

TForce Tentative Agreement 2023-2028

Summary of Economic Changes



Overview

Estimated \$501 million in new money over 5 years.

Wages would increase 5.7% year one and 15% by the end of the agreement

| Contract Term | Mileage Rate Increases | General Wage Increases | H&W and Pension Increases | Total Hourly Increases |
|---------------|------------------------|------------------------|---------------------------|------------------------|
| 2023 – 2028 | \$0.0900 | \$4.50 | \$4.36 | \$8.86 |
| 2018 – 2023 | \$0.0125 | \$2.20 | \$4.94 | \$7.14 |



Wages

Article 26



General Wage Increases:

All Regular Employees

| Date | Hourly Increase | Mileage Increase |
|--------------|----------------------|------------------------|
| August 2023 | + \$1.70/hour | + 2.0 cents/mile |
| January 2025 | + \$0.70/hour | + 1.5 cents/mile |
| January 2026 | + \$0.70/hour | + 1.5 cents/mile |
| January 2027 | + \$0.70/hour | + 2.0 cents/mile |
| January 2028 | + \$0.70/hour | + 2.0 cents/mile |
| Total | + \$4.50/hour | +9.0 cents/mile |

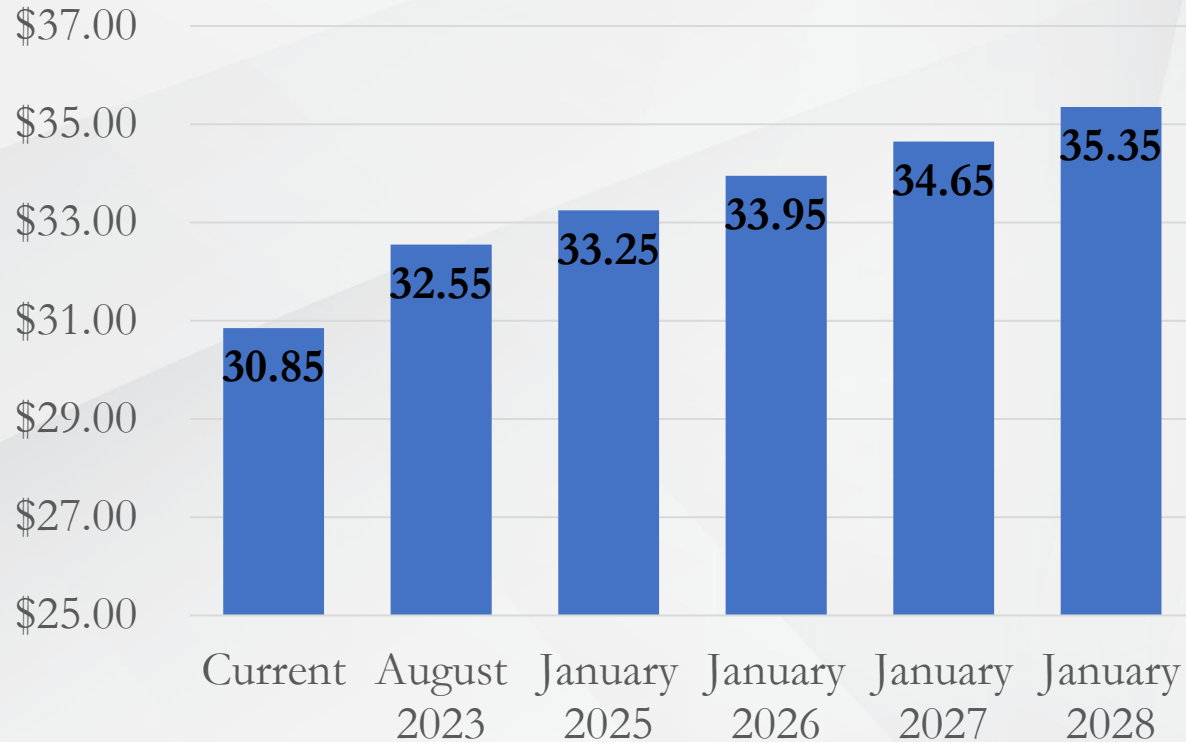
Casual employees receive a \$2.00 increase over the life of the agreement
(\$1.00 in year one).

\$270 million in new money over the life of the contract.

