

# UNIFOR • GENERAL MOTORS

## BARGAINING REPORT

HIGHLIGHTS OF THE TENTATIVE AGREEMENT BETWEEN UNIFOR AND GENERAL MOTORS



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### HIGHLIGHTS

- ★ \$554 million in investments
- ★ Secure future for all locations
- ★ Ratification bonus
- ★ Base wage increases
- ★ Lump sum payments
- ★ Conversion of SWEs to permanent status
- ★ Improvements to new-hire program
- ★ Benefit improvements

### YOUR UNIFOR-GENERAL MOTORS 2016 MASTER BARGAINING COMMITTEE



### MESSAGE FROM THE NATIONAL PRESIDENT JERRY DIAS

## SECURING OUR FUTURE

**W**e are standing strong to secure our future. In this round of negotiations we stood together, and reached our objectives!

Heading into these negotiations we faced the closure of Oshawa, and an uncertain future in St. Catharines and Woodstock. I am so proud to announce that we have reversed that direction, and solidified the footprint of the industry in Canada far into the future. This remarkable achievement was only possible because of the incredible support of our entire membership, and the determination of our union.

In the months leading up to negotiations, General Motors remained firm that it would only discuss investment after negotiations. However, our Union took a strong position that anything less than ensuring future auto jobs in our communities was not good enough. Our members do incredible work, provide top-level quality and productivity, have made many sacrifices over the years to support the company, and deserved this investment. This was clearly the time to push.

Securing investment is about more than just our members. Canada is a great place to build vehicles, but for too long we have watched the lion's share of investment head to the U.S. and Mexico, while our industry declined. The auto industry in Canada is too important in our communities and the Canadian economy for us to not fight to defend it. The economic activity of the Detroit Three alone accounts for 150,000 jobs, and more than \$4 billion in tax revenue every year to pay for our vital public services, reminding us why governments have a major role to play in the industry's success.

This tentative agreement recognizes the hard work and dedication of our members, including many who lived through lean times in the industry. I am proud to say that members will receive two general wage increases, the first in nine years, in addition to a strong ratification bonus, and annual lump sum payments.

There are far too many precarious jobs in the economy today. This tentative agreement pushes back against this trend by converting more than 700 supplemental workforce employees (SWEs) to permanent full-time status with regular wage increases and benefits. This pattern agreement also contains significant improvements to our new-hire wage progression, delivering increases every year, and higher pay.

This pattern paves the way for more investment at FCA and Ford in the weeks ahead, and a stronger future for the industry and our members.

None of this would have happened if we were not willing to stand together. I join all members of your Unifor-GM Master and Local Bargaining Committees in unanimously recommending this tentative agreement for your ratification.

In solidarity,

**Jerry Dias**  
*National President*



## HOW BARGAINING ADVANCES SOCIAL UNIONISM

Collective agreements are never just about workplace issues. While substantive issues like wages, benefits, vacations and pensions are covered, there is much more. In fact, the true value of collective bargaining is measured by the positive impact it has in our communities and in our broader society.

Our contract at GM sets an economic pattern that will be followed by our sisters and brothers across the auto industry, and other sectors as well. Beyond that, we know our bargaining connects to wider social issues, and this round of talks was no exception.

Over the course of negotiations, Unifor and GM discussed the important role that a national pharmacare program could play in Canada – acknowledging that Canada remains the only major developed nation that has a national health care program, but not pharmacare.

As health care evolves from hospital-based care to more homecare and pharmaceutical-based treatment, those who cannot afford medications are left with inferior care. This creeping towards a two-tier Medicare must be stopped.

There is already widespread support for Pharmacare among many citizens, businesses and political leadership alike. If we can use our bargaining platform to push for action, the greater is our chance for success.

Additionally, we discussed with GM the dangers of the Trans-Pacific Partnership (TPP) – a major trade pact that not only threatens our Pharmacare goals, but the future of Canada's auto industry. Our union is adamant that the federal government not sign the TPP, and continues to urge all automakers to join in this campaign.

