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DAIRY PRODUCERS CO-OPERATIVE LIMITED of the town of WINKLER, Manitoba, by the duly authorized officers thereof

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(hereinafter referred to as the "Company")

- and -

RETAIL, WHOLESALE CANADA, CANADIAN SERVICE DIVISION OF THE UNITED STEEL WORKERS OF AMERICA AND IT'S LOCAL 755

(hereinafter referred to as the "Union")

COLLECTIVE AGREEMENT

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ARTICLES OF AGREEMENT

BETWEEN:

DAIRY PRODUCERS CO-OPERATIVE LIMITED of the Town of Winkler, Manitoba, by the duly authorized officers thereof,

(hereinafter referred to as the "Company")

OF THE FIRST PART

-and-

RETAIL, WHOLESALE CANADA, CANADIAN SERVICE DIVISION OF THE UNITED STEEL WORKERS OF AMERICA AND IT'S LOCAL 755

(hereinafter referred to as the "Union")

OF THE SECOND PART

ARTICLE 1 - PURPOSE

1.01 The general purpose of this Agreement is to establish mutually satisfactory relations between the Company and its Employees and to provide machinery for the prompt and equitable disposition of grievances, and to establish and maintain satisfactory working conditions, hours of work and wages for all Employees who are subject to the provisions of this Agreement.

ARTICLE 2 - RECOGNITION

2.01 The Company recognizes the Union as the sole and exclusive bargaining agent of all Employees of the Company within the scope of this Agreement.

2.02 The Company agrees to recognize the Business Agent of the Union 'as a representative of the Employees and **to** extend to him every privilege **as** such.

ARTICLE3 · SCOPE

3.01 This Agreement applies to all production and sales personnel of Dairy Producers Co-operative Limited in the Town of Winkler, in the Province of Manitoba excluding office Employees, Branch Manager, Sales Manager, Office Manager, Superintendent, Milk Production Foreman, Sales Supervisor, Chief Engineer and those excluded by the Act.

3.02 The Company will supply the Union with a list of the names and job titles of Company officials acting in excluded positions referred to in 3.01 above and will indicate, in general terms and for informational purposes only, the nature and extent of their authority.

ARTICLE 4 - MANAGEMENT'S RIGHTS

- **4.01** The Union acknowledges that it is the function of the Company to:
 - (a) Maintain order, discipline and efficiency;
 - (b) Hire, discharge and transfer, promote, demote or discipline Employees provided that a claim of discriminatory promotion, demotion or transfer of Employees or a claim that an Employee has been discharged without reasonable cause may be the subject of a grievance and dealt with as hereinafter provided;
 - (c) To manage, control, continue or discontinue in whole or in part the industrial enterprise in which the Company is engaged;
 - (d) The foregoing enumeration of Management's Rights shall not be deemed to exclude other functions not specifically set forth, the Company therefore retaining all rights not otherwise specifically and expressly covered by this Agreement.

ARTICLE 5 - UNION SECURITY

5.01 All present Employees now members of the Union shall maintain their membership in good standing as a condition of employment during the life of this Agreement. All new Employees, within thirty (30) days of their start date of employment must become and remain members in good standing of the Union as a condition of employment during the life of this Agreement.

5.02 The Union shall not require the Company to discharge any Employee on any ground other than for non-payment of the regular monthly dues, assessments or initiation fees uniformly required to be paid by all members of the Union as a condition of acquiring or retaining membership in the Union.

5.03 The Company agrees to a compulsory check-off of the Union dues and the deduction of initiation fees (upon authorization by the Employee) within the first thirty (30) days of employment, of all Employees who fall within the Bargaining Unit, and shall transmit the amount so deducted to the Union prior to the 15th day of each month, in which the deduction has been made, along with a list of Employees from whom such deductions have been made, and a list of Employees who have terminated.

5.04 The Union shall notify the Company in writing of any changes in the amount of monthly dues at least one month in advance of the end of the pay period in which the deductions are to be made.

5.05 The terms and conditions of this Agreement shall apply to all Employees who are subject to the provisions thereof, and there will be no alteration of wages, increases in hours of labour or changes in working conditions specifically referred to in this Agreement without prior negotiations and mutual agreement between the Company and the Union.

ARTICLE 6 - GRIEVANCES

6.01 The Union shall elect a grievance committee consisting of not more than three (3) Stewards whose duty it shall be to represent Employees in presenting and attempting to resolve grievances presented under this Article. The Union shall notify the Company in

writing of the names of the Stewards serving on the Grievance Committee. The Company shall not be required to recognize any Steward until such notification from the Union has been received.

6.02 In this Article and in Article 7, a grievance shall be defined as a complaint regarding the interpretation, application, or alleged violation of the terms and provisions of this Agreement or in the case of an Employee who has acquired seniority under this Agreement, a complaint that he has been discharged or disciplined without just cause. Any Employee having a grievance shall be required to submit the grievance to the Grievance Committee in writing who in turn shall take the matter up with the representatives of the Company.

6.03 The word "days" as used in this Article and in Articles 7 and 8 shall mean working days, other than an Employee's day off or a Statutory Holiday referred to in Article **13.**

6.04

Grievances shall be processed in the following manner and sequence:

<u>Step 1:</u>

A representative of the Grievance Committee shall submit a signed dated written statement of the grievance setting forth the particulars of the grievance to the Branch Manager or his delegate within ten (10) days of the event giving rise to the grievance. If not so presented, the grievance shall be forfeited and waived by the aggrieved party. The Branch Manager or his delegate shall deliver his decision in writing within two (2) days following the day on which the grievance was presented to him, or following his meeting with the Grievance Committee to discuss the matter. Failing settlement or receipt of an answer from the Branch Manager, then:

<u>Step 2:</u>

The Grievance Committee, or an authorized representative thereof, shall forward the written grievance to the Industrial Relations Manager of the Company or his designate within five (5) days from the date the Branch Manager issued or was required to issue his answer in writing. The Union may request a meeting with the Industrial Relations Manager, and if such a meeting is requested, then the Industrial Relations Manager or his designate will arrange a meeting with the Grievance Committee to discuss the matter within five (5) days following the date on which the grievance was presented to him. At this meeting the Union Representative may be present if his presence is requested by either the Company or the Union. The Industrial Relations Manager or his designate will deliver his decision in writing within ten (10) days following the date on which the grievance was presented to him or within ten (10) days following the convening of any meeting to discuss the grievance.

