

COLLECTIVE AGREEMENT

BETWEEN:

JOHNSTON PACKERS LTD.

AND:

UNITED FOOD & COMMERCIAL WORKERS, LOCAL 1518

DURATION: January 1, 2003 – December 31, 2005

RATIFIED FEBRUARY 15, 2003

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Article 1 – Preamble

The purpose of this agreement is to set out the terms and conditions of employment including hours of work, rate of pay, benefits, and an amicable method of settling disputes, which may arise from time.

The Employer and the Union recognize that a relationship of goodwill, respect, co-operation, and dignity is essential between the Employer, the Employees and the Union.

Article 2 - Management Rights

- 2.1 The Employer shall have the exclusive right to manage the operation and services subject to the provisions of this Agreement, including without limiting the generality of the foregoing, its right to determine:
- (a) Employment;
 - (b) Complement;
 - (c) Work methods and procedures;
 - (d) Kinds and locations of equipment;
 - (e) Facilities and buildings;
 - (f) Hours of work, scheduling, assignment, training, classification, and evaluation of employees
 - (g) Organization
 - (h) Promotion, demotion, layoff and discharge or discipline of employees for just cause;
- 2.2 Management shall exercise its rights in a manner that is fair and consistent with the terms of the Agreement.
- 2.3 The employer has the right to make and alter, rules and procedures to be observed by the employees.
- 2.4 Management personnel may perform bargaining unit work as currently in effect. This right shall not be used to erode available hours for bargaining unit employees.

Article 3 - Union Recognition and Representation

- 3.1 The Employer recognizes the United Food And Commercial Workers International Union Local 1518 as the exclusive bargaining agent for all bargaining unit employees as described in Labour Relations Board Certificate dated December 2nd, 1999 consisting of employees at 5828 Promontory Road, Chilliwack, BC except office and sales staff.
- 3.2 The Union Business Agent will be entitled to visit the plant to discuss, working conditions, labour issues and resolve conflict that arises out of any disagreement between the employees and management.
- 3.3 The Union Business Agent, prior to entering and before visiting the plant, shall contact the management representative and seek permission to visit the plant.

- 3.4 Upon arrival to the plant, the Union Business Agent, shall notify the Management representative of his presence and the Management Representative shall accompany the Union Business Agent to his desired location.
- 3.5 The Union Business Agent shall meet with bargaining unit employees in designated areas only during the employees non-working time.
- 3.6 When in the plant, the Union Business Agent will observe and follow all plant safety rules, policies and procedures.
- 3.7 Under no circumstances will the Union Business Agent interrupt, disrupt or stop any employee while engaged in the performance of their duties. If the Union Business Agent wishes to speak to any employee he/she shall first obtain permission from their supervisor or manager who shall not unreasonably deny this request.

Article 4 – Union Membership

- 4.1 The Company shall make it a condition of employment for all newly hired employees, covered by this agreement, to fill out a union membership form within ten (10) days of commencement of employment.
- 4.2 Bargaining unit employees, as a condition of employment, must remain members of the union for the duration of their employment or until they obtain positions within the Company, outside the bargaining unit.

Article 5 - Seniority

- 5.1 Seniority shall be defined as the length of time of an employee's service within the bargaining unit, calculated as the elapsed time from the day he was first employed, unless his seniority is broken.
- 5.2 New employees shall be on probation and shall not acquire any seniority rights until they have **completed three (3) months of employment. In the event that an employee is absent for ten (10) or more working days during these first three (3) months, the company may extend the probationary period by a further two (2) month period. The Union and the affected employee will be advised of any such extension, in writing, prior to the expiry of the initial three (3) month period.**
- 5.3 During the probationary period, an employee may be dismissed if found to be unsuitable, and such employee may be discharged at any time during probation period without notice. The suitability of a probationary employee shall be determined by the Company, however, the Company shall not act in a manner which is arbitrary, discriminatory or in bad faith.
- 5.4 Upon satisfactory completion of the probationary period. The employee's seniority shall be calculated from the original day of employment.

