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No. OF EMPLOYEES	120		
Nombre D'EMPLOYES	AA		

THIS AGREEMENT MADE AND ENTERED INTO THE CITY OF VANCOUVER  
IN THE PROVINCE OF BRITISH COLUMBIA, THIS 9th DAY OF June  
1998.

**BETWEEN:**

JAX FASHIONS INC.  
611 ALEXANDER STREET,  
VANCOUVER, B.C.  
V6A 1E1  
(Hereinafter referred to as the "Employer")

PARTY OF THE FIRST PART

**AND:**

UNION OF NEEDLETRADES, INDUSTRIAL, AND TEXTILE EMPLOYEES  
LOCAL 178  
#117 - 119, WEST PENDER STREET,  
VANCOUVER, B.C.  
V5B 1S5  
(Hereinafter referred to as the "Union")

PARTY OF THE SECOND PART

**THE PARTIES HERETO HEREBY AGREE AS FOLLOWS:**

**ARTICLE 1 - DEFINITION**

**1.01** Average Earnings:

The term "average earning" on a per hour or gross basis will be defined as follows:

- (a) For a time worker, it will refer to an operator's Individual Operator Hourly Rate (IOHR).
- (b) For a piece worker, it will refer to a level of earning which has been established by an operator for a given period of time based upon the operator's standard allowed minute values efficiency in relation to the Operator Incentive Rate (OIR). The period of time for the purpose of calculating the average earnings of an employee shall be ever two (2) weeks.

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**1.02 Satisfactory Manner:**

- (a) "Satisfactory Manner" when referred to a time worker, it means the ability, skill, and qualifications to perform the job required.
- (b) "Satisfactory Manner" when referred to a piece worker, it means the worker has performed the job required at 75% or more for a minimum of eight (8) consecutive hours. Effective January 1, 1999 it means the worker has performed the job required at 80% or more for a minimum of eight (8) consecutive hours.

**1.03 Calendar Quarter:**

"Calendar Quarter" when referred in the Agreement shall be as follows:

January 1 to March 31

April 1 to June 30

July 1 to September 30

October 1 to December 31

**ARTICLE 2 - PREAMBLE**

The purpose of this Agreement is to secure for the Company, the Union and the employees, the full benefits of orderly and legal collective bargaining and to ensure to the utmost extent possible the safety and physical welfare of the employees, economy of the operation, quality and quantity of out-put and protection of property. It is recognized by this Agreement to be the duty of the Company and of the Union and of the employees to co-operate fully, individually and collectively for the advancement of said conditions. The Employer and the Union agree that they will respectively abide by, observe, and perform in good faith the terms and provisions of this Agreement. The Union further agrees that it will at all times instruct its members to act in accordance with the terms contained in the Agreement. The Company agrees, in the exercise of the functions of Management, that the provisions of this Agreement will be carried out.

It is recognized that the Employer is engaged in a highly competitive business and that the legitimate and mutual interest of the employer and its Employees and the Union are directly related to the success of the business and the security of the individual's job depends upon the production of quality products at competitive costs and shipping customers' orders on time.

### **ARTICLE 3 - BARGAINING AGENCY**

#### **3.01 Bargaining Agent and Recognition:**

The Company recognizes the Union as the sole and exclusive bargaining agency for all Employees of the Company **as** defined under **3.02**, for the purpose of collective bargaining with respect to rates of pay, hours of employment and all other conditions of employment.

#### **3.02 Bargaining Unit Defined:**

The term "employee" as used and for the purpose of this Agreement shall include all persons employed by the Company in the Alexander Street plant, except and excluding officer workers, supervisory officials. sales persons and shippers.

### **ARTICLE 4 - MANAGEMENT**

The Union recognizes that the Company has the exclusive control of matters relating to the management and conduct of its business. the planning, processing and determining of methods of plant operation and the kind and use of equipment and materials.

Except as otherwise provided by this Agreement, the Company has the exclusive right to hire, promote, transfer, layoff, to discipline and discharge Employees for just cause.

Subject to the expressed provisions of this Agreement. these statements of management functions shall not be deemed to exclude other functions not specifically stated herein and any of the rights, powers or authorities which management has relating to management functions are retained exclusively by the Company. The Company shall not exercise the right to direct the workforce in discriminatory, inequitable or unfair manner.

The Employer shall advise the Union when disciplining and or discharging an employee for just cause.

### **ARTICLE 5 - UNION SECURITY PROVISIONS**

#### **5.01 Union Shop:**

It is agreed that all employees now members of the Union shall, as a condition of employment, remain members in good standing for the duration of the Agreement. All employees hired after the adoption of this Agreement shall become members of the Union on the completion of thirty (30) working days satisfactory service with the Company.

**5.02 Hiring:**

The Company has the right to hire any available workers provided however, that no one unfair to the Union shall be employed.

**5.03 Check-Off/Payment:**

The Company will deduct from the pay of each employee covered by this Agreement all Initiation Fees, Union Dues and Assessments.

All deductions shall be made during the first pay period of the month.

All sums deducted, together with a record of those for whom deductions have been made and the amount, shall be forwarded to the Secretary-Treasurer of the Union. = 117 - 119, West Pender Street, Vancouver, British Columbia, not later than the fifteenth (15<sup>th</sup>) day of the calendar month in which such deductions are made.

All sums deducted under this provision and any other funds designated **as** payments to the Union are deemed as segregated and property of the Union. Payments are first priority and not subject to conditions such **as** liquidation, insolvency or other conditions that result in closure of the business.

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**6.01 Access to Operation:**

A union representative may have access to that portion of the Company's premises where Union members are employed during the Company's working hours providing such access does not interfere with operations of the Company nor cause employees to neglect their work.

**6.02 Work Shortage:**

The Company shall at all times endeavour to so organize the work as to provide steady and uninterrupted employment for all departments. In the event of work shortage, unless agreed otherwise between the Employer and the Union, laying off of employees shall be in accordance with **ARTICLE 16 - SENIORITY** of this Agreement.

**6.03 Bulletin Boards:**

The Company agrees that the Union may post notices in the shop on a notice board supplied by the Company for that purpose.

**6.04 Human Rights Code:**

The Parties hereto subscribe to and adopt the principles of the Human Rights Code of British Columbia.

The Union and the Company recognize the right of employees to work in an environment free from harassment, and the Company shall take such actions as it deems necessary and appropriate respecting any employee(s) involved therein:

**6.05 Discrimination and Sexual Harassment:**

The Company and the Union agree that there will be no discrimination against any employees of Jax Fashions Inc. or members of the Union based on race, colour, national origin, sex, or age. The parties further agree that they do not condone sexual harassment. Any incidents of this nature shall be reported and investigated. Appropriate corrective action will be taken when necessary.