6.05 If final settlement of the grievance is not reached at Step 2 then the grievance may be referred in writing by either party to arbitration as provided in Article 7, at any time within ten (10) days after the final decision is given at Step 2.

6.06 The time limits specified in the grievance procedure outlined above may be extended by mutual agreement in writing between the Company and the Union. If the Company fails to give any written answer within time limits specified, the Union shall be

entitled to submit the grievance to the next stage including arbitration.

ARTICLE 7 - ARBITRATION

7.01 Failing settlement of any grievances under the procedure set forth in Article 6, such grievance may be submitted to arbitration provided it has been processed under Article 6.

7.02 A request for arbitration shall be made in writing by either party addressed to the other party within ten (10) days after the final decision is given at Step 2, and at the same time, the party requesting arbitration shall name its appointee. Within ten (10) days of receipt of such notice to arbitrate, the recipient of such notice shall nominate and notify the other party of its appointee to the board. Within five (5) days of the appointment of the second of them the two appointees shall appoint a third member of the arbitration board who shall be the Chairman. In the event that the party receiving the notice to arbitrate fails to appoint an appointee in the time allotted or if the two appointees fail to agree on the Chairman, then the Manitoba Labour Board may be requested to appoint the appointee, the Chairman, or both.

7.03 The arbitration board shall not have any power to alter, modify or amend any of the provisions of this Agreement or to substitute any new provisions for the existing provisions nor to give any decision inconsistent with the terms and provisions of this Agreement.

7.04 It is the intention of the parties that this Section shall provide a peaceful method of adjusting all grievances, so that there shall be no suspension or interruption of normal operation, **as** a result of any grievance. The parties shall act in good faith in accordance with the provisions of Article 6 and 7 of this Agreement.

7.05 The decision of the arbitration board shall be final and binding on both parties and on any Employee affected by it. If there is no majority decision then the decision of the Chairman shall be the decision of the Board. The expenses of the Chairman shall be borne one-half by the Company and one-half by the Union. Each party shall be responsible for the expenses of its appointee to a three person arbitration board.

7.06 By mutual agreement the parties may elect to have a single Arbitrator hear the matter in dispute instead of a three-man board. In such case, the party wishing to submit the issue to arbitration, should indicate in its notice of intent to arbitrate, that it would like the matter heard by a single Arbitrator. The recipient of the notice shall inform the other party within ten (10) days of receipt of the notice if it is agreeable or not to the matter being heard by a single Arbitrator. If so the parties shall endeavour to select the Arbitrator. Failing agreement within thirty (**30**) days or such time as agreed by the parties then the Manitoba Labour Board shall be requested to appoint a single Arbitrator. The single Arbitrator shall be bound by all clauses of this Article in the same manner as a Board of Arbitration, with the necessary changes being made.

7.07 The time limits fixed in the arbitration procedure may be extended by written agreement by the parties.

ARTICLE 8 - DISCHARGE CASES

8.01 A claim by an Employee that he has been unjustly discharged from employment shall be treated as a grievance, only if a written statement of such grievance is lodged with the Branch Manager within five (5) days after the Employee has been given notice

of discharge.

8.02 Such special grievance may be settled by confirming the Management's action in dismissing the Employee or by reinstating the Employee with full compensation for time lost, or by any other arrangement which is just and equitable in the opinion of the conferring parties.

8.03 When an Employee has been dismissed without notice, he shall have the right to interview his Steward for a reasonable period of time before leaving the plant premises.

8.04 An Employee shall give the Company two (2) weeks notice of termination of his employment. Except in the cases of dismissal for just cause (where no notice need be given), the Company, when it terminates or permanently lays off an Employee who has completed the probationary period, shall give the Employee the same notice of termination or layoff or shall pay the Employee wages, at regular rates, in lieu of the period for which notice was not given.

8.05 Employees who have not given proper termination notice may have deducted from monies due but not paid for wages or vacation pay, the amount of which would have been earned by the Employee during the period of notice which should have been given the Company.

8.06 Unless otherwise agreed between the Union and the Company in writing, a written warning cannot be used against any Employee after **a** period of eighteen (18) months from the date of issuance of such warning and will not be relied on for any purpose, provided the Employee did not receive any further warnings or other discipline within the eighteen (18) month period.

8.07 Where an Employee is given a written reprimand, suspension or is discharged, the Employee shall be notified in writing and a copy of the written disciplinary notice given to the Employee shall be given to the Shop Steward or in the absence of a Steward, a copy will be mailed to the Union office (Winnipeg) by registered mail. At any disciplinary meeting the Company will endeavour to have a Steward available at the time but failure to do **so** does not vitiate the discipline imposed.

8.08 Except for cases which justify immediate dismissal the Company shall apply the following form of progressive discipline for the same offence:

- 1) Verbal warning.
- 2) Written warning.
- 3) A suspension in line with the severity of the case.
- **4)** Termination.

ARTICLE 9 - SENIORITY

9.01 Seniority for all Employees shall be based on the length of continuous service within the Bargaining Unit since the last date of hire.

9.02 (i) An Employee shall be considered a probationary Employee until he has completed a total of forty (40) working days of service with the Company. While new

Employees are on probation it is understood that the Employee shall be considered as being employed on a trial basis and may be discharged at any time in the sole discretion of the Company and such discharge shall be deemed to be for just cause. The discharge of a probationary Employee shall not be the subject of a grievance and/or arbitration under this Agreement and it is recognized the Company has the right to dispense with the service of any probationer without reference to the Grievance Committee. Following successful completion of the probationary period, the probationary Employee shall be designated as a regular seniority Employee and when so designated he shall be entitled to be placed on the seniority list as of the date when he or she first entered the employment of the Company as a probationer. It is understood seniority for part-time Employees shall be based on the number of hours actually worked in relation to the normal hours of work for full-time Employees. However, among part-time Employees themselves, their length of continuous service within the Bargaining Unit since last date of hire shall be used to determine the seniority standing within the part-time group.

(ii) The Company agrees that there shall be no more than six (6) part-time Employees actively employed at any time.