- 5.5 Seniority lists shall be revised and brought up-to-date every six (6) months and the Company shall supply sufficient copies to the Chief Steward. The Chief Steward may, from time to time, request an updated seniority list within the stipulated 6 month period and that request will not be unreasonably denied.
- 5.6 Seniority is the ranking of employees in accordance with their most recent date of hire and is applied across the bargaining unit.
- 5.7 No employee shall be disciplined or discharged without just cause.
- 5.8 Notwithstanding Clause 5.7, seniority rights shall cease and an employee shall be deemed terminated if he/she:
- (a) voluntarily terminates his/her employment;
 - (b) is discharged and such discharge is not reversed through the Grievance Procedure;
 - (c) is laid off for a continuous period of more than twelve (12) consecutive months;
 - (d) is absent due to a non-work related sickness or injury for a continuous period of more than sixteen (16) months, or job related injury or illness for a continuous period of twenty-four (24) months;
 - (e) is absent without leave for three (3) consecutive days without satisfactory reason;

Article 6 - Grievance Procedure

- 6.01 (a) Shop Stewards, the number to be decided by the Union, shall be elected by the Union in a manner determined by them and the Company shall be kept informed of the personnel of the Shop Steward.
- (b) **Grievances shall be taken up during working hours at a mutually agreeable time. Any grievance must be filed in writing within twenty (20) days of the Union or grievor first becoming aware of the circumstances giving rise to the grievance.**
- (c) If a Steward or Chief Steward has to leave their job or department in connection with a grievance they shall first secure permission from the supervisor before leaving the job or department. **Such permission shall not be unreasonably denied.**
- (d) It is agreed that the purpose of the grievance procedure will be to settle all grievances promptly, and that consultation at any step on the following procedure will take place **respectfully and speedily so that friction or animosity will be reduced to a minimum. Any grievance not filed within the time limit set out in 6.1(b) above will be deemed to be abandoned, unless both parties mutually agree to extend the time limits, in writing.**
- (e) the Company recognizes the right of the Union to process any grievance that is brought to their attention as outlined under the provisions of (d) above.
- 6.02 (a) The following procedure shall be applicable progressively to the resolution of disputes or grievances:

First Step:

Any grievance will first be discussed verbally between the Union Steward or Chief Steward, with or without the employee, and the Human Resources Manager. A verbal decision must be rendered within four (4) working days, unless mutually agreed otherwise between the Company and the Shop Steward. Failing settlement at this step, the matter shall then proceed to the Second Step.

Second Step:

The Chief Shop Steward or Union Steward shall file a written grievance with the Human Resources Manager. A meeting will be called. An outside representative of the Union will attend the meeting. A written decision will be rendered within four (4) working days unless mutually agreed otherwise between the Company and the Union. All grievances and decisions at this stage are to be in writing. Should either party intend to proceed to arbitration they must advise the other party in writing within twenty (20) working days from the date the decision was rendered under Step 2 of the grievance procedure. Both parties will then proceed as outlined in Article 7 – Arbitration.

- (b) In areas where there is no Steward, the grievance shall be taken up as outlined in this Article by the Chief Shop Steward, or designated representative.
 - (c) Saturdays, Sundays and Statutory Holidays shall not be considered as “working days” wherever this phrase occurs in this agreement.
 - (d) Notwithstanding the provisions of Article 6.02 (a) above, the aggrieved employee shall be present, if required by either party.
- 6.03 When a grievance which involves an error in the proper earnings or an employee is subsequently settled and as a result of such settlement the wage of an employee are adjusted, such adjustment shall be made retroactive to the date on which the error in the earnings was made. If the date cannot be established, then the increase shall be effective the date the grievance was laid or such other date as may be agreed upon.
- 6.04 (a) When the Company deems it necessary to discipline an employee they shall have the Union Steward present. The Union Steward shall be the one who is chosen by the employee and is present in the plant. If the employee or employees concerned feel they have been unjustly dealt with, they shall grieve within three (3) working days. In the case of dismissal, the procedure shall be as in Article 6.04(b).
- (b) If an employee is dismissed for any reason whatsoever and feels they have been unjustly dealt with, they shall within three (3) working days from receipt of notice of dismissal, notify the Chief Steward who shall be the (4th) working day notify the Company in writing. The dismissal shall then constitute a grievance and shall be dealt according to the Grievance Procedure beginning with the “Second Step”. If subsequently, it is decided that the employee was unjustly dismissed, he/she shall be reinstated in his/her former position and shall be paid for this period during which he/she has not worked as if he/she had not been dismissed, or granted such lesser compensation as seems fair under the circumstances.