**6.06 Strike, Slowdown, Lockout Prohibited:**

The parties agree in keeping with the spirit of Collective Bargaining that **any** strike, slowdown, stoppage and lockout is prohibited during the term of the Collective Agreement.

**6.07 Picket Line:**

The failure or refusal of any employee to pass through or work behind any picket line lawfully established shall not be considered a violation of this Agreement.

**6.08 Contracting Out:**

All work normally performed by employees who are members of the Union in the manufacture of ladies garments in the Jax Plant shall continue to be performed by them and this work shall not be performed outside the plant unless:

- (a) The employees are unable to perform the work and there is a lack of capacity  
OR
- (b) There has been a breakdown of machinery or equipment.

It is agreed that HOME WORK of any kind is PROHIBITED.

The Company and the Union understand that contracting out is necessary at certain times and certain instances. The Company will advise the Union from time to time when contracting out is necessary.

**6.09 Union Education Fund:**

The Company agrees to make a contribution to the Union Education Fund toward the cost of providing useful education programs such as ESL or other Union sponsored community help efforts for employees of Jax who are members of the Union.

Contribution: 1998 \$ 500.00

1999 \$ 500.00

**ARTICLE 7 - SAFETY, HEALTH AND WELFARE**

**7.01 Basic Health and Safety Provision:**

The Company shall provide a clean and sanitary workshop with adequate light and adequate ventilation and an adequate lunch room.

**7.02 Medical Services Plan of British Columbia:**

- (a) Upon completion of thirty (30) days service with the Company, the employee and eligible dependents shall be qualified for the Medical Services Plan of British Columbia maintained by the Company.
- (b) The Company shall pay fifty percent (50%) of the premium costs for family coverage under the Medical Services Plan of British Columbia for all eligible Employees.

**7.03 Extended Health Benefits Plan:**

- (a) Upon completion of thirty (30) days service with the Company, the employee and eligible dependents shall be qualified for the Extended Health Benefits Plan maintained by the Company.
- (b) The Company shall pay one hundred percent (100%) of the monthly premium cost of the Extended Health Benefits Plan.
- (c) The Plan shall offer one hundred percent (100%) refund on claims with no deductible.
- (d) The Plan shall include extended medical, oral contraceptives, and an eyeglass option paying up to one hundred dollars (\$100.00) benefit in each two (2) year period.

**7.04 Extension of Benefits:**

The Company shall continue to make its premium contributions for all eligible benefits after layoff, sick leave and approved leave of absence as follows:

- (a) If the occurrence happens in days 1 to 20 of the month, premium contributions will be covered until the end of the following month.
- (b) If the occurrence happens in days 21 to 30/31 of the month, premium contributions will be covered until the end of the following two months.
- (c) The employee shall be responsible for the full cost of the eligible benefits if the absence exceeds the periods in (a) and (b) above. The Employer will administer such benefits for a period not to exceed twelve (12) months, and the employees agree to advance payment for such coverage.

**7.05 Ear-Plugs and Dust Masks:**

The Employer agrees to supply ear-plugs and dust masks at no cost to the employees.

**7.06 Injury on the Job:**

When an employee is injured on the job, the Company shall pay for lost time incurred on the first (1<sup>st</sup>) day of a verified injury. Such compensation will be at current hourly rate or piecework average.

**ARTICLE 8 - DISCIPLINARY PROCEDURE**

**8.01 Just and Reasonable Cause:**

No employee shall be suspended or discharged unless for just and reasonable cause.

**8.02 Steward's Presence:**

Whenever a Management meets with an employee who is a member of the bargaining unit for the purpose of reprimanding or disciplining the employee, the employee has the right to have a shop steward of the Union present. Where a meeting, without notice, becomes a disciplinary meeting, the Management shall inform the employee of his/her rights to temporarily adjourn the meeting and to arrange for a witness or a shop steward of the Union to be present.

**8.03 Oral and Written Warnings:**

- (a) The reasons for reprimand and/or discipline action given shall be confirmed in writing to the employee concerned and to the Union within two (2) days of the reprimand and/or discipline.

- (b) It is understood that one (1) verbal and two (2) written warnings for a similar violation may constitute reasonable ground to discharge an Employee.
- (c) All written warnings shall be automatically annulled at their anniversary date.

## **ARTICLE 9 - GRIEVANCE PROCEDURE**

### **9.01 Grievance Steps:**

If a difference arises between the Employer and employee(s) or between the Company and the Union concerning the interpretation, application, operation or any alleged violation of the Agreement, the employee(s) shall continue to work in accordance with the agreement and the matter shall be conclusively settled in the followed manner:

- Step 1: The employee concerned shall refer the grievance to the supervisor either directly or through the shop steward. The supervisor shall render a decision within two (2) days or any longer period mutually agreed upon.
- Step 2: If the grievance is not satisfactorily settled under Step 1, the grievance shall be referred to an authorized Union representative and a designated representative of the Company
- Step 3: If final settlement of the grievance is not completed within twenty one (21) days after the referral of Step 2, the grievance may be referred to Arbitration by either party.

### **9.02 Time Limits:**

- (a) The time limits specified for the various steps may be extended by mutual written agreement between the Company and the Union.
- (b) Saturdays, Sundays, and all statutory holidays shall not be counted in determining the time element in any steps of the grievance procedure.
- (c) If a grievance is not submitted under a aforementioned procedure within thirty (30) days after the occurrence of the matter which gave rise to the grievance or sixty (60) days in the case of sickness or lay-off or bona fide leave of absence, the grievance shall be deemed to be abandoned, and all rights of recourse to the grievance procedure shall be at end.

### **9.03 Policy Grievance:**

Any dispute or grievance arising directly between the Company and Union may be submitted in writing by either party at Step 2 of the grievance procedure.



**9.04 Attendance at Grievance Meetings:**

The aggrieved employee and/or supervisor shall be required to attend the grievance procedure at the request of either the Union or the Company provided the notice of attendance is reasonable.

**9.05 Conclusions at Grievance Meetings:**

Conclusions reached at meetings of Management and Union shall be in writing and signed by the Company and Union representatives within seven (7) days.

**ARTICLE 10 - ARBITRATION**

**10.01 Submission to Arbitration:**

The Company and the Union agree that all questions to be arbitrated shall be submitted to an individual, mutually acceptable Arbitrator.

