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SOURCE	Crown		
EFF.	96	04	01
TERM.	98	03	31
No. OF EMPLOYEES	4600		
NOV 1995			

A TENTATIVE AGREEMENT HAS BEEN REACHED

READ THE FOLLOWING CAREFULLY AND BE SURE TO RETURN YOUR BALLOT BY JUNE 10, 1996

MEMORANDUM

TO: ALL BARGAINING UNIT MEMBERS (LCBO/LLBO)

FROM: JOHN COONES, President
on behalf of the negotiations committee

DATE: MAY 8, 1996

This round of negotiations for a new collective agreement was the most crucial in the history of the union. The threat of privatization and changes to the Labour Relations Act made bargaining difficult.

On the privatization question it became clear that the Minister of Consumer and Commercial Relations wanted to put the union into a position where it had no choice but to seek a strike mandate from its members. The Minister believed that a strike would work to undermine the public support currently enjoyed by the LCBO.

Going into negotiations OLBEU members clearly stated that job security issues must form the basis of any settlement. Over 85% of the proposals sent to the negotiating committee focused on job security.

The negotiating committee on May 3rd, 1996 concluded a tentative agreement with the LCBO/LLBO. On May 5th, 1996 the executive of the union met to approve the tentative settlement and to direct that it be sent to the membership for ratification.

This settlement, providing that it is ratified, achieves a number of the goals set by the members. It contains provisions which would significantly enhance the severance and transition benefits for employees in the event of lay-off or privatization.

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The settlement also contains provisions which secure the full time complement by creating a triggering mechanism for full time position posting.

To achieve these gains the union accommodated a minimum number of Employer demands. Some of these Board proposals will mean change in the lives of union members, however, to improve the Jobsecurity provisions in the contract the union could not simply ignore all of the Boards' demands.

Every member must understand that negotiations is a give and take process. Also, under the current labour laws, a strike would have been the only way to go beyond the terms of this settlement.

The terms of the settlement and some concrete examples of what the changes to the Agreement will mean are set out in this package. Be sure to study the changes carefully.

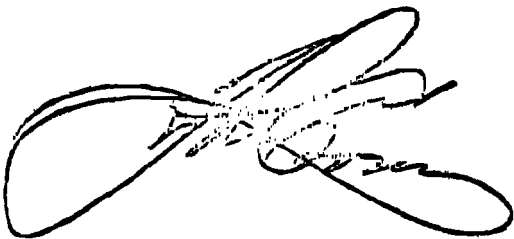
After reviewing the changes, vote by filling in the ballot provided and use the return mail envelope to get it back to the Union Office.

The cutoff date for the ratification vote is June 10, 1996. All ballots received after that date, will not be valid.

The members of the negotiating committee and the executive of the union recommend that members ratify this settlement.

Please contact your zone representative or the Union office if you require additional information about the settlement.

in Solidarity,

A handwritten signature in black ink, appearing to read 'John Coones', written in a cursive style with a large loop at the end.

John Coones,
Union President and Chair of the Negotiating Committee

WHAT WE ACHIEVED**JOB SECURITY****LAYOFF PROTECTION IMPROVEMENTS IN THE EVENT OF
A LAYOFF NOT CAUSED BY THE PRIVATIZATION, OF THE LCBO/LLBO****(1) Employee Bumping Options:**

A surplus employee may forego one or more of their bumping options to avoid travel. (applies to Perm. Full-Time and Perm. Part-Time only) ✓

CURRENTLY

A specific sequence of bumping options are set out in Article 5.7 of the collective agreement. The surplus employee must follow the sequence of options even though it may require him/her to bump into a work location that is a distance from their current work location. Failure to accept the reassignment would mean the immediate lay-off of the surplus employee.

(2) Increased Notice of Lay-off

Increased notice of lay-off or pay in lieu thereof. One week for every year of service with a minimum notice of four (4) weeks and a maximum notice of fifteen (15) weeks. (applies to Perm. Full-Time and Perm. Part-Time only) ✓

CURRENTLY

The notice for lay-off is between four (4) and ten (10) weeks. ✓

(3) NEW - Separation Allowance ✓

After receiving a surplus notice if an employee decides to resign rather than to bump other employees, he/she shall receive an additional payment over and above standard severance pay, Also, the employee shall receive job search assistance. The amount of the separation allowance increases depending on the employees years of service.

