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Collective Agreement

Between:

Sobeys Western Division

Calgary Branch

(Hereinafter Referred To As The "Company")

And:

Teamsters Local Union 987 *Of* Alberta

Miscellaneous Employees

(Hereinafter Referred To As The "Union")

Ratified March 31, 2006

Expires December 31, 2010

13615(01)

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Article 1 – Purpose

The purpose of this Agreement is to promote and maintain harmonious relations between the Company and its employees; to define more clearly, wages and conditions of employment which shall prevail between the Company and its employees; to provide for the carrying on of the Company's business under methods which will further the efficiency and economy of the Company's operations; to provide methods for a fair and peaceful resolution to all disputes which may, from time to time arise between them; to ensure the uninterrupted operation of the facility.

The Union and employees guarantee that the employees will faithfully and diligently perform their respective duties for the Company, and will, at all times, carry out their individual and collective responsibilities according to the regulations, methods and systems of the Company.

Article 2 – Bargaining Agency

The Union is recognized as the Bargaining Agent for all employees, with the exception of office staff and those in supervisory capacity under the jurisdiction of this Agreement, and working in the Warehouse at Calgary.

Article 3 – Management Rights

- a) Subject only to the expressed provisions as outlined within this Agreement, the management of the Company has the right to manage and operate its business, including but not limited to, the employment, supervision, direction, scheduling, classification, promotion, demotion, transfer, lay-off, suspension and/or discharge of employees, judge the competency of employees, introduce technological change, determine the products to be handled, produced or manufactured, introduce new production standards, schedules and/or operational methods, and to establish rules and regulations covering the operation of the business. This Article will not be used for the purpose of discrimination against any employee or to avoid any of the provisions of this Agreement
- b) Management personnel shall not perform duties of persons they supervise except in the event of unscheduled absences of employees or in emergencies.

Article 4 – Deduction of Union Dues

- a) Upon request from the employee, the Employer agrees to deduct and pay to the Secretary-Treasurer of the Union, on or before the fifteenth (15th) day of each month, out of wages due to each employee, the Union dues and initiation fees of such employee.

In the case of new employees, the written request shall be required as a condition of continued employment, after the first thirty (30) days of employment.

Article 5 – Basic Work Week and Overtime

5.01 Basic Work Week

The basic workweek for all employees coming under this Agreement shall be:

- a) Forty (40) hours per week, consisting of five (5) eight (8) hour shifts or four (4) ten (10) hour shifts . The Company will endeavor to provide senior fulltime employees with two (2) consecutive days off, one (1) of which will be a Saturday

or Sunday. If that is not possible, then two (2) consecutive days off will be provided on the basis of reverse seniority.

- b) When the Company identifies the need for a permanent ten (10) hour shift it will be administered in the following manner:
 - 1) Full-time employees will be provided with the opportunity to move from their existing eight (8) hour shift to the new ten (10) hour shift. The new ten (10) hour shift will be posted and employees will be selected based on their ability to do the jobs available and their seniority.
 - 2) Where there are vacancies in existing jobs as a result of employees moving from an eight (8) hour shift to a ten (10) hour shift, such vacancies will be posted in accordance with Article 12.05 b).
- c) The Company agrees to notify the Union no less than two (2) weeks prior to implementing the first four (4) ten (10) hour shift. Rest periods for ten (10) hour shifts; A fifteen (15) minute rest period will be given following the first two (2) hours worked. A half-hour (½) unpaid lunch break after four (4) hours worked, a second fifteen (15) minute rest period after six and one half-hours (6 ½). A third fifteen (15) minute paid break after eight and one half-hour (8 ½) from start time. Sick days and bereavement days will be paid as ten (10) hour days.
- d) The Company will endeavor to provide three (3) consecutive days off for employees working four (4) ten (10) hour shifts. However, it is understood that this may not be possible at which time the employee will be provided with two (2) consecutive days off and one (1) other day off. Upon request when the Union is dealing with a specific employee related situation, the Company will provide its reasons for scheduling days off in such circumstances.
- e) The foregoing basic workweek shall not apply to all Drivers.

5.02 Overtime

- a) Hours worked in excess of those as set forth in (a) of this Section shall be compensated for at the overtime rate of time and one half (1½). Double (2x) time shall be paid for all hours in excess of three (3) hours overtime effective February 1st, 2001.
- b) All overtime shall be performed only after authorization by the Employer.
- c) Work performed on the second (2nd) day of rest will be paid at double (2x) time. All employees shall be guaranteed a minimum of ten (10) hours between shifts.
- d) In non-emergency situations overtime will be offered first (1st) to the most senior employee on shift working where the overtime is required provided they have the qualifications to perform the overtime duties and have not completed their shift.
- e) If additional overtime hours are required they shall be obtained from the Overtime Availability list. If overtime is still required it will then be allocated in order of reverse seniority. Except in circumstances beyond the Employer's control, four (4) hours notice of required overtime shall be given. There shall be no split shifts.

5.03 Call Back

All employees called back to work within four (4) hours following their normal shift worked, shall be guaranteed four (4) hours work at the applicable overtime rate. Should the work be completed before the expiry of four (4) hours then other work may be assigned to the employee at the Company's discretion unless, there is no such work available at which time, upon mutual consent, he may leave and be paid only for actual hours worked.

5.04 Call In

Employees called in shall be guaranteed four (4) hours work at the applicable rate and shall be paid only for those hours worked. Should an employee be called in prior to his scheduled shift, he shall be required to complete his scheduled shift unless mutually agreed otherwise with the Company and provided work is available as per Company requirements.

5.05 Notification

In the event there is a requirement to delay a complete shift, the Employer shall notify employees of the shift delay no later than two (2) hours prior to the shift's normal start time. Notification shall be completed by the Employer and/or delegated to the Steward or other employee(s) as approved by the Employer. The Employer's responsibility to notify shall be deemed to be fulfilled if there is no answer when the employee was called.

