

St. Catharines – Unifor Local 199
Understanding the Supplemental Workforce
Employee (SWE) Transition
Unifor/GM 2016 Collective Agreement

Our recently ratified collective agreement with General Motors contains provisions to immediately transition Supplemental Workforce Employees (SWEs) from temporary (A5) status to full-time, permanent (A1) status. This transition will provide Unifor members full access to the provisions of the existing collective agreement. Affected members have raised specific questions about the transition procedure, and how it will affect their pay levels, benefit entitlements and other matters. This bulletin helps answer some of the pressing questions that members may have and outlines key differences between the contract terms of the former SWE program and regular, full-time work status under the collective agreement.

The Company has informed the Union that it will take a few weeks to complete the conversion. All changes, including wages, will be made retroactive to Monday, September 26, 2016. Members will receive an information package provided by the company that will explain the specific implications of the SWE transition, for all categories of members, in full detail.

	Provisions under the former SWE Program	Provisions under the current Collective Agreement
<u>EMPLOYEE STATUS</u>	<ul style="list-style-type: none"> Supplemental Workforce Employees (SWEs) treated as probationary employees, who may have extended service but do not accrue seniority, and can be laid-off/terminated at any time. 	<ul style="list-style-type: none"> Transitioned SWEs are classified as seniority employees, with full access to the provisions of the collective agreement, such as recall rights, access to the grievance procedure, and others. Transitioned SWEs will be treated as New Hires, and will begin accruing seniority following ratification of the contract. Seniority order among the transitioned SWEs will be the same as it was when first hired.
<u>WAGES</u>	<ul style="list-style-type: none"> Wages locked in at a single rate, indefinitely (the most common rate is \$20.74). No scheduled wage increases. 	<ul style="list-style-type: none"> Transitioned SWEs are placed at the beginning of the enhanced New Hire Grow-In. These members will receive a new hourly rate of \$21.17*, effective immediately. New hires will receive wage increases every year, as per the New Hire Wage Progression and Vacation Schedule (see below). Wage increments, in each year, have been improved to put more money at the start of the grid. At the end of the fourth year, new hires will be earning an hourly rate of \$26.27* (representing a 27% wage increase). New hires eligible for Short Work Week (SWW) after 3 years. No Supplemental Unemployment Benefit (SUB) credits from start to year 5. Half SUB credits from years 6-10. Full SUB credits after year 10.

<u>LUMP SUMS</u>	<ul style="list-style-type: none"> No ratification bonus or lump sum payments. 	<ul style="list-style-type: none"> Transitioned SWEs will receive the negotiated \$6,000 ratification bonus in October, 2016. They will also receive an additional \$1,000 lump sum payment in 2019.
<u>PENSION</u>	<ul style="list-style-type: none"> No pension. 	<ul style="list-style-type: none"> Automatically enrolled in the defined contribution (DC) pension plan. The plan will include a mandatory contribution of 8% of straight time base wage earnings (4% from the employer and 4% from the member). Members will have the option to contribute an additional 1% to the plan that is matched by an additional 2% contribution from the employer. For example, at the full 11% rate, the weekly contribution breakdown for a member earning \$21.17 would be as follows: <ul style="list-style-type: none"> Member contributes: \$42.34/week; Employer contributes: \$50.81/week; Total contribution: \$93.15/week;* <p><i>*Based on 40 hours/week. Pensionable hours up to a maximum of 2080 per year. Contribution amounts increase as wages increase.</i></p> A member's DC account balance is portable and transfers with them if they elect to leave their employment with GM. A member's DC account balance provides retirement income that is in addition to government benefits (OAS and CPP).
<p>The DC plan is effective as of October 1, 2016 and the optional enrolment is a feature that should be in place at the time employees are enrolled into the plan. Therefore, employees hired on or after September 20, 2016 (as they are enrolled in the DC plan) should be offered the option for the additional 1% voluntary contribution (triggering the employer's 2%) at the same time and in the same process as they determine or select their investment options.</p> <p>The contract language requires the Company to contribute to a member's DC account within 30 days following the month in which the contributions are made. For example, if optional contributions are made in October, GM would have until no later than November to 'match' the contribution.</p>		
<u>HEALTH BENEFITS</u>	<ul style="list-style-type: none"> Only eligible for drug plan coverage and out-of-province travel insurance. 	<ul style="list-style-type: none"> Eligible for the same health plan as all other Unifor members at GM, including drug plan, durable medical equipment, out-of-province travel insurance, land ambulance, in-home nursing care, chiropractor, massage therapy, chiropody/podiatrist, naturopathy and physiotherapy after completing their eligibility period (typically 4 months). Dental, vision, hearing aids (after 12 months). Members maintain current benefits until conversion. <p><u>*For a complete breakdown of benefit levels, eligibility timelines and applications, please contact your in-plant Benefit Representative.</u></p>

