

AGREEMENT

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BETWEEN

**Lilydale Inc.
1910 Kingsway Avenue, Port Coquitlam, BC V3C 1S7**

AND

**United Food & Commercial
Workers International Union
Local 1518 - Industrial Sector
4021 Kingsway, Burnaby, BC V5H 1Y9**

Duration of Agreement: July 1, 2006 – June 30, 2012

12919 (03)

CONTENTS

ARTICLE 1 - GENERAL	1
ARTICLE 2 - BARGAINING AGENCY	2
ARTICLE 3 - MANAGEMENT	2
ARTICLE 4 - WAGES.....	3
ARTICLE 5 - SENIORITY	3
ARTICLE 6 - SAFETY AND HEALTH	3
ARTICLE 7 - DURATION OF AGREEMENT	4
ARTICLE 8 - HOURS OF WORK AND OVERTIME.....	4
ARTICLE 9 - VACATION POLICY.....	9
ARTICLE 10 - SENIORITY.....	12
ARTICLE 11 - GRIEVANCE PROCEDURE	17
ARTICLE 12 - MISCELLANEOUS ITEMS.....	19
ARTICLE 13 - SEPARATION ALLOWANCE.....	25
ARTICLE 14 - SANITATION.....	26
ARTICLE 15 - WEEKLY GUARANTEE.....	27
WAGE SCHEDULE	29
LETTER OF UNDERSTANDING NO. 1 -PRODUCTION	31
(Reference to Article 8.01 - Hours of Work and Overtime)	31
LETTER OF UNDERSTANDING NO. 2	31
(RE: Article 12.17 - Miscellaneous Items Contracting Out)	31
LETTER OF UNDERSTANDING NO. 3	32
LETTER OF UNDERSTANDING NO. 4	32
LETTER OF UNDERSTANDING NO. 5	32
(Staff Purchases).....	32
LETTER OF UNDERSTANDING NO. 6	32
RE: Department Transfers.....	32
LETTER OF UNDERSTANDING NO. 7	32
RE: Lilydale Attendance Program and: Lilydale Positive Discipline Process	32
LETTER OF UNDERSTANDING NO. 8	34
LETTER OF UNDERSTANDING NO. 9	34
RE: Article 9.08(a) - Overtime Work During Scheduled Vacation.....	34
LETTER OF UNDERSTANDING #10.....	34
RE: Hours of Work and Overtime	34
LETTER OF UNDERSTANDING NO. 11	34
RE: Reference to Plant Superintendent and Chief Shop Steward	34
LETTER OF UNDERSTANDING NO. 12	35
RE: Article 9 - Vacation Policy/ Illness and/or Disability During Scheduled Vacation	35
LETTER OF UNDERSTANDING NO. 13	35
RE: Article 9 - Vacation Policy (Re: 9.01).....	35

THIS AGREEMENT made and concluded at Port Coquitlam, B.C. this **1st** day of **April, 2007**.

BETWEEN: **LILYDALE INC.**
1910 Kingsway Avenue
Port Coquitlam, B.C. V3C 1S7
(hereinafter referred to as the "Company")

OF THE FIRST PART

AND: **UNITED FOOD AND COMMERCIAL WORKERS**
INTERNATIONAL UNION,
LOCAL 1518 - INDUSTRIAL SECTOR
4021 Kingsway
Burnaby, BC V5H 1Y9
(hereinafter referred to as the "Union")

OF THE SECOND PART

WITNESSETH:

ARTICLE 1 - GENERAL

WHEREAS it is the desire of both parties to this agreement:

- (i) To maintain and improve the harmonious relations and conditions of employment between the Company and the Union;
- (ii) To recognize the mutual value of joint discussions in all matters pertaining to working conditions;
- (iii) To encourage efficiency in operation;
- (iv) To promote the morale, well-being and security of all the employees in the bargaining unit of the Union;
- (v) Justice and Dignity: The Company and the Union agree that the promotion of a harmonious relationship and the development of mutual respect in the workplace is the responsibility of all employees - both Management and Union.

It is agreed that any actions such as physical aggression, sexist comments, the use of vulgarity, name calling, or yelling are counterproductive to a harmonious workplace and will not be tolerated.

NOW THEREFORE, this Agreement witnesseth that the parties hereto in consideration of the mutual agreement and covenants hereinafter contained, agree with the other as follows:

ARTICLE 2 - BARGAINING AGENCY

2.01 The Company recognizes the Union as the sole collective bargaining agency for all regular employees excluding executive staff, sales and office staffs, foremen and buyers with respect to wages, hours of work and terms and conditions of employment. The Company recognizes the right of the Union to determine the standing of all members.

2.02 The Company agrees that all employees now members of the Union and all employees who become members of the Union shall remain members in good standing of the Union while employed by the Company during the life of this Agreement, as a condition of continued employment.

2.03 (a) Recognition - Union Shop: The Company agrees to retain in its employ, within the Bargaining Unit as outlined in Article 2.01 of this Agreement only members of the Union in good standing.

(b) The Company shall be free to hire new employees who are not members of the Union, PROVIDED, said non-members, shall be eligible for membership in the Union, and shall make application within ten (10) working days after employment and become members within thirty (30) days worked.

(c) The Company agrees to provide each new employee at the time of employment with a form letter outlining to the new employee his or her responsibility in regards to Union Membership, and to provide the Union in writing with the name and address of each new employee to whom they have presented the form letter along with the employee's date of hire. The Union shall bear the expense of printing the letter, the contents of the letter to be such that it is acceptable to the Company. The Company further agrees to provide the Union once a month with a list containing names of all employees who have terminated their employment during the previous month. Every employee shall keep the Company and Union informed of their home address, postal code and phone number.

The Company shall advise the Union quarterly of any changes in employee addresses.

2.04 Deduction of Dues: The Employer agrees to deduct from the wages of each employee, upon proper authorization from the employee affected, such initiation fees, union dues, fines and assessments as are authorized by regular and proper vote of the membership of the Union. The Employer further agrees to automatically deduct union dues from the wages of all new employees. The Union will supply an appropriate form to the Employer so that new employees, at the time of hire, will authorize union dues deductions. This form will be applicable from the time the employee commences employment until such time as the Union submits an official dues checkoff to the Employer. The employee shall, within thirty (30) days after commencement of employment, provide the Employer with a signed authorization for such deductions. Monies deducted during any month shall be forwarded by the Employer to the Secretary-Treasurer of the Union not later than the tenth (10th.) day of the following month, accompanied by a written statement of the name and social insurance number of each employee for whom the deductions were made and the amount of each deduction. Dues checkoffs are to be submitted on a monthly or four-week basis showing amount deducted each week, for what purpose and the total amount deducted during the month or four-week period, as well as the plant number of each employee for whom the deductions were made. Union dues deducted by the Employer shall be shown on the employee's T4 slip.

ARTICLE 3 - MANAGEMENT

The Management of the plant and direction of the working forces, including the right to hire, suspend, discharge for just cause, and the methods, processes and means of production and handling are vested

exclusively in the Company, subject only to the provisions of this Agreement. Cases of disagreement over the interpretation of this clause shall be dealt with in accordance with the Grievance Procedure in Article 11.

ARTICLE 4 - WAGES

4.01 Attached to this Agreement shall be a Wage Schedule covering all employees. This shall not apply to employees excluded in Article 2.01. No employee shall hold more than one (1) classified position.

4.02 Classifications and rates of pay for such classifications shall be in accordance with the "wage schedule" which shall form part of this Agreement. Any additions or deletions to the present classifications shall be the subject of collective bargaining between the Company and the Union. Any new job rates agreed to shall be retroactive to such date the new job was instigated.

4.03 If an employee substitutes in any department on any job during the temporary absence of another employee because of sickness, holiday leave or other similar cause he or she shall receive where such job pays less, his or her former rate of pay and where such job pays more, the rate applicable to the temporary job. In the case of temporary transfers, the basis of transfer shall be the junior qualified employee in the plant, provided, however, no senior employee makes a request for such temporary vacancy/transfer. The word "temporary" as used in this Agreement shall be defined as a result of mutual agreement, arrived at between the Union and the Company, based upon the merits of each individual case.

4.04 Where inequalities in individual rates are alleged to exist, they shall be dealt with as provided for in Article 11- Grievance Procedure.

ARTICLE 5 - SENIORITY

Seniority shall operate on a total plant basis, except where otherwise provided in Article 8.04 and 8.05(a), and Article 9.06(a).

ARTICLE 6 - SAFETY AND HEALTH

6.01 The Company shall make reasonable provisions for the safety and health of employees of the plants during the hours of their employment. Protective devices and other equipment necessary to properly protect the employees from injury shall be provided by the Company with no cost to the employee, unless lost or misused by employees. The word "misused", as used herein, shall be defined as a result of mutual agreement, arrived at between the Union and Company, based upon the merits of each individual case.

6.02 There shall be a Union-Company Occupational Health and Safety Committee which shall be set up as follows: The Company shall appoint one (1) or more representatives from the Management Staff (not to exceed three (3) and the Union shall appoint three (3) representatives from their membership. Both parties in making their appointments shall be motivated by the need for selecting people who will best be capable of promoting safety throughout the plant. The safety committee shall alternate chairperson for each meeting. Minutes shall be kept by one mutually agreed secretary, who may be a member of the committee. Regular meetings of the safety committee to be held on the last Wednesday of each month with all members of the safety committee being present. The day of the meeting can be changed by mutual agreement between the Company and the Union Chief Shop Steward or their designated

representative. The Chief Shop Steward, (or his designated representative) shall be responsible for the calling of and holding of the safety meetings referred to herein.

6.03 Employees currently being supplied Safety Hard Hats with ear muff protectors which are approved by the Worker's Compensation Board and Employees who are unable to use 'ear-plug-inserts,' as determined by their Attending Physician, are eligible to receive such equipment. Safety Committee will be the judge on matters of safety and health, subject to the grievance procedure and arbitration.

6.04 No employee shall be disciplined or discharged for refusal to work on any job, or in any work place or to operate any equipment where it is determined by representatives of the safety committee that the situation is unsafe or unhealthy. The representatives referred to herein shall consist of at least one (1) Company nominee.

6.05 All safety tests, safety inspections and safety tours, shall be conducted in the presence of the Union Co-chairman of the safety committee or in his absence a Union member of the safety committee, or a member of the Executive at the Unit/Plant where the safety tour is being conducted.

ARTICLE 7 - DURATION OF AGREEMENT

7.01 Except where specifically stated to the contrary, the terms of this Agreement shall be in full force and effect from **July 1, 2006** up to and including **June 30, 2012** and thereafter from year to year unless either party gives notice in writing of termination or amendment of not more than one hundred and twenty (120) days and not less than thirty (30) days prior to the date of expiration.

