



An open letter from **Federated Co-operatives Limited**

Committed to a Fair Deal

Co-op Refinery Complex (CRC) employees enjoy some of the highest wages and benefits in Western Canada; and we are proud of that fact. We are currently in negotiations with Unifor 594 and want to share the details of our current offer with the public so that everyone understands that we do, in fact, respect our Refinery workers.

Currently, our unionized employees earn, on average, a base wage of \$104,000 per year. With overtime, that increases to \$123,000. When we factor in a Defined Benefits Pension Plan currently funded entirely by the employer, as well as other benefits, the total average compensation rises to **\$172,000 per year**. In our proposed deal to Unifor, we are offering a **wage increase of 11.75%** over four years, which adds, on average, more than \$12,000 to the employees' base wage before overtime, pension and benefit considerations. Additionally, we have offered them access to the company's performance plan that pays management employees an annual incentive bonus based on the Refinery's performance.

So what have we asked the Union for in this deal? We have asked them to choose between two pension options. The first option asks unionized employees to contribute to their current Defined Benefits (DB) Pension Plan as most employees enrolled in pension plans in Canada already do. The second option is to move to our industry-leading Defined Contribution (DC) Pension Plan. As a company, we have committed to providing a generous package that will ensure that employees in the current DB plan receive what the company has already contributed to their future retirement income. Going forward, we will contribute 6% to their DC plan even if employees choose not to contribute. Employees may choose to contribute 4% to that plan, which the company will match as well, bringing the total contribution to 14%. This is the same DC pension plan we offer our management employees, and at a 10% employer contribution, our DC plan ranks among the very best pension plans in Canada.

We believe that we have offered Unifor 594 a fair deal that ensures our employees continue to be among the best compensated workers in our industry and in Western Canada. Our deal includes large wage increases, a performance bonus plan and industry-leading pension options. We believe this is a good deal and compares well to what others in the market have recently received. **We encourage Unifor to come back to the table and talk.**

Sincerely,

D. Scott Banda
Chief Executive Officer
Federated Co-operatives Limited

Gilbert Le Dressay
Vice-President of Refinery Operations
Co-op Refinery Complex