

COLLECTIVE AGREEMENT

BETWEEN:

JOHNSTON PACKERS LTD.

AND:

UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 1518

DURATION: January 1, 2014 – December 31, 2017

RATIFIED May 3, 2014

CONTENTS

| | |
|--|----|
| Article 1 – Preamble | 1 |
| Article 2 - Management Rights..... | 1 |
| Article 3 - Union Recognition and Representation | 1 |
| Article 4 – Union Membership | 2 |
| Article 5 - Seniority | 2 |
| Article 6 - Grievance Procedure | 4 |
| Article 7 - Troubleshooter | 6 |
| Article 8- Arbitration | 6 |
| Article 9 - Hours of Work And Overtime | 7 |
| Article 10 - Job Posting | 8 |
| Article 11 - Layoff and Recall | 9 |
| Article 12 – Deductions | 9 |
| Article 13 - Vacations | 10 |
| Article 14 - Statutory Holidays | 11 |
| Article 15 - Leaves of Absence..... | 12 |
| Article 16 - Bereavement Leave | 12 |
| Article 17 - Jury Duty | 13 |
| Article 18 - Safety and Health Committee..... | 13 |
| Article 19 - General | 14 |
| Article 20 - Benefits | 15 |
| Article 21 – Wages | 16 |
| Article 22 - No Strike Or Lockout | 16 |
| Article 23 - Duration..... | 16 |
| APPENDIX A..... | 18 |
| APPENDIX B - JOB LEVELS..... | 20 |
| Letter of Understanding #1 | 21 |
| Letter of Understanding #2..... | 22 |
| Letter of Understanding #3 | 23 |
| Letter of Understanding #4..... | 24 |

Article 1 – Preamble

The purpose of this agreement is to set out the terms and conditions of employment including hours of work, rate of pay, benefits, and an amicable method of settling disputes, which may arise from timeto time.

The Employer and the Union recognize that a relationship of goodwill, respect, co-operation, and dignity is essential between the Employer, the Employees and the Union.

Article 2 - Management Rights

- 2.1 The Employer shall have the exclusive right to manage the operation and services subject to the provisions of this Agreement, including without limiting the generality of the foregoing, its right to determine:
- (a) Employment;
 - (b) Complement;
 - (c) Work methods and procedures;
 - (d) Kinds and locations of equipment;
 - (e) Facilities and buildings;
 - (f) Hours of work, scheduling, assignment, training, **level**, and evaluation of employees;
 - (g) Organization;
 - (h) Promotion, demotion, layoff and discharge or discipline of employees for just cause.
- 2.2 Management shall exercise its rights in a manner that is fair and consistent with the terms of the Agreement.
- 2.3 The employer has the right to make and alter policies and procedures to be observed by the employees.
- 2.4 Management personnel may perform bargaining unit work as currently in effect. This right shall not be used to erode available hours for bargaining unit employees.

Article 3 - Union Recognition and Representation

- 3.1 The Employer recognizes the United Food And Commercial Workers International Union Local 1518 as the exclusive bargaining agent for all bargaining unit employees as described in Labour Relations Board Certificate dated December 2nd, 1999 consisting of employees at 5828 Promontory Road, Chilliwack, BC except office and sales staff.

- 3.2 The Union Business Agent will be entitled to visit the plant to discuss, working conditions, labour issues and resolve conflict that arises out of any disagreement between the employees and management.
- 3.3 The Union Business Agent, prior to entering and before visiting the plant, shall contact the management representative and seek permission to visit the plant.
- 3.4 Upon arrival to the plant, the Union **Representative** shall notify the Management representative of his/her presence and **will sign in as a visitor at the front office before going to the desired location.**
- 3.5 The Union Business Agent shall meet with bargaining unit employees in designated areas only during the employees' non-working time.
- 3.6 When in the plant, the Union Business Agent will observe and follow all plant safety rules, policies and procedures.
- 3.7 Under no circumstances will the Union Business Agent or Shop Steward interrupt, disrupt or stop any employee while engaged in the performance of their duties. If the Union Business Agent or Shop Steward wishes to speak to any employee he/she shall first obtain permission from their supervisor or manager who shall not unreasonably deny or delay this request.
- 3.8 (a) The Company shall make it a condition of employment for all newly hired employees, covered by this Agreement, to fill out a Union membership form.
- (b) A new employee will receive a Union orientation following the employment orientation, to be provided by the Chief Shop Steward or his/her designate. Such orientation will be on Company time, but will not exceed half (1/2) an hour, and will not be held on overtime hours.
- (c) **For New Hires, the Union orientation will be held by the Chief Shop Steward, to discuss union related matters, once every thirty (30) days or on an as-needed basis.**

Article 4 – Union Membership

- 4.1 Bargaining unit employees, as a condition of employment, must remain members of the union for the duration of their employment or until they obtain positions within the Company, outside the bargaining unit.

Article 5 - Seniority

- 5.1 Seniority shall be defined as the continuous length of time of an employee's service within the bargaining unit, calculated as the elapsed time from the day he/she was first employed, unless his/her seniority is broken.
- 5.2 New employees shall be on probation and shall not acquire seniority rights until they have **completed six (6) months of continuous and actively worked service.**

In the event that a probationary employee is unable to attend work for a period of greater

than two (2) consecutive weeks, upon consultation with the full-time Union Representative, the Employer may extend the probationary period for an amount of time that is no greater than the length of employee's absence.

It is understood that the Employer will provide all probationary employees with a written evaluation after three (3) months of continuous service.

Upon consultation with the full-time Union Representative, the Employer may extend an employee's probationary period beyond six (6) months to a maximum of nine (9) months in lieu of probationary release. Such action will be done with a Shop Steward present.

The Employer will provide the probationary employee and the full-time Union Representative with a copy of the six (6) month written evaluation if there is an extension to the probationary period.