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

ARTICLE 8 - HOURS OF WORK AND OVERTIME

8.01 (a) For the purpose of calculating if overtime is payable, the Company shall set out an Hours of Work Schedule and negotiate with the Union. The Union recognizes the needs of the business in negotiating changes in the hours of work schedule. The schedule of hours may vary from department to department but shall not total more than forty (40) for any payroll week and must not exceed more than eight (8) hours per day, Monday through Friday, except where otherwise mutually agreed upon.

(b) All time worked before or after the negotiated schedule of hours shall be paid for at double times (2x) the employee's regular rate of pay.

8.02 (a) Any full time employee reporting to work shall be guaranteed four (4) hours pay for the day he/she reports. Any employee who reports for work and who, by reason of some breakdown in the plant, is dismissed for the day, shall receive five (5) hours pay at least.

(b) An employee reporting to work late on his regularly scheduled shift shall not be entitled to overtime rates of pay until completion of eight (8) hours.

8.03 Procedure for changing Schedules: The Company agrees that, except by mutual consent no individual's schedule shall be changed without twenty-four (24) hours' notice or a crew's schedule without five (5) working days' notice. In cases of 'Product Shortages,' shift changes for truck drivers will be upon twelve (12) hours notice. The Union will be consulted before a crew's schedule or when feasible an

individual's schedule will be changed, The Company shall have the right to start and stop crews within the range of "Letter of Understanding No. 1." The word "crew" as used in this Agreement shall be defined as a result of mutual agreement between the Grievance Committee and the Company. The Company will provide prior notification of a change of shift to employees who are not at the plant at the time the Company implements any proposed shift changes. The Company will provide the Chief Shop Steward with a list of names of the employees they were not able to contact with regard to a shift change.

8.04 Overtime: (a) When it is necessary to work overtime, the personnel selected shall be the senior qualified employees in the department where the overtime is required. Should the necessary employees not be available within the department then the basis of selection shall be the senior qualified employees available in the plant. If any senior qualified employee has been inadvertently missed for overtime, he shall be paid for the applicable amount of overtime he has missed.

(b) Double times (2x) the regular hourly rate shall be paid to all employees for all hours worked on Saturday and/or Sunday that is not part of the Letter of Understanding #1. For the purposes of this Agreement an employee's sixth consecutive day shall be considered as his Saturday and his seventh consecutive day shall be considered his Sunday.

(c) The Company will limit overtime hours of work as far as reasonably possible. The Company will first discuss the matter with the Union, if crew overtime is involved, or if overtime is involved for individuals. If overtime is necessary, the Union will encourage employees to work.

The Chief Shop Steward and the Plant Superintendent, or their designate, shall review the overtime list along with supporting documentation to discuss any problems or questions regarding the overtime list.

When it is known in advance, the Company will post a notice before the lunch break in each Department when the need for overtime in that Department exists. Employees who wish to work the available overtime will so indicate on the notice. The most senior employees will be selected first.

If it is not known in advance of the lunch break, each supervisor or designate for that Department where overtime is necessary will personally ask each employee if they choose to work overtime.

It shall be the responsibility of each employee when asked to work overtime to render a decision as soon as possible taking into account the time of the request and the conclusion of the shift.

(d) When overtime is required fifteen (15) minutes beyond the regular quitting time, a rest period of fifteen (15) minutes shall be granted before, during or after the overtime work. The provisions of this clause shall be administered by mutual agreement between the Union Stewards at each division, and the Company.

(e) It is agreed that all overtime work shall be voluntary and that no employee shall be compelled to work overtime, nor shall he be discriminated against for refusal to work overtime. If an employee agrees to work overtime, such employee shall be obligated to complete the overtime shift.

8.05 (a) The Company agrees to pay all employees at their regular rates of pay for the normal hours of work as set forth in the Hours of Work Schedule on each of the following Statutory holidays whether they work or not:

New Year's Day
Good Friday

First Monday in August (B.C. Day)
Labour Day

Christmas Day
Boxing Day

Victoria Day
Canada (Dominion) Day

Thanksgiving Day
Remembrance Day

and any other holiday that may be declared by either the Federal or Provincial Governments.

Two (2) additional Statutory Holidays (Floaters) effective January 1, 1982. The Company and the Union agree to a formula of not less than ten (10%) percent off on these floating statutory holidays per department at any one time, rounded off to the highest full number, with not less than a minimum of two (2). The selection regarding the exercising of these floating statutory holidays shall be on the basis of seniority and shall, in addition, be selected by mutual agreement between the employee and the foreman/Company. Employees shall provide the Company with one (1) weeks notice of their selection. Should the Federal or Provincial Government proclaim a statutory holiday during the life of this Agreement, such proclaimed statutory holiday shall be substituted for one of the floating statutory holidays referred to herein. The second floater mentioned herein to take effect January 1, 1983.

New employees will qualify for their first floating statutory holiday upon the completion of six (6) calendar months and will qualify for the second floating statutory holiday upon completion of twelve (12) calendar months. If an employee fails to take one or both of his/her floating statutory holidays, they may be carried over to the following year. Accumulated statutory holidays shall be paid for as outlined under the provisions of Article 9.08(e). **Accumulated floating Statutory Holiday credits referred to herein, from previous years, may not be exercised between June 1 to December 30, inclusive in each year. Any accumulated floating Statutory Holidays will be paid by June 1st if not used, and the employees will not be granted time off thereafter.**

Employees must complete four thousand, one hundred sixty (4,160) hours worked after their hire date in order to qualify for these floating Statutory Holidays.

(b) If an employee is required to work on any of the Statutory Holidays mentioned herein, he shall receive, in addition, pay for hours actually worked on the Statutory Holidays at two (2) times his regular job rate and these hours shall be considered as scheduled hours worked at regular rates for the purpose of the guarantee.

Employees working on any of the statutory holidays referred to herein may designate a day off to be taken in lieu of the statutory holiday worked. Such designation shall be on the basis of mutual agreement.

(c) A special holiday shall be a special and non-recurring public holiday of general observance other than a Statutory Holiday proclaimed by the Government of the Dominion of Canada, as for example V-J Day.

(d) Double (2x) times the regular rate shall be paid to employees for all hours worked on a special holiday.

(e) If a paid Statutory Holiday falls on a Saturday or a Sunday, the Monday immediately following the Sunday shall be observed as the Holiday. If Statutory Holidays fall on both a Saturday and Sunday, the Monday and Tuesday immediately following shall be observed as the Holidays.

(9) If an employee is absent on the day before or after a Statutory Holiday without just cause, payment for the holiday may be withheld subject to mutual agreement between the Company and the Union.

in the case of repeated absences without just cause, payment for the holiday may be left to the discretion of the Company.

8.06 Layoff or Recall in Holiday Weeks: Employees on layoff or who are recalled in the pay weeks in which the public holidays fall, shall receive eight (8) hours' pay at regular rates for such holiday, provided he receives pay for hours worked in the month preceding or succeeding the Statutory Holiday. To qualify for this holiday pay, employees must work out their layoff notice or report to work on recall when required as the case may be.

8.07 Any hourly rated employee who, after leaving the Company's premises, is called in at any time outside his normal working hours shall be through when the job is over but shall nevertheless be paid a minimum of five (5) hours at the regular rate or for hours he actually worked at the applicable overtime rate, whichever is the greater.

8.08 (a) Employees shall not be required except in case of emergency to work more than four (4) hours without a first meal period of thirty (30) minutes and more than five (5) hours without the second and third meal periods. The second and third meal periods shall be one-half (1/2) hour on Company time and these meals shall be supplied free of charge by the Company. In cases where there is no meal provided, a cash equivalent of \$7.00 (effective the date of ratification) plus one-half (1/2) hour straight time will be added to his gross earnings for that fiscal week.

(b) Employees required to work more than four (4) hours without a first meal period shall be compensated at one and one-half (1 1/2) their hourly rate for all times worked in excess of four (4) hours until a meal period is granted. Maintenance and Engineer employees engaged in continuous shift operations shall be exempt from this clause, but shall be entitled to a lunch period of thirty (30) minutes on Company time.

8.09 The Company and the Union agree that in the event of a layoff of one day or more, ways and means will be discussed in an attempt to reduce the number of employees to be employed during the layoff. Such layoffs regardless of their duration, shall be according to plant seniority. In cases where qualifications is being considered, the determination of qualifications will be the subject of mutual agreement between the Union Grievance Committee and the Company.

Where a reduction of hours in a day causes employees to be released early, departmental seniority shall apply.

8.10 Whenever an employee is requested for legitimate extra work or is brought in on his or her day off, or on a Sunday, or on a paid holiday, he or she need not be required to take time off to bring his or her hours down to the standard working week.

8.11 A 15 minute rest period will be granted twice in each shift, approximately midway before lunch and approximately midway after lunch. In no case shall any employee be required to work beyond two and one-quarter (2 1/4) hours without a rest period. The rest periods referred to herein shall not be eliminated by reason of a short work day, unless the employee leaves on personal business prior to the second rest period.

8.12 Automation and Technological Changes: (a) The Company will provide the Union with three (3) months written notice of intention to introduce automation equipment or technological change which will result in displacement or reduction of personnel. Such notice shall contain the following information when it becomes known or available to the Company:

- (1) Estimated number of employees facing job loss;
- (2) Estimated number of employees to be displaced/transferred;

- (3) Estimated duration of job loss, transfer/displacement;
- (4) A description of the automated equipment and/or specifics of the technological changes being contemplated and the departmental areas affected.

(b) Employees becoming redundant due to technological change, new equipment or procedures resulting from such new equipment shall be eligible for retraining to equip them for the operation of such new equipment or procedure, or to qualify for new positions. Such retraining will be provided by the Company without loss of pay to the affected employee(s).

(c) In cases where the retraining of employees is not practical, or where other positions with the Company are not available, the employee(s) shall elect for termination of employment or shall elect to be placed on the recall list. An employee on recall under this section shall receive all the benefits he had accrued during employment at the end of the recall period or at such earlier time as he may elect to terminate. Employees on recall under the provisions of this clause shall report to work within the stipulated period of time, as outlined in Article 10.09 - Seniority.

(d) A specified extension of the recall period where recall is applied under sub-section (c) above may be mutually agreed by the employee and the Company, subject to written approval by the Union.

(e) Employees whose services are terminated because of automation or technological change shall receive a separation allowance in accordance with the scale outlined in Article 13 of the Agreement.

8.13 Management personnel shall not be allowed to do production work, nor shall Management personnel displace Union personnel. In cases where management is involved in the training of unqualified employees, such training shall not be considered a violation of this clause.