6.05 The Company must give the Chief Shop Steward or his designee a copy of the letter of suspension or discharge of any employee within twenty-four (24) hours such action is taken. The time limits as set out in 6.04(b) shall not commence until such notice is given.

6.06 When settlement is reached at any stage of these proceedings, between the Company and the Union such decision shall be final and binding.

Article 7 - Arbitration

7.1 Upon receipt of written notice, from either party, that it wishes to have a grievance proceed to arbitration, the following procedure shall apply:

(a) The parties shall exchange names of arbitrators within ten working (10) days of the date of reply in Step 3 of the Grievance Resolution; and

(b) If the parties are unable to agree upon a choice of a sole arbitrator, the parties will request the Minister of Labour to appoint a sole arbitrator.

7.2 Each party shall pay one-half of the fees and expenses of the sole arbitrator.

7.3 The arbitrator shall not have the power to alter, amend, modify, change, or make any decision inconsistent with the provisions of this Agreement.

Article 8 - Hours of Work And Overtime

8.1 It is understood and agreed that the provisions of this Article are intended only to provide a basis for calculating time worked and shall not be considered a guarantee as to the hours of work per day, number of days per week, nor as a guarantee of work schedules.

8.2 For the purpose of calculating if overtime is payable, the Company shall set an hours of work schedule. The schedule of hours may vary from department to department and within a department, but shall not exceed more than 40 regular hours for any one payroll week and, subject to Article 8.7, shall not exceed more than eight (8) regular hours per day, Monday to Friday.

8.3 (a) Where overtime is necessary, the Company shall first schedule those employees who regularly perform the duties requiring overtime.

(b) When the Company has Saturday driving shifts available, those shifts will be offered to drivers in order of seniority.

8.4 When the Company anticipates that more than one hour of overtime is required in the plant, after regular quitting time, a paid rest period of 15 minutes shall be granted before the overtime work.

- 8.5 For employees not on a flexible work schedule, all time worked in excess of eight (8) hours per day or forty (40) hours per week shall be paid at a rate of one and one half (1 ½) times the employees regular rate of pay.
- 8.6 For employees not on a flexible work schedule, all time worked in excess of forty-eight (48) hours per week or eleven (11) hours per day shall be paid at two (2) times the employees regular rate of pay.
- 8.7 The Company may schedule employees on flexible work schedules of ten (10) hours per day, four (4) days per week. Such employees will receive overtime in accordance with the *Employment Standards Act*.
- 8.8 An employee's overtime rate will be calculated based the applicable base rate. There will be no compounding of any premiums.
- 8.9 Any employee who reports for work as required and who by reason of some breakdown in the plant is dismissed for the day, shall **payment for the number of hours worked, or four (4) hours' pay, whichever is the greater.**
- 8.10 An employee reporting to work late on his/her regularly scheduled shift shall not be entitled to overtime rates of pay until completion of eight (8) hours. An employee reporting to work late on his/her regularly scheduled shift shall be obligated to complete his/her eight (8) hour shift if required by the Company.
- 8.11 Every employee shall be entitled to a fifteen (15) minute paid rest period which the Company will endeavour to commence between one and one-half and two and **one-half** hours after the commencement of both of their half shifts.
- 8.12 An hourly rated employee who, after leaving the Company's premises, is called in at any time outside their normal working hours, shall be through when the job is over but shall nevertheless be paid two (2) hours at the regular rate or four (4) hours they actually worked at the applicable overtime rate, whichever is the greater.
- 8.13 All employees shall be entitled to eight (8) hours of rest between shifts.

