

THIS DOCUMENT REPRESENTS THE COMPANY'S FINAL AND COMPLETE OFFER

October 30, 2023 *rev.*

Discussions between UFCW Local 400 and Safeway Stores have recently concluded. This analysis was printed and assembled as accurately as possible for your review prior to casting your vote. It is as complete as we could make it. Kindly forgive any omissions or typing errors.

All current articles, paragraphs and side letters that do not appear as changed in this proposal remain as they are in the current agreement. We have only addressed areas of change in this document. For stylistic reasons, or clarity, the language as approved may be altered slightly in its final form. **This offer is a complete package. It must be accepted or rejected in its entirety.**

**PROPOSED CHANGES IN THE
AGREEMENT BETWEEN
UNITED FOOD AND COMMERCIAL WORKERS
LOCAL 400
AND
SAFEWAY STORES**

1. ARTICLE 5 – SENIORITY

Modify the language in Sect. 5.10 as follows:

5.10 Part-time employees desiring full-time work and lower classified food employees desiring to be upgraded in classification shall be given preference for such work in accordance with the following procedure.

Openings for full-time clerks positions will be posted for fourteen (14) days in the stores within the collective bargaining agreement’s jurisdiction and will include the store number and where vacancy exists. The Union will be sent a copy of each posting at time of posting. The Shop Steward will sign the posting to verify that it was properly posted. Consideration for any such vacancies as described above will be given to all employees who properly submit an on-line application. The position will be selected by seniority and ability to do the work.

Openings for Department Manager positions will be posted for fourteen (14) days in the stores within the collective bargaining agreement’s jurisdiction and will include the store number and where vacancy exists when applicable. The Union will be sent a copy of each posting at time of posting. The Shop Steward will sign the posting to verify that it was properly posted. Consideration will be given to all employees who properly submit an on-line application. All promotions shall be based on the employee’s qualifications, availability, seniority, and seniority area. Safeway retains sole discretion for the final selection of Department Managers.

The Employer agrees to notify the Union and all applicants of the final selection. If an employee fails to qualify within a reasonable time for the upgraded position, they will be afforded the opportunity to return to their former classification without loss of seniority.

~~Employees who desire upgrading as described above shall notify the Employer in writing with a copy to the Union, during the periods March 1 to March 21 and September 1 to September 21, each year. Such letters shall remain valid for eighteen (18) months.~~

~~The first consideration for any such vacancies shall be given to employees with a current request in order of the employee’s seniority with ability to do the work to be considered. However, ~~f~~Full-time night crew employees will be given priority consideration for available full-time day vacancies within the food clerk classification.~~

~~When the file of request letters has been exhausted, all employees regardless of the length of service will be considered for available openings on a store by store basis before seeking outside applicants.~~

~~Only requests for permanent classification change shall be valid and failure to be available thereafter for such work for a period of twenty-six (26) weeks after obtaining such status, except for reasons beyond the employee's control, shall bar the employee from future requests for a period six (6) months.~~

~~Failure to accept an offer of such work in any of the Employer's stores within a seniority area shall result in removal of the employee's request for the balance of that six (6) month period, but it shall not bar the employee from future requests. Except any employee who declines a full time night crew position will not be removed from the list for the balance of the active bid.~~

Part-time employees who are promoted to full-time will receive credit for time worked on the basis of forty (40) hours being equivalent to one (1) week and the employee's full-time seniority date will be adjusted accordingly.

~~The Employer and the Union agree to exchange a list of part time employees requesting full time jobs during the months of January and July of each year. The list will contain the employee's name, social security number, store number, and the date the letter was received by their respective office.~~

2. ARTICLE 6 – HOURS AND OVERTIME Modify the language in Sect. 6.22 as follows:

6.22 Eligible part-time employees shall be scheduled a minimum of sixteen (16) hours work per week, provided that they are available to work said hours on a regular and continuing basis. The sixteen (16) hour minimum does not apply to probationary employees, students, part-time employees holding another job, courtesy clerks, or employees not available.

The above paragraph sets forth minimums, but is not intended to be a guarantee where there are insufficient overall store hours to meet the minimums.

Any part-time employee hired before October 30, 2016 who desires to work twenty (20) hours per week or more shall be scheduled for a minimum of twenty (20) hours per week (excluding Sundays), provided they request the additional hours and have reasonable availability.