- 5.3 (a) Every newly hired employee shall receive an employment orientation on or about their first day of employment. In the event the employee does not report for their first scheduled shift after orientation, he/she will not be paid for the day of orientation.
- (b) During the probationary period, an employee may be dismissed if found to be unsuitable, and such employee may be discharged at any time during the probation period without notice. The suitability of a probationary employee shall be determined by the Company, however, the Company shall not act in a manner which is arbitrary, discriminatory or in bad faith. No employee shall be disciplined or discharged without just cause.
- 5.4 Upon satisfactory completion of the probationary period, the employee's seniority shall be calculated from the original day of employment.
- 5.5 Seniority lists shall be updated every six (6) months and the Company shall supply sufficient copies to the Chief Steward. The Chief Steward may, from time to time, request an updated seniority list within the stipulated 6 month period and that request will not be unreasonably denied.
- 5.6 Seniority is the ranking of employees in accordance with their most recent date of hire and is applied across the bargaining unit.
- 5.7 Seniority rights shall cease and an employee shall be deemed terminated if he/she:
- (a) voluntarily terminates his/her employment;
 - (b) is discharged and such discharge is not reversed through the Grievance Procedure;
 - (c) is laid off for a continuous period of more than twelve (12) consecutive months;
 - (d) is absent due to a non-work related sickness or injury or job related injury or illness, for a continuous **and lengthy period of time, with no reasonable expectation of returning to the workplace.**

In the event that an employee is absent for reasons as stated above, all benefits, including but not limited to Extended Health and Group Benefits and MSP

coverage, will cease after twenty-four (24) consecutive months of absence from the workplace.

- (e) is absent without leave for three (3) consecutive days without contacting the Company during such period and providing a satisfactory reason for such absence.

5.8 Where an employee who is a member of the bargaining unit is promoted to a position within the Company that is excluded from the bargaining unit, the following shall apply:

- (a) The promoted employee shall be deemed to be on a leave of absence from the bargaining unit for the duration of the probationary period for the Company position. The probationary period is set at six (6) months from the date of promotion, and may be extended only once, for a period not exceeding six (6) months.
- (b) During the period of this leave, the employee's service shall be deemed to be continuous, and should they choose to return, or be returned by the Employer to the bargaining unit, there shall be no adverse impact on their seniority or other rights as provided by the Collective Agreement.

Article 6 - Grievance Procedure

- 6.1 (a) Shop Stewards, the number to be decided by the Union, shall be elected or appointed by the Union in a manner determined by them and the Company shall be kept informed of the Shop Stewards.
 - (b) Grievances shall be taken up during working hours at a mutually agreeable time. Any grievance must be filed in writing within twenty (20) days of the Union or grievor first becoming aware of the circumstances giving rise to the grievance.
 - (c) If a Steward or Chief Steward has to leave their job or department in connection with a grievance they shall first secure permission from the supervisor before leaving the job or department. Such permission shall not be unreasonably denied.
 - (d) It is agreed that the purpose of the grievance procedure will be to settle all grievances promptly, and that consultation at any step on the following procedure will take place respectfully and speedily so that friction or animosity will be reduced to a minimum. Any grievance not filed within the time limit set out in 6.1(b) above will be deemed to be abandoned, unless both parties mutually agree to extend the time limits, in writing.
 - (e) the Company recognizes the right of the Union to process any grievance that is brought to their attention as outlined under the provisions of (d) above.
- 6.2 (a) The following procedure shall be applicable progressively to the resolution of disputes or grievances:

First Step:

Any grievance will first be discussed verbally between the Union Steward or Chief Steward, with or without the employee, and the Human Resources Manager. A verbal decision must be rendered within four (4) working days, unless mutually agreed

otherwise between the Company and the Shop Steward. Failing settlement at this step, the matter shall then proceed to the Second Step.

Second Step:

The Chief Shop Steward or Union Steward shall file a written grievance with the Human Resources Manager. A meeting will be called. An outside representative of the Union will attend the meeting. A written decision will be rendered within four (4) working days unless mutually agreed otherwise between the Company and the Union. All grievances and decisions at this stage are to be in writing. Should either party intend to proceed to arbitration they must advise the other party in writing within twenty (20) working days from the date the decision was rendered under Step 2 of the grievance procedure. Both parties will then proceed as outlined in Article 8 – Arbitration.

- (b) In areas where there is no Steward, the grievance shall be taken up as outlined in this Article by the Chief Shop Steward, or designated representative.
 - (c) Saturdays, Sundays and Statutory Holidays shall not be considered as “working days” wherever this phrase occurs in this agreement.
 - (d) Notwithstanding the provisions of Article 6.2 (a) above, the aggrieved employee shall be present, if required by either party.
- 6.3 When a grievance which involves an error in the proper earnings of an employee is subsequently settled and as a result of such settlement the wage of an employee is adjusted, such adjustment shall be made retroactive to the date on which the error in the earnings was made. If the date cannot be established, then the increase shall be effective the date the grievance was laid or such other date as may be agreed upon.
- 6.4 (a) When the Company deems it necessary to discipline an employee they shall have the Union Steward present. The Union Steward shall be the one who is chosen by the employee and is present in the plant. If the employee or employees concerned feel they have been unjustly dealt with, they shall grieve within three (3) working days. In the case of dismissal, the procedure shall be as in Article 6.4(b).
- (b) If a seniority employee is dismissed for any reason whatsoever and feels they have been unjustly dealt with, they shall within three (3) working days from receipt of notice of dismissal, notify the Chief Steward who shall by the(5th) working day, file a written grievance regarding the termination. The grievance shall then be dealt with according to the grievance procedure beginning with the “Second Step”.If subsequently, it is decided that the seniority employee was unjustly dismissed, he/she shall be reinstated in his/her former position and shall be paid for this period during which he/she has not worked as if he/she had not been dismissed, or granted such lesser compensation as seems fair under the circumstances.
- 6.5 The Company must give the Chief Shop Steward or his/her designee a copy of the letter of suspension or discharge of any seniority employee within twenty-four (24) hours such action is taken. The time limits as set out in 6.4(b) shall not commence until such notice is given.
- 6.6 When settlement is reached at any stage of these proceedings, between the Company and the Union such decision shall be final and binding.