Article 9 - Job Posting

- 9.01 (a) In the Bargaining Unit, the filling of permanent vacancies shall be based on seniority, merit and ability. Ability and merit being about equal, seniority shall prevail. A reasonable trial shall not be less than twenty (20) working days, however, if mutually agreed this period may be extended a maximum of ten (10) working days. Employees shall receive the applicable job rates provided for in the Wage Rate Schedule for the job or jobs they have been posted or appointed to when they become qualified. Permanent vacancies shall be posted within five(5) working days from the time they became vacant. If it is obvious that person cannot qualify or is causing loss or damage to product or equipment, they may be removed at any time and returned to their prior position.

- (b) The word “qualified” as used in this Agreement shall be interpreted to mean: regularly perform the job without instruction or assistance.
- (c) Vacancies within the Bargaining Unit shall be posted for five (5) working days to give employees with seniority ample time to apply. In the case that no application is received for any posting, the vacancy shall be filled by appointment, and the appointee automatically given posted status. Posted employees are not subject to being appointed to full-time positions unless they voluntarily relinquish their posted position. Transfer to jobs will be made within ten (10) working days from the date the posting was awarded. Vacancies being posted as a result of the provisions of this clause, shall also include the specific shift and such shift shall subsequently form a part of the posting. Furthermore, the posting shall clearly identify the opening and closing dates for applications, the title of the vacant positions, applicable rate of pay for such vacant position. When a posted employee is laid off, they shall return to their prior posting upon recall, provided that the period of layoff does not exceed three (3) months. Temporary vacancies such as sickness, compensation and holidays etc. need not be posted.
- (d) Only the original vacancy and the two (2) successive vacancies thus produced will be posted, the subsequent vacancy being filled by appointment, with the appointee automatically given posted status. In any case there shall not be more than one (1) posting per three (3) consecutive months per employee. This three (3) month period shall commence from the date that the applicant or appointee was awarded the posting. An appointment to a job, shall not constitute one of the postings that employees are entitled to secure per each three (3) month period.

Article 10 - Layoff and Recall

- 10.1 When the Employer deems it necessary to reduce the work force, the employer shall inform the Union of the need for layoffs. When a reduction in the workforce is required, the order of layoff shall be determined by seniority, provided the remaining employee(s) have the skill, ability and qualifications to perform the remaining work.
- 10.2 The Employer shall give at least two (2) weeks notice of layoff, or pay in lieu of, to all employees who have attained seniority status. Similarly, employees wishing to terminate their employment shall give two (2) weeks notice to allow the Employer to hire an adequate replacement.
- 10.3 Employees will be laid-off in the reverse order of seniority and recalled in order of their seniority, **subject to their having the skill, ability and qualifications to perform the work required.**
- 10.4 Any employee laid off and recalled for work must return within five (5) workdays after being recalled, or provide reasons satisfactory to the company.

Article 11 – Deductions

- 11.1 The Employer is authorized and shall deduct, monthly Union dues and applicable initiation fees from each employees pay, in the amount stipulated by the Union. Deductions shall be made effective the first of the month, following date of hire from all employees.

- 11.2 Monies deducted during any month shall be forwarded by the Company to the Union on or about the fifteenth (15) day of the month following for which dues are deducted and accompanied by a written statement of the names for whom the deductions were made and the amount of each deduction, along with a list of names of the employees for whom no deduction was made and the reasons therefore.

