
OCT/2001	\$64.75	\$3150
OCT/2002	\$66.50	\$3225
OCT/2003	\$68.25	\$3300
OCT/2004	\$70.00	\$3370

□ ONCE RETIRED, PENSIONS ARE INDEXED

EXAMPLE, 30-N-OUT AT AGE 60, OCTOBER, 1999

BENEFITS, PRODUCTION TECHNICIAN

	CURRENT	PROPOSED	CHANGE
BASIC	\$1455	\$1650	\$195
SUPPLEMENT	\$ 540	\$ 540	—
SPECIAL ALLOWANCE	—	\$ 610*	\$610
TOTAL	\$1995	\$2800	\$805
WITH EARLY CPP (\$526)	\$2521	\$3326	\$805

BENEFITS, TRADES

	CURRENT	PROPOSED	CHANGE
BASIC	\$1567.50	\$1836	\$268.50
SUPPLEMENT	\$ 540	\$ 540	—
SPECIAL ALLOWANCE	—	\$ 624*	\$624
TOTAL	\$2107.50	\$3000	\$892.50
WITH EARLY CPP (\$526)	\$2633.50	\$3526	\$892.50

- * UNDER NEW PROPOSAL, THE SPECIAL ALLOWANCE IS WHATEVER IS NEEDED TO GET US TO THE 30-N-OUT LEVELS
- THE 30-N-OUT LEVELS WERE SET TO THE EQUIVALENT OF BASIC PLUS OAS PLUS FULL CPP AT AGE 65 (AND THE CORRESPONDING FUTURE INCREASES)
- CURRENTLY, EARLY CPP IS NECESSARY TO GET WORKER TO \$2500 PENSION – PROPOSAL GETS US TO \$2800 WITHOUT DRAWING ON EARLY CPP



Pension Plan Improvements

PENSION VS WAGES, PRODUCTION TECHNICIAN, AGE 60 TO 65

30-N-OUT PENSION WITH EARLY CPP	\$3,326/month	
PENSION IN HOURLY WAGE		\$19.19
NEW HOURLY WAGE	\$25.03	
EI/ CPP PREMIUMS	-\$ 1.05	
NET HOURLY WAGE	\$23.98	\$23.98
NET WAGE VS RETIREMENT		\$ 4.79

PENSION GAINS, EXAMPLE, PRODUCTION TECHNICIAN RETIRES AT AGE 57 WITH 30 YEARS CREDITED SERVICE

INCREASES	AGE 57-60	AGE 60-65	AGE 65-80
MONTHLY	\$ 300	\$ 805	\$ 195
ANNUAL	\$ 3,600	\$ 9,660	\$ 2,340
TOTAL	\$10,800	\$48,300	\$35,100
CUMULATIVE	\$10,800	\$59,100	\$94,200

❑ THIS ASSUMES THE EARLY CPP IS NOT TAKEN (IF TAKEN IT GENERATES MORE MONEY EARLIER BUT LESS LATER)

HISTORIC IMPROVEMENTS FOR CURRENT RETIREES

Increases for workers who retired on the following dates:			
	Oct. 1, 1987*	Oct. 1, 1979 to Sept. 1, 1987	Prior to Oct. 1, 1979
Current Basic Benefit	\$36.01	\$32.60	\$29.05
October 1/99 Increase	\$2.24	\$3.65	\$7.20
Estimated October 1/99 PCOLA	\$0.36	\$0.36	\$0.36
New Basic Benefit Oct. 1/99	\$38.61	\$36.61	\$36.61
October 1, 2000	PCOLA	PCOLA	PCOLA
October 1, 2001	PCOLA	PCOLA	PCOLA
October 1, 2002	PCOLA	PCOLA	PCOLA
October 1, 2003	PCOLA	PCOLA	PCOLA
October 1, 2004	PCOLA	PCOLA	PCOLA
Projected Basic Benefit October 1, 2004**	\$42.21	\$40.02	\$40.02

* These same increases apply to members retired between October 1, 1987 and September 1, 1993.

