

**COLLECTIVE AGREEMENT**

**Between**

**Saputo Foods Limited**

**and**

**International Union of Operating Engineers,  
Local 882**

**Term of Agreement: April 1, 2007 to March 31, 2013**

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**THIS AGREEMENT made the 23<sup>rd</sup> day of July 2008.**

**BETWEEN: SAPUTO FOODS LIMITED**  
as the Party of the First Part  
- hereinafter called the "**COMPANY**"

**AND: INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 882**  
as the Party of the Second Part  
- hereinafter called the "**UNION**"

## **1 - PREAMBLE**

The mutual interest of the Company, the Union and its Members is hereby recognized; and the Parties to this Agreement are pledged to assist in the operation of the Power Plant under methods that will promote safety and efficiency to the fullest extent.

## **2 - PERIOD OF AGREEMENT**

- (a) This Collective Agreement shall be in full force and effect from and including **April 1, 2007** to and including **March 31, 2013**, and shall continue in full force and effect from year to year thereafter subject to the right of either party to this Collective Agreement within four (4) months immediately preceding **March 31, 2013** or immediately preceding the anniversary date in any year thereafter, by written notice to the other party, require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of this Collective Agreement or a new Collective Agreement.

Should either party give written notice to the other party pursuant hereto, this Collective Agreement shall thereafter continue in full force and effect until the Union shall strike, or the Company lock out, or the parties shall conclude a renewal or revision of this Collective Agreement or a new Collective Agreement.

- (b) The operation of Sections 50(2) and (3) of the Labour Relations Code of British Columbia is hereby excluded.

### **3 - UNION RECOGNITION AND RIGHTS**

(a) **Union Security**

The Company will notify the Union of any vacancy and interview those supplied by the Union provided that, however, if the Union is unable to furnish satisfactory applicants within a reasonable length of time, the Company may hire applicants who are not members of the Union, but such applicants must become, and remain, members in good standing of the Union within three (3) days of accepting employment with the Company.

(b) **Shop Stewards**

Shop Stewards may be elected or appointed by the Union from time to time and the Union will inform the Company of such elections and appointments.

Complaints and grievances of a minor or emergency nature may be submitted verbally by a Shop Steward to the designated representative of the Company prior to processing in the manner outlined in the grievance procedure.

A Shop Steward may investigate a grievance or complaint on Company time provided prior approval is granted by the Supervisor and that such time does not interfere with the operation of the Department or Plant.

The Shop Steward and the designated representative of the Company shall make every effort to resolve grievances and complaints as quickly as possible.

### **4 - DIRECTION OF THE WORK FORCE**

The Management of the Company's business and the direction of the working forces including the hiring, firing, layoff, promotion of employees is vested exclusively in the Company, except as may be otherwise specifically provided in this Agreement.

### **5 - DEFINITIONS**

The term "Engineer" whenever used in this Agreement, shall apply to the Chief Engineer, all Shift Engineers, all Assistant Engineers, and all those performing maintenance, who are regularly employed in the Power Plant of the Company, unless the context otherwise requires.

## 6 - JURISDICTION

- (a) The Engineers in charge of Shift shall at all times have full charge of the operation and maintenance of all boilers, steam engines and all mechanical and electrical equipment in the boiler and engine rooms, and process refrigeration as required by the Chief Engineer, and perform such other duties as will be recognized from time to time as coming within the Craft's Jurisdiction.
- (b) The Chief Engineer shall at all times have full supervision of the operation and maintenance of equipment within the scope prescribed in Section (a) of this Article as directed by the Company.

## 7 - WORKING HOURS AND RULES

- (a) The regular working hours shall be a minimum of nine (9) hours in one (1) day inclusive of a one-half (½) hour lunch break or thirty-six (36) hours in one (1) week; days off to be consecutive and arrangements of working shifts to be negotiated locally. The Parties agree that a twelve (12) hour shift per day and thirty-six (36) hours in one (1) week day comply with this Article. Where feasible other hours can be negotiated locally between the Company and the Union. The regular day shift shall be a shift commencing between the hours of 6:00 a.m. and 8:00 a.m.

Shift schedules showing the starting times, days of work and days of rest shall be posted in a conspicuous place and shall not be subject to change or alteration unless mutually acceptable to the Company and Union concerned.

- (b) It is understood and agreed that no Engineer shall be permitted to leave the Plant for more than ten (10) minutes while steam is being drawn from the boilers and no other work that may be assigned to them shall be allowed to interfere with the safe operation of the boilers and machinery.
- (c) The Business Representative of the Union shall, on presentation of his credentials, be permitted admittance at any time to any part of the Plant or building in which said Engineers are employed, for the purpose of calling on the Engineers on duty.
- (d) All Engineers, with the exception of the Chief Engineer, will be required to rotate shifts equally unless otherwise mutually agreed upon by all parties within the local Plant.

