

AGREEMENT

BETWEEN:

**THE BAKERY, CONFECTIONERY, TOBACCO WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, LOCAL 468
of the Municipality of Burnaby,**

AND:

CANADA SAFEWAY LIMITED:

**Cities of Vancouver, Langley, Richmond, Surrey, New Westminister
White Rock and Victoria;**

Towns of Port Coquitlam and Port Moody;

**Municipalities of Burnaby, Clearbrook, Aldergrove, Maple
Ridge, Chilliwack, West Vancouver, Coquitlam, Delta, and**

District of North Vancouver.

MARCH 30, 2008 TO MARCH 31, 2013

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THIS AGREEMENT entered into this First day of April, 2003.

**BETWEEN: CANADA SAFEWAY LIMITED
(hereinafter called the "Company")
OF THE FIRST PART**

**AND: THE BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAINMILLERS INTERNATIONAL UNION, LOCAL 468
of the City of Burnaby, in the Province of
British Columbia
(hereinafter called the "Union")
OF THE SECOND PART.**

In consideration of the maintenance of harmonious relations and settled conditions of employment, and recognizing the mutual value of joint discussions and negotiations on all matters pertaining to working conditions, hours of work and rates of pay, the parties to this Agreement do hereby enter into, ordain, establish and agree to the following terms:

ARTICLE 1: BARGAINING AGENCY

Section 1 The Company recognizes the Union as the sole collective bargaining agency for all employees coming under the jurisdiction of this Agreement and working at the bakeries of the Company, located at VANCOUVER, LANGLEY, NORTH VANCOUVER, RICHMOND, NEW WESTMINSTER, SURREY, WHITE ROCK, VICTORIA, PORT COQUITLAM, PORT MOODY, BURNABY, CLEARBROOK, WEST VANCOUVER, ALDERGROVE, MAPLE RIDGE, COQUITLAM, CHILLIWACK AND DELTA.

The Company agrees that where it operates a retail store, all future in-store bakeries on the lower mainland and Victoria shall become and remain the jurisdiction of Local 468 of the Bakery, Confectionery, Tobacco Workers And Grain Millers International Union.

Section 2 Personnel performing the functions of management and who have the right to hire and discharge shall be excluded from the bargaining unit. They shall not perform any of the work covered by the collective agreement except in the case of emergency. Such persons, if eligible, shall receive retiring cards from the Union.

The Store Manager shall not give direct work orders to employees but shall do so through a Bakery Manager except where an on shift Bakery Manager is temporarily unavailable. The Company will write its Store Managers outlining the Store Managers status, under the terms of the collective Agreement, Section 2 and 3 of Article 1, with a copy to the Union.

Section 3 For the purposes of the Agreement, an emergency is when:

- i) a major machinery break-down, or
- ii) a power failure occurs or
- iii) an employee fails to report for work on time, or
- iv) an employee is unable to complete his/her shift due to sickness or accident and a replacement is required,

and exists until the cause of the emergency is rectified.

- v) in cases of food safety or threats to the operation. E.g. Bomb threat

ARTICLE 2: UNION SECURITY

All bakery employees, as set out hereinafter under Article VI, Section 1, 2 and 3 of this Agreement, shall become and remain members of the Union, in good standing, while employed by the Company.

It is mutually understood between the Company and the Union that only persons covered by the current Agreement between the Union and the Company will be allowed to do any work covered by any of the classifications of the Agreement except with the consent of the Union.

The Company agrees it will not permit Food Clerks to slice bread, package, carton or bag merchandise manufactured in the In-Store Bakery in the same store in which the Clerks are employed, when such merchandise is to be sold by self-service in other sections of that store.

The foregoing in no way applies to the handling or selling of the bakery products as described above when they are sold at Bakery sales counters, or handled at the checkstands by Food Clerks.

The Company recognizes the B.C.&T. Local 468 has the exclusive jurisdiction of all slicing, wrapping, packaging and over wrapping of products produced in the Bakery, subject to Article 23, Section 8.

Overwrapping, Slicing & Packaging: Fine provision to Employee(s) for shift loss

A violation is when the slicing, overwrapping and packaging of Bakery Products is performed by employees other than Members of Local 468, that results in a lost shift for a Baker. When this occurs the Employer agrees to pay the most senior available B.C.T.G.M. Baker the time lost within two (2) weeks of the infraction. Where it can be shown that there is abuse in any individual store, there shall be a meeting between the Union and the Employer within seven (7) days of the incident (Union Representative, Store Manager and Company Advisor) to get this matter resolved.

ARTICLE 3: CHECK-OFF, ASSIGNMENT OF WAGES

All said employees shall receive from the Union and sign for, a copy of the Agreement, and at the same time shall authorize the Company, in writing, to deduct from their wages and pay over to the Secretary of the Union, any dues, fines or assessments levied in accordance with the Union's by-laws, owing by them to the said Union. Upon receipt of said written authorization, the Company agrees to make these deductions and pay same to the Union Secretary on or before the third Saturday in each month.

Employees may authorize the Company, in writing, to deduct from their wages contributions to the employer-sponsored in-house credit union.

ARTICLE 4: MANAGEMENT'S RIGHTS

Section 1 (a) The Union agrees that the management of the Company, including the right to plan, direct and control operations and the direction of the work is vested exclusively in the Company.

b) The parties agree that the foregoing enumeration of management's rights shall not be deemed to exclude other recognized functions of management not specifically covered in this Agreement.

c) The exercise of the foregoing rights shall not alter any of the specific provisions of this Agreement.

Section 2 The Company shall have full right to employ or discharge employees, subject to the terms and conditions of this Agreement, but no employee shall be discharged or discriminated against for any lawful Union activity or for serving on a Union committee, or for reporting the violation of any provision of this Agreement. No employee shall be required to go through any lawfully established picket line.

Section 3 The Company has the right to operate its In-store Bakery for as many hours and on a six (6) or seven (7) day basis, as may be required to produce the quantity of bakery products for which the Company feels there will be a demand.

To make possible such operation of the Company's store, the Union hereby undertakes to supply to the Company sufficient extra employees to work part-time at prevailing jobbers' rates.

The Company agrees to give the Union not less than three (3) days' notice when requiring three (3) or more extra part-time employees for this purpose. This three (3) days' notice does not apply to requests for regular jobbers and other employees which the Union will furnish as soon as possible.

ARTICLE 5: HIRING PROCEDURE

Section 1 (a) The Union will be given the first opportunity of supplying staff except janitors, as per Article 5, Section 2, regular full-time employees eligible for rehire under Article 16, Section 1. In the event the Company requires additional Bakers Helpers, they will first contact the Union by fax for referrals. "Bakers Helper" referrals will not be offered employment until successfully completing the interview, pre-employment test and orientation. (Standard new hire test used for all new employees in the store.) In the event the Union is unable to provide any referrals or the required number of referrals, the Company will be free to accept applicants from other sources."

The Company need not accept any worker named by the Union who is unable to perform his job competently. Any disagreement arising in respect to the competency of such employee shall be determined under procedure laid down herein for the adjustment of grievances.

(b) In the event of the Union's being unable to supply a suitable person to fill a full-time vacancy, within seven (7) days after a request by the Company, the Company shall be free to fill the vacancy with anyone of its own choosing. The Union agrees to accept such employee into its membership providing the Company has given such seven (7) days notice requesting a

regular full-time employee, and providing he/she is able to pass the eligibility requirements for membership in the Union.