Article 12 - Vacations

- 12.1 Employees will earn annual vacation entitlement, with pay calculated as a percentage of their gross earnings as follows:
- (a) after one (1) year of service – ten (10) working days’ vacation, with pay at four percent (4%) of gross earnings.**
 - (b) after five (5) years of service – fifteen (15) working days’ vacation, with pay at six percent (6%) of gross earnings.**
 - (c) after ten (10) years of service – twenty (20) working days’ vacation, with pay at eight percent (8%) of gross earnings.**
- 12.2 Vacation pay shall be paid out in the following manner:
- (a) by separate cheque on the pay day immediately prior to an employee’s scheduled vacation, unless it is mutually agreed to pay it out earlier for the purpose of paying vacation related costs.**
 - (b) on termination of employment;
- 12.3 The Employer shall post blank vacation schedules by January 1 of each year. Employees shall enter first preferences by February 1, with the requested vacation to be confirmed by the Employer no later than March 1 in each year. The Employer will endeavour to grant vacations at the time requested in the vacation period, considering business requirements. If a choice must be made between two or more requests for vacation at the same time, seniority shall apply.
- 12.4 Statutory holiday pay will be issued as per the Statutory Holiday Article during the pay period the holiday occurs. In the event a public holiday falls during an employee’s annual vacation, **the employee will receive a day off either immediately before or after the vacation period, unless mutually agreed otherwise.**
- 12.5 There shall be no carry over of vacation from one calendar year to the next.

Article 13 - Statutory Holidays

- 13.1 The following days shall be considered statutory holidays:
- | | |
|----------------------|-------------------|
| New Year's Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Remembrance Day |
| Canada Day | Christmas Day |
| British Columbia Day | Boxing Day |
- 13.2 In order to be entitled to receive a day off with pay on a statutory holiday, the employee:
- (a) must have been employed for at least thirty (30) calendar days prior to the statutory holiday;
 - (b) must have earned wages or performed work on at least fifteen (15) of the thirty (30) calendar days immediately preceding the statutory holiday;
 - (c) must have worked his full scheduled hours of work on **his workday** immediately preceding and immediately following the holiday unless excused by the Company, or the employee was absent due to:
 - i. regularly scheduled vacation;
 - ii. an employee's regularly scheduled day off;
 - iii. absence due to bona fide sickness or accident supported by a doctor's note, or a leave of absence;
- 13.3 Statutory holiday pay shall be computed on the basis of the number of hours the employee would otherwise have worked had there been no holiday, at the employees regular straight time hourly rate of pay. Regular straight time hourly rate of pay shall be determined by taking the weekly pay in the four (4) week period prior to the week of the holiday and dividing by the number of days worked in order to get an employees average days pay.
- 13.4 In the event that a statutory or a holiday falls on either a Saturday **or** a Sunday, the Company shall designate either the Friday before or the Monday after the holiday as the designated day off, and provide the employees with two (2) weeks' notice of the designated day.
- 13.5 Where an employee is required to perform work on one of the above-mentioned statutory holidays, he shall be paid time and one half (1 ½) his regular straight time hourly rate for all hours worked up to eleven (11) hours and double (2) times his regular straight time hourly rate for all hours worked in excess of eleven (11). In addition, the employee shall receive his statutory holiday pay if he qualifies for such pay.
- 13.6 Where a statutory holiday falls during an absence unpaid by the Company, including lay-off, the employee will not receive holiday pay.
- 13.7 When a statutory holiday falls while an employee is absent from work but is receiving other monies including, but not limited to, workers' compensation, disability pay or bereavement pay, he shall not receive statutory holiday pay.

Article 14 - Leaves of Absence

- 14.1 Employees may make written application for leaves of absence without pay. The Employer, **in its discretion**, will grant reasonable requests **after considering** length of service, **any compassionate grounds** and operational requirements. **Leaves of absence shall not exceed** three months.
- 14.2 All leaves of absence provided for in this Agreement are leaves without pay, unless it is specifically provided in the appropriate article that the particular leave of absence is to be granted with pay.