8.14 An employee who is absent for reasons of sickness, or non-compensable accident during the period in which a Statutory Holiday occurs, shall receive eight (8) hours pay at his regular rate for such Statutory Holidays as occur during such absence. In the case of continued absences the Company may request a Doctor's certificate to substantiate any illnesses. The word 'continued' as used in the agreement shall be defined as a result of mutual agreement arrived at between the Union Grievance Committee and the Company based upon the merits of each individual case. Any employee who is absent for reasons of compensable accident during a period in which a Statutory Holiday occurs shall receive the difference between the W.C.B. benefit entitlement and eight hours pay at his regular rate for such Statutory Holidays as occur during such absences.

8.15 Each employee shall receive an off shift premium of eighty-five (85) cents per hour for all hours worked commencing between 9:01 a.m. and ~~3:44 a.m.~~ Such premiums shall be considered as part of an Employees basic rate. Effective the pay period following ratification of the May 28, 1998 agreement, all new hires will receive an off-shift premium of forty-five (45) cents per hour for all hours worked on shifts that commence after 9:01 a.m. and prior to ~~3:44 a.m.~~ the following morning.

8.16 All employees shall be entitled to ten (10) hours of rest between shifts. Should the employee be required to work during his ten (10) hour rest period, all hours worked will be paid for at overtime rates.

Drivers required to take out loads after six (6) hours work in any day which contains deliveries that would require any truck driver to work in excess of his normal schedule of hours for that day, shall be supplied a swamper on request if the load requires hand bombing for loads in excess of 1500kg.

8.17 Employees who work in the freezer will be allowed ten (10) minutes outside work for each hour worked inside. Employees who are not regularly required to do freezer work shall be supplied with necessary clothing.

8.18 An employee injured while working in the plant shall suffer no loss of earnings for the balance of hours in the scheduled shift in which the accident occurs if, as a result of such injury he is sent home or to the hospital or for medical attention on instructions from the first aid department, but if such is not possible, then by a Company representative. In the event that no Company representative is present to report to, the Company will provide a telephone number to the employees where a report of their accident may be received. Costs incurred as a result of transportation to and from the practitioner and/or hospital, at the option of the employee, shall be borne by the Company.

8.19 Establishing Rates for New or Changed Jobs: (a) Establishing rates for new or changed jobs shall be handled in accordance with Article 4.02.

(b) If agreement is not reached when the job is started, the Company will pay the rate set and if in the final settlement the rate is increased it will be paid retroactively. Similarly, the rate will be paid retroactively when its establishment has been delayed beyond the date the job reaches normal operation.

(c) Disagreement mentioned in paragraph (b) above will be subject to the Grievance Procedure beginning at the second step.

8.20 Shift engineers shall be allowed a regular day off in lieu of working Sunday. However, due to changing shifts and rotating the shift employees, the day that the employee is off may be changed from time to time by the Company. Shift engineers are to be given forty-eight (48) hours' notice when required to change shifts, except in an emergency.

8.21 It is understood and agreed, that where there is a short work week in effect, employees within the bargaining unit may exercise their seniority in order of seniority, for the purpose of electing to be laid off rather than to remain on the payroll during such short work weeks, subject to mutual agreement. The employee shall make application to his supervisor in writing to be laid off for the short work week(s) on a form to be provided by the Company.

8.22 Employees may elect to bank hours of overtime, up to a maximum of eighty (80) straight time hours. This decision must be communicated to the Company, in writing, prior to December 31 each year, on an appropriate form to be provided by the Company. Banked hours are earned during the calendar year between January 1 to December 31. Banked hours will be paid at the rate the employee was receiving at the time they earned the banked hours. Banked hours may only be utilized for maximizing regular hours during a short work week or to apply against the three day waiting period referred to in Article 12.07(a). For the purposes of this clause, it is understood that a short work week is defined as a week in which the number of scheduled work hours, is less than forty (40) hours. Upon three weeks notice to the Company, hours banked but not taken, shall be paid upon request. Accumulated hours will be recorded and such recap shall be made available to employees upon request.

ARTICLE 9 - VACATION POLICY

9.01 The Company agrees, subject to the provisions set forth within the following sections to grant the following vacations with pay to employees covered by the May 28, 1998 Agreement:

After one (1) year

two (2) weeks

After three (3) years	three (3) weeks
After eight (8) years	four (4) weeks
After thirteen (13) years	five (5) weeks
After seventeen (17) years	six (6) weeks
After twenty-two (22) years	seven (7) weeks

Employees hired after the date of ratification of this May 28, 1998 agreement shall be subject to the following vacation schedule:

After one (1) year	two (2) weeks
After five (5) years	three (3) weeks
After ten (10) years	four (4) weeks
After twenty (20) years	five (5) weeks
After thirty (30) years	six (6) weeks
After thirty-five (35) years	seven (7) weeks

9.02 Calculation of Holiday Pay: All employees shall receive pay on the basis of: forty (40) hours at his regular rate for each week of vacation or two percent (2%) of his total earnings for the previous year per each week of vacation, whichever is the greater amount. It is understood and agreed that the "regular rate" shall be defined as the rate being paid at the time vacation is taken or at the time vacation pay is requested. It is further understood and agreed that the "regular rate" shall be the rate paid in accordance with the wage schedule, for the job or classification to which an employee is assigned. It is understood that such assignment shall be for a period of not less than four (4) weeks.

9.03 (a) Employees absent for reasons of sickness and/or non-compensable accident, who return to work following these phases, shall nevertheless be entitled to annual vacations as set out in Article 9.01 and pay for such vacation shall be provided for in clause 3 (b), and these days of absence shall be considered as days worked for the purposes of this Agreement.

(b) In the case of compensable accident, employees shall upon their return to service with the Company receive service credit for each week of such absence as if earnings had been received on the basis of forty (40) hours per week at his regular rate of pay, in accordance with the following scale and to a maximum of fifty-two (52) weeks on any claim.

<u>Service Factor</u>	<u>Service Credit</u>
0 - 10 years	26 weeks
10 years and up	52 weeks

The provisions of this clause shall be restricted to one application per calendar year.

Employees must complete four thousand, one hundred sixty (4,160) hours worked after their hire date before becoming eligible for the service credit as set out above.

(c) Where an employee is absent from work due to layoff in excess of thirty (30) working days per calendar year, then their vacation entitlement shall be pro-rated and reduced accordingly for the time absent in excess of thirty (30) working days, provided, this pro-rated reduction will only be applicable to periods of layoff consisting of five (5) consecutive days or longer. Where an employee is absent from work due to illness or non-compensable accident in excess of ninety (90) working days, per calendar year, then their vacation entitlement shall be pro-rated and reduced accordingly for the time absent in excess of ninety (90) working days.

9.04 Earned vacation privileges not exercised shall be paid if and when an employee quits or is discharged for just cause from service, at a rate equal to the amount of vacation earned. Employees are entitled to receive their vacation pay at any time in advance if they so request upon 3 weeks notice to the Company. Employees wishing their holiday pay must have their holiday selected on the 'vacation schedule' prior to receiving their pay.

9.05 Every Bargaining Unit employee shall become eligible for vacation on January 1st. of each year. The Company and the Union agree to a common anniversary date. An employee who has received his first vacation is thereafter eligible to receive subsequent annual vacations any time on or after January 1st. in the succeeding vacation year in accordance with the provisions of Article 9.06. If, due to the provisions of this clause, employee(s) are entitled to an amount of vacation providing for service of less than one (1) year, such employee(s) shall have their calculation of vacation pay determined as outlined under the provisions of Article 9.02.

9.06 (a) The selection of vacation periods shall be on the basis of seniority in each department with the senior employee being given first preference. Vacation may be granted at any time, subject to the demands of the business, but the Company will make a sincere effort to grant vacations at the time requested by the employees.

The Company in full co-operation with the Union Steward will post a 'Vacation Schedule' beginning the first Monday in November on the Union bulletin board in order to determine the employees' desired vacation times. The selection of vacations will be completed not later than the second Monday in January, in each year, with the allotted times signed for by both parties and copies immediately provided to the Chief Shop Steward. The Company and the Union agree to the following schedule off on vacation per department at any one time. The following shall be considered as departments for 'All' purposes of this Agreement:

	<u>Percentage of Departmental Positions</u>
Engineers	ten percent (10%)
Cleanup	ten percent (10%)
Truck Drivers	ten percent (10%)
Shipping/Nights	ten percent (10%)
Kill	ten percent (10%)
Eviscerating	ten percent (10%)
Packaging	thirteen percent (13%)
Tank Man)	
Utility Man)	ten percent (10%)
Order Clerk)	
Further Processing / Boning	thirteen percent (13%)
First Aid Attendant & Backup	ten percent (10%)
Order Assembly	ten percent (10%)
Driver/Shipper/Dispatcher	ten percent (10%)

Where the above calculation results in a fraction, the number will be rounded up to the next highest number.

It is understood that where the Company operates two (2) shifts in the kill, evisceration, packaging and/or further processing departments, then those shifts will maintain separate vacation schedules.

9.07 If a paid holiday falls within the employee's vacation period, the Company will allow the employee concerned a compensatory day's holiday with pay, one day prior to vacation or one day after vacation or at such other time as the employee may designate, subject to mutual agreement.

9.08 (a) Employees entitled to vacation will not be allowed to take money in lieu thereof,

(b) An employee eligible for a third and subsequent weeks of vacation entitlement may accumulate such weeks of vacation for one (1) year to be taken at a time designated by the employee, not later than December 31, in the year prior to exercising his accumulated vacation.

(c) Accumulated vacation credits referred to herein may not be exercised between June 1 to December 30, inclusive in each year.

(d) Employees shall notify the Company of their desire to bank vacation credits not later than December 31, in the year prior to their intention of accumulating vacation credits.

(e) Accumulated vacation entitlement shall be paid at the rate equal to the highest rate of pay the employee received, subject to Article 9.01 during the year in which the vacation entitlement was banked.

9.09 An employee eligible for vacation who is laid off because of reduction in his crew, shall be allowed pay for the vacation for which he has qualified.

9.10 Vacation pay shall be paid to the employee by separate cheque.

ARTICLE 10 - SENIORITY

10.01 After an employee has an accumulative period of service of sixty (60) days worked with the Company, he or she shall be granted seniority, which shall date retroactively to the date he or she entered the employ of the Company.

10.02 (a) In the Bargaining Unit, the filling of permanent vacancies, shall be based on ability and seniority. Ability being sufficient after a reasonable trial to do the job, seniority shall prevail. A reasonable trial shall not exceed twenty (20) working days, however, if mutually agreed, this period may be extended a maximum of ten (10) working days. Employees shall receive the applicable job rates provided for in the Wage Rate Schedule for the job or jobs they have been posted or appointed to when they become qualified. All postings and/or appointments shall be designated in writing with a copy to the division grievance committee. All vacancies shall be posted within two (2) working days from the time they become vacant. A vacancy exists when it is performed for 50% or more of the guaranteed work week.

