

LCBO Tentative Agreement: Questions & Answers for OPSEU Members



On July 27th, your OPSEU bargaining team reached a tentative agreement with the LCBO. Here are the answers to some common questions about the tentative agreement – and why the bargaining team is recommending that members vote “Yes.”

A summary of the tentative agreement is available in the July 28 issue of *Talking Contract*. The *Memorandum of Agreement* is also available for members who want to read the full text of the deal. Both documents are available on the OPSEU website at www.opseu.org.

We have provided answers to the following questions below:

- Why is the bargaining team recommending the tentative agreement?
- What did we gain on job security & privatization?
- How long is the agreement?
- What is the wage increase? Is this retroactive?
- What’s in the deal for casual employees?
- Why doesn’t the deal include a longer minimum shift for casuals in retail stores?
- How does our benefit coverage improve?
- What happened to pro-rated benefits for casuals?
- What other gains did we win?
- What about the concessions the employer was demanding?
- What happens if we vote to accept the deal?
- What happens if we vote to reject the deal?

For more information, please visit www.opseu.org contact the OPSEU Liquor Board Employees’ central mobilizing office at 1-866-811-7274.

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Question: Why is the bargaining team recommending the tentative agreement?

Answer: This agreement is a good deal for every member of the bargaining unit. The agreement includes important gains for permanent employees, seasonal employees and casuals in retail and logistics.

- It includes important new job security language that provides better protection for permanent and casual members’ jobs against privatization and agency stores. This was the top priority for all members of the bargaining unit.
- We have forced the employer to back off on a long list of concessions that would have affected every member.

- We have won an improved wage increase for every member. Your pay will go up by 3 per cent per year in each year of the 4-year deal. The increase for this year is retroactive to April 1, 2005.

The deal includes some real advances compared to our last collective agreement – and it's a big improvement over the Employer's previous offer.

The bargaining team believes this is the best deal that could be achieved without a strike. At the same time, calling a strike would have jeopardized the gains that had been negotiated, with no guarantee that a strike would result in a better agreement.

The work of the union doesn't stop once the contract is ratified. The deal – and the great work members did mobilizing across the province – will lay the basis for further gains in future rounds of bargaining. It also sets the stage for continued work on the issues that matter most to members during the life of the agreement.

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Question: What did we gain on job security & privatization?

Answer: The employer's main goal was to gut our job security language. They wanted to be able to close LCBO stores and replace them with private agency stores. They wanted the right to contract out our work. And they wanted to clear the way for full-scale privatization.

In this deal, we have forced the employer to back off on its concessions and won important new job security protections:

- It includes a stronger letter on agency stores that prevents the closing of any LCBO store due to the opening of any agency store – and expands this protection to prevent any reduction in LCBO store hours. It also expands this protection to cover the effects of the ongoing operation of agency stores. These increased protections benefit both permanent and casual workers.
- The letter also maintains protection for permanent full-time employees against any layoff resulting from the opening or operation of an agency store.
- A new letter prevents the employer from any new contracting out of bargaining unit work, if it would result in the layoff of any permanent full-time employee. This protection applies to retail, logistics and head office operations.

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Question: How long is the agreement?

Answer: The agreement will run for 4 years, from April 1, 2005 to March 31, 2009.

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Question: How much will wages increase? Is this retroactive?

Answer: Under the agreement wages will increase as follows:

- 3% effective April 1, 2005
- 3% effective April 1, 2006
- 3% effective April 1, 2007
- 3% effective April 1, 2008

The first increase of 3% is retroactive to April 1, 2005. This wage package is a full percentage point higher than the employer's last offer, over the full 4-year agreement. This compares very well to other public sector agreements.

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Question: What's in the deal for casual employees?

Answer: The deal includes some important improvements for casual employees in both logistics and retail stores.

Wages:

- The employer was forced to back off of its plan to introduce lower wage grids for new casuals and for casuals who achieve seasonal or permanent status. This helps new hires and current employees who move to seasonal or permanent, full-time status. It also protects all current casuals by preventing the employer from giving your hours to a cheaper pool of new staff.
- All employees – whether permanent or casual – will get a bigger wage increase than the employer was offering before the strike vote.

Retail stores:

- The stronger language against store closures or reduction in store operating hours due to the agency stores means more job security for casuals in smaller C and D stores.
- Casuals can now pick up extra shifts in other stores even if they are working in their home store that day, as long it doesn't prevent them from working their scheduled shift.
- If the employer cancels a scheduled shift with less than one week's notice, they now have to pay the worker half of the scheduled hours.
- Whenever there are two shifts available on the same day that are separated by one hour or less, the employer must now combine those hours into a single longer shift of 8 hours or less. This will help more casual employees qualify for full-time status through the permanent vacancy review (PVR) and reduce "creative scheduling" by the employer.

Logistics:

- The new deal makes it easier for casuals to qualify for seasonal status – and harder to lose seasonal status once you qualify. You will now qualify for seasonal status if you work 700 hours exclusive of overtime (equal to 20 weeks' work) in any 26-week period. These hours do not have to be worked on consecutive days or weeks. This is a big improvement over the current system, where you have to work 35 hours a week for 14 consecutive weeks to qualify for conversion to seasonal status.