In the event that he/she cannot pass the eligibility requirements, or the Company has failed to give the seven (7) days notice, he/she shall be dismissed by the Company forthwith. When an applicant for membership is rejected, the Union will, if requested to do so by the Company, set out, in writing, the reason membership was rejected.

In the case of jobbers:

i) required within twenty-four (24) hours, the Union will advise the Company of its ability to supply as soon as possible.

ii) required after more than twenty-four (24) hours, the Union will advise the Company twelve (12) hours before such person is scheduled to work, if it is unable to supply a suitable person.

(c) The Company shall be free to fill any vacancy for jobbers with persons of its own choosing in the event the Union is unable to provide suitable jobbers when required.

The Union agrees that jobbers supplied to the Company will be fully qualified for the work for which they are required.

The Union also agrees not to send as a jobber to the Company any past employee who has been previously employed and released for cause, unless agreed to by the Company.

The Union agrees not to send any employee accepting the 1997 Buyout Package to the stores as a new hire Baker/Jobber.

d) Effective Sunday October 19th, 2008 the Baker/Jobber Scale will be adjusted as follows:

	SAR 08	2009	2010	2011	2012
Start Rate	\$16.90	\$16.90	\$17.20	\$17.80	\$18.20
After one calendar year	\$17.90	\$17.90	\$18.00	\$18.60	\$18.80
After two calendar years	\$18.90	\$18.90	\$18.90	\$19.20	\$19.40
After three calendar years	\$19.90	\$19.90	\$19.90	\$19.90	\$20.00
In fourth calendar year					
910 hrs to 1820 hrs	\$20.90	\$20.90	\$20.90	\$20.90	\$20.90
1821 to 2730 hrs	\$21.90	\$21.90	\$21.90	\$21.90	\$21.90
2731 to 3640 hrs	\$22.90	\$22.90	\$22.90	\$22.90	\$22.90
3641 to 4550 hrs	\$23.90	\$23.90	\$23.90	\$23.90	\$23.90
4551 hrs and above	\$24.79	\$25.12	\$25.45	\$25.78	\$26.11

In order to progress to the next scale, a jobber must work 910 hours in a calendar year. Once at the full Journey person rate a baker will not be reduced in rate because of being bumped to the Jobber Pool by seniority.

Jobbers employed at Ratification 2008 in Baker classifications shall receive off-scale wage increases of \$ 38.88 weekly on the first Sunday after Ratification 2008, and are placed on the

new jobber scale with their off-scale rate and continue to work up the grid. Jobbers employed at Ratification 2008 in Baker classifications shall receive off-scale wage increases of \$ 19.44 weekly on the first Sunday of April in 2009, 2010, 2011 and 2012.

The foregoing shall not apply to Bakery Managers, as they will receive full Bakery Manager rate.

The 'relief' hours assigned to 'Jobbers' are only relief for a posted Baker job. It is understood by the parties that the 'relief' work will increase as vacations increase in the summer and winter and decrease as vacations decrease. There may be many weeks where post-rat jobbers will find there is not "relief" work available.

Jobbers to be dispatched to stores by Union Office. Jobbers must be qualified/competent to do work assigned. New hire Jobbers will be on a probation for 60 days of actual work, with no recourse to the grievance procedure until their probationary period has been completed.

An employee who has a break in service of more than 26 weeks for employees with less than 1 year of service or 52 weeks for employees with more than 1 year of service shall be considered as a new hire except for recognized L.O.A., sickness, W.C.B. or LTD.

(e) Jobbers hired Monday, after ratification of the 1985 contract, shall be paid for statutory holidays on the following basis, based on the previous 4 weeks average:

- 14 hours average in a holiday week.... 3-1/2hours pay extra.
- 21 hours average in a holiday week.... 5-1/4hours pay extra.
- 28 hours average in a holiday week.... 7 hours pay extra.

Section 2 In the event the Company is unable to find suitable janitors among existing long-service employees, the Union shall be given the opportunity of filling the vacancy. It is understood, all janitors shall become and remain members of the Union, in good standing, within thirty (30) days of hiring.

Section 3 The Union may replace any non-Union jobber or any non-Union regular part-time employee, whenever qualified Union replacements are available, with the following exceptions:
i) during a scheduled work week; or
ii) when one week's notice must be given, under Article 7, Section 1(a).

Section 4 Regular full-time Union employees, who are laid off by the Company, shall be eligible for recall for a period of fifty-two (52) weeks, subject to the following:

- (1) If an employee on lay-off (whether eligible or not for Severance Pay) refuses recall to a regular full-time position, they will have relinquished all recall rights.
- (2) If an employee who is laid off and is eligible for Severance Pay elects to take said Severance Pay, forfeits all recall rights and shall then be considered as a terminated employee.
- (3) An employee who is recalled to a regular full-time position within the recall period, shall be reinstated with all rights and benefits they enjoyed prior to lay-offs.

(4) If an employee who is eligible for Severance Pay has not been recalled by the expiration of the recall period, then they shall receive Severance Pay, in accordance with Article 20.

(5) The foregoing benefits for regular full-time employees will terminate in the event the employees do not return to work within seven (7) days (except for proper and sufficient reason) of recall after lay-off.

ARTICLE 6: WAGES

Section 1 (a) The following shall be the minimum weekly wage:

Accumulated	SAR 08	2009 APRIL 5	2010 APRIL 4	2011 APRIL 3	2012 APRIL 1
Doughperson	\$867.74	\$879.41	\$891.08	\$902.75	\$914.42
Decorator	\$867.74	\$879.41	\$891.08	\$902.75	\$914.42
Ovenperson	\$866.28	\$877.95	\$889.62	\$901.29	\$912.96
Benchhand	\$861.91	\$873.58	\$885.25	\$896.92	\$908.59
Janitor	\$853.59	\$865.26	\$876.93	\$888.60	\$900.27
Slicer/Wrapper	\$861.91	\$873.58	\$885.25	\$896.92	\$908.59
Bakery Manager	\$984.23	\$1011.45	\$1038.67	\$1058.11	\$1077.55

Bakers (Except for Dept. Managers) – Off-Scale Wage Increases

Top Rate employees employed at Ratification 2008 in Baker classifications shall receive off-scale wage increases of \$ 38.88 weekly on the first Sunday after Ratification 2008, and \$ 19.44 weekly on the first Sunday of April in 2009, 2010, 2011 and 2012.

Incentives

The parties agree that Article 6 does not prevent the implementation of additional premiums or other incentives as determined by the Employer from time to time and as mutually agreeable between the Employer and the Union.

Where it is necessary for the Employer to hire at a rate greater than the rate posted in Article 6 due to labour market conditions, the newly hired employees will be credited with the corresponding number of career hours to their assigned rate.

Retroactive Pay

All Employees employed at Ratification 2008 shall receive payment of \$ 0.50/hr for all hours worked between March 29, 2008 and Sunday after Ratification.

Retroactivity is to be calculated on the basis of straight-time rates for all hours worked. Employees who have left the employ of the Company between the expiry date of the last Agreement and the date of ratification of this Agreement will be entitled to retroactive pay, if they apply to the employer, in writing, within one hundred and twenty (120) days after retroactive pay is paid by the employer to other employees. Each employer will notify their Union of overall retroactive payment.

