

COLLECTIVE AGREEMENT

BY AND BETWEEN: **CANADA SAFEWAY LIMITED**
Calgary Distribution Centre
(hereinafter referred to as the Employer)

and

**MISCELLANEOUS EMPLOYEES, TEAMSTERS
LOCAL UNION 987**
(hereinafter referred to as the Union)

EFFECTIVE: March 28, 2010
EXPIRY: March 30, 2013

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Whereas, the Company and the Union desire to co-operate in establishing and maintaining conditions which will promote and improve industrial and economic relations between the Company and the Employees covered by this Agreement, and to provide methods for a fair and peaceable adjustment of all disputes which may arise between them so as to secure uninterrupted operation and general stabilization of employment and industry.

NOW THEREFORE: The Union and the Company, mutually, agree as follows:

ARTICLE 1 BARGAINING AGENT

The Union is recognized as the bargaining agent for all employees with the exception of all Managers, Buyers, Purchasing Analyst, Outside Salesmen, Chief Clerks and those in a Supervisory capacity coming under the jurisdiction of this Agreement.

ARTICLE 2 UNION ESTABLISHMENT

Every employee who is now, or hereafter becomes a member of the Union shall maintain his or her membership in the Union as a condition of his or her employment and every new employee whose employment commences hereafter shall, within thirty (30) days after commencement of his/her employment, apply for and maintain membership in the Union as a condition of employment.

ARTICLE 3 DEDUCTION OF UNION DUES

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

ARTICLE 4 MANAGEMENT

4.01 The Management of the Company and the direction of the working force, including the right to plan, direct and control the Company operations; to maintain discipline and efficiency of the employees and to require employees to observe Company rules and regulations; to hire, lay-off, or relieve employees from duties; to promote and transfer, subject to the provisions of Article 10,

Seniority; suspend and discharge employees for proper cause, are the sole right and function of the Employer.

- 4.02 Management shall have the sole right to demote for proper cause. Demotions for other reasons shall be subject to the same principles as used for promotions and transfers in Article 10.
- 4.03 The parties agree that the foregoing enumeration of Management rights shall not be deemed to exclude other functions not specifically covered in this Agreement.
- 4.04 The exercise of the foregoing rights shall not alter any of the specific provisions of this Agreement, nor shall they be used to discriminate against any member of the Union.
- 4.05 It is the sole right and function of the Company to designate and change the hours of operation of the warehouse and the hours of work of each employee.
- 4.06 Management personnel shall not perform duties of persons they supervise except in the event of an unscheduled absence of employees or in the event of an emergency such as fire, flood, breakdown of machinery, or an act of God, or other major emergency and/or training employees. Under normal circumstances management shall first inform the Shop Steward (if on duty) of the reasons for performing such work.

ARTICLE 5 BUSINESS AGENTS' VISITS

The authorized Business Agent or Representative of the Union shall be permitted to visit the warehouse to talk to any employees regarding Union matters. Management shall first be informed of such visits. No Union matters shall be discussed on Company time.

ARTICLE 6 UNION MEETINGS

- 6.01 The Company agrees to grant necessary time off, without pay and without discrimination, to three (3) employees designated by the Union to attend a Labour Convention or to serve in any capacity on any official Union business, provided however, that notification is given the Company in sufficient time to secure a relief person for the job involved. Such leave of absence shall be limited to a three (3) month period. It is understood that no more than one (1) employee shall be granted leave of absence from any department.

- 6.02 The Union agrees to schedule meetings of its members, who are employees of the Company, in such a way as to minimize the impact on the normal operation of the Company. Nonetheless, it is understood that employees must meet the obligation of their work schedules.
- 6.03 Union Stewards will not absent themselves from their work to deal with grievances or to meet new employees without first obtaining permission of the Department Manager. Permission will not be unreasonably withheld.

ARTICLE 7 STRIKES AND LOCKOUTS

- 7.01 It is agreed that there will be no stoppage of work or lockouts by reason of a dispute between the Company and the Union during the term of this Agreement.
- 7.02 Both the Company and the Union recognize the need to avoid the spoilage of perishable product and may mutually agree to extend the strike or lockout notice beyond the requirements of the Alberta Act in order to provide for the removal of perishable products from the affected Departments.
- 7.03 No employee shall be terminated for refusing to cross a legal picket line caused by a labour dispute.

ARTICLE 8 HOURS OF WORK AND OVERTIME

- 8.01 The basic work week for full-time employees coming under this Agreement shall be forty (40) hours per week consisting of five (5) eight (8) hour days, or four (4) ten (10) hour days as scheduled by the Employer

It is understood that if the Company wishes to implement four (4) ten (10) hour days in other departments **in non selection classifications** in the Distribution Centre, they will **advise** the affected employees in that department **at least two (2) weeks prior to the implementation**. It is understood that it is the Company's right to determine where they schedule ten (10) hour shifts.

It is understood that for **employees** working four (4) ten (10) hour days **their days off shall be either:**

- a) two of the three days off either Friday/Saturday, Saturday/Sunday, or Sunday/Monday with the third day off scheduled during the week or,
- b) three (3) consecutive days off during the week.

It is understood that employees who were full time prior to March 26, 1996 will be scheduled option A above, unless mutually agreed otherwise.

Employees in the Grocery and Produce Warehouse, and City Drivers, **not working ten (10) hour shifts**, who were full-time prior to March 26, 1996, will be scheduled for five (5) eight (8) hour days and two (2) consecutive days off as scheduled by the Employer. The two (2) consecutive days shall be Friday/Saturday, Saturday/Sunday, or Sunday/Monday. Spare drivers are excluded from the foregoing.

Employees **not working ten (10) hour shifts**, promoted to full-time status after March 26, 1996, shall be entitled to two (2) consecutive days off, not tied to the weekend, when operationally possible. Should an employee with a seniority date before March 26, 1996 post into a position that does not have days off as indicated in the previous sentence, and there is an employee with a seniority date after March 26, 1996 in the same classification and department who has a posted position with days off as per the language above, then the pre March 26, 1996 employee shall have the right to bump into the position and shift with days off attached to weekends. The post March 26, 1996 employee will be required to fill the vacated position and shift. No other bumping shall occur as a result of the above exchange in postings.

For those full-time employees who do not enjoy consecutive days off, they shall be scheduled two (2) other days off during the week.

- 8.02 Management agrees to discuss changes in the starting time of day, afternoon or night shifts with the Shop Steward and the affected employees before the Company implements a change.
- 8.03 Employees entitled to a meal period, without pay, shall be granted a break of not more than one (1) hour. Warehouse employees (not Truck Drivers) shall be granted a one-half (½) hour meal period.

Employees working an eight (8) hour shift shall be granted two (2), fifteen (15) minute rest periods, with pay, one of which shall be in the first half and the other in the second half of the shift.

Employees who are working a normal ten (10) hour shift, shall receive two (2) twenty (20) minute rest periods with pay, one in the first half of the shift, and the other in the second half of the shift.

Employees working in the Distribution Centre will not leave the premises during their paid breaks without permission from Management.

- 8.04 The schedule of employees working regularly may be changed without notice in the event of an unscheduled absence of employees, or in the event of an emergency such as fire, flood, breakdown of machinery, or an act of God or other major emergency. In all other cases, at least twenty-four (24) hours notice of change must be given. Work schedules shall be posted by Thursday at noon of the preceding week.

The foregoing shall not apply to Over-the-Road Truckers and part-time employees. Notice to such employees shall be given as far in advance as practical.

- 8.05 Overtime: All hours worked in excess of those set forth in the above Article shall be compensated for at the overtime rate of time and one-half (1½). All overtime hours worked in excess of two (2) hours, and in addition to the employee's regular eight (8) hour shift shall be paid for at double (2xs) the employees' regular hourly rate of pay. All overtime shall be performed only after authorization by the Company. A day missed, due to illness, shall not be classed as a day worked for the purpose of calculating overtime.

Unscheduled overtime will be offered in order of seniority to those in the department, within the classification, on shift at the time and capable of performing the work, starting with the most senior employee. If there are not enough volunteers, the overtime will be assigned by reverse seniority, starting with the most junior employee in the classification.

When mandatory overtime is required of all employees at work in a department, the Company will provide a minimum of thirty (30) minutes of overtime. It is understood that in order to receive payment for the minimum thirty (30) minutes of overtime, the employees are required to work that period of time. Mandatory overtime will be posted by the Company no later than two (2) hours prior to the end of the employees regular shift.