(iii) In the event the time worked by a part-time Employee is in excess of seventy percent (70%) of the standard work week and continues for a period of ten (10) weeks or longer in that particular part-time position shall be posted as a regular full time position.

(iv) However, the Union agrees that the part-time Employees may work the standard work week for the purpose of relieving regular Employees who are off work due to one of the following reasons: vacation, maternity leave, authorized leave of absence from the Company, sick leave or Union business.

9.03 Seniority lists shall be based upon the date the Employee commenced work for the Company (following completion of the probationary period). The Company shall keep up to date and separate seniority lists for each "unit group" of Employees. There shall be two unit groups, one for the Sales Department and one for the Production Department. Unless specified otherwise, seniority shall operate separately for each unit group. It is understood Employees in one unit group may bid to a job vacancy or position in the other unit group but when an Employee so bids across unit groups the Company need not have regard to his seniority standing where there are applicants for the vacancy or position from the other unit group, provided however that if the Company transfers the successful applicant from one unit group to another, then full seniority in the Bargaining Unit will prevail upon completion of the transfer. In those cases where the only applicants for a vacancy or positions are Employees in other unit groups, then these Employees may rely on their seniority standing in preference to outside applicants, subject to their being able to meet the conditions of Article 10.01.

9.04 Where it is necessary to generally reduce the working force (ie. layoffs) bargaining wide group seniority will be the guiding factor **so** long **as** it does not prevent the Company from maintaining a competent force of Employees who possess the qualifications and ability to do the work which is then available and further provided such Employees are willing to do the work which is available.

9.05 Seniority will be forfeited and employment deemed to be terminated with **no** obligation on the Company to rehire under the following conditions:

- (a) An Employee quits for any reason;
- (b) An Employee retires;

- (c) An Employee is discharged and not reinstated through the grievance procedure;
- (d) An Employee is laid off for a period of twelve (12) months or more;
- (e) An Employee is absent from work, without an authorized leave of absence or without notifying the Company; unless the Employee provides the Company with a satisfactory reason for being absent or for having failed to notify the Company;
- (f) An Employee fails to return to work at the expiration of an authorized leave of absence, unless a written extension is granted;
- (g) If, while on an authorized leave of absence, the Employee takes gainful employment elsewhere; or
- (h) If an Employee fails to return to work within seven (7) days of being requested to do so, when recalled following a layoff and in this regard it shall be the Employee's responsibility to keep the Company advised of his current address in order to qualify for recall.

9.06 The Company shall keep up-to-date separate seniority lists for each unit group for all Employees who complete their probationary periods. The first seniority list shall be posted within thirty (30) days of the signing of this Agreement showing the name, seniority date and classification of each Employee who has acquired seniority under this Agreement and a copy of this list will be given to the Union. Up-to-date seniority lists will be posted by the Company in January and July of each year and a copy given to the Union.

ARTICLE 10 - FILLING VACANCIES

10.01 When new permanent positions are created or a permanent vacancy occurs, the Company shall post a notice of such vacancy within two (2) working days of the vacancy occurring or new position being created. The posting shall be maintained for three (3) working days to enable Employees to make written application for the new position or vacancy. Senior Employees from the applicable unit group applying for **a** new position or vacancy shall be given preference for the new position or vacancy provided the Employee possesses the required qualifications and has the ability to do the normal requirements of the position following a familiarization period of five (5) working days. In the event the Employee does not meet these requirements he shall revert to his former position. On any posting a list of the names of those applying shall be given to the designated Steward. All applications must be made in writing to the Branch Manager or his designate. Employees cannot bid to receive more than one job change in any six month period.

10.02 In the event of a route being split, the route salesman whose route is so divided shall be given the first choice of the two remaining routes, with further understanding that for the next fifteen (15) weeks following, such Employee's earnings on the route chosen shall not be less than the average earnings of his original route for the four week period immediately prior to the split. This guarantee shall be computed and paid on the regular paydays each month.

10.03 In the event a job or sales route is permanently cancelled, the Employee concerned shall retain his seniority and employment with the Company. Such Employee shall have the privilege of assuming the position or job in the appropriate unit group being worked

by the most junior Employee, provided the Employee is qualified and able to do the normal requirements of the position following a familiarization period of five (5) working days. In such circumstances, the most junior Employee in the unit group will be laid off. However, if the most junior Employee occupies a position requiring a licence and the displaced Employee does not possess such a licence, then the displaced Employee can assume the position of the second most junior Employee in the unit group subject to the understandings outlined in this sub-article. If a driver does not have the appropriate licence the Company shall allow the driver the same amount of time he is allowed for his training period to get the required licence. This is conditional on no Employee the in applicable Employee unit being on lay off.

10.04 When a trained salesman takes over another route, he shall receive the base rate of pay plus the commission he was earning on the route he is leaving until he takes full responsibility for the route he is assuming.

10.05 Members of Management and/or non-union Employees will not consistently perform work done by Employees in the bargaining unit.

ARTICLE 11 - MISCELLANEOUS

11.01 The Company shall make every effort to provide allsafeguards necessary for the health and comfort of Employees and the Employees shall endeavour, at all times, to promote cleanliness and safety.

11.02 Upon the mutual request of the parties to this Agreement, or by request of the Company alone, any or all Employees shall be subject to a physical examination by a competent physician at the Company's expense. Unless the Employee otherwise agrees, the Company will not require an Employee actively at work to have an examination on his regularly scheduled day off.

11.03 The Company shall provide access to the bulletin board on its premises for the use of the Union. The main purpose of the bulletin board shall be for the posting of proper notices relating to Union meetings, Union elections, the names of Union Officers or Stewards, social and recreational events. With respect to such notices prior approval of the Company need not be obtained. Such notices will not contain any comments that are detrimental to the Company or any of its Employees. Notices or other material that do not fall within the preceding definition shall require the prior approval of the Company expressed 'by the initials of the Branch Manager or his designated representative prior to posting.

11.04 All expenses incurred through breakdowns for which drivers are not responsible and bad road conditions, shall be paid for by the Company.

11.05 The Company shall equip all trucks to ensure the safety and comfort of drivers. In this regard the Company shall ensure that the minimum standards of applicable safety legislation are met. The Company also agrees to pay the cost of the licence (licence portion only) required to drive a designated truck and the full cost of the medical exam, as required.