(b) Extra compensation of one dollar (\$1.00) per hour will be allowed for all work, or any part thereof, performed between the hours of 6:00 p.m. and 6:00 a.m. (applies only to Employees hired prior to April 1, 1997).

BAKERS HELPER

(c) Such employees duties will include doughnut frying, slicing, wrapping, packaging, overwrapping, janitor, receiving and putting away the ingredient products. It is agreed that all clean-up and janitorial work within the Bakery Department shall be done by B.C.&T. members All new hired Bakers Helper will be on probation for sixty (60) days of actual work with no recourse to the grievance procedure until their probationary period has been completed. The Union will place Bakers Helpers into stores as covered under Article 5, Section 1 (a).

Employees employed at Ratification 2008 in the Bakers Helper classification shall receive an off-scale wage increase of one dollar (\$ 1.00) per hour on the first Sunday after Ratification 2008, they will then be required to work another 520 hours prior to receiving their next increase on the Bakers Helper pay scale.

In addition, employees employed at Ratification 2008 in the Bakers Helper classification shall receive off-scale wage increases of fifty cents (\$ 0.50) per hours on the first Sunday of April in 2009, 2010, 2011 and 2012.

The following wage scale shall apply on the first Sunday after Ratification 2008:

Accumulated	SAR 08	2009	2010	2011	2012
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Hours Worked

0 to 520	\$9.83	\$9.83	\$9.83	\$9.83	\$9.83
521 to 1040	\$10.18	\$10.18	\$10.18	\$10.18	\$10.18
1041 to 1560	\$10.53	\$10.53	\$10.53	\$10.53	\$10.53
1561 to 2080	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88
2081 to 2600	\$11.23	\$11.23	\$11.23	\$11.23	\$11.23
2601 to 3120	\$11.58	\$11.58	\$11.58	\$11.58	\$11.58
3121 to 3640	\$11.93	\$11.93	\$11.93	\$11.93	\$11.93
3641 to 4160	\$12.28	\$12.28	\$12.28	\$12.28	\$12.28
4161 to 4680	\$12.63	\$12.63	\$12.63	\$12.63	\$12.63
4681 to 5200	\$12.98	\$12.98	\$12.98	\$12.98	\$12.98
5201 to 5720	\$13.33	\$13.33	\$13.33	\$13.33	\$13.33
5721 to 6240	\$13.68	\$13.68	\$13.68	\$13.68	\$13.68
6241 to 6760	\$14.03	\$14.03	\$14.03	\$14.03	\$14.03
6167 to 7280	\$14.38	\$14.38	\$14.38	\$14.38	\$14.38
7281 to 7800	\$14.73	\$14.73	\$14.73	\$14.73	\$14.73
7801 to 8320	\$15.08	\$15.08	\$15.08	\$15.38	\$15.68
8321 to 8840			\$15.38	\$15.68	\$15.98
Over 8840				\$15.98	\$16.28

The Employer shall post the weekly work schedule for "Bakers Helper" in the Bakery department not later than 6:00 p.m. Tuesday, two weeks in advance. Work schedules will not be used for disciplinary or discriminatory purposes.

Hours of work – four (4) consecutive hours minimum per day to a maximum of seven (7) hours. Available hours of work will be scheduled according to seniority on a weekly basis within the store. Benefits will be statutory declaration only, until such employee has progressed to the top rate, at which time he/she may be assigned hours of work through the Union office as a Jobber, providing they are qualified/competent to perform work required, and begin to qualify for benefits based on their hours of work.

An attached list will identify all Bakers hired prior to ratification 1997 (i.e. Protected) Appendix A.

It is agreed that all shifts required due to holidays, sickness, accident, W.C.B or L.O.A. will be filled by journeyman Bakers.

In existing stores, the available hours of work scheduled to "Bakers Helper" shall be claimable by employees hired prior to ratification, 1997, within each classification, except for those hours made available as a result of the Buyout.

Baker's Helper Premium

Baker's Helpers will receive a \$ 1.00 premium where scheduled to work a full 7 hour shift as a decorator or mixer provided there is no journeyman available and capable of doing the work.

Rest Periods:

Bakers Helpers who work a shift of four (4) hours but not more than six (6) hours shall receive one (1) paid fifteen (15) minute rest period. Bakers Helpers shall have two (2) fifteen- (15) minute rest periods for shifts in excess of six (6) hours, one before, one after the meal period if applicable.

Rest periods shall be taken without loss of pay to the Bakers Helpers.

Meal Periods:

For Bakers Helpers who work a seven (7) hour shift, lunch periods shall be granted of one half (1/2) hour duration without pay commencing not earlier than the third hour, not later than the fourth and one half (4 ½) hour of each shift.

Section 2 (a) Apprentices - period of apprenticeship shall be three (3) years of actual work, with apprentices being mutually acceptable to both parties for the purpose of achieving All-around Journeyman Baker qualifications.

(b) One (1) apprentice shall be allowed for up to ten (10) journeymen, and one (1) for every ten (10) journeymen, thereafter. Where a shop has a separate cake and bread department, the same ratio will apply in each department.

(c) The training modules shall consist of six (6) modules.

Each module shall be of six (6) months duration and be as follows:

- Module 1 - Benchwork
- Module 2 - Oven
- Module 3 - Mixing
- Module 4 - Decorating
- Module 5 - Skills development
- Module 6 - Skills development

Wages: - the following wage scale shall apply to new apprentices:

Start rate -	65%	of the Journeyman rate
Second six months -	70%	"
Third six months -	75%	"
Fourth six months -	80%	"
Fifth six months -	85%	"
Sixth six months -	90%	"

Upon the successful completion of the three year program, the apprentice shall receive the journeyman bench hand rate.

Wage increases throughout the above scale is dependent on successful completion of the schooling part of the program.

The apprentice shall be entitled to all raises as negotiated during the period of his/her apprenticeship.

While attending an approved Vocational School, an apprentice will receive from the Company an allowance comprised of the difference between his/her regular straight time rate, based on a

thirty-five hour work week, and any allowance received from the Apprenticeship Branch or any other grants.

The apprentice shall accumulate seniority commencing on his/her date of hire, and shall be subject to layoff according to seniority.

Apprentices shall work with a qualified Journeyperson Baker at all times during the first four training modules.

Persons entering this Apprenticeship program after having completed the Provincial Trade Training course at VCC or other recognized vocational training school shall receive credit for six (6) months equivalent experience but shall also complete the first four basic training modules on the job.

(d) The Union agrees to work with the Company with a view to indenturing apprentices under the Apprenticeship and Tradesmen Qualification Act (R.S. 1960, Chap. 13, and Amendment).

The apprentice shall have a trial period of his/her first sixty (60) working days during which time performance, attitude and suitability will be assessed.

There shall be no reduction in the work force due to the apprenticeship training.

Section 3 (a) A jobber is a worker employed on a daily basis under the wages and conditions listed below:

wage rates, per day, for the first three (3) days:
- - effective first Sunday April 2000 - - \$163.70

After three (3) consecutive days, daily rate shall revert to one-fifth (1/5) of the weekly rate.

Section 4 The Company will not be required to pay an employee while absent from employment, due to sickness or otherwise, except as provided for in this Agreement.