Should notification, as outlined herein, occur and the employee fails to report for work, then that employee will be considered a no-show for his shift and will be disciplined accordingly. Should notification not occur as outlined herein and the employee reports to work on time for such shift, he will be provided work at the beginning of such shift and will be required to complete the shift unless mutually agreed otherwise between the Employer and the employee in which case he will only be paid for time actually worked.

The Local Union and Shop Stewards will be advised in writing of any new policies or modifications thereof, at least seven (7) days in advance of the implementation date. The Company is committed to take the necessary measures available to it to advise the employees of any such new or modified regulation or policy, including distributing written notices with the employee pay stub. A notice will also be posted on the employee bulletin board.

5.06 Part-time Employment

The Company may employ part-time employees under the following conditions:

- a) To supplement the regular work force, to provide additional help on an incidental basis to cover peak work periods, and other such times as necessary such as vacation relief;
- b) Providing that the part-time employee will not take the place of a full-time employee;
- c) Each part-time employee shall, as a condition of continuing employment, pay each month Union dues in accordance with Section 4 of this Agreement.
- d) Each part-time employee under the condition of Clause 1, shall not:

- 1) Accrue seniority rights;
- 2) Be entitled to benefits normally granted other employees;
- 3) Be guaranteed a minimum of hours per week. When a part-time employee maintains an average of thirty (30) hours per week or more for a period of twenty-four (24) consecutive weeks, a regular part-time position shall be deemed to exist. Regular part-time employees shall be entitled to the Group Insurance Benefit package provided by the Employer.
- 4) The Company agrees to re-organize and combine as many part-time positions as possible to create full-time positions provided operational requirements and customer needs are met. The Union may request a meeting with the Company to discuss the above.
- 5) Part-time employees will be employed under the classification and at wage rates as stipulated in Appendix " A .
- 6) Merit and ability being adequate senior part-time employees shall be given first (1st) opportunity to qualify as regular full-time employees. Seniority amongst part-time employees shall be determined by accumulated hours worked.

5.07 Meal Allowance

- a) If non-emergency overtime of two (2) hours or more is not scheduled in advance, a meal allowance of five (\$5.00) dollars shall be paid.
- b) General Cafeteria Meals

If an employee wishes to purchase a "Ready to Serve" meal, the Company will provide a meal from the overtime list of meals at fair market price. In the event employees do not use this program with sufficient purchases to make the program feasible, the program may be discontinued upon 30 days written notice.

Article 6 – Wane Rates

Attached and forming part of this Agreement is Appendix " A Wage Scale and Classifications setting forth the wage rates and classifications for the employees covered by this Collective Agreement.

Article 7 – Higher Rate To Be Paid While Filling Vacancies

- 7.01** If the rate of pay for the job to which the employee is transferred is less than the employee's regular pay, the employee shall receive his own regular rate of pay.
- 7.02** If the employee is transferred to a job which is in a classification that pays a higher rate of pay, he will receive the rate of pay within the pay scale of that classification that is the next highest to his current rate and will be reimbursed that rate of pay for time actually worked while in that job.
- 7.03** a) Senior qualified full-time employees working the afternoon and night shift shall have the first (1st) opportunity to work the day shift during periods of illness or vacation, workers' compensation, or weekly indemnity, based on operational and

customer service requirements as required by the Company and provided there are no vacation relief employees available to fill the vacancies.

- b) Senior employees within the Warehouse will be given first (1st) opportunity to fill temporary positions required by the Company that are open at the start of their shift. In the event a temporary position becomes available during a shift, then it will be offered to the most senior qualified employee within the next lowest wage classification. Hi-pick Order Selectors will be considered as employees within the next lowest wage classification for the purposes of this Article only.
- c) Based on operational and customer service requirements the Company agrees to fill vacant positions caused by WCB, STD and Vacation.

Article 8 – Vacations

8.01 Duration and Vacations Pay

- a) Regular employees shall be granted vacations as follows:
 - 1) Employees with one (1) year of continuous service or more, two (2) weeks' vacation with pay. **(4%)**
 - 2) Employees with three (3) years of continuous service or more, three (3) weeks' vacation with pay. (6%)
 - 3) Employees with eight (8) years continuous service or more, four **(4)** weeks' vacation with pay. (8%)
 - 4) Employees with thirteen **(13)** years of continuous service or more, five **(5)** weeks' vacation with pay. (10%)
 - 5) Employees with eighteen (18+) years of continuous service or more, six (6) weeks' vacation with pay. (12%)

Full-time employees will accrue the appropriate vacation pay based on their entitlement percentage of regular hours, overtime hours, General Holidays and vacation to a maximum of the percentage entitlement each week. Vacation pay shall not accrue on sick or "no time" hours.

Employees participating in a modified work program shall accrue vacation.

8.02 Vacation Scheduling

- a) Prime time vacation shall be granted in the months May through August.
- b) Vacation will be administered by providing each employee within a department a choice of two (2) weeks' vacation on the basis of seniority. Any additional vacation entitlement will be chosen on the same basis of seniority only after all employees have made their first (1st) choice by the deadline. The Company will allow three (3) employees on days, two (2) Grocery afternoons and two (2) employees on Produce afternoons to take vacation during prime time, and two (2) Delivery employees outside of prime time. The Company agrees to make every effort to allow an additional Driver off outside prime time provided operational requirements and customer service needs are met.

- c) The Employer retains the right to limit the number of individuals on vacation in any department.
- d) The vacation schedule will be posted two (2) weeks after completion.
- e) The Company agrees to allow employees to take individual days for vacation upon mutual agreement as well as amounts of less than one (1) day provided notification is given.
- f) The company shall post and update, for employee viewing, a vacation schedule on February 15th of each year. Said vacation schedule will be updated when changes are made but not more than once per month.