These discussions also built on our long-standing work with GM through Unifor's Social Justice Fund and in other ways to improve the lives of Canadians and others around the world.

It has been an honour to be involved with these negotiations, and humbling to follow in the footsteps of our past Secretary-Treasurer, Peter Kennedy. Peter has been an inspiration to me. I consider him both a mentor and a friend.

Your bargaining committees, bolstered by the support from the members, have negotiated a great contract. I support the unanimous recommendation for ratification.

In solidarity,

**Bob Orr**  
*National Secretary-Treasurer*



## MESSAGE FROM THE CHAIR GREG MOFFATT

## NEW INVESTMENT SECURES THE FUTURE

General Motors went into these negotiations insisting it would make no commitments to new investments until a deal was negotiated and ratified. But today we have commitments for new products for Oshawa, added volume coming to St. Catharines from Mexico and investment in Woodstock.

This new collective agreement is a testament to the membership standing together to fight for the future of our industry. Not just for ourselves, but for our communities, our children and for future generations.

This would not have happened without a strong and united membership giving its full trust and support to the bargaining committees. We are humbled by your confidence and pleased to report that we can offer a collective agreement that secures the future of General Motors in Canada.

Throughout this process, the bargaining committees remained focused on the importance of getting new investments in Canada. That's because we knew there would be no wage increases, no signing bonuses and no improvements to the grow-in – all things we achieved in this contract – without new investments.

Some 700 of the new hires will now be given permanent full-time jobs. There will be more hires and investment which will generate

new jobs and new opportunities for young people in our communities. This is an incredible victory for all of us.

The defined contribution pension for new hires will be a leader in Canada for how such plans are set up, providing more protection for workers in their retirement years than most such plans.

Just a few short months ago, many of us were worried about the future for our plants, our jobs and our communities. Today, thanks to your solidarity and the strength and determination that you gave to our bargaining committees, we are more optimistic about the future than we have been in a long time.

Thank you for your support, it made all the difference. I am pleased to recommend this package to GM members for ratification.

In solidarity,

**Greg Moffatt**  
*GM Master Bargaining Committee Chair and  
Plant Chairperson, Local 222, Oshawa*



# PENSIONS

The terms of the current pension plans remain unchanged. The lifetime pension and the 30-and-out Special Allowance will continue in their current amounts.

Current Actives	Basic Lifetime (per month per year of service)	Special Allowance (per month to age 65)
Benefit Class A, B, C	\$68.00, \$68.25, \$68.50	\$3,515
Benefit Class D	\$81.00	\$3,895

**Commuted value lump sums for retirements after January 1st 2017 will be processed by Electronic Funds Transfer (EFT).**

## Pre-1987 Retirees

For pre-1987 retirees, there is a special one-time lump sum payment of \$1,500 per retiree or surviving spouse.

## HOURLY EARNINGS

Base rates will rise by 2% upon ratification of the Agreement and again by 2% in September 2019. The current accumulated cost of living allowance (COLA) of 59¢ remains unchanged. The quarterly COLA will be suspended until June 1, 2020, at which time the adjustment will be reactivated.

WAGE GAINS			
Hourly Earnings	Assembler	Production Technician	Trades
Current Earnings (Includes 59¢ COLA)	\$34.41	\$34.74	\$40.84
Ratification Increase	\$0.68	\$0.68	\$0.81
New Earnings	\$35.09	\$35.42	\$41.65
September 23, 2019 Increase	\$0.69	\$0.70	\$0.82
New Earnings	\$35.78	\$36.12	\$42.47

The amounts shown above are for illustration purposes.

# ECONOMIC SUMMARY

## Economic Gains for Traditional Members

Production Member example below.