** The Projected Benefit is an estimate assuming inflation of 2% per year.



Job and Income Security Program

SUB

The **SUB plan** has been substantially improved in several areas:

- Funding for the Annual SUB Level has been increased by 1 cent an hour in each year of the agreement.
- Clawbacks from EI will be restored by the Company and will be based on GM income only.
- Any EI clawbacks to maternity or parental benefits will also be restored by the company, based on GM income.
- We have eliminated the 20% reduction in SUB benefits which is triggered when the SUB fund falls to low levels.

Special Contingency Fund

Funding for the **Special Contingency Fund (SCF)**, which supports the SUB fund, as well as a number of other programs, has been improved from \$2.35 to \$2.60 for each excess overtime hour.

Restructuring Incentive (Document 12's)

The **Restructuring Incentive**, which is payable to employees who are eligible for immediate retirement in the event of a plant closure or restructuring, has been increased from \$42,500 to \$50,000.

In situations where company initiated restructuring would have resulted in the layoff of junior workers, this program encourages senior employees to retire and lessens the impact of such events.

Voluntary Termination of Employment Plan (VTEP) and Income Maintenance Benefit Plan (IMP)

- The payment schedules for VTEP have been increased by \$5,000 at each level.

Income Security Fund

In this agreement we have built on and improved the 1996 structure by making available a total of \$440 million in Income Security Funds through the life of this agreement. This money will be available to pay all SUB, Short Work Week, Separation Pay, IMP, VTEP, PRIMP and Restructuring Incentive benefits through this agreement.

SPECIAL JOB SECURITY INCENTIVES

RECOGNIZING THAT over the next three years, through productivity improvements, and in some cases, loss of work, an excess of employees may exist at GM operations in Canada, we have negotiated an unprecedented program designed to cushion the impact of such events.

The first major element of the program consists of a specific number of incentive opportunities which will be available at each location, and which can be used to ensure that layoffs are avoided or minimized. These incentives include eligible retirements under 30 and out, and under Mutual Early provisions (age 55 or more with 10 or more years) which will be enhanced with a \$50,000 payment. As well, other opportunities include Voluntary Termination of Employment (VTEP) payments.

Based on existing layoffs as well as anticipated changes, the number of incentive opportunities allocated to each location are as follows:

Oshawa	600
St. Catharines	1200
Ste. Therese	300
London Diesel	218
Windsor Transmission	60
Woodstock	90

- These incentive opportunities will be available during the term of the 1999 Master Agreement
- Local parties will work together to determine the exact timing of these incentive opportunities

It is important to note that these special opportunities do not replace Document 12 offers, which will still be made available for potential job loss due to restructuring actions taken by the company.

INCOME SECURITY EXTENSION

The second major element of this program is designed to deal with the situation faced by many workers who have been on layoff long enough to have exhausted all their income security benefits (in some cases, longer than three years). Both for these current employees on layoff, and for those who will exhaust such benefits, and who are not otherwise employed outside of GM Canada we have negotiated the provision of an additional 78 SUB credits. This will provide up to 18 months of continuing income security, but not beyond the end of the 1999 Agreement, whichever is sooner.

Workers who have or will exhaust their income security benefits, but who are otherwise employed, will also be credited with 78 SUB credits, and will be eligible to receive a top-up of their outside earnings to 65% of their GM weekly pay based on last day worked.

While receiving such special SUB benefits, workers will be eligible for the same Health Care, Insurance and Legal Service benefits as any other worker on regular layoff.



Modular Production, Outsourcing, Work Ownership and Job Security

In the last round of bargaining our union developed precedent setting job security language against the threat of outsourcing. We won ground-breaking protections against the sale and closing of plants, protections against the outsourcing of major components and a commitment to offset minor outsourcing with new jobs and to maintain community employment levels.

In this round of bargaining we have gone even further. Now our work ownership provisions have been extended to modular production.

There has been a great deal of speculation that modular production is the next wave of restructuring coming to the auto industry. While the company indicated that it had no present plans to move to modular production during the life of the agreement, we put in place some clear protections just in case. If there is any change in the company's plans they will be reviewed with the union but, more importantly, modular production comes under the

terms of our work ownership and outsourcing provisions.