Article 7 - Troubleshooter

7.1 Mark Brown, Irene Holden, Brian Foley, or any other individual agreed to by the parties will be utilized to conduct expedited hearings on the following basis:

- 1. Both parties must agree before a grievance is placed on the troubleshooter agenda. Either party may refer the grievance to this process upon providing the other party with three (3) weeks' notice.**
- 2. Only grievances where the parties have shared all relevant information regarding the grievance, and all reliance documents and facts have been exchanged, shall be referred. The parties agree that disclosure of information and documents will take place in a timely manner.**
- 3. In the event that either party has new evidence that was not available prior to the agreement of referral to the troubleshooter process, may be introduced at that time.**

In such cases, the party that is introducing the new evidence shall provide immediate disclosure to the other party. Upon request of the party in receipt of this new evidence, the process may be adjourned to allow fair opportunity for analysis and reply.

- 4. Interpretation grievances, or grievances regarding the discharge of employees, shall not be referred to this process unless mutually agreed by the parties.**
- 5. Decisions of the troubleshooter shall be in writing but shall be without prejudice, non-precedent setting and shall not be publicized.**
- 6. Legal counsel shall not be used by either party.**
- 7. The parties shall develop other procedures or guidelines as necessary.**

Article 8- Arbitration

8.1 Within ten (10) working days of the date of reply at Step 2 of the grievance procedure, either party may issue written notice to the other party that it wishes to have the grievance proceed to arbitration.

Where either party has provided the other with notice of their intention to proceed to arbitration, the arbitration will be set up as soon as possible, utilizing one of the three following arbitrators:

- (a) Colin Taylor**
- (b) Irene Holden**
- (c) Emily Burke**

8.2 Each party shall pay one-half of the fees and expenses of the sole arbitrator.

- 8.3 The arbitrator shall not have the power to alter, amend, modify, change, or make any decision inconsistent with the provisions of this Agreement.

Article 9 - Hours of Work and Overtime

- 9.1 It is understood and agreed that the provisions of this Article are intended only to provide a basis for calculating time worked and shall not be considered a guarantee as to the hours of work per day, number of days per week, nor as a guarantee of work schedules.
- 9.2 For the purpose of calculating if overtime is payable, the Company shall set an hours of work schedule. The schedule of hours may vary from department to department and within a department, but shall not exceed more than 40 regular hours for any one payroll week and, subject to Article 9.7, shall not exceed more than eight (8) regular hours per day, Monday to Friday.
- 9.3 (a) Where overtime is necessary for an entire department, the Company shall first schedule those employees who regularly perform the duties requiring overtime.
- (b) In the event that overtime is not necessary for every employee in a department, the Company shall offer the overtime work, in order of seniority, provided the remaining employee(s) have the skill, ability and qualifications to perform the remaining work.
- (c) When the Company has Saturday driving shifts available, those shifts will be offered to drivers in order of seniority.
- 9.4 When the Company anticipates that more than one hour of overtime is required in the plant, after **eight hours of work**, a paid rest period of **fifteen (15) minutes** shall be granted **during** the overtime work. **In the event the employee chooses to waive their fifteen (15) minute rest period, the Company shall add fifteen (15) minutes to the employee's hours worked for that day. The break will be paid at the appropriate overtime rate.**
- 9.5 For employees not on a flexible work schedule, all time worked in excess of eight (8) hours per day or forty (40) hours per week shall be paid at a rate of one and one half (1 ½) times the employees regular rate of pay. Such employees will receive overtime in accordance with the British Columbia *Employment Standards Act*.
- 9.6 For employees not on a flexible work schedule, all time worked in excess of forty-eight (48) hours per week or eleven (11) hours per day shall be paid at two (2) times the employees regular rate of pay. Such employees will receive overtime in accordance with the British Columbia *Employment Standards Act*.
- 9.7 The Company may schedule employees on flexible work schedules of ten (10) hours per day, four (4) days per week. Such employees will receive overtime in accordance with the *Employment Standards Act*.
- 9.8 An employee's overtime rate will be calculated based on the applicable base rate. There will be no compounding of any premiums.

- 9.9 Any employee who reports for work as required and who by reason of some breakdown in the plant is dismissed for the day, shall receive payment for the number of hours worked, or four (4) hours' pay, whichever is the greater.
- 9.10 An employee reporting to work late on his/her regularly scheduled shift shall not be entitled to overtime rates of pay until completion of eight (8) hours. An employee reporting to work late on his/her regularly scheduled shift shall be obligated to complete his/her eight (8) hour shift if required by the Company.
- 9.11 (a) Every employee shall be entitled to a fifteen (15) minute paid rest period which the Company will endeavour to commence between one and one-half and two and one-half hours after the commencement of both of their half shifts.
- (b) Every in-plant employee shall be entitled to a thirty (30) minute unpaid lunch break. The company will make its best effort to ensure that no employee works more than five (5) hours before receiving their lunch break.
- (c) Employees working in the Plant will be entitled to a one-half (1/2) hour unpaid meal break after **eleven (11)** hours, if one (1) hour or more of overtime remains to be worked. In such circumstances, the Company will also provide a meal during such unpaid meal break, or provide a ten-dollar (\$10.00) meal allowance.
- 9.12 An hourly rated employee who, after leaving the Company's premises, is called in at any time outside their normal working hours, shall be through when the job is over but shall nevertheless be paid two (2) hours at the overtime rate or for the hours they actually worked at the applicable overtime rate, whichever is the greater.
- 9.13 All employees shall be entitled to eight (8) hours of rest between shifts.
- 9.14 In December of each year, each employee may elect to either bank all overtime or have it paid out on each cheque. Once such election is made, it continues in force for the entire year.
- For employees who elect to bank all overtime, they will have the accumulated overtime bank paid out twice per year, in June and December.