Overtime for classified positions will be filled by employees working those classifications.

It is understood that employees who are on straight time will be offered additional work prior to those on overtime, even if the additional work carries them into overtime.

- 8.06 Overtime shall apply to all time worked over seven (7) minutes after the completion of the employee's eight (8) hour shift. Overtime shall be paid to the end of each full fifteen (15) minute period for such work, (e.g. eight (8) to fifteen (15) minutes shall be considered 15 minutes and twenty-three (23) to thirty (30) shall be considered 30 minutes), for the purpose of the provision.
- 8.07 Any employee who has completed his/her regular eight (8) hour work shift, and is called back to the warehouse for overtime work, shall be guaranteed two (2) hours of such work at double (x 2) his/her regular hourly rate.
- 8.08 The foregoing overtime provisions shall also apply to part-time employees.
- 8.09 Any employee called or required to work on their normal day of rest shall be paid at double (2x's) the regular rate for all time so worked. A minimum of two (2) hours pay at double (2x's) time will be paid to an employee pursuant to this clause.
- 8.10 One (1) week's notice shall be given if overtime is required for stock taking except in the event of an unscheduled absence of employees or in the event of an emergency such as fire, flood, breakdown of machinery, or any act of God, or other major emergency.
- 8.11 Employees required to work two (2) hours or more of overtime, in addition to their regular eight (8) hour daily shift, shall be granted a fifteen (15) minute rest break, with pay, at the end of their regular shift.
- 8.12 If four (4) hours of overtime are to be worked, a one-half (½) hour supper break shall be granted, without pay, after the regular shift. If such overtime is not scheduled a day in advance, a meal allowance of five dollars (\$5.00) shall be paid.
- 8.13 Scheduling of Overtime in **Departments excluding Transportation**
(The Baines Building is part of the Grocery Department)

Additional days of overtime shall be scheduled as follows:

- (i) All full-time and part-time employees may make application, on a weekly basis, to be considered for additional days of overtime in their department.
- (ii) The overtime sign up sheet will go up Friday at noon and will remain up until the following Friday at noon. The overtime sheet applies to the week commencing on the Sunday following the Friday that the list is taken down.

- (iii) The available additional shifts will be offered commencing with the most senior employee.
- (iv) Employees on vacation must advise Management in writing, in advance of the Friday deadline, if they wish to be put on the list for the week that they are scheduled to return from vacation.
- (v) An employee who is unavailable when called or refuses the overtime shall be considered to have passed on their turn to be offered an overtime shift.
- (vi) No response to a phone call within **five (5)** minutes of the call being placed will also be considered a pass.
- (vii) Employees may use their seniority to bump into positions provided they have been trained and are capable of performing the work at the required levels. Employees will not be able to bump shifts that are one or more hours complete provided an employee has not been called in one or more hours after employees who have been called in for overtime and have started their shifts.
- (viii) As an exception to the foregoing (vii), employees called in for overtime will not be allowed to use their seniority to bump junior employees working in posted positions.
- (ix) Employees relieving a posted position for vacation or other approved leave of absence shall be considered to be posted into the position.
- (x) If an employee who is on the list is inadvertently missed from being assigned an overtime shift, they will be moved to the top of the list and assigned the next available overtime shift provided they bring the issue to Management's attention as soon as possible.

18.4 Mandatory Overtime

The following letter of understanding will be in effect of the term of the Collective Agreement from date of ratification to March 27, 2010.

When mandatory overtime is required of all employees at work in a department, the Company will provide a minimum of thirty (30) minutes of overtime. It is understood that in order to receive payment for the minimum thirty (30) minutes of overtime, the employees are required to work that period of time.

Overtime for classified positions will be filled by employees working those classifications.

ARTICLE 9 OFFICE STAFF

- 9.01 The basic work week shall be forty (40) hours per week, consisting of five (5), eight (8) hour days and two (2) consecutive days off as scheduled by the Employer, except as provided in the attached Letter of Understanding.
- 9.02 The Company's present policy of granting coffee breaks shall be continued during the term of this Agreement. Employees entitled to a meal period, without pay, shall be granted a break of not more than one (1) hour.
- 9.03 All hours worked, in excess of those as set forth in the above section, shall be compensated for at overtime rate of time and one-half (1 ½). All overtime hours worked, in excess of two (2) hours and in addition to the employee's regular eight (8) hour shift, shall be paid for at double (2x's) the employee's regular hourly rate of pay. All overtime shall be performed only after authorization by the Company.
- 9.04 Overtime shall apply to all time worked over seven (7) minutes after the completion of the employee's eight (8) hour shift.

Overtime shall be paid to the end of each full fifteen (15) minute period of such work, i.e. - eight (8) to fifteen (15) minutes shall be considered fifteen (15) Minutes, twenty-three (23) minutes shall be considered as one-half (½) hour, for the purpose of this provision.

- 9.05 Any employee who has completed his/her regular eight (8) hour work shift, and is called back to the offices for overtime work, shall be guaranteed four (4) hours of such work at time and one-half (1 ½) his/her regular hourly rate.
- 9.06 Employees required to work two (2) hours or more of overtime, in addition to their regular eight (8) hour daily shift, shall be granted a fifteen (15) minute rest break with pay at the end of their regular shift.
- 9.07 If four (4) hours of overtime are to be worked, a one half (½) hour supper break shall be granted, without pay, after the regular shift. If such overtime is not scheduled a day in advance, a meal allowance of five dollars (\$5.00) shall be paid.
- 9.08 It is understood and agreed that the Company will have the right to use outside office services to replace employees in the office in the case of unscheduled absence.
- 9.09 It is understood that office staff are eligible to receive shift premium on the same basis as other employees.

- 9.10 Office Staff: Those employees who are employed in the Office Department prior to May 10, 1983, as Junior Clerk, General Clerk, Order Desk Clerk, Inventory Clerk or Senior Desk Clerk shall be compensated according to the previous agreement between the Company and the Union.

Those office employees, other than those listed in the foregoing paragraph, who were on payroll as of May 9, 1987, shall be compensated as outlined in Appendix A.

ARTICLE 10 SENIORITY - FULL TIME EMPLOYEES

- 10.01 Seniority shall be based on the length of service a full-time employee has been working in the bargaining unit, and following the signing of this Agreement and every ninety (90) days thereafter, a separate Department seniority list will be posted for the Trucking, Grocery, Perishable Goods, Maintenance and Office Departments showing the employee's name, date of hire, department and classification.

The list shall be posted in a position where all employees have access to it, and the right to protest any listing within thirty (30) days after said list has been posted.

- 10.02 A probationary period of three (3) months shall apply in the case of each new full-time employee, during which time seniority shall not apply, and such employee may be laid off without reference to seniority. After the three (3) month probationary period, the employee shall be entitled to the rank of seniority as of the date the employee became full-time. For new hire full-time employees time spent on Weekly Indemnity claims, WCB claims, or modified duties will not count towards the probation period.

- 10.03 The seniority of a full-time employee will be considered broken, all rights forfeited and the company under no obligation to rehire when he/she:

1. Voluntarily leaves the service of the Company or is discharged for proper cause.
2. Fails after five (5) days notice to return to work when recalled. Notice by the Company will consist of addressing a registered letter to the individual at this last known address, and furnishing a copy thereof to the Union.
3. Has been laid off for a period of six (6) months or longer.

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

1. To supplement the full-time work force, to provide additional help on a incidental basis to cover peak work periods and other such times as necessary such as vacation relief periods.
2. Part-time employees shall not be employed or scheduled to the extent that their work results in the displacement or prevents the hiring or recall of full-time employees.
3. Each part-time employee shall, as a condition of continuing employment, pay each month Union dues in accordance with Section 3 of this Agreement.
4. A part-time employee employed under the conditions set out in Clauses 1, 2, 3 above, shall not be guaranteed a minimum number of hours per week.
5. Part-time employees will be employed in Classifications and paid the wage rates as set out in Appendix "A" of this Agreement.
6. Part-time employees with the most hours actually worked in the Calgary Distribution Centre shall be given the first opportunity to qualify as full-time employees within their department, and if successful, will be placed at the bottom of the seniority list.

10.05 Fitness, merit and ability being relatively equal seniority shall govern in lay-off and recall of full-time employees.

10.06 Promotions within the bargaining unit shall be based on fitness, merit and ability. Fitness, merit and ability being equal, seniority shall prevail. Employees promoted will be given a reasonable period of time in which to qualify. The foregoing shall apply in the case of employees who relieve for absences due to vacation, sickness, or other approved leave of absence.