Increase	Year 1	Year 2	Year 3	Year 4	Total
Ratification Bonus	\$6,000				<b>\$6,000</b>
Lump Sums		\$2,000	\$2,000	\$2,000	<b>\$6,000</b>
Total Lump Sums	\$6,000	\$2,000	\$2,000	\$2,000	<b>\$12,000</b>
General Wage Increase (GWI)	2%			2%	
Annual Value of GWI's*	\$1,407	\$1,407	\$1,407	\$2,842	<b>\$7,063</b>
<b>Total Value</b>	<b>\$7,407</b>	<b>\$3,407</b>	<b>\$3,407</b>	<b>\$4,842</b>	<b>\$19,063</b>

\* Illustrative production member based on 2,080 hours.

## RATIFICATION BONUS

### \$6,000

Unifor has negotiated a ratification bonus. As of the Monday following notice of ratification, active employees including SWEs being converted to permanent status and members on the inactive roll who performed work for the company between January 4, 2016 and the Monday following notice of ratification will receive a one-time \$6,000 bonus (excluding TPTs).

## LUMP SUM PAYMENTS

A lump sum bonus of \$2,000 will be paid to each traditional member (excluding those hired under the New Hire program) prior to the December shutdown in:

December 2017:	\$2,000
December 2018:	\$2,000
December 2019:	\$2,000
<b>Total</b>	<b>\$6,000</b>

## NEW HIRE LUMP SUM

All new hires, after ratification, receive a \$1,000 lump sum prior to the December shutdown in 2019.

## RECOMMENDATION

Your Master Bargaining Committee and all Local Bargaining Committees unanimously recommend this tentative agreement. We urge you to vote in favour.

## TERM

A four-year term, expiring at 11:59 p.m. on Monday, September 21, 2020.

# PRODUCTION AND INVESTMENT

## New Investment

General Motors has confirmed new investment commitments that will bring stability to our operations, and provide a more secure future.

**Total investment is \$554 million.**

## OSHAWA

### ▪ \$400 million for capital investments for facilities, tools, and machinery and equipment to support:

- Implementation of a new flexible assembly module, enabling the ability to meet unmet demand in a critical market segment.
- Mid-cycle enhancement and extension of the Cadillac XTS.
- Extension of the Chevrolet Impala.

## ST. CATHARINES

### ▪ \$150 million for capital investments for facilities, tools and machinery and equipment to support:

- Equipment refurbishment to extend the life of the current engine module.
- Additional variant, introducing the latest technology for fuel efficiency, into existing module.
- Next generation transmission module.
- Implementation of landfill gas/green initiatives.

## WOODSTOCK

### ▪ \$4 million for facility reconfiguration to improve material flow.



## SKILLED TRADES

- **GM has committed to hiring up to 50 apprentices** between both Oshawa and St. Catharines. The split between the two plants will be determined based on each plant's requirements.
- Negotiated a procedure to allow Skilled Trades to put forward a **business proposal to pull back work** that GM had planned to contract out.
- A commitment to ensure all future **apprentices** are able to **attain an Inter-Provincial Red Seal Certificate** in their trade.
- **Maintained the apprenticeship hiring ratio** to protect production's ability to get to a GM Skilled Trades apprenticeship.
- A commitment to introduce a **Mentorship Training program** for Journeypersons and apprentices to ensure new apprentices receive the best possible on-the-job training.
- **Modification to existing Preferential Hire language** to include Skilled Trades openings at GM Ingersoll.
- **A new preferential hiring process** to allow laid off Unifor Journeyperson Card holders the opportunity to apply to work in their trade at GM.

# INSURANCE BENEFITS

The benefits of all current members, including Survivor Income Benefits, are maintained.

An open enrolment period for Optional Life Insurance will be held during the term of the Agreement to permit members to enroll or increase coverage by 1 schedule for Optional Group Life and 2 schedules for Dependent Life.

Group Life Insurance benefit reductions will now begin at retirement, effective January 1, 2017.



# HEALTH CARE BENEFITS



## DENTAL FEE SCHEDULE

The Ontario Dental Association (ODA) Fee Schedule has improved from a two (2) year to a one (1) year lag for the term of the agreement, including for Denture Therapist.



## DENTAL IMPLANTS

Dental implants are now an insured service.



## PSYCHOLOGIST

Master of Psychology recognized for counselling services.