The separation allowance ranges from \$1,000 for an employee with one (1) year of service to \$5,000 for an employee with twenty (20) years of service or more. (applies to Perm, Full-Time and Perm. Part-Time only)

CURRENTLY

The current Agreement does not have any special separation allowances.

(4) Improvements to Termination Payments: ✓

All employees shall now receive the choice of one (1) weeks pay for every year of service or 1/2 his/her attendance credits in the event of retirement, death, disability or lay-off. (applies to Perm. Full-Time and Perm. Part-Time only)

CURRENTLY

- employees hired before 1965 were not eligible for severance.
- employees hired after July 1, 1970 were only eligible for severance.
- employees hired between 1965 and 1970 had the choice, ✓
(this change is a particular benefit for employees who were hired prior to 1965 and who do not have a lot of accumulated attendance credits)

**IN THE EVENT OF A LAY-OFF DUE TO THE PRIVATIZATION
IN WHOLE OR IN PART OF THE LCBO/LLBO** ✓**PERMANENT EMPLOYEES (PFT/PPT)**

- (1) The LCBO must make every effort to require the new employer to employ existing employees at as close to their previous wages as possible.
- (2) If not all LCBO employees are required by the new employer the most senior LCBO employees would have first option to go to the new employer.
 - (i) If an LCBO employee goes to the new employer he/she shall receive payment under the Termination Payments Article: ✓
 - * regular severance/attendance gratuity
 - * separation allowance (see above)
 - (ii) If an LCBO employee cannot be reassigned to the new employer or if he/she decides not to go to the new employer they will receive:
 - * 6 months notice of lay-off or pay in lieu thereof ✓
 - * severance at 2 weeks pay for every year of service ✓
 - or -
 - * bridging to full pension

The maximum period during which the employer and employee will continue to make pension contribution is as follows: ✓

 - 6 month notice period + period equivalent to severance payment received + up to an additional two (2) year period ✓

the ability to cash in up to 30 of his/her unused attendance credits ✓
at the rate in effect

 - * up to \$5,000 for retraining or job search assistance ✓

CURRENTLY

The Agreement does **not** provide for enhanced **termination rights** in the event of **privatization** nor do current employees have pension bridging rights in the event of their lay-off.

CASUAL EMPLOYEES

Casual employees with five years of service or more:

- (1) The LCBO must **make** every effort to require the new employer to employ existing employees at as close to their **previous wages as possible**.
- (2) A casual employee who cannot **be reassigned** to the new employer shall receive:
 - severance pay (average weekly salary over previous **twelve months** multiplied by employees years of seniority)
 - up to **\$1,000** for retraining or job search assistance

CURRENTLY

Casual employees have no severance or retraining allowance rights of any kind.

PROTECTING THE CURRENT BARGAINING UNIT

- (1) All PPT employees who have worked more than **1,600 hours** during the year prior shall be offered full time jobs within their geographic posting area.
- (2) PPTs who are not upgraded because they chose not to become full-time or in the event that they have not worked in excess of 1,600 hours will continue as PPTs and be eligible for upgrading at annual reviews in the future.
- (3) **13 full time positions** shall be posted in the Distribution Division within three (3) months of the date of ratification of this agreement for the purpose of upgrading existing casual employees to full-time positions.
- (4) Joint annual reviews of staffing will occur in the future and if any PPT/casual works in excess of:
 - **1700 hrs in stores**
 - **1600 hrs in warehouse**

a full time vacancy will be posted in the geographic area.

(reviews to take place annually commencing one (1) year after the ratification of this agreement)

- (5) A management employee can only be returned to the bargaining unit if such vacancy has **first been** posted to the **bargaining unit**.

A management employee who is assigned to the bargaining unit will commence his employment with zero (0) seniority. Therefore such an employee will not be able to bump out pre existing bargaining unit members if a lay-off occurs.

CURRENTLY

None of these protections/benefits exist in the current agreement.

OTHER BENEFITS

- (1) The dental plan will be upgraded so that it is based on the 1996 ODA fee schedule. ✓

CURRENTLY

Plan pays for the 1992 ODA fee schedule. ✓

- (2) Seniority for PPT and casual employees shall be based on the date of hire rather than hours worked.