8.03 Vacation Relief

- a) Vacation relief employees shall assume the shift of the employees for whom they are replacing; or if being replaced with a PM shift employee shall assume that shift. The PM employee requesting to move to days will provide five (5) days written notice to Management. In all cases the employee will be paid the appropriate rate for duties performed.
- b) When an employee in the vacation relief classification fills in a higher rated position they shall be paid the higher rate for the entire shift including overtime hours.

8.04 Vacation Selection

- a) Prior to employees making their first (1st) and subsequent vacation selections for the calendar year any unused vacation will be chosen outside of prime time by employees who have unused vacation. This will be accomplished by seniority within department and occur between December 1st and December 7th of each year. The Employer will confirm with the employees their vacation selection has been granted.
- b) All employees within a department are required to make their first two (2) weeks' vacation choice before January first (1st) of the calendar year and any subsequent choice by February First (1st) of the calendar year.
- c) Vacation choices not made or any unreasonable length of time taken to make a choice will result in a loss of seniority for vacation purposes. Any vacation entitlement not chosen in any employee's vacation year may be scheduled by the Employer.

Vacation pay for Drivers entitled to two (2) weeks' vacation shall be paid on the basis of four percent (**4%**) of the employee's gross earnings and those entitled to three (3), four (4), five (5), or **six** (6) weeks' vacation shall be compensated on the basis of **six** percent (6%), eight percent (8%), ten percent (10%) and twelve percent (12%) respectively of their gross earnings.

- d) Employees leaving on vacation or lieu day will not be required to work overtime on their last day of work prior to proceeding on vacation.
- e) If the Company requests an employee to leave a shift prior to completion, vacation accrual will not be affected.

- f) Vacation pay requests in amounts less than one (1) day must be submitted to the Supervisor at the beginning of the employee's shift and approval granted by mutual consent.
- g) Individual days-of vacation will only be booked by mutual consent.

8.05 Corporate Vacation Schedule

As of date of ratification 1996, all new hires will be covered by the Corporate Vacation Schedule as set out below:

Service Years	Vacation Entitlement
1	2
3	3
8	4
16	5
23	6

Article 9 – General Holiday Occurring During Vacation

When a Statutory Holiday occurs during an employee's vacation, an extra day's vacation shall be granted if the holiday is one (1) which the employee would have received had the employee been working and shall be taken on the first (1st) day the employee would normally be returning to work or any day mutually agreed.

Article 10 – General Holidays

- a) The following shall **be** considered as General Holidays with pay:

New Year's Day	Labour Day
Family Day	Thanksgiving Monday
Good Friday	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
August Civic Holiday	

- b) When a General Holiday is observed on a Saturday or a regular day or days of rest, another day or days shall be granted for the holiday, or pay given in lieu of holiday(s).

When an employee is granted another day for such holiday, unless otherwise mutually agreed, the day off will be scheduled as soon as practical to provide for the efficient operation of the Warehouse, in the weeks surrounding the week of

the General Holiday. The Company will confirm the request within four (4) days. Requests shall be dealt with on a first come first served basis.

- c) Employees absent on their regularly scheduled workday before and/or after a holiday shall not be paid for the holiday unless for injury or illness supported by a medical doctor's certificate.
- 1. In the event an employee is absent from work on the day before and/or the day after a general holiday due to approved vacation, bereavement leave, jury duty in accordance with this Collective Agreement, or an approved leave of absence of less than two days, or on official union business for a period of not more than one week the employee shall remain eligible for general holiday pay.
- d) All work performed on a General Holiday shall be compensated for at one and one half (1½) times the employee's regular rate of pay, plus pay for the holiday. For employees whose normal day of work is Sunday, General Holidays occurring on Monday and worked will be compensated for by giving Sunday off in lieu of time worked on the Monday.

Article 11 – Premiums

- a) A shift premium of eighty (80) cents shall be paid to all employees (Drivers included) working afternoon and night shifts defined as follows: An afternoon shift shall be any shift that commences between the hours of 12pm and 10pm. A night shift shall be any shift that starts between the hours of 10 pm and 4am.
 - i) Shift premium will increase \$0.05 per hour to \$0.85 per hour January 1, 2008; and
 - ii) an additional \$0.05 per hour to \$0.90 per hour effective January 1, 2009; and
 - iii) an additional \$0.05 per hour to \$0.95 per hour effective January 1, 2010.

Company agrees to pay shift premium for all hours worked when an employee is called in early for their shift.

- b) Eighty (80) cents per hour shall be paid in addition to the employee's regular hourly rate to the designated Freezer Man.
 - i. The freezer premium will increase \$0.05 per hour to \$0.85 per hour effective January 1, 2008; and
 - ii. an additional \$0.05 per hour to \$0.90 per hour effective January 1, 2009; and
 - iii. an additional \$0.05 per hour to \$0.95 per hour effective January 1, 2010.

Article 12 – Seniority

12.01 Seniority List and Training

- a) There shall be one (1) seniority list for all warehouse employees and one (1) seniority list for drivers. Such seniority lists shall be posted quarterly.

- b) A random draw will be held to establish seniority dates for employees hired on the same date.
- c) When Warehouse employees indicate a desire to become a Driver, the Company will provide work experience opportunities outside of the employee's workweek on their time as long as it is operationally feasible to do so. Failure to complete the work experience program will not affect their current position.
- d) The Company shall pay a Training allowance of one dollar (\$1.00) per hour for employees performing training duties. Employees who respond to the postings will be chosen based on seniority and will be the only employees eligible for the premium. This premium will only be paid for hours involved in training activities.