## 8 - JOB POSTINGS

- (a) In the event of a vacancy occurring in any classification covered by the Collective Agreement or in the event of a new position being created, notice thereof shall be posted in all Plants for five (5) calendar days and a copy shall be mailed to the Union.
- (b) Such postings and notice shall contain the following information: nature of position required; qualifications; hours of work; wages as per Contract schedule and the closing date for accepting applications.
- (c) The Union shall be advised in writing of the names of the successful applicant(s) within five (5) working days following the appointment.
- (d) When duties in any classification are substantially changed or when a new position is created, the Union shall be notified.
- (e) The Company agrees, where employees transfer from one Plant to another, to retrain employees to meet job requirements.
- (f) Employees taking a course recommended by the Company shall be reimbursed one hundred percent (100%) of the course fees. Employees requesting to take a job related course will, upon approval of the Company, be reimbursed fifty percent (50%) of the cost of the course fees on successful completion.
- (g) **Change of Shift**

Where an employee's shift is substantially changed, that employee may exercise his right to displace a more junior employee in the affected Plant or location only. The resulting shifts shall be filled in order of seniority with no additional staff being required.

Where a complete change in the shift schedule occurs, the new shift schedule shall be posted and shifts shall be chosen in order of seniority within the Plant.

(h) **Temporary Postings**

Where a vacancy occurs as a result of illness or injury, anticipated to be greater than sixty (60) days, it shall be considered temporary and shall be filled in accordance with Article 8 - Job Postings of the Collective Agreement, subject to the following:

1. There shall only be one (1) posting and one (1) employee move as a result of the temporary posting. Any resulting vacancy shall be filled in accordance with Article 8.
2. An employee who is successful in applying to a temporary posting must be able to perform the work required.
3. The temporary posting will continue until the employee returns to employment or there is medical evidence indicating that the employee is unable to return to his/her former posting.
4. Once the temporary posting is over, the employee filing the temporary posting shall return to his/her former position without loss of seniority.
5. Should the affected employee be unable to return to work and the vacancy becomes a permanent position, it shall be reposted as a permanent position as per the Collective Agreement.



## 9 - SCHEDULE OF WAGES

- (a) The Company agrees to pay all Engineers bi-weekly, and not less than the following schedule of wages for the work performed, and this schedule shall remain in force during the life of this Agreement:

### WAGES PER HOUR

Classification	Present	2007	2008	2009	2010	2011	2012
		3%	3%	2.5%	2.5%	1% + Cola	1% + Cola
Shift Engineer	\$31.67	\$32.62	\$34.60	\$35.47	\$36.36		
Chief Engineer (additional)	\$2.76	\$2.76	\$2.76	\$2.76	\$2.76	\$2.76	\$2.76
Chief Engineer Sperling Plant (additional)	\$2.76	\$2.76	\$2.76	\$2.76	\$2.76	\$2.76	\$2.76
Asst. Chief Engineer & Senior Eng. (additional)	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

**NOTE:** Wages are based on the Shift Engineer's hourly rate and are not cumulative within each column.

**NOTE:** Wage increases only are retro-active effective the 1<sup>st</sup> first full pay period of April, 2007. Wage increases the following years will commence beginning the first full pay period in each fiscal year.

Effective 1, 1989	Saturday and Sunday Shifts	\$1.95/hr premium
	2 <sup>nd</sup> Shifts	\$1.95/hr premium
	3 <sup>rd</sup> Shifts	\$1.95/hr premium

## **COST OF LIVING ALLOWANCE**

**The standard of living of employees shall be protected through the application of a Cost of Living Allowance (COLA). The COLA will be based on the Consumer Price Index for British Columbia (CPI – BC) for “All-items” as published by Statistics Canada and shall use a starting base index of 2002 = 100 for the contract years April 2011 and April 2012 to March 31, 2013.**

**Effective the beginning of the first pay period April 2011 and 2012, the COLA adjustments calculated from the preceding twelve (12) months (April through March, inclusive) for the contract years that begin 2010 and 2011 and shall be folded into the wage rates, as shown in the Wage Schedules.**

**Relief** - Any employee assigned to relief duties shall receive **eighty-five cents (\$.85)** per hour in addition to his regular rate of pay.

**Sunday Shifts** - Any employee required to work on Sunday as part of his regular shift shall be paid, in addition to his regular hourly rate, \$1.95 per hour for all hours worked on said day.

In the event that a re-classification of employees takes place outside of the above stated classifications, the Company may establish a rate for the new classification. Should the Union raise no objection to the rate established within thirty (30) days of its application, such rate will remain in effect for the duration of the Agreement subject to the wage revisions as applying above.