(b) The word "qualified" as used in this Agreement shall be interpreted to mean: regularly perform the job without assistance.

(c) Vacancies within the Bargaining Unit shall be posted for five (5) working days to give employees with seniority ample time to apply in writing to the Plant Superintendent or his designate. The Company will provide copies of the written applications to the Chief Shop Steward at the conclusion of the posting. In the case that no application is received for any posting, the vacancy shall be filled by appointment, and the appointee automatically given posted status. Transfer to jobs will be made within **twenty (20)** working days from the date the posting was awarded. Whenever the transfer cannot be accommodated

within the **twenty (20)** days, the Plant Superintendent will review the situation with the Chief Shop Steward. Vacancies being posted as a result of the provisions of this clause, shall also include the specific shift and such shift shall subsequently form a part of the posting. When a posted employee is laid off, he shall return to his former position upon recall, provided that the period of layoff does not exceed three **(3)** months. Temporary vacancies such as sickness, compensation and holidays need not be posted. The word "temporary" as used in this Agreement shall be defined as a result of mutual agreement between the local grievance committee and the Company, based upon the circumstances of each individual case.

(d) Only the original vacancy and the two **(2)** successive vacancies thus created will be posted, the subsequent vacancy being filled by appointment, with the appointee automatically given posted status. In any case, there shall not be more than one **(1)** posting per six **(6)** consecutive months per employee. This six **(6)** month period shall commence from the date that the applicant or appointee was awarded the posting.

(e) Employees failing to qualify as outlined under the provisions of 2 (a) herein, shall return to their prior position.

10.03 (a) Employees shall, in the case of long term ill health or injury, be given an opportunity of being accommodated on specific jobs within the plant, should an opening occur at the time they are released to return to the work force, or within 10 days following the time they are able to return to the work force. If for medical reasons they are unable to return to work, and there are no job openings available, they will be laid off until a recall or vacancy occurs.

(b) Employees covered under the provisions of this clause must present a Doctor's certificate authorizing their return to the work force.

Once this authorization has been given, the Chief Shop Steward, or their designate, is to be involved in all discussions with the Company and the Employee relating to modified return to work. Mutually agreed upon job descriptions will be established where a modified return to work is being considered.

(c) If the employee lacks sufficient seniority over other employees for a posted job vacancy, the Company may, subject to mutual agreement, assign the returning employee to that vacancy for accommodation and so inform the Local Union,

(d) Employees being assigned under the provisions of this clause shall be eligible to receive the customary trial period in order to qualify for such postings as outlined in Article 10.02.

10.04 Seniority records showing the employees hire date and their job classification will be made available to the Union on the Wednesday following Pay Day every four **(4)** weeks. Eight **(8)** copies shall be supplied to the Chief Shop Steward.

10.05 Seniority service records shall not be considered broken and there shall be no interruption in an employee's continuity of seniority rights except as specifically provided herein:

(a) When an employee voluntarily leaves the service of the Company.

(b) When an employee has been discharged for just cause and such termination has not been reversed by the grievance procedure.

(c) When an employee has been let out of employment by the Company for a period longer than the time allowed in the following schedule:

Length of Seniority at Date of Separation Length of Allowable Time Off Payroll

Over 60 working days to 6 months
Over 6 months

Time equivalent to one-half (1/2) his length of service
Time equivalent to length of service up to two (2) years

10.06 On reducing and increasing forces, seniority shall govern, provided the senior operator is capable of handling the work performed by the operator of lesser seniority. In cases of dispute, it shall be subject to the grievance procedure, It is understood that the order of layoff or recall shall be in accordance with the seniority records list referred to in Article 10.04.

10.07 The Chief Steward of the Plant shall be given a list in advance of employees to be laid off or recalled. Those employees terminated shall also be included on this list.

10.08 When forces are increased, former employees will be re-employed and paid the rate of the job to which they are assigned. Employees who have been laid off and are rehired shall not lose the credit for their previous experience in computing their pay rates and shall not have their pay rates reduced if the employee, is rehired in the same department that he worked in at the time the employee was laid off.

10.09 Any laid off employee(s) who have been notified by registered letter at his or her last known address to return to work and within seven (7) working days has failed to do so, or failed to contact the office, shall be considered to have quit his employment voluntarily and his existing seniority rights shall thereupon be terminated. When any such notice is sent to an employee by registered letter, copy thereof shall be sent con-currently to the union grievance committee, at each division covered by this Agreement.

Employees who are on layoff for periods of two weeks or longer and are subsequently recalled with less than three (3) working days notice will not be subject to termination or discipline for not returning to work within three (3) working days, provided their reasons for not returning to work are bona fide. The validity of such reasons will be the subject of mutual agreement between the Company and the Union.

10.10 (a) One (1) employee who may be elected or appointed to a full time position with the Union, upon proper notice to be agreed upon by the parties of this Agreement, shall be granted a leave of absence, without pay, not to exceed the life of this Agreement. Upon one week's notice of his desire to again return to work for the Company, he shall be placed upon his job previously held, or in the event that the job has been eliminated one of equal pay without loss of seniority, provided he is physically fit and capable of performing the work. Leave of absence under this clause will be given in writing by the Company.

(b) Leave of absence shall be granted upon request by an employee who has been elected or appointed to attend any function on behalf of the Union. Such employees shall continue to accumulate seniority for the period covered by this Agreement and upon their return to work shall be reinstated in the job held prior to the leave or in the event that the job has been eliminated one of equal rating. Employees on leave under the provisions of this clause shall receive eight (8) hours pay at their regular rate for Statutory Holidays which occur during such leave of absence. Under the provisions of this clause the Company will be provided with two (2) working days notice wherever possible.

10.11 If an employee is absent from work because of sickness, approved leave of absence or accident he or she shall not lose seniority rights and shall also return to the position held prior to his or her absence or in the event that the job has been eliminated to one of equal rating, providing he or she is capable of

performing former duties. In the case of sickness and accident, it shall be the duty of each employee so absent to notify the Company weekly of the reasons for absence and how long they expect their absence will last. It is understood that employees will telephone on their first day of absence prior to the commencement of their regular shift. Under the provisions of this clause, employees shall continue to accumulate seniority during such absences. It is agreed that employees give notice, where possible, of not less than three (3) days prior to their return to work after being absent and receiving W.C.B. Benefits or Weekly Indemnity Benefits.

10.12 Permission for leave of absence extending over a period of more than one (1) week must be received in writing and in no case exceed a three (3) month period, provided, however, that it may be extended upon agreement by the parties hereto. Employees who are granted leaves of absence in excess of two (2) weeks must reimburse the employer for the costs of the benefit programs that are maintained for them under Article 12.07 during their absence.

10.13 (a) Requests for leave of absence because of pregnancy will be granted upon application in writing and supported by a Doctor's certificate. Upon the expiration of the leave of absence the employee may signify that she wishes to return to work, and in such case she will be reinstated within one (1) week provided she has the necessary seniority and is able to perform the required work. Upon return to work the employee will return to the position previously held or in the event that the job has been eliminated one of equal rating. Under the provisions of this clause employees shall continue to accumulate seniority.

(b) (1) An employee who is pregnant shall be given an unpaid leave of absence without loss of seniority or other privileges for a maximum of seventeen (17) weeks – beginning no less than eleven (11) weeks prior to the expected delivery date, and no later than the actual birth date, and ending no earlier than six (6) weeks after the actual delivery date, unless the employee requests a shorter period, and no later than seventeen (17) weeks after the actual birth date.

(2) An employee who requests leave under this section after the birth of a child or the termination of a pregnancy is entitled to up to six (6) additional weeks of unpaid leave beginning on the date of the birth or the termination of the pregnancy.

(3) An employee is entitled to up to six (6) additional consecutive weeks of unpaid leave if, for reasons related to the birth or the termination of the pregnancy, she is unable to return to work when her leave ends under subsection (1) or (2).

(4) A request for leave must

(a) be given in writing to the employer,

(b) if the request is made during the pregnancy, be given to the employer at least four (4) weeks before the day and employee proposes to begin leave, and

(c) if required by the employer, be accompanied by a medical practitioner's certificate stating the expected or actual birth date or the date the pregnancy terminated or stating the reasons for requesting additional leave under subsection (3).

(5) A request for a shorter period under subsection (1) (b) (i) must:

(a) be given in writing to the employer at least one (1) week before the date the employee proposes to return to work, and

- (b) if required by the employer, be accompanied by a medical practitioner's certificate stating the employee is able to resume work.

Parental Leave:

- (1) An employee who requests parental leave under this Section is entitled to:
 - (a) for a birth mother who takes leave within one year of the birth of a child and in conjunction with pregnancy leave taken under Article 10.13 - up to thirty-five (35) weeks of unpaid leave beginning immediately after the end of the leave taken under Article 10.13.
 - (b) for a birth mother who does not take a leave under Article 10.13 in relation to the birth of a child - up to thirty-seven (37) weeks of unpaid leave beginning after the child's birth and within fifty two (52) weeks after that event.
 - (c) for a birth father - up to thirty-seven (37) weeks of unpaid leave beginning after the child's birth and within fifty two (52) weeks of that event.
 - (d) for an adopting parent - up to thirty-seven (37) weeks beginning within fifty-two (52) weeks after the child is placed with the parent.
- (2) If certified by a licensed medical practitioner that the child requires an additional period of parental care, the employee is entitled to up to five (5) additional weeks of unpaid leave, beginning immediately after the end of the leave taken under subsection (1) above.
- (3) The employee is required to give the Employer four (4) weeks' advance notice in writing of their intention to take a leave. The Employer may request this notice be accompanied by a medical practitioner's certificate or other evidence of the employee's entitlement to leave.
- (4) Benefit entitlement for these above leaves shall be as required in the *Employment Standards Act*.

10.14 Seniority shall be defined as the length of service with the bargaining unit at each of the separate establishments covered by this Agreement. Service with the present Company and its predecessors shall be used for the purposes of exercising seniority rights under this Agreement. Should seniority be broken, seniority shall then be calculated from the date he returned to work following the last break in his seniority.

10.15 Employees while on layoff and who return to work following layoff, within the time of allowable breaks as outlined above shall continue to accumulate seniority during the layoff period as outlined in Article 10.05.