12.02 Probation Period

The probationary period for new employees hired following the date of ratification of this agreement will consist of five hundred and twenty (520) actual hours worked. Seniority will not apply to any employee who is on probation and the continuous employment or termination of employment of an employee during the probation period will be at the discretion of the Company. Upon the completion of the probationary period, an employee's seniority shall be back-dated to his date of hire.

All hours worked which are classified as modified work duties will not be counted as actual hours worked towards the completion of that employee's probationary period, however, they will be added to the employee's hours upon completion of his probationary period. The Company is prepared to discuss all situations with the Union at their request.

12.03 Lay-off

Any lay-off will be implemented by the Company recognizing ability and seniority. If recalled, laid off employees will be required to return to work with the most senior employees returning first providing ability meets the requirements of the jobs available.

12.04 Shift Change

In the event of a shift and or schedule change of two (2) hours or more, or where a **job** has been eliminated in its entirety, the senior employee affected by a scheduling change has the right to bump to any position their seniority allows with four (**4**) days notice to Management. Excluding Drivers.

12.05 Job Vacancies

- a) All bargaining unit vacancies within the RSC shall be posted on the bulletin board in the Warehouse.
- b) When a permanent full-time bargaining unit position becomes available, as determined by the Company, the Company shall post such position within five (5) days of its vacancy and it will remain posted for a period of four (**4**) days during which time bargaining unit employees may apply. All postings will be awarded on the basis of ability to do the job required and seniority. The results of such posting will be granted within thirty (30) days of its closing. Employees on vacation at the time of the posting shall have the right to bid on the posting upon their return. The successful applicant shall not be entitled to bid back into his former position for a period of two (2) months immediately following the date of

transfer to his new position unless mutually agreed by the employee and the Company.

- c) If there is not a suitable applicant, the Company may transfer or promote any employee or hire a new employee to fill the job.
- d) Upon request, the Union will be provided with a copy of a job posting.

12.06 Loss of Employment and Seniority

An employee will be terminated and his seniority broken with all rights under this Agreement forfeited and the Employer is under no obligation to rehire when he:

1. Voluntarily leaves the service of the Employer or is discharged for cause.
2. Fails, after one (1) week's notice by registered mail to return to work when recalled following a lay-off. Reasonable notice on the part of the Company will consist of addressing a letter to the individual at his last known address.

It is understood that when an employee accepts a position outside the bargaining unit but inside the company, he will maintain his seniority for three (3) months following the day that he begins his new position. During this period the employee may return to his position within the bargaining unit. At the end of the three (3) month period, the employee loses his seniority within the bargaining unit. It is understood that this provision will only apply once per employee during the life of this collective agreement.

12.07 Departmental Transfers

Where a warehouse employee transfers to the position of a driver or when a driver transfers to the position of a warehouse employee, the transferred employee will be credited with the seniority that he has earned while in his new position. After one (1) calendar year, the employee's original seniority **plus** one (1) year will be credited to him/her.

Article 13 – Discipline and Discharge

- a) Disciplinary suspensions shall be consecutive and served within four **(4)** working days of the infraction.
- b) It is understood that written reprimands will not be kept in the employee's file more than twenty-four (24) months, and not used against the employee in disciplinary action after twelve (12) months. Employees have the opportunity to review their file.

Signature of a Disciplinary Letter by an employee does not constitute an acceptance of the disciplinary measure, but only receipt of the written confirmation.

- c) The Company reserves the right to discharge any employee coming under the jurisdiction of this contract for just cause. No member of the Union shall be discharged or discriminated against because of membership or activities in the Union.
- d) Employees shall have the right to have a Shop Steward or mutually agreed upon third (3rd) party who is on shift present if he or she is to be reprimanded or formally investigated.

Article 14 – Union Meetings and Business Agent Visits

- a) The Committee of the Union shall at all times present the Company's side of all questions to its members as well as its own, and the Union further agrees that discussion amongst employees of Union matters will not be undertaken during the Company's working hours.
- b) The accredited representative of the Union may visit the plant; however, no Union business will be conducted on Company time.

Article 15 – Strikes and Lockouts

It is agreed that there shall be no strike or lockout during the term of this Agreement. No employee shall be required to cross any legal picket line.

Article 16 – Grievance Procedure

Any complaint, disagreement or difference of opinion between the Company, the Union, or the employees covered by this Contract, which concerns the interpretation or application of the terms and provisions of this Agreement shall be considered a grievance. Any employee, the Shop Steward, the Union, or the Company may present a grievance. Any grievance which is not presented within thirty (30) days following the event giving rise to such grievance shall be forfeited and waived by the aggrieved party.

Step One: By a discussion between the employee and Shop Steward (if requested by the employee) and his immediate supervisor. If a satisfactory settlement cannot be reached, then;

Step Two: The employee and the Shop Steward, if requested by the employee, may then take the matter up with the appropriate Warehouse Manager. If a satisfactory settlement cannot be reached, then:

Step Three: The grievance shall be submitted in writing to Human Resources and the Distribution Manager who will respond in writing to the Union Representative. If a satisfactory settlement cannot be reached, then:

Step Four: The Union Representative or Representatives may take the matter up with the Company Official designated by the Company to handle Labor Relations matters. If a satisfactory settlement cannot be reached, the matter may then be referred to the Board of Arbitration established by Section 17.

Article 17 – Board of Arbitration

All controversies as to the interpretation and application of this Agreement that cannot be settled by the Representative of the Company and the Union shall be submitted to the Board of Arbitration. The Board shall be composed of:

- a) One (1) Company Representative,
- b) One (1) Union Representative, and
- c) One (1) person acceptable to both the Company and the Union, who shall act as Chairman.

It is agreed that the expense of the impartial Chairman shall be equally borne by both the Union and the Company. No person shall serve on this Board of Arbitration if he is involved directly in the controversy under local consideration. Grievances taken before the Arbitration Board shall be submitted in writing and shall specify clearly the nature of the grievance.

