



REPORT

Prepared by the UAW Public Relations and Publications Dept., Canadian Region

Contract offers 26 PPH days, better wages, pensions, COLA

Highlights

Numerous important gains were achieved in the tentative agreement negotiated with Ford of Canada.

Following are some of the highlights:

Wage increases — higher base rates result in higher fringe benefits — Pages 1, 2 and 3.

Pensions — UAW achieved its priority goal of inflation protection for retirees; pension gains are the best in UAW history — Pages 4, 5 and 6.

Paid Personal Holidays — 26 are spread over 3 years for UAW members at Ford — Page 2.

COLA improved — in the final year of the contract the cost-of-living formula is improved to .26 from .3 — Pages 1 and 2.

Health care improvements — broadened benefits were negotiated for UAW members and their families — Page 9.

Gains for skilled trades — major improvements were negotiated — Page 3.

Retroactive Pay — with wage increases effective Sept. 16, 1979, a typical assembler working 40 hours per week over the past seven weeks, will be receiving an additional \$128.80 in retroactive pay.

Group life and disability insurance — important gains include new breakthroughs — Page 11.

SUB improved — negotiators won SUB fund improvements which are significant as auto industry layoffs rise — Page 3.

Gains in health and safety provisions — they include some breakthroughs that will give workers added protection — Page 6.

Survivor benefits raised — these include increases in bridge and transition benefits (Page 8) and benefits for survivors of Ford workers killed in job-related accidents — Page 7.

Many other improvements — in economic and non-economic provisions increased for eligible UAW members at Ford — Page 10.

The UAW negotiating team has obtained wage and cost-of-living allowance (COLA) increases that will generate \$2.655 an hour for an assembler at Ford during the life of this tentative agreement.

The new pact provides:

- Inflation protection for retirees.
- A total of 26 Paid Personal Holidays (PPH) days over three years.
- An improved COLA formula in the third year.
- The best ever pension gains in the union's history.
- Improvements in health care, insurance programs and survivor benefits, and;
- A host of other contract improvements that will keep Ford workers in the forefront in industrial wages, benefits and working conditions.

Here's how the wage increases break down:

There will be a 3% annual improvement factor (AIF) effective Sept. 16, 1979, another 3% AIF beginning Sept. 14, 1980 and a final 3% AIF effective Sept. 13, 1981.

In addition to the first AIF increase, workers will receive 24 cents an hour, which represents the COLA "travel" since the last adjustment was made in June. The combined effect of the 24 cents travel and 3% AIF will amount to 46 cents for assemblers in the first year as well as the running COLA.

Of the current COLA, \$1.32 will be added to the new base rate, substantially increasing various wage-related benefits.

Future COLA increases will be paid on the following basis: During the first eight quarterly adjustments (from December 1979 through September 1981) the formula calls for a 1 cent pay in-

crease for each 0.3 rise in the combined Canada-U.S. Consumer Price Index.

During the last three adjustments (from December 1981 to June 1982) the formula will be 1 cent for each 0.26 change in the combined index, which will generate a larger COLA. For instance, assuming an 8% inflation rate*, the new formula would generate 8 cents more in COLA than the old one would have during the last three quarters.

The other four cents of the COLA will continue in the COLA "float."

To help pay for the costly total benefit package provided by this agreement, the contract calls for unrecoverable diversion of one COLA penny from each of the first eight quarterly adjustments of the new contract, and 2 cents for the last three quarters, for a total of 14 cents.

Following are examples of the first year wage increase:

Assembler	
Current base rate	\$7.305
3% AIF	0.22
COLA "travel"	0.24
Total	0.46
COLA fold-in	1.32
COLA "float"	0.04
<i>Total hourly rate, effective</i>	
Sept. 16, 1979	\$9.125

(continued on page 2)

*The estimate for COLA is based on a Canadian-U.S. inflation rate of 8%. Higher inflation will generate additional monies. (Inflation is currently higher than 8%. In the 1976 ratification report we estimated COLA would generate \$1.03. In fact, it generated \$1.32.)



Here is the UAW-Ford of Canada negotiating team that won wide-ranging new contract gains for all Ford workers. Members are identified on Page 12.

Retirees get inflation protection

A sweeping new pension program has been negotiated that provides increases in the benefits for current and future retirees and meets the union's top priority goal of inflation protection for retirees.

Basic benefit increases for both past and future retirees far exceed any increases previously achieved over a three-year period. The 30 and Out program will be significantly changed.