Section 5 All employees will be paid by weekly direct deposit.

Section 6 An employee working in a higher rated classification shall receive the rate of the higher classification for the entire shift. However, this provision is not intended to prevent customary flexibility in scheduling relief for rest periods and lunch periods, up to one (1) hour per shift. In no case, shall a higher classified employee temporarily assigned to a lower classification receive any reduction in pay for the performance of work in the lower classification.

Section 7 (a) In the absence of the Bakery Manager for a week or more (short term leaves), the Relief Bakery Manager (2nd Person) shall assume the duties and responsibilities of the Bakery Manager. When doing so, they will receive the Bakery Manager's rate of pay for such relief work for all time so employed as the Bakery Manager. In the event there are no posted 'Baker's or Apprentices' available to move into the store to relieve a Bakery Manager, a Baker's Helper who relieves the Bakery Manager for a week or more will receive a \$ 2.50/hr. premium.

For unfilled 2nd person postings an Apprentice who fills a 2nd person position will be assigned by the Company and receive \$ 48.61/week.

An apprentice or Bakers Helper in the store who relieves the 2nd Person or the Bakery Manager for a day in the event no posted bakers are interested shall receive \$ 1.00 per hour over and above their regular wage.

Relief Bakery Managers shall be compensated at the rate of \$ 48.61 per week in addition to regular wages earned.

In the event that both the Bakery Manager and the 2nd Person is absent on the same day, Bakery Manager will designate a Baker to perform the duties of running the Bakery Department. The designated Baker will receive a premium of \$1.39 per hour over and above their regular wage for all hours worked unsupervised.

(b) Once per Calendar Year - the Company, by April 1st each year, will send out a sign up sheet to be displayed in the bakery on the Notice Board for 5 days for Bakers interested in becoming a Bakery Manager. The Union will be copied on the compiled list of names.

Section 8 All employees upon the completion of three (3) consecutive months of full-time service shall be placed on the pay-roll of the Company as a regular full-time employee and shall be covered for all benefits under this contract as soon as possible and in any event not later than one (1) month and one (1) day after first qualifying. The Employer will supply the appropriate forms at the time of eligibility and the onus shall be on the employee to complete and return these forms.

If an employee becomes absent from work due to sickness, compensation or jury duty while normally working to qualify for full-time status, he/she will be credited with the time he/she had earned prior to absence.

When the employee returns to work from the absence, the time he/she has been credited with will count towards the above three (3) consecutive months.

An employee will not lose his/her seniority date because of sickness, accident or jury duty.

Section 9 Employees other than full-time who average twenty-eight (28) hours or four (4) days per week in any consecutive thirteen (13) week period shall be covered for all full time Health & Welfare benefits (with proportionate benefits for W.I.).

The Employer will supply the appropriate forms at the time of eligibility and the onus shall be on the employee to complete and return these forms.

ARTICLE 7: NOTICE

Section 1 (a) Before laying off or discharging a regular full-time employee, the Company will give such employee one (1) weeks notice or one (1) weeks pay in lieu thereof, except that no notice or pay will be given if the discharge is for sufficient cause. The employee is required to give one (1) weeks notice upon returning from sickness to ensure the efficient operation of the department.

(b) Employees will give the Company one (1) weeks notice when desiring to terminate their employment, except where otherwise mutually agreed.

ARTICLE 8: CALENDAR YEAR

A calendar year for the purpose of the collective agreement will be defined as the Company's calendar year which may be 52 or 53 weeks ending at or around December 31st each year.

ARTICLE 9: HOURS OF WORK

Section 1 (a) The regular work week shall consist of five (5) seven-hour days.

(b) Except for Bakers Helpers, all Saturday shifts shall be completed by 8:00 p.m. All work performed on Sunday shall be paid at straight-time rates plus a premium of \$1.60 per hour (80 cents for each full half-hour worked). Applies only to employees hired prior to April 1, 1997.

Section 2 In a week in which one or more holidays fall, the work week that week shall be reduced by seven (7) hours for each such holiday. All time worked in excess of the weekly hours limited by this sub-section, shall be classed as overtime and paid for at the overtime rate except for jobbers and Baker's Helpers. Where extra staff is required in a week where a statutory holiday falls, it is understood that jobbers and Bakers Helpers can by mutual agreement with employee and the Employer be scheduled the full basic workweek at regular rate. If sufficient employees are not available, hours of work to the above maximum may be assigned by reverse seniority."

Section 3 A jobber's hours of work shall be seven (7) hours per shift or any part thereof.

Section 4 Jobbers working a full week in which one of more public holidays fall shall be paid for each such public holiday.

ARTICLE 10: OVERTIME

Section 1 (a) An employee shall be paid overtime for all hours worked in excess of the basic workweek. No employee will be paid more than one (1) overtime premium for any overtime hours worked.

(b) The overtime rate shall be time and one-half (1-1/2) and shall be paid weekly.

Section 2 (a) The Company agrees that in arranging shifts and in employing extra personnel, as jobbers, on a part-time basis, it will endeavour to eliminate as much overtime as possible. The Union agrees on request, to furnish enough extra part-time personnel to operate the Company's in-store bakery for a sufficient number of hours to produce the required quantity of bakery products. In the event of the Union's being unable to supply sufficient jobbers, the Company shall be free to hire jobbers of its own choosing. Nevertheless, the parties agree that an emergency may be created by a power shortage or major breakdown, in the in-store bakery, or by the failure of employees to report to work, due to sickness or otherwise. In such event, the regular employees agree to work such overtime as is necessary and is allowed under permit of the Provincial Department of Labour, until such time as the Union is able to supply the said extra personnel or the cause of the emergency has been rectified.

(b) Except as provided for in Article 10, Section 2(a) foregoing, it is mutually agreed that in no event shall an employee be compelled to work overtime.

Section 3 Subject to Article 10, Section 2(b) of this Agreement, and due to the need to satisfy retail customer service requirements in the in-store bakeries, the Union recognizes that overtime work may be required from time to time.

ARTICLE 11: SCHEDULING OF SHIFTS

Section 1 (a) The Company shall determine the schedule of working hours for each employee and may change such schedule at its own discretion, according to the provisions of this Agreement. Wherever possible, the Company shall give consideration to senior employees. Each employee shall have a twelve and one-half (12-1/2) hour break between the end of one regular shift and the beginning of the next. In the case of a day off, twenty-four (24) hours shall be added to the twelve and one-half (12-1/2) hour break, for all employees.

(b) It is agreed that the first shift shall not start earlier than 6:00 a.m., nor later than 7:00 a.m., with the exception of doughperson. Other shifts to follow continuously subject to the following exceptions:

(i) On two (2) days per week, when the dividerperson may be required to start work one (1) hour earlier. This 5:00 a.m. exception shall also apply to public holidays and the two days preceding and two days following the public holidays.

(ii) Where a single shift is to be scheduled in any twenty-four (24) hour period, it may start not later than 9:00 a.m., nor earlier than 6:00 a.m.. The Company may use the provisions of (i) above, in scheduling single shifts.

(iii) Where a statutory holiday or holidays fall in conjunction with a weekend, in-store bakeries may call a 4:00 a.m. start, on the first day back. The first day back may be a Monday, Tuesday or Wednesday. In such a week where a 4:00 a.m. start is called, the in-store bakery is permitted only one (1) 5:00 a.m. start.

