

# **Union Member Bargaining Team Unanimously Recommends Yes Vote To Accept**

**This contract is our opportunity for essential workers to get what we deserve. Your union bargaining team is proud to have achieved a historic contract that puts more money in grocery workers' pockets than ever before.** UFCW 3000 and Teamsters 38 members have been taking action with one clear message—These companies have made record profits throughout the pandemic. It's time they RESPECT, PROTECT, PAY essential workers.

We stood alongside grocery workers in Colorado and California to tell our stories. Stories of how grocery store workers are taking care of our communities while at the same time struggling to get the pay and schedules needed to take care of ourselves. We signed strike pledge cards, attended Contract Action Team meetings, and prepared for pickets and strikes.

And up and down the west coast.... WE WON!

*Because we stood united, we won:*

- **Historic pay increases that replace and exceed “hero/appreciation pay”—But NOT temporary and in our contract**
- **Move all grocery classifications to one “All Purpose Clerk” scale including massive pay raises for many departments—for some an over 60% wage increase during the course of this contract**
- **Increases to the wage escalators by 150%-- that means strong wages and increases throughout the pay scale when minimum wage goes up**
- **Secured quality affordable healthcare with benefit improvements and NO increases to healthcare premiums or deductibles**
- **Automatic pension funding increases that go up every time our wages increase**
- **Dedicated money to fund training and workforce development to ensure that we get the training we need to do our jobs and prepare for the future of the industry**
- **Stronger safety language to address top issues we face in our stores**

# VOTE DOCUMENT: April 25, 26, 27, 28 2022

The Union and the Union Bargaining Committee agree to fully recommend the following settlement for ratification. All changes are effective upon date of expiration of the current contract, unless otherwise noted. All terms of the agreements (including Letters of Understanding) remain in full force and effect with the following modifications outlined below. Contractual terms not listed remain the same. **Exact contract language is available upon request.**

*Note: Article/Sections references are to the King County Agreements. The intent of this document is to apply the same changes to the other Agreements where the provisions exist in those Agreements. Effective dates etc. will be adjusted in accordance with the dates/terms of those agreements.*

## WAGES

### ✓ Strongest journey wage increases in UFCW 3000 history

ON ALL SCALES - Increase Journeyperson and overscale Wage Rates:

Journey wage increases	May 8 <sup>th</sup> , 2022*	May 7 <sup>th</sup> , 2023*	May 5 <sup>th</sup> , 2024*
Grocery A/ Meat Cutters/ Wrappers/ Pharmacy Tech/ Service Counter	\$2.00	\$1.00	\$1.00
Grocery B & C/ Fuel Center/ Dot Com/ CCK (not red circled)/ Clicklist-E-Commerce	Immediate increase to \$20.15—then \$1.00	\$1.00	\$2.00
Fred Meyer GM/ Fred Meyer Pharmacy Tech "A"	\$2.00	\$1.00	\$1.75
Fred Meyer CCK (Journey and red circled)	\$2.52	\$1.53	\$1.53

\*August 7<sup>th</sup>, 6<sup>th</sup>, 4<sup>th</sup> for Snohomish Fred Meyer/Grocery/CCK and Fred Meyer GM

- For stores where Legislative Hazard Pay is still active:
  - APC Clerk movement happens Date of Expiration for all jurisdictions
  - First pay increase effective on the first day of the contract or the first Sunday after Hazard pay ends, whichever is later, but no later than August 28, 2022.
- All Journey wage increases are "Across the Board" with the exception of Safeway/Albertsons Department Heads paid over scale on the matrix system and any worker transferring onto the Journey All Purpose Clerk (APC) rate.
- See wage scales attached for examples of wage rates and progressions

## WAGE ESCALATORS

- Wage Escalators will apply to all current minimum wage increases (not just Washington State) and our apprentice steps will continue to increase every time minimum wage goes up
- Wage Escalators in all contracts will increase from \$0.10 to \$0.25 above minimum wage and from \$.10 to \$0.25 between each steps. This is an increase of 150%.
- Wage escalators will not exceed journey rate of pay

## ALL PURPOSE CLERK (Grocery Contract)

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The All Purpose Clerk is a job classification that replaces all current wage scales in our Grocery contract and for the first time ever gives us one unified scale. This change also allows more opportunities for workers to add hours in other departments and will help ensure that our contracts adapt to the future of the grocery industry.