11.06 Driver salesmen shall be allowed to drive in, unload returns, and settle accounts as soon **as** their routes are properly finished. The Company will provide sufficient help and forklifts during the loading and unloading of route salesmen's trucks so as to avoid unnecessary congestion on loading platforms.

11.07 All milk shall be loaded on pallets and shippers shall assist salesmen to

load their trucks by bringing the milk on pallets to the loading dock.

11.08 Route salesmen or relief men shall not be required to do greasing, oiling, repairing, or washing of trucks, or any inside work, except to take the truck out of the garage, **gas** and return. Salesmen having under their control equipment fitted with pneumatic tires shall see that such equipment is properly inflated at all times.

11.09 The Company may grant a leave of absence to any Employee for legitimate personal reasons and such leaves of absence must be granted in writing; and any person absent with such written permission shall not be considered to be laid off and seniority shall continue to accumulate during such absence.

11.10 Employees will be granted necessary leave of absence without pay to attend their meetings and conventions but such leave need only be granted by the Company when such leaves will not interfere with the requirements of the service and provided the Company is not put to any additional expense.

11.11 When an Employee has completed one (1) year of service with the Company and a death occurs in the immediate family of such Employee, then the Employee shall receive up to three (3) consecutive scheduled working days at his or her regular rate of pay provided the Employee is involved in preparations for the funeral and/or attends the funeral. Such payments are made only in respect of absence from work on regular scheduled working days. On compassionate grounds the Company may extend such leaves if the Employee requests same. Further, one extra day for travel shall be allowed if attendance at the funeral requires the Employee to travel more than 100 miles. In this Article the immediate family of an Employee shall be deemed to mean his Spouse, Common-law Spouse, Mother, Father, Brother, Sister, Mother-in-law, Father-in-law, Brother-in-law, Sister-in-law, Child, Step-child, Grandparents. Route salesmen shall be compensated for each day of absence calculated on the basis of an amount of pay equal to their average daily earnings for the days worked during the thirty (30) calendar days immediately preceding the bereavement leave.

11.12 The Company shall supply the following to production Employees, namely:

- (i) Company to provide rubber boots for production Employees.
- The Employer agrees to supply uniforms, which for each two (2) year (ii) period shall be four (4) shirts and for each three (3) year period, four (4) pairs of trousers - two (2) summer weight and two (2) winter weight - two (2) windbreakers (either summer, winter or parka type), one (1) winter cap and one (1)summer cap for truck drivers; suitable overalls and long-sleeved smocks where needed. Uniforms, overalls and longsleeved smocks shall at all times remain the property of the Employer, The Employer shall have the right to have said overalls and smocks repaired, if thought advisable, and shall be responsible for laundering overalls and smocks and for the entire cost of dry cleaning uniforms. Engineers shall be entitled to proper coveralls or pants and shirts. Parkas 'will be made available to Employees for cold storage work, skidoo suits and suitable footwear to be provided for freezer Employees. The Employer will discuss with Employees concerned as to their preference in such clothing.

- (iii) \$70.00 footwear allowance to drivers, shipping and production Employees once per year upon presentation of receipt.
- (iv) Clothing and laundry of same for production workers, shippers and receivers.

11.13 The Company, during the life of this Agreement, shall maintain the following privileges:

- (a) parking and plug-ins for block heaters only, at no cost to the Employees;
- (b) quarter litres of white and chocolate milk, cream for coffee, at no cost to the Employees, for use during lunch and coffee breaks. Other products may be made available, in the Company's discretion.
- (c) allowing regular full-time Production Employees to leave work early on regular work days during a work week, without loss of regular pay, provided all assigned tasks have been completed and prior approval of Management has been obtained. In these circumstances, the Employees will be paid for a normal forty (40)hour week. The continuance of this practice does not constitute a guaranteed work week nor preclude the Company from laying off Employees should business circumstances so dictate.

11.14 (i) The Company goals include the maintenance and development of viable Branch operations, however, should certain Branch operations be closed or altered resulting in permanent layoffs or job deletions to a significant number of Employees, then the Company will offer job opportunities to affected Employees elsewhere within the organization including the affected Branch operations where vacancies exist.

(ii) In all of the above cases, the Union will be given sixty (60) days written notice **cf** the Company's intention to close or alter the plant operation. If no vacancy occurs during the sixty (60) day notice period the Employees affected will have another twelve (12) months in which to have an opportunity to transfer to vacancies that may come open. The Employee may elect the option of taking another job that may be available or severance pay under Article 11.14 (iii). In the event that an Employee exercises an option to transfer to another plant, then the Union agrees to provide an opportunity for the transferred Employee(s) to maintain their full seniority rights without respect to their prior Union affiliations subject to a two (2) year restriction on bidding rights only.

(iii) Should certain Branch operations be closed or altered resulting in permanent layoffs or job deletions to a significant number of Employees, Employees who have five (5) years or more of service will be paid Severance Pay at their current basic rate of pay as follows:

One (1)week's pay for each year of Service to a maximum of thirty (30) weeks' pay. (Pro-rated for partial years)

An Employee will forfeit any claim to employment with the Company once severance pay has been taken.

(iv) The Company agrees, upon receiving written notice from the Employee, to place an Employee who has been permanently laid off or had their job deleted as a result of

closure or alteration of branch operations in an "in-house labour pool". Employees in this Pool will be advised of opportunities which come available at any of the Company's Manitoba plants and for which these laid off Employees may be qualified. Employee names will be maintained in this Pool until they have accepted a job or until the expiry of a period of up to twelve (12) months from the date they received notice of the lay-off.

(v) Where new or greater skills are required than are already possessed by the affected Employees, such Employees shall, at the expense of the Employer, be given a reasonable period of time, without reduction of hours of work or rates of pay, during which they may acquire the necessary skills required to retain their employment.

(vi) No additional Employee shall be hired by the Employer until Employees on layoff, have been notified and allowed a reasonable training period to acquire the necessary knowledge or skill to retain their employment.

(vii) Job opportunities at other locations will not be offered to those in the "in-house labour pool" until they have been offered to Employees at the alternative location first.

(viii) An Employee who has accepted a position in another Plant of the Company as a result of this Article shall be given first option to return to his Home Plant should a vacancy or new position become available and the vacancy not be filled under the terms of this Agreement.