And for the first time in the history of UAW pension plans, there will be periodic increases during each year of the agreement for both future and past retirees, not only in the basic benefit but also in the 30 and Out benefit.

Retirees currently on 30 and Out will get an immediate increase of \$50 a month (\$75 if they retired before October 1, 1974) and this will be followed by eight additional periodic increases over the life of the contract. The nine increases will amount to \$165 a month all told. (In the case of those who retired before October 1974, the nine increases amount to \$190.)

Current retirees on normal retirement will receive an immediate increase in their basic pension of \$1.90 per year of service, with eight further increases during the life of the contract. The combined increases will amount to \$3.95 per year of service. In addition, supplementary pension benefits payable before age 65 to workers who retired before October 1, 1979 will be increased \$1 per year of service. For a retiree with 20 years' service, this represents an immediate increase of \$58 a month, rising to \$99 a month during the life of the contract. For a retiree with 25 years' service, this means an immediate increase of \$72.50 a month, rising to \$123.75 during the life of the contract.

For an indication of what these changes mean to you, please refer to the tables and charts on pages 4, 5 and 6.

The earnings limitation for early retirees in receipt of the special allowance has been raised from \$2,400 to \$4,500 in 1980; to \$5,000 in 1981; and to \$5,500 in 1982.

Since the most rapid increases have occurred in the basic benefit rate, there are significant improvements in the surviving spouse's pension.

Workers with 30 or more years of service who retired before age 55 between March 1, 1974 and November 1, 1976, had to have both their 30 and Out benefits and their basic benefits reduced for life in order to meet federal government regulations in effect when the pension agreement was last negotiated in 1973.

These retirees will have both their 30 and Out and basic benefits restored to their full amounts without reduction.

Reductions eased

In the past those retiring on the "85 Point Rule" would have had their basic and supplementary pension benefits reduced for life. Now, future retirees on such a pension will have their full basic and supplementary pension benefits re-

stored at age 62, leading to very substantial improvements at this age. Those on "30 and Out" previously had their basic and supplementary pensions restored at age 65; they will now be restored at age 62.

Following are examples of how the changes could affect retirees:

Example: Age 62, 20 Years (Assembler)

	Current	Proposed	Increase
Basic	$20 \times 10.75 = \$215.00$	$20 \times 15.75 = \$315.00$	\$100.00
Supplementary	$20 \times 11.00 = \underline{220.00}$	$20 \times 13.00 = \underline{260.00}$	<u>40.00</u>
	\$435.00	\$575.00	\$140.00 (32%)

In addition, the proposed pension will increase by a further \$45.00 a month by the end of the agreement (based on eight periodic increases totalling \$2.25 per year of service.)

Example: Age 58, 27 Years (Tool & Die)

	Current	Proposed	Increase
Basic	$27 \times 11.50 \times .752 = \233.50	$27 \times 16.50 \times .752 = \335.02	\$101.50
Supplementary	$25 \times 11.00 \times .752 = \underline{206.80}$	$25 \times 13.00 \times .752 = \underline{244.40}$	<u>37.60</u>
	\$440.30	\$579.42	\$139.12 (32%)

In addition, the proposed pension increases a further \$45.68 a month by the end of the agreement (based on eight periodic increases in the basic rate totalling \$2.25 per year of service). At age 62, his benefits would be:

	Current	Proposed	Increase
Basic	$27 \times 11.50 \times .752 = \233.50	$27 \times 18.75 = \$506.25$	\$272.75
Supplementary	$25 \times 11.00 \times .752 = \underline{206.80}$	$25 \times 13.00 = \underline{325.00}$	<u>118.20</u>
	\$440.30	\$831.25	\$390.95 (88.8%)

Example: Age 56, 30 Years (Assembler)

	Current	Proposed	Increase
Basic	$30 \times 10.75 \times .635 = \204.79	$30 \times 15.75 \times .635 = \300.04	
Supplementary	$25 \times 11.00 \times .635 = \underline{174.63}$	$25 \times 13.00 \times .635 = \underline{206.38}$	
Special Allowance	$\$700 - 379.42 = \underline{320.58}$	$\$800 - 506.42 = \underline{293.58}$	
	\$700.00	\$800.00	\$100 (14%)

In addition, the proposed pension includes a further increase of \$115/month to bring the 30 and Out retiree to \$915 a month by Aug. 1/1982. At age 65 his benefits, not including Canada Pension Plan & Old Age Security would be:

	Current	Proposed	Increase
Basic	$30 \times 10.75 = \$322.50$	$30 \times 18.00 = \$540.00$	\$217.50 (67%)