3. ARTICLE 7 – WAGES AND EMPLOYEE CLASSIFICATIONS Modify the language in Sect. 7.8 as follows:

7.8 A Meat Department bargaining unit employee or properly trained Food Clerk or Deli Clerk shall be on duty until 8:00 ~~7:00~~ p.m. or store closing, whichever occurs first. However, a department need not be manned during meal periods where there is only one (1) employee in the unit on duty that shift. The Company will not be required to schedule a meat department bargaining unit employee to work after 8:00 ~~7:00~~ p.m. in a store which is open for business 24 hours a day.

4. ARTICLE 9 – NIGHT CREW EMPLOYEES Modify the language in Sect. 9.6 as follows:

9.6 The employee in charge of the Night Crew will receive in addition to his night premium, an additional premium of ~~forty dollars (\$40.00)~~ **fifty dollars (\$50.00)** per week. A Night Captain in charge of a store which is open for business on a twenty-four (24) hour basis shall receive an

additional ten dollars (\$10.00) per week night premium (in addition to the ~~forty dollars (\$40.00)~~ **fifty dollars (\$50.00)** per week Night Captain premium).

5. ARTICLE 11 – VACATION

Modify the language in Sect. 11.1 as follows:

11.1 Full time employees with one (1) or more years of continuous service shall be granted vacations as follows:

Annual Vacation

One week uninterrupted after one year
Two weeks uninterrupted after three years
Three weeks uninterrupted after seven years
Four weeks after ~~thirteen~~ **twelve** years
Five weeks after twenty years

Pro-Rata Vacation
On Termination

1/12 week for each additional month
2/12 week for each additional month
3/12 week for each additional month
4/12 week for each additional month
5/12 week for each additional month

6. ARTICLE 13 – LEAVES OF ABSENCE

Modify the language in

Sections 13.2, 13.3 and add new Section 13.8 as follows:

13.2 In the case of a death in the immediate family (namely, the death of a parent/**current legally recognized guardian**, spouse, child, grandchild(ren), brother, sister, grandparent, parent-in-law, domestic partner, stepchild, or stepparent) of any full-time employee requiring the employee's absence from their regularly scheduled assignments, the employee shall be granted leave of absence with pay of three (3) scheduled work days. **Additional time off without pay may be granted with Company approval which shall not be unreasonably withheld.**

13.3 In the case of a death in the immediate family (namely, the death of a parent/**current legally recognized guardian**, spouse, child, grandchild(ren), brother, sister, grandparent, parent-in-law, domestic partner, stepchild, or stepparent) of any part-time employee requiring the employee's absence from their regularly scheduled assignments, the employee shall be granted leave of absence with pay up to three (3) days. When a part-time employee's normal time off falls within the three (3) day period, they shall be reimbursed for the portion of the time normally scheduled for work. **Additional time off without pay may be granted with Company approval which shall not be unreasonably withheld.**

13.8 A part-time employee who is a full-time student at an accredited college or university may be granted an unpaid leave of absence for up to ten (10) months during any academic year to return to classes. The employee must give thirty (30) days advance notice of intent to return to work and will be assigned to the store from which they left. The employee will return with the same hire date as they have begun. No benefit or wages of any kind will be due while the employee is on leave. At the time the employee makes a request for leave under this paragraph, the employee must submit proof of enrollment at an accredited college or university and upon return the employee must also submit proof of continued enrollment for the duration of the leave.

7. ARTICLE 20 – GRIEVANCES AND ARBITRATIONS **Modify the language in Sect. 20.2 as follows:**

20.2 Upon receipt of notice from either party, the representative of the Employer and the representative of the Union shall, within three (3) days, commence discussion in an attempt to reach a settlement of the controversy. **A reply will be given to the appropriate party within five (5) days after the above discussion or it will be deemed denied.**

8. SCHEDULE “D” – SAFETY AND HEALTH **Add new language as follows:**

Shootings, Other Violent Attacks and Dangerous Emergencies in Stores:

The Company and the Union agree to meet, at either parties request, to discuss procedures, trainings, and protocols that protect workers in case of a shooting, other violent attack, or other similar emergency that can affect the physical, emotional, or mental health of workers. This language will not delay the Company’s response to any emergencies described in this Article.