In addition, the safeguards of our outsourcing and work ownership language will also apply to any change in corporate or organizational structures — i.e. business units or joint ventures.

What our language makes clear is that while changes in the industry might come we should be sharing in the benefits, not paying the price.

Ste. Thérèse

There will be no closure or sale of the facility for the duration of the agreement.

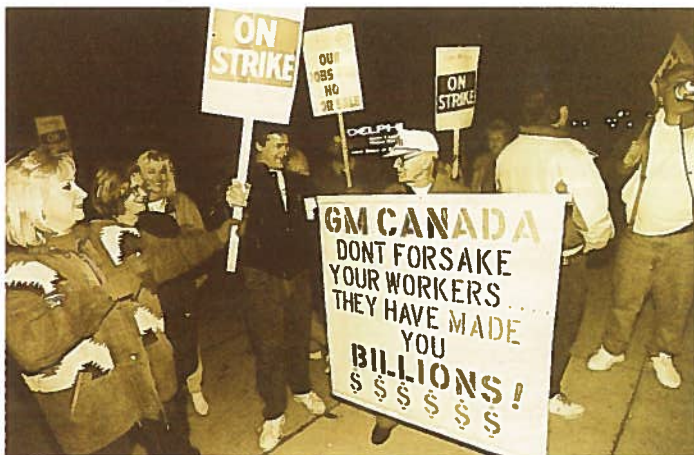
The company has agreed to examine the possibility of a "niche" vehicle and the feasibility of a future joint venture with another producer, therefore providing a link to the future beyond September, 2002.

Parts Supplier Neutrality Letter

Individual workers in non-union plants are especially vulnerable to management's arbitrary power. Removing barriers to workers freely choosing whether or not to unionize is therefore a matter of basic democratic rights. And, for workers who already have a union it is a matter of security against the undermining of decent standards.

The letter GM has signed with us involves the company in actively encouraging an environment amongst its suppliers that will allow workers to decide on unionization

free of any form of intimidation or harassment. It also raises the issue of automatic recognition when a majority of union members have clearly demonstrated individual support for the union. GM has agreed to communicate these principles to all its suppliers. The supplier neutrality letter is part of a broader campaign that we believe is seriously placing the unionization of more parts suppliers on the agenda.



DELPHI WORKERS UNDER THE AGREEMENT

Earlier this year GM announced its intention to spinoff its Delphi operations, making it the largest auto parts company in the world. In Canada,

- Current workers of Delphi will continue to be covered by the CAW-GM agreement, and
- GM continues to be responsible for the wages, benefits and income security of employees assigned to Delphi Automotive Systems.



GM INVESTMENTS

The company has outlined a \$465 million investment in its St. Catharines facilities to bring in new axle work and a V6 "niche" engine. This investment will secure 760 jobs.

In an effort to secure in the year 2002, the 2003 model Grand Prix, the company described a \$575 million investment in its Oshawa car plants.



Time Off the Job

Making it Easier to Get Time Off

The new TPT program will make it easier to get time-off around the weekend. On Fridays, Saturdays and Mondays TPT workers will cover for PAA, absentee replacement and weekend overtime.

In addition to getting time-off the TPT program will provide good paying, part-time jobs with health care benefits and union membership. The program is open to workers on indefinite lay-off, students and others in the community providing a needed combination of time-off and new jobs.

SPECIAL PAYMENT

The annual special payment in each December increases by \$300 from the current \$900 to \$1,200.



ADDITIONAL SPA WEEK

The tentative agreement added one additional week of Scheduled Paid Absence (SPA) to the five we currently have over the life of the agreement. We now have two SPA weeks each year. Combined with the other improvements in paid time off we have negotiated through the nineties, our total paid time off including SPA, vacations, holidays, and the XMAS shutdown averages about 366 hours, depending on seniority:

SPA selection will be by seniority starting with the second SPA period in the first year of the agreement. In the second and third year of the agreement selection by seniority will be done in the first period for both SPA periods in each year.