- (b) Any **9 hour** shift commencing between the hours of 3:00 p.m. and 4:30 p.m. or when the majority of hours worked are after 3:00 p.m. that shift shall be considered a second shift (afternoon shift). Employees working a second shift shall, in addition to their regular pay, receive \$1.95 per hour over their regular rate, a shift premium for all hours worked.
- (c) Any **9 hour** shift commencing between the hours of 11:00 p.m. and 12:30 a.m. or when the majority of hours worked are after 11:00 p.m. that shift shall be considered a third shift (night shift). Employees working a third shift shall, in addition to their regular pay, receive \$1.95 per hour over their regular rate, a shift premium for all hours worked.
- (d) Any employee required to work overtime on second (2nd) or third (3rd) shifts, will receive the shift differential applicable exclusive of overtime premium.

- (e) Where the Chief Engineer is absent for a period of five (5) or more consecutive days, an employee shall be assigned to relieve the Chief Engineer and shall be paid the full rate of the Chief Engineer, or at ten percent (10%) more than the relieving employee's regular rate, whichever is the lesser.

This provision shall not apply to the Assistant Chief classification.

- (f) **One time Trades Adjustment**

**Retro-Active to full pay period June 22, 2008 following ratification and after the retroactive wage increases there will be a one time "Trades Adjustment" of one dollar (\$1.00) per hour.**

- (g) **Following the first full pay period after ratification increase the Night Shift twelve (12) hour to two dollars eighty cents (\$2.80)**

## **10 - OVERTIME**

- (a) Any time worked over and above eight (8) hours per day, or thirty-six (36) hours per week shall be deemed overtime unless other provisions have been negotiated locally between the Company and the Union. Such overtime shall be paid for at the rate of double time or equivalent time off may be taken by mutual consent.

**Where an employee has accumulated such days off as described above during any calendar year between January 1<sup>st</sup> and December 31<sup>st</sup>, he shall, in mutual agreement with the Company, take these days off prior to May 31<sup>st</sup> of the following year.**

1. **The Company and the Engineer must make every reasonable effort to schedule such accumulated days off prior to May 31<sup>st</sup> each year. Any time not taken by May 31 each year will be paid out the first full pay period in June each year.**
2. ATO will not take precedence over premium time vacations.
3. ATO accumulated shall be taken as time off or paid at the rate at which it is earned.

(b) Double time shall be paid under the following circumstances:

1. For all time worked on call backs:
  - (a) a minimum of two (2) hours at double time if work commenced.
  - (b) a minimum of one (1) hour at double time if work not commenced.
  - (c) "immediate call backs" to be paid from time of notification.
2. For all work performed on an employee's scheduled rest days.
3. In all cases of overtime work there shall be a break of eight (8) hours before commencing a new shift. Where this is not possible, the following shift shall be paid at double time (2T).
4. In the event of an emergency, or an early call-in, an employee may be called in four (4) hours prior to and combined with his regularly scheduled shift without evoking Article 10(b)(3). The employee shall receive double (2) time of the prevailing rate up to the commencement of his regularly scheduled hours.
5. Should any employee be instructed to start later than his normal starting time in order to be allowed an eight (8) hour break, he shall suffer no loss of pay for such hours not worked within the shift.
6. Any employee having reached the age of sixty (60) years may at his option, accumulate overtime hours at the rate of pay at which they are earned towards early retirement.
7. Where practical, the Company will endeavour to equalize overtime within a classification at any one (1) Plant or location.

## 11 - GENERAL HOLIDAYS

(a) The General Holidays are:

New Year's Day	Labour Day	Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day	Canada Day	Christmas Day
BC Day	Boxing Day		

and one (1) additional (floating) Statutory Holiday to be a mutually agreed upon day for each employee, or any other days substituted for these days, and any additional day proclaimed a General Holiday by the Federal or Provincial governments. **Canada Day is recognized on July 1<sup>st</sup> except when it falls on Sunday, in which case as per the Federal Canada Day Act, Monday July 2<sup>nd</sup> becomes the holiday.**

- (b) When a statutory holiday falls on a employee's regular day off, additional time off shall accumulate based on a nine (9) hour day or twelve (12) hour day (thirty-six (36) hour work week) as per the employee's scheduled shift during that week.
- (c) The Company shall grant each of the employees, for each General Holiday falling on a non-working day, a substitute work day off with pay at some other time.
- (d) If an employee is required to work on a General Holiday falling within the course of his regular weekly shift, he shall have the option of receiving double (2) his prevailing rate or two (2) days off with pay at a mutually agreed time in addition to his regular pay.
- (e) If the Holiday should fall on a employee's regular day off and he is required to work, he shall be paid at double time and one-half (2 ½) for such work and receive an additional day off with pay.
- (f) All Holidays with pay given in lieu of the General Holiday, as described above, may be accumulated and taken off by mutual consent.
- (g) All General Holidays shall be recognized on their respective calendar days for the purpose of General Holiday Pay.
- (h) An employee who is off work due to illness shall be paid for all of the above Holidays that fall during period of illness if he has worked on any of the thirty (30) days following such Holidays. This provision does not apply to employees who are on layoff.