10.16 In the case of layoff, all employees shall receive notice in accordance with the following scale or receive pay in lieu of notice:

After one (1) year's seniority	5 working days
After six (6) months' seniority	3 working days
Less than six (6) months' seniority	2 working days

Employees shall receive two (2) days notification of a cancellation of layoff notice. Two (2) working days where possible in the event of layoff due to a non-kill day. This clause shall not be interpreted in such a manner so as to reduce the weekly guarantee as outlined under the provisions of Article 15 herein. In the event of circumstances beyond the Company's control both parties shall meet to discuss ways and means of decreasing the guarantee to avoid sporadic layoffs.

10.17 The designation of "rotating shift work" shall be on a basis of seniority, with the senior qualified employee within the department being asked first and so on down the applicable seniority list, until by this process the shift has been filled. Rotating shifts shall apply by mutual agreement only.

10.18 Leave for supervisory position: Any employee offered a supervisory position by the Company, shall be granted a three (3) month "leave of absence" in order to assess their qualifications for such position. Employees on leave under this provision shall continue to pay their regular monthly dues/deductions. At the end of this 'assessment period' the employee can choose to return, or the employer can require the employee to return, to the bargaining unit with no loss of seniority. This "leave of absence" provision shall be restricted to one application by an employee during their employment career with the Company.

ARTICLE 11 - GRIEVANCE PROCEDURE

11.01 (a) A Grievance Committee, the number not to exceed three (3), who shall be regular employees of the Company, shall be elected by the Union in a manner determined by them, and the Company shall be kept informed of the personnel of this committee.

(b) Shop Stewards, the number to be decided by the Union shall be elected by the Union in a manner determined by them and the Company shall be kept informed of the personnel of the Shop Stewards.

(c) All grievances shall be taken up with the Company within **ninety (90)** calendar days of the grievor being aware of the alleged violation of the agreement on Company time during working hours. **All grievances not presented to the Company within ninety (90) calendar days from the date the grievance arose, shall be waived.** There shall be no loss of regular salary by members of the Grievance Committee or grievor to attend a meeting with the Company.

(d) If a steward or Grievance Committee Member has to leave his job or department in connection with a grievance he shall first secure permission from the foreman before leaving the job or department. Such permission shall be granted as promptly as possible but shall in no case exceed one-half (1/2) hour. The Chief Shop Steward shall be free to investigate any grievance that may be brought to his attention.

(e) It is agreed that the purpose of the grievance procedure will be to settle all grievances promptly, and that consultation at any step on the following procedure will take place quietly and speedily so that friction or animosity will be reduced to a minimum.

(f) The Company recognizes the right of the "Grievance Committee" to process any grievance that is brought to their attention.

11.02 (a) The following procedure shall be applicable progressively to the adjustment of disputes or grievances.

First Step: A meeting shall occur within two (2) working days of request between the Union Steward, chief Steward with or without the employee and an equal number of representatives designated by the Company. A decision must be rendered within two (2) working days, unless mutually agreed otherwise. Failing settlement at this step, the matter shall then be referred to the Second Step.

Second Step: A meeting shall occur between the Union Grievance committee and the Committee designated by the Company, In case of an emergency, a meeting can be called by either party. Outside representatives of the Union and the Company may be called in if so desired. A decision is to be rendered within three (3) working days unless mutually agreed otherwise.

All grievances and decisions at this stage are to be in writing. Should either party intend to proceed to the Third Step, they must advise the other party in writing within five (5) working days from the date the decision was rendered under Step 2 of the Grievance Procedure. Both parties will then proceed as outlined in the Third Step.

Third Step: (a) Any disagreement, grievance, or dispute arising under this agreement which is not settled to the satisfaction of either the Union or the Company, shall, upon written notice of either party be submitted to a single person arbitration board. In the event the parties fail to agree on a single person arbitrator within ten (10) working days, he shall be appointed by the Minister of Labour for the Province of British Columbia, The arbitrator's expenses shall be born in equal shares between the Company and the Union. The decision of the arbitrator shall be rendered within twenty-eight (28) days. The time limits referred to herein may be extended by mutual agreement.

(b) In areas where there is no Steward, the grievance shall be taken up as outlined in this Article by the Chief Shop Steward, or his designated representative.

(c) Saturdays, Sundays and Statutory Holidays shall not be considered as 'working days" wherever this phrase occurs in this Agreement.

11.03 When a grievance which involves an error in the proper earnings of an employee is subsequently settled and as a result of such settlement the wage of an employee is increased, such increase shall be made retroactive to the date on which the error in the earnings was made. If the date cannot be established, then the increase shall be effective the date the grievance was laid or such other date as may be agreed upon.

11.04 (a) When the Company deems it necessary to discipline an employee they shall have the Union Steward present. If the employee or employees concerned feel they have been unjustly dealt with, they shall grieve within two (2) working days. In the case of suspension or dismissal the Union Steward and Chief Steward or his designated representative shall be present. In the case of dismissal, the procedure shall be as in Article 11.04(b).

(b) If an employee is dismissed for any reason whatsoever and feels that he has been unjustly dealt with he shall within three (3) working days from receipt of notice of dismissal, notify the Grievance Committee who shall within one (1) working day notify the Company in writing. The dismissal shall then constitute a grievance and shall be dealt with according to the Grievance Procedure beginning with the "Second Step." If subsequently, it is decided that the employee was unjustly dismissed, he shall be reinstated in his former position and shall be paid for this period during which he has not worked as if he had not been dismissed, or granted such lesser compensation as seems fair under the circumstances.

11.05 The Company must give the Chief Shop Steward and/or members of the Grievance Committee notice in writing of the suspension or discharge of any employee and the reasons on the day such action is taken.

11.06 When settlement is reached at any stage of these proceedings, such decision shall be final and binding. It is understood that no decision will be made unless representatives of the Union are present.

11.07 Grievances involving financial adjustment which are resolved in favour of the aggrieved shall be awarded to the senior grievors.

ARTICLE 12 - MISCELLANEOUS ITEMS

12.01 (a) When an employee's personal affairs make it desirable for him to be relieved temporarily of company duties, leave of absence without pay beyond the regular vacation to which an employee is entitled may be granted for good and sufficient reason. "Good and sufficient reason" as referred to herein shall be the subject of mutual agreement and shall not be established arbitrarily by either party.

(b) Leave of absence in excess of one week before being granted must be requested in writing and approved by the Company.

12.02 Except where otherwise provided for in this Agreement leave of absence will not be granted for the purpose of allowing any employee to take another position temporarily, try out new work, or venture into business for himself.

12.03 (a) All employees shall receive their pay on Company time unless otherwise requested by the employee. All deductions and income will be itemized each pay period on the payroll slip provided to the employee. The amount or regular hours, overtime hours and rates of pay shall be shown separately on the pay slip. Payment shall be to the minute as indicated on the time clock for all time worked.

(b) **Payday is every second Friday for all employees. Paystubs will be issued on Friday for employees whose schedule calls for them to be at work on Friday and on Thursday for Truck Drivers and employees who are not scheduled to work Friday. In the event of a Statutory Holiday occurring on a Friday, paystubs shall be issued on the preceding Thursday.**

(c) Any errors in payroll earnings which are fifty dollars (\$50.00) or greater, shall be corrected within one (1) business day. Payroll errors less than fifty dollars (\$50.00) shall be corrected by the next payroll.

(d) Payment of wages shall be received for all time worked on the basis of agreed remuneration for each minute of work performed.

(e) Employees laid off due to a non-production day, shall be entitled to eight (8) hours pay for such day by reducing their vacation entitlement by one (1) eight (8) hour work day.

(f) The Company will pay all employees by direct deposit. It is understood that the employees may select the banking institution of their choice and may change that designation by giving the Company fourteen (14) days notice.

12.04 The Company will allow employees adequate relief as well as necessary time for changing clothing or equipment necessitated by a change in working conditions.

12.05 It is understood where the word "he" is used in the Agreement, it shall cover female employees.

12.06 Laundry service shall be maintained as agreed between the Union and Company. All employees shall be supplied with clean laundry when required by the employee.

12.07 Health and Welfare Benefits: For all Full-Time Bargaining Unit Employees who have completed four thousand one hundred sixty (4,160) hours work, after their hire date:

(a) Effective the 1st. of the month following the date of ratification of this Agreement, sick pay (weekly indemnity) shall be 60% of the individual's weekly pay, based on 40 hours per week for all full time bargaining unit employees. In the case of normal illness, a three day waiting period is to be observed, payment of benefits commencing on the fourth day. However, where an employee is hospitalized due to illness within the waiting period or where an employee is unable to work due to a non-compensable accident, or where an employee attends at the hospital for medical attention and is unable to return to work, the waiting period shall be waived. The scale of benefits mentioned herein shall be in accordance with the following scale:

<u>Service Factor</u>	<u>Benefit Duration</u> (per year)
3 mos. to and including 17 months	4 weeks
18 to and including 47 months	8 weeks
48 to and including 71 months	12 weeks
72 to and including 95 months	18 weeks
96 to and including 119 months	22 weeks
120 months and up	26 weeks

The cost of providing this coverage shall be borne by the Company. Any costs incurred as a result of the Company's request for additional medical information shall be borne by the Company.

Employees must complete four thousand, one hundred sixty (4,160) hours worked after their hire date to become eligible for this benefit.

The Company will provide for weekly indemnity coverage for employees who are making a Workers' Compensation Board claim so that employees who are off work because of a work related injury are eligible to claim weekly indemnity payments while waiting for any Workers' Compensation Board payments.

The coverage referred herein shall not be reduced by reason of private insurance purchased by employees which duplicates or provides for similar insured benefits.

It is understood and agreed that the weekly indemnity program shall operate on a seven (7) day-a-week basis.

(b) M. S. P. of B. C. (Medical Services Plan of British Columbia) - The Company shall pay the full premium cost of this Plan to cover all employees within the Bargaining Unit. The provisions of this clause shall also include the MSA (Medical Services Association) Extended Health Plan. The Company shall be free to provide the extended health care benefit through the carrier of its choice provided the terms of that plan are not less favourable in either terms and/or coverage that that provided under the

MSA plan. The Company shall pay the full premium cost of this Plan to cover all Bargaining Unit Employees.

Effective the date of ratification of this Agreement (i.e., July 1, 1995 - June 30, 1997 Agreement) , the present 'Hearing Aid' coverage shall be extended to cover employees and their dependents.

(c) Life Insurance - Effective July 1, 1983, the Company agrees to maintain the present provisions for life insurance providing for \$15,000.00 coverage for all employees within the Bargaining Unit. The cost of providing this coverage shall be borne by the Company. Effective the first of the month following the date of ratification of this Agreement Life Insurance provisions herein shall be increased to \$35,000.00.