10.07 When job vacancies occur and the Employer requires replacements, and when the Employer creates new job classifications, they shall be posted on all bulletin boards for a period of seven (7) calendar days during which time applications may be made by the employees. The Employer will post the vacancy within seven (7) calendar days of the actual termination date of the employee creating the vacancy, or if the Employer is not intending to fill the vacancy, the Employer will notify the Union within seven (7) calendar days of the same termination date. The successful applicant will be informed within a period of a further seven (7) days. Temporary appointments shall be made by the Employer, pending receipt of applications. First consideration shall be given to the employee in the department concerned, the Company may transfer or promote an employee from another department or hire a person to fill the job.

Employees who want to be considered for job postings during an approved leave of absence shall inform the Employer in writing with a contact person and phone number. If they are the successful applicant, upon notification, they shall have seven (7) days to accept the position. Should they not accept within seven (7) days, they will be deemed to have refused the posting.

Existing employees, other than City Drivers, Over-the-Road Drivers and Space Board Drivers who are chosen to fill a posting will have up to thirty (30) calendar days to demonstrate that they can successfully complete the job functions required in their new posting. If either the employee or the Company determines that the employee can not successfully complete the job functions, they will be returned to their previous position and the next person on the posting list will be given an opportunity to qualify for the position. Employees who do not successfully complete the job functions, provided there has not been significant changes to the original posting, will not be eligible to post into the same job classification for a period of six (6) calendar months.

Notwithstanding the first paragraph of this Clause, vacancies occurring as a result of an employee posting into another position will not be posted until the original position has been successfully filled as per the above second paragraph.

In the event of permanent shift changes of more than two hours, senior employees within the classification and within the department shall be given shift preference.

Postings will have a complete description of the job posted. Any changes to the job will be made prior to posting.

- 10.08 When new job classifications are established by the Company, the Union shall be advised. A rate shall be set by the Company. If, after a trial period of thirty (30) working days, the Union deems the adjustment made by the Company to be unsatisfactory, the dispute shall be settled pursuant to the Grievance Procedure herein provided.
- 10.09 All vacancies for City, Over-the-Road Drivers and Spare Drivers will be posted for applicants. Successful applicants must **have a valid Class 1** license and pass a medical examination. Employees who bid on Over-the-Road job postings must have demonstrated their competence through a desirable safe driving record.
- 10.10 It is understood that such applicants must give the Company authority to obtain the employee's driver abstract and such abstract shall contain no more than six (6) points in order for the applicant to be selected as a Driver. The Parties agree that Government transport regulations may require drivers of certain Company vehicles to have fewer than six (6) points on their driver's abstract in order to be considered for a particular job. Any existing LCV driver that accumulates more than six (6) demerits shall be required to attend the Professional Driver's Improvement Course. Upon successful completion of the course, the driver will be considered for any bid runs.

- 10.11 Any applicant for the job of Spare Driver who fails to qualify as a Driver within sixty (60) working days shall revert back to his/her previous classification. All successful applicants must **have a valid Class 1** License and pass a medical examination.
- 10.12 The Company agrees not to hire employees to fill "Over-the-Road" jobs until the proper posting process has been carried out and the Department Shop Steward or the Union has been informed.
- 10.13 The Company agrees to pay a trainer of City and Over-the-Road Drivers one hour's pay at this regular rate for each shift or trip that he/she is so employed training drivers.
- 10.14 **Temporary positions in the Trucking Department will be first assigned to the spare board. If they cannot be filled by the spare board drivers, they will be posted within the department.**
- 10.15 Seniority shall normally govern the starting times for City Drivers providing it does not apply on a daily basis.
- 10.16 The Company shall supply a schedule listing all the bid runs for Over-the-Road drivers. This schedule shall state departure order, destination and days required to work. The Company shall maintain the practice of normal departure order. This schedule shall not displace any over-the-road driver presently on a bid run.
- 10.17 In the event the Company discontinues a Bid Run, or curtails the number of power units on a Bid Run for an indefinite period of time, the driver reduction of such run shall be by seniority order with the least senior driver being the first affected and shall revert to the Spare Board in order of seniority.
- 10.18 Truck drivers of other companies shall not be permitted to unload or load their trucks.
- 10.19 The Company has the right, at any time, to transfer an employee from any other Branch of its organization without loss of Company service providing it does not displace an employee in the Department to which he/she has been transferred. The transferred employee shall only be credited with the seniority as of the date he or she has entered the bargaining unit.
- 10.20 When an employee is transferred or promoted to a position outside the bargaining unit with Canada Safeway Limited, Calgary Distribution Centre, he/she will retain his/her seniority and continue to accumulate seniority under this Agreement for a period of six (6) months from the date of such transfer or promotion. After such six (6) month period, the employee shall retain his/her accumulated seniority under this Agreement.

- 10.21 If demoted for any reason or if he/she voluntarily requests reinstatement in the bargaining unit, within a six (6) month period, he/she will revert back to his/her former position.
- 10.22 Should the full-time employee return to the bargaining unit after such six (6) month period and there is then no job opening, which by reason of his/her seniority and ability he/she is entitled to fill, he/she may displace the full-time employee with the least seniority provided he/she has the ability to do the work of the junior employee. In the event of such displacement, the junior employee will be considered as laid off and the senior employee will be reclassified into the job classification of the junior employee and be paid the rate for such job.

ARTICLE 11 VACATIONS

11.01 Full-time employees shall be granted vacation as follows:

1. Employees with three (3) or more years of continuous service, three (3) weeks vacation with pay.
2. Employees with eight (8) or more years of continuous service, four (4) weeks vacation with pay.
3. Employees with thirteen (13) or more years of continuous service, five (5) weeks vacation with pay.
4. Employees with eighteen (18) or more years of continuous service, six (6) weeks of vacation with pay.
5. Employees with twenty-three (23) or more years of continuous service, seven (7) weeks vacation with pay.

11.02 The Company agrees to give consideration to an employee's seniority when finalizing vacation schedules. Part-time vacation schedules will be completed following the selection by full-time employees.

11.03 Beginning in October of the preceding year, a vacation schedule shall be compiled by the company and distributed by the Supervisor in charge, allowing each employee to choose his/her vacation period in accordance with his or her Department seniority providing replacements are available who can meet the requirements of the job to be filled. Full-time employees must make their selections by December 31st of the preceding year. Part-time employees may request a leave for the purposes of vacation after all full-time employees have completed their requests.

- 11.04 Consistent with the foregoing, each employee will have the opportunity to schedule up to three (3) consecutive weeks vacation during the prime-time vacation period (April 1 - September 30). Following their initial selection, employees shall, in accordance with their department seniority, select any additional weeks to fill vacancies available in the prime time and non-prime-time vacation period.
- 11.05 Employees entitled to three (3), four (4), five (5), six (6) or seven (7) weeks vacation may, on request, have three (3), four (4), five (5), six (6) or seven (7) consecutive weeks scheduled between the months of September 15 to June 15 in any year, providing the scheduled time is mutually agreed upon by the employee and the Company.
- 11.06 Those employees, entitled to seven (7) weeks of vacation, shall take their seventh (7th) week of vacation during the first twelve (12) weeks of the calendar year, as per their seniority and availability.
- 11.07 Employees who have worked thirty (30) days, but less than one (1) year, who terminate their employment, will receive a vacation allowance of four per cent (4%) of the total salary and wages earned for which no vacation has been paid. Employees entitled to two (2), three (3), four (4), five (5), six (6), or seven (7) weeks vacation and who terminated their employment, shall receive payment for vacation allowance of four per cent (4%), six per cent (6%), eight per cent (8%), ten per cent (10%), twelve per cent (12%) and fourteen per cent (14%); respectively, of the total wages and salary earned by the employee during the period of employment for which no vacation allowance has been paid.
- 11.08 Part-time employees with less than three (3) years of continuous employment with the Company shall receive vacation pay in the amount of not less than four percent (4%) of their total earnings.

Part-time employees with three (3) years or more of continuous employment shall receive six percent (6%) of their total earnings as vacation pay.

Part-time employees with eight (8) or more years of continuous employment shall receive eight percent (8%) of their total earnings as vacation pay.

Part-time employees with thirteen (13) or more years of continuous employment shall receive ten percent (10%) of their total earnings as vacation pay.

Part-time employees with eighteen (18) or more years of continuous employment shall receive twelve percent (12%) of their total earning as vacation pay.