Article 10 - Job Posting

- 10.1 Subject to the Employer's needs, permanent vacancies shall be posted within five (5) working days from the time they become vacant. Temporary vacancies such as sickness, compensation and holidays etc. need not be posted.
- 10.2 (a) The filling of permanent vacancies shall be based on seniority, merit and ability. Ability and merit being about equal, seniority shall prevail.
- (b) A reasonable trial period shall not be less than **ninety (90)** working days, however, if it is obvious that a person cannot qualify or is causing loss or damage to product or equipment, they may be removed at any time during their trial period and returned to their prior position.

- (c) Employees shall receive the applicable job rates provided for in the wage rate schedule for the job or jobs they have been posted or appointed to, when they become qualified. The word “qualified” as used in this Agreement shall be interpreted to mean: regularly perform the job without instruction or assistance.
- 10.3 (a) Vacancies within the bargaining unit shall be posted for ten (10) working days to give employees with seniority ample time to apply. In the case that no application is received for any posting, the vacancy shall be filled by appointment, and the appointee automatically given “posted” status.
- (b) Posted employees are not subject to being appointed to full time positions unless they voluntarily relinquish the posted position. Transfer to jobs will be made as quickly as possible from the date the posting was awarded, subject to operational requirements.
- Vacancies posted as a result of the provisions of this clause shall include the specific shift and such shifts shall subsequently form part of the posting. Furthermore, the posting shall clearly identify the opening and closing dates for applications, the title of the vacant position and the applicable rate of pay for such vacant position.

Article 11 - Layoff and Recall

- 11.1 When the Employer deems it necessary to reduce the work force, the employer shall inform the Union of the need for layoffs. When a reduction in the workforce is required, the order of layoff shall be determined by seniority, provided the remaining employee(s) have the skill, ability and qualifications to perform the remaining work.
- 11.2 **In cases of layoff or permanent plant closure, except in unforeseen emergency situations, all employees shall receive notice or pay in lieu of notice in accordance with the *Employment Standards Act*.**
- Similarly, employees wishing to terminate their employment shall give two (2) weeks notice to allow the Employer to hire an adequate replacement.
- 11.3 Employees will be laid-off in the reverse order of seniority and recalled in order of their seniority, subject to their having the skill, ability and qualifications to perform the work required.
- 11.4 Any employee laid off and recalled for work must return within five (5) working days of notice of recall being delivered to the employee’s last address on file. An employee who fails to return within such time period will be deemed to have resigned their employment, unless they failed to receive the notice due to a vacation absence of two weeks or less.

Article 12 – Deductions

- 12.1 The Employer is authorized and shall deduct, monthly Union dues and applicable initiation fees from each employees pay, in the amount stipulated by the Union. Deductions shall be made effective the first of the month, following date of hire from all employees.
- 12.2 Monies deducted during any month shall be forwarded by the Company to the Union on or about the fifteenth (15) day of the month following for which dues are deducted and accompanied by a

written statement of the names for whom the deductions were made and the amount of each deduction, along with a list of names of the employees for whom no deduction was made and the reasons therefore.

- 12.3 The Employer is authorized to deduct from an employee's wages any monies accidentally overpaid to that employee. Should the employee not agree to the amount of the deduction, the employee may file a grievance. The Company shall not deduct more than twenty percent (20%) of the employee's gross earnings from any one pay period.

Under this Article, the Company may only unilaterally deduct monies accidentally overpaid within a period of twenty (20) days prior to notifying the employee that such deduction will be made.

Article 13 - Vacations

- 13.1 Employees will earn annual vacation entitlement, with pay calculated as a percentage of their gross earnings as follows:
- (a) After one (1) year of service – ten (10) working days' vacation, with pay at four percent (4%) of gross earnings.
 - (b) After five (5) years of service – fifteen (15) working days' vacation, with pay at six percent (6%) of gross earnings.
 - (c) After ten (10) years of service – twenty (20) working days' vacation, with pay at eight percent (8%) of gross earnings.
 - (d) After twenty (20) years of service – twenty-five (25) working days' vacation, with pay, at ten percent (10%) of gross earnings.
 - (e) **After twenty-five (25) years of service – thirty (30) working days' vacation, with pay, at twelve percent (12%) of gross earnings.**
- 13.2 Vacation pay shall be paid out in the following manner:
- (a) on the pay date for which the employee would have otherwise received pay had they worked. The amount of vacation pay paid will be equivalent to the number of days the employee has taken for vacation, subject to available funds in the employee's vacation account.
 - (b) on termination of employment.
- 13.3 The Employer shall post blank vacation schedules by **November 1** of each year. Employees shall enter first preferences by **December 1**, with the requested vacation to be confirmed by the Employer no later than **January 1** in each year. The Employer will endeavour to grant vacations at the time requested in the vacation period, considering business requirements. If a choice must be made between two or more requests for vacation at the same time, seniority shall apply.

Johnston Packer's vacation year is January to December of each year. All vacation time must be taken within the calendar year; there will be no carry-over from year to year.

Employees will be provided with vacation date request forms by November 1 of each year.

These forms must be returned with requests for specific dates by December 1 of each year. Vacation time will be given in order of seniority, on a mutually agreed upon time up until December 1 only. After December 1, an employee will no longer be able to bump someone that has already booked, regardless of their seniority. Any employee who does not make a request for specific dates by December 1 will be issued the dates that are left.

In the event that a statutory holiday falls during an employee's vacation time, the employee will be scheduled for an additional vacation day, either immediately before or after the employee's vacation, unless requested and mutually agreed otherwise. The Company will make every effort to accommodate an employee's desired vacation time, considering business requirements. Vacation requests will be confirmed by January 1 of each year.