It is distinctly understood that the Board of Arbitration is not vested with the power to change, modify or alter this Agreement or any **of** its parts; the Board may, however, interpret the provisions of this Agreement. Both parties agree to the use of a single Arbitrator.

Article 18 – General Provisions

18.01 Boot Allowance

Effective upon the date **of** ratification, employees will be provided with a boot allowance up to \$100.00 after three months of service and then again every 12 months thereafter upon production of the original receipt.

18.02 Protective Clothing

- a) The Company shall supply rubber boots, gloves and aprons without cost to the employee handling wet merchandise. This apparel shall at all times remain the property of the Company and be kept on Company premises and shall be properly taken care of by the employees.
- b) The Company agrees to provide the following protective clothing for all employees working in the freezer and employees who operate Swing Reach Forklifts in the Dairy Department if requested: Toques, balaclavas, insulated boots, gloves and freezer suits.
- c) The Company will supply a three in one three quarter length jacket for permanent designated Shippers once every eighteen months.
- d) Community freezer suits required to be shared by two or more people shall be cleaned on a bi-weekly basis.

18.03 Parking

The present practice **of** providing parking for employees' vehicles shall be maintained.

18.04 Severance

- a) The Company will pay severance equal to one (1) week per year **of** service to a maximum of forty (40) weeks for full-time employees.
- b) Part-time and regular part-time employees will receive the same amount of weeks severance pro rated on the basis of the average **of** weekly hours worked over the past twenty-six (26) weeks prior to termination.

18.05 Swipe Cards

Employees continuously reporting to work without their card will be required to retrieve their card on their own time and report back to work. Damaged cards will be replaced at no cost to the employee. First (1st) lost card per year will be replaced at no cost to the employee. For each subsequent lost card, employees will be charged five (\$5.00)

dollars per card in that year. If a lost card is found, the employees will be reimbursed for the loss of the card. Employees shall have their card in their possession at all times if required.

18.06 Joint Labour Management Meetings

The Management agrees to hold, as required, a meeting of the Shop Stewards and Management department heads, to discuss all difficulties that may arise, as well as discuss the good and welfare of the Company and its employees.

18.07 Health and Safety Meetings

- a) A Safety Committee shall be established during the term of the Collective Agreement. A list of the Safety Committee members shall be posted in the Warehouse.
- b) The Company shall make provisions for the safety and health of its employees during working hours in accordance with the provision of the Occupational Health and Welfare Act.
- c) The Union may, from time to time, bring to the attention of the Company recommendations for improvements in conditions of work and such recommendations shall be subject to discussion between the Company and the Union, but not subject to Section 17 of this Agreement.

Article 19 – Sick Pay and Doctors Notes

19.01 Sick Pay

Full-time employees shall accrue one-half (½) day per month paid sick leave, to a maximum of twelve (12) days.

19.02 Doctors Notes

Upon the production of an original receipt, the company shall reimburse employees for any doctor's notes specifically requested by the Management. Under normal circumstances such notes will only be requested as evidence of eligibility for short and/or long term disability. In the event an employee produces a doctor's note for the purpose of demonstrating they were ill or injured after being disciplined on the basis of culpable absenteeism, the company shall not reimburse for such notes.

19.03 Appointments

Employees shall book appointments outside of business hours whenever possible. Appointments that must be taken during business hours will be confirmed in writing with as much notice as possible to their immediate Supervisor and verified with appropriate documentation. These appointments will not be considered sick time occurrence if the pre mentioned conditions are met.

19.04 Modified Duties

The Company agrees that when modified work is offered to an employee, it will be offered as close as possible to his shift as long as such work is available as determined by the Company.

Article 20 – Approved Leaves

20.01 Bereavement

- a) In the event of a death in the immediate family as defined below, a full-time employee will be granted a paid leave of Absence of five (5) paid scheduled days or forty (40) hours or fifty (50) hours in the case of a Driver. The term of immediate family shall be spouse, parent, children, common-law spouse, step children, and brother, sister or any family members who resides with the employee.
- b) In the event of a death of a current immediate family member who is the employee's or current spouse's, grandparent or who is the employee's guardian or spouse's parents, will be granted three (3) days paid.
- c) In this circumstance, additional consideration shall be given up to a maximum of two (2) days where travel requirements exist or where the employee is responsible for making funeral arrangements for a family member who is not a spouse (including common-law spouse), child or parent.

In the event of a death of an aunt or an uncle a one-day paid leave of absence will be granted.
- d) In all instances above an employee may supplement this leave with vacation or unpaid leave of absence.
- e) Both parties agree that employees will respect the provisions of this clause and that it's use is intended only for the purpose of ceremonies of respect and or the time required to attend to arrangements surrounding the bereavement.

20.02 Paternity and Maternity

An employee taking a paternity or maternity leave as provided for by The Employment Standards Code of Alberta

20.03 Jury Duty

- a) If any employee is called and is required to serve on Jury Duty or as a Crown Witness on his normal working day, the Employer agrees to pay the equivalent of the regular rate of pay at straight time, less the amount of Jury Duty or Crown Witness pay received. Employees shall return to work within a reasonable period of time. They shall not be required to report if less than two (2) hours of their normal shift remains to be worked. Total hours spent on Jury Duty or Material Witness and actual work on the job in the Warehouse in one (1) day shall not exceed a regular day's pay for purpose of establishing the basic workday.
- b) Employees on Jury Duty shall contact the Employer immediately following Jury Duty to indicate their availability for work; however, notwithstanding the foregoing, an individual on Jury Duty shall have eight (8) hours rest before returning to work.