**10.02 Arbitration Procedure:**

Any question of interpretation, or any dispute, or any alleged violation or any manner in dispute between the parties arising out of this Agreement which cannot be settled by the Union and the Company shall be determined by Arbitration in the following manner:

Either party may notify the other party in writing by registered mail of the question or questions to be arbitrated and the name of its choice of Arbitrator. If, within ten (10) days from the mailing date of this notice and statement, the parties have failed to agree upon a mutually acceptable Arbitrator, they shall apply to the Minister of Labour of British Columbia to appoint one.

**10.03 Jurisdiction of Arbitrator:**

If any Arbitrator finds that an employee has been unjustly suspended or discharged, such an employee shall be reinstated by the Company without loss of pay and with all his/her rights and privileges preserved under the terms of this Agreement.

The decision of the Arbitrator shall be final and binding upon both parties.

**10.04 Fees and Expense of Arbitrator:**

The Company and the Union will each bear in equal proportions the expense and allowance of the Arbitrator, stenographic and secretarial expense and rent.

## **ARTICLE 11 - SHOP STEWARDS**

### **11.01 Company Recognition:**

- (a) The Company recognizes the importance of a Shop Steward and agrees that there shall be no discrimination on their part because an employee is a Shop Steward.
- (b) For the purposes of this Agreement, the Employer shall recognize upto five (5) shop stewards.
- (c) The Union shall supply the Employer with the names of its Officers and Stewards with whom the Employer may be required to transact business. Changes to the above noted list shall be communicated forthwith to the Employer in writing.

### **11.02 Layoff/Transfer of Shop Steward:**

The Shop Steward shall be the last person laid off or transferred in his/her section, regardless of seniority in the event of slack work provided he/she can do the remaining work in a satisfactory manner.

### **11.03 Discharge of Shop Steward:**

Should the Company wish to discharge a Shop Steward they must firstly notify the Union and discuss the matter with them before taking action.

### **11.04 Lost Time of Shop Steward:**

- (a) Lost time of the steward for investigating grievances and/or meeting with Management shall be paid by the Employer.
- (b) Time required to investigate grievances must be properly logged and signed by the supervisor for payment. Request for piece work gum sheets must be in writing stating dates required and that such requests must be processed through the section supervisor. The non-union employees shall co-operate and provide assistance without any adverse effect to their deadlines or their work at hand. The assistance shall be provided within three (3) days of the request.

## **ARTICLE 12 - HOURS OF WORK**

### **12.01 Regular Hours of Work**

Forty (40) hours, Monday to Friday inclusive, shall constitute a week's work.  
Eight (8) hours shall constitute a day's work.

## 12.02 Rest Periods

- (a) There shall be no work done during lunch hour or rest periods.
- (b) All employees shall have two (2) fifteen minute rest periods per day without loss of pay.
- (c) Employees requested to work overtime for more than one (1) hour but less than two (2) hours immediately following the completion of a normal eight (8) hour shift, a rest period of ten (10) minutes shall be allowed without loss of pay.
- (d) Employees requested to work overtime for more than two (2) hours immediately following the completion of a normal eight (8) hours shift, a rest period of twenty (2) minutes shall be allowed without loss of pay.

## 12.03 Overtime Compensation:

- (a) There shall not be any work done prior to the regular starting time unless permission is granted by the Union and overtime rates are paid.
- (b) Any time worked by employees in excess of eight (8) hours per day shall be paid at the rate of time and one half (1.5X) of the average earnings.
- (c) Any time worked by employees in excess of eleven (11) hours per day shall be paid at the rate of double time (2X) the average earnings.
- (d) All work performed by employees on a Saturday shall be considered as overtime and be paid at the rate of time and one half (1.5X) for the first four hours and double time (2X) the average earnings thereafter.
- (e) All work performed by employees on a Sunday shall be considered as overtime and be paid for at the rate of double time (2X) the average earnings.
- (f) Overtime Rest Period for Piece Work Employees:

Under the incentive system, the 30 minutes rest periods (2 x 15 minutes) is built into the piece work rate. For every piece work hour worked, there is a 3.75 minute allowance given for rest period.

"Clock Hour" means the time worked on piece work.

"Value Hour" means the time earned on piece work.

- (i) The following shall apply when piece work employees are requested to work overtime for more than one (1) hour but less than two (2) hours immediately following the completion of a normal eight (8) hours shift: 2.5 minutes shall be deducted from the "clock hour" to fully pay for the 10 minutes coffee break.
- (ii) The following shall apply when piece work employees are requested to work overtime for more than two (2) hours immediately following the completion of a normal eight (8) hours shift: 8.75 minutes shall be

deducted from the “clock hour” to fully pay for the 20 minutes coffee break.

**12.04 Overtime by Seniority:**

Overtime shall be offered first to the most senior employees normally performing the required overtime operations.

**12.05 Meal Provision for Overtime Employees:**

The Company shall provide hot meals to employees who are requested to work more than two (2) hours overtime and where such overtime was not requested the previous day.

**12.06 Minimum Hours:**

All employees called in to work and receiving less than four (4) hours work shall be paid for four (4) hours. However, if four (4) hours work are not available at the regular job, the employees shall not refuse to perform other work for the remaining of the time up to four (4) hours at his/her average rate per hour.

**ARTICLE 13 - STATUTORY HOLIDAYS**

**13.01 Paid Holidays:**

- (a) All employees covered by this Agreement shall receive a day's pay for each of the following ten (10) Statutory Holidays in addition to any wages which they may be in receipt of for work performed on such Holidays:

- |                         |                     |
|-------------------------|---------------------|
| 1. New Years Day        | 6. Labour Day       |
| 2. Good Friday          | 7. Thanksgiving Day |
| 3. Victoria Day         | 8. Remembrance Day  |
| 4. Canada Day           | 9. Christmas Day    |
| 5. British Columbia Day | 10. Boxing Day      |

- (b) Heritage Day shall be a paid Statutory Holiday if and when proclaimed a Statutory Holiday by the Federal Government.

- (c) Payment for any of the above mentioned ten (10) holidays shall not be voided should such a holiday(s) fall on a Saturday and/or a Sunday.

- (d) All Statutory Holidays shall be paid at the average hourly earnings of the employee. multiplied by eight (8), in accordance with **1.01** of this Collective Agreement.
- (e) In the event the Statutory Holiday falls on a Saturday and/or a Sunday, the holiday(s) will be moved up to the immediate following Monday, if applicable. and Tuesday. This is subject to negotiation with the employer and the majority acceptance of the employees.

**13.02 Work Performed on Holidays:**

All work performed on Statutory Holidays will be paid for at double (2) times the average earnings in addition to **13.01** of the Agreement making triple (3) times in total.