Part-time employees with twenty-three (23) or more years of continuous employment shall receive fourteen percent (14%) of their total earning as vacation pay.

1 to 2 years of continuous service	-	4% of total wages earned
3 to 7 years of continuous service	-	6% of total wages earned
8 to 12 years of continuous service	-	8% of total wages earned
13 to 17 years of continuous service	-	10% of total wages earned
18 to 22 years of continuous service	-	12% of total wages earned
23 years or more of continuous service	-	14% of total wages earned

Part-time Employees proceeding to full-time employment, will be credited with the number of hours accumulated during the employee's continuous service as a part-time employee, provided the employee's service is continuous from part-time to full-time. The credited hours will be divided by two thousand and eighty (2080) to establish the appropriate yearly credit for future vacation entitlements, as provided in Article 11.01. The yearly credit will be rounded to the nearest full year.

ARTICLE 12 STATUTORY HOLIDAYS

12.01 The following days shall be considered as holidays, with pay, for full-time employees:

New Year's Day	Labour Day
Family Day	Thanksgiving Day
Good Friday	Remembrance Day
Canada Day	Christmas Day
Victoria Day	Boxing Day
Heritage Day	

and all other public holidays proclaimed by Civic, Provincial and Federal Governments, providing all the foregoing holidays are observed in the Retail and Wholesale business.

Should the Provincial Government enact legislation that repeals Family Day, that general holiday will be deleted from the Collective Agreement.

12.02 Employees absent (those who do not complete their scheduled shift) on their regular scheduled work day before and/or after a holiday, shall not be paid for the holiday unless they have just cause.

- 12.03 Full-time employees who have worked their scheduled work shifts in the week in which a Statutory Holiday occurs, shall be paid for the holiday even if it falls on their day of rest.
- 12.04 All work performed on a holiday shall be compensated for at double (2x's) the regular rate of pay, plus the pay for the holiday, if eligible.
- 12.05 Part-time employees will be paid general holiday pay in accordance with the Employment Standards Code of Alberta.
- 12.06 Statutory Holidays Occurring During Vacations: When a Statutory Holiday occurs during an employee's vacation, an extra day's vacation shall be granted if the holiday is one that the employee would have received had he/she been working.

If granting an extra day's vacation to employees who are entitled to vacations will hamper operations or interfere with the arrangements of vacation schedules, an extra day's pay may be given in lieu of an extra day's vacation if authorized by the Company. The employee may choose to bank the day rather than take the extra day's pay, and schedule that day as vacation at a mutually agreeable time outside the prime time vacation period.

ARTICLE 13 WAGES, CLASSIFICATIONS AND PREMIUMS

- 13.01 Attached hereto and forming part of this agreement is Appendix "A" - Schedule of Wages and Classifications setting forth the wage rates and classifications for the employees covered by the terms of this Agreement.
- 13.02 All pay cheque statements shall show the amount of pay for regular hours of work, the number of overtime hours worked, and the amount of pay for the same.
- 13.03 Upon four (4) weeks' notice by the Employer to the Union and the Employees, the Employer may implement bi-weekly pay.
- 13.04 Shift Premium: All hours worked on shifts beginning on or after 12:00 p.m. and before 5:00 a.m. shall be paid at the rate of sixty **five** cents (**65¢**) per hour for each full hour worked. Shift premiums will not be added to an employee's basic hourly rate for the purpose of calculating overtime.
- 13.05 Freezer Premium: Sixty cents (60¢) per hour Freezer Premium will also apply to the Shipper employed in the Freezer. Regular full-time freezer employees shall receive freezer premium pay in addition to their regular weekly base pay while

on vacation. **Shift premiums will not be added to an employee's basic hourly rate for the purpose of calculating overtime.**

- 13.06 Tool Premium: Employees who purchase tools, as required on their job by the Company, shall receive an allowance of fifteen cents (15¢) for each regular hour worked up to a maximum of six dollars (\$6.00) per week.

When it is necessary to leave tools on Company property, the Company shall insure that such tools are covered in the event of fire and/or theft through break-in on Company premises. It is the responsibility of the employee to have his/her tools duly inventoried, as to make, to be eligible for coverage.

- 13.07 Lead Person Premium: The necessity of selection and classification of a Lead Person shall be at the discretion of the Company and shall be defined as follows:

An employee who shall direct the work of other employees while performing the work himself/herself. He/She shall not have the authority to directly hire, fire, suspend or discipline employees.

He/She shall be a member of the Union.

The Lead Person Premium will be seventy-five cents (.75¢) per hour. This premium shall not be used for the purpose of computing overtime.

- 13.09 First Aid: A First Aid Attendant is to be appointed, as follows, in the Grocery, Perishable Goods, Trucking and Maintenance Departments and is to be paid fifteen dollars (\$15.00) per month when qualified.

On Day Shift

- One Employee in the Grocery Department
- One Employee in the Produce/Frozen Food Department
- One Employee in the Trucking Department

On Afternoon Shift

- One employee in the main Distribution Centre
- One employee in the Trucking Department
- One employee in the Sanitation Department

- 13.10 Higher Rates to be Paid While Filling Vacancies: The Company agrees that, in the event an employee is required to perform duties for a period of more than one (1) day, in respect of which the rate of pay is higher than that paid to such

employee, he or she shall receive a minimum rate of pay, the minimum for the classification or work performed.

ARTICLE 14 GRIEVANCE PROCEDURE AND ARBITRATION

14.01 Where an employee's work performance is such that it may lead to discipline or discharge (including verbal or written warnings, or suspensions) and is the subject of conversation between the employee and the Employer, a Union Steward will be present. Employees will be able to select the Shop Steward they wish to represent them from those Shop Stewards on shift at the time of the conversation. When the Union Steward is unavailable, the employee may select another employee who is at work at the time.

Records of discipline which are older than twenty-four (24) months will be removed from an employee's file if the employee maintains a clean record for a period of two (2) years from date of his/her last discipline. The limitations will not apply in cases of absenteeism where an employee's entire record may be reviewed.

Counselling sessions may form part of the employee's work record but they will not constitute part of an employee's discipline record.

14.02 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 Contract shall be considered a grievance.

14.03 Any employee, 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.

14.04 As are exception to the foregoing, grievances alleging unfair suspension or improper discharge must be filed ten (10) days of the implementation of the suspension or discharge.

14.05 The procedure for adjustment of grievances shall be as follows:

STEP ONE: By discussion between the employee and Shop Steward and his/her immediate Supervisor who shall reply within three (3) working days. If a satisfactory settlement cannot be reached, then within one week;

- STEP TWO: The employee and the Steward may then take the matter up with the Department Manager who shall reply within three (3) working days. If a satisfactory settlement cannot be reached, then within one week;
- STEP THREE: The grievance shall be submitted, in writing, to the Distribution Manager on a form supplied by the Union for discussion between the Distribution Manager, Shop Steward and Union Representative. The Distribution Centre Manager shall reply in writing within five (5) working days. 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 Labour Relations matters. If a satisfactory settlement cannot be reached, either party may refer the matter to a Board of Arbitration established in Article 14.06. Alternatively, by mutual agreement, the matter may be referred to either a single Arbitrator or to Government Grievance Mediation. A single Arbitrator will be subject to the same conditions as the Board of Arbitration outlined in Article 14.06.

14.06 Board of Arbitration: If the Union and the Company Labour Representative cannot reach an adjustment, upon request of either party, the grievance shall be submitted to a Board of Arbitration composed of three (3) members. The Company and the Union shall each select one (1) member, and the third member shall be selected by mutual agreement of the two (2) members first selected.

The third member shall be impartial and possess knowledge of Labour-Management Relations. The third member shall act as the Chairman of the Board. If agreement cannot be reached within seven (7) days in respect to the appointment of the Chairman of the Board of Arbitration, the matter shall be referred to the Minister of Labour of the Province of Alberta, who shall appoint a Chairman. No person involved directly in the controversy under consideration shall be a member of the Board of Arbitration.

The Board of Arbitration shall receive and consider such material evidence and contentions as the parties may offer, and shall make such independent investigation as it deems essential to a full understanding and determination of the issues involved. In reaching its decision, the Arbitration Board shall be governed by the provisions of this Agreement.

The Board of Arbitration shall not be vested with the power to change, modify or alter any of the terms of this Contract. All grievances submitted shall present an arbitrable issue under this Contract and shall not depend on, or involve an issue or contention by either party which is contrary to any provision of this Contract,

or which involves the determination of a subject matter not covered by or arising during the term of this Contract.