Seniority	Total Paid Time Off
1-2 YR	284 HRS
2-3	292
3-5	320
5-10	340
10-15	360
15-20	380
20 or more	420

Paid Holiday Schedule

December 24, 1999	Christmas Holiday Period
December 27, 1999	
December 28, 1999	
December 29, 1999	
December 30, 1999	
December 31, 1999	
Friday April 21, 1999	Good Friday
* Monday April 24, 2000	Monday after Easter
Friday May 19, 2000	Friday before Victoria Day
Monday May 22, 2000	Victoria Day
Friday, June 30, 2000	Canada Day
Friday September 1, 2000	Friday before Labour Day
Monday September 4, 2000	Labour Day
** Friday, October 6, 2000	Friday before Thanksgiving
Monday, October 9, 2000	Thanksgiving
December 25, 2000	Christmas Holiday Period
December 26, 2000	
December 27, 2000	
December 28, 2000	
December 29, 2000	
January 1, 2001	
Friday April 13, 2001	Good Friday
* Monday April 16, 2001	Monday after Easter

* Friday May 18, 2001	Friday before Victoria Day
Monday May 21, 2001	Victoria Day
Friday, June 29, 2001	Canada Day
Friday August 31, 2001	Friday before Labour Day
Monday September 3, 2001	Labour Day
** Friday, October 5, 2001	Friday before Thanksgiving
Monday, October 8, 2001	Thanksgiving
December 24, 2001	Christmas Holiday Period
December 25, 2001	
December 26, 2001	
December 27, 2001	
December 28, 2001	
December 31, 2001	
January 1, 2002	
Friday March 29, 2002	Good Friday
*Monday April 1, 2002	Monday after Easter
*Friday May 17, 2002	Friday before Victoria Day
Monday May 20, 2002	Victoria Day
Friday, June 28, 2002	Canada Day
Friday August 30, 2002	Friday before Labour Day
Monday September 2, 2002	Labour Day

*Quebec

**Woodstock gets Canada Day four-day weekend instead of Thanksgiving.



New and Expanded Training Programs

This agreement builds on our training and education initiatives and establishes new programs.

Workplace Training Program:

- Eight hours have been added to the Workplace Training Program expanding it from 16 to 24 hours. The courses, coordinated by the Training Review Committee and conducted during working hours, will include union and industry awareness, ergonomics, harassment, new member orientation and others.

Basic Skills:

- Renewed commitment to basic skills upgrading through the B.E.S.T. program.



Labour Studies:

- A new program, the CAW/McMaster University Labour Studies Certificate, which combines local classes and distance learning is approved for tuition assistance.

Tuition Support

- Increased annual amounts by \$500 from \$2000 to \$2500 for post-secondary courses. Improved access to the tuition refund program and increased amounts for laid off workers.

Retired Workers Fund

- New fund to support educational and awareness programs for retired workers.



Skilled Trades

The union has negotiated 271 apprenticeship and retraining opportunities for GM workers and laid-off apprentices and Journeypersons.

Job Security and Work Ownership

The parties have reached an understanding in Appendix R to alleviate the misunderstandings over the last three years between the parties on overtime, layoff and work ownership.

Skilled Trades Pensions

Major pension improvements have been negotiated for skilled trades workers. Refer to pension section.

New Technology

Language places responsibility on the company to train in new technologies both journeypersons and apprentices.

New Training Fund

A special fund of 3 cents per hour has been established to provide for core programs on the development and role of the skilled trades in the union, pre-apprenticeship courses and ongoing programs related to technological change.



PRESIDENT'S MESSAGE (CONTINUED FROM PAGE 1)

traditionally ours, and once a pattern was established no company could violate it.

That first principle led to the preservation of jobs - including, in this round, reversing 1,300 jobs GM had planned to outsource. The second principle meant that once GM tabled the pattern in this round we could concentrate on correcting a number of problems that were specific to GM.