Where an employee has accumulated such days off as described elsewhere in this Section (General Holidays) during any calendar year between January 1st and December 31st, he shall, in mutual agreement with the Company, take these Holidays prior to May 31st of the following year.

**If the accumulated days off are not utilized before the May 31st deadline, the employee shall be paid out at regular rates the first full pay period in June each year.**

Such accumulated days off may be scheduled after the deadline of May 31st of the following year if mutually agreed between the Engineer and the Company. It is understood that the Engineer will not receive the additional premium requirements contained herein if such accumulated days off are not utilized before May 31st.

The Company and the Engineer must make every reasonable effort to schedule much accumulated days off prior to May 31st.

Any employee having reached the age of sixty (60) years may, at his option, accumulate General Holidays at the rate of pay at which they are earned towards early retirement.

## 12 - WELFARE PLAN

- (a) A Welfare Plan giving the following benefits shall continue to be provided by the Company to all employees under this Agreement, at no cost to the employees. The Employer agrees to facilitate but not administer or adjudicate the standard form Welfare Plan. The Company's responsibility is to pay its share of the applicable premium costs.

The Company agrees to make available to all full time posted employees the following health and welfare benefits upon completion of the probationary period:

1. Life Insurance maximum - \$75,000.00  
Single - \$30,000.00  
First dependant - \$30,000.00  
Each additional - \$ 7,500.00
2. Accidental Death and Dismemberment  
Maximum - \$30,000.00
3. Weekly Indemnity of sixty-five percent (65%) of gross base rate per week on a 1-4-52 basis shall be provided.

In addition, when an employee with over seven (7) years service is on Weekly Indemnity, he may, at his option, make up to full salary by using accumulated sick days to a maximum payable under the Unemployment Insurance Commission Program.

The Company agrees to provide a Weekly Indemnity amount equal to or greater than the amount payable under the Unemployment Insurance Commission Program.

4. Long Term Disability Plan providing the employee with a monthly benefit amounting to fifty percent (50%) of monthly base earnings payable to age 65.

This benefit to be reduced by any amount payable by the Canada Pension Disability Plan.

5. Extended health benefits as provided by the Medical Services Association.

6. Medical coverage and benefits as provided by the Medical Services Plan of B.C.
7. An Optical Plan to provide **\$175.00 of coverage** each two year period applicable to each eligible person.
8. The cost of the benefits contained in Article 12 WELFARE PLAN shall be paid one hundred percent (100%) by the Company.
9. The Company shall provide and pay the entire cost of a Dental Insurance Plan which provides the following coverage:
  - 100% payment of claims for Plan "A"
  - 75% payment of claims for Plan "B"
  - 50% payment of claims for Plan "C" to a maximum of \$1,500 per life.
10. An employee covered by this agreement shall be a member of the Saputo Foods' Retirement Income Plan. Contributions on behalf of the employees will be totally funded by the Company. A summary of the details of the plan will be made available to all employees.
11. Employees shall receive up to ten dollars (\$10.00) on voluntary presentation of a receipt from a Physician for having any statement of disability completed in any sickness or accident period.
  - (b) When an employee goes off work ill or on compensation, the Company shall continue to pay his welfare fees so that at all times the employee shall be protected to the utmost. When an employee returns to work, the Company shall deduct any monies he has paid on the employee's behalf. In the event the employee does not return to work and the Company cannot get restitution for such monies paid out, the Engineer's Local shall then reimburse the Company for the said amount.
  - (c) Employee's portion of the EI rebate shall be retained by the Company to pay for escalating costs of the benefit package.

Exceptions - Temporary employees whose term of employment does not exceed ninety (90) days.

(d) **Subrogation**

If an employee is entitled to recover damages for loss of income from any government supported or crown agency as a result of personal injuries which are sustained by the employee and for which he is entitled to receive benefits under the Weekly Indemnity and Long Term Disability Insurance Benefits Provisions, the carrier will be subrogated to all the rights of recovery of the employee for loss of income to the extent of the sum of the benefits paid or payable to him under such provision.

- (e) An employee filling a part-time or temporary vacancy shall, upon completion of the probationary period, be eligible for basic provincial medical only or if working 50% or greater of the weekly regular full time hours the full benefit package. Part-time or temporary employees who are eligible for full benefits shall be eligible to receive the R.R.S.P. plan prorated based on actual hours worked.