Vacation pay will accumulate bi-weekly and will be paid from the employee's accumulated banked vacation pay as the vacation is taken. An employee cannot be paid more than the amount accumulated in their banked vacation pay as employees are only entitled to vacation pay that they have previously earned and banked. The balance of the banked vacation will be paid at the final scheduled vacation day of the year.

- 13.4** Statutory holiday pay will be issued as per the Statutory Holiday Article during the pay period the holiday occurs. In the event a public holiday falls during an employee's annual vacation, the employee will receive a day off either immediately before or after the vacation period, unless mutually agreed otherwise.
- 13.5** There shall be no carry over of vacation from one calendar year to the next.

Article 14 - Statutory Holidays

- 14.1** The following days shall be considered statutory holidays:
- | | |
|----------------------|------------------|
| New Year's Day | Labour Day |
| Family Day | Thanksgiving Day |
| Good Friday | Remembrance Day |
| Victoria Day | Christmas Day |
| Canada Day | Boxing Day |
| British Columbia Day | |
- 14.2** In order to be entitled to receive a day off with pay on a statutory holiday, the employee:
- (a) must have been employed for at least thirty (30) calendar days prior to the statutory holiday;
 - (b) must have earned wages or performed work on at least fifteen (15) of the thirty (30) calendar days immediately preceding the statutory holiday;
 - (c) must have worked his/her full scheduled hours of work on his/her workday immediately preceding and immediately following the holiday unless excused by the Company, or the employee was absent due to:
 - i. regularly scheduled vacation;
 - ii. an employee's regularly scheduled day off;
 - iii. absence due to bona fide sickness or accident supported by a doctor's note, or a leave of absence.

- 14.3** For full-time employees, statutory holiday pay shall be computed on the basis of the number of regular hours the employee would otherwise have worked had there been no holiday, at the employee's regular straight-time hourly rate of pay. For part-time employees, statutory holiday pay shall be computed on the basis of the formula within the *Employment Standards Act*.
- 14.4** In the event that a statutory or a holiday falls on either a Saturday or a Sunday, the Company shall designate either the Friday before or the Monday after the holiday as the designated day off, and provide the employees with two (2) weeks' notice of the designated day.
- 14.5** Where an employee is required to perform work on one of the above-mentioned statutory holidays, he/she shall be paid time and one half (1 ½) his/her regular straight time hourly rate for all hours worked up to **ten (10)** hours and double (2) times his/her regular straight time hourly rate for all hours worked in excess of **ten (10)**. In addition, the employee shall receive his/her statutory holiday pay if he/she qualifies for such pay.
- 14.6** Where a statutory holiday falls during an absence unpaid by the Company, including lay-off, the employee will not receive holiday pay.
- 14.7** When a statutory holiday falls while an employee is absent from work but is receiving other monies including, but not limited to, workers' compensation, disability pay or bereavement pay, he/she shall not receive statutory holiday pay.

Article 15 - Leaves of Absence

- 15.1** Employees may make written application for leaves of absence without pay, with a minimum of three (3) days notice, where reasonably possible. The Employer, in its discretion, will grant reasonable requests after considering length of service, any compassionate grounds and operational requirements. Leaves of absence shall not exceed three months.
- 15.2** All leaves of absence provided for in this Agreement are leaves without pay, unless it is specifically provided in the appropriate article that the particular leave of absence is to be granted with pay.

Article 16 - Bereavement Leave

- 16.1** If there should be a death in the employee's immediate family, the employee shall be entitled to bereavement leave of three working days with pay. An employee may, upon written request to the employer, extend their bereavement leave without pay.
- 16.2** Immediate family shall include the spouse, father, mother, son, daughter, brother, sister, grandfather, grandmother, grandfather-in-law, grandmother-in-law, grandson, granddaughter, mother-in-law, father-in-law, brother-in-law, sister-in-law, stepmother and stepfather of the employee.
- 16.3** The company may require the employee to furnish proof of death prior to paying for bereavement leave.

Article 17 - Jury Duty

- 17.1** It is agreed that the Employer shall grant leave to an employee participating in the process of jury selection or jury duty or while serving as a subpoenaed witness in a court of law.
- 17.2** Employees should notify Human Resources as soon as possible after receipt of notice of selection for jury duty or after receipt of the subpoena to appear as a witness. The Company may require the employee to furnish a certificate of service from an office of the Court.
- 17.3** Any jury fee, witness fee or subpoena payment may be deducted by the Company from the amount paid under Article **17.1**.

Article 18 - Safety and Health Committee

- 18.1** The Employer and the Union shall agree to promote a safe and healthy work environment for all employees. The Company shall make reasonable provisions for the safety and health of employees of the plant during the hours of their employment. Protective devices and other equipment necessary to properly protect the employees from injury shall be provided by the Company.
- 18.2** The Safety Committee shall be structured and shall operate in the following manner:
- (a) The Employer and the Union shall each appoint two (2) representatives to a Safety Committee. An alternate will be chosen, who will serve in the absence of either of the two (2) regular representatives.
 - (b) The Committee shall have one chairperson and one co-chairperson. In the event that the chairperson is a representative of the Employer, the co-chairperson shall be a representative of the Union, and vice versa.
 - (c) The Safety Committee shall meet once every month, or more frequently if both the chairperson and co-chairperson deem it necessary. Meetings are to be held during regular working hours and members to be paid at regular hourly rates.
 - (d) Minutes shall be kept by one mutually agreed member of the Committee.
- 18.3** The Company shall reimburse the First Aid Attendant for all costs incurred in the maintenance and successful course completion of first aid tickets required and the performance of their duties. Such reimbursement shall be paid no later than two (2) weeks after receipt of proof of incurred costs.
- 18.4**
- (a) An employee injured while working in the plant shall suffer no loss of earnings for the balance of hours in the regular scheduled shift in which the accident occurs if, as a result of such injury, he/she is sent home or to the hospital or for medical attention. Costs incurred as a result of transportation to and from the practitioner and/or hospital shall be borne by the Company.
 - (b) All accidents or injuries must be immediately reported to First Aid. In the case of an employee working off premises (i.e.: Drivers), the accident or injury must be immediately reported to a member of management by the company-supplied phone.