The findings and decision of the Board of Arbitration on all arbitrable questions shall be binding and enforceable on all parties. A decision of a majority of the Board of Arbitration shall be deemed to be a decision of the Board.

It is the intention of the parties that this Article shall provide a peaceful method of adjusting grievances so that there shall be no suspension or interruption of normal operations as a result of any grievance. The parties shall act on good faith in proceeding to adjust grievances in accordance with the provisions of this Article.

The expense of the Chairman shall be borne equally by the parties to the Arbitration.

ARTICLE 15 SEVERANCE PAY

15.01 In the event that there is a permanent closure of the Distribution Centre, or part hereof, causing a full-time employee to lose their employment, the Company hereby agrees to pay such an employee one week's severance pay for each year of continuous, full-time service, to a maximum of twenty (20) weeks' pay. This clause does not apply to a temporary layoff, full-time employee who accepts other employment with the Company outside the jurisdiction of this Agreement, or to regular full-time employees who lose their employment and are reinstated within thirty (30) days to full-time status.

The weeks of severance pay plus earned vacation will not exceed the number of weeks remaining to the employee's normal retirement date.

In order to qualify for severance pay, the employee shall continue to work in a satisfactory manner as long as required.

15.02 Employees regularly working full-time upon termination by the Employer, except employees terminated for just cause (which shall include, but not be limited to dishonesty, drunkenness, drinking intoxicants, or insubordination) shall be given individual notice in writing, or pay in lieu thereof, as per the Alberta Employment Standards Code.

ARTICLE 16 TRUCKING

16.01 It is understood that all Articles of this Collective Agreement shall apply to Over-the-Road Drivers, except:

Article 8 - 8.01, 8.03 through 8.14

Article 9 - 9.01 through 9.10

Article 12 - 12.04

Article 13 – 13.05, 13.06, 13.07

16.02 It is agreed that Over-the-Road Drivers except Country Independent Runs who are scheduled to make deliveries seventy-five (75) or more miles from Calgary, (150 miles return), and who are on wage progressions shall have their driving and work time included in their total hours for the purposes of the wage progressions. Over-the-Road Truck Drivers rate of pay shall be used to determine the mileage rate paid as follows:

Semi-Trailer Driver Rate:

		March 29, 2009	Sunday after ratification	March 27, 2011	March 25, 2012
Below	15.14	.351	.351	.351	.351
	15.14	.371	.371	.371	.371
	16.13	.391	.391	.391	.391
	17.12	.411	.411	.411	.411
Top Rate		.485	.493	.501	.510

When operating units with more than five (5) axles, the mileage rate will be increased by one-cent (\$0.01) per axle for each axle over and above the fifth axle.

16.03 Time worked repairing, loading or unloading equipment, switching trailers or waiting time (when the Driver performs the work) shall be compensated for at the Driver's hourly rate of pay as per Appendix A.

The overtime rate of double time (2x's) shall be paid after ten (10) hours of such work including driving time in any one day. Over-the-Road Drivers shall be paid their normal rates of pay for all work performed on an extra trip (6th and 7th trip). Company drivers will be given the first opportunity to take an extra trip prior to the work being assigned to other carriers. It is understood that lay-over breaks the trip. The basic work week shall be fifty (50) hours exclusive of overtime.

16.04 A day missed, due to illness, shall not be classed as a day worked or as a trip. Further, it shall not be used for the purpose of calculating overtime.

- 16.05 Spare board drivers will be given the first opportunity to pull extra trips provided the extra trip does not result in the payment of overtime for the complete trip. If Company equipment is to be used, spare board drivers will be asked first.
- 16.07 Where driving time is delayed, because of mechanical breakdown or weather conditions, time and one-half (1½) will apply after ten (10) hours and double time (2x's) will apply after twelve (12) hours.
- 16.08 Waiting Time: For all time spent enroute where it is necessary for the Driver to wait for equipment to be repaired or for roads to be cleared, he/she shall be paid at the Driver's hourly rate of pay as per Appendix A.

With a maximum of eight (8) hours pay for waiting time in each twenty-four (24) period.

- 16.09 Drivers driving less than **eighteen hundred (1800)** miles per week shall not have their normal scheduled mileage reduced.
- 16.10 Drivers required to lay-over shall be paid out of pocket expense up to a maximum of five dollars and fifty cents (\$5.50) per meal and the Company agrees to the present practice of paying hotel accommodations. Any additional expense necessary for the operation of the truck such as emergency telephone calls, and bridge tolls, shall be accounted for by the Driver and subsequently submitted by him for approval of any payment by the Company.

The current practice of granting meal allowance for Over-the-Road Drivers shall continue.

- 16.11 In addition to the regular mileage rates of pay, as set out in the Warehouse Agreement, the Drivers employed on the Cranbrook run will be paid an additional six dollars (\$6.00) per round trip for miles driven in British Columbia, via the Crow's Nest Pass.
- 16.12 The Company will pay for meals to Over-the-Road Drivers on round-trips as follows:

	<u>No. of Meals</u>
Calgary to Edmonton	2 meals
Calgary to Lethbridge/Taber	2 meals
Calgary to Cranbrook	2 meals
Calgary to Medicine Hat/Taber	2 meals
Calgary to Brooks/Taber	2 meals
Calgary to Brooks	1 meal
Calgary to Banff	1 meal
Calgary to Saskatoon	5 meals

In consideration of the foregoing, the employees who receive the above meal allowances will accurately mark on their trip sheets personal time taken in order to justify reimbursement.

When running Rocky-Doubles	<u>No. of Meals</u>
From Calgary to Cranbrook/Lethbridge	5 meals
From Calgary to Cranbrook return	4 meals
When running single trailers	<u>No. of Meals</u>
From Calgary to Cranbrook/Lethbridge	3 meals
From Calgary to Creston (lay-over)	4 meals
From Calgary to Cranbrook/Lethbridge (lay-over)	4 meals

16.13 The Company will pay mileage to the Over-the-Road Drivers on round-trips as follows:

	<u>Number of Miles:</u>
▪ Edmonton via Camrose	445
▪ Edmonton	400
▪ Saskatoon	780
▪ Brooks	230
▪ Brooks/Taber	350
▪ Red Deer	200
▪ Lethbridge	275
▪ Medicine Hat	380
	<u>Number of Miles:</u>
▪ Taber	340
▪ Medicine Hat, Lethbridge & Calgary	420
▪ Cranbrook	524
▪ BC Border	320
▪ BC Border to Cranbrook	95
▪ Banff one trip	Hourly
▪ Banff two trips	320
▪ Calgary to Cranbrook to Lethbridge return (single trailer)	594
▪ Brooks to Taber (turnpikes) where the driver is required to travel to the Brooks store on both legs of the trip	360

The following mileage will apply in the case of Rocky Mountain Doubles, when the driver drops the pup trailer at the BC border, travels to Cranbrook with a single trailer, returns to the border and travels to Cranbrook with the pup trailer.

Calgary to Cranbrook return	714 miles
Calgary to Cranbrook/Lethbridge return	784 miles

Banff will be classified as a Highway Run except during periods where the store orders are hauled on double trailers behind BC bound trucks operated by Company drivers.

- 16.14 Statutory Holidays: Over-the-Road Drivers who are entitled to Statutory Holidays, with pay under the Collective Agreement, shall receive their average mileage rate of pay for the holiday either worked or not worked. If required to work, the driver shall be compensated for all such work in accordance with the above articles.

A Statutory Holiday, not worked, shall not count as a trip for the purpose of this Article.

- 16.15 Vacation with Pay: 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), six (6) or seven (7) weeks vacation shall be compensated on the basis of six per cent (6%), eight per cent (8%), ten per cent (10%), twelve per cent (12%) and fourteen per cent (14%); respectively, of their gross earnings.

- 16.16 Sleeper Runs: When two (2) drivers are assigned to sleeper runs out of Calgary, they shall be compensated on the following basis:

Sleeper runs shall be paid at the rate of forty-three and one-half cents (.43½¢) per mile. Each driver shall be paid for driving one-half (½) the mileage the vehicle travelled in making the tour.

Prior to the implementation of sleeper runs, the Company and the Union will discuss conditions of work relative to these runs pursuant to the Letter of Understanding Re: Joint/Labour Management Committee.

- 16.17 All notices to be put in the driver's box.

- 16.18 It is the driver's responsibility to unload their deliveries. The foregoing shall not apply to drop trailers. The Company will notify the retail operations that they are responsible for providing room and power equipment to unload the trucks.

