Pension Contributions Due for “All Hours for Which Wages Are Payable” included Overtime Hours



Unionized workers sought a determination about how pension contributions should be paid for over time hours. An earlier agreement required contributions for “regular hours worked or paid at straight time.” A second agreement replaced that with a requirement that contributions be made for “all hours for which wages are payable.” That second agreement also provided a definition of “hours worked” which included regular hours, holidays, vacation, sick and other leave and up to 120 hours of banked time taken as time off from work. The arbitrator said the two provisions were ambiguous and asked the parties to submit extrinsic evidence that might help with interpretation. An arbitrator agreed with the union’s interpretation that the collective agreement required pension contributions on paid overtime hours. One reason was that when the employer announced the change to the employees it didn’t indicate there’d be a limitation on the provision for contributions based on all hours for which wages were payable. The court found that nothing indicated the arbitrator’s finding was unreasonable and upheld it.