## **Hard times; fair contract**

By DAVID COOK President



Dear Members:

I want to thank you for your patience while we negotiated in very difficult times.

Although the proposal is not everything we would like it to be, we feel in these times it is as good as possible and, therefore, I, and your Bargaining Committee, are recommending acceptance of the proposal.

Decisions had to be made that will help the employers compete with non-union competition.

Several critical points that were part of our decision-making:

- 1) There was a time in the past when more than 90 percent of grocery sales were in Union collectively-bargained stores. Now, close to 50 percent of food is sold in non-union stores, which means a substantial loss of business to our Union stores.
- 2) Coupled with a lower market share, there is a substantial difference in labor cost between union stores and non-union stores.
- 3) Then, there is a major difference in healthcare and retirement cost between the union and non-union stores. And it is substantial!

These changes, especially the health care, have created pressures on your employers to

hold down labor cost increases in order to be able to compete in pricing in an effort to keep customers.

It's a simple reality: if prices are too high customers will shop elsewhere. They now have lots of shopping choices. Even drug stores are selling groceries! If our Union stores keep losing business, it translates directly into fewer jobs for our members.

#### HARD DECISIONS

As a result, the Bargaining Committee had to make hard decisions. We compromised where we needed to, but at the same time made sure we protected our members in critical areas.

Two months ago we informed everyone that in order to get to the companies' desired healthcare contribution rate, ugly things would have had to happen:

- Elimination of coverage for spouses, parttime workers or dependents and/or
- Reducing benefits to unacceptable levels. We asked you to wear a Union button to send a message: "I Wear Because I Care."

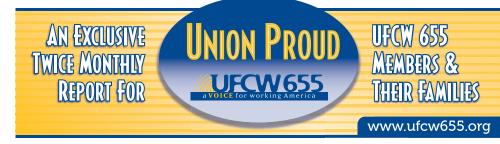
### HEALTHCARE OVERVIEW

The proposal you will vote on:

It had its desired impact.

- Does not eliminate coverage for any member.
  - Maintains high quality benefits.
- Has a brand new feature: You will be able to select which plan level of benefits you want and pay only the cost share associated with that specific plan.

Currently members are forced into a plan



level of benefits based on their time of employment. As a result, everyone pays the same share cost even if you are in a lesser plan of benefits.

This new approach is based on fairness: the Bargaining Committee believes members enjoying a higher level of plan benefits should pay a little more than people in a lesser plan of benefits.

In a time of rising healthcare cost that often requires reducing health care benefits (and health care plans across America are doing just that), the Bargaining Committee fought hard to make adjustments in a way that is as fair as possible to ALL members.

#### PENSION OVERVIEV

Due to sound investment and a good market return on the pension fund investments, our Pension Fund is in better financial condition than most (it's called a "green zone status.")

That allows for extension of the "40 and Out" benefit and the addition of a new benefit called "Social Security Equalization." These will be explained in detail at the June 11 contract meeting. (See notice below)

## DETAILS WITH YOUR PAYCHECKS THIS WEEK

A packet that includes the Contract Pro-

posal, Health & Welfare Plan Changes & Comparisons and Pension Benefit Improvement Explanation Sheet should be available at your store this week with your paycheck.

Please take time to review it thoroughly. AND PLEASE TAKE TIME TO ATTEND THE CONTRACT RATIFICATION MEETING JUNE 11.

I hope you will understand the reasoning behind the proposal and the Bargaining Committee's goals in recommending this contract:

- Maintain jobs
- Maintain quality healthcare benefits,
- Maintain quality retirement benefits,
- Increase wages.

Lastly, I would like to thank the seven members that have served on the Bargaining Committee for this contract. They have been on a yearlong, frustrating, emotional roller coaster ride with more downs than ups.

Through it all your Bargaining Committee set aside their personal needs and held to the highest standards of making the best decisions possible for all members.

I hope to see you at next week's meeting. It's your contract, I urge you to be there to help us make the right decision.

## Have you moved?

Does Local 655 have your current postal address? Call the Local 655 Membership Office to update at **636-394-6500** 

MARK YOUR CALENDARS...

UFCW Local 655's Annual Co-ed Softball Tournament



WHEN: August 4,5,6,7 & 1 I

WHERE: Ellisville Ballpark

Rainout Dates: August 12,13 & 14







Your annual softball tournament applications will arrive at stores soon, so be one of the first to sign up for this exciting, fun event. The softball tournament is limited to the first 40 teams that register.







Ask your steward for an application, dust off the bats and gloves and start rounding up your team. No experience necessary. Be ready to come out and have some fun.

For more information contact

Kevin Ryan at 636.736.2766 or Robert Spence at 636.736.2775

# Contract Ratification Meeting

Wednesday, June 11 7 p.m.
Doors will open at 5 p.m. for registration

The Family Arena 2002 Arena Parkway St. Charles, Mo. 63303

- Please bring your union card or a photo ID to expedite the registration process.
- •There will be a vote on a contract proposal. If the contract is rejected, there will be a strike vote.

Directions: The Family Arena in St. Charles can be easily reached from the north or south.

- <u>From Hwy. 70</u>, exit at Fifth Street, head south on South River Road. Travel 4.7 miles to the Family arena.
- <u>From the Page Extension/Hwy.</u>, take Exit 14 for Arena Parkway. Go north onto Arena Parkway/S. River Road for about 3 miles to Family Arena.



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