Touching all the Bases

You have by now read or heard about the highlights of the agreement. As you'll see when you read through this brochure, we not only achieved truly remarkable gains in our pension plans, but we accomplished this while continuing to lead on wages, paid time off, benefits, and job security protection.

This agreement touches all aspects of workers lives. CAW members with young children can get an annual childcare subsidy of up to \$2,000 per child in licensed not-for-profit registered child care. Those with older sons and daughters at universities and colleges will get tuition subsidies of \$800/year per dependent. A number of health care issues important to families were improved. Workers will have more paid time off for themselves and their families and there is a special payment of \$1200 annually.

Older workers will have the option of the dramatically increased pensions, which will increase the security of younger workers and - like the additional time off - also open new jobs in our workplaces. Future retirees will know that their surviving spouses, often trapped in relatively low incomes, will see especially dramatic increases in their pensions.

Working conditions were addressed and health and

safety provisions strengthened. Job security has been improved through addressing concerns about modular production.

Beyond the Pattern

At GM there were particular concerns about getting investment in our facilities, addressing the problem of those on layoff and running out of benefits. In addition the union wanted to limit the layoffs GM had announced were coming as a result of the erosion of GM's market share and GM's overall restructuring.

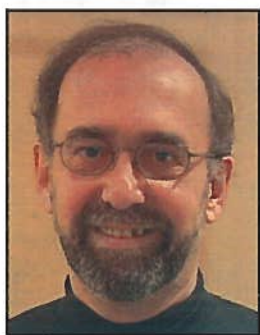
With the pattern behind us, we were able to concentrate on getting new investments in Oshawa, St. Catharines, and Windsor and some renewed hope in Ste. Thérèse. Workers who were on layoff but had exhausted their company-paid income security will be reinstated on SUB with all the corresponding health benefits for up to 18 months. And a new retirement incentive was introduced to limit further layoffs.

Recommendation

Our ultimate strength lies in a leadership ready to lead and a membership with high expectations of itself, confident in its union, and ready to fight for its rights and needs. I want to thank each and every CAW member at General Motors for your past and current support and I enthusiastically - and proudly - join with Mike Shields, the chair of the CAW-GM master bargaining committee, and the Master and Local committee members in unanimously recommending the acceptance of this agreement.

Buzz Hargrove

President CAW



Message from Luc Desnoyers, CAW Quebec Director

As you read these lines, you are probably already aware of the developments surrounding the GM plant in Quebec. In spite of our repeated attempts to obtain a firm commitment from the company regarding the future of the

Boisbriand assembly plant, the only

response forthcoming from the company has been that it has no new plans for our plant. In the course of the past week of negotiations, we have proposed every imaginable scenario to GM. I was in contact with the Finance Minister, Bernard Landry, I met personally with Prime Minister Jean Chrétien and I had direct discussions, accompanied by Buzz Hargrove, with GM president Jack Smith. This discussion allowed us to win a first round. We fought this battle with dignity and we succeeded in obtaining immediate gains without mortgaging our future.

The union has done what it had to do to keep this plant in operation. All the necessary elements are now in place for a major investment by GM. This is what the government of Quebec wants, it's what the local authorities want even more, and it's what the workers at this plant are fervently hoping for.

We are coming away from these talks with a commitment from GM not to close the plant for the duration of the

collective agreement, which runs to September 2002. As for the workers presently on lay off, we have obtained their reinsertion in the supplemental unemployment benefits (SUB) program for a period of 18 months.

More generally, this new agreement affects all aspects of the lives of workers at Boisbriand. It includes improved working conditions, substantial pension increases, the reinforcement of health and safety provisions and more leave. In short, it is a good collective agreement that meets the gains won by our brothers and sisters from Ford and DaimlerChrysler.

I would like to end by thanking all GM members of the CAW for their solidarity and for the confidence they have shown in their representatives. I would particularly like to thank Daniel Bélanger, Jean-Pierre Daubois, Richard Fournier and Roland Francis for their excellent work during these bargaining talks.

I am pleased to join with Buzz Hargrove, Jim O'Neil, Mike Shields and the rest of the CAW-GM Master Bargaining Committee in recommending your ratification of our 1999 tentative agreement.