### **13 - SICK LEAVE**

**Both parties recognize that where attendance is not possible and is beyond the employee's control, it is his responsibility to inform the Company in a timely manner, and in accordance with established Company procedures. The Company grants paid Sick Leave to employees in order to provide protection from loss of earnings when incapacitated from work due to illness.**

**Effective the first (1<sup>st</sup>) full pay period of each fiscal year, full-time employees with one (1) year or more service shall receive fifty-four (54) hours Sick Leave. New employees that have completed their probationary period shall receive a pro-rated portion of entitlement.**

**An employee who works the complete fiscal year shall receive a pay-out of one hundred percent (100%) of his unused Sick Leave.**

**An employee who works the complete fiscal year and has not used any Sick Leave shall receive a pay-out of one hundred twenty-five percent (125%) of his unused Sick Leave.**

**An employee absent due to any combination of WI or LTD in excess of thirty (30) days shall have his Sick Leave pro-rated for the purpose of payout.**



## 14 - VACATIONS

- (a) All employees with less than two (2) years service shall receive two (2) weeks off with full pay or four percent (4%) of their annual earnings, whichever is the greater.
- (b) All employees with two (2) years or more service shall receive three (3) weeks off with full pay or six percent (6%) of their annual earnings, whichever is the greater.
- (c) All employees with seven (7) years or more service shall receive four (4) weeks off with full pay or eight percent (8%) of their annual earnings, whichever is the greater.
- (d) All employees with fourteen (14) years or more service shall receive five (5) weeks off with full pay or ten percent (10%) of their annual earnings, whichever is the greater.
- (e) All employees with eighteen (18) years or more service shall receive six (6) weeks off with full pay or twelve percent (12%) of their annual earnings, whichever is the greater.
- (f) All employees with twenty-five (25) years or more service shall receive seven (7) weeks off with full pay or fourteen percent (14%) of their annual earnings, whichever is greater.

Provided, however, that any employee off ill or on Compensation shall be given annual holiday credit of:

- (1) two (2) months if entitled to two (2) weeks
- (2) three (3) months if entitled to three (3) weeks
- (3) four (4) months if entitled to four (4) weeks
- (4) five (5) months if entitled to five (5) weeks
- (5) six (6) months if entitled to six (6) weeks
- (6) seven (7) months if entitled to seven (7) weeks

in addition to all time worked during the year, provided further that the sum total of the time credited and time worked does not exceed one (1) year.

- (g) **It is the employee's responsibility to make their vacation selection(s) by April 1<sup>st</sup>. After this deadline any employee, regardless of seniority, may select any unscheduled vacation periods on a first come, first served basis according to their vacation entitlement.**
- (h) **An employee will have up to four (4) calendar days to make their selection or the employee will be bypassed and the selections will continue. A bypassed employee may make their missed selection at any time thereafter, but only from the remaining available weeks on the vacation schedule.**

- (i) **Employees making their first Summer Period selection shall, at their option, receive two (2) weeks in one (1) continuous period May 1<sup>st</sup> to September 30<sup>th</sup>.**
- (j) **The third, fourth, fifth and sixth and seventh week of Holidays to be taken concurrently with the normal two (2) weeks vacation period except where impairment to the efficient operation of the Plant may occur. It would then be taken at a date mutually agreed upon by Management and employee.**

## **15 - SENIORITY**

- (a) In the transfer or promotion of employees, qualifications and experience shall be the primary considerations and where such qualifications and experience are equal, seniority will be the determining factor.
- (b) In the lay-off of employees, seniority will be the only factor with lay-offs being based on last laid-off, first re-hired.

An employee shall not lose seniority rights if he is absent from work because of sickness, accident or leave of absence approved by the Company.

- (c) A probationary period of four hundred sixty-eight (468) hours worked shall apply in the case of each new employee, during which time seniority shall not apply and an employee may be laid off without reference to seniority. The Company shall not be obligated to rehire such employees. Upon completion of the probationary period, seniority shall date from the date of employment.
- (d) There shall be one (1) seniority list. Such list shall be supplied to the Union and to each Shop Steward at each Plant and shall include all employees covered by this Agreement who have completed their probationary period.
- (e) No employee shall accumulate seniority for bidding on a job unless he is already in a posted position.
- (f) Laid off employees shall retain their seniority for one (1) year.

## 16 - TERMINATION OF SERVICE

- (a) When terminating employment of, or by, an Engineer paid on an hourly basis - one (1) week's notice shall be given either party with the exception of termination for just cause.
- (b) In the case of Engineers who are employed on a monthly basis, not less than thirty (30) days' notice shall be given by either party.