<u>RETIREE HEALTH CARE</u>	<ul style="list-style-type: none"> • No retiree health care benefits. 	<ul style="list-style-type: none"> • No retiree health care benefits. In lieu of benefits, GM will contribute to an individual retiree health account up to a maximum of \$1.00 per compensated hour. Contributions begin upon completion of the New Hire Wage Progression.
<u>LIFE INSURANCE</u>	<ul style="list-style-type: none"> • Limited life insurance. 	<ul style="list-style-type: none"> • Transitioned SWEs are eligible for life insurance benefits (as per the collective agreement) one month after their transition. The life insurance benefit is prorated with the New Hire Wage Progression, and will be no less than \$46,000. • Transitioned SWEs are also eligible for optional life insurance after one year.
<u>CHILD CARE SUBSIDY</u>	<ul style="list-style-type: none"> • Not eligible for Child Care Subsidy. 	<ul style="list-style-type: none"> • Child Care Subsidy for licenced non-profit childcare after one year to an annual maximum of \$2,400.
<u>SHIFT PREMIUM</u>	<ul style="list-style-type: none"> • 50¢/hour for the afternoon shift and \$1/hour for the midnight shift. 	<ul style="list-style-type: none"> • 50¢/hour for the afternoon shift and \$1/hour for the midnight shift. • Team Leaders rate no longer reduced. • 5% (afternoon) and 10% (midnight) shift premiums will apply after 10 years.
<u>BEREAVEMENT</u>	<ul style="list-style-type: none"> • No bereavement coverage 	<ul style="list-style-type: none"> • In recognition of the SWE conversion, on a non-precedent setting basis, New Hires will become eligible for bereavement leave immediately upon conversion. This includes four days of paid bereavement time for the death of a parent, spouse, brother or sister. Three days bereavement for other eligible family members, as per the collective agreement. • This special recognition also applies to Jury Duty.
<u>TIME-OFF and VACATION PAY</u>	<ul style="list-style-type: none"> • Statutory holidays as per contract. • Vacation paid at 4% of annual earnings, which is the minimum allowable under the Ontario <i>Employment Standards Act</i>. • Not eligible for Paid Absence Allowance (PAA) 	<ul style="list-style-type: none"> • Transitioned SWEs will receive vacation pay in accordance with the New Hire Grow-In, starting at 4% annual earnings and growing from 80 hours at Year 1 to 120 hours at Year 10, and 180 hours at Year 11 (growing-in to full vacation hours, after Year 11, as per collective agreement). • Members will be eligible for Paid Absence Allowance (PAA) upon completion of New Hire Grow-In, as per the collective agreement (i.e. after 10 years) • Full holiday entitlement and holiday pay, as per the collective agreement (e.g. 15 holidays in the first year of the new contract). See “Paid Vacation Days” schedule below.

*All wage rates identified above are for illustrative purposes only. They are based on the most common job classification at the GM St. Catharines facility (paid at a base rate of \$34.56). Base wages may vary depending upon an individual member’s actual job classification.