- (a) For casual and PPT employees hired prior to the ratification of this agreement their current seniority will be converted to a fixed date in accordance with the following formula;

$$\begin{array}{l} \text{total hours of seniority} \\ \text{-----} \\ \text{full time weekly hrs} \end{array} \quad \text{DIVIDED BY} \quad = \text{years} \\ \text{(see example attached to this package)} \\ \text{52.17857}$$

NOTE: The requirement for a casual to work at least 400 hours before their seniority is credited will cease upon conversion to a fixed seniority date.

- (b) Casual employees who become permanent employees after the date of ratification shall commence their seniority on permanent staff with no seniority credit for casual service. Their new fixed seniority date will be their date of appointment to permanent staff. Such employees will not be able to jump over existing permanent employees for promotions or in the event of lay-off.
- (c) A casual hired after the ratification of this agreement shall have his/her seniority dated fixed at the date he/she commences employment. A probationary period of six (6) months shall apply provided the employee works at least 400 hours during their first six (6) months of casual employment.



CURRENTLY

Agreement determines seniority by hours worked which discriminated against employees who can't work as the result of maternity, WCB, Illness etc.)

- 3) PPT employees will have first option for extra hours at other work sites ahead of casual employees. Each store will have a designated store from which additional PPT then casual employees may be drawn. PPTs will have first opportunity to work at other stores.

CURRENTLY

PPTs are prevented from working in ether stores.

- (4) PPTs shall receive first opportunity for all additional hours at their assigned work sites,

CURRENTLY

Casuals are scheduled hours during the first seven (7) days of an unforeseen absence.

- (5) PPTs shall be able to use attendance/vacation credits to cover all scheduled hours up to forty (40) hours per week.

CURRENTLY

Vacation and attendance credits can only be applied against core hours.

NOTE: The specific letters setting out the provisions for PPTs and Casuals are attached as an appendix to this package.

PROVISIONS APPLICABLE TO LLBO INSPECTORS ✓

- (1) The supper meal allowance shall be Increased from \$10.00 to \$17.00. ✓
- (2) During blitzes the Inspectors shell continue to be paid for travel time and they shall also be paid for standby time spent in the area of the blitz.
- (3) Inspectors shall be paid a night shift premium of .50 per hour for all hours worked between 7:00 PM and midnight. Further, Inspectors shall receive .60 per hour for all hours worked between midnight and 7:00 AM. if more than 50% of the shift hours fall within either specified period the employee shall receive the premium for all hours worked on such shift. ✓

TERM OF THE AGREEMENT

The renewal collective agreement shall be for a two (2) year term ending March 31, 1998.

OTHER ITEMS

- (1) The letter of agreement providing for expedited arbitration of grievances was amended to allow for the use of legal counsel.
- (2) The letter of agreement committing the parties to negotiate a seasonal employment framework (with Improved rights and benefits) for the Distribution Division was renewed.

EMPLOYER PROPOSALS ACCEPTED AS PART OF THE SETTLEMENT(1) **AFTERNOON SHIFT PREMIUM** ✓

Employees who previously received an afternoon shift premium under 6.2 and 6.5 of the Agreement shall instead receive the afternoon shift premium contained in 6.15.

- The 6.5 premium applicable in stores and warehouses provided employees with an afternoon shift premium of one (1) hour less work for full pay. Further, it also provided for a one half hour paid meal break. This premium will cease so that on afternoon shift employees shall work full hours for full pay. The one half hour paid lunch break will no longer be paid.

- In stores employees shall be at the store for 8 1/2 hours and shall receive 8 hours pay. The paid rest breaks continue.

- In warehouses employees shall be at the work place for 8 hours and shall receive 7 1/2 hours pay. The paid rest break and wash up time continue.

- * The shift hours contained in 6.2 of the Agreement shall be modified in accordance with the change set out above.

- * Affected employees shall receive the afternoon shift premium contained in 6.15 of \$1.00 per hour for each hour worked between 6:00 PM and 6:00 AM. If more than one half of the shift hours are during this period the employee shall receive \$1.00 per hour for all hours in their shift. ✓

(see specific hours attached to this package)

(2) SUNDAY WORK ✓

Sunday shall not be considered a regular work day for regular store and general warehouse employees. Should Sunday work be required it shall be scheduled in the same manner as any other overtime work.

