

Replaces

MECHANICS' REMUNERATION
File

A-28

Date

The schedules detailed below (submitted for Pages) guidance of dealers who prefer a piece work or flat rate wage basis for mechanics and service men instead of an hourly or weekly rate.

The systems are as follows:-

Scheme A

Used by rural dealers - contracts up to 300 cars.

<u>Labor Sales Price</u>	<u>Mechanic</u>	<u>Dealer</u>
Ford Flat Rate or \$1.50 or less per hour.	# 50%	50%

Mechanics paid only for actual operations performed.

Scheme B

Used by Urban Dealers or shops where volume varies daily and majority of jobs are light service with low labor sale amount.

<u>Labor Sale Price</u>	<u>Mechanic</u>	<u>Dealer</u>
Ford Flat Rate or	x Jobs under \$3.00 - 55%	45%
\$1.50 per hour or	x " \$3.00 to \$10.00 - 50%	50%
less	x " over \$10.00 - 45%	55%

x Amounts are total sale value of work performed by one mechanic. Mechanics paid only for actual operations performed.

Scheme C

<u>Labor Sale Price</u>	<u>Mechanic</u>	<u>Dealer</u>
Ford Flat Rate	// 50¢ per hour plus	80% of flat rate
or \$1.50 per hour	20% of flat rate or	or 80% of amount
or less	50¢ per hour plus 20%	charged to owner
	of hourly rate charged	on hourly rate.
	to owner	

// Mechanics are paid for full time regardless of volume of work received or operations handled.

Note:- Schemes A and B. Mechanic will handle come backs when due to defective workmanship, at 30% of flat rate prices. When come back is due to circumstances beyond control of mechanic, regular job price will be paid.

(Cont'd on P.2)

Ford Motor Company of Canada LIMITED

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SERVICE

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Scheme C. Mechanic receives hourly rate for come backs due to defective workmanship. Where due to circumstances beyond his control regular prices will be paid.

Schemes A-B-C

Cost of regular janitor services are predetermined and deduction of 5% made from each employee's weekly pay. If cleaning cost exceeds predetermined amount (agreed to by mechanics) excess is deducted from 5% fund. If below predetermined amount saving is distributed pro rata on basis of pay-roll amounts to mechanics.

SERVICE SALESMEN AND INSPECTORS

Service Volume may be stimulated by paying Service Salesmen a commission on sale of oil changes (not less than 1 gallon) .10¢, Lubrication contract \$2.00, Battery .50¢, heater .75¢ Sale of other regular and seasonabl operations may be increased by offering an extra or special inducement to Service Salesmen. Scott-White Motors - Windsor, increased their sale of oil changes from 58 to 72 average by paying .15¢ commission on each oil change sale.

Sale of lubrication contract is initial step in securing approximately \$50.00 service volume as shown below -

400 Lubrication contracts @ \$10.00	\$4000.00
(Average of \$2,000.00 cash on hand paid in advance)	
4800 Oil Changes @ 1.50	7200.00
(x) 4800 Service & Misc. @ 2.35	<u>11280.00</u>
Total Volume	\$ 22480.00
400 Contracts @ 2.00 commission	<u>800.00</u>
	\$ 21680.00
Estimated Profit \$5,000.00 to \$6,000.00	

(x) Includes service operations, parts and accessories.

Service.