**13.03 Qualifying for Holiday:**

- (a) All qualified employees shall be entitled to payment for the above named holiday(s) if they worked on their last scheduled work day before a holiday(s) and their first scheduled work day after a holiday(s).
- (b) Payment for any of the above-named holidays shall not be voided if a worker is laid off on his last scheduled work day before such holiday or his first scheduled work day after such holiday, or bona fide illness provided the employee is available for work upon recall.
- (c) Employees with less than thirty (30) calendar day's service with the Company shall not be entitled to Statutory Holiday pay.
- (d) Employees on accident and/or illness leave for more than nine (9) months shall not be entitled to the payment for holiday(s) as referred to in this Article.
- (e) Employees who have five (5) years or more service with the Company shall be entitled to the payment for holiday(s) for a period not exceeding twelve (12) months.  
Employees who have less than five (5) years service with the Company shall be entitled to the payment for holiday(s) for upto the following period:

<u>Length of Service</u>	<u>Maximum Holiday Pay Entitlement</u>
One year or less	thirteen weeks
One year or more	six months
Three years or more	nine months

**13.04 Holiday Coinciding with a Day of Vacation:**

When any of the above named holiday(s) fall within a worker's vacation period, such a worker shall be entitled to an extra day's pay in lieu thereof, or an extra day's vacation with pay.

**13.05 Chinese New Year Eve:**

The employer shall grant to all employees eight (8) hours off with pay as stipulated in **13.02** of this Agreement, on the day of the Chinese New Year Eve. If this holiday falls on a Saturday or a Sunday, employees shall receive eight (8) hours pay.

**ARTICLE 14 - VACATIONS**

**14.01 Vacation Pay and Entitlement:**

- (a) Two (2) weeks vacation with two (2) full weeks pay or four percent (4%) of the gross earnings, whichever is the greater, will be granted to each Employee who has completed 1600 hours employment in one (1) year, starting from the time the Employee has commenced work.
- (b) Employees with five (5) years' continuous service as at their anniversary date of employment shall receive three (3) week's vacation with full pay or six percent (6%) of the gross earnings, whichever is the greater.
- (c) Employees with thirteen (13) years' continuous service as at their anniversary date of employment shall receive four (4) weeks' vacation with full pay or eight percent (8%) of the gross earnings, whichever is the greater.
- (d) Employees with twenty (20) years' continuous service as at their anniversary date of employment shall receive five (5) weeks' vacation with full pay or ten percent (10%) of the gross earnings, whichever is the greater.

**14.02 Additional Vacation Pay and Entitlement:**

- (a) Employees with ten (10) years' continuous service shall receive an additional vacation day with pay during the Christmas Holidays.
- (b) Employees with fifteen (15) years' continuous service shall receive two (2) additional days with pay during the Christmas Holidays.
- (c) Employees who have completed twenty (20) years' continuous service shall receive three (3) additional days with pay during the Christmas Holiday.

**14.03** Vacation Credits:

- (a) Employees shall be given a vacation credit of a day worked when they work any part of a day, **as** set out in the Agreement. Part-time employees shall be credited for hours worked only.
- (b) Employees injured on the job and under Workers' Compensation shall be credited as being employed for purpose of vacation credit.
- (c) Employees ~~with~~ less than 1600 hours of credit shall be paid two percent (**2%**) of this/her gross earnings for each week vacation that he/she is entitled to.

**14.04** Vacation time:

- (a) Time off shall be taken for a full two (**2**) weeks' period that are requested, approved and scheduled in accordance with Section **14.05** of this Agreement.
- (b) Employees who are eligible for more than two (2) weeks vacation may request such additional weeks be taken during a mutually agreeable time.

**14.05** Vacation Request:

- (a) All request for vacation time off which an Employee is entitled to, shall be presented to the Employer in writing no later than March 30 of each year.
- (b) The Employer in granting the requested vacation. shall take in consideration of seniority of the Employee and the practicality of his/her application. It is understood that the Employer shall inform the Employee no later than April 15 of each year of its decision.

Every effort will be made to grant vacation **as** requested, however, the decision will be predicated on production requirements and the numbers away in the particular department at the time requested.

- (c) Any conflict in request shall be resolved on the basis of seniority (from highest seniority to the lowest seniority).
- (d) Vacation schedules, once approved by the Employer, shall not be change, except by mutual agreement between the Employee and the Employer.

**14.06** Vacation Pay Date:

The vacation year shall be calculated from June 1<sup>st</sup> to May 31<sup>st</sup> of the following year and be paid to all employees during the month of June of any year of the present contract.

In extenuating circumstances an employee may request vacation pay earlier where he/she needs the vacation pay for an earlier vacation. In such circumstances vacation pay will be calculated to the requested date.

## **ARTICLE 15 - ABSENCE FROM DUTY**

### **15.01 Bereavement Leave:**

For the purpose of this section, immediate family is defined a father, mother, brother, sister, spouse, common-law spouse, child, grandfather, grandmother, father-in-law, mother-in-law. Where a member of an employee's immediate family dies he/she shall be entitled to leave with pay for a period of upto three(3) days as determined by the employee involved.

### **15.02 Maternity Leave:**

- (a) The Company shall grant maternity and parental leave in accordance with the provisions and the time periods prescribed in the Employment Standards Act. Upon return from the leave, the employee is entitled to assume her position or to a comparable position.
- (b) The Company shall make its premium contributions for all applicable benefits in accordance with the applicable provisions of the Employment Standards Act for the entire duration of the leave.
- (c) Seniority, vacation credit and increment entitlement shall accrue for the entire duration of the leave as prescribed in the Employment Standards Act.

### **15.03 Union Appointment:**

One (1) Employee, who may be elected or appointed to a position in the Union, upon proper notice to the Management, shall be granted leave of absence without pay. Upon one (1) weeks' notice of his/her desire to again return to work for the Company, he/she shall be placed on the job previously held or one with equal pay without loss of seniority.

### **15.04 Sick Leave and Leave of Absence:**

- (a) If an employee is absent from work because of accident or sickness or approved leave of absence, he/she shall not lose seniority rights and shall return to the position held prior to his/her absence or to one of equal rating providing he/she is capable of performing former duties in a satisfactory manner.
- (b) If the absence is less than 2 weeks, the employee shall inform the Company of his/her absence and the approximate return date before his/her scheduled working day or as soon as possible thereafter. If the



absence is more than **2 weeks**, the employees shall notify the Company in writing of the reasons for the absence. These leave of absence (L.O.A.) requests must contain a return date. Should the worker wish to return before their return date they must notify management one **week** prior to their new return date and management shall attempt to accommodate their request.