Luc Desnoyers

CAW Quebec Director



New Initiatives for the Family

This agreement launches two major initiatives to help families with the cost of childcare and post-secondary education. We have developed a subsidy for families with pre-school children in licensed not-for-profit child care and for those families with dependent children going to college or university there's a new tuition assistance program.

A FIRST: TUITION ASSISTANCE FOR CHILDREN

Governments have cut back on spending for education and they have cut back on financial assistance to students. As a result the cost of post secondary education has grown considerably and is projected to do so well into the future. Combined with the difficulty young people have finding summer jobs these cutbacks make it more difficult for our children to pay for schooling.

Our union has responded with an innovative program to assist members' children in post-secondary programs. For the first time in our bargaining we have negotiated a program of tuition assistance which will provide \$800 a year for dependents of GM workers enrolled in college or university.

BREAKTHROUGH IN CHILDCARE

A MAJOR BREAKTHROUGH has been made in the area of childcare. This agreement provides a subsidy that will help parents pay for quality, licenced, not-for-profit and safe childcare. The benefit will cover between 20% and 25% of the average cost of childcare.

The union went into bargaining looking to expand the childcare benefit, while maintaining a focus on high quality early childhood development because of its role in a child's future success. Children already registered in licenced commercial care will be eligible for the benefit, but all new eligible claims will support non-profit centres and services.

By capping the benefit at 50% of the per-day costs, we have specifically structured the benefit to encourage the Company to support this type of national program.

And because of added difficulties caused by shift work, we have negotiated a total of \$150,000 to help existing centres broaden their services, such as offering extended-hour care. The benefit will commence after a short start-up period.

GM has jointly signed a letter with the CAW to Prime Minister Chrétien calling on the Federal Government to introduce a National Childcare Program.

NEW CHILDCARE BENEFIT

- fees reduced by \$10 per-day subsidy
- up to \$2,000 per year, per child
- available for children 5 and under
- all licenced non-profit care eligible
 - ▶ full-time
 - ▶ part-time
 - ▶ group care
 - ▶ in-home care
- existing CAW centres to continue

RECOMMENDATION

The CAW/GM master bargaining committee has negotiated a tentative agreement that provides for wage increases in each year of the agreement, significant gains in pensions, more time off the job, tuition and childcare assistance, and benefit improvements.

Your bargaining committee unanimously recommends this tentative agreement and urges you to vote in favour of it.

EMPLOYMENT EQUITY

There are improvements to the employment equity provisions including:

- letter to address placement of pregnant workers
- The Master Employment Equity Committee will develop a handbook on harassment, employment equity and definition of personal harassment.
- The waiting period for S&A has been eliminated for eligible women using a women's shelter.
- Comfort hearts/support for cancer project.
- Increased representation hours.



Improved Insurance Benefits

There will be annual increases in the rates for future S & A, EDB and Life Insurance claims as a result of the base rate increases in each year of the agreement, as well as the fold-in of \$0.68 of the current \$0.73 COLA float.

In addition, any new COLA will continue to be folded-in on each anniversary date of the agreement for the purpose of calculating the above benefits.

INSURANCE EXAMPLES (INCLUDING PROJECTED COLA)*

	Current	Sept. 27/99	Sept. 18/2000	Sept. 17/2001
Production Technician				
S&A	\$ 605	\$ 620	\$ 645	\$ 680
EDB under 10	\$ 2,105	\$ 2,165	\$ 2,255	\$ 2,375
EDB over 10	\$ 2,315	\$ 2,380	\$ 2,480	\$ 2,615
Life Insurance	\$55,500	\$57,000	\$59,500	\$62,500
Electrician				
S & A	\$ 710	\$ 735	\$ 760	\$ 795
EDB under 10	\$ 2,500	\$ 2,590	\$ 2,680	\$ 2,800
EDB over 10	\$ 2,750	\$ 2,850	\$ 2,950	\$ 3,080
Life Insurance	\$66,000	\$68,500	\$71,000	\$74,000