9. SCHEDULE “F” – ASSISTANT STORE MANAGER/STORE MANAGER RELIEF
Modify the language in Section A. as follows:

A. Food Clerks who work a portion of the week as Relief Manager shall receive the rate of Assistant Store Manager, **but in no event less than one dollar (\$1.00) per hour more than their hourly rate,** for the hours of actual relief. ~~His~~ **Their** daily overtime shall be on the same basis as Assistant Store Manager ~~and in no event shall he be paid more than an Assistant Store Manager would receive for the same hours of work.~~

10. SIDE LETTERS **Add the following:**

1. In the event any entity (i.e. State, municipality, jurisdiction, etc.) would establish a new law that would provide a benefit that is greater than what is covered under this Agreement, the Union and Employer shall meet to discuss the implementation of said law.
2. If Right to Work legislation is passed, the parties will meet to discuss the Company’s New Hire Orientation Process.

Safeway Valley Store (1538) will be moved into the core contract.

11. ARTICLE 17 – HEALTH AND WELFARE**Modify as follows:****Employer Monthly Contribution Rates:**

Plan	Status	Current	10/1/2023	1/1/2024	1/1/2025	4/1/2025	2026	2027
I	FT	1748.05	1819.07	1965.60	2089.35	2015.56	*	*
I	PT	1174.52	1245.54	1863.10	1992.85	1919.06	*	*
X	FT	1320.45	1391.47	1529.35	1636.60	1562.81	*	*
X	PT	917.90	988.92	1099.85	1185.60	1111.81	*	*
X	PT D	1659.84	1730.86	1829.35	1953.35	1879.56	*	*
XX	FT	446.59	517.61	813.17	873.14	799.35	*	*
XX	PT	269.64	340.66	344.17	376.89	303.10	*	*
XXX	FT	342.92	413.94	354.67	387.64	313.85	*	*
XXX	PT	124.19	195.21	187.92	213.64	139.85	*	*
XL	PT	25.99	25.99	24.35	25.10	25.10	*	*

- Rates are based on Segal baseline projections for 2024 & 2025. Rates are adjusted for dental and vision improvements.
- * 2026 rates to be set in July of 2025 based on Segal projection of plan costs. Rates capped at an 8% increase over April 2025 rates based on formula under section 17.1.5.
- * 2027 rates to be set in July of 2026 based on Segal projection of plan costs. Rolling 8% cap over 2026 rate based on formula under section 17.1.5.
- Rates include funding to bring reserve up to a projected 2 months by April of 2025 (adds \$13.26M).
- Retroactive rate increase to 10/1/2023 to add to fund reserve.

Reserve Protection

- If at any point between November 1, 2023 – January 31, 2024, the reserve falls below 0.60 months based on a regular monthly measurement, the Fund consultant will notify the Trustees of the amount by which the reserve is below 0.60 months and each company’s proportionate share of that amount, and within 30 days of such notice, each company will make a lump sum payment to the Fund in the applicable amount provided by the Fund’s consultant, the total of which will be the amount by which the reserve is below 0.60 months.
- If at any point between February 1, 2024 – June 30, 2024, the reserve falls below 0.75 months based on a regular monthly measurement, the Fund consultant will notify the Trustees of the amount by which the reserve is below 0.75 months and each company’s proportionate share of that amount, and within 30 days of such notice, each company will make a lump sum payment to the Fund in the applicable amount provided by the Fund’s consultant, the total of which will be the amount by which the reserve is below 0.75 months.

- If at any point between July 1, 2024 – December 31, 2024, the reserve falls below 1 month based on a regular monthly measurement, the Fund consultant will notify the Trustees of the amount by which the reserve is below 1 month and each company’s proportionate share of that amount, and within 30 days of such notice, each company will make a lump sum payment to the Fund in the applicable amount provided by the Fund’s consultant, the total of which will be the amount by which the reserve is below 1 month.
- If at any point between December 31, 2024 - March 31, 2025, the reserve falls below 1.5 months based on a regular monthly measurement, the Fund consultant will notify the Trustees of the amount by which the reserve is below 1.5 months and each company’s proportionate share of that amount, and within 30 days of such notice, each company will make a lump sum payment to the Fund in the applicable amount provided by the Fund’s consultant, the total of which will be the amount by which the reserve is below 1.5 months.

Any lump sum will be prorated between the companies based on aggregate 2023 contributions to the health fund.