- (c) Absence due to accident or sickness may be extended up to the following period without loss of seniority provided a medical certificate attesting the need of such absence is furnished.

<u>Length of Service</u>	<u>Retention of Seniority</u>
One year or Less	<del>Nine (9)</del> months
Over one year	Twelve ( <del>12</del> ) months
Over five years	Eighteen ( <b>18</b> ) months

- (d) An employee shall be granted **up to two (2)** months leave of absence without pay on compassionate grounds.
- (e) An employee with three (3) years or more service with the Employer shall be granted a leave of absence without pay for a period upto three (3) months once every five (5) years.

Leave of absence in **15.04(d) and (e)** shall be granted upon request of the employee based on seniority and practicality of the production flow. Permission for leave of absence for reasons not covered in **15.04** must be received in writing three (3) months ~~prior~~ to the intended leave outlining the reasons thereof.

#### **15.05 Bargaining Committee Leave:**

The Employer shall grant leave of absence, without pay, to up to five (5) representatives of the Union from the bargaining unit to participate in the negotiations of the Collective Agreement.

#### **15.06 Jury Duty:**

Employees covered by this Agreement who are called upon for Jury Duty or service of alike nature shall ~~receive their~~ average rate of pay provided hours during the normal working ~~period~~ not ~~spent~~ on such duty are spent on the job and by surrendering to the Employer ~~jury~~ duty pay received.

#### **15.07 Family Responsibility Leave:**

Employees are entitled to **an** unpaid leave of up to five (5) days each employment year to meet responsibilities related to the care, health or education of any member of the employees immediate family in accordance with and **as** defined by the Employment Standards Act. Sufficient notice will be given to the supervisor of the employees who intends to take such leave. Verification of “immediate family” member for which the leave was taken may be requested by the supervisor.

## **ARTICLE 16 - SENIORITY**

### **16.01 Probationary Period:**

After **an** employee has been employed for a continuous period of thirty(30) working days, or an additional twenty (20) working days in the case of a piece work trainee, he/she shall become a regular employee with seniority date back to the hiring date.

### **16.02 Seniority Defined:**

Seniority shall be defined as length of service in the bargaining unit and shall be applied **as** prescribed in the appropriate clauses in cases involving promotion, demotion, transfer, layoff and recall of employees.

### **16.03 Home Department:**

- (a) Every employee in the Company who has acquired seniority shall have a home department defined in which he/she has status and returning rights.
- (b) For the purpose of the agreement, departments within the Company shall be identified **as** follows:-

Design Room Sample Maker  
**cutting**  
Pants/Skirts  
Jacket/Blouse  
Finishing

### **16.04 Layoff by Seniority:**

- (a) **When** a layoff is *two* (2) weeks or less, the employee reserves the right to displace less senior employees ~~within~~ the department provided the

senior employee can perform the work in a satisfactory manner as referred to in Section 1.02 of this Agreement.

- (b) When a layoff is more than two (2) weeks, the employee affected shall have the option of:
  - (i) displacing less senior employee in other departments provided the senior employee can perform the work to be done in a satisfactory manner, or,
  - (ii) taking a **voluntary** layoff until work again available in his/her department.

**16.05 Retention of Seniority and Recall Rights:**

Employees on layoff shall maintain their seniority and right of recall for a period of upto one (1) year.

**16.06 Notice of Recall:**

Any employee who has been notified at his/her last known address to return to work, and within seven (7) days has failed to do so, or failed to contact the office shall be considered to have quit his/her employment voluntarily, and his/her existing seniority rights shall thereupon be terminated. When **any** such notice is sent to an employee, a copy thereof shall be sent concurrently to the Union.

**16.07 Loss of Seniority:**

Seniority shall be lost and the employee shall be deemed to be no longer employed where:

- (a) the employee resigns;
- (b) the employee is laid off for more than the period specified in 16.05;
- (c) the employee is discharged for cause;
- (d) the employee fails, in accordance with 16.06 to return to work following a recall from lay-off.

**16.08 Seniority List:**

Seniority lists shall be made available to the Union upon request but in any event not less than twice yearly, in **January** and July of each year.

**16.09 Employee promoted out of the Bargaining Unit:**

An employee promoted out of the bargaining unit shall not be subject to this Agreement. Any employee who has been so promoted shall, however, if transferred back into the bargaining unit within six (6) months be credited with the seniority he/she had accumulated in the bargaining unit. However, no employee in the bargaining unit shall be laid off or suffer a reduction in wages as a result of such a return.

**ARTICLE 17 - LAYOFF AND RECALL**

- 17.01** (a) "Short Term Layoff" is a layoff which does not exceed thirteen (13) consecutive weeks.
- (b) "Long Term Layoff" is a layoff which exceeds thirteen (13) consecutive weeks.

**17.02 Notice or pay in lieu of notice is not required for:**

- (a) discharge for just cause
- (b) layoff of part-time employee

**17.03** When a long term layoff is affecting an employee with six (6) month's service or longer, the following notice or pay in lieu of notice shall apply:

<u>Length of Service</u>	<u>Notice or Pay in Lieu of Notice</u>
After 6 months	Two (2) weeks
After 3 years	Three (3) weeks
After 4 years	Four (4) weeks
After 5 years	Five (5) weeks
After 6 years	Six (6) weeks
After 7 years	Seven (7) weeks
After 8 years or longer	Eight (8) weeks

- (a) The period of notice shall not coincide with the employee's annual vacation.
- (b) Payment under this clause shall not relieve the Employer from making any other payment to which the employee is entitled.
- (c) Payment under this clause shall be based on average earnings.

**17.04** Employees who are laid off for a long term **as** defined in 17.01 (b) shall have the option of taking the payment to which they may be entitled in accordance with 17.03 or remain on the recall list. If they choose to take the payment, their recall rights shall be forfeited.

Employees who choose to remain on the recall list but who are not recalled within the seniority/recall retention period as specified in 16.05 shall then receive the payments due to them.

**17.05** Employees who are laid off for a short term period who are not recalled within the seniority/recall retention period under 16.05 shall be deemed to be on long term layoff and shall be entitled to 17.03 and 17.04 of this Agreement.

**17.06** Employers shall inform the shop steward(s) at least one ( 1) day in advance for any layoff unless for unforeseen circumstances.

**17.07** In the event that an employee is laid off. he/she shall be given approximate date of recall.

**17.08** Employees laid off shall be recalled before any new employees are hired.

**17.09** Employees laid off shall be recalled in the order of seniority if they can perform work in a satisfactory manner.

**17.10** Right of recall shall be forfeited when a layoff exceeds the seniority/recall retention period specified under 16.05 of the Agreement.