(ix) New Employees hired on or after the giving of the sixty (60) day notice period will not be covered by the above clause.

11.15 (i) The Company agrees to supply semi-drivers and bulk tank drivers with one skidoo suit that must remain in the truck at all times. It is further agreed that if the skidoo suit disappears or is lost, it is the responsibility of the semi-driver or bulk tank driver to replace it at his/her own expense. It shall be replaced at equal value.

(ii) The Company agrees to advise all drivers at least one (1) week in advance of anyone coming to measure them for uniforms.

ARTICLE 12 - VACATIONS WITH PAY

12.01 (i) Employees will not be entitled to take vacation until such vacation has been earned.

(ii) An Employee shall receive an annual vacation with pay in accordance with the Employee's years of employment as follows:

Less than one (1)year	One (1) working day for each month to a maximum of ten (10) days
After one (1)year	Two (2) weeks
After four (4) years	Three (3) weeks

After eight (8) years	Four (4) weeks, with the fourth week of vacation being taken after the normal vacation period
After sixteen (16) years	Five (5) weeks, with the fourth and fifth weeks of vacation being taken after the normal vacation period
After twenty-four (24) years	Six (6) weeks, with the fourth, fifth and sixth weeks being taken after the normal vacation period

12.02 For Employees in the Bargaining Unit, two (2) vacation years shall be recognized. For those Employees who were on staff prior to January **1**, **1984**, the anniversary date of employment of such Employees shall be used for the purposes of determining vacation entitlement. For those Employees hired after January **1**, **1984** and all new hires the vacation year shall be from January **1** in any year to December 31 of the same year. Vacations must be taken annually and may not be accumulated from year to year without the prior written approval of the Company.

12.03 Seniority of service shall determine choice of holidays for all Employees in each group, (groups being Plant and Distribution), excluding foreman, so long **as** operations are not disrupted. Employees will only schedule three **(3)** weeks in the prime time.

12.04 Holiday lists shall be posted by the Company not later than March 1 in the year and shall be arranged according to departmental seniority, the departments being Sales; Shipping/Receiving; Cheese; Butter and Milk, Drink and Culture Products. Members of Management will not be included in the Union Vacation list.

12.05 The normal vacation period shall be from May 1 to October 31 in each year, unless otherwise agreed upon between the Company and the Employee affected.

12.06 Prior to going on holidays, all Employees shall be given their holiday pay and in the case of salesmen, they shall by given their average weekly wage with the understanding that on his return to work he shall receive such extra amount as has been earned on the route during his absence.

12.07 If requested by the Company and an Employee agrees to work on annual vacation or banked time, the Company will pay the Employee time and one-half for all hours and days worked in addition to his vacation pay, and in the case of a sales Employee, **the** Employee will be paid time and one-half of his basic salary, plus his regular commission, or the Employee will be given a day and one-half for every day worked at a time suitable to the Employee and the Company.

12.08 Should an Employee who is entitled to holidays resign or be discharged, then said Employee shall receive pay in lieu of holidays at the following rates:

- (a) an Employee entitled to two (2) weeks vacation shall be paid four percent (4%) of his total earnings in that year;
- (b) an Employee entitled to three (3) weeks vacation shall be paid six percent (6%) of his total earnings in that year;
- (c) an Employee entitled to four (4) weeks vacation shall be paid eight percent (8%) of his total earnings in that year;

- (d) an Employee entitled to five (5) weeks vacation shall be paid ten percent (10%) of his total earnings in that year;
- (e) an Employee entitled to six (6) weeks vacation shall be paid twelve percent (12%) of his total earnings in that year.

12.09 If a statutory holiday falls in an Employee's holiday period, an addition day's vacation will be granted at a mutually agreeable time.

12.10 All Employees entitled to vacation shall take same within one (1)year following the end of the earned vacation year. By mutual agreement between Employer and Employee, the Employee shall be allowed **to** carry over vacation to the following year for special occasions.

12.11 Any temporary lapse in employment due to illness or accident to the Employee shall not affect the continuity of employment for choice of vacation period.

12.12 A temporary lapse in employment due to illness or non-compensable accident to the Employee shall not affect continuity of employment for purposes of vacation credits. However, for purposes of vacation time off and pay, such Employee shall be dealt with in accordance with the following scale:

Absent one (1) day to thirteen (13) weeks	100%
Absent thirteen (13) weeks to twenty-six (26) weeks	75%
Absent twenty-six (26) weeks to thirty-nine (39) weeks	50%
Absent thirty-nine (39) weeks to fifty-two (52) weeks	25%
Absent more than fifty-two (52) weeks	NIL

ARTICLE 13 • STATUTORY HOLIDAYS

13.01 Public or Statutory Holidays shall be defined as any day publicly proclaimed or generally observed in the industry and the following shall be recognized as Statutory Holidays with pay at the straight time rate:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Dominion Day	Christmas Day
Civic Holiday	Boxing Day

or any day substituted by the Federal and Provincial Governments in lieu thereof, and any other day proclaimed as a holiday by Dominion or Provincial Governments.

13.02 When public or Statutory Holidays occur all Employees shall be entitled to same and shall be paid at the regular rate. It is agreed that the Company can request Employees to work a holiday at the rate of time and one-half in addition to pay for the full day's holiday at the regular rate of that Employee. An Employee called in on a Statutory holiday shall be granted a minimum of four (4) hours pay at overtime rates of pay. This clause subject to mutual agreement of the Employee and the Company.

13.03 When any of the above Statutory Holidays occur during the period of an Employee's annual vacation, said Employee's vacation period shall be lengthened by one day or a day's pay in lieu thereof. This clause subject to mutual agreement of the Employee and the Company.

13.04 If a Statutory Holiday falls on an Employee's regular day off, an additional day off or payment for same will be made. This clause subject to mutual agreement of the Employee and the Company.

13.05 Employees must work the normal working day prior to and the normal working day following a Statutory Holiday in order to receive payment for the Statutory Holiday. Employees need not meet this requirement where they are absent on either or both of these days due to:

- (a) illness (only illnesses supported by a Doctor's Certificate)
- (b) approved leave of absence
- (c) approved compensable accident
- (d) bereavement in the Employee's immediate family
- (e) permission from the Company
- (f) jury or witness duty

ARTICLE 14 - WAGES

14.01 The following wage progression applies to new Employees hired after the Date of Ratification. Current Employees shall not have their current wage reduced **as** a result of the implementation of this new wage progression.