(d) Effective the first of the month following 30 days after ratification of the July 1, 1995 to June 30, 1997 agreement, the Company agrees to participate in the U.F.C.W. Local 1518 Dental Plan on the following basis: The Company will contribute 29 cents per hour for each straight time hour worked by all employees in the Bargaining Unit. Paid vacation, Statutory holidays and compliance with Article 12.07 (f) shall be considered as time worked for purposes of this clause. Such contributions shall not exceed \$11.60 per employee per week. If it is determined by actuarial advise that different contributions are required to maintain benefits under the Plan, then the contributions shall be changed in amounts and on the dates determined by such actuarial advise. If there is any increase in cost above the 29 cents per hour during the term of this Collective Agreement, then such cost will be paid by the Company and the employees' hourly rate of pay will be correspondingly reduced. Effective July 1, 1997 the employees' hourly rate of pay will be increased by the amount of the previous reduction and the employer will continue to pay the contributions rate in effect.

Subsequent to July 1, 1997, the Company agrees to continue contributions to the UFCW Local 1518 Dental Plan for each straight-time hour worked by all employees in the bargaining unit. Paid vacation and statutory holidays shall be considered as time worked for the purposes of this clause. Contributions to the plan will be set according to the following schedule:

<u>Date</u>	<u>Hourly Maximum</u>	<u>Weekly Maximum</u>
July 1, 1997	32-cents	\$12.80
February 1, 1998	36-cents	\$14.40

If it is determined by actuarial advice during the term of this Agreement that different contributions are required to maintain the level of benefits, then such increase will be processed as a deduction from the employee's pay cheque and remitted to the plan by the Company.

Effective August 7, 2000, the Company will commit to contribute up to a maximum of a further 4-cents per hour towards the dental plan if deemed necessary by the plan actuaries.

Effective the first pay period subsequent to the date of ratification 2001, the Company shall contribute forty-four cents (44¢) per hour for each straight-time hour worked by all employees in the bargaining unit.

Effective date of ratification (February 25, 2004), the Company shall contribute fifty-six cents (\$0.56) per hour for each straight-time hour worked by all employees in the bargaining unit.

(e) In the event that there is an increase in premiums charged for the coverage referred to in this Article for whatever reason, including, but not limited to, the opting out of Provincial Plans by Doctors or the

establishment of deterrent fees, the Company shall absorb such additional costs, if any, up to and including a maximum of twenty dollars (\$20.00) per visit.

(f) The Company shall continue payment of contributions / premiums for each of the Health & Welfare Benefit Plans, referred to in this section, during periods of layoff that last three (3) months or less, during periods of illness of nine (9) months duration or less and during any period where an employee is disabled as a result of a compensable disability of twenty-four (24) months or less. The Company shall continue to pay premiums for life insurance for an employee who is off work due to illness or disability for eighteen (18) months. However, where an employee is unable to return to work because of a work caused disability, payment of the full premiums referred to herein, shall be made by the Company on behalf of the employee until the employee reaches age sixty-five (65). Where an employee cannot return to work for the Company, but is re-employed by another employer who provides the benefits of this section, then benefits covered under this Section will be discontinued.

(g) Pension: Effective July 1, 1990 the Company agrees to enroll all Bargaining Unit employees with seniority into the Canadian Commercial Workers Industry Pension Plan (C.C.W.I.P.P.) on the following basis:

(i) The employer agrees to contribute to the Trust Fund of the Canadian Commercial Workers Industry Pension Plan as of July 1, 1990 - 15 cents per hour paid. Effective July 1, 1992 this amount will be increased by five cents (\$.05) per hour to twenty cents (\$.20) per hour. Effective July 1, 1993 a further increase of five cents (\$.05) per hour to twenty-five cents (\$.25) per hour and effective July 1, 1994, a further additional increase of five cents (\$.05) per hour will be contributed by the Company for a total hourly contribution of thirty cents (\$.30) per hour. Effective with the date that the employer commences contribution to the U.F.C.W. Local 1518 Dental Plan, the Employer will increase the hourly contribution to the C.C.W.I.P.P. by 17¢ (\$.17) per hour for a total hourly contribution of 47¢ (\$.47) per hour. Effective the pay period commencing after the date of ratification of this Agreement, the Company will increase the contribution rate to forty-nine (49) cents per hour. Effective July 1, 1999, the contribution rate will be increased to fifty-one (51) cents per hour. Effective July 1, 2000, the contribution rate will be increased to fifty-three (53) cents per hour. Effective the first pay period subsequent to the date of ratification 2001, the contribution rate will be increased to fifty-seven cents (57¢) per hour. Effective July 1, 2002, the contribution rate shall be increased to sixty cents (60¢) per hour. Effective the date of ratification (February 25, 2004), the contribution rate will be increased to sixty-three cents (\$0.63) per hour. Effective December 1, 2005, the contribution rate will be increased to sixty-eight cents (\$0.68) per hour. **Effective December 1, 2007, the contribution rate will be increased to seventy-three cents (\$0.73) per hour. Effective December 1, 2009, the contribution rate will be increased to seventy-eight cents (\$0.78) per hour. Effective December 1, 2011, the contribution rate will be increased to eighty-three cents (\$0.83) per hour.**

(ii) For purposes of paragraph (i) above, hours paid means all hours worked or paid to all employees.

The maximum number of hours paid per week is the number of hours of the normal week of full time employee(s) in the bargaining unit.

The said hours paid will include the hours paid by the employer for the time not worked because of illness or accident, vacations, statutory holidays, bereavement leave, jury duty, paid time for negotiations or grievance meetings, etc.

(iii) The employer agrees to sign the "participation Agreement" and supply any other documents, forms, reports or information as requested/required by the Trustees of the Pension Plan.

(iv) The employer shall forward all contributions, supported by a report in a format to be designated by the Trustees, together with a list of all employees and the number of hours paid and worked for each employee in each month. Contributions shall be made within 15 days following the end of each month.

The employer agrees to comply with all requests to the Board of Trustees in regard to entry into the Plan, to abide by all the rules and decisions of the Board of Trustees as decided from time to time and specifically to pay late remittance penalties and any costs incurred by the Board of Trustees because the employer failed to remit contributions in the form and on the date required by the Trustees.

12.08 The Company agrees to supply cotton gloves, ear plugs, rubber gloves, rubber pants, raincoats, aprons and a limited supply of twelve (12) only hooded jackets to all employees who require them, free of charge, upon request. Employees shall be responsible for any such apparel they may lose. Employees who purchase their first pair of rubber boots, shall be provided replacement pairs, at no cost to the employee, on an exchange basis. Those employees who elect to purchase an alternative footwear to rubber boots, shall be granted an allowance toward the purchase of such alternative footwear, which is equivalent to the cost of the rubber boots.

Steel toed safety footwear required by employees of the maintenance and shipping departments and truck drivers, as well as employees who work as live bird receivers shall be supplied by the Company up to a maximum amount of \$125.00 as required. Steel toed safety footwear shall be provided by the Company, in areas other than those referred to herein, where required by the Safety Committee.

12.09 The Company agrees to supply each employee where required to do freezer work with freezer coats and mitts and to provide insulated boots for the employee who is regularly assigned to work in the freezer, Such clothing remains the property of the Company, shall not be removed from the Company's premises and must be returned for re-issue or upon separation. Clothing not returned when worn out or upon separation will be paid for by the employee.

12.10 Employees shall be allowed five (5) minutes personal cleanup time prior to quitting time.

12.11 It shall be the policy of the Company and the Union not to discriminate because of race, sex, creed, colour, age, religion, national origin, ancestry, physical disability, or Union activities.

12.12 The Company agrees to supply scabbards, knives and scissors to all who require them free of charge. The Company further agrees to keep knives and scissors properly sharpened and maintained at all times. Whetstones, oil stones and steels shall be available to employees.

12.13 When an employee is absent on up to five (5) of his scheduled days due to the bereavement of an immediate relative, he shall receive eight (8) hours pay at his regular rate for each such day up to three (3) days, five (5) days for out of Province funerals subject to employee verification if so requested by the Company. For the purposes of this clause an immediate relative shall be one of the following: Wife, Husband, Son, Daughter, Sister, Brother, Mother, Father, Mother-in-law, Father-in-law, Grandparents, Spouse's Grandparents, Grandchildren, Stepfather and Stepmother.

Clarification of Bereavement Leave

(1) Ex-relatives are NOT considered immediate relatives, as regards Bereavement pay.

(2) Employees who are on sick leave or compensation during bereavement of an immediate relative shall receive the difference between their compensation rate of pay for a minimum of three (3) to a maximum of five (5) of the scheduled days.

(3) Employees who are on a layoff for periods of five (5) working days or longer and employees who are on leave of absence shall not receive bereavement pay. Nor shall employees receive paid bereavement leave while on vacation, Statutory or special holidays.

(4) Employees must complete four thousand, one hundred sixty (4,160) hours worked after their hire date to become eligible for paid bereavement leave.

12.14 Any benefits or working conditions now in effect and not specifically covered by this Agreement shall remain in effect unless changed by collective bargaining.

12.15 Hot Goods: The Company agrees that in the event of a legal strike amongst the employees of a concern with which the Company is doing business, it will not ask, require or in any way force or compel members of the Union to service such a strike bound firm. It is further agreed that members of the Union will not be asked, compelled or forced in any way to handle "hot goods" from any strike bound firm when such "hot goods" have been made available for handling through some subterfuge that seeks only to circumvent the legally established picket line(s) at the struck plant or concern.

12.16 There shall be no contracting out of work presently being performed by members of the Bargaining Unit, nor shall there be any contracting out of work where it is possible to employ members of the Bargaining Unit. This clause will not preclude the Company from hiring outside trucks and drivers in case of emergency deliveries.

The Union agrees to meet and discuss options where it is determined that contracting out may be a more viable means of performing work of the bargaining unit.

12.17 Appearance in Court: An employee required to serve jury duty or one who has been served with a subpoena to appear as a witness shall be paid the difference between what he would have earned for his scheduled hours at his paid rate and the court fee received. Employees should notify their Foreman as soon as possible after receipt of notice of selection for jury duty or after receipt of the subpoena to appear as a witness. The Company may require the employee to furnish a certificate of service from an officer of the court before making any payment under this section. Leaves under the provisions of this clause shall be recognized and granted on a full day basis.

12.18 There will be no part time workers employed except by mutual agreement between the Company and the Union.

12.19 If due to permanent job reduction an employee is transferred for a period of less than six (6) weeks to work where the job rate is lower, he shall retain his regular job rate. At the expiration of six (6) consecutive weeks the lower job rate shall prevail and the employee shall cease to have any right to return to his prior posted job unless on a new posting.