- 16.19 The Company will make available gloves for employees as required and as designated by the Company. The Company will supply the first pair and if the employee requires additional gloves, he/she shall return the worn pair when requesting new ones.

- 16.20 If a driver obtains a Class #1 license, they shall be entitled to the Semi-Trailer rate. However, it is understood that they must be prepared to drive any vehicle that the license qualifies them for.

ARTICLE 17 LEAVE OF ABSENCE

17.01 Bereavement Leave: In the event of a death in the immediate family of an employee, the employee will be granted a leave of absence, with pay, to attend the funeral or to attend to other arrangements, at the time of bereavement, with consideration given to travel time. The length of such absence shall be at the discretion of the Employer.

The term "immediate family" shall mean: spouse, parent, child, brother, sister, mother-in-law, father-in-law, sister-in-law, brother-in-law, and grandmother, grandmother-in-law, grandfather, grandfather-in-law, grandchild, stepmother, stepfather, stepchild, or any relative living in the household of the employee.

Notwithstanding the foregoing, if the death is a case of spouse, father, mother, child, stepmother, stepfather, or stepchild, the employee shall be entitled up to one (1) week's leave of absence, with pay, at the time of bereavement. It is understood that, in the case of a part-time employee, the compensation shall be at the average hours worked during the preceding four (4) weeks.

If the death is a case of an uncle, aunt, nephew or niece, an employee will be granted one (1) day's leave, with pay, to attend the funeral.

17.02 Compassionate Leave: Requests for compassionate leave will be considered on an individual basis. Final approval for a compassionate leave of absence will rest with the Human Resources Manager.

17.03 Jury Duty: If an 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 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 day, shall not exceed a regular day's pay for purpose of establishing the basic work day. In order to be eligible for the foregoing benefit, an employee must notify his Department Manager, as soon as possible, after receipt of Notice of Selection for Jury Duty or after receipt of subpoena to appear as a witness.

ARTICLE 18 HEALTH AND WELFARE

18.01 Full-time employees after completing three (3) months of continuous service, will accrue four (4) hours of disability leave credit for each calendar month of full-time employment completed thereafter. Disability leave credits may be accumulated to a maximum of two hundred and eight 208 hours.

- 18.02 The Company shall take whatever steps it feels necessary to establish the genuineness of a disability. Employees, if found, abusing this privilege shall be disciplined. In such cases, the Company may discontinue or reduce the sick leave benefit of the employee or terminate the services of such employee.
- 18.03 An employee shall not receive the first eight (8) hours of sick leave pay, if they are working eight (8) hour days, and the first ten (10) hours of sick leave pay, if they are working ten (10) hour days, for any absence in which sick leave credits shall apply. As an exception to the foregoing, all full-time employees who are absent shall be paid sick leave credit on their first occasion in each calendar year. Further, shall the absence be covered by the Company's Weekly Indemnity Benefits, then the employee shall be compensated in accordance with the provisions of the Plan.
- 18.04 Employees shall have the option as to whether they wish to use any accumulated sick leave credits or receive Weekly Indemnity Benefits as indicated in the following section. A day's pay will be eight (8) hours pay at the employee's regular rate for employees working five (5) eight (8) hour days and ten (10) hours pay at the employee's regular rate for employees working four (4) ten (10) hour days. **A day's pay for Over the Road Drivers will be ten (10) hours pay at the employee's regular rate.**
- 18.05 A full-time employee, who retires at an age consistent with the Company pension regulations, shall be paid any unused sick leave credits.
- 18.06 Weekly Indemnity: Weekly Indemnity payments shall be in the amount of seventy percent (70%) of the straight time weekly wage.
- 18.07 Long Term Disability Insurance: The Company shall implement a Long Term Disability Plan for those employees regularly working full-time. The cost of the Plan shall be borne by the Company.

The Benefit period commences on the first day immediately following the exhaustion of Weekly Indemnity and Unemployment Insurance Benefits.

Benefits are payable to the earliest attainment of age sixty-five (65), death, recovery or attainment of that age at which the Employee may retire on an unreduced pension or the equivalent of an unreduced pension through a supplemental payment available from any Private Pension Plan to which the Company contributes.

The total disability income is equal to fifty percent (50%) of base weekly earnings at the date of disability, **up to a maximum of fourteen hundred dollars (\$1400.00).** **For all disabilities occurring on or after date of**

ratification, the amount will be increased to eighteen hundred (\$1800.00) dollars per month.

The total disability income is inclusive of any disability payments, including lump-sum payments from Government sponsored plans. Government sponsored plans include Workers Compensation, Canada Pension Plan, Quebec Pension Plan or any other group disability plan or income replacement program, the cost of which the Company is or may be required to contribute by law or Collective Agreement.

The amount of any payment received from the Canada Pension Plan or the Quebec Pension Plan is to be frozen at the commencement of disability so that subsequent increase in Canada Pension Plan/Quebec Pension Plan will not further reduce benefit payments under the Long Term Disability Income Plan.

It is understood and agreed that all matters of eligibility, coverage and benefits shall be as set out in the Plan and as determined by the carrier.

It is further agreed that this Plan will only insure against those disabilities that occur after August 1, 1985.

- 18.08 Dental Plan: Eligible full-time employees shall receive Dental coverage under the Company's Dental Plan.
- 18.09 The parties further agree that should a government plan be instituted which provides similar benefits, the Employer's contribution and employee eligibility under this Plan would cease.
- 18.10 Supplementary Health Services Plan: The Company will provide a Supplementary Health Services Plan which includes prescription coverage of 80% through a drug reimbursement plan.
- 18.11 Vision Care: **Effective November 11, 2010**, the Employer agrees to provide a Vision Care Plan to eligible employees which provides reimbursement up to **\$150.00** per person per twenty-four months, in connection with the purchase, repair of prescription lens and/or frames, with the additional provision that the aforementioned maximum benefit is annual where the claimant is the employee's child under 14 years and there is a change in the prescribed lens.
- 18.12 Hearing Aid Plan: Effective January 1, 1992, the Employer will provide a Hearing Aid Plan for employees already receiving the Group Insurance Package and their dependents. The benefit will be three hundred and fifty dollars (\$350.00) every four (4) years.

- 18.13 Part-time Health and Welfare: A part-time employee, other than a seasonal employee, who has worked an average of thirty-two (32) hours per week for thirteen (13) consecutive weeks, will be eligible for the following coverage:
- (a) Group Life Insurance and Weekly Indemnity Benefits: Life Insurance in the amount of \$5,000; Weekly Indemnity payments will be in the amount of seventy per cent (70%) of average weekly earnings.
 - (b) Alberta Health Care
 - (c) A Supplementary Health Services Plan which includes prescription coverage eighty per cent (80%) through a drug reimbursement plan.
 - (d) Vision Care Plan providing eligible employees reimbursement up to one hundred dollars (\$100.00) per person per twenty-four (24) months, in connection with the purchase, repair of prescription lens and/or frames with additional provision that the aforementioned maximum benefit is annual where the claimant is the employee's child under fourteen (14) and there is a change in prescribed lens.
 - (e) Dental coverage as outlined in Article 18.09 for part-time employees hired before May 13, 2004. Part-time employees hired after May 13, 2004 will become eligible to qualify for Dental Coverage after they reach top rate of their classification.

In order to ensure coverage under these benefits, a part-time employee must immediately accept coverage upon notification of eligibility by the Company.

It is understood and agreed that all matters of eligibility, coverage and benefits shall be as set out in the Plan and as determined by the carrier.

Those part-time employees who fail to maintain an average of thirty-two (32) hours per week for thirteen (13) consecutive weeks will cease to be eligible for the foregoing benefit.

ARTICLE 19 EXPIRATION AND RENEWAL

- 19.01 This Agreement shall be in full force and effect as of this **28th day of March 2010**, and continue in full force and effect through to the **30th day of March 2013**, and from year to year thereafter, except as hereafter provided.
- 19.02 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 the termination date of this Agreement.

19.03 Either party wishing to amend this Agreement shall give notice, in writing, of such desire to the other party not more than one hundred and twenty (120) days and not less than sixty (60) days prior to the termination date of this Agreement.

ARTICLE 20 ADVANCEMENT FUND OF THE UNION

20.01 Following ratification and effective the first (1) of the Company's four (4) week accounting period the Company will contribute four cents (\$0.04) per straight time hour worked by employees to the "Advancement Fund of the Union."