Employees shall be paid at 1 1/2 times their hourly rate for such Sunday work.

Full-time and then PPT employees shall have first option to be assigned such overtime before the scheduling of casuals.

Employees who currently work on Sundays as part of their regular shift (Airport, Stationary Engineers, Watchpersons, etc.) shall not be effected by this change.

(3) CANCELLATION OF SCHEDULED OVERTIME

Scheduled overtime that is cancelled more than twelve (12) hours before such scheduled work shall not receive payment for the cancelled work. Further, if the employee is not notified of the cancellation of the work and he/she reports to work he/she shall receive payment for one half of his/her OT shift.

The cancellation of OT as the result of reasons beyond the employers control shall not be paid to the scheduled employees.

(4) PAY STEPS FOR CASUAL EMPLOYEES HIRED AFTER RATIFICATION ✓

Casual employees hired after the ratification of the renewal Agreement shall have a multi step wage scale commencing at \$9.00 per hour and ending at the current rate of \$13.56 per hour.

9.00	10.00	11.00	12.00	13.56
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(annual increases upon recommendation)

Note: percentages paid in lieu of vacation, benefits and stat holidays remain unchanged

CURRENTLY

Casuals commence their employment at \$13.56.

OTHER ITEMS

- (1) The current letter allowing for the hiring of fixed term employees during the Christmas buildup was renewed with the pay rate for such employees Increased from \$8.00 per hour to \$8.50 per hour. The period over which such employees shall be used remains unchanged. ✓

EXAMPLE 1

* The LCBO Is privatized on January 2, 1997 and lay-offs result.

<u>EMPLOYEE 1</u>	<u>EMPLOYEE 2</u>	<u>EMPLOYEE 3</u>
Permanent Full-Time Clerk 3	Permanent Part-Time Clerk 3	Casual store casual
17.73 per hr (709.20 weekly)	17.73 per hr (worked an average of 30 hrs per week during 1996 - 531.90)	13.56 per hr (worked an av. of 24 hrs per week in 1996 325.44)
16 years of service	7 years of service	6 years of service
<u>NOTICE</u> 6 months notice or pay in lieu	6 months notice or pay in lieu	no special notice
<u>SEPARATION ALLOWANCE</u>		
\$4,000.00	\$2,000.00	n/a
<u>ENHANCED SEVERANCE</u>		
32 X 709.20 = \$22,694.40	14 X 531.90 = \$7,446.60	6 X 325.44 = \$1,952.64
<u>T A SITION/RETRAINING</u> (up to)		
\$5,000.00	\$5,000.00	\$1,000.00
<u>CASH IN OF ATTENDANCE CREDITS</u>		
30 days	30 days	n/a
30 X 141.84 = \$4,255.20	30 X 141.84 = \$4,255.20	
<u>TOTAL BENEFIT</u> (excludes notice pay in lieu)		
\$35,949.60	\$18,701.80	\$2,952.64

NOTE.

PENSION BRIDGING IS ALSO AVAILABLE SHOULD AN EMPLOYEE CHOOSE BRIDGING OVER THE ENHANCED SEVERANCE.

EXAMPLE 2

CONVERSION OF HOURS WORKED SENIORITY ,TO A FIXED DATE FOR CASUAL AND PPT EMPLOYEES

for the purposes of the example assume that the conversion takes place on June 1, 1996

STORES

(weekly full time hours 40)

EMPLOYEE 1

Accumulated Hours
6,240

6,240
----- divided by 52.17857 =
40

3 years

June 1/96 - 3 years = June 1/93

EMPLOYEE 2

Accumulated Hours
12,480

12,480
----- divided by 52.17857 =
40

6 years

June 1/96 - 6 years = June 1, 1990

WAREHOUSES

(weekly full time hours 37.5)

EMPLOYEE 1

Accumulated Hours
3,900

3,900
----- divided by 52.17857 =
37.5

2 years

June 1/96 - 2 years = June 1/94

EMPLOYEE 2

Accumulated Hours
7,800

7,800
----- divided by 52.17857 =
37.5

4 years

June 1/96 - 4 years = June 1, 1992