12.20 In the event either party finds it necessary to enter into a labour management meeting, they shall submit an agenda and the labour management meeting shall be held within three (3) days. Meetings shall be held on Company time.

12.21 It is understood and agreed that all "Letters of Understanding" negotiated during the life of this Agreement between the signing parties shall terminate on the date of expiration of this Agreement, except as otherwise provided for by virtue of Article 7.02 - Duration of Agreement.

12.22 Warnings issued by the Company or Union as a result of offenses committed by employees shall be void after six (6) months, provided, there is not an additional warning issued for any offense within the next six (6) months. When any such notice is sent to any employee, copy thereof shall be sent to the Local Grievance Committee. The above is subject to the right of the Union to grieve.

12.23 (a) The Company shall supply Metric tools where required by employees in the performance of their duties. The Company will purchase and own these tools and employees will have full access to them.

(b) The Company shall provide for the equal value replacement of broken or worn out tools on the job provided the item is turned into the employee's supervisor.

12.24 The Company will provide, on an ad hoc basis, an office for the use by the Steward's and Union Official(s) for discussing union business on Company premises. The Company will provide a safe place for the storage of the Union's file cabinets. The Company will allow Union officials reasonable access, upon request, to the Company's telephone, fax and photocopier equipment.

12.25 The Company shall reimburse the First-Aid Attendant and backup First-Aid for all costs incurred in the maintenance of First-Aid tickets required in the performance of their duties. Reimbursement will include all time loss for in-class course training for one occasion only for each renewal.

The Company shall also reimburse employees for the actual cost of examinations to obtain renewal certificates for fourth-class steam and fourth-class refrigeration tickets required in the performance of their duties. The Company will also reimburse the employee for time loss incurred when attending to these renewals in those cases where it is not possible to take the examination other than during regular working hours.

12.26 Employees who are required to meet with Management or Supervisory personnel with regard to terms or conditions of work, shall have a Shop Steward of their choice attend with them at any such meeting.

ARTICLE 13 - SEPARATION ALLOWANCE

13.01 Should it become necessary to close the plant or a portion of the plant and it is not expected that those affected will be re-employed, a separation allowance will be paid to employees subject to the following:

(a) They have one (1) or more years seniority.

(b) They are actively employed with the Company and accumulating seniority. Employees on leave of absence up to one (1) year, and employees receiving Workers' Compensation or off sick will be eligible.

(c) They have not been granted retirement pension.

(d) The closing is not brought about by war, strike, walkout, work stoppage, slowdown or other cessation of work, fire, government action or Act of God.

(e) In order to qualify for separation allowance employees will continue to work in a satisfactory manner as long as required.

(f) Effective the date of ratification the Separation Allowance shall be **seventy-five percent (75%)** of the individual's weekly pay, based on forty (40) hours per week multiplied by the number of years of service calculated to the nearest full calendar month. **If Truck Drivers' positions are eliminated during the term of this Agreement, impacted Truck Drivers will have the option to take their Severance Allowance payout or take another available position and retain their Truck Driver rate of pay as long as they maintain that position, or a second subsequent position.**

(g) In the event of a whole or partial plant reduction, all employees affected shall receive six (6) weeks notice or receive pay in lieu of notice.

(h) **Employees who have not completed four thousand, one hundred sixty (4,160) hours worked after their hire date will be eligible for a separation Allowance on termination of employment as set out in the Province of British Columbia Employment Standards Act.**

13.02 (a) Employees who accept separation pay under the provisions of this clause shall on doing so terminate their seniority and employment relationship with the Company and shall have no further rights under this Agreement or under any other Agreement between the signing parties.

(b) Notwithstanding 2 (a) above, should the plant re-open the rehired employee(s) who have received separation pay shall be accredited with full seniority rights accrued during their employment upon returning such separation pay within a period not to exceed thirty (30) working days.

13.03 In the event that part of the plant remains open, employees eligible to receive separation allowance may elect to remain on the seniority list for possible recall. The Company will hold the separation allowance for such employees so long as they are eligible for recall, during which time the employee may request payment subject to the provisions of the above section. Those re-employed on this basis shall continue to accumulate seniority during the period of layoff.

13.04 In respect of those employees who are eligible for separation allowance under this Article, the Company will continue to contribute to the Group Life Insurance, Dental, Medical Surgical, Major Medical and Hospitalization Plans. Such contributions shall continue for a period up to five (5) months following the month in which the plant is closed and will be made on the basis existing at the time of closing.

13.05 Should the Company open a plant in British Columbia, or transfer any of its present operations covered by this Agreement and present employees are displaced because of this, the Company agrees that such employees will be the first to be employed, in order of seniority, at such new plant or operation. The selection of available jobs, under the provisions of this clause, shall be on the basis of seniority. Previous service with the Company shall be recognized for the purposes of wages, vacations, separation allowance and welfare plans.

ARTICLE 14 - SANITATION

14.01 (a) The Company agrees to keep the plant clean, healthful, sufficiently ventilated and in a well lighted condition at all times, and agrees to pay particular attention to the question of sanitation and health

wherever help is to be provided for, and further agrees that where the present conditions are not satisfactory, to adjust the matter as far as that reasonably may be possible.

(b) Shower facilities, soap and two (2) towels per employee daily shall be provided for live hangers at no cost to the employees.

14.02 The Union agrees that all employees will make every effort to co-operate with the Company in this matter of cleanliness, sanitation and health.

ARTICLE 15 -WEEKLY GUARANTEE

15.01 The Company agrees to guarantee every employee with seniority in excess of one year and not otherwise excluded, in every week of employment in each year, thirty-two (32) hours' pay at regular rates subject to the following provisions:

(a) The Company shall at its discretion adjust the work force in proportion to the work available or expected. To provide employees with their weekly guarantee the Company shall be free to distribute available work equitably within the work force.

(b) The guarantee shall be reduced by pay for the number of hours for which an employee is not eligible for payment of wages. This will include tardiness or absence from work on any day, or part of a day, quitting or hiring during the week, being engaged in a stoppage of work, suspension, or dismissal or being on layoff. All employees who have earnings during any week shall be entitled to the full thirty-two (32) hour guarantee for such weeks and shall not have their guarantee reduced or eliminated by reason of a layoff.

(c) The guarantee shall be the same in weeks in which the paid public holidays occur as in others. Pay received for public holidays shall be regarded as part of the guarantee. If holidays other than the agreed public holidays are observed, by agreement or as required by law, the guarantee in such weeks shall be the number of hours available for work.

(d) When an employee's working hours are reduced below the guaranteed minimum in one fiscal week and correspondingly increased in another fiscal week as a consequence of changing shifts, the guarantee, if any, for each of the two (2) weeks affected shall be calculated and paid on a proportionate basis as thirty-two (32) is to the number of hours in the normal work week.

(e) In consideration of the foregoing, the Union agrees and the Company expects that employees will perform whatever tasks may be assigned to them conscientiously.

(f) Employees must complete four thousand, one hundred sixty (4,160) hours worked after their hire date before becoming eligible for the provisions of the guaranteed work week.

15.02 Any employee who is called for work for the express purpose of relieving an employee because of sickness, shall not be entitled to the thirty-two (32) hour guarantee provisions of this Article.

SIGNED THIS _____ DAY OF _____ , _____

SIGNED ON BEHALF OF THE UNION

**United Food and Commercial
Workers International Union
Local 1518, Industrial Sector**

SIGNED ON BEHALF OF THE COMPANY

**Lilydale Co-operative Limited
1910 Kingsway Avenue
Port Coquitlam, BC V3C 1S7**

Maria Thompson

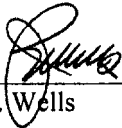
Pam Andrade

Bill Kothlow

Dan Scott

Brad Ellison

Pierre Girard



J.B. Wells

WAGE SCHEDULE

WAGE SCHEDULE PROGRESSION GRID: JULY 1, 2005 – JUNE 30, 2012							
	July 1 2005	July 1 2006	July 1 2007	July 1 2008	July 1 2009	July 1 2010	July 1 2011
LABOUR							
Start Rate	\$9.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
After 3 months	\$10.00	\$10.35	\$10.35	\$10.35	\$10.35	\$10.35	\$10.35
After 6 months	\$11.00	\$11.35	\$11.35	\$11.35	\$11.35	\$11.35	\$11.35
After 9 months	\$12.00	\$12.35	\$12.35	\$12.35	\$12.35	\$12.35	\$12.35
After 12 months	\$13.00	\$13.35	\$13.35	\$13.35	\$13.35	\$13.35	\$13.35
After 15 months	\$14.00	\$14.35	\$14.35	\$14.35	\$14.35	\$14.35	\$14.35
After 18 months	\$15.00	\$15.35	\$15.35	\$15.35	\$15.35	\$15.35	\$15.35
After 21 months	\$16.00	\$16.35	\$16.35	\$16.35	\$16.35	\$16.35	\$16.35
		INCREASE \$.35	INCREASE \$.30	INCREASE \$.30	INCREASE \$.40	INCREASE \$.30	INCREASE \$.30
After 24 months/ Plant Base Rate	\$17.25	\$17.60	\$17.90	\$18.20	\$18.60	\$18.90	\$19.20
PLANT LABOUR	\$17.25	\$17.60	\$17.90	\$18.20	\$18.60	\$18.90	\$19.20
PLANT CLASSIFIED							
Live Hanger	\$17.79	\$18.14	\$18.44	\$18.74	\$19.14	\$19.44	\$19.74
Sticker	\$17.97	\$18.32	\$18.62	\$18.92	\$19.32	\$19.62	\$19.92
Utility Person – Eviscerating	\$17.92	\$18.27	\$18.57	\$18.87	\$19.27	\$19.57	\$19.87
Utility Person – Packaging	\$17.92	\$18.27	\$18.57	\$18.87	\$19.27	\$19.57	\$19.87
Sawyer	\$17.45	\$17.80	\$18.10	\$18.40	\$18.80	\$19.10	\$19.40
Order Clerk	\$17.48	\$17.83	\$18.13	\$18.43	\$18.83	\$19.13	\$19.43
Tankman	\$17.48	\$17.83	\$18.13	\$18.43	\$18.83	\$19.13	\$19.43
Shipping Dock Clerk	\$17.74	\$18.09	\$18.39	\$18.69	\$19.09	\$19.39	\$19.69
Forklift Driver	\$17.84	\$18.19	\$18.49	\$18.79	\$19.19	\$19.49	\$19.79
Dry Goods Receiver	\$17.84	\$18.19	\$18.49	\$18.79	\$19.19	\$19.49	\$19.79
Driver/ Shipper/ Dispatcher	\$19.20	\$19.55	\$19.85	\$20.15	\$20.55	\$20.85	\$21.15
Truck Driver, Class 3	\$18.72	\$19.07	\$19.37	\$19.67	\$20.07	\$20.37	\$20.67
Truck Driver, Class 3 with Air	\$18.97	\$19.32	\$19.62	\$19.92	\$20.32	\$20.62	\$20.92
Truck Driver, Class 1 with Air	\$19.22	\$19.57	\$19.87	\$20.17	\$20.57	\$20.87	\$21.17
Cleanup	\$17.26	\$17.61	\$17.91	\$18.21	\$18.61	\$18.91	\$19.21
First Aid	\$17.69	\$18.04	\$18.34	\$18.64	\$19.04	\$19.34	\$19.64
First Aid Backup	\$17.69	\$18.04	\$18.34	\$18.64	\$19.04	\$19.34	\$19.64
Overwrap Machine Operator	\$17.25	\$17.60	\$17.90	\$18.20	\$18.60	\$18.90	\$19.20
Marinator	\$17.25	\$17.60	\$17.90	\$18.20	\$18.60	\$18.90	\$19.20
Nine Cut Operator	\$17.30	\$17.65	\$17.95	\$18.25	\$18.65	\$18.95	\$19.25
MAINTENANCE							
Plant Oiler-Greaser	\$17.72	\$18.07	\$18.37	\$18.67	\$19.07	\$19.37	\$19.67
Engineer 5th Class*		\$22.35	\$22.65	\$22.95	\$23.35	\$23.65	\$23.95