18.5 Seniority employees will be entitled to **an annual** safety footwear allowance of up to **one hundred dollars (\$100.00)**, to be used exclusively during the term of, and in the course of their employment at Johnston Packers. There will be no carry-over of unused portions of the allowance from one annual time period to the next annual time period. The annual time period will be based on calendar years, starting with the year of the current ratification of this collective agreement. Seniority employees will be reimbursed upon presentation of a receipt.

18.6 The Company will pay a one hundred (\$100) per month premium to the primary First Aid Attendant, when such Attendant is in the bargaining unit.

The first and second relief First Aid Attendants will be paid a fifty dollar (\$50.00) and twenty five dollar (\$25.00) per month premium respectively, when such Attendants are in the bargaining unit.

Where the primary Attendant is absent for five (5) or more consecutive days, the relief Attendant will be elevated and will receive the respective increased premium, for the period so elevated.

Article 19 - General

19.1 The Company shall allow the Union to install a bulletin board for the exclusive use of the Union. The bulletin board shall be located in an appropriate place in the employees' lunch room and the Union shall have the right to post notices relating to matters of interest to its members.

19.2 The Company shall reimburse truck drivers for costs incurred in the maintenance of required licenses, where such employees are actively employed in a **level** requiring such licenses. This clause does not cover any fines or penalties an employee may be required to pay in order to maintain a license, excluding fines for being overweight in a Company vehicle.

19.3 The Company agrees to continue to supply equipment which is currently supplied (such as steel mesh gloves, rubber gloves, knives, etc.), provided that such equipment remains necessary to perform the work. Employees shall be responsible for any such equipment they may lose or negligently damage.

19.4 It shall be the policy of the Company and the Union not to discriminate because of race, sex, colour, age, religion, place of origin, ancestry, marital status, family status, physical or mental disability, sexual orientation, Union activities, or because a person has been convicted of a criminal or summary conviction offence that is unrelated to the employment or the intended employment of that person. Furthermore, the Company and the Union recognize the right of employees to work in an environment free from all forms of harassment as legally defined and agree that such conduct will not be tolerated in the work place.

(a) The Company's harassment policy shall be enforceable under the Collective Agreement.

(b) The Company and the Union agree that this list of protected grounds shall be amended concurrently when there are amendments to the *BC Human Rights Code*.

19.5 The Company will continue to provide a water cooler in the lunchroom.

- 19.6** (a) For full-time employees with one year or more of service, the Company will make monthly matching RRSP contributions, up to a maximum of one hundred dollars (\$100.00) per month per employee, for those who meet the qualifying criteria below:
- i. The employee must still be employed on the last day of the month;
 - ii. The employee must have worked fifteen (15) or more days in the month (vacation time will be considered time worked);
 - iii. The employee must not have been disciplined during the month (written warning or above), unless such discipline is reversed through the grievance procedure; and
 - iv. The employee must provide the Company with an assignment of wages, authorizing the deduction of the employee's contribution directly from their paycheque.

Employee RRSP accounts under this Article will be held through Prospera Credit Union, with AGF Group Plan. The Company will give the Union and employees at least sixty (60) days' notice if the Company elects to change the financial institution that holds such accounts.

- (b) Employees are responsible for setting up their own RRSP account and for providing the completed authorization for the deduction of wages. The Company will have no obligation to make any contribution under this Article until an employee completes both these items.
- (c) Under this Article, even deductions will be made from each paycheque. Employees may change the amount of their requested deduction once every six months.

- 19.7** Employees who are absent due to injury or illness, or employees performing modified duties, may be required to attend a medical examination by an independent physician in order to determine the employees fitness for modified or regular duties. If the parties are unable to agree upon an independent physician within five (5) working days of the request to attend an examination, each party will submit a list of two physicians to Irene Holden within a further five (5) working days. Ms. Holden will then pick an independent physician from among the names of the four physicians provided, and the employee will be required to attend an examination with such physician.

The Company will pay for an examination or tests required under this clause.

Article 20 - Benefits

- 20.1** (a) The Employer agrees to pay seventy-five (75%) percent of the premium cost to provide the specified employee benefits for full-time seniority employees who qualify for coverage.
- (b) The Company will pay seventy-five percent (75%) of the MSP premium for full-time employees with more than six (6) months' service.
- 20.2** For full-timeseniority employees, benefit eligibility and coverage is subject to the terms and conditions of the plans or insurance policies. A description of the benefits and the terms and conditions will be provided to the Union and to each employee.

- 20.3 (a) Any disputes regarding the payment of benefits are a matter between the employee and the insurance carrier, and are not subject to the grievance and arbitration procedure of this Agreement.
- (b) The Company will assist employees in filing claims and will provide all information required by the insurer from the Company in a timely manner.
- 20.4 Unless otherwise specified, entitlement to benefit coverage under this Article begins only after **the six (6) month probationary period is actively and continuously worked.**
- 20.5 Where practical, the Company undertakes to advise the Union about the nature and timing of changes to the benefit plans. Any changes made shall not be less favourable in terms and conditions than those currently in effect.

Article 21 – Wages

- 21.1 Attached to this Agreement shall be a Wage Schedule and a listing of **levels** covering bargaining unit employees.
- 21.2 When an employee is permanently transferred to a different **level**, he/she shall be paid in accordance with the new **level's** pay scale.
- 21.3 When an employee is transferred temporarily to a lower paid **level**, they shall receive the rate of pay of their permanent **level**.
- 21.4 When an employee is transferred temporarily to a higher paid **level**, they shall receive the rate of pay of the higher paid **level** if their temporary transfer lasts a complete shift or longer.
- 21.5 The wage schedule attached hereto is approved by both parties. Subject to the mutual approval of both parties, these job categories, where there has been significant changes made, may be opened for revision once annually.