Article 15 - Bereavement Leave

- 15.1 If there should be a death in the employee's immediate family, the employee shall be entitled to bereavement leave of three working days with pay. An employee may, upon written request to the employer, extend their bereavement leave without pay.
- 15.2 Immediate family shall include the spouse, father, mother, son, daughter, brother, sister, grandfather, grandmother, grandfather-in-law, grandmother-in-law, grandson, granddaughter, mother-in-law, father-in-law, brother-in-law, sister-in-law, stepmother and stepfather of the employee.
- 15.3 The company may require the employee to furnish proof of death prior to paying for bereavement leave.

Article 16 - Jury Duty

- 16.1 It is agreed that the Employer shall grant leave to an employee participating in the process of jury selection or jury duty or while serving as a subpoenaed witness in a court of law.
- 16.2 Employees should notify Human Resources as soon as possible after receipt of notice of selection for jury duty or after receipt of the subpoena to appear as a witness. The Company may require the employee to furnish a certificate of service from an office of the Court.
- 16.3 Any jury fee, witness fee or subpoena payment may be deducted by the Company from the amount paid under Article 16.1.

Article 17 - Safety and Health Committee

- 17.1 The Employer and the Union shall agree to promote a safe and healthy work environment for all employees. The Company shall make reasonable provisions for the safety and health of employees of the plant during the hours of their employment. Protective devices and other equipment necessary to properly protect the employees from injury shall be provided by the Company.
- 17.2 The Safety Committee shall be structured and shall operate in the following manner:

- (a) The Employer and the Union shall each appoint two (2) representatives to a Safety Committee. An alternate will be chosen, who will serve in the absence of either of the two (2) regular representatives.
 - (b) The Committee shall have one chairman and one secretary. In the event that the chairman is a representative of the Employer, the secretary shall be a representative of the Union or vice-versa.
 - (c) The Safety Committee shall meet at least once every month or as required. The chairman and/or secretary are empowered to call extra meetings at any time. Meetings are to be held during regular working hours and members paid at regular hourly rates.
 - (d) Minutes shall be kept by one mutually agreed to secretary who may be a member of the committee.
- 17.3 The Company shall reimburse the First Aid Attendant for all costs incurred in the maintenance and successful course completion of first aid tickets required and the performance of their duties. Such reimbursement shall be paid no later than two (2) weeks after receipt of proof of incurred costs.
- 17.4 An employee injured while working in the plant shall suffer no loss of earnings for the balance of hours in the scheduled shift in which the accident occurs if, as a result of such injury, he/she is sent home or to the hospital or for medical attention on instructions from the first aid department, but if such is not possible, then by a Company representative. In the event that no Company representative is present to report to, the Company will provide a telephone number to the employees where a report of their accident may be received. Costs incurred as a result of transportation to and from the practitioner and/or hospital shall be borne by the Company.

Article 18 - General

- 18.1 The Company shall allow the Union to install a bulletin board for the exclusive use of the Union. The bulletin board shall be located in an appropriate place in the employees' lunch room and the Union shall have the right to post notices relating to matters of interest to its members.
- 18.2 The Company shall reimburse truck drivers for costs incurred in the maintenance of required licenses, where such employees are actively employed in a classification requiring such licenses. This clause does not cover any fines or penalties an employee may be required to pay in order to maintain a license, excluding fines for being overweight in a Company vehicle.
- 18.3 The Company agrees to continue to supply equipment which is currently supplied (such as steel mesh gloves, rubber gloves, knives, etc.), provided that such equipment remains necessary to perform the work. Employees shall be responsible for any such equipment they may lose or negligently damage.
- 18.4 It shall be the policy of the Company and the Union not to discriminate because of race, sex, creed, colour, age, religion, national origin, ancestry, or Union activities. Furthermore, the Company and the Union recognize the right of employees to work in an environment free from sexual harassment and agree that sexual harassment will not be tolerated in the work place.