WAGE SCHEDULE PROGRESSION GRID: JULY 1, 2005 – JUNE 30, 2012

	July 1 2005	July 1 2006	July 1 2007	July 1 2008	July 1 2009	July 1 2010	July 1 2011
Engineer 4th Class*		\$23.35	\$23.65	\$23.95	\$24.35	\$24.65	\$24.95
Millwright		\$25.35	\$25.65	\$25.95	\$26.35	\$26.65	\$26.95
Electrician		\$26.35	\$26.65	\$26.95	\$27.35	\$27.65	\$27.95
Maintenance – no ticket**	\$21.35	\$21.70	\$22.00	\$22.30	\$22.70	\$23.00	\$23.30

Note: All Employees on the “Labour Start Progression Grid” who are assigned a “Classified Position” shall receive the “Classified Rate” for all hours worked while performing the classified position.

All wage increases shall be retroactive to July 1, 2006 to all Employees on payroll at date of ratification for all hours worked and/or paid at the applicable rate.

* Effective Date of Ratification, the classifications of 5th and 4th Class Engineers will receive a premium of one dollar (**\$1.00**) per hour over their classified rate.

** Effective Date of Ratification, Maintenance - no ticket - will receive the rate of Engineer 5th Class for up to twenty-four (**24**) months until they obtain their 5th Class Certification.

LETTER OF UNDERSTANDING NO. 1 - PRODUCTION

(Reference to Article 8.01 - Hours of Work and Overtime)

For the purpose of complying with Article 8.01, the following provisions shall be regarded as the negotiated schedule of hours:

First Shift (Days)	4:00 am to 9:00 am
Second Shift (Afternoons)	12:00 pm to 7:30 pm
Third Shift (Nights)	7:30 pm to 12:00 am
Hangers & Suppliers	15 minutes prior to regular starting time

First Shift (Days)	6:00 am to 9:00 am
Second Shift (Afternoons)	12:00 pm to 7:30 pm
Third Shift (Nights)	7:30 pm to 12:00 am

First Shift (Early Morning Days)	3:00 am to 9:00 am
Second Shift (Days)	9:00 am to 12:00 pm
Third Shift (Afternoons)	12:00 pm to 7:30 pm
Fourth Shift (Nights)	7:30 pm to 12:00 am

This schedule will be implemented one (1) month after ratification of the Agreement.

The Company and the Union acknowledge that the changing business conditions may require a change to the hours of work as set out in the Collective Agreement. On the basis of the foregoing, the Company and the Union agree that a revision to the hours of work shall be negotiated in the event a change is required to the basic work week or to implement a six (6) or seven (7) day schedule without the penalty of overtime rates. It is acknowledged that the results of the negotiations are subject to ratification by the respective parties.

LETTER OF UNDERSTANDING NO. 2

(RE: Article 12.17 - Miscellaneous Items Contracting Out)

Notwithstanding the above section, it is understood and agreed by the parties hereto that Article 12.16 - Contracting Out will not preclude the Company from contracting out in the event that qualified employees are not available from within the Bargaining Unit.

LETTER OF UNDERSTANDING NO. 3

It is agreed that the night shipping crew can commence work on Sundays and in the case of a Statutory Holiday being a Monday, at 7:00 p.m. and the hours from 7:00 p.m. to 12:00 midnight will be paid on the basis of straight time.

LETTER OF UNDERSTANDING NO. 4

The Company is committed to the importance of job rotation. The job rotation program will be implemented on a fair and consistent basis and will be designed to minimize the risk of injury to employees.

LETTER OF UNDERSTANDING NO. 5

(Staff Purchases)

Staff purchase orders of fresh or frozen poultry product will be available in standard case lots to all Bargaining Unit Members. Such orders must have minimum values as follows:

- Product produced at the Port Coquitlam plant.....\$ 10.00
- Product produced at any other Lilydale plant\$ 20.00

LETTER OF UNDERSTANDING NO. 6

RE: Department Transfers

The Company will institute a training program for employees to accommodate departmental transfers. Such employees will be trained until they are qualified or for a period not to exceed the time limits corresponding to Article 10.02(a),

LETTER OF UNDERSTANDING NO. 7

RE: Lilydale Attendance Program and: Lilydale Positive Discipline Process

The Company agrees to make the following amendments to their "Lilydale Attendance Program Employee Guide" as in effect on the date of ratification of this Agreement:

Page 1 - Item 2 - What Is An Absence?*

Amend: *'time lost because of sickness or accident'* to read: *"time lost because of sickness or non compensable accident"*

Amend after *'vacations and holidays'* by adding: *"Absences due to Workers' Compensation"*.

* Note: The Company agrees to not count approved Weekly Indemnity claims as absences under this policy. The Union understands that the Company intends to implement a revised policy during the term of the Collective Agreement.

Page 3 - Item 7.1

Amend at the end of the first sentence, after the word 'employee' by adding the words: "and Shop Steward".

Amend at the end of the first sentence in the last paragraph, after the word 'employee' by adding the words: "and the Union".

Page 4 - Item 7.2

Amend the second sentence, after the word 'employee' by inserting the words: "Shop Steward,".

Amend in the third sentence, after the word 'employee' by inserting the words: "Shop Steward,"

Amend the second paragraph to read: "At all interviews employees shall be accompanied by their Shop Steward."

Page 4 - Item 7.3

Amend in the last line, after the word 'employee' by adding the words: "and Union".

Page 5 - Item 8

Amend the last sentence, of the last paragraph to read: "The cost of providing this information will be borne by the Company and used to help evaluate the employees ability to meet job requirements."

The Company agrees to not count approved Weekly Indemnity claims as absences under the Policy. The Union understands that the Company intends to implement a revised policy during the term of the Collective Agreement.

Page 1 - Item 2 - Disciplinary Guidelines

Amend at the end of the first paragraph, after the word applied, by adding: "in a manner consistent with the provisions of Article 12.22 of the Collective Bargaining Agreement."

Page 2 - Item 3 - Steps in the Positive Discipline Process

Amend in the second sentence of the last paragraph after the word 'record' by inserting the words: "and subject to the provisions of the Collective Bargaining Agreement,

Page 2 - Item 4 - Job Steward Involvement

Amend in the first line by deleting the word 'Job' and substitute the word: "Union".

Page 3 - Item 8 - Decision Making Leave

Amend in the first sentence of the last paragraph after the words 'meet with the' by inserting the words: "Union Steward and".

Page 3 - Item 9 - Dismissal

Amend in the first sentence, after the word 'considered' by inserting the words: "*consistent with the provisions of the Collective Bargaining Agreement*".

LETTER OF UNDERSTANDING NO. 8

Effective July 1, 1996, the Company agrees to administer the deduction of five cents (5¢) per hour, for every hour worked by employees, to a maximum of forty (40) hours per week. Said deduction to be submitted to the U.F.C.W. Health, Safety and Education Fund by the 15th of the following month for which the deductions were made.

LETTER OF UNDERSTANDING NO. 9

RE: Article 9.08(a) - Overtime Work During Scheduled Vacation

Notwithstanding the provisions of Article 9.08(a), Employees who have commenced their scheduled vacation are entitled to work overtime on the first Saturday and/or Sunday after their vacation has begun, but will not be eligible for further overtime until after their return from vacation.

LETTER OF UNDERSTANDING #10

RE: Hours of Work and Overtime

The Company and the Union recognize that the need for overtime exists from time to time and requires employees to volunteer for the overtime hours available. To ensure the customers' needs are met and to minimize the number of hours of overtime worked by the volunteers, the parties agree to monitor the situation of having insufficient volunteers to perform the available overtime. The parties will meet during the term of the Agreement to discuss ways of reducing overtime and encouraging employees to volunteer when overtime situations arise.

Where the Company is unable to secure sufficient volunteers to perform the available overtime in Live Bird Receiving, Live Hang and Eviscerating, the overtime will be obligatory, beginning with the most junior employee who is qualified to perform the job. The obligatory provisions for overtime under this Section will only be applicable in an emergency situation which is beyond the control of the Company and is limited to a Friday schedule.

LETTER OF UNDERSTANDING NO. 11

RE: Reference to Plant Superintendent and Chief Shop Steward

The parties agree that wherever "Plant Superintendent" and "Chief Shop Steward" are referenced in the Collective Agreement, is shall also mean their designate in the absence of the Plant Superintendent and/or the Chief Shop Steward.

LETTER OF UNDERSTANDING NO. 12

RE: Article 9 - Vacation Policy/ Illness and/or Disability During Scheduled Vacation

Employees who become ill, injured, or otherwise disabled during their Scheduled Vacation will be eligible to have the unused portion of their vacation period re-scheduled upon returning the balance of their vacation pay and making application for the Weekly Indemnity Benefits outlined under Article 12.07(a) or HRDC Employment Insurance coverage.

LETTER OF UNDERSTANDING NO. 13

RE: Article 9 - Vacation Policy (Re: 9.01)

Notwithstanding Article 9.01, Employees hired before December 31, 1999 shall be subject to the following vacation schedule:

After one (1) yeartwo (2) weeks
After three (3) years.....three (3) weeks
After eight (8) yearsfour (4) weeks
After thirteen (13) yearsfive (5) weeks
After seventeen (17) yearssix (6) weeks
After twenty-two (22) years.....seven (7) weeks

31