## **ARTICLE 18 - PROMOTION, JOB POSTING. AND TRANSFER**

**18.01** Promotion Defined:

A promotion shall be defined as a transfer to a position paying a higher rate, and no employee shall be considered **as** being demoted unless he/she is transferred to a position paying a lower rate.

**18.02** Promotion by Seniority:

Promotions shall be based on seniority. The senior employees ~~with~~ ability to fill the job requirements shall be considered first before those of less seniority. The Company and the Union will mutually agree on the promotion.

### **18.03 Job Posting**

In filling job vacancies, including promotion, transfer, and new positions, the job shall be awarded within ten (10) days of posting to the most senior applicant provided he/she is able and willing to perform the job.

### **18.04 a) Temporary Transfer:**

- (i) Temporary Transfer shall be defined as a temporary reassignment to a job outside the employee's section or department for a period not more than thirty (30) days. At the end of the period, employee shall revert to his/her regular job unless it is mutually agreed by the employee and the Company.
- (ii) When an employee is temporarily reassigned to a job to meet the wishes of the Company while work is still available for him/her at his/her regular job, he/she shall be paid his/her average earnings.

### **(b) Permanent Transfer:**

- (i) Permanent Transfer shall be defined as a permanent reassignment to a job outside the employee's section or department.
- (ii) Permanent Transfer of an employee shall be in the reverse order of seniority the last one hired on the operation shall be the first one to be transferred unless it is mutually agreed by the employee and the Company.

### **18.05 Transfer Due to Health Reason:**

Employees may in the case of ill-health be transferred from one operation to another as may be mutually agreed upon by Management and Union.

## **ARTICLE 19 - PLANT CLOSURE**

In the event a closure of the Jax plant occurs during the term of the renewed collective agreement the Company will apply and adhere to the minimal requirements for notice and/or severance contained within the B.C. Employment Standards Act.

## **ARTICLE 20 - TECHNOLOGICAL CHANGE**

Technological change means the introduction of equipment different in nature, type or quantity from that previously utilized; a change related to the introduction of this equipment or manner in which the Employer carries on its operation.

The Employer shall give not less than three (3) months' notice to the Union of any technological change which results in layoff of employees.

An employee who is displaced ~~as~~ a result of technological change shall have an opportunity to fill any vacancy for which he/she has seniority and which he/she is able to perform, and if there is no vacancy, shall have the right to displace employees with less seniority provided he/she is able to perform the job.

Where new or greater skills are required, such employees shall at the expense of the Employer, be given a reasonable period of time, without reduction of hours or work or rate of pay during which they may acquire the necessary skills required by such technological change. A new rate of pay may be negotiated in each instance.

Employees whose jobs are displaced or have failed to reach a satisfactory level of performance within a reasonable period of time on the new equipment or methods, where feasible, be given an opportunity to take up to three (3) months, training to qualify them for other work. If new training on other **work** is necessary, the guaranteed rate of said employee shall be maintained during the training period upto a maximum of four (4) weeks or in case of pieceworkers the following will apply:

*When an employee on piecework is changed to a different operation which he/she is not familiar with, he/she will be paid depending on the degree ~~of~~ change in operation, piecework average up to five (5) days then the transfer incentive plan will be applied for a maximum of ten (10) more days.*

*The transfer to incentive plan will pay fifty percent (50%) of piecework coupons earned plus sixty percent (60%) of the piece work base rate. (Piecework base rate ~~is~~ a minute value times 60 - Standard Allowed Hour).*

Employees who are laid off ~~as~~ a result of technological change or who choose to take a layoff instead of a transfer and/or re-training shall have the option of:

1. Taking a layoff until a suitable opening *again* occurs at the plant, or
2. Taking severance pay.

If they choose to take severance pay, their recall rights shall be forfeited, but, in any event, those who choose layoff with recall rights instead of severance pay shall be paid their severance pay if a suitable opening does not occur within twelve (12) months of layoff.

Severance pay for employee displaced as a result of technological change shall be paid in accordance with the following:

<b><u>Length of Service</u></b>	<b><u>Severance</u></b>
After six (6) months	Two (2) weeks
After three (3) years	Three (3) weeks
After four (4) years	Four (4) weeks
After five (5) years	Five (5) weeks
After six (6) years	Six (6) weeks
After seven (7) years	Seven (7) weeks
After eight (8) years	Eight (8) weeks

## **ARTICLE 21 - INCENTIVE SYSTEM**

### **21.01 Straight Incentive Minute System Base Rate:**

The piecework system is designed to pay 100% of the Base Rate for 100% productivity of standard piece work. An employee may earn proportionately more or less depending on the results of his/her own efforts and capabilities.

The performance of the average experienced employee suited to the job, working at a normal pace, with standard material and equipment under standard conditions, constitutes a performance of 100%.

The base rates applicable to the system shall be the following:

<b><u>Skill Level</u></b>	<b><u>Jan 1/98</u></b>	<b><u>Jan 1/99</u></b>
A+	10.05	10.35
A	9.78	10.08
B	9.30	9.60
C	8.80	9.10

#### **Skill Level:**

A+	Spreading
A	Final Pressing
B	Sewing Machine Operator, and Under Pressing in Sewing
C	Fusing, Soabar, bundling, handwork



**21.02** Guaranteed Minimum Rate:

- (a) The hourly rate for a new piecework trainee who has completed thirty (30) working days service shall be \$ 7.70 from January 1, 1998 and \$ 7.90 from January 1, 1999.
- (b) The guaranteed minimum for all regular piecework employees shall be \$ 7.70 per hour per week from January 1, 1998 and \$ 7.90 per hour per week from January 1, 1999.

**21.03** Revised/Temporary Rates - Shop Chairperson:

The Company agrees to provide a copy of revised or temporary piecework rates to the Shop Chairperson within one week of being established.

**21.04** Pay Method for Temporary Transfer:

Should the employee have work on their regular operation they will be paid incentive earnings on the temporary operation or piecework average, whichever is the greater.

Should the employee have insufficient work on their regular operation they will be paid incentive earnings or guaranteed minimum rate. whichever is the greater.

**21.05** Pay Method for Permanent Transfer:

An employee who is permanently transferred shall be paid the applicable incentive rate for the job to which he/she is being transferred, unless agreed otherwise and the Union will be advised of the transfer.

**21.06** Pay Method for Samples:

Samples whenever possible shall be done on piece work basis, however, the pay for samples shall be no less than the guaranteed minimum rate of the employee or his/her average earnings whichever is greater.

**21.07** Pay Method for Utility Operators:

- (a) Utility Operator is referred to **as a** worker who is assigned to perform different tasks with various machines and skills.