20.04 Leave of Absence

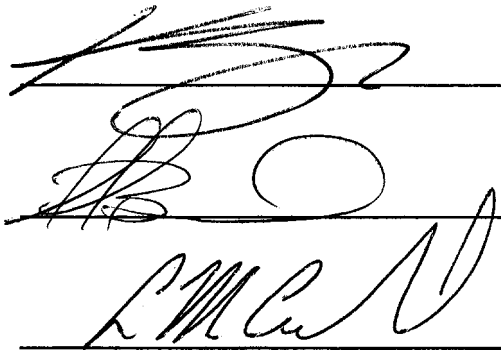
Leave of absence without pay may be granted at the discretion of the Company.

Article 21 – Duration, Termination and Amendments

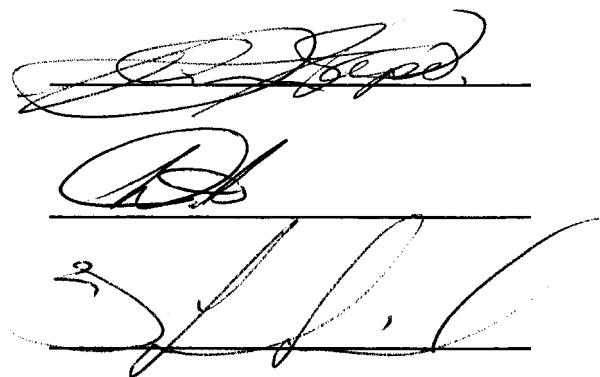
- a) This Agreement shall be in full force and effect as of the 1st day of January, 2005 and continue in full force and effect through the 31st day of December 2010 and from year to year thereafter except as hereinafter provided.
- b) Either party may terminate this Agreement on any termination date, by notice in writing to the other party, not less than sixty (60) days prior to such termination date.
- c) Either party wishing to amend this Agreement shall give notice in writing of such desire to the other party, not less than sixty (60) days or more than ninety (90) days prior to the termination date of this Agreement.
- d) If notice to negotiate, following any notice to terminate, has been given by either party prior to the date of such termination, or if notice to amend has been given by either party, this Agreement shall remain in full force and effect during any period of negotiations even though such negotiations may extend beyond the said termination date, until fourteen (14) days after the date upon which a vote is held under the provisions of the Alberta Labor Relations Act (1980) on the acceptance or rejection of a Mediator's Award.
- e) Any conclusion reached in the aforementioned negotiations shall be made retroactive to the said termination date.

Signed at Calgary, Alberta this _____, day of _____, 2006.

For the Company



For the Union



APPENDIX "A"

Wage Scale and Classifications

Retroactive payments required by this agreement apply only to current employees at date of ratification.

Order Selectors	Jan.1/05	Jan.1/06	Jan.1/07	Jan.1/08	Jan.1/09	Jan.1/10
0 - 520	\$13.10	\$13.43	\$13.76	\$14.11	\$14.46	\$14.82
521 - 1040	\$13.35	\$13.68	\$14.03	\$14.38	\$14.74	\$15.10
1041 - 1560	\$13.60	\$13.94	\$14.29	\$14.65	\$15.01	\$15.39
1561 - 2080	\$13.85	\$14.20	\$14.55	\$14.91	\$15.29	\$15.67
2081 - 2600	\$14.10	\$14.45	\$14.81	\$15.18	\$15.56	\$15.95
2601 - 3120	\$14.35	\$14.71	\$15.08	\$15.45	\$15.84	\$16.24
3121 - 3640	\$14.60	\$14.97	\$15.34	\$15.72	\$16.12	\$16.52
3641 - 4160	\$14.85	\$15.22	\$15.60	\$15.99	\$16.39	\$16.80
4161 - 4680	\$15.10	\$15.48	\$15.86	\$16.26	\$16.67	\$17.08
4681 - 5200	\$15.35	\$15.73	\$16.13	\$16.53	\$16.94	\$17.37
5201 - 5720	\$15.60	\$15.99	\$16.39	\$16.80	\$17.22	\$17.65
5721 - 6240	\$15.85	\$16.25	\$16.65	\$17.07	\$17.50	\$17.93
6241 -	\$16.15	\$16.55	\$16.97	\$17.39	\$18.08	\$18.53

Forklift	Jan.1/05	Jan.1/06	Jan.1/07	Jan.1/08	Jan.1/09	Jan.1/10
0 - 520	\$15.73	\$16.20	\$16.69	\$17.19	\$17.70	\$18.23
521 - 1040	\$15.94	\$16.42	\$16.92	\$17.42	\$17.95	\$18.48
1041 - 1560	\$16.17	\$16.66	\$17.16	\$17.67	\$18.20	\$18.75
1561 - 2080	\$16.39	\$16.88	\$17.39	\$17.91	\$18.44	\$19.00
2081 - 2600	\$16.61	\$17.11	\$17.63	\$18.15	\$18.70	\$19.26
2601 -	\$17.09	\$17.60	\$18.13	\$18.67	\$19.48	\$20.07

Shippers	Jan.1/05	Jan.1/06	Jan.1/07	Jan.1/08	Jan.1/09	Jan.1/10
0 - 520	\$16.28	\$16.77	\$17.28	\$17.79	\$18.33	\$18.88
521 - 1040	\$16.50	\$17.00	\$17.51	\$18.03	\$18.57	\$19.13
1041 - 1560	\$16.73	\$17.23	\$17.75	\$18.28	\$18.83	\$19.39
1561 - 2080	\$16.94	\$17.45	\$17.98	\$18.51	\$19.07	\$19.64
2081 - 2600	\$17.16	\$17.67	\$18.20	\$18.75	\$19.31	\$19.89
2601 -	\$17.64	\$18.17	\$18.72	\$19.28	\$20.11	\$20.71