(a)

1994

Note: - Rates effective February 1, 1994 - \$100.00 signing bonus

Production Employees

Position	Start Rate 0 - 6 <u>months</u>	Step 2 7 - 12 <u>months</u>	Step 3 13 - 18 <u>months</u>	Step 4 There- after
Head Shipper/Receiver	10.10	11.54	12.99	14.43
Head Cheesemaker	10.10	12.20	13.73	15.25
Cheesemaker	10.10	11.90	13.39	14.88
Buttermaker	10.10	11.80	13.28	14.75
Pasteurizer	10.10	11.78	13.26	14.73
Head Pasteurizer	10.10	12.16	13.68	15.20
Machine Operator	10.10	11.54	12.99	14.43
Cream Truck Driver	10.10	11.46	12.90	14.33
General Plant Help, Quality Control (Lab), Shipper, Receiver	10.10	11.16	12.56	13.95

1995

Note: • Rates effective February 1, 1995

• In the event that net provincial outside sales (excluding interbranch) in the year 1994, meet or exceed those of the previous year, employees will receive an additional \$0.10 per hour increase, effective February 1, 1995.

Production Employees				
	Start Rate 0 - 6	Step 2 7 - 12	Step 3 13 - 18	Step 4 There-
Position	months	months	months	after
Head Shipper/Receiver	10.24	11.93	13.41	14.88
Head Cheesemaker	10.24	12.45	13.99	15.53
Cheesemaker	10.24	12.18	13.69	15.20
Buttermaker	10.24	12.11	13.61	15.10
Pasteurizer	10.24	12.10	13.60	15.09
Head Pasteurizer	10.24	12.42	13.96	15.49
Machine Operator	10.24	11.93	13.41	14.88
Cream Truck Driver	11.56	12.51	13.52	14.52
General Plant Help, Quality Control (Lab) ,				
Shipper, Receiver	10.24	11.61	13.05	14.48

1996

Note: - Rates effective February 1, 1996

- In the event that net provincial outside sales (excluding interbranch) in the year **1995,** meet or exceed those of the previous year, employees will receive an additional **\$0.10** per hour increase, effective February 1, 1996.

Production Employees	Start Rate 0 • 6	Step 2 7 - 12	Step 3 13 - 18	Step 4 There-
Position	months	months	months	<u>after</u>
Head Shipper/Receiver	10.39	12.38	13.89	15.41
Head Cheesemaker	10.39	12.74	14.30	15.85
Cheesemaker	10.39	12.50	14.03	15.56
Buttermaker	10.39	12.47	14.00	15.52
Pasteurizer	10.39	12.46	13.99	15.51
Head Pasteurizer	10.39	12.73	14.28	15.84
Machine Operator	10.39	12.38	13.89	15.41
Cream Truck Driver	13.25	13.73	14.23	14.73
General Plant Help, Quality Control (Lab), Shipper, Receiver	10.39	12.14	13.62	15.10

1997

Note: • Rates effective February 1, 1997

Production Employees

Position	Start Ra 0 - 6 <u>months</u>	ate Step 2 7 - 12 months	Step 3 13 - 18 <u>months</u>	-
Head Shipper/Receiver	10.55	12.83	14.38	15.93
Head Cheesemaker	10.55	13.03	14.61	16.18
Cheesemaker	10.55	12.83	14.38	15.93
Buttermaker	10.55	12.83	14.38	15.93
Pasteurizer	10.55	12.83	14.38	15.93
Head Pasteurizer	10.55	13.03	14.61	16.18
Machine Operator	10.55	12.83	14.38	15.93
Cream Truck Driver	14.95	14.95	14.95	14.95
General Plant Help, Quality Control (Lab), Shipper, Receiver	10.55	12.67	14.19	15.72
	Effective <u>Feb. 1, 1994</u>	Effective <u>Feb. 1, 1995</u>	Effective <u>Feb. 1, 1996</u>	Effective <u>Feb. 1, 1997</u>

Part-time Depot Hauler	14.83	14.87	14.91	14.95
Part-time Cream Truck Driver	12.95	13.55	14.25	14.95

b) <u>Seasonal Help (Student)</u> during the period May 15th to September 15th.

Effective:	<u>Feb. 1, 1994</u>	<u>Feb. 1, 1995</u>	Feb. 1, 1996	<u>Feb. 1, 1997</u>
First Year	6.00	6.06	6.13	6.20
Second Consecutive Year	6.25	6.31	6.38	6.45
Third Consecutive Year	6.50	6.56	6.63	6.70

c) <u>Higher Classification:</u>

Any Employee (other than a probationary, seasonal or temporary Employee) working in a higher classification than his own shall receive the rate for such classification after the first full day of work in the higher rated classification.

14.02 Sales Employees

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(a) All new Route Salesmen shall receive up to two (2) weeks training and shall be paid the following rates while learning.

Effective:

February 1, 1994	10.45
February 1, 1995	11.27
February 1, 1996	12.22
February 1, 1997	13.17

Immediately on assuming responsibility for a route, the Route Salesman shall be paid the prevailing scale of wages and commissions.

(b) Remuneration for Driver Salesmen shall be as follows:

Hourly Wage Rate

Routes:	<u>Feb. 1, 1994</u>	<u>Feb. 1, 1995</u>	Feb. 1, 1996	Feb. 1, 1997
Route 1	6.15	7.90	9.94	11.98
Route 3	10.19	10.73	11.35	11.98
Route 4	6.73	8.31	10.14	11.98
Route 5	7.88	9.11	10.55	11.98

In addition to the hourly basic salary Driver Salesmen shall, over the duration of this Agreement, be paid the following commission rates:

Effective February 1, 1994:

<u>Category</u>	<u>Rural</u>	<u>Town</u>
Manufactured Ice Cream/Novelties (DPCL labels & Ault Brands manufactured In-house)	3.50%	3.50%
Purchase Ice Cream/Novelties	3.50%	3.50%
Frozen Foods	2.50%	2.50%
Butter	1.00%	1.00%
Eggs	1.00%	1.00%
Milk	2.30%	1.15%
Milk By-products (Cereal) and Whipping Cream, Yogurt, Sour Cream and Cottage Cheese	2.30%	1.15%
Drinks and Juices	2.30%	1.15%
Cheese	1.00%	1.00%
Poultry	1.00%	1.00%
Miscellaneous Trade (e.g. Ice Cream Cones & Toppings)	1.00%	1.00%
Effective February 1. 1995:		
<u>Category</u>	<u>Rural</u>	<u>Town</u>
Manufactured Ice Cream/Novelties (DPCL labels & Ault Brands manufactured In-house)	3.05%	3.05%
Purchase Ice Cream/Novelties	2.71%	2.71%
Frozen Foods	2.35%	2.35%
Butter	1.12%	1.12%
Eggs	0.96%	0.96%
Milk	2.14%	1.33%
Milk By-products (Cereal) and Whipping Cream, Yogurt, Sour Cream and Cottage Cheese	2.14%	1.33%
Drinks and Juices	2.14%	1.33%
Cheese	1.18%	1.18%
Poultry	0.96%	0.96%
Miscellaneous Trade (e.g. Ice Cream Cones & Toppings)	1.00%	1.00%

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Effective February 1, 1996:

Category	<u>Rural</u>	<u>Town</u>
Manufactured Ice Cream/Novelties (DPCL labels & Ault Brands manufactured In-house)	2.53%	2.53%
Purchase Ice Cream/Novelties	1.78%	1.78%
Frozen Foods	2.18%	2.18%
Butter	1.26%	1.26%
Eggs	0.90%	0.90%
Milk	1.94%	1.54%
Milk By-products (Cereal) and Whipping Cream, Yogurt, Sour Cream and Cottage Cheese	1.94%	1.54%
Drinks and Juices	1.94%	1.54%
Cheese	1.39%	1.39%
Poultry	0.90%	0.90%
Miscellaneous Trade (e.g. Ice Cream Cones & Toppings)	1.00%	1.00%
Effective February 1, 1997:		
Category	<u>Rural & To</u>	<u>wn</u>
Manufactured Ice Cream/Novelties (DPCL labels & Ault Brands manufactured In-house)	2.00%	
Purchase Ice Cream/Novelties	0.85%	
Frozen Foods	2.00%	
Butter	1.40%	
Eggs	0.85%	
Milk	1.75%	
Milk By-products (Cereal) and Whipping Cream, Yogurt, Sour Cream and Cottage Cheese	1.75%	
Drinks and Juices	1.75%	
Cheese	1.60%	
Poultry	0.85%	
Miscellaneous Trade (e.g. Ice Cream Cones & Toppings)	1.00%	

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(c) Commission paid on sales for Government contracts only shall be one-half (1/2) of regular commission rates.

(d) Commissions paid on private labelled packaged products shall be one-half (1/2) of regular commission rates.

(e) It is understood commissions shall be based upon goods sold and delivered and an Employee shall not be responsible for an unpaid customer account if the account is one to which the Company has extended credit or the Branch Manager or his designate has authorized the Employee to leave the product at the customer's premises who is otherwise an unauthorized account. Employees shall be notified by the Company, in writing, of accounts that are authorized to receive credit. The Employees shall also be notified, in writing, of any change in the status of an unauthorized credit account. Driver salesman shall be responsible for unpaid accounts where they have left products not fulfilling the above conditions.

(f) For the purpose of clause (e) above the expression "delivered" shall be deemed to include deliveries made on the route by Dairy Producers Co-operative Limited personnel other than the Salesman himself where such deliveries are required to be made on an intermittent and as required basis to meet customers' needs due to unforeseen events which arise when the Driver is **on** the route such as unavailability of product at the plant at the time that Salesman leaves on the route, errors by the customer in ordering or where the customer has run out of product and needs immediate delivery thereof.

14.03 Additional Remuneration

(a) For Wholesale Driver Salesmen and Depot Hauler a meal allowance of \$7.00 per meal will be paid when such drivers are actually pulling routes and are away from the plant for over ten (10) hours.

(b) For Wholesale Driver Salesmen only, an allowance of \$4.00 per day will be paid to cover driving time but the allowance will only be paid when the drivers are actually pulling routes.

(c) In the event of a breakdown or malfunction of a Route Commander or Printer for which a Driver is not responsible and which breakdown or malfunction necessitates the Driver having to remain at the premises beyond what would normally be required to finish the day's work (i.e. the normal processing of information into the Route Commander and Printer) the Company will pay the Driver the **sum** of \$10.00 for each hour the Driver is required to stay (but not less than \$10.00 if less than one hour and not more than two (2) hours maximum). Driver must state reason for breakdown.

14.04 In the event an Employee has his/her position eliminated and such Employee exercises his/her seniority rights under the Collective Bargaining Agreement, and takes a lower paying position than the one that is eliminated, then such Employee will maintain his/her wage rate to a maximum period of three (3) months. At the end of the maximum three (3) month period, then such Employee shall have his/her wage rate reduced to the rate provided for in the Collective Bargaining Agreement for such lower paying position.

ARTICLE 15 - HOURS OF WORK AND OVERTIME

15.01 <u>Production Employees:</u>

(a) Subject to (b) below, the normal work week shall be comprised of forty (40) hours

per week, which is made up of five (5) days, falling within the period Monday to Friday. Normal daily hours are inclusive of rest periods but exclusive of lunch periods;

- (b) Exceptions to the normal work week defined in (a) above, shall be as follows:
 - (i) for the Cheese Department, (including Pasteurizer) the normal work week shall be forty (40) hours, which is made up of five (5) days, falling within the period Monday to Saturday;
 - (ii) for the Shipping Department, the current rotating working schedule for Shippers shall be maintained with Saturday being a regular work day;
 - (iii) for Milk Receiving, the current arrangement where Sunday is a regular work day for Employees assigned this task shall be maintained. A milk receiver who works on Sunday shall be entitled to receive two consecutive days off.
 - (c) all hours worked in excess of forty (40) hours in any week by an Employee shall be paid for at the rate of time and one-half (11/2) times his regular hourly rate, for the first ten (10) hours of weekly overtime and double time shall be paid for work performed in excess of fifty (50) hours worked in the normal work week;
 - (d) where, under Article 11.13(c), an Employee has been paid for a normal forty
 (40) hour work week but has not actually worked the full forty (40) hours, those hours paid for but not worked shall be credited then against any overtime earned and payable under (b) above;
 - (e) no Employee shall be required to work more than twelve (12) hours in any one day.
 - (f) Driver Salesmen and/or Production Employees who are called in to work on their regularly scheduled day off shall be guaranteed four (4) hours pay at overtime rates of pay.
 - (g) All production Employees shall receive two (2) consecutive days off.