NOTES

Your New Pension Benefits

Basic Benefit Rates

Current Retirees Basic Benefit Rate* Per Year of Credited Service											
Retirement with Benefits Payable Commencing	Benefit Class Code	Benefit as of 9/79	10-1-79 through 1-1-80	2-1-80 through 7-1-80	8-1-80 through 9-1-80	10-1-80 through 1-1-81	2-1-81 through 7-1-81	8-1-81 through 9-1-81	10-1-81 through 1-1-82	2-1-82 through 7-1-82	8-1-82 through 9-1-82
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Before September 15, 1970	N/A	9.95	11.85	12.05	12.30	12.55	12.80	13.05	13.30	13.60	13.90
September 15, 1970 through September 14, 1973	A	9.95	11.85	12.05	12.30	12.55	12.80	13.05	13.30	13.60	13.90
	B	10.20	12.10	12.30	12.55	12.80	13.05	13.30	13.55	13.85	14.15
	C	10.45	12.35	12.55	12.80	13.05	13.30	13.55	13.80	14.10	14.40
September 15, 1973 through February 1, 1974	A	9.95	11.85	12.05	12.30	12.55	12.80	13.05	13.30	13.60	13.90
	B	10.20	12.10	12.30	12.55	12.80	13.05	13.30	13.55	13.85	14.15
	C & D	10.45	12.35	12.55	12.80	13.05	13.30	13.55	13.80	14.10	14.40
March 1, 1974 through September 1, 1974	A	10.25	12.15	12.35	12.60	12.85	13.10	13.35	13.60	13.90	14.20
	B	10.50	12.40	12.60	12.85	13.10	13.35	13.60	13.85	14.15	14.45
	C & D	10.75	12.65	12.85	13.10	13.35	13.60	13.85	14.10	14.40	14.70
October 1, 1974 through September 1, 1976	A	10.25	12.15	12.35	12.60	12.85	13.10	13.35	13.60	13.90	14.20
	B	10.50	12.40	12.60	12.85	13.10	13.35	13.60	13.85	14.15	14.45
	C	10.75	12.65	12.85	13.10	13.35	13.60	13.85	14.10	14.40	14.70
	D	11.00	12.90	13.10	13.35	13.60	13.85	14.10	14.35	14.65	14.95
October 1, 1976 through September 1, 1978	A	10.50	12.40	12.60	12.85	13.10	13.35	13.60	13.85	14.15	14.45
	B	10.75	12.65	12.85	13.10	13.35	13.60	13.85	14.10	14.40	14.70
	C	11.00	12.90	13.10	13.35	13.60	13.85	14.10	14.35	14.65	14.95
	D	11.25	13.15	13.35	13.60	13.85	14.10	14.35	14.60	14.90	15.20
October 1, 1978 through September 1, 1979	A	10.75	12.65	12.85	13.10	13.35	13.60	13.85	14.10	14.40	14.70
	B	11.00	12.90	13.10	13.35	13.60	13.85	14.10	14.35	14.65	14.95
	C	11.25	13.15	13.35	13.60	13.85	14.10	14.35	14.60	14.90	15.20
	D	11.50	13.40	13.60	13.85	14.10	14.35	14.60	14.85	15.15	15.45

*Including, if applicable, \$1.00 waived for election of a special survivor option.

PENSION BENEFIT STRUCTURE

(For Future Retirees — Normal Retirement)

Basic Benefit Rate Per Year of Credited Service for Months Commencing

Retirement with Benefits Payable Commencing	Benefit Class Code	10-1-79 through 1-1-80	2-1-80 through 7-1-80	8-1-80 through 9-1-80	10-1-80 through 1-1-81	2-1-81 through 7-1-81	8-1-81 through 9-1-81	10-1-81 through 1-1-82	2-1-82 through 7-1-82	8-1-82 through 9-1-82
		\$	\$	\$	\$	\$	\$	\$	\$	\$
October 1, 1979 through September 1, 1980	A	15.75	15.95	16.20	16.45	16.75	17.05	17.35	17.65	18.00
	B	16.00	16.20	16.45	16.70	17.00	17.30	17.60	17.90	18.25
	C	16.25	16.45	16.70	16.95	17.25	17.55	17.85	18.15	18.50
	D	16.50	16.70	16.95	17.20	17.50	17.80	18.10	18.40	18.75
October 1, 1980 through September 1, 1981	A				16.55	16.85	17.15	17.45	17.75	18.10
	B				16.80	17.10	17.40	17.70	18.00	18.35
	C				17.05	17.35	17.65	17.95	18.25	18.60
	D				17.30	17.60	17.90	18.20	18.50	18.85
October 1, 1981 through September 1, 1982	A							17.55	17.85	18.20
	B							17.80	18.10	18.45
	C							18.05	18.35	18.70
	D							18.30	18.60	18.95

PENSION BENEFIT STRUCTURE

(Minimum "30-and-Out" Benefit prior to age 65.)