- (b) All Utility Operators shall be paid in accordance with the following formula:

50% base + 65% tickets

Earnings under this formula shall not exceed 110% of B Level Base Rate.

- (c) The Company shall provide the Union with names of the Utility Operators in each Department and any changes thereof.

**21.08 Unmeasured Work:**

When there is not an established piecework rate on an operation for a period of twenty-four (24) hours, the employee will be paid piecework average for the time spent on that operation.

**21.09 Piece Work Rate, Adjustment, and Grievance:**

- (a) The schedule of standard allowed minute values shall be kept by Management and it is accessible to the Union upon request. The Union shall also have access to job descriptions and studies for purposes of review of rates.
- (b) It is understood and agreed that an established rate becomes permanent immediately, unless agreed to otherwise or unless it is a temporary rate for a "short run" or unless challenged by the Union or by the Employer within ten (10) days of its implementation or unless, in the case of a change over to a specific engineered incentive system, it is challenged by the Union or the Company within the first four (4) weeks of implementation.

"Short Run" is defined as non-repeat unit of:

200 or less for Jacket Department  
250 or less for Skirt Department  
250 or less for Pants Department

- (c) A "permanent" piece work rate or standard is subject to being changed when there is a change in machinery, method or production or technology or any other element upon which the rate of standard

is based. Without limiting the generality of the foregoing, such change shall include change in job content or job volume; machine pace or cycle; procedure of method of performance; equipment, deployment or arrangement of equipment or work force.

- (d) In determining the extent to which an established piece work rate or standard should be changed pursuant to **21.10(c)** only those parts or any operation which are affected directly or indirectly by a change as defined in **21.10(c)** shall be re-studied, unless a complete re-study of the rate or standard is required applying normal engineering procedures.
- (e) A challenged rate shall be subject to re-study within ten (10) days. Failing agreement, grievance procedure shall apply **up** to and including arbitration as provided herein.
- (f) The Arbitrator's decision is retroactive to the date of the written grievance, unless it is a new rate. In the case of a new rate, the retroactivity can be declared by the Arbitrator to be from the date of official implementation.

#### **21.10 Piece Work Training:**

- (a) When an hourly employee is transferred to the incentive system or in the case of piece work trainee, he/she shall undergo a 10-week training on the operation. The method of pay during the training shall be as follows:

Week 1,2,3	Piecework earnings and bonus payment calculated at 20% of the piecework earnings.
Week 4,5,6	Piecework earnings and bonus payment calculated at 15% of the piecework earnings.
Week 7,8	Piecework earnings and bonus payment calculated at 10% of the piecework earnings.
Week 9,10	Piecework earnings and bonus payment calculated at 5% of the piecework earnings.
- (b) It is understood that during the 10-week training period, no employee shall earn less than his/her current guaranteed hourly rate during the 10-week training period.

It is further understood that an employee's guaranteed rate is automatically adjusted with the wage increases provided by the Collective Agreement providing he/she is not on the incentive system or he/she has not completed the 10-week training.

- (c) If an employee cannot meet at least a minimum standard level of 75% (effective January 1, 1999 the minimum standard level shall be 80%), for four (4) consecutive weeks of the 10 weeks of adequate training, the Company will discuss the situation with the Union and to choose one of the following depending on the situation and the individual:
  - (i) In the case of a new employee consider if further efforts are useful and if not terminate the employee with due notice.
  - (ii) Consider another 10 week training period on the same or another operation.
- (d) It is agreed by both parties that a total of 120 hours on standard (piecework) in four (4) weeks shall be the time factor used to determine an employee's efficiency during the 10-week training.

The purpose of defining the 120 hours is to determine if an employee is qualified for the minimum guaranteed rate of the incentive system providing he/she maintains a 75% ( effective January 1, 1999 - 80%) or higher performance for four (4) consecutive weeks.

#### **21.11 Team Work Incentive System:**

When ~~an~~ employee is transferred to a Team Work Incentive System, he/she shall undergo a training on the operation. The method of pay during the training shall be as follows:-

160 hours	Average earnings
40 hours	Production plus 15%
60 hours	Production plus 10%
80 hours	Production plus 5%

#### **21.12 Substandard Piece Work Performance:**

In the case of a regular employee who cannot meet the minimum standard production level of 75% (effective January 1, 1999 - 80%) for four (4) consecutive weeks within a calendar quarter, the following may apply:

- (a) At the first instance of failure to meet the minimum standard level of production an advice to this effect will be issued to the operator and he/she will be given **six** weeks to get up to standard.
- (b) If after six weeks this operator is still unable to reach the four consecutive weeks at 75% (Jan 1, 1999 - 80%) or more, a final six weeks advice will be given and further action by the Company could result.

Before the first advice is given to the operator, the Company shall assess the situations and the reasons causing the deficiency. The Company agrees to provide the employee with support, proper method of production, and a progress report every two weeks during this twelve week period.

Consistent failure to meet the normal **minimum** standard production level during this period shall be adequate cause for dismissal.

#### **21.13 Repairs**

When repairs are judged not to be the fault of the employee the cost of repairs shall be fully borne by the Company.

#### **21.14 Piece Work Tickets and Gum Sheets:**

Workers must pull tickets as they do each operation and place those tickets, sorted by operation. on gum sheets. These tickets and gum sheets must be handed in daily with all tickets for work done in that day attached and any time work, sample time, repairs. etc. duly noted and properly authorized. Tickets handed in after the day in which work done unless bundle started the previous day are void. All piece work earned in that day will be calculated and posted to that day in which they were earned.

#### **21.15 Main Job Assignment:**

Each worker shall have main job(s) assigned to them. These job(s) may change due to the overall product changes and also due to seasonal trends.