## 17 - GENERAL

### (a) Tool Allowance

A basic tool allowance of **\$150.00** shall be paid to all employees in Engineers classifications.

**A tool depreciation allowance of twenty dollars \$20.00 per one hundred dollar \$100.00 value of tools shall be paid to a maximum of four hundred dollars \$400.00 per man per year. Payment to be made first full pay period after ratification and the first full pay period in January annually thereafter.**

### (b) Coveralls

The Company undertakes to supply coveralls and have them laundered at no cost to employee. The Company agrees to provide protective clothing when it is necessary.

### (c) Meal Allowance

Employees working more than two (2) hours overtime before or after their scheduled shift, shall be granted (on presentation of a receipt) up to ten dollars (\$10.00) meal allowance and sufficient time for such meal. In addition to the ten dollar (\$10.00) meal allowance, the Company agrees to reimburse employees for costs accrued for the transportation of meals.

### (d) Jury Duty

All working time lost by an employee to necessary attendance on Jury Duty or any Court proceedings arising out of his employment, shall be paid for at the rate of pay applicable to said employee. Any employee on Jury Duty shall, subject to this provision, make himself available for work before or after being required for such duty, wherever practicable. All Jury Duty pay or witness fees received by the employee from the Courts shall be reimbursed to the Company.

(e) **Bereavement Leave**

In the event of a death in the immediate family of an employee, the Company will grant up to three (3) days paid leave of absence to make arrangements for and/or to attend the funeral.

"Immediate family" shall mean both the employee's and spouse's parents, children, brother, sister, mother-in-law, father-in-law, grandparents, grandchildren, son-in-law, daughter-in-law, brother-in-law and sister-in-law.

(f) **Leave of Absence**

An employee may request a Leave of Absence and such permission shall not unreasonably be withheld. The basis of such refusal shall be when such Leaves will unduly affect the efficient operation of the Company. If such Leave of Absence is used for purposes other than those for which it is granted, it shall be cause for dismissal.

If any employee of the Company should be elected to act as a delegate for the Union, he shall be allowed, upon sufficient notification, reasonable Leave of Absence without pay for the transaction of Union business; provided that not more than one (1) employee shall be absent at any one time for every fifty (50) employees or portion thereof.

If any employee of the Company should be elected or appointed to serve the Union on a full time basis, he shall be considered upon sufficient notification, to be on Leave of Absence, without pay for a maximum period of four (4) years. He shall be re-employed at the same type of work which he performed prior to his Leave of Absence and with seniority accumulated; provided that not more than one (1) employee be absent at any one time.

(g) Any employee who is to be interviewed regarding any disciplinary action, shall be interviewed in the presence of a Shop Steward. All disciplinary notes shall be removed from an employee's file after four (4) years.

(h) **Safety Footwear Allowance**

All employees who have completed their probationary period as of January 1<sup>st</sup> of each year shall be eligible for reimbursement of up to **eighty-five dollars (\$85.00) per year (one hundred seventy dollars (\$170.00) for two (2) years)**, upon submission of an appropriate receipt.

Safety footwear must be in compliance with the Company's Safety Footwear policy.

(i) **First Aid Attendants**

Premium pay for First Aid Attendants shall be as follows:

Level II Certificate	\$2.00 per hour
Level I Certificate	\$0.60 per hour

(j) **The Company confirms its intent to provide training and development opportunities to present trade persons, so as to enhance their technical knowledge and skills.**

(k) **Any employee required to use his own car on Company business shall be reimbursed at the rate of forty cents (\$0.40) per kilometer and be reviewed annually by the parties. Employees using their own vehicles for Company business do so at their own risk and are subject to insurance regulations governing same.**

## **18 - SEVERANCE PAY**

(a) Technological change - in respect of a Plant employee termination arises out of or is attributable to:

1. the elimination of a job process, or
2. the introduction of equipment or method which reduces the number of employees shall be eligible for severance pay at the rate paid at the time of severance, or
3. Plant closure.

(b) An employee who is permanently laid off due to the discontinuance of an operation shall be eligible to receive severance pay as follows:

Employees with 1 - 5 years of service shall receive two (2) weeks severance pay.

Severance pay shall accrue at the rate of two (2) weeks of pay for each year of service but shall not exceed thirty-two (32) weeks of pay.

Senior employees in a department affected by permanent lay-offs who would not otherwise lose their employment may select to voluntarily terminate their employment and will be paid severance pay on the basis of one (1) week pay per year of service to a maximum of twenty (20) years service. The number of employees eligible for severance under this voluntary provision shall be determined by the Company each year.