Article 22 - No Strike Or Lockout

- 22.1 It is understood that during the term of this Agreement that the employer will not lockout its employees. It is also understood that during the term of this Agreement the Union will not permit or encourage any strike, slowdown, stoppage of work or otherwise restrict or interfere with the Employer's operation through its members.

Article 23 - Duration

- 23.1 Except where specifically stated to the contrary, the terms of this Agreement shall be in full force and effect from **January 1, 2014** up to and including **December 31, 2017** and thereafter from year to year unless either party gives notice in writing of termination or amendment of not more than one hundred and twenty (120) days and not less than thirty (30) days prior to the date of expiration.

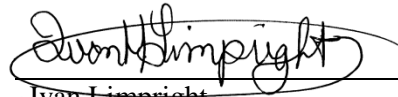
During the period of negotiations resulting from any of the provisions above, this Agreement shall remain in full force and effect.

23.2 The parties agree the operation of Section 50(2) and 50(3) of the *Labour Relations Code* is excluded from this Agreement.

SIGNED THIS _____ DAY OF _____, _____.

On Behalf of the Company
JOHNSTON PACKERS LTD.

On Behalf of the Union
UNITED FOOD AND COMMERCIAL
WORKERS UNION, LOCAL 1518



Ivan Limpricht
President

APPENDIX A

| | Current Rate | Last Sunday Dec. 2013 | Last Sunday Dec. 2014 | Last Sunday Dec. 2015 | Last Sunday Dec. 2016 |
|--|--------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | 2% increase | 2% increase | 1.5% increase | 2% increase |
| Level 1 | | | | | |
| Start | \$ 10.86 | \$ 12.00 | \$ 12.24 | \$ 12.42 | \$ 12.67 |
| 6 months actively worked in classification | \$ 12.69 | \$ 12.94 | \$ 13.20 | \$ 13.40 | \$ 13.67 |
| Level 2 | | | | | |
| Start | \$ 12.69 | \$ 12.94 | \$ 13.20 | \$ 13.40 | \$ 13.67 |
| 6 months actively worked in classification | \$ 14.35 | \$ 14.64 | \$ 14.93 | \$ 15.15 | \$ 15.45 |
| 1 year actively worked in classification | \$ 15.56 | \$ 15.87 | \$ 16.19 | \$ 16.43 | \$ 16.76 |
| Level 3 | | | | | |
| Start | \$ 15.56 | \$ 15.87 | \$ 16.19 | \$ 16.43 | \$ 16.76 |
| 6 months actively worked in classification | \$ 17.55 | \$ 17.90 | \$ 18.26 | \$ 18.53 | \$ 18.90 |
| 1 year actively worked in classification | \$ 19.34 | \$ 19.73 | \$ 20.12 | \$ 20.42 | \$ 20.83 |
| Level 4 | | | | | |
| Start | \$ 19.42 | \$ 19.81 | \$ 20.21 | \$ 20.51 | \$ 20.92 |
| 6 months actively worked in classification | \$ 21.14 | \$ 21.56 | \$ 21.99 | \$ 22.32 | \$ 22.77 |
| 1 year actively worked in classification | \$ 22.57 | \$ 23.02 | \$ 23.48 | \$ 23.83 | \$ 24.31 |
| Level 5 | | | | | |
| Start | \$ 16.56 | \$ 16.89 | \$ 17.23 | \$ 17.49 | \$ 17.84 |
| 6 months actively worked in classification | \$ 18.55 | \$ 18.92 | \$ 19.30 | \$ 19.59 | \$ 19.98 |
| 1 year actively worked in classification | \$ 20.34 | \$ 20.75 | \$ 21.17 | \$ 21.49 | \$ 21.92 |

1. The above wage rates will remain effective during the term of the Collective Agreement.
2. Designated lead hands will receive an additional \$1.25 per hour above their regular rate.
3. Any employees who are currently paid above their classification rate will be blue-circled.
4. In order for an employee to progress to the next level on the wage scale, they must receive a satisfactory performance review. Employees may grieve a performance review, if, as a result of that

review, they did not receive a scheduled wage increase. A Shop Steward may be present for performance review meetings upon request of the employee being reviewed.