15.02 <u>Driver Salesmen:</u> The normal work week for driver salesmen shall be either five (5) days or four (4) days in a work week. All driver salesmen shall have two (2) consecutive days off, one (1)being Sunday and the other being either Saturday or Monday. Work performed on a regular scheduled day off shall be paid at the rate of time and one-half (11/2) based on the monthly basic salary only.

15.03 <u>Lunch Period</u>: No Employee shall be required to go for lunch before completing three and one half (3 1/2) hours of work and no Employee shall be required to work more than five (5) hours without a lunch period, which lunch period shall be one-half (1/2) hour in duration.

15.04 <u>Rest Period</u>: All production Employees shall be given a fifteen (15) minute rest period midway through each four (4) hour shift.

15.05 The Company agrees there will be no split shifts and there must be at least fourteen (14) hours between shifts.

ARTICLE 16 - HOSPITALIZATION AND SICK BENEFITS

16.01 The Company shall maintain, for the duration of this Agreement, in their present form or in no less beneficial form, the benefits contained in its Group Term Life Insurance Plan, Employee Accidental Death and Dismemberment Plan, Weekly Income Benefit Plan and Employee Long-Term Disability Plan with the Company paying 100% of the premiums for these plans. The existing Company Pension Plan shall be maintained including the current contributions made by the Company and Employees to the plan. Such plans shall continue to cover eligible Employees as currently defined in said plans and the plans shall be administered in accordance with the rules and regulations of the insurance plans.

16.02 Employees will earn sick leave credits at the rate of 1/2 day per month and will be allowed to accumulate sick leave credits to a maximum of twelve (12) days. Such sick leave credits will be used for the first, second and third days of sickness. The Company agrees to provide weekly income benefits provided the Employee is off sick for 4 (four) consecutive days or more. If requested by the Company, an Employee shall provide a medical certificate completed by a duly authorized medical practitioner in order to be eligible for pay under this provision.

16.03 The Company shall maintain, for eligible Employees, the existing dental plan for the duration of the Agreement except that the Company will contribute 100% toward premium costs for the dental plan.

ARTICLE 17 • STRIKES AND LOCKOUT

17.01 In accordance with the provisions of <u>The Manitoba Labour Relations</u> <u>Act</u>, the Union will not declare or authorize a strike of any Employee or Employees covered by this Agreement and the Company shall not declare or cause a lockout of Employees, nor shall any Employee covered by this Agreement strike while the Agreement is in force.

17.02 All Employees covered by this Agreement shall have the right to refuse to cross picket lines in connection with a labour dispute. Failure to cross picket lines shall not be considered grounds for disciplinary action or otherwise be a violation of this Agreement.

ARTICLE 18 - JURY DUTY

18.01 The Company will, on receiving from the Employee a certificate from a proper officer of the court certifying that the said Employee has been required to report for jury duty or to act as a subpoenaed witness, for a number of days to be stated in the same certificate, pay to the Employee the difference between the sum of money stated in the certificate and the sum the Employee would have received had he worked during the period referred to in the certificate.

ARTICLE 19 - CONTRACTING OUT

19.01 Contracting out of Bargaining Unit work will occur only when the Company can demonstrate economic benefits for doing so. In any event prior to contracting out the Company will meet with the Union in an attempt to resolve the problem.

ARTICLE 20 - LICENCES

20.01 All Employees required to have a licence in order to qualify to perform their job will have the licence paid for by the Company.

ARTICLE 21 - DURATION OF AGREEMENT

21.01 This Agreement shall come into effect on date of signing and shall remain in effect until January 31, 1997, except that the provisions of Article **14** (WAGES) **shall** be retroactive to February 1, 1994 for Employees of the Company on the payroll of the Company on date of ratification.

21.02 A party wishing to revise or terminate this Agreement shall notify the other party in writing not less than thirty (30) days and not more than sixty (60) days prior to the expiry date hereof. If notice is not given as above, this Agreement shall automatically be renewed from year to year thereafter until notice is given in accordance with this Article. All revisions desired by either party to this Agreement shall be submitted in writing within twenty (20) days of the giving of such notice.

IN V	VITNESS WHEREO	F the parties	s hereto have caused t	this Agreement to be duly executed
			August	, 1994.

DAIRY PRODUCERS CO-OPERATIVE LIMITED

General Manager/CEC Industrial Relations Manager

RETAIL, WHOLESALE CANADA, CANADIAN SERVICE DIVISION OF THE UNITED STEEL WORKERS OF AMERICA AND IT'S LOCAL #755

LETTER OF UNDERSTANDING

BETWEEN DAIRY PRODUCERS CO-OPERATIVE LIMITED

AND RETAIL, WHOLESALE CANADA, CANADIAN SERVICE DIVISION OF THE UNITED STEEL WORKERS OF AMERICA AND IT'S LOCAL #755

RE FRANCHISING OUT

Should the Company exercise its option to franchise out any Retail and/or Wholesale City or Country Route, it is agreed:

1) The first option to purchase said Route shall be given to the Employee Driver who operated the Route.

2) Should two (2) Routes at the same Branch be combined and franchised out, then the first option to purchase shall be given to the more senior Employee.

3) Should two (2) Routes be combined at two (2) Branches and franchised out, then the Company will determine the Branch from which the franchised Route shall originate and the Employee Driver from the originating Branch shall have the first option to purchase such Route.

SIGNED THIS 72nd DAY OF Amers (, 1994 A.D.

DAIRY PRODUCERS CO-OPERATIVE LIMITED

General Manager/CEØ Industrial Relations Manager

RETAIL, WHOLESALE CANADA, CANADIAN SERVICE DIVISION OF THE UNITED STEEL WORKERS OF AMERICA AND IT'S LOCAL #755