Signed this _____ Day of _____, 2010, in the City of Calgary, Alberta,

CANADA SAFEWAY LIMITED
Calgary Distribution Centre
Calgary, Alberta

MISCELLANEOUS EMPLOYEES
Teamsters Union, Local 987
with Head Office in the City of
Calgary, Alberta

APPENDIX "A"

Schedule and Classification

Classification	Current	DOR	27-Mar 2011	25-Mar 2012
Order Picker	22.07	22.57	23.07	23.57
Semi-Trailer Driver	22.25	22.75	23.25	23.75
Checker	22.22	22.72	23.22	23.72
Invoice Clerk	22.07	22.57	23.07	23.57
Freezer Person	22.13	22.63	23.13	23.63
Dispatcher	22.84	23.34	23.84	24.34
Shipper	22.29	22.79	23.29	23.79
Fork Lift Operator	22.16	22.66	23.16	23.66
Loader	22.16	22.66	23.16	23.66
Cooler Person	22.29	22.79	23.29	23.79
Cheese Room Person	22.29	22.79	23.29	23.79
Shipper/Receiver Freezer	22.29	22.79	23.29	23.79
Warehouse Person/ Janitor/Pallet Sorter	21.56	22.06	22.56	23.06
Truck Driver (body job)	22.13	22.63	23.13	23.63
Tire and Service Person	22.29	22.79	23.29	23.79
Wash Rack Person	22.07	22.57	23.07	23.57
Maintenance	24.70	25.20	25.70	26.20
Dock Person	22.07	22.57	23.07	23.57
Mechanic without certificate	26.20	26.70	27.20	27.70
Mechanic with certificate	27.20	27.70	28.20	28.70
Refrigeration/Heavy Duty Mechanic with certificate	28.20	28.70	29.20	29.70

Part-time Employees Promoted to Full-time (except Office Clerks, Order Desk Clerks, Truck Shop (Part time))

Part-time employees promoted to full-time status shall proceed to the top rate on the part-time scale and then commence with the following wage adjustments as outlined below:

- after 1040 hours of work as a full-time employee, fifty (50¢) cents per hour.

- after an additional 1040 hours of work as a full-time employee, an additional fifty (50¢) cents per hour.
- after an additional 1040 hours of work as a full-time employee, an additional fifty (50¢) cents per hour.
- after an additional 1040 hours of work as a full-time employee, an additional fifty (50¢) cents per hour.

Part-Time Scale – employees hired after May 13, 2004

Classification	Current	DOR	27-Mar 2011	25-Mar 2012
Order Picker, Dock Person, Invoice Clerk				
0-1000		14.00	14.00	14.00
1001 - 2000		15.10	15.10	15.10
2001 - 3000		16.19	16.19	16.19
3001- 4000		17.29	17.29	17.29
4001- 5000		18.38	18.38	18.38
5001- 6000		19.48	19.48	19.48
>6000	20.07	20.57	21.07	21.57
Semi-Trailer Driver				
0-1000		18.00	18.00	18.00
1001 - 2000		18.46	18.46	18.46
2001 - 3000		18.92	18.92	18.92
3001- 4000		19.38	19.38	19.38
4001- 5000		19.83	19.83	19.83
5001- 6000		20.29	20.29	20.29
>6000	20.25	20.75	21.25	21.75
Checker				
0-1000		14.00	14.00	14.00
1001 - 2000		15.12	15.45	15.45
2001 - 3000		16.24	16.91	16.91
3001- 4000		17.36	18.36	18.36
4001- 5000		18.48	19.81	19.81
5001- 6000		19.60	21.27	21.27
>6000	20.22	20.72	21.22	21.72

**Freezer Person, Truck Driver
(Body Job)**

	Current	DOR	27-Mar-11	25-Mar-12
0-1000		14.00	14.00	14.00
1001 - 2000		15.11	15.11	15.11
2001 - 3000		16.21	16.21	16.21
3001- 4000		17.32	17.32	17.32
4001- 5000		18.42	18.42	18.42
5001- 6000		19.53	19.53	19.53
>6000	20.13	20.63	21.13	21.63

	Current	DOR	27-Mar-11	25-Mar-12
Dispatcher				
0-1000		18.00	18.00	18.00
1001 - 2000		18.56	18.56	18.56
2001 - 3000		19.11	19.11	19.11
3001- 4000		19.67	19.67	19.67
4001- 5000		20.23	20.23	20.23
5001- 6000		20.78	20.78	20.78
>6000	20.84	21.34	21.84	22.34

**Shipper, Cooler Person,
Cheese Room Person,
Shipper/Receiver Freezer, Tire
and Service Person**

	Current	DOR	27-Mar-11	25-Mar-12
0-1000		14.00	14.00	14.00
1001 - 2000		15.13	15.13	15.13
2001 - 3000		16.26	16.26	16.26
3001- 4000		17.40	17.40	17.40
4001- 5000		18.53	18.53	18.53
5001- 6000		19.66	19.66	19.66
>6000	20.29	20.79	21.29	21.79

	Current	DOR	27-Mar-11	25-Mar-12
Fork lift Operator, Loader				
0-1000		14.00	14.00	14.00
1001 - 2000		15.11	15.11	15.11
2001 - 3000		16.22	16.22	16.22
3001- 4000		17.33	17.33	17.33
4001- 5000		18.44	18.44	18.44
5001- 6000		19.55	19.55	19.55
>6000	20.16	20.66	21.16	21.66

**Warehouse Person, Janitor,
Pallet Sorter**

	Current	DOR	27-Mar-11	25-Mar-12
0-1000		14.00	14.00	14.00
1001 - 2000		15.01	15.01	15.01
2001 - 3000		16.02	16.02	16.02
3001- 4000		17.03	17.03	17.03
4001- 5000		18.04	18.04	18.04
5001- 6000		19.05	19.05	19.05
>6000	19.56	20.06	20.56	21.06

Wash Rack Person

	Current	DOR	27-Mar-11	25-Mar-12
0-1000		18.00	18.00	18.00
1001 - 2000		18.43	18.43	18.43
2001 - 3000		18.86	18.86	18.86
3001- 4000		19.29	19.29	19.29
4001- 5000		19.71	19.71	19.71
5001- 6000		20.14	20.14	20.14
>6000	20.07	20.57	21.07	21.57

Maintenance

	Current	DOR	27-Mar-11	25-Mar-12
0-1000		14.00	14.00	14.00
1001 - 2000		15.53	15.53	15.53
2001 - 3000		17.07	17.07	17.07
3001- 4000		18.60	18.60	18.60
4001- 5000		20.13	20.13	20.13
5001- 6000		21.67	21.67	21.67
>6000	22.70	23.20	23.70	24.20

Mechanic wo/ certificate

	Current	DOR	27-Mar-11	25-Mar-12
0-1000		18.00	18.00	18.00
1001 - 2000		19.12	19.12	19.12
2001 - 3000		20.23	20.23	20.23
3001- 4000		21.35	21.35	21.35
4001- 5000		22.47	22.47	22.47
5001- 6000		23.58	23.58	23.58
>6000	24.20	24.70	25.20	25.70

Mechanic with certificate	Current	DOR	27-Mar-11	25-Mar-12
Apprent. Rates				
60%	16.32	16.62	16.92	17.22
70%	19.04	19.39	19.74	20.09
80%	21.76	22.16	22.56	22.96

Refrigeration / Heavy Duty Mechanic with certificate	Current	DOR	27-Mar-11	25-Mar-12
Apprent. Rates				
60%	16.92	17.22	17.52	17.82
70%	19.74	20.09	20.44	20.79
80%	22.56	22.96	23.36	23.76

Office Clerk	Current	DOR	27-Mar-11	25-Mar-12
0-1000		14.00	14.00	14.00
1001 - 2000		14.58	14.58	14.58
2001 - 3000		15.15	15.15	15.15
3001- 4000		15.73	15.73	15.73
4001- 5000		16.30	16.30	16.30
5001- 6000		16.88	16.88	16.88
>6000	16.95	17.45	17.95	18.45

Order Desk Clerk	Current	DOR	27-Mar-11	25-Mar-12
0-1000		14.00	14.00	14.00
1001 - 2000		14.74	14.74	14.74
2001 - 3000		15.48	15.48	15.48
3001- 4000		16.23	16.23	16.23
4001- 5000		16.97	16.97	16.97
5001- 6000		17.71	17.71	17.71
>6000	17.95	18.45	18.95	19.45

Truck Shop Part-Time	Current	DOR	27-Mar-11	25-Mar-12
0-1000		14.00	14.00	14.00
1001 - 2000		14.41	14.41	14.41
2001 - 3000		14.82	14.82	14.82
3001- 4000		15.23	15.23	15.23
4001- 5000		15.63	15.63	15.63
5001- 6000		16.04	16.04	16.04
>6000	15.95	16.45	16.95	17.45

Wage increases:

Effective DOR – 50¢ to top rates only

Effective March 27, 2011 – 50¢ to top rates only

Effective March 25, 2012 – 50¢ to top rates only

Retroactive Lump Sum Payment

The Company agrees to pay a lump sum payment to all employees on the payroll of the Company on the date of ratification calculated as follows:

1. Employees will receive fifty (50¢) cents per hour all hours paid for the period of time from the expiry of the old Agreement until the Saturday prior to the implementation of the new wage scales.
2. The words “on the payroll of the Company” shall include all employees who are currently on vacation, authorized leave of absence, sick leave, injury leave, Short Term Disability, Long Term Disability, Workers’ Compensation, maternity leave or parental leave.