- Current Journeyperson A and workers on the final two Apprentice A steps (As of Date of Expiration) will be “Red-Circled” and remain on the Legacy Appendix “A” wage schedule and get negotiated increases going forward.
  - Fred Meyer CCK will either move to Journeyperson A in the agreed upon progression if they are Journey CCK or on the “Red Circled” steps otherwise will move to the All Purpose Clerk (APC) scale
- All current grocery contract workers (except Pharmacy Tech) not at Journey or on the final two A apprentice steps will move to the APC classification. This will apply to Appendix B, C, Fuel, and Internet Shoppers, etc
  - Using current hours (or current placement), workers will slot straight across to their appropriate step on the All Purpose Clerk Scale
  - For example, Journeyperson B moves to Journeyperson All Purpose Clerk (APC)
  - Step 4 Apprentice Fuel Center moves to Step 4 All Purpose Clerk (APC), etc.
- All new hires in covered classifications, hired into All Purpose Clerk (APC).
  - Courtesy Clerks, Helper Clerks, Fred Meyer GM, and Meat Department will remain separate and not part of All Purpose Clerk
  - QFC Pharmacy “A” Techs will remain on “Legacy” A rates including those newly hired
  - Pharmacy “B” Techs will go to APC rates
- All APC clerks must be union members (i.e., non-union departments will not be part of APC).
- CCK will be covered by Grocery contract on Date of Expiration and included in APC.
- Current CCK employees on Red-Circled track (JP and last 2 steps) will not be required to work outside normal CCK duties until they achieve wage parity with Grocery rate (2<sup>nd</sup> anniversary of contract expiration).
- The parties will cooperate in good-faith to clean-up current contract provisions to comport with the new All Purpose Clerk concept/agreement.
- For purposes of dues calculations All Purpose Clerks (APC) will be considered the new A classification

## OTHER COMPENSATION VICTORIES

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- Kroger Prime Fresh Premium:
  - \$1 per hour for a Second Assistant Produce Manager who will be placed on the schedule for a specific produce shift
  
- Longevity Bonus
  - One time bonus paid from dissolved Retiree Welfare Plan for those 55+ by Oct 1, 2023 with 15 years participation in the health trust; Or anyone with 35+ years participation in the health trust regardless of age.
  - Bonus amount to be determined by trustees of the Sound Health Retirement Trust.
  
- Helper Clerks:
  - Add one more 1040 hour step to Helper Clerk scale for hours worked after ratification
  - All Helper Clerks move to post-2004 scale
  - Helper Clerks who are promoted to APC Clerk will move over at their current rate and shall progress from there.

# FRED MEYER NON-FOOD CONTRACT (AND BROADWAY QFC GM)

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- Increase to Journey Wages:
  - 8/7/22: +\$2.00
  - 8/6/23: +\$1.00
  - 8/4/24: +\$1.75
- For stores where Legislative Hazard Pay is still active:
  - Move to new classifications occurs at date of expiration for all jurisdictions
  - First pay increase effective on the first day of the contract or the first Sunday after Hazard pay ends, whichever is later, but no later than August 28, 2022.
- Fred Meyer Receivers Wages:
  - GM Journey person Receivers will be red-circled and moved to Grocery A rate by the end of the contract in 3 equal additional increases.
    - New non-Red-Circled GM Receiver rate will move to APC JP rate by end of contract with 3 equal additional increases.

## Fred Meyer Pharmacy Techs Wages:

- Pharmacy Tech/Pharmacy Assistant A: \$2, \$1, \$1.75
- Non-certified Pharmacy Techs (currently at GM clerk rate): Move to a rate equal to All Purpose Clerk rate

## Fred Meyer Auditor Wages:

- Apply CCK wages to this work
  - Journey and last 2 steps move to Journey CCK scale and be red circled in a similar manner, everyone else moves over to slot in on the APC scale based on hours worked.

## Job Transfer Rights:

- For two years following the date of ratification of this agreement any worker covered under the GM contract who applies for an open Grocery position will be given first consideration for such positions over outside hires provided they are in good standing and have the skills and ability to perform the duties of the new job.

Additionally, they shall be given credit for all hours worked when moving to the grocery position and shall be placed at the step on the APC scale commensurate with their experience.

## Bellingham South Fred Meyer to Sound Health and Wellness Trust

- Effective Upon Expiration without lapse in coverage

The following items from the Grocery agreement above shall also apply to GM and Meat agreements (where applicable):

- Health & Welfare
- Pension
- Safety
- Workforce Development and Training
- Grievances/Arbitrators

## HEALTH BENEFITS

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- ✓ **Protect our healthcare with benefit improvements**
- ✓ **NO increases to healthcare premiums or deductibles**

- Employer Contribution rates:
  - Through March 2023: *\$4.86/hour*
  - March 2023- March 2025: Between *\$4.86/hour* and *\$5.25/hour* depending on what is needed
    - *With 6-month review to adjust amount- targeting \$52 million in excess reserves*
  - Effective April 2025 hours: Up to a maximum of *\$5.25/hour*, but no less than *\$4.86/hour*
- *These Employer contributions are projected by the health care plan consultants to fund the current benefits for the length of the contract.*