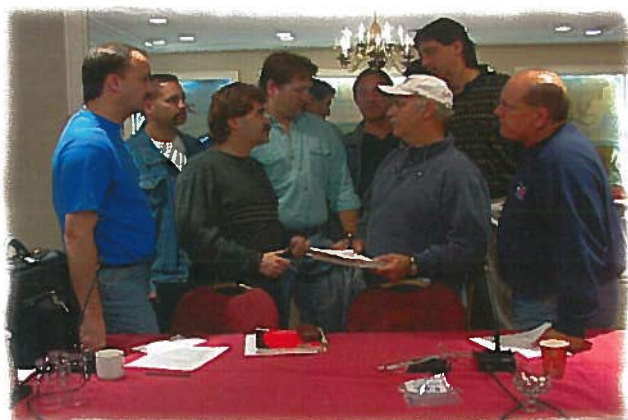
* COLA is projected at 1.8 per cent, 2 per cent and 2 per cent in each year of the agreement. Actual benefit levels may be higher or lower depending on actual inflation.

Survivor Income Benefits

Transition and Bridge benefits will be increased by \$50 per month effective October 1, 1999 and by an additional \$25 per month effective October 1, 2000. These increases will also be applicable to current recipients.

Sickness & Accident Benefit

- Sickness and Accident benefits will now be provided from the day a member undergoes day surgery for which a benefit of \$25 or more is scheduled or payable under OHIP.
- Sickness and Accident benefits will be payable from the first day a woman employee seeks sanctuary at a women's abuse shelter and otherwise qualifies for sickness and accident benefits.



Optional & Dependent Group Life Insurance

The Optional Group Life Insurance program has been improved by:

- adding two new schedules of \$175,000 and \$200,000.

The Dependent Group Life program has been improved by:

- adding two new schedules of \$45,000 and \$50,000 for spousal insurance, and two new schedules of \$18,000 and \$20,000 for children.
- premiums will be reduced by 10 per cent for the Dependent Group Life Program as of January 1, 2000.

There will be a one month open enrollment period for actives which will allow them to enroll under any schedule of the Optional and/or Dependent Group Life programs without evidence of insurability. This opportunity will also apply to any employee at work who had not previously enrolled.

Retiree Life Insurance

- The minimum retiree life insurance is increased to \$5,000.

AD & D

- Accidental Death & Dismemberment has been amended to cover instances of "loss of use".

EDB for Current Recipients

Current recipients of EDB have been guaranteed a minimum benefit level of \$1600 per month, which includes income from the GM pension plan, WSIB and any CPP benefits. This is an increase of \$200 per month.



Health Care Improvements

Medical Equipment

For the first time we have been able to negotiate coverage of custom made foot orthotics for one pair every 36 months, up to a maximum of \$400.

Insulin pumps will be covered up to \$800 once every 5 years.

Hearing Aids

Coverage has been expanded to now include in-the-canal, completely-in-the-canal, digital and programmable aids.

Psychologist Services

Coverage for family and marital counselling has been increased to \$50 per visit with an annual maximum of \$500 per participant.

Speech Therapy

In an important breakthrough, we have now negotiated coverage for the services of a speech therapist or speech language pathologist, when prescribed by a physician, up to \$400 per participant per year.

In-Home Nursing

Expenses for the in home services of a Registered Nurse or a Registered Practical Nurse will now be covered up to 4 hours per day to an annual maximum of \$7,500.

Same-sex Spousal Benefits

All Benefit Plans will now provide coverage to same-sex spouses in the same manner in which common-law spouses are currently covered.



DURATION OF AGREEMENT

The three-year collective agreement is retroactive to September 27, 1999 and will expire September 17, 2002

Dental Improvements

- The annual maximum is increased by \$300, from \$1,900 to \$2,200.
- The lifetime orthodontic maximum is increased by \$400, from \$2,400 to \$2,800.

Food Supplements

Under specified circumstances, nutritional supplements, when medically necessary, will now be covered by the Health Care Program.