LETTER OF UNDERSTANDING #1

BETWEEN: Canada Safeway Limited
 Calgary Distribution Centre

and

The Miscellaneous Employees Teamsters Union,
Local 987 of Alberta

JOINT LABOUR MANAGEMENT COMMITTEE

The following letter of understanding will be in effect of the term of the Collective Agreement from date of ratification to March 27, 2010.

The Company agrees to recognize a Union Committee of up to four (4) shop stewards. A maximum of one steward per department will attend the Committee meetings unless the parties mutually agree to exceed the one-person maximum at least three (3) days in advance of the meeting. Members who happen to be on duty shall be paid straight time for that part of their regularly scheduled working hours devoted to attendance at such meetings when held on Company property. It is understood that a representative of the Teamsters Union Local 987 may be in attendance at such meetings. Both parties will supply the other with their agenda three (3) days prior to the meeting.

LETTER OF UNDERSTANDING #2

BETWEEN: Canada Safeway Limited
Calgary Distribution Centre

and

The Miscellaneous Employees Teamsters Union,
Local 987 of Alberta

OFFICE CLERKS

The following letter of understanding will be in effect of the term of the Collective Agreement from date of ratification to March 27, 2010.

The Company agrees to minimize the disruption to full-time Office Clerks, when operationally possible, when scheduling vacation relief.

LETTER OF UNDERSTANDING #3

BETWEEN: Canada Safeway Limited
Calgary Distribution Centre

and

The Miscellaneous Employees Teamsters Union,
Local 987 of Alberta

STANDARDS

The following letter of understanding will be in effect of the term of the Collective Agreement from date of ratification to March 27, 2010.

The Company agrees to evaluate all concerns raised by the Union regarding potential errors in the standards and respond to these concerns. If the Union and the Company agree that the concerns raised require changes to the standards, the Company will make the appropriate changes.

LETTER OF UNDERSTANDING #4

BETWEEN: Canada Safeway Limited
 Calgary Distribution Centre

 and

 The Miscellaneous Employees Teamsters Union,
 Local 987 of Alberta

TRUCKING

The following letter of understanding will be in effect of the term of the Collective Agreement from date of ratification to March **30, 2013**.

The Company may secure additional volume for the Calgary Distribution Centre to assemble goods during the Collective Agreement. As a result of the cost of hauling goods from the Calgary Distribution Centre to a:

- i) Safeway store in a city or town that does not have a Safeway store as of September 1, 1999, or,
- ii) City or town that does have a Safeway store but is not serviced as of September 1, 1999, from the Calgary Distribution Centre,

it is agreed the hauling of such goods may be done by other than Company Drivers and as such, the Letter of Intent titled, "Company Drivers", will have no force or effect for new business.

The Company agrees that existing drivers or their current designations will not be affected as a direct result of either the above sub (i) or sub (ii).

The Company agrees to meet and inform the Union thirty (30) days prior to assigning work to other parties.

LETTER OF UNDERSTANDING #5

BETWEEN: Canada Safeway Limited
Calgary Distribution Centre

and

The Miscellaneous Employees Teamsters Union,
Local 987 of Alberta

RELIEF SUPERVISORS

The following letter of understanding will be in effect of the term of the Collective Agreement from date of ratification to March 27, 2010.

Bargaining Unit Employees may be asked to provide relief for Supervisors who are on vacation, medical leaves or other absences. Employees providing relief for Supervisors shall do so without loss of seniority.

Relief Supervisors will direct the work force but shall not hire, fire or discipline employees, except that they may send employees home for just cause when there is not a member of management available in the facility. Discipline shall be referred to permanent management. For all other purposes of interpreting the Collective Agreement, the employee providing the relief shall be considered a Supervisor.

The name of the person relieving will be posted by the time clock. The Company agrees to give the shop steward an estimate of the length of time the employee is expected to be relieving if that period of time is likely to extend beyond three (3) weeks.

LETTER OF UNDERSTANDING #6

BETWEEN: Canada Safeway Limited
Calgary Distribution Centre

and

The Miscellaneous Employees Teamsters Union,
Local 987 of Alberta

SAFETY SHOES

The following letter of understanding will be in effect of the term of the Collective Agreement from date of ratification to March 27, 2010.

All employees must wear approved Safety Steel Toe work boots. The Company will pay an allowance towards the cost of a "Green Tab" work boot. To be eligible for the allowance, the employee must:

1. Have worked for a minimum of twelve (12) months prior to Period four (4) of the Company's four (4) week period calendar (April).
2. Not have received an allowance towards the purchase of safety boots in the last twenty-four (24) months, unless otherwise at the sole discretion of Management (due to particular circumstances).
3. An employee who is eligible for an allowance, shall receive eighty (\$80.00) dollars if he/she has averaged over twenty-four (24) hours paid in the previous fifty-two (52) week calendar year, or forty (\$40.00) dollars if he/she has averaged more than four (4) hours but less than twenty-five (25) hours paid in the previous fifty-two (52) week calendar year.

The allowance paid is subject to normal deductions.

The first payment for current employees shall be within 4 weeks after ratification with the implementation of the Company's requirement for all Employees to wear safety footwear while at work.

LETTERS OF UNDERSTANDING

SIGNATURE PAGE

- #1 JOINT LABOUR MANAGEMENT COMMITTEE
- #2 OFFICE CLERKS
- #3 STANDARDS
- #4 TRUCKING
- #5 RELIEF SUPERVISORS
- #6 SAFETY SHOES

Signed this _____ Day of _____, 2010, in the City of
Calgary, Alberta,

CANADA SAFEWAY LIMITED

Calgary Distribution Centre
Calgary, Alberta

MISCELLANEOUS EMPLOYEES

Teamsters Union, Local 987
with Head Office in the City of
Calgary, Alberta

LETTER OF INTENT #1

BETWEEN: Canada Safeway Limited,
Calgary Distribution Centre

and

The Miscellaneous Employees Teamsters Union,
Local 987 of Alberta

COMPANY DRIVERS

1. Existing runs as well as newly established runs originating from the Calgary Distribution Centre to Safeway owned stores will be hauled by Company drivers and equipment.
2. Over-the-Road - no lease or owner-operated trucks shall be hired to displace or prevent the hiring of Company employees to haul any goods out of the Canada Safeway Limited, Calgary Distribution Centre, terminals or Distribution Centres covered by this Contract. All goods transported shall be done by Company owned trucks with Company drivers unless there is an immediate emergency.
3. If the Company should lose any hauls which are presently being done by the Company drivers, those hauls will not be dispatched through the Calgary branch. No leased or owner-operated equipment will be dispatched through the Calgary branch there is an immediate emergency.
4. The foregoing shall not include City and/or Country independent deliveries.
5. **The foregoing shall not apply to the hauling of milk crates or extra loads that are less than a full trailer (LTL freight).**

Signed this _____ Day of _____, 2010, in the City of Calgary, Alberta,

For the Company:

For the Union:

LETTER OF INTENT #2

BETWEEN: Canada Safeway Limited,
Calgary Distribution Centre

and

The Miscellaneous Employees Teamsters Union,
Local 987 of Alberta

CONSECUTIVE DAYS OFF

It is the Company's intention to continue with its present practice of scheduling consecutive days off attached to a weekend where operationally possible.

Signed this _____ Day of _____, 2010, in the City of
Calgary, Alberta,

For the Company:

For the Union:

