

## Contract ratification with Ford



Unifor

September 24, 2023

Unifor auto members,

Today our Ford members voted 54% in favour of the new three-year collective agreement with Ford of Canada.

Your bargaining team pushed Ford of Canada on every front to deliver a contract that fundamentally transforms pension plans, provides protections during the EV transition and includes the highest wage increases in the history of Canadian auto bargaining.

We know this is a challenging time for all workers and this agreement tackles the affordability issues so many face today.

For example, a Ford worker with one year seniority will move from \$25.75 to \$46.13 (including the forecasted COLA) by the end of this three-year collective agreement – a wage increase of almost 80% in addition to a \$10,000 bonus.

Other highlights include:

- Base hourly wage increase of nearly 20% for production and 25% for trades over lifetime of agreement.
- By the end of the 3-year agreement, a top-rate production assembler will be paid \$44.52 per hour, in addition to a forecasted \$1.61 cost of living allowance (a total of \$46.13); a journeyperson skilled trades worker will be paid \$55.97 per hour, in addition to a forecasted \$1.61 cost of living allowance (a total of \$57.58).
- General wage increases in each year of the agreement with 10% in year one, 2% in year two and 3% in year three.
- Hourly wages for production workers at Ford of Canada is now \$11.00 per hour (35%) higher than comparable U.S. autoworkers at Ford.
- Reactivation of the Cost of Living Allowance (COLA).
- Wage progression reduced from 8 to 4 years.
- Start rate for Temporary Part Time and production workers increasing from \$24.26 to \$29.67/hr., further increasing to \$30.26 within 12 months, and \$31.16 by the end of the agreement.
- \$10,000 Productivity and Quality bonus for full-time employees, \$4,000 for Temporary Part Time.

- Improvements to all pension plans.
- Increased Defined Benefit basic monthly benefit rate from \$68.60 to \$73.60 for production workers, and from \$81.60 to \$87.60 for Skilled Trades.
  - A production worker retiring at 30 years, under the '30-and-Out' pension program will see an increase to their monthly pension from \$3,545 to \$3,795. For Skilled Trades, their '30-and-Out' pension will increase from \$3,925 to \$4,225.
- Mandatory company contributions to the DC plan increase from 4% to 7%. For example, this represents an immediate company contribution increase from \$3,106 to \$6,172 in the first year of the agreement, for a top-rated production assembler.
- DC plan members will transition to a new DB-style pension for current plan members and all new hires on January 1, 2025.
- New quarterly payment unique to Canadian retirees, called the Universal Health Care Allowance. These quarterly payments will continue in each year of the 3-year agreement.
- Investment for Essex Engine Plant.
- Special EV Transition measures negotiated for members at Oakville assembly plant.
- Improved Supplemental Unemployment Benefit (SUB) program, raising income replacement top-up while on layoff from 65% to 70% of weekly earnings and reducing eligibility from 3 years to 1 year of seniority.
- 556 retirement incentives at \$50,000 each.
- Two new paid holidays: Family Day and National Day for Truth and Reconciliation.
- Major health benefit improvements for active members and retirees, including:
  - Eliminating a quarterly \$97 health care deductible;
    - Increase glucose monitoring maximum coverage from \$1,600 to \$4,000;
    - Increase massage therapy annual maximum (\$200 to \$300) and physiotherapy coverage (\$200 to \$400) and eliminated requirements for doctor's notes;
    - Vision and dental care improvements;
    - Legal Services Plan and Dependent Scholarship plan will now be available to workers after 1 year of seniority (previously 8 years);
    - Among many other health benefit improvements.

The contract expires on September 20, 2026.

With the pattern set, Unifor will select the next target company for second round of Detroit Three negotiations. We will keep members informed of any developments. Please continue to check [autotalks.ca](http://autotalks.ca) for the latest updates.

In solidarity,

Lana Payne, Unifor National President

John D'Agnolo, Unifor Ford Master Bargaining Chair

Marc Brennan, Unifor Ford Master Bargaining Vice-Chair