## PHYSIOTHERAPY

Coverage for physiotherapy in the amount of \$200 per year and a maximum of \$50 per visit.

## CARRIER ADMINISTRATIVE POLICY CHANGES

The Union must agree before insurance carrier's administrative policy changes can be adopted.

## CHILD CARE



\$6.00 per day is extended to dependent children (3 to 10 years) for those not qualifying for subsidized daycare.

## INCOME SECURITY



Benefits maintained at current levels.

SUB application form eliminated and task force on errors or delays in issuing ROE to be created.

## SUB TOP UP



New SUB top up negotiated for members who are on a Compassionate Care Leave or Critically Ill Child Care Leave.



# NEW HIRE PROGRAM

## Transitioning Supplemental Workforce Employees to Permanent Status

**All current active Supplemental Workforce Employees will transition to full seniority members immediately upon ratification of this collective agreement.**

Any employee currently earning the regular SWE wage will enter the start rate of the revised new hire progression for the purposes of wages and treated as a new hire for pensions and benefits.

At the date of ratification, any temporary employee that is earning an hourly rate that is above the regular SWE wage will continue at their current hourly rate (i.e. will be “red-circled”) and will enter the progression as a new hire for the purposes of pension and benefit eligibility. For example, a “red-circled” employee currently earning \$23.91 per hour will remain at this rate until they reach year 3 of the progression. At that time, the wage rate, benefits and the pension will move together through the progression.

As a new hire, this transition to permanent status will provide members full access to the provisions of the existing collective agreement, including:

- **Full seniority rights**, including access to the grievance procedure and recall rights;
- **Wage increases** in accordance with the enhanced grow-in schedule;
- **Eligibility for benefit coverage**, including dental, vision and prescription drugs as well as the enhanced child care subsidy and short and long-term disability protections;
- **Paid vacation time**, in accordance with the collective agreement; and
- **Pension**, as per the terms of the new defined contribution plan.

## New Hire Pension

All members hired or converted to full-time status after ratification will join a new Defined Contribution (DC) pension plan.

The plan will require a mandatory contribution of 4% of earnings from both the member and the Company.

If members elect to contribute an additional 1%, the Company shall provide another 2%.

## Enhancing the New-Hire Grow-In Program

A critical priority in our negotiations was to improve the 10-year grow-in schedule. This grow-in schedule was first negotiated in 2012, when the union faced a strong demand from all three companies to accept a permanent two-tier wage system that meant newly-hired workers would never reach the full wage. Our union rejected this permanent two-tier approach, and instead negotiated an alternative model that not only kept newly-hired members on a path to full wages, but that helped secure investment and create thousands of new jobs.

The pattern contract with GM delivers significant improvements to the grow-in schedule, by making several important changes to the system, including:

- Members will now receive a wage increase in every year of the schedule until they reach the base rate in effect after year 10;
- The path to full wage is accelerated and more consistent than previously.

## Revised In-Progression Wage Schedule

**Following ratification, members on the grow-in system will receive an immediate adjustment to their hourly rate of pay.**

Over the life of this four-year agreement, members will also receive many thousands of dollars in additional compensation compared to the previous schedule (see below).

REVISED IN-PROGRESSION WAGE SCHEDULE			
For illustration purposes only.			
Current Seniority	Current Wage (old scale)	New Wage (at ratification)	Wage Increase (at ratification)
Start	\$20.49	\$20.92	\$0.43
1	\$20.49	\$21.86	\$1.37
2	\$20.49	\$22.80	\$2.31
3	\$22.20	\$24.59	\$2.39
4	\$23.91	\$25.95	\$2.04
5	\$23.91	\$27.32	\$3.41
6	\$25.61	\$28.69	\$3.08
7	\$27.32	\$30.05	\$2.73
8	\$29.03	\$31.42	\$2.39
9	\$30.74	\$32.78	\$2.04
10*	\$34.15	\$34.15	-

\*After year 10, in-progression members will immediately catch up to the base rate in effect.