St. Catharines New Hire Wage Progression and Vacation Schedule				
For illustrative Purposes				
<u>Starting Base Rate</u>	\$34.56	<u>Current SWE Rate</u>	\$20.74	
<u>Years of Seniority</u>	<u>2012 Collective Agreement % of Base</u>	<u>2016 Collective Agreement % of Base</u>	<u>New Rate</u>	<u>Vacation (hrs)</u>
Start	60	61.25	\$21.17	4%
1	60	64	\$22.12	80
2	60	66.75	\$23.07	88
3	65	72	\$24.88	96
4	70	76	\$26.27	104
5	70	80	\$27.65	112
6	75	84	\$29.03	120
7	80	88	\$30.41	120
8	85	92	\$31.80	120
9	96	96	\$33.18	120
10	100	100	\$34.56	120

Upon attaining 11 years of seniority, members will catch up to the maximum base rate in effect at that time, and to the vacation schedule in effect (180 hours vacation upon attaining 11 years then start growing to full vacation hours as per Master Agreement)

Paid Holidays			
Friday, October 7, 2016	<i>Friday before Thanksgiving</i>	Friday, October 5, 2018	<i>Friday before Thanksgiving</i>
Monday, October 10, 2016	<i>Thanksgiving</i>	Monday, October 8, 2018	<i>Thanksgiving</i>
December, (26-30), 2016	<i>December Holiday Period</i>	December, (24-28), 31, 2018	<i>December Holiday Period</i>
Monday, January 2, 2017	<i>December Holiday Period</i>	Monday, January 1, 2019	<i>December Holiday Period</i>
Friday, April 14, 2017	<i>Good Friday</i>	Friday, April 19, 2019	<i>Good Friday</i>
Monday, April 17, 2017	<i>Easter Monday</i>	Monday, April 22, 2019	<i>Easter Monday</i>
Friday, May 19, 2017	<i>Friday before Victoria Day</i>	Friday, May 17, 2019	<i>Friday before Victoria Day</i>
Monday, May 22, 2017	<i>Victoria Day</i>	Monday, May 20, 2019	<i>Victoria Day</i>
Friday, June 30, 2017	<i>Canada Day</i>	Friday, June 28, 2019	<i>Canada Day</i>
Friday, September 1, 2017	<i>Friday before Labour Day</i>	Friday, August 30, 2019	<i>Friday before Labour Day</i>
Monday, September 4, 2017	<i>Labour Day</i>	Monday, September 2, 2019	<i>Labour Day</i>
Friday, October 6, 2017	<i>Friday before Thanksgiving</i>	Friday, October 11, 2019	<i>Friday before Thanksgiving</i>
Monday, October 9, 2017	<i>Thanksgiving</i>	Monday, October 14, 2019	<i>Thanksgiving</i>
December, (25-29), 2017	<i>December Holiday Period</i>	December, (24-27), 30, 31, 2019	<i>December Holiday Period</i>
Monday, January 1, 2018	<i>December Holiday Period</i>	Wednesday, January 1, 2020	<i>December Holiday Period</i>
Friday, March 30, 2018	<i>Good Friday</i>	Friday, April 10, 2020	<i>Good Friday</i>
Monday, April 2, 2018	<i>Easter Monday</i>	Monday, April 13, 2020	<i>Easter Monday</i>
Friday, May 18, 2018	<i>Friday before Victoria Day</i>	Friday, May 15, 2020	<i>Friday before Victoria Day</i>
Monday, May 21, 2018	<i>Victoria Day</i>	Monday, May 18, 2020	<i>Victoria Day</i>
Friday, June 29, 2018	<i>Canada Day</i>	Friday, June 26, 2020	<i>Canada Day</i>
Friday, August 31, 2018	<i>Friday Before Labour Day</i>	Friday, September 4, 2020	<i>Friday Before Labour Day</i>
Monday, September 3, 2018	<i>Labour Day</i>	Monday, September 7, 2020	<i>Labour Day</i>

Closing Note from the Local 199 GM Bargaining Committee

This summary outlines the 2016 contractual improvements negotiated on behalf of our members formerly in the SWE classification. These improvements are significant and were not easy to negotiate.

It is important that you know and understand the Company wanted to keep you in the SWE classification indefinitely. Any shortfall in your expectations for these negotiations was not because we didn't fight for it, but because the Company refused to provide it.

General Motors' number one demand was to maintain 25% of the workforce as temporary precarious employees. If GM had been successful you would have remained in the precarious SWE classification, continued to receive \$20.74 per hour until the 25% threshold was exceeded.

Should you have any further questions, please do not hesitate to contact your union representative.

In Solidarity,

Tim McKinnon on behalf of the Bargaining Committee

Larry Burkley Brian Chemnitz, Paul Dortono, John Rakich & Doug Wark

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