(iv) Upon 24 hours notice, the Company can vary shift times by up to two (2) hours from the posted start times. The parties understand that this overrides the guidelines identified in this Section.

(c) It is not the intent of the Company to unnecessarily change shifts which have been established but the Company is free to do so, should the requirements of the operation make certain changes necessary.

Employees on posted jobs will not be taken off the posted jobs as long as the job remains available, except:

(i) When there is another job posted and the employee wishes to exercise his or her seniority.

(ii) When the job is eliminated.

(iii) When there is a reduction in the work force.

(iv) When the employee does not perform competently.

(v) Employees may be moved out of seniority for a period not to exceed ten (10) working days, unless it is mutually agreed to extend this period. Should a competent replacement become available in the interim, the employee will immediately revert back to his former position.

Section 2 It is agreed that the Company has the right to re-arrange the working hours of regular employees so that the work of part-time employees or jobbers may be spread amongst that of the regular employees, to the best advantage of the operation.

Section 3 Employees not on a posting but scheduled to five (5) days in a work week may only be entitled to twenty-four (24) hours notice of change in shift. The Shop Steward of the department shall be advised at the time or on the Shop Steward's next shift.

Section 4 It shall be the duty of employees to advise the Company, as far as possible in advance of the shift, in cases when due to illness or other cause they are unable to report to work.

Section 5 So far as is possible, consistent with the operation of the in-store bakery in producing the required volume of bakery products, the Company agrees to work towards the reduction of night work.

ARTICLE 12: REST PERIODS

All employees shall be given a fifteen (15) minute rest period approximately midway in each half shift at a time to be designated by the Management, in accordance with the requirements of the Company's operation.

The Company will make every reasonable effort to locate time clocks in such a manner to ensure full rest periods.

ARTICLE 13: LUNCH PERIODS

Lunch periods shall be granted of one half (1/2) hour duration without pay commencing not earlier than the third hour, not later than the fourth and one half (4-1/2) hour of each shift.

ARTICLE 14: PUBLIC HOLIDAYS

Section 1 The following public holidays shall be recognized by the Company, as outlined in Section 2 of this Article, and the regular full-time employees shall not suffer any reduction in pay thereof:

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
B. C. Day	Boxing Day

and all other holidays proclaimed by the Provincial or the Federal Governments as a public holiday, or in substitution for any such public holiday.

Section 2 (a) During the week in which a public holiday falls, the employee's day off in lieu of the public holiday may be changed to another day in that week, or

(b) By mutual agreement of the Employer and the Employee:

1. One third (1/3) of the Bakery staff may elect to take the Statutory holiday(s) in the week prior to the week in which it actually occurs.

2. One third (1/3) of the Bakery staff may elect to take the Statutory holiday(s) in the week after the week in which it actually occurs.

3. Employees electing to take option 1 or 2 above, shall be eligible to work 35 hours at straight time rates in the week of the Statutory holiday provided that the total hours of work and Statutory holiday credit in the three week period do not exceed a total of 105 hours.

4. Any paid or credited hours over the 105 hour maximum in 3 above shall be considered to be overtime hours.

(c) All shifts must be completed by 7:00 p.m., on December 24th and December 31st.

(d) Work on a Statutory holiday shall be paid at one and one-half (1-1/2) times regular rate of pay.

ARTICLE 15: VACATIONS

Section 1 After one (1) full year of consecutive service with the Company, each regular full-time employee shall receive two (2) weeks vacation with pay.

Section 2 Vacations must be taken by the employee entitled to same. Wages shall not be paid in lieu of vacation.

Section 3 Employees are to receive vacations between May 15th and September 30th. Preference for vacations will be according to seniority, however, the Company will determine how many within each job classification may be on vacation at any one time, subject to requirements of the operation.

Section 4 Employees are to receive summer vacations between May 15th and September 30th, however, the 1st, 2nd, 5th, 6th and 7th weeks of vacation or any part thereof may be taken at any time during the year (January 1st to December 31st) outside of the summer vacation period, if the employee so desires, subject to Section 3 of this Article.

Section 5 After three (3) full years of consecutive service with the Company, each regular full-time employee shall receive three (3) weeks vacation pay.

After eight (8) years of consecutive service with the Company, each regular full-time employee shall receive four (4) weeks vacation with pay.

After thirteen (13) years of consecutive service with the Company, each regular full-time employee shall receive five (5) weeks vacation with pay.

After eighteen (18) years of consecutive service with the Company, each regular full-time employee shall receive six (6) weeks vacation with pay, and to seven (7) weeks vacation with pay after twenty-three (23) years of consecutive service with the Company.

Vacations shall be taken as follows:

(i) Those entitled to three (3) or four (4) weeks vacation shall take such vacation either two (2) weeks between May 15th and September 30th and the extra weeks between January 1st and April 15th.

(ii) Those entitled to five (5), six (6) or seven (7) weeks vacation shall take such vacation either two (2) or three (3) weeks at their option, between May 15th and September 30th two (2) weeks between January 1st and April 15th and any additional week or weeks between October 1st and December 31st.

Employees who first qualify for extra vacations by March 31st, may take the vacation commencing not later than April 1st of the same year.

Section 6 In the event of one public holiday falling during an employee's annual vacation with pay, such employee shall be entitled to the first (1st) day off with pay, he/she would normally return to work. In the event of two public holidays falling during his/her annual holidays with pay, he/she shall be entitled to the first two (2) days off with pay, he/she would normally return to work; and for three public holidays to the first three (3) days off with pay.

Section 7 Vacation allowances on termination of employment:

- four percent (4%) for those entitled to two (2) weeks,
- additional two percent (2%) for each additional week's vacation

Section 8 The Company agrees that an employee's annual vacation with pay shall not be broken because of the intervention of any public holiday.

Section 9 (a) Winter holidays schedule must be first posted by November 1, selection by November 15th, and completed by December 1. Summer holiday schedule must be posted and completed by April 15th, and include any fifth (5th), sixth (6th) or seventh (7th) weeks vacation scheduled between October 1st and December 31st.

(b) For the purpose of vacation, regularly scheduled work days lost by regular full-time employees due to sickness, accident, compensation or temporary lay-off, shall be counted as time worked to a maximum of three (3) months for employees entitled to two (2) weeks vacation and to a maximum of six (6) months for employees entitled to more than two (2) weeks vacation.

Section 10 Vacation pay shall be paid not later than one day before the last day of employment before vacations commence.

Section 11 The successful applicant on an in-store posting carries his/her vacation entitlement with them but the scheduling and taking of such vacation leave entitlement shall be based on the operational requirements at the new store location, for the first vacation period.

ARTICLE 16: SENIORITY

Section 1 Promotions, lay-offs, re-hiring and preferences of transfers to shifts (in the event a vacancy occurs on any shift) shall be based on length of service and ability, where ability between employees is reasonably equal, length of service will determine.

Section 2 For the purpose of this Article, a job vacancy occurs:

- (i) when an employee transfers from one job to another;
- (ii) when the Company requests a replacement for a regular full-time employee whose employment has been terminated;
- (iii) when the Company creates a new job for which a regular full-time employee is required;
- (iv) a job vacancy in an in-store bakery does not occur where the Employer changes an employee's shift by two (2) hours or less, nor does a vacancy occur where the employee and the Union mutually agree to change shift hours.

