

MEMORANDUM OF AGREEMENT
between
The Province of British Columbia
as represented by the
BC Public Service Agency
and the
B.C. Government and Service Employees' Union


Re: Sale of the Liquor Distribution Branch (LDB)
Warehouses and Distribution System

In recognition of the February 21, 2012 announcement pertaining to the sale of the LDB warehouses and distribution system, the parties agree that the following provisions will apply in the event the proposed sale occurs:

1. All Distribution Centre and Wholesale Customer Centre employees in the RS&W Component employed at the Vancouver and Kamloops distribution centres and Stores 100 and 231 whose job is made redundant by the sale will be offered employment with the successful bidder. Auxiliary employees hired after March 31, 2012 will be designated as special project employees as per Clause 31.5(d), ie., transitional employment up to the date of completion of the sale to the successful proponent. If any auxiliary special project employee is employed for more than two years prior to the completion of the sale to the successful proponent, they will be retroactively considered an auxiliary employee in all respects pursuant to Article 31 as of the start date of their employment.
2. The new operator will be required to structure their business to be eligible for participation in the Public Service Pension Plan (PSPP).
3. The new operator will apply to the PSPP to become a participating employer in the pension plan.
4. The successful proponent will recognize the existing union certification and meet with the Union prior to the transfer of the program for the purpose of consolidating the current Master and applicable component agreements into one amended agreement which is relevant to the sector. If an extension of the term of the agreement is required, the parties shall agree on appropriate amendments including compensation. It is agreed that a desired outcome is an agreement with at least two years duration from the date of disposition of the program to expiry of the agreement.
5. The parties recognize that employees should be encouraged to accept employment with the successful bidder and that those employees requiring placement within the Employer's operations should cooperate fully to have their placement concluded as expeditiously as possible.
6. Any employee who accepts an offer of employment with the new operator will be covered by MOU 9 and Clauses 36.2 and 36.3, with the exception of Clause 36.2(c)(6).
7. The employer will offer early retirement and voluntary departure programs as outlined in Appendix A for any employee adversely affected.
8. Employees who are not employed by the successful bidder will be covered by Master Agreement Article 36.

9. An employee receiving severance payment shall repay the payment if employed or contracted by the successful bidder or re-employed or contracted by the Province during the period equivalent to the severance pay.
10. Where the provisions of Master Agreement Article 36 modify or are in conflict with the terms of this memorandum of agreement, the terms of this memorandum of agreement will prevail.
11. This memorandum of agreement comes into force and effect April 1, 2012.

For the BCGEU:



Darryl Walker
President


Craig MacKay
Retail Stores & Warehouse Chairperson


David Vipond
Director, Negotiations

Dated this 21st day of March, 2012.

For the Employer:


Bert Phipps, BCPSA
Assistant Deputy Minister


Michael Procopio
Executive Director,
Liquor Distribution Branch


Bill Carragher, BCPSA
Director, Labour Relations

APPENDIX A
Early Retirement Incentive Program and Voluntary Departure Program

A. Eligibility

The parties agree that regular employees in the Public Service Bargaining Unit in the LDB warehouse and distribution system will be eligible for an ERIP and a VDP as outlined below.

B. Early Retirement Incentive Plan (ERIP)

- (i) This ERIP is available to eligible employees who are at least 55 years of age on or before the date of disposition or have sufficient pre-retirement leave into the future to reach their 55th birthday.
- (ii) For employees meeting the above criteria, ERIP shall provide for an unreduced pension if age plus years of contributory service add up to 80 (Rule of 80). For those employees eligible to retire whose combined age and service add up to less than 80, pension is reduced by 3% for every year their age is less than 60 or their age plus service is less than 80, whichever is the lesser.
- (iii) In addition, employees who qualify and accept ERIP will also receive a lump sum payment equal to six months base salary which may be used as pre retirement leave. Benefits under this provision shall not exceed the time that would be required to reach the employee's maximum retirement age.

C. Voluntary Departure Program (VDP)

- (i) A VDP is available to eligible employees who are not eligible to retire under ERIP because they are not 55 years of age or do not have sufficient pre-retirement leave to reach their 55th birthday.
- (ii) For employees meeting the above criteria the VDP shall provide for a lump sum payment of three weeks of base pay for every year (1827 hours at straight-time rate) of service seniority, or major part thereof, as a regular employee to a maximum of 12 months base pay.

D. Timing

These programs will be made available prior to the disposition date. The Employer may establish reasonable timeframes for employees to exercise their options to retire or sever under these voluntary programs. The employees last day at work under ERIP, last day on pay under VDP must be no later than the effective date of disposition. An option elected under this clause is irrevocable for 90 days or other period as agreed by the Article 36 Joint Committee.

E. Funding

The cost of the Early Retirement Incentive Plan and the Voluntary Departure Program shall be borne by the applicable ministry and shall not be charged to the Public Service Pension Plan.

F. General

- (i) An employee receiving a lump sum payment or severance payment shall repay the payment if employed or contracted by the successful bidder or re-employed or contracted by the province during the period equivalent to lump sum payment or severance pay.
- (ii) Eligible employees who take advantage of ERIP or VDP shall waive their rights to any severance payment pursuant to Articles 12, 13 and 36 of the Master Agreement.