Truck Drivers	Jan.1/05	Jan.1/06	Jan.1/07	Jan.1/08	Jan.1/09	Jan.1/10
Hourly Rate	\$17.63	\$18.87	\$19.43	\$20.02	\$20.62	\$21.24
Kilometer Rate	\$0.30	\$0.30	\$0.3025	\$0.3125	\$0.3225	\$0.3325

Pre Feb/12/94	Jan.1/05	Jan.1/06	Jan.1/07	Jan.1/08	Jan.1/09	Jan.1/10
Hourly Rate	\$19.51	\$20.87	\$21.50	\$22.14	\$23.06	\$23.75

Premiums	Jan.1/05	Jan.1/06	Jan.1/07	Jan.1/08	Jan.1/09	Jan.1/10
Shift	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.85	\$ 0.90	\$ 0.95
Freezer	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.85	\$ 0.90	\$ 0.95

The Medical Subsidy benefit provided for in the table below is only applicable and payable to those employees employed with the Company at the date of ratification and who were also employed prior to January 1, 2005.

Medical Subsidy Payment in the pay period following	April/1/06	June/1/07	Jan/1/08
Single	\$ 300.00	\$ 300.00	\$ 300.00
Family	\$ 600.00	\$ 600.00	\$ 600.00

The Company will cover the cost of Alberta Health Care premiums for all employees for the duration of this agreement.

APPENDIX "B"

Drivers

Section 1 – Conditions

Drivers' working hours, conditions, etc. shall be taken to read as in the general body of this Agreement unless stipulated otherwise in the Drivers Appendix B.

Section 2 – Hours of Work and Overtime

- a) Drivers' workweek shall be five (5) ten (10) hour days and where possible shall have Friday and Saturday, Saturday and Sunday, or Sunday and Monday off. Drivers not scheduled days of rest in accordance with the above, shall receive two consecutive days of rest during the week if possible. When runs are vacated or added they will be posted on an individual day basis in order to achieve the above.
- b) Drivers' shall be paid at the established rate for all kilometers driven in a day. Drivers not exceeding 645 kilometers in a day but who exceed 10 hours of work (including start-up and shut-down time) shall receive one and one half (1½x) times the hourly rate. Drivers exceeding 645 kilometers or the hourly rate, whichever is the greater.

Section 3 – Rates of Pay

- a) It is agreed that Drivers paid on the kilometer basis shall be guaranteed earnings not less than the hourly rates as set forth in the Collective Agreement.
- b) Waiting time: For all time spent en route where it is necessary for the Driver to wait for equipment to be repaired, or for roads to be cleared, he shall be paid at the established hourly rate with a maximum of ten (10) hours pay for waiting time in each twenty-four (24) hour period.
 - 1) All loading and unloading time as well as additional stops outside the scheduled run or other incidentals shall be compensated for at the drivers hourly rate of pay.
- c) Drivers attending mandatory meetings will receive their hourly rate of pay for optional meetings and appropriate pay for mandatory meetings. Fourteen (14) days notice for scheduled meetings shall be given to Drivers.
- d) A Driver booking on kilometer basis only may claim one (1) hour in total for warm-up and shutdown time in addition to kilometers. Anything above this hour must have Management's prior authorization.
- e) If a Driver's departure or start-time (a) is delayed, he shall be given three (3) hours' notice thereof. If the new departure time (b) is again delayed, the Driver shall be paid at one half (½) regular hourly rate from (b) until actual time of departure.
- f) Since the Driver's normal day is ten (10) hours, such Drivers shall receive ten (10) hours pay where entitled to be paid on days not worked (e.g., sick, vacation, etc.)

- g) Drivers for General Holiday pay shall receive pay on the average for that particular day for the past four (4) weeks.

Section 4 – Uniforms and Alterations

- a) A Driver shall be eligible for his first (1st) Company uniform on completion of three (3) months' employment. Drivers will receive one (1) complete uniform every year.
- b) All Drivers, after three (3) months shall be required to wear full Company uniforms when on duty. Failure to do so shall be cause for disciplinary action.
- c) The Company shall pay for alterations of uniforms as well as the sewing of crests on the uniforms.

Section 5 Posting & Changing of Runs

- a) The Company shall administer posted runs in the following manner: In the event full-time Drivers are not available to properly meet customers delivery requirements, the Company shall unilaterally allocate these runs in reverse seniority to full-time Drivers who do not have a scheduled run for that day and subsequently alter the employees shift. Proper notice of this permanent shift change will be issued.
- b) All Drivers will, at the commencement of this Agreement be assigned on a permanent basis to the runs they have been driving on a regular basis. A Driver will retain these runs until such time as he accepts other run(s). All new runs will be posted for bid by seniority. However, the Company reserves the right to add to or delete from the assigned run and change Drivers on a particular run if the assigned Driver is unable to execute it in a reasonable time. The Company also reserves the right to delete or change runs from time to time as business patterns and development demand.
- c) In case of temporary reduction or change in trips or run or combining of two (2) runs, the Driver of the furthest point of the runs involved shall have first (1st) chance at the new run. If there is a run deleted because of this temporary condition and the Junior Driver is without a run temporarily, he will be given the opportunity to work in the Warehouse at his normal rate of pay to complete eight (8) hours in that day. If he refuses such work, he shall receive no pay.
- d) If one or more permanent driver positions are eliminated the Company will provide the Union and affected Driver(s) with 14 days notice unless such circumstances arise out of emergency conditions or conditions beyond control of the Company.
- e) When a run is permanently rescheduled, the present Driver has first (1st) opportunity to retain said run.
- f) If a Driver does not have a split between runs he will receive work for the following work day based on seniority which includes any open run or available work in the Warehouse.