Section 3 The original vacancy shall first be posted and when transfers result and create additional vacancies, it is understood there shall be no more than three (3) postings, including the original.

Section 4 (a) The Company agrees to post vacancies for five (5) days but may fill such vacancies on a temporary basis until applications have been processed and regular appointment is made. Regular appointments shall normally be made within one (1) week. This time may be extended by mutual agreement. Applicants for a posted vacancy may only apply on forms which shall be made available by the Company posted in a conspicuous place. The posting shall state the job and the starting time of the shift. The successful applicant for a posted job shall be put on the job within seven (7) days, unless it is mutually agreed between the Company and the Union to extend the time.

(b) The second and third posting shall be posted and filled within one (1) month of the filling of the original vacancy. In the event of more than one original posting and more than one successful applicant is from the same in-store bakery, the Company may delay the final appointments up to one month.

(c) 1. Mid-Week days off Postings:

- A store with three or less postings may have one mid. Week days off posting.

- A store with four or five postings may have two mid. Week days off postings.
- A store with six or seven postings may have three mid. Week days off postings.
- A store with eight or nine postings may have four mid. Week days off postings.
- A store with ten or more postings may have five mid. Week days off postings.

9. All other postings must contain weekend days off as follows:

- Friday, Saturday or
- Saturday, Sunday or
- Sunday, Monday

9. All postings must be for consecutive days off.

All future postings will be “faxed” to the Union Office prior to being posted in the In-Store bakeries.

Section 5 Successful applicants for a job posting who fail to qualify shall revert back to their original job.

New employees, accepting their first posting with the Company In-Store Bakeries, must stay on the posting for three (3) months.

Section 6 It is agreed that senior employees absent on vacation or because of sickness or accident, shall have the opportunity to apply for a job posting provided application is received within thirty (30) days of posting and the Union accepts responsibility for notifying such employees. Any such employee accepted to fill the vacancy shall be given the opportunity to fill the vacancy provided he/she returns to work within three (3) months of posting or such longer period as may be agreed upon.

Section 7 Non-Union jobbers in the employ of the Company or those referred by the Union shall be eligible to apply for a job vacancy, however, they shall not be given the job unless:

- 9. no Union member in the employ of the Company qualifies: and
- (ii) the Union is unable to supply, within seven (7) days, a qualified person to fill the vacancy.

In the event such employee is given the job, he shall immediately become a member of the Union. However, in no case may an employee who is not a member of the Union hold seniority over one who is a member of the Union.

Section 8 In the event of a reduction of the work force, or where a department of the Company is temporarily closed or one or more jobs are eliminated and senior employees may be subject to lay-off, such senior employees shall be given an opportunity to qualify for the job of a junior employee. He or she shall have the right to choose the junior job for which he or she wishes to qualify. The period of qualification shall be determined by mutual agreement between the parties after the employee is assigned to the new position.

Section 9 Where a doctor has indicated that it is likely an employee will be absent due to illness or accident, for at least four (4) weeks, senior qualified employees will be given the opportunity of filling the vacancy created by the illness, or accident, it being understood there will only be one (1) move for each accident or illness.

Section 10 Notwithstanding the foregoing provision of this Article, Janitors may only make application for a job vacancy in the production department after one or more years of service and, further, in the event of a reduction in the work force, Janitors may only be replaced by a regular full-time employee.

Janitors shall not be moved out of that department on a temporary basis but an employee in other classifications may do janitorial work.

ARTICLE 17: LEAVE OF ABSENCE

Section 1 The Company agrees to grant necessary time off with out pay and without discrimination, to not more than two (2) employees, each of whom shall be from different departments of the Company's business, who shall be designated by the Union for a maximum of three (3) months on Union business, provided notification is given the Company in sufficient time to secure a satisfactory relief person acceptable to the Company for the job involved.

An indefinite leave of absence, without pay, shall be granted to any one employee as the full-time Financial Secretary-Treasurer conditional upon his/her ability to perform his/her normal job, provided that he/she re-applied within thirty (30) days of his/her no longer serving as the full-time Financial Secretary-Treasurer.

Section 2 Regular full-time employees with one (1) or more years of service shall be granted leave of absence, without pay, for a minimum of one (1) week up to a maximum of thirteen (13) weeks on the understanding that:

(a) Only one (1) eligible employee up to ten (10) employees and one (1) eligible employee for each additional ten (10) employees or any part thereof, shall be absent at one time. In any event, no more than one (1) employee shall be absent from any department at one time.

(b) Twenty-one (21) days written notice is given to the employer.

(c) A qualified person is available as a replacement. The competency of the employee shall be mutually agreed on.

(d) Such leave of absence shall be taken between September 15th and May 15th, except where otherwise mutually agreed.

(e) The employee shall not be permitted to work during such leave.

(f) It is agreed should an employee fail to return to work at the completion of the leave of absence, or is found to have worked while on leave, he or she shall be terminated in employment.

(g) Leave of absence will be granted on a seniority basis.

(h) This section will not nullify leave of absence granted on compassionate grounds.

Section 3 Employees with four (4) years of continuous service with the Employer shall be entitled to an Educational Leave of Absence for up to one year without gain or loss of seniority as of the time the employee leaves.

The following terms and conditions shall apply to such leave:

1. One employee per store at any one time shall be eligible for Educational Leave. In-stores with more than 40 employees, 2 people per store will be entitled to Educational Leave.
2. Written application for the Leave shall be co-ordinated through the Human Resources Department. Notification of the person going on Leave shall be provided to the Store, Union and Employee involved.
3. Seniority shall be the determining factor in scheduling the Leave.
4. Such Leave will be granted on a one time only basis per employee.
5. The Employee must be attending an accredited educational institution. The Parties reserve the right to discuss and resolve the application of this in any particular case.
6. While on Leave the Employee shall not take employment with any competitor in the food business. (Violation of this provision may result in termination.)
7. It is understood a person on Leave of Absence could be offered minimal part time work with the Employer without seniority or rights to such work, for the duration of the Leave.
8. The period of time off will not count towards time worked for vacation entitlement.
9. One months notice of return to work must be given to the Employer unless a return date has been established prior to leaving.
10. The Parties desire to have this new provision complied with in spirit and intent. Any abuse, violations, or conflicts arising from it will be discussed between the Parties before any action is taken.

Section 4 In the event of death in an employee's immediate family (employees' parents, sisters or brothers, spouse or children, mother-in-law, father-in-law, grandchild, brother-in-law, sister in-law, grandparents, or any other relative living in the house hold of the employee) the employee shall be entitled to be absent from work with pay, a period of three working days, when such absence is necessary to make arrangements for, or to attend the funeral.

The foregoing shall apply in the event of the death of step mother, step father or step child.

Section 5 One (1) year leave or absence (1 month notice) for employees with five (5) years service with the Company.