APPENDIX B - JOB LEVELS

| Level 1 | Level 2 | Level 3 | Level 4 | Level 5 |
|--|--|--|--|--|
| Processing Floor | Processing Floor | Processing Floor | Certified Maintenance Worker | Driver |
| <ul style="list-style-type: none"> - Chute - Shackle - Bottom Burn - Leaf Lard - Wash - Beef Offal - Ponches - Blood bucket wash | <ul style="list-style-type: none"> - Gamb - Shave - Top Burn - Final trim - Cooler - Pork Offal harvest - Blood harvest - Stick Wounds - Bone Heads - Drop Beef Hides | <ul style="list-style-type: none"> - Barn/Knock - Stun/Stick - Pull Tongue - Bung/Rump - Gut - Probe/Scale - Side Rails - Break Heads - Scalp and wease - Operate Split saw | <ul style="list-style-type: none"> - All Maintenance Duties | <ul style="list-style-type: none"> - Full-time Driver |
| Production | Production | Production | | |
| <ul style="list-style-type: none"> - Wrap Butts - Box ribs and bellies - Bag offal - Package smoked product - Slice Bacon - Side presentation - Operate strapper - Push hogs/dump barrels - Package skinned product/bellies - Operate Vacuum machine - Box beef/ bag beef trim - Stock freezer - Feed pace line | <ul style="list-style-type: none"> - Wrap loins - Box legs - Weigh beef - Scale operator - Side table packager - Floater - Cart floater - Bag beef | <ul style="list-style-type: none"> - Freezer orders/inventory | | |
| Maintenance | Maintenance | Maintenance | | |
| <ul style="list-style-type: none"> - Maintenance Work | <ul style="list-style-type: none"> - Maintenance Work | <ul style="list-style-type: none"> - Maintenance Work | | |
| | Curing | Curing | | |
| | <ul style="list-style-type: none"> - Pumping, hanging, netting | <ul style="list-style-type: none"> - All curing duties/ manage inventory | | |
| | Shipping Invoices | Shipping Invoices | | |
| | <ul style="list-style-type: none"> - Order filling assistant | <ul style="list-style-type: none"> - Order filler | | |
| | Meat Cutting | Meat Cutting | | |
| | <ul style="list-style-type: none"> - Clear saw - Remove neckbone - Proof (pork break) - Operate whizzard knife - Operate skinner - Bellies/skinned product trimmer - Bone heads - Bone sow - Bone beef neckbones - Bone beef blades - Bone beef cross rib/short rib - Bone beef round bones - Bone beef flanks - Bone scraping - Beef tenderloins - Trim beef offals | <ul style="list-style-type: none"> - Saw operator - Skin butts - Skin loins - Bellies (pork cut) - Floater (pork cut) - Boning for curing - Sow breakdown - Bone sow loins - Bone beef hips - Beef inside/Outside rounds - Beef strips - Bone beef briskets - Beef ribeyes - Beef striploins | | |
| | Load Dock/Shipping Worker | Load Dock/Shipping Worker | | |
| | <ul style="list-style-type: none"> - Assist stock coolers/ load trucks | <ul style="list-style-type: none"> - Stock coolers - Load trucks | | |
| | | Relief Driver | | |
| | | <ul style="list-style-type: none"> - Stock coolers - Load trucks - Relief driving | | |

*These descriptions are meant as a guideline only. Employees may be asked to perform duties at or below their current level.

December 2, 2000

Letter of Understanding #1

Between:

Johnston Packers

And:

United Food and Commercial Workers Union, Local 1518

The Union recognizes that theft from the employer is a serious offence. It is understood between the parties that an employee who has knowingly committed theft from the employer will be terminated. Such termination shall be subject to the grievance and arbitration procedure of the collective agreement.

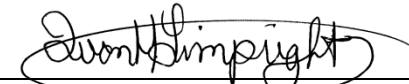
Renewed this 23rd day of February, 2009.

Renewed this 16th day of November, 2010.

Renewed this 3rd day of May, 2014

On Behalf of the Company
JOHNSTON PACKERS LTD.

On Behalf of the Union
UNITED FOOD AND COMMERCIAL
WORKERS UNION, LOCAL 1518



Ivan Limpricht, President

February 15, 2003

Letter of Understanding #2

Between:
Johnston Packers
And:
United Food and Commercial Workers Union, Local 1518

The Company will continue its practice of paying parking tickets for drivers, where the driver could not have reasonably avoided being ticketed.

Disputes regarding whether the ticket could have been reasonably avoided shall not be subject to the arbitration procedure.

Renewed this 23rd day of February, 2009.

Renewed this 16th day of November, 2010.

Renewed this 3rd day of May, 2014

On Behalf of the Company
JOHNSTON PACKERS LTD.

On Behalf of the Union
UNITED FOOD AND COMMERCIAL
WORKERS UNION, LOCAL 1518



Ivan Limpriht, President

February 15, 2003

Letter of Understanding #3

**Between:
Johnston Packers**

**And:
United Food and Commercial Workers Union, Local 1518**

Re: Pork Cut Saw

The Company will make its best effort to ensure that the Pork Cut Saw does not work more than five (5) hours before receiving their lunch break. Employees will not be required to work beyond five and one-half (5-1/2) hours without receiving their lunch break.

Where the Pork Cut Saw does go beyond five (5) hours before the lunch break, the Company will pay \$100.00 to the Johnston's Plant Social Fund.

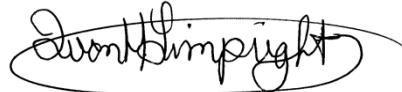
Renewed this 23rd day of February, 2009.

Renewed this 16th day of November, 2010.

Renewed as Amended this 3rd day of May, 2014.

On Behalf of the Company
JOHNSTON PACKERS LTD.

On Behalf of the Union
UNITED FOOD AND COMMERCIAL
WORKERS UNION, LOCAL 1518



Ivan Limpricht, President

March 8, 2006

Letter of Understanding #4

Between:
Johnston Packers
And:
United Food and Commercial Workers Union, Local 1518

Should the Company move the facility at 5828 Promontory Road to a new location, the employees affected will have the right to be transferred to the new location. Employees shall be transferred to the new location in order of seniority. Employees who elect to transfer will maintain their length of service/seniority with the Company for all purposes.

In the event that the Company elects to move either the beef or pork processing to a new location, and continues to operate the Promontory Road location, employees who are affected shall also be entitled to transfer to the new location, by seniority, subject to the operational needs of the Company. This is intended to balance the rights of employees against the operation needs of the Company at the Promontory Road location.

Where an employee, whose wish it is to transfer to the new location, is prevented from doing so because they are needed at the Promontory Road location, the employee shall be entitled to a transfer at a later date, subject to the following:

- (a) the operational needs that prevented the initial transfer are addressed; and
- (b) the later transfer does not result in an employee at the new location being laid off.

If the new British Columbia location is within 100 kilometres of the current facility, the Collective Agreement will apply at the new location.

Renewed this 23rd day of February, 2009.

Renewed as amended this 16th day of November, 2010.

Renewed this 3rd day of May, 2014

On Behalf of the Company
JOHNSTON PACKERS LTD.

On Behalf of the Union
UNITED FOOD AND COMMERCIAL
WORKERS UNION, LOCAL 1518



Ivan Limpricht, President