### **ARTICLE 22 - WAGES**

#### **22.01 Spreader - Hourly Job Classifications Wage Scale:**

Experienced spreaders shall reach the classification wage rate according to the following schedule:

	<u>Jan 1/98</u>	<u>Jan 1/99</u>
0-8 weeks	\$ 8.80	\$ 9.10
8 weeks - 6 months	\$ 9.20	\$ 9.50
6 months - 1 year	\$ 9.60	\$ 9.90
After 1 year	\$10.05	\$10.35

**22.02 Trainee Spreaders:**

Transferred employees shall reach the classification wage rate according to the following schedule:

	<u>Jan 1/98</u>	<u>Jan 1/99</u>
0 - 8 week	\$ 8.15	\$ 8.45
8 weeks - 6 months	\$ 8.65	\$ 8.95
6 months - 1 year	\$ 9.60	\$ 9.90
After 1 year	\$10.05	\$10.35

**22.03 Lining and Fusible Spreader:**

Experienced spreaders shall reach the classification wage rate according to the following schedule:

	<u>Jan 1/98</u>	<u>Jan 1/99</u>
0 - 8 weeks	\$ 8.05	\$ 8.35
8 weeks - 6 months	\$ 8.40	\$ 8.70
6 months - 1 year	\$ 8.80	\$ 9.10
After 1 year	\$ 9.30	\$ 9.60

**22.04 Assistant Spreader, Helping the lead spreader to spread plaid, stripes and stretch fabrics:**

Transferred employee shall reach the classification wage rate according to the following schedule:

	<u>Jan 1/98</u>	<u>Jan 1/99</u>
0 - 8 weeks	\$ 7.80	\$ 8.10

After 8 weeks	\$ 8.10	\$ 8.40
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**22.05** Cutter:

Experienced cutters shall reach the classification wage rate according to the following schedule:

	<u>Jan 1/98</u>	<u>Jan 1/99</u>
0 - 8 weeks	\$ 9.55	\$ 9.85
8 weeks - 6 months	\$10.05	\$10.35
6 months - 1 year	\$10.55	\$10.85
After 1 year	\$11.05	\$11.35

**22.06** Computer Cutter Operator:

Employees shall reach the classification wage rate according to the following schedule:

	<u>Jan 1/98</u>	<u>Jan 1/99</u>
0 - 8 weeks	\$ 8.80	\$ 9.10
8 weeks - 6 months	\$ 9.15	\$ 9.45
6 months - 1 year	\$ 9.55	\$ 9.85
After 1 year	\$10.05	\$10.35

**22.07** All Auxiliary Work, Floor Help, Inspection:

Employees shall reach the classification wage rate according to the following schedule:

	<u>Jan 1/98</u>	<u>Jan 1/99</u>
0 - 8 weeks	\$ 7.55	\$ 7.85
8 weeks - 6 months	\$ 7.90	\$ 8.20
6 months - 1 year	\$ 8.30	\$ 8.60
After 1 year	\$ 8.80	\$ 9.10

**22.08** Sample Operator:

Experience Sample Operator shall reach the classification wage rate according to the following schedule:

	<u>Jan 1/98</u>	<u>Jan 1/99</u>
0 - 8 weeks	\$ 9.05	\$ 9.35
8 weeks - 6 months	\$ 9.40	\$ 9.70
6 months - 1 year	\$ 9.80	\$10.10
After 1 year	\$10.30	\$10.60

**22.09** List of Earnings:

- (a) A list of all current employees, all jobs, price and hourly rates and all average earnings (overtime not included) computed over a six(6) months period shall be kept by the Company. This list shall be mailed to the Union Office, Suite # 117 - 119, West Pender Street, Vancouver, B.C. every **six(6)** months for the Union's records.
- (b) This list shall be replaced with a new, up-to-date list every six (**6**) months during the life of the Agreement. This information shall be held in the strictest confidence and shall not be published or used in any way to embarrass either the Company or the Union. This information shall be used as the standard for determining any new piece rates or wages, for reviewing or changing existing piece rates or wages, and where applicable, for determining payment for Statutory Holidays.
- (c) For the purpose of settling any dispute on wages, piece rates, earnings, holiday pay or any other relevant question, this list shall be considered a part of the Agreement.
- (d) This list shall be considered to be the scale of wages, rates and earnings, for all work performed by employees of the Company covered by this Agreement. It **is** understood **that** this scale will **rise** in accordance with the across-the-board wage increases provided for in this Agreement.





**ARTICLE 23 - DURATION OF AGREEMENT**

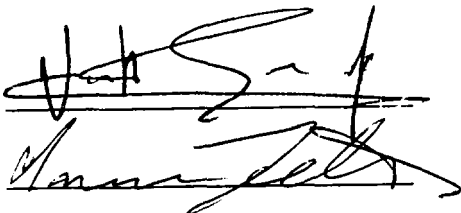
This Agreement shall be effective and in force from January 1, 1998 to and including December 31, 1999, and thereafter from year to year unless written notices of intent to terminate or to mend the Agreement is given by either party to the other party three (3) months prior to expiry date of the Agreement.

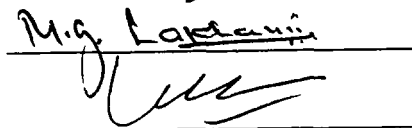
IN WITNESS WHEREOF the parties have signed these presents on this

9<sup>th</sup> day of JUNE 1998.

FOR THE UNION:

UNION OF NEEDLETRADES,  
INDUSTRIAL AND TEXTILE  
EMPLOYEES, LOCAL 178

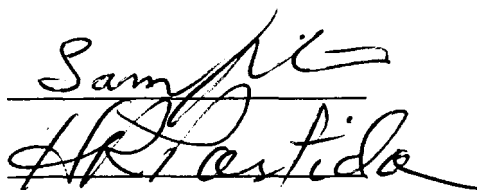


Mig. Lora  


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FOR THE EMPLOYER:

JAX FASHIONS INC.



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**LETTER OF UNDERSTANDING # 1**

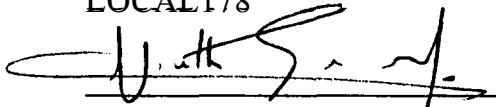
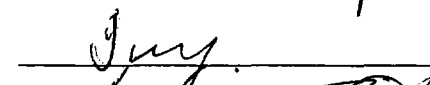
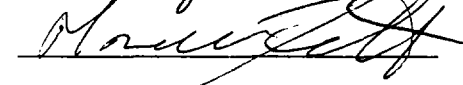
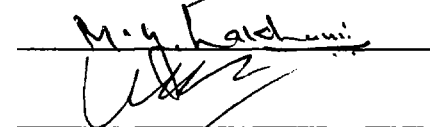

**ON**

**PROBLEMS OUTSIDE THE OPERATOR'S CONTROL REQUIRING  
COMPENSATION**

The parties agree that if an operator encounters a problem that prevents him/her from achieving her standard performance level during the workday, such will be reported to the supervisor or the engineer. The problem would be investigated within 24 hours to ascertain if a work process or method difficulty exists that is outside the operator's control and requires some form of compensation.

IN WITNESS WHEREOF, the parties hereto have executed these presents at the City of Vancouver and caused their signatures to be affixed this 9<sup>th</sup> day of JUNE 1998.

UNION OF NEEDLE TRADES,  
INDUSTRIAL AND TEXTILE  
EMPLOYEES UNION,  
LOCAL 178

JAX FASHIONS INC.