- (c) Upon termination such employee shall be placed on the rehire list as provided for in Section 15 of this Agreement, for a period of four (4) weeks. At the end of four (4) weeks, the employee so affected shall have the option of remaining on the rehire list or accepting severance pay. Should he elect to remain on the rehire list, he may renew his option every fourth (4th) week, but in any event, providing no suitable employment has been provided by the Company, he must accept severance pay no later than fifty-two (52) weeks from the date of termination.
- (d) Any employee electing to take severance pay under the terms set out above shall forfeit all rights under this Agreement. Any employee electing to retire on pension prior to normal retirement age shall not be eligible for severance pay.
- (e) Severance pay shall be paid in addition to all other sums owing to the employee.

## **19 - GRIEVANCE PROCEDURE**

- (a) "Grievance" means any difference or dispute concerning the interpretation, application, administration or alleged violation of the Collective Agreement between the Company and any employee or employees bound by this Collective Agreement.
- (b) Grievance shall be settled in the following manner:
  - 1. If the employee has a complaint against the Company, it shall be referred to as a grievance and the procedure for settlement shall commence with Step 1.
  - 2. If the Company has a complaint, it shall be referred to as a dispute, and the procedure for settlement shall commence with Step 3.

### **Step 1**

The employee involved shall first take up the grievance with the supervisor directly in charge of the work within seven (7) calendar days of the circumstances giving rise to the grievance. The employee may be accompanied by a Shop Steward or Representative of the Union.

## **Step 2**

If the grievance is not satisfactorily settled at Step 1, the employee and the Shop Steward or Representative shall submit the grievance in writing to the Management of the Company (or other person designated by the Company) within the next seven (7) calendar days.

Within a further seven (7) calendar days following receipt of the written grievance, the designated Company representative (or other person designated by the Company) submit a written response to the employee and the Union Representative.

## **Step 3**

If a satisfactory settlement is not reached at Step 2, the Grievance shall be referred within the next seven (7) calendar days to the Representative(s) of the Union and the Representative(s) of the Company. Failing settlement within a further ten (10) calendar days of receipt of notice, unless an extension is mutually agreed to, the dispute may be referred to arbitration, as set forth in Article 19 or 20. In the event a grievance is initiated by the Company, the Company shall notify the Union, in writing, of the nature of the dispute and such notice shall be given within five (5) calendar days of the circumstances giving rise to the grievance unless the parties agree to an extension of time. Failing settlement within ten (10) calendar days of receipt of notice, unless an extension of time is mutually agreed to, the dispute may be referred to arbitration as set forth in Article 19 or 20.

- (c) If a grievance has not advanced to the next step, under Steps 1, 2 or 3 within the time provided, then the grievance shall be deemed to be abandoned, and all rights of recourse to the grievance procedure in respect of that complaint shall be at an end.

## **20 - ARBITRATION**

- (a) After completion of the grievance procedure, where any difference exists between the parties as to the interpretation, application, operation or alleged violation of this Agreement, including any question as to whether the matter is arbitrable or not, the matter may be referred by either party to an Arbitration Board of three (3) members composed as follows:
  - 1. The party desiring arbitration shall appoint a member for the Board and shall notify the other party, in writing, of its appointment and the particulars of the grievance in dispute.

2. The party receiving the notice shall, within ten (10) days of receipt of such notice, appoint a member to the Board and shall notify the other party of its appointment.
3. The two (2) arbitrators so appointed shall confer to select a third (3rd) party to be Chairman and failing for ten (10) days from their appointment to agree upon a person willing to act, either of them may apply to the Minister of Labour for the Province of British Columbia to appoint a Chairman.
4. The Arbitration Board shall hear the parties and settle the terms of question to be arbitrated within fifteen (15) days of appointment of a Chairman, and shall make its award within fifteen (15) days of the final day of the hearing except when those times are extended by the agreement of the parties. The Board shall deliver its award, in writing, to each of the parties and the award of the majority of the Board shall be final and binding on the parties.
5. The arbitrator shall not have any authority to make any decision inconsistent with the provisions of this Agreement and/or its memoranda; not to alter, modify, add to or amend any part of this Agreement; however, the Arbitrator may sustain or set aside or modify any discipline imposed, (except where this Collective Agreement provides for the imposition of specific discipline), by the Company or the grievor(s) in any manner he deems to be just and equitable. Each party shall pay their own costs and expenses of the arbitration, the remuneration and disbursements of their appointees and one-half the expenses of the Chairman.

## **21 - SINGLE ARBITRATOR**

- (a) As an alternative procedure to Article 19, the parties to this Agreement may, if it is mutually agreed to do so, agree upon a single Arbitrator as a means of settling disputes appropriate to such procedure as follows:
  1. The party desiring arbitration under this article will notify the other party, in writing, in accordance with the provisions of Article 19.
  2. The parties to this dispute will thereupon meet to decide upon an Arbitrator. Failing agreement on this within twenty (20) days of such notice or in the event one of the parties declines the procedure, notice of arbitration pursuant to Article 19 may be given by either party.