Section 6 While employees are on leave under Section 2, 3 and 5 they shall be permitted to pay in advance, on a quarterly basis, their pre-leave benefits for MSP, EHB, HEP and Life Insurance. Once the Company 's new HR platform is in place and the necessary upgrade has been installed, employees may select to pre-pay for any of the following groups or combinations thereof:

- 1) MSP/EHB/HEP
- 2) WI/LTD
- 3) Life Insurance

Section 7 – Maternity Leave

1. A pregnant employee who requests leave shall be given an unpaid leave of absence without loss of seniority or other privileges for a maximum of seventeen (17) weeks, up to eleven (11) weeks prior to the expected delivery date and at least six (6) weeks after the actual delivery date. The employee may choose to delay the commencement of her pregnancy leave, provided she is medically fit to perform the full range of duties of her position. This will not affect the employee's entitlement to pregnancy leave.
2. An employee who requests leave under this section after the birth of a child or the termination of a pregnancy is entitled up to six (6) consecutive weeks of unpaid leave beginning on the date of the birth or of the termination of the pregnancy.
3. An employee is entitled to up to six (6) additional consecutive weeks of unpaid leave if, for reasons related to the birth or the termination of the pregnancy, she is unable to return to work when her leave ends under point (1) or (2).
4. All such requests must be submitted in writing at least two (2) weeks prior to the employee's return to work date. The request must specify the length of the extension and the revised date the employee will be available to return to work. The length of the extension can be modified by mutual consent.
5. In addition to the pregnancy leave set out above, the attending physician certifying that the health of the mother or child may be in danger by the mother continuing to work may extend such leave prior to delivery.
6. An employee requesting a shorter period than six (6) weeks after the actual birth to return to work must provide written notice to the Employer of not less than one (1) week before the date the employee proposes to return to work. If required by the Employer, the request must be accompanied by a physician's medical certificate stating the employee is able to return to work.
7. Benefit entitlement for the above leaves shall be as required by the B.C. Employment Standards Act.

Section 8 – Parental Leave

1. An employee who requests parental leave under this section is entitled to:
 - a. for a birth mother who takes leave within one year of the birth of a child and in conjunction with pregnancy leave taken under Article 6.18 – up to thirty five (35) weeks of unpaid leave beginning immediately after the end of the leave taken under Article 6.18.
 - b. for a birth mother who does not take a leave under Article 6.18 in relation to the birth of a child – up to thirty seven (37) weeks of unpaid leave beginning after the child's birth and within fifty two (52) weeks after that event.

- c. for a birth father – up to thirty seven (37) weeks of unpaid leave beginning after the child's birth and within fifty two (52) weeks after that event.
 - d. for an adopting parent – up to thirty seven (37) weeks of unpaid leave beginning within fifty two (52) weeks after the child is placed with the parent.
2. If certified by a licensed medical practitioner that the child requires an additional period of parental care, the employee is entitled to up to five (5) additional weeks of unpaid leave, beginning immediately after the end of the leave taken under subsection (1) above.
3. The employee is required to give the Employer four (4) weeks' advance notice in writing of their intention to take a leave under subsection 1 (a) (b) (c). The Employer may request this notice be accompanied by a medical practitioner's certificate or other evidence of the employee's entitlement to the leave.
4. Benefit entitlement for the above leaves shall be as required by the B.C. Employment Standards Act.

ARTICLE 18: REGULAR PART-TIME EMPLOYEES

Section 1 An employee who performs one hundred and fifty (150) days of actual work in a twelve (12) month period shall be classified as a regular part-time employee.

An employee desirous of becoming a regular part-time employee shall indicate same by notifying the Company on a company form, to commence accruing his/her vacation pay. Twelve (12) months later the Company will assess the number of days worked by such employee.

If the employee has accrued one hundred and fifty (150) days of actual work in this twelve (12) month period, then the seniority anniversary date shall be the day he/she signed the form.

If the employee has not accrued one hundred and fifty (150) days in the initial twelve (12) month period, then one (1) month later his/her number of days will be assessed again, and each subsequent month thereafter until the employee qualifies. It being understood that only the previous twelve (12) months will be used when assessing the one hundred and fifty (150) day qualifying period.

January 1, 1975, shall be the date set to determine the first twelve (12) month period of qualification.

An employee qualifying as of January 1, 1975, shall be covered by all conditions of Article XVIII.

An employee taking longer than twelve (12) months to qualify as a regular part-time employee shall receive his/her vacation allowance on his/her qualifying date, however, should this period exceed fifteen (15) months, then the employee may request part of his/her vacation pay without jeopardizing his/her part-time status.

An employee hired previous to January 1, 1975, shall not lose seniority rights already established with the Company.

An employee hired after April 1, 1997 who performs 1050 hours of actual work in a calendar year shall be classified as a regular part-time employee for vacation purposes and shall be entitled to two weeks vacation with pay, prorated according to time worked.

Section 2 Such regular part-time employees on temporary lay-off shall have available M.S.P. coverage during such lay-off. The employee shall prepay the necessary full premium.

Section 3 Regular part-time employees after one (1) year of service shall be entitled to two (2) weeks vacation, with pay. Vacation pay will be prorated according to time worked.

After three (3) years of consecutive service, regular part-time employees shall be entitled to three (3) weeks vacation, with pay, and after eight (8) years of consecutive service, four (4) weeks vacation, with pay. After thirteen (13) years consecutive service, five (5) weeks vacation, with pay. After eighteen (18) years consecutive service, six (6) weeks vacation, with pay. After twenty-three (23) years consecutive service, seven (7) weeks vacation, with pay.

The basic two (2) weeks vacation and the third and/or fourth and/or fifth and/or sixth and/or seventh weeks vacation shall be taken at the same time as set out in Article XV, Section 4.

After having qualified for three (3) or four (4) or five (5) or six (6) or seven (7) weeks vacation as above, and such employee fails to perform one hundred and fifty (150) days of actual work in any one (1) year, such employee shall not qualify for that year only. However, if such employee fails to qualify for two (2) successive years, except for approved absence due to sickness, accident or compensation, then such employee must re-qualify for vacation, as provided.

Section 4 The foregoing benefits for a regular part-time employee will terminate in the event the employee does not return to work within seven (7) days of recall after lay-off.

Section 5 For the purpose of vacation, regularly scheduled work days lost by regular part-time employees, due to sickness or accident or compensation, shall count as time worked to a maximum of two (2) months for employees entitled to two (2) weeks, and to a maximum of (4) months for employees entitled to three (3) or more weeks.

ARTICLE 19: JURY DUTY

Employees called upon to perform jury duty or witness duty, where subpoenaed to appear in a court of law, shall not suffer any loss of normal wages thereby, subject to the following conditions:

(a) Employees shall return to work within a reasonable period of time after jury duty is finished. They shall not be required to report to work if less than two (2) hours of their normal shift remains to be worked.

(b) Such employees shall furnish the Company with such statements of earnings as the Courts may supply.

ARTICLE 20: SEVERANCE PAY

In the event of amalgamation, closure of the bakery or a department thereof, or reduction in work force due to automation or technological advances causing a regular full-time employee to lose his or her employment, the Company hereby agrees to pay such an employee severance pay at his or her regular rate of pay according to the following schedule:

Full-time - Severance pay

Consecutive service

-up to 2 years One (1) week

-over 2 years One (1) week's pay for every year of full-time service to a maximum of twenty (20) weeks.

The foregoing shall be in addition to the regular week's notice or week's pay in lieu thereof, to which such employees may be entitled. This clause does not apply to a temporary lay-off.

ARTICLE 21: SICK LEAVE BENEFITS

Section 1 Regular full-time employees, after three (3) months consecutive employment, shall be entitled to sick leave benefits at a rate of one-half (1/2) day's pay per month of full-time employment including an employee on an unpaid leave of up to two (2) days per month, up to a maximum of thirty-seven (37) days pay.