- 18.5 The Company will continue to provide a water cooler in the lunchroom.
- 18.6 (a) The Company will re-implement the incentive bonus as it previously existed. Qualifying employees will be eligible to receive a payout for the quarter which commenced July 1, 2001 and then September 30, 2001.
- (b) Jim Kelly will remain seized to deal with any disputes arising from the application of Article 18.6(a).
- (c) Employees may elect to have the incentive bonus paid directly into their Prospera Credit Union RRSP account, with no tax withheld. Once per calendar year, in January, employees may elect whether they want their incentive pay for that year paid to them directly vs. into their RRSP account.**
- (d) Employees on modified duties will not have their incentive pay reduced for that reason.**

Article 19 - Benefits

- 19.1 (a) The Employer agrees to pay seventy-five (75%) percent of the premium cost to provide the specified employee benefits for employees who qualify for coverage.
- (b) As of July 1, 2002, the Company will pay 100% M.S.P. for employees with more than three months service. However, the Company will pay such M.S.P. at the M.S.P. rates existing on July 1, 2001, plus 5% upward cushion, if such rates increase.
- 19.2 **For seniority employees, benefit eligibility and** coverage is subject to the terms and conditions of the plans or insurance policies. A description of the benefits and the terms and conditions will be provided to the Union and to each employee.
- 19.3 (a) Any disputes regarding the payment of benefits are a matter between the employee and the insurance carrier, and are not subject to the grievance and arbitration procedure of this Agreement.
- (b) The Company will assist employees in filing claims and will provide all information required by the insurer from the Company in a timely manner.**
- 19.4 Unless otherwise specified, entitlement to benefit coverage under this Article begins only after completion of the probation period.
- 19.5 Where practical, the Company undertakes to advise the Union about the nature and timing of changes to the benefit plans. Any changes made shall not be less favourable in terms and conditions than those currently in effect.

Article 20 – Wages

- 20.1 Attached to this Agreement shall be a Wage Schedule and a listing of classifications covering bargaining unit employees.
- 20.2 When an employee is permanently transferred to a different classification, he/she shall be paid in accordance with the new classification's pay scale.
- 20.3 When an employee is transferred temporarily to a lower paid classification, they shall receive the rate of pay of their permanent classification.
- 20.4 When an employee is transferred temporarily to a higher paid classification, they shall receive the rate of pay of the higher paid classification if their temporary transfer lasts a complete shift or longer.
- 20.5 The wage schedule attached hereto is approved by both parties. Subject to the mutual approval of both parties, these job categories, where there has been significant changes made, may be opened for revision once annually.
- 20.6 The start rate for Classification 1 will be \$9.00 effective January 1, 2003.**
- 20.7 The wage rates in each classification will increase by:**
- (a) Year 1: 1.5% (retroactive to January 1, 2003);**
 - (b) Year 2: 2.0%;**
 - (c) Year 3: 2.0%**
- The first year increase will not be applied to the \$9.00 start rate.**
- 20.8 Drivers will be moved into Classification 3, effective January 1, 2003.**

Article 21 - No Strike Or Lockout

- 21.1 It is understood that during the term of this Agreement that the employer will not lockout its employees. It is also understood that during the term of this Agreement the Union will not permit or encourage any strike, slowdown, stoppage of work or otherwise restrict or interfere with the Employer's operation through its members.

Article 22 - Duration

- 22.1 Except where specifically stated to the contrary, the terms of this Agreement shall be in full force and effect from January 1, **2003** up to and including December 31, **2005** and thereafter from year to year unless either party gives notice in writing of termination or amendment of not more than one hundred and twenty (120) days and not less than thirty (30) days prior to the date of expiration.

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

22.2 The parties agree the operation of Section 50(2) and 50(3) of the *Labour Relations Code* is excluded from this Agreement.

SIGNED THIS _____ DAY OF _____, _____.