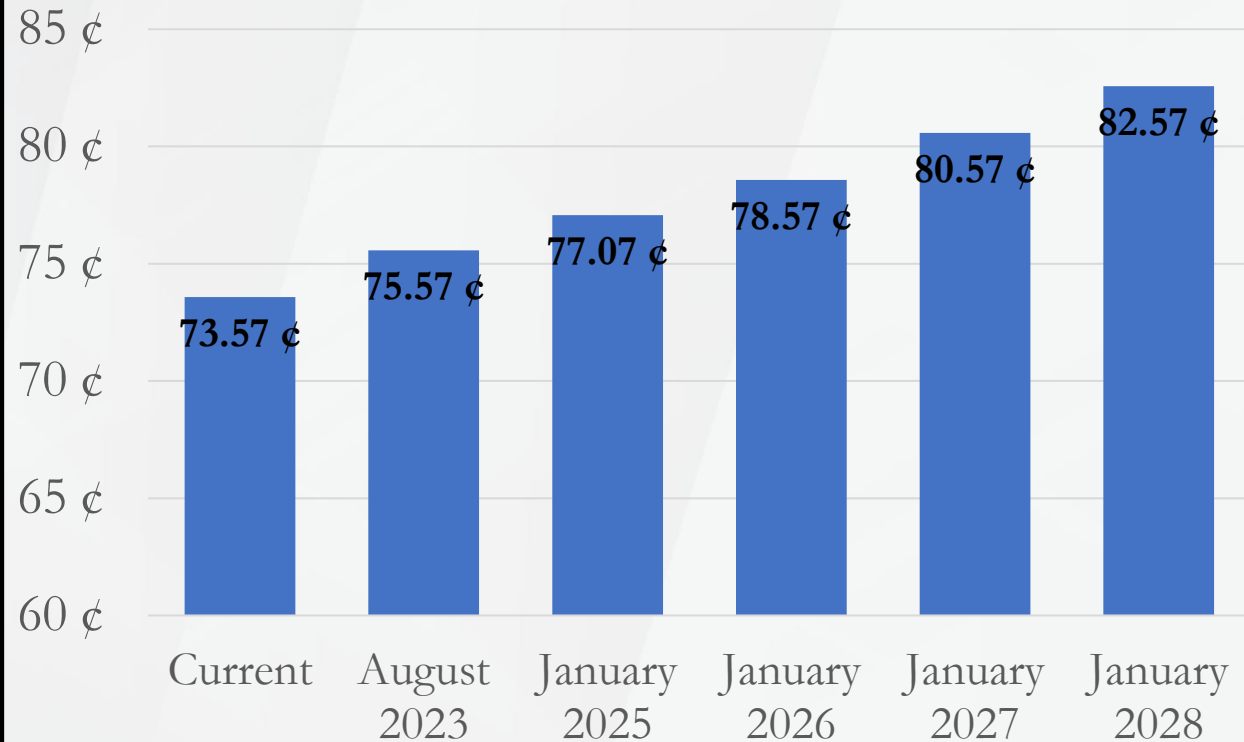


GWIs: Road and Local Cartage CDL

Top Hourly Rate



Top Mileage Rate



New Hire Rates

All employees hired on or after August 1, 2023 and employees who are in progression shall receive the following hourly and/or mileage rates of pay:

- **Start:** 80% of top rate in effect
- **12 Months:** 90% of top rate in effect
- **24 Months:** 100% of top rate in effect



Benefits:

Medical Plans and Retirement

Article 25: Section 1 and Section 6



Medical Plans

Employee monthly premiums decrease in Year Four (August 1, 2026), as noted below:

| Date | E/ee & Family | E/ee Plus | Single |
|-----------------------|---------------|-------------|-------------|
| <i>Current</i> | <i>\$135</i> | <i>\$90</i> | <i>\$45</i> |
| August 1, 2023 | \$135 | \$90 | \$45 |
| August 1, 2024 | \$135 | \$90 | \$45 |
| August 1, 2025 | \$135 | \$90 | \$45 |
| August 1, 2026 | \$90 | \$45 | \$0 |
| August 1, 2027 | \$90 | \$45 | \$0 |

This change costs about \$4.0 million in year four and \$8 million over the life of the contract. The company also covers \$103 million in increased plan costs over the life of the contract.



Section 6: Retirement

Effective Year Four (January 1, 2027), eligible full-time and casual employees who have an hour of service in covered employment on or after January 1, 2027, will earn a monthly accrued benefit payable at a normal retirement age equal to **\$120 per year** times years of TForce Freight Service earned on or after January 1, 2027.

This change costs about \$25 million in year four and \$50 million over the life of the contract.



Benefits:

Discretionary Days, Holidays, Vacations

Article 25: Sections 2, 4, and 5



Section 2: Discretionary Days

- All full-time employees will be eligible to receive **six discretionary days (48 hours)** each calendar year. Unused discretionary days will be paid out at the end of each year.
- All employees entering full-time job classification will receive a **pro-rated number of discretionary days** once they have completed the probationary period according to the following table:

| Quarter Hired | 1 st | 2 nd | 3 rd | 4 th |
|--------------------|-----------------|-----------------|-----------------|-----------------|
| Discretionary Days | 4 | 3 | 2 | 1 |

- All casual employees will receive three discretionary days after one year of employment and will receive three discretionary days each subsequent calendar year.
- These changes cost about \$4.2 million in year one and \$21 million over the life of the contract.



Section 4: Holidays

- Adds MLK Day as an additional holiday for all employees who have completed probation.
- Costs about \$2.8 million in Year One and \$16 million over the life of the contract.



Section 5: Vacations

- All earned vacation will be paid out if you retire or pass away.
- Paying out accrued vacation for deaths and retirements costs about \$0.7 million in year one and about \$3.8 million over the life of the contract.



Subcontracting

Article 44



Subcontracting

Won back 140 jobs from layoffs and nearly 300 new road driver jobs due to reductions in subcontracting, resulting in \$151 million in wages and benefits for union workers.

| Date | Maximum Subcontracted Miles |
|-----------------------------------|-----------------------------|
| August 1, 2023 – January 31, 2024 | 45.8% |
| February 1, 2024 – July 31, 2025 | 44.8% |
| August 1, 2025 – July 31, 2026 | 43.9% |
| August 1, 2026 – July 31, 2027 | 41.9% |
| August 1, 2027 – July 31, 2028 | 39.5% |



Total Compensation 2023-2028: Local Cartage CDL

Top Hourly, Local CDL