## PAID HOLIDAY SCHEDULE: October 2016 - September 2020

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

Note: For the National Parts Distribution Centre (Woodstock, Ontario), in lieu of the Friday preceding Thanksgiving (October 7, 2016; October 6, 2017; October 5, 2018; October 11, 2019) the Civic Holiday will be observed instead (August 7, 2017; August 6, 2018; August 5, 2019; August 3, 2020).

## HEALTH & SAFETY AND THE ENVIRONMENT

The Master Health and Safety Committee negotiated a number of changes that will help create safer and healthier work environments at GM facilities and stay current with important evolving workplace issues:

### Joint Development of Unifor-GM Safety Systems

- This agreement provides Unifor with an enhanced active role in the development and implementation of the Company's Standards and Procedures.

### Joint Audit Process

- The parties will discuss and develop strategies to conduct audits in the GM facilities. Participating Health and Safety Representatives will be replaced by their alternates.

### Industrial Hygiene Training

- The parties recognized the role of the workplace H&S representatives and the need to further their skills in hazard recognition. The IH training will include topics such as regulations, practices and procedures.

### Engineered Nanomaterials

- A written commitment expands the joint effort to mitigate hazard exposures through training and timely communication.

### Team Leader Prosecution Assistance Recognition

- A written commitment to provide legal and financial assistance in the event a team leader is liable under the OHS Act.

### Workplace Environment Representatives

- A written commitment to jointly advance their roles and responsibilities.

# YOUR UNIFOR-GENERAL MOTORS MASTER BARGAINING COMMITTEE



**JERRY DIAS**  
National President



**BOB ORR**  
National Secretary-Treasurer



**GREG MOFFATT**  
Master Bargaining Committee Chair, Plant Chairperson, Local 222, Oshawa



**TIM MCKINNON**  
Master Bargaining Committee Vice Chair, Plant Chairperson, Local 199, St. Catharines



**SHANE WARK**  
Assistant to the President



**PETER KENNEDY**  
Senior Advisor



**SCOTT DOHERTY**  
Executive Assistant to the President



**WHITEY MACDONALD**  
National Representative



**BILL MURNIGHAN**  
Director, Research



**SARI SAIRANEN**  
Director, Health, Safety and Environment



**COREY VERMEIJ**  
Director, Pensions and Benefits



**JOHN BRESLIN**  
Director, Skilled Trades



**CAMMIE PEIRCE**  
National Representative, Pensions and Benefits



**JORDAN BRENNAN**  
Economist, Research



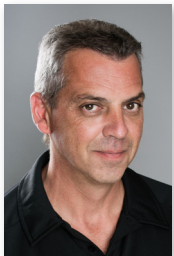
**ANGELO DICARO**  
National Representative, Research



**GREG BRADY**  
President, Local 199, St. Catharines



**BRIAN CHEMNITZ**  
Vice Chairperson, Skilled Trades Shop Committeeperson, Local 199, St. Catharines



**DOUG WARK**  
Shop Committeeperson, Local 199, St. Catharines



**LARRY BURKLEY**  
Shop Committeeperson, Local 199, St. Catharines



**JOHN RAKICH**  
Shop Committeeperson, Local 199, St. Catharines



**PAUL DORTONO**  
Skilled Trades Rep, Local 199, St. Catharines



**COLIN JAMES**  
President, Local 222



**BILL DICKSON**  
Skilled Trades Chairperson, Local 222, Oshawa



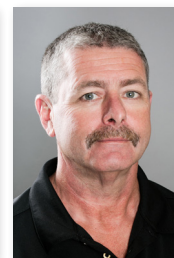
**KEVIN CAMPBELL**  
District 2 Committeeperson, Local 222, Oshawa



**DAVE GREENWOOD**  
District 4 Committeeperson, Local 222, Oshawa



**PAUL WHEELER**  
District 6 Committeeperson, Local 222, Oshawa



**MARK SHEAHAN**  
District 7 Committeeperson, Local 222, Oshawa



**TOM FOWLER**  
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**ROSA HERMAN**  
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**MIKE MUNCE**  
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**MIKE MICHAUD**  
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