Vision Plan

The Vision Plan has been improved by increasing coverages every 24 months to:

Single vision	\$160 every 24 months
Bifocal	\$215 every 24 months
Multifocal	\$270 every 24 months
Contact Lenses	\$180 every 24 months

Drug Plan

The Plan will now provide for the coverage of generic drugs, but coverage for brand name drugs is maintained when the prescribing physician specifies no substitution.

Family Counseling

The company has committed to provide up to \$400,000 towards a program of short-term family counseling. The program will include setting out procedures for the selection of authorized family counselors and a structure for participant referrals.

CAW TCA
CANADA

TUITION PAID UP FRONT

For the first time the company has agreed to provide tuition assistance to CAW members upon enrollment in an educational program rather than at its completion.

SEVERANCE PAY AGREEMENT

A longstanding severance pay claim for certain former GM workers employed at the Scarborough Van Plant and Toronto Truck Centre was resolved. GM will pay the Union \$175,000 in trust for eligible claimants and the Union's appeal of a negative Employment Standards Officer's decision will be withdrawn.



Health and Safety

- Introduction of 14 hazardous substances including asbestos, PCBs and vinyl chloride **prohibited**.
- Chemical exposure limits to **lowest** in regulations and consensus standards.
- **Electric forklifts** to replace internal combustion forklifts over time.
- Contractors driving vehicles to be **licenced** and medically fit.
- **\$100** for safety shoes (was \$85); glasses suitable for computer operators.
- **Core certification** to remain at 3 weeks.

H&S Training & Material

- **For H&S reps:** 40 hours hazard specific training using

Workers Health and Safety Centre modules; VDT emissions; internal company H&S data bases, job safety awareness, 3M select respirator software.

- **For workers training material on:** trouble-shooting for skilled trades; workplace health hazards for pregnant workers; skilled trades update; propane safety; bloodborne pathogens and universal precautions; CPR training (pay for 1 in 25); maintenance vehicle safety; lockout/controlled access/test.

Metalworking Fluids (Coolants)

- **education and training** for workers exposed to metalworking fluids.

More Focus on Job Issues

GOING INTO BARGAINING we identified job issues as a priority. We had two objectives – a better process for resolving problem jobs and a focus on job design. We have made significant improvements on both fronts.

Production Standards and Job Disputes:

Breakthrough on Production Standards Reps

- For the first time we have negotiated production standard representatives in the assembly plants in Oshawa and in St. Thérèse.

Stronger and More Effective Dispute Process:

- Focus on the affected operator rather than just the GM standard data.
- Negotiated the use of the stop watch to assist in the settling of disputes.

- Quicker process for resolving problem jobs.
- More resources to resolve disputes including, if required, national office involvement, external experts and expedited arbitration.

Job Design and Ergonomics

- New General Motors/CAW ergonomics process
- New Master Ergonomics Committee to develop standard ergonomics process
- Support of local placement process for injured workers
- Effective ergonomic process at the plant level and at the design stage
- Annual conference for local ergonomic committees
- Emphasis on targeting priority jobs for redesign (for example, overhead work)
- Regional ergonomic rep based in Oshawa.



SOCIAL JUSTICE FUND

SJF is increased to \$.03 per straight-time hour worked.

ENVIRONMENT

- **increased time** for environment reps: 16 more hours/month for most locations.
- **monthly** workplace environment committee meetings; annual training for committees; reps may be part of hazardous materials control committees.
- **information** to employees on environmental awareness and initiatives.

GROUP RRSP

A Voluntary Group RRSP and Savings Plan will be established for hourly employees no later than April 2000. The plan will allow workers to:

- direct lump sums such as the Special Payments at Christmas
- arrange for weekly contributions by payroll deduction
- choose from a series of investment options
- transfer funds in from other Plans as well as transferring funds out to other Plans.



Your CAW-Canada Master Bargaining Committee at General Motors



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President



JIM O'NEIL
Secretary-Treasurer



MIKE SHIELDS
Chairperson of Master
Bargaining Committee &
President of Local 222



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Assistant to the
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ROLAND FRANCIS
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