Retirement with Benefits Payable Commencing	10-1-79 through 1-1-80	2-1-80 through 7-1-80	8-1-80 through 9-1-80	10-1-80 through 1-1-81	2-1-81 through 7-1-81	8-1-81 through 9-1-81	10-1-81 through 1-1-82	2-1-82 through 7-1-82	8-1-82 through 9-1-82
	\$	\$	\$	\$	\$	\$	\$	\$	\$
October 1, 1979 through September 1, 1980	800.00	810.00	825.00	840.00	855.00	870.00	885.00	900.00	915.00
October 1, 1980 through September 1, 1981				845.00	860.00	875.00	890.00	905.00	925.00
October 1, 1981 through September 1, 1982							895.00	915.00	935.00

FOOTNOTE: The above represents the minimum that will be received. Many retirees will in fact receive more.

Health and Safety is reinforced

The new Agreement builds on previously negotiated provisions and provides additional health and safety protection for UAW members.

The Agreement greatly expands the rights of the workers to know about their own chemical exposures and the rights of the union to receive company information on chemical exposures and workplace injuries. Additional industrial equipment will be available to the plant Health and Safety Representative.

Discussions between management and local representatives regarding power lockout procedures and noise abatement are mandated. A "no hands in dies" policy was affirmed. Individual workers will now be able to obtain copies of their medical records. Added health and safety representation was achieved.

Highlights of the improvements include:

- Whenever a worker's breathing zone exposure to a workplace chemical (solvent, dust, welding fume) is measured, the results will be provided to the worker by the plant medical department.
- Whenever the company's industrial hygiene section determines the worker has been exposed above the permissible limit, the worker will be informed.
- All breathing zone exposure results will be entered in the worker's medical record.
- The company has agreed to discuss procedures for introducing harmful substances with respect to their introduction into the plant.
- The company will advise the unit Health and Safety Representative in writing of breathing zone air sample results.

- Whenever it is determined that a worker's exposure is above the permissible limit, the Health and Safety Representative will be informed in writing of the corrective action to be taken.
- The company will routinely provide the union results of regular industrial hygiene and safety surveys, not just those specifically requested by the union.
- The company will promptly notify the union of fatalities and serious injuries resulting from work-related accidents.
- In each plant, management will review the machinery and equipment power lockout program with the Unit Health and Safety Representative who will have the opportunity to make recommendations. The information will be supplied in writing. This responds to a high accident rate in maintenance operations.
- The company will provide the Unit Health and Safety representative with copies of photographs taken for Health and Safety purposes.
- Smoke tubes to test the effectiveness of ventilation systems have been added to the list of direct reading equipment available to the Health and Safety Representative.
- The Health and Safety Representative may now use any direct reading equipment for measuring noise, air contaminants and air flow which is provided to local company safety representatives. In the past, this use was limited to equipment "uniformly" provided to all plants.
- The company agreed to discuss three important occupational health issues in the Master Committee on Health and Safety: Heat Stress, Carpal

Tunnell Syndrome (hand and wrist disorders), and worker exposure to isocyanates (TDI and others.)

- A review of the periodic company safety talks will be conducted by the Master Committee on Health and Safety.
- Plant management will review the noise abatement program with the Health and Safety Representative, who will have the opportunity to make recommendations. The information will be supplied in writing.
- The company confirmed that it has a policy of "no hands in dies" and that appropriate measures to implement this will be taken so that operators are not required to place their hands into the point of operation.
- The Unit Health and Safety Representative now may participate in formal company employee job-related safety training and instruction programs, and may make recommendations concerning such programs.
- The company has agreed to provide adequate safety training in skilled trades, including apprenticeship training. The content of this training will be determined locally.
- All other health and safety provisions remain in effect including those regarding medical examinations, disclosure of the identity of toxic materials, and rights of the Health and Safety Representative.
- Health and Safety representation was increased, providing a full-time representative in units with population of 600 or more. For units of less than 600 a specific liberal time allowance is provided for representation on health and safety matters.