Plan Trustee Recommendations:

Increase frame allowance by fifty dollars (\$50.00)

Recommend Trustees RFP dental benefits including endodontics

FT eligible after 90 days and contributions start 1st of the month after 90 days

Discuss joint RX bid process with other UFCW Funds

12. ARTICLE 17 – PENSION

Modify as follows:

During the FIRST (1ST) year of this agreement, upon request by either the Company or Union, the parties shall meet and discuss the merger of the Variable Annuity Funds into a multi-employer plan and/or the termination of the excess plan to yield savings from PBGC premiums and administrative expenses, with the goal of reallocating expenses to benefit improvements.

Raise VAP celling from 9% to 10%

Companies will be required to make monthly contributions.

13. WAGES - GENERAL WAGE INCREASES (GWI)

All Full-Time and Part-Time Classifications except Fuel, Starbucks, Service and Courtesy Clerks at or above top of scale (excluding Washington, DC & Montgomery County clerks hired on/after 03/05/2020) shall receive:

10/29/2023	10/27/2024	10/26/2025	10/25/2026
\$1.10	\$1.00	\$1.00	\$1.00

Department Managers receive an additional \$0.25 increase on 10/29/23 and an additional \$0.25 on 10/27/2024.

All Full Time & Part Time Service Clerks, Fuel Station Attendant, Starbucks at or above top of scale (excluding Washington, DC & Montgomery County clerks hired on/after 03/05/2020; Courtesy Clerks) shall receive:

10/29/2023	10/27/2024	10/26/2025	10/25/2026
\$0.50	\$0.30	\$0.30	\$0.25

Department Manager Rates - Department Managers will receive the greater of the 2023 GWI and \$0.25 increase or the increase to the starting rates noted below on 10/29/2023.

Department Manager Start Rates:

Variety/GM Manager - increase from \$19.00 to \$20.00

Seafood Manager – increase from \$19.05 to \$20.00

Rated Position:

Asst Front End Manager –increase from \$16.00 to \$18.00

Premiums effective on 10/29/2023

New Rated Position: Dairy – \$1.50 per hour premium.

New Rated Position: Frozen - \$1.00 per hour premium.

Receiver (ICC) – increase from \$0.50 to \$1.00 per hour premium.

WAGE SCALES

Effective 10/29/2023

Food Clerk, Weigher Wrapper, Deli Clerk, Homeshopping, GM, Apprentice Meat Cutter	
Start	\$15.00
+6 months	\$15.25
+6 months	\$15.50
+6 months	\$16.00
+6 months	\$16.40
+6 months	\$16.80
+6 months	\$17.20
+6 months	\$17.60
+6 months	\$18.00

Fuel Station Attendant, Service Clerk, Local 27 Production Clerk (Excludes D.C.)	
Start	\$13.40
+6 months	\$14.00
+6 months	\$14.30
+6 months	\$14.60
+6 months	\$14.90
+6 months	\$15.20
+6 months	\$15.50
+6 months	\$15.80

Food Clerk, Weigher Wrapper, Deli Clerk, Homeshopping, GM, Apprentice Meat Cutter

Clerks will be slotted into the new wage scale effective on 10/29/2023 at their then current base rate (excludes any premiums) and continue to progress based on the step increases. (Specifically, when an employee is slotted into their new step on the progression, the waiting period to move to the next step shall be reset.) Associates falling between steps will be slotted to the next highest rate and continue to progress based on the step increases. Associates hired prior to March 5, 2020, with a wage rate at or above \$14.00 on 10/29/2023, will not be slotted in the new wage progression. These associates will be eligible for the General Wage Increase (GWIs) starting in 2023 and provided throughout the term of this agreement. Associates hired prior to March 5, 2020 and below \$14.00 on 10/29/2023 will receive at least a \$0.40 increase when slotted into the new wage scale. Associates at or above the top of the new wage scale will be eligible for general wage increases unless otherwise noted.

Fuel Station Attendant, Service Clerk

Maryland Service Clerks will receive at least the Maryland minimum wage and will have their wage rate increased to the then-current Maryland minimum wage on the effective date of each increase for the Maryland minimum wage. Service clerks will be slotted into the new wage scale effective on 10/29/2023 at their then current base rate (excludes any premiums) and continue to progress based on the step increases. (Specifically, when an employee is slotted into their new step on the progression, the waiting period to move to the next step shall be reset.) Associates falling between steps will be slotted to the next highest rate and continue to progress based on the step increases. Associates at or above the top of the new wage scale will be eligible for general wage increases unless otherwise noted.



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