Section 6 – Expenses

Drivers required to lay over shall be paid reasonable out-of-pocket expenses for meals and hotel where necessary together with any other expenses necessary for the

operation of the truck such as emergency telephone calls, bridge tolls, etc. All expenses must be submitted by the Driver on the Company's expense claim forms, supported by receipts for reimbursement. Expenses reimbursement for Drivers shall be completed no more than three (3) weeks from submissions. When ever possible, reimbursement shall be issued from petty cash within three (3) days.

Section 7 – Vacation Relief and Temporary Vacancies

a) When a vacation relief Driver replaces a regular Driver he is required to complete that Drivers' complete weekly schedule. Relief Drivers will not work more than five (5) days in a calendar week. In the event only one driver is on vacation, the two (2) Vacation Relief Drivers may mutually agree to split the week or weeks of coverage.

b) Vacation relief Drivers' primary function is vacation relief

For the purpose of the foregoing clause, any day in lieu that results from a General Holiday or a General Holiday occurring during vacation shall be considered vacation for the purpose of Drivers relief.

c) Senior Drivers shall have the option to fill temporary vacancies due to short or long term disability, compensation, etc. of one (1) week or more, or remaining on their own runs.

Section 8 – Driver Training

For the purpose of orienting and training new Drivers a Driver Trainer shall receive an hourly premium of two (\$2.00) dollars per hour. Drivers receiving this training shall receive an hourly rate of fourteen (\$14.00) dollars per hour.

Letter of Understanding

Between:

Sobeys Western Division

Calgary, Alberta

(Hereinafter Called "The Company")

And:

Miscellaneous Employees Teamsters

Local Union 987 of Alberta

(Hereinafter Called "The Union")

- 1) Pension: Effective upon the new Company payroll system all employees who qualify shall be enrolled in the Sobeys Pension Plan as a condition of employment.

The existing pension plan benefit in the case of the defined benefit option or the total Company contributions to date in the case of the defined contribution option shall be held for retirement or as otherwise required by the appropriate pension legislation. No additional Company contribution or additional benefit shall be made to the existing plan. Employees who participate in the defined contribution option shall be able to continue to manage both the employee and the Company contributions until retirement or as otherwise required by the appropriate pension legislation.

- 2) The Company is committed to its current delivery arrangements and does not consider outsourcing a viable option at this time. However should the Company decide to outsource the delivery function the existing Drivers shall have the following options:

Option 1: To transfer to a Warehouse position according to their Bargaining Unit seniority or other such full-time position which may be vacant and posted.

Option 2: To become an Independent Cartage Agent with their own equipment.

Option 3: To become an Independent Cartage Agent driving equipment owned by Sobeys West.

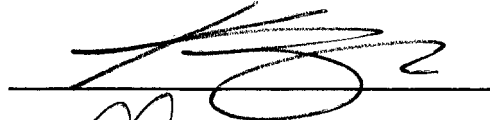

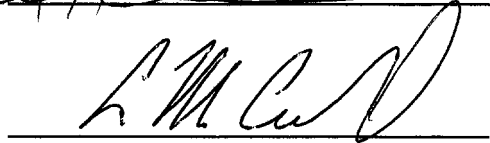
The Company shall provide as much notice as possible, but not less than six (6) months notice prior to the commencement of outsourcing.

- 3) The Company agrees to grandfather Clerical positions currently being performed by Bargaining Unit member. When these positions are vacated non-Bargaining Unit Clerical employees may replace them if the position falls outside the scope of the Collective Agreement as mutually agreed or determined by the Grievance Procedure.

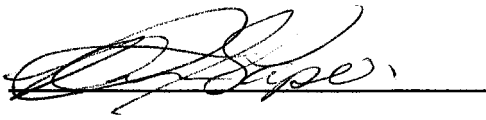
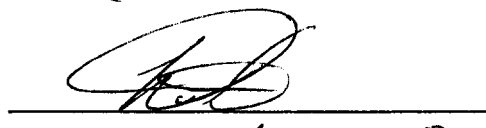
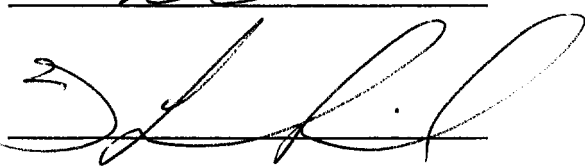
- 4) The Company and the Union agree to meet bi-weekly or other frequency mutually agreeable to both parties to examine matters arising from the administration of the Collective Agreement. The Company's participants at these meetings shall be the assigned Industrial Relations Representative and Operations Managers as designed by the General Manager of the Division. The Unions participants shall be the assigned Union Business Agent and other Shop Stewards as designated by the Union to a maximum of four (4).

Signed at Calgary, Alberta this _____, day of _____, 2006.

For the Company

For the Union

Withdrawal Information

Upon termination; lay-off; lengthy illness; compensation; or change of your place of employment; you are advised to call in at your Union Office, to obtain a WITHDRAWAL CARD or TRANSFER CARD which will entitle you to re-enter into the Union without further payment of Re-initiation Fee or payment of back dues.

**** Please obtain your withdrawal card as soon as you leave your place of employment, as your dues must be paid up within the month in which you obtain your withdrawal card.

WITHDRAWAL CARDS can **be** obtained at your Local Union Office for a cost of twenty-five cents (.25) or obtained by mail when accompanied by your name, Social Insurance Number and CORRECT MAILING ADDRESS, at which time we will mail your WITHDRAWAL CARD to your home. You must NOT ask the Shop Steward to get your WITHDRAWAL CARD for you, as it is NOT his duty to look after YOUR business.

**** It is most important you notify your Union office of any address change.

If there is any further information that you may require, please feel free to call your Union Office.

In Calgary, (403) 252-7843

In Edmonton, (780) 483-7098

If there is any discrepancy between this Collective Agreement booklet and the signed master Collective Agreement, the provisions of the master Collective Agreement will **apply**.