



Edmonton

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Calgary

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Lethbridge

ph. (403) 328.4245 fx. (403) 320.9288 #104, 3305 18 Ave. N. Lethbridge, AB T1H 5S1 United Food and Commercial Workers Canada Union, Local No. 401

Brooks

ph. (403) 501.8486 fx. (403) 501.5144 P.O. Box 1148 631 - A Sutherland Dr. E. Brooks, AB T1R 1B9

Fort McMurray

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Dental:

1.866.961.6147

Dental (meats): 1.800.667.2816

Safeway PT Benefits: 1.866.544.9686

Superstore PT Benefits: 1.866.342.3513

Pension: 1.888.811.7227

www.ufcw401.ca ufcw@ufcw401.ab.ca

> UFCW local 401

Andrew Follwell

Vice President, Labour Relations & HR Shared Services 4980 Tahoe Blvd. Mississauga, Ontario, L4W 0C7

January 24, 2025

RE: Safeway Contract Offer Vote Outcome

We write on behalf of UFCW Local 401 and our Safeway membership to advise on the outcome of our vote on your offer.

To reiterate, this was a consensual, internal union vote. It was a without prejudice vote and we have identified a number of related caveats.

We have been investigating Sobeys' conduct on an ongoing basis and continue to do so.

We have been clear.

The vote outcome is under consideration insofar as large numbers of employees have indicated they feel the Company has engaged in undue influence and coercion. Indeed, there is considerable evidence that the Company has in fact engaged in undue influence and coercion.

Subject to our ongoing investigation, litigation, and other considerations, we can nonetheless provide you with the following initial data:

- 64% of Safeway employees who work under the Province-Wide Retail Agreement have rejected the offer on an unadjusted basis.
- 58% of Safeway employees who work under the Southern Meats and Deli Agreement have rejected the offer on an unadjusted basis.
- 67% of Safeway employees who work under the Northern Meats and Deli Agreement have rejected the offer on an unadjusted basis.
- The average of those three figures is 63% on an unadjusted basis.
- The adjusted rejection percentage for Safeway employees who work in the province of Alberta is 80%.*

* Adjusted data is a reasonable, quantifiable, and qualifiable estimate of what the voting outcome would have been absent undue influence and coercion from the Company.

We are hopeful that notwithstanding this data, the robust debate that has occurred around this issue, and the other matters we have described, Sobeys will now take time to pause and reflect.

In the last number of weeks, you have chosen to act on a particular strategy. We have objected to that strategy. But as you have said, labour relations does not occur in a vacuum and it is most certainly a fluid process that requires constant evaluation and reevaluation.

We hope very much that you will depart from your strategic past and pursue a more conciliatory future. Your employees have spoken, and, with respect, we ask that you hear them.

We request that you retreat from your past stated intention of rolling back wages and seeking recoup from top-rate and overscale employees. If wage reductions occur, we will grieve and pursue other legal actions.



your . **VOICE** at work

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www.ufcw401.ca ufcw@ufcw401.ab.ca As you know, we are pursuing a stay application at the Alberta Court of Appeal in February. But quite apart from the ongoing legal matters, we again present a moral argument. It is grotesquely unfair to do this to your own employees during these times.

Local 401 cannot determine your course of action. You will choose your course of action, or a court will have to tell you what to do.

You consensually agreed to raise wages after union inquiries, and you did not ask the Court of King's Bench to roll back wages. You were only awarded an opportunity to rearbitrate the matter.

Again, we reiterate that you in fact agreed to the wage increases and it is now unlawful and improper to retreat from that agreement. If you did not wish to implement the wage increases, then you should have told us so and not in fact implemented them.

Also, you have led your own employees out on a limb, and they have now understandably become dependent on those increases. You can most certainly afford to pay them. They can most certainly not afford to do without them.

We have other arguments, as well. But we are certain that if you consult with your lawyer, you will see our point.

Also, and on behalf of our members, as the exclusive bargaining agent, we advise that we do not agree to repay any monies, and nor do your employees. Asking Safeway workers to agree as individuals would violate the principles of trade union exclusivity. In light of this notice, we would view any request on your part to have those members agree to repayments on a personal basis to be coercive and invalid.

However, and with respect, I am certain we can agree that the path forward will be a smoother one if these arguments do not need to be made and that you do not engage in any of these actions.

Your business in Alberta has a very bright future. There is significant population growth, you continue to enjoy incredible revenues, and you will have access to a much broader customer base.

Your employees would like to work with you to engage those customers in actualizing and expanding the Safeway trademark. That trademark is worldclass service. Your employees stand ready to provide that service for you.

Returning to the bargaining table and a process that allows sufficient time and space to negotiate without threats will surely yield a positive collective agreement outcome for you and your employees.

There is nothing that can't be negotiated, there is no problem that can't be solved, there is no piece of litigation that lacks a solution.

We respectfully request to commence the process of scheduling collective bargaining meetings. As you know, this process is inevitable and will be triggered by a notice to commence collective bargaining. Both parties will be required by law to meet and bargain in good faith. Notwithstanding your representations to your employees, you know very well that we will be meeting and that these meetings will be required by law.







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www.ufcw401.ca ufcw@ufcw401.ab.ca We are ready and willing to commence that process early or after that notice is brought, and we are committed to the effort required to get past the months we have just seen and bring all of this to a sensible and positive conclusion.

What's done is done, and what is important now is to mend fences and come together in these tumultuous times to ensure the well-being of the Company and its treasured employees.

As an olive branch and as a sign of good faith, we have asked to pause our television advertising campaign in the hope that you can respond in kind and send a signal to your employees that you are prepared to retreat from causing financial hardship to them, that you respect the vote outcome, and that you are prepared to re-evaluate your position.

You should know that our television ads have now reached millions, and we have now formed alliances with thousands and thousands of customers.

Sincerely,

Thomas Hesse, President

Richelle Stewart, Secretary Treasurer UFCW Local 401