### **AND—Benefit Improvements:**

- Podiatry – increase cap to \$80 per visit for the PPO (currently \$20/visit)
- Chiropractic – increase cap to \$60 per visit for the PPO (currently \$30/visit)
- Vision – Implement VSP option changes:
  - Increase frame allowance by \$20
  - Increase contact lenses allowance by \$40
  - \$35 copay for anti-reflective coating
  - Cover full standard progressives
  - Dental PPO – waive deductible for preventive services (currently \$10/30 individual/family)
- All other Trust programs shall continue unless modified by the Trustees based on the terms of the Trust and Plan documents.
- Bellingham South Fred Meyer GM will move to Sound Health Wellness Trust

## PENSION

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- ✓ **Perpetual VAP pension contribution increases through % of salary model**
- ✓ **Continued funding of Sound Retirement Trust, which are projected to sustain current green zone status and progress toward 100% funding**

- Safeway/Albertsons will move to a % of salary model at 2.8% for VAP along
- Kroger will continue to contribute 2.8% of salary to the Sound VAP
- Safeway/Albertsons will continue to make Rehab Plan contributions to the SRT
- All Independents who are currently at hourly rate in VAP, move to % of salary at 2.8%

## VACATION (Grocery)

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### ✓ First improvements to vacation language in decades

- Vacation language in Grocery Contract will be revised as followed:
  - 1 week after 1 year
  - 2 weeks after 2 years
  - 3 weeks after 5 years
  - 4 weeks after 12 years
  - Any employee who works 2496 or more hours in a year shall receive an additional 2 days of vacation the following year.

Calculate a “week of vacation” as follows:

The number of hours paid for a “week” of vacation shall be calculated by taking the average weekly hours worked\* over the prior 12 months (up to a maximum of 40 hours per week). Vacation hours shall be paid at the employee’s regular straight time rate at the time the vacation hours are paid. (Clarification: No change to minimum annual hours required for vacation)

\*Current Section 8.5 would remain in the agreement defining hours worked to include “hours of paid vacation for employees who regularly appear on the payroll for thirty-two (32) or more hours per week, the terms of Sections 8.1, 8.2, 8.3, and 8.4 of this Article shall be applied so that working time lost up to a maximum of one hundred sixty (160) hours due to temporary layoff, verified cases of sickness or accident, or other absence from work approved by the Employer (in addition to vacation and holiday time off earned and taken by the employee) shall be counted as time worked.”

## SAFETY

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- Set dates for Master Safety Committee to elevate issues that aren’t getting adequately handled at the in-store committee level
- Establish store evacuation/ emergency exit training, logistics of which to be worked out by December 1, 2022

## TRAINING

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### ✓ First EVER guaranteed funding for Workforce Development and Training

- The employers agree to pay .01 per hour into a training fund on every hour worked (which will mean hundreds of thousands of training dollars)
  - These payments will begin once Hazard Pay ends in majority of cities where it passed, including Seattle
  - This replaces previous language in contract that did not guarantee payment into the training fund
- The employers also agree to establish a joint training fund to use this money to give grocery workers the training and workforce development that we need
  - This Fund has already been established and the training infrastructure is being built right now

## Other Language and Improvements

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- ✓ Set up a Joint Labor Management Committee to discuss changes to training, premium pays, and workload for meat departments
  - For Albertsons and Safeway also discuss the possibility of creating a merged seniority list for Meat department workers.
- ✓ Set up a Joint Labor Management Committee to discuss scheduling issues and fixes to Select-a-sched
- ✓ Honor original hired date for seniority purposes between Albertsons and Safeway Banners for transferred employees.
- ✓ Ongoing bargaining about trolley expansion solutions at Fred Meyer Clicklist
- ✓ QFC Produce will no longer operate under Select-a-sched and the second assistant will receive a \$1 premium.
- ✓ Clarifying limits to how many pre-scheduled Managers and Assistant Managers the employer can pre-schedule onto the Select-a-sched at QFC
- ✓ Commitment from employer to jointly seek discounted bus passes for workers
- ✓ This agreement settles all disputes related to hazard pay and appreciation pay
- ✓ Added Albertsons/Safeway Matrix Letter of Understanding to the existing Matrix Letter of Understanding.
- ✓ Three-year term of the contract
- ✓ Aligned Grievance timelines across contracts to 15 days for termination and 45 days for all other grievances
- ✓ Cleaned up arbitrator list and added language to enable us to refill arbitrator list mid-contract