On Behalf of the Company

On Behalf of the Union

Brooke Sundin, President

APPENDIX A

| | Jan. 1, 2002 | Jan. 1, 2003 | Jan. 1, 2004 | Jan. 1, 2005 |
|--------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Classification 1 | | | | |
| Start | \$8.40 | \$9.00 | \$9.00 | \$9.18 |
| 6 months actively worked in classification | \$9.93 | \$10.08 | \$10.28 | \$10.49 |
| 1 year actively worked in classification | \$11.03 | \$11.20 | \$11.42 | \$11.65 |
| Classification 2 | | | | |
| Start | \$11.03 | \$11.20 | \$11.42 | \$11.65 |
| 6 months actively worked in classification | \$12.13 | \$12.31 | \$12.56 | \$12.81 |
| 1 year actively worked in classification | \$13.24 | \$13.44 | \$13.71 | \$13.98 |
| Classification 3 | | | | |
| Start | \$13.24 | \$13.44 | \$13.71 | \$13.98 |
| 6 months actively worked in classification | \$14.91 | \$15.13 | \$15.44 | \$15.75 |
| 1 year actively worked in classification | \$16.55 | \$16.80 | \$17.13 | \$17.48 |
| Classification 4 | | | | |
| Start | \$17.76 | \$18.03 | \$18.39 | \$18.75 |
| 6 months actively worked in classification | \$19.33 | \$19.62 | \$20.01 | \$20.41 |
| 1 year actively worked in classification | \$20.64 | \$20.95 | \$21.37 | \$21.80 |

1. The above wage rates will remain effective during the term of the Collective Agreement.
2. Designated lead hands will receive an additional 75¢ per hour above their regular rate.
3. Any employees who are currently paid above their classification rate will be blue-circled.
4. Any student labour will be paid \$8.00 an hour. After a student has been employed for one year, the Company, at its sole discretion, may increase the student's rate. Student labour will not be utilized to displace regular bargaining unit employees.
5. In order for an employee to progress to the next level on the wage scale, they must receive a satisfactory performance review. Employees may grieve a performance review if, as a result of that review, they did not receive a scheduled wage increase.

APPENDIX B - JOB CLASSIFICATION

| Classification 1 | Classification 2 | Classification 3 | Classification 4 |
|-------------------------|-------------------------|-------------------------|------------------------------|
| Kill Floor Worker | Kill Floor Worker | Kill Floor Worker | Certified Maintenance Worker |
| Production Worker | Production Worker | Production Worker | |
| Janitorial Worker | Beef Kill Worker | Beef Kill Worker | |
| Beef Kill Worker | Curing | Shipping Worker | |
| Maintenance Assistant | Sanitation Worker | Drivers | |

December 2, 2000

Letter of Understanding

Between:

Johnston Packers

And:

United Food and Commercial Workers Union, Local 1518

The Union recognizes that theft from the employer is a serious offence. It is understood between the parties that an employee who has knowingly committed theft from the employer will be terminated. Such termination shall be subject to the grievance and arbitration procedure of the collective agreement.

On Behalf of the Company

On Behalf of the Union

June 28, 2001

Letter of Understanding

Between:

Johnston Packers

And:

United Food and Commercial Workers Union, Local 1518

The Union recognizes that the Company may continue its past practice, as currently in effect, of utilizing members of the plant manager's family to perform weekend work, without regard to their seniority or employment status.

On Behalf of the Company

On Behalf of the Union

Brooke Sundin, President

February 15, 2003

Letter of Understanding

Between:

Johnston Packers

And:

United Food and Commercial Workers Union, Local 1518

The Company will continue its practice of paying parking tickets for drivers, where the driver could not have reasonably avoided being ticketed.

Disputes regarding whether the ticket could have been reasonably avoided shall not be subject to the arbitration procedure.

On Behalf of the Company

On Behalf of the Union

Brooke Sundin, President

February 15, 2003

Letter of Understanding

Between:

Johnston Packers

And:

United Food and Commercial Workers Union, Local 1518

The Company will make its best effort to ensure the regular production shift does not work more than five (5) hours before receiving their lunch break (normally 11:00 a.m., unless an early start). Employees will not be required to work beyond five and one-half (5-1/2) hours without receiving their lunch break.

Where the regular production shift does do beyond five (5) hours before the lunch break, the Company will pay \$100.00 in the Union Social Fund.

On Behalf of the Company

On Behalf of the Union

Brooke Sundin, President