To keep seasonal status, you have to work 700 hours in any 26-week period over two years. This means it will be harder to lose your seasonal status, too.

Question: Why doesn't the deal include a longer minimum shift for casuals in retail stores?

Answer: The bargaining team fought hard to increase the minimum shift length for casuals in retail. This was the last issue left on the table in the run-up to our strike deadline.

Unfortunately, this was the one key issue that it was impossible to get the employer to agree to. With the real gains in the rest of the agreement – including important provisions for casuals in retail and logistics – the team decided that they could not jeopardize the deal by calling a strike over this issue alone.

However, with this agreement – and the mobilizing work members have done in the last few months – we can continue to organize and push for improvements on this and other issues over the life of the contract and in the next round of bargaining.

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Question: How does our benefits coverage improve?

Answer: The tentative agreement includes a number of improvements to the benefit plan. These improvements apply to permanent employees and seasonal employees who have more than 12 months of service. The agreement also includes some new annual benefit caps, which are well above the average amount claimed by members each year.

As a result of the negotiated improvements, the total premium cost to the employer will increase by more than \$1 million per year, an increase of about 17% in the value of members benefit coverage.

Benefit improvements include:

- A drug card.
- Drug coverage includes brand-name drugs when the prescription specifies no generic substitutions.
- Hospital care coverage increases to \$170/day (from \$160).
- Psychologist coverage increases to \$50 per ½-hour (from \$45).
- Coverage for surgery by a podiatrist increases to \$160 (from \$140).
- Vision care coverage for eye glasses increases to \$225 every 24 months (from \$200)
- Hearing aid coverage increases to \$600 (from \$500).
- LTIP benefits increase by \$5 per month for anyone who started LTIP between Jan. 1, 1981 and Dec. 1, 1996.
- Dental coverage will include crowns and bridges, on a 50% co-insurance basis.
- Dental coverage will include annual ODA fee increases in each year of the agreement.
- Coverage for eye exams previously covered by OHIP of \$70 every 2 years, for employees and their dependants

Other benefit changes include:

- A cap on combined paramedical services of \$2000/year per person covered. This is well below the average amount claimed by members and their dependants.
- A cap on dental coverage of \$3,000/year per person covered. (The current average claim per member is \$1,100/year.)
- Regular dental exams will be covered every 9 months.

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Question: What happened to benefits for casuals?

Answer: Casual employees do not currently receive benefits. Instead, they receive additional “pay-in-lieu” of benefits and paid holidays, under article 31.2 of the collective agreement.

The union is working to establish a pro-rated benefit plan for casuals, outside of the collective bargaining process. This plan will be paid for from the “pay-in-lieu” that casuals receive. It will not require the employer to pay an additional amount to pay for these benefits. Once this union-sponsored benefit plan is established, OPSEU will re-visit the question of automatic payroll deductions with the employer.

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Question: What other changes are in the agreement?

Answer: The agreement includes a number of other gains. These include:

- Automatic progression from Warehouse Worker 3 to Warehouse Worker 4 is extended to include the Durham warehouse.
- Warehouse Worker 4s can now progress to the top of the wage grid in Toronto and London, where the RAD system is in effect.
- An agreement on the allocation of scheduled overtime in retail stores based on permanent/casual status and seniority.
- An agreement on the allocation of unforeseen work to casuals and seasonal employees in logistics based on seniority and availability.

The deal extends the period in which the employer can hire fixed-term help by one week in the summer and one week in the pre-Christmas period. All other limits on the use of fixed-term employees remain in place. The employer cannot replace permanent, seasonal or casual employees with fixed-term employees.

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Question: What about the major concessions the employer was demanding before the strike vote?

Answer: The employer was forced to back off on a series of major concessions they were demanding. These included:

- Limiting the protection against closure to LCBO stores within 15 km of an agency store, or the closest store that does not supply the agency store.
- Lower wage tiers for new casuals and for new and current employees hired as Warehouse Worker 3s and Store Clerk 3s.
- Eliminating notice of right to union representation at pre-disciplinary meetings.
- Eliminating severance pay for employees who take a reduced pension.
- A series of shift changes affecting employees in both retail and logistics.
- The elimination of wash-up time in logistics.

None of these concessions appear in the final tentative agreement.


Question: What happens if we vote to accept the deal?

Answer: The bargaining team is unanimously recommending that members vote “yes” to the tentative agreement. If members accept the deal, it will become the basis of your new collective agreement. The new deal will be effective from April 1, 2005 to March 31, 2009, with full back pay.

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Question: What happens if we vote to reject the deal?

Answer: If members vote “no” to the tentative agreement, we will be in a legal strike or lock-out position. Your team could have to call a strike to reach another agreement with the employer. If members reject this deal, there is no guarantee that the improvements it contains would be included in the final settlement.

<p>Ontario Public Service Employees Union Liquor Board Employees Division</p> <p>www.opseu.org</p> <p>For more information call 1-866-811-7274 or 416-448-7433. <i>Authorized for distribution by John Coones, Chair, Liquor Board Employees Division</i></p>	<p>OPSEU</p>  <p>SEFPO</p>
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