3. Upon agreed appointment of an Arbitrator, the Arbitrator shall hear the parties and settle the terms of question to be arbitrated within fifteen (15) days of the final day of the hearing except when those times are extended by agreement of the parties. The Arbitrator shall deliver his award in writing to each of the parties and the award shall be final and binding upon each of the parties. An arbitration award under this article shall not be subject to further procedure under Article 19 of this Agreement.
4. Each party shall pay their own costs and expenses of the arbitration and one-half (1/2) of the remuneration and disbursements or expenses of the Arbitrator.
5. The Arbitrator shall not have any authority to make any decision inconsistent with the provisions of this Agreement and/or its memoranda; not to alter, modify, add to or amend any part of this Agreement; however, the Arbitrator may sustain or set aside or modify any discipline imposed (except where this Collective Agreement provides for the imposition of specific discipline), by the Company or the Grievor(s) in any manner he deems to be just and equitable.

## **22 - INDUSTRY TROUBLE SHOOTER**

If a difference arises between the parties relating to the dismissal, discipline or suspension of an employee, or to the interpretation, application, operation or alleged violation of this agreement, including any question as to whether a matter is arbitrable, during the term of the collective agreement

\_\_\_\_\_ or a substitute agreed to by the parties, shall at the request of either party

- (a) investigate the difference,
- (b) define the issue in the difference, and
- (c) make written recommendations to resolve the difference within thirty (30) days of the date of receipt of the request and, for those thirty (30) days from that date, time does not run in respect of the grievance procedure.

**23 - IN WITNESS THEREOF** the Parties have hereunto set their hands and seal the day and year above written and in the Municipality of Burnaby, in the Province of British Columbia.

**FOR THE COMPANY  
PARTY OF THE FIRST PART**

**FOR THE UNION  
PARTY OF THE SECOND PART**

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**On behalf of the Employer**

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**President**

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**On behalf of the Employer**

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**Secretary**

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**Business Manager**

**LETTER OF UNDERSTANDING #1**

**BETWEEN: SAPUTO FOODS LIMITED**  
as the Party of the First Part  
- hereinafter called the "**COMPANY**"

**AND: INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 882**  
as the Party of the Second Part  
- hereinafter called the "**UNION**"

**RE: PENSION PLAN AND RRSP PLAN**

It is hereby agreed and understood that effective July 1, 1994 all current fulltime posted employees who are currently members of the staff pension plan, will have a one time option of electing to remain in the staff pension plan or opt out of the pension plan and accept an annual RRSP payment.

**Apply the following increases to the Company's contributions to Individual RRSP Plans:**

<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
0%	0%	0.5%	0.5%	0%	1%

All new employees will receive the RRSP plan. Employees hired after October 1st in any year will receive the RRSP Plan based on the employee's gross earnings between October 1<sup>st</sup> and September 30<sup>th</sup>.

**SIGNED ON BEHALF OF  
THE COMPANY  
PARTY OF THE FIRST PART**

**SIGNED ON BEHALF OF  
THE UNION  
PARTY OF THE SECOND PART**

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**LETTER OF UNDERSTANDING #2**

**BETWEEN: SAPUTO FOODS LIMITED**  
as the Party of the First Part  
- hereinafter called the "**COMPANY**"

**AND: INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 882**  
as the Party of the Second Part  
- hereinafter called the "**UNION**"

**RE: ALTERNATIVE WORK ARRANGEMENTS**

The Company and the Union will agree to meet as required, to investigate the necessity of the implementation of alternative work arrangements. Such alternative work arrangements shall be by mutual agreement between the Company and the Union.

**SIGNED ON BEHALF OF  
THE COMPANY  
PARTY OF THE FIRST PART**

**SIGNED ON BEHALF OF  
THE UNION  
PARTY OF THE SECOND PART**

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**LETTER OF UNDERSTANDING #3**

**BETWEEN: SAPUTO FOODS LIMITED**  
as the Party of the First Part  
- hereinafter called the "**COMPANY**"

**AND: INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 882**  
as the Party of the Second Part  
- hereinafter called the "**UNION**"

**RE: OPERATIONAL EFFICIENCY**

The Company and the Union will agree to meet as required, in the event of the changes to the interpretation of and/or amendments to the *Boiler and Pressure Vessel Act*, with a view to seeking the most efficient and cost effective method of implementing such changes.

**SIGNED ON BEHALF OF  
THE COMPANY  
PARTY OF THE FIRST PART**

**SIGNED ON BEHALF OF  
THE UNION  
PARTY OF THE SECOND PART**

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