Sick leave benefits shall apply to the first day for the first three illnesses of each calendar year, after which such sick leave pay shall only apply to the second (2nd) and third (3rd) regularly scheduled working days of illness.

The employee shall provide a doctor's certificate verifying the illness if requested by the Company, however, certificates will only be requested if abuse is suspected.

The Company will reimburse the employee for charges incurred in certificate preparation to a maximum of fifty dollars (\$50.00) per request. Sick leave accumulation may be used to supplement weekly indemnity to normal daily earnings.

The Employer will ensure that an employee injured at work will have his/her full wages maintained for the first three (3) working days. If payment for the first three (3) days is also made by the Workers' Compensation Board, the Employer will deduct the equivalent amount of such Workers' Compensation Board payment.

Section 2 An employee, if found abusing this privilege, shall be disciplined by the Employer. The Employer may discontinue or reduce the benefit to the employee or terminate his/her employment.

Section 3 Employees who voluntarily terminate their employment with the Employer, or who are permanently laid-off from their employment with the Employer, shall be paid any sick leave accumulation they may have to their credit.

Accumulated Sick Leave Payout In-store bakery employees who have a sick leave credit balance, in excess of twelve (12) days (eighty-four (84) hours) as of December 31st, 1983, and

on each December 31st thereafter shall receive a cash payout to a maximum of six (6) unused sick leave days (forty-two (42) hours), provided, the in-store bakery employee's sick leave bank shall not fall below twelve (12) days (eighty-four (84) hours), as a result of a cash payout. Eligible in-store bakery employees shall receive a cash payout prior to January 31st each year.

ARTICLE 22: HEALTH AND WELFARE

Section 1 The Employer shall make its Welfare Plan available to eligible employees, on the following contributory basis:

- ninety percent (90%) by the Employer
- ten percent (10%) by the employee

For employees hired after April 1, 1997.

- 70% Employer
- 30% Employee cost sharing for employees who qualify.

D.O.R. for: MSP, EHB, HEP, Group Insurance, W.I. and LTD.

The Employer shall provide a letter to the Union defining eligible employees for the purposes of this Article.

Section 2 Weekly indemnity benefits payable up to twenty-six (26) weeks shall be increased to six hundred five (\$605.00) dollars effective April 1, 1996. Effective March 28, 2004, all new Weekly Indemnity claims filed on or after March 28, 2004 will be paid at 75% of straight time rate of pay.

It is understood these weekly indemnity benefits shall be applied according to the regulations of the Employer's insurance plan.

It is understood between the Parties that weekly indemnity payments to entitled employees shall be the responsibility of the Employer. If payment on valid claims is not made by the Insurance Company within two (2) weeks from the time the Employer receives the completed application, the Employer shall then pay to the claiming employee an amount equal to this entitlement. Similarly, when payments are stopped by the Carrier, while the employee's entitlement continues, the employee shall be able to claim the amount of this entitlement from the Employer.

Payments made by the Employer for claims later to be found invalid, or payments made by the Employer which are later paid by the Carrier, shall be returnable to the Employer.

Life insurance to be a minimum of twenty-five thousand dollars (\$25,000.00).

If your coverage ceases because your employment or your membership within the eligible classes ends, you may convert your insurance to some form of individual life policy offered by the Company's carrier without having to pass a physical examination.

If you qualify for the Retiree Death Benefit, the amount of it will be deducted from the amount of life insurance you are otherwise entitled to convert.

You have thirty-one days to make application for conversion and to pay the required premium following termination of your insurance. However, if you are given written notice of your right to convert, you have no more than thirty-one days from the date of termination of insurance, or until twenty-five days after you are given notice, whichever is the later date.

If you should die within the thirty-one day period after your coverage ends, your amount of insurance will be paid to your beneficiary. If your life insurance is payable under the group policy, payment will not be made under the converted policy; and premiums paid for the converted policy will be refunded.

Effective October 1st, 1979, establish a non-contributing prescription drug, eye-glass and hearing aid Plan, providing the following benefits to full-time employees:

(a) Prescription Drug Plan with no deductible.

(b) Eye-glass, lenses and frames, to a maximum three hundred dollars (\$ 300.00) per person every two years. Maximum for dependents under age nineteen (19) shall be three hundred dollars (\$ 300.00) each year effective October 17th, 2008.

(c) Hearing aids to a maximum of \$350.00 per person once every four years.

(d) It is understood all employees' dependents shall be covered by the above Welfare Plan. Eligible dependents shall be wife or husband.

(e) A covered employee's unmarried children under the age of 21, or under the age of 25 while attending an educational institution, provided such person is still dependent on the employee.

The Long Term Disability Plan shall be a 60% of normal wages for claims commencing on or after March 28th, 1982.

Any employee receiving Long Term Disability shall be covered for:

-M.S.P.

-Group Life Insurance

-H.E.P.

Effective June 1st, 1985, all full-time employees are covered for Major Medical benefits offered by the Employer under this agreement.

The Company agrees to cooperate with the Disability Insurer, regarding the potential to convert WI and LTD payments to direct deposit. Subject to the carrier's ability to do so, employees shall have the option of direct deposit or home delivery of WI and LTD benefits.

Section 3 Program for qualifying/disqualifying/for Benefits:

A regular full-time employee who does not have three (3) months' current consecutive full-time service at the effective date of the Plan, or a new employee, shall be eligible the day following the date their current consecutive full-time service reaches three (3) months.

A regular full-time employee reduced by the Employer to part-time shall continue to be eligible to participate in the Plan. Full-Time employees reduced by the Employer to below twenty-eight (28) hours per week shall receive proportionate Weekly Indemnity Benefits.

Employees shall return completed enrolment forms as soon as possible. The Employer will only offer benefits after first eligibility test is met. If refused at that time by the employee, further testing is not required. If an employee later wants coverage, it is his or her responsibility to

make application to the Employer. If he or she is eligible for coverage, the same rules regarding late enrolment as apply to full-time staff may be imposed.

The Employer shall also make available the benefits to employees (except students) who work and average of twenty-eight (28) hours per week for a period of three (3) consecutive months. Such employees shall receive the same benefits as set out for full-time employees in the Section of the Agreement.

For the purposes of entitlement and disentanglement, the conditions set out below will apply.

(a) Employee who average twenty-eight (28) hours per week for a three month period will be eligible for all benefits under Section 2 on the first of the month following meeting this requirement. Eligibility verifications will be done each month ending on the last Saturday of the month on a 4,4,5 basis, i.e. if an employee had averaged twenty-eight (28) hours per week in the three (3) months prior to April 25, he/she would become eligible for the benefit package on May 1.

(b) If an employee fails to meet the eligibility test, he/she will continue to be eligible for three (3) months. At that time he/she will be tested again and, if eligible, will continue receiving benefits. If not eligible, he/she will cease receiving benefits. Thereafter at the end of each month, the employee's eligibility will be tested and, as soon as he/she becomes eligible again, benefits will be reinstated.

The Employer shall also make available-

- Medical Service Plan (M.S.P.)
- Extended Health Benefit (H.E.B.)
- Hearing Aid, Eyeglass, Prescription Drug Plan (H.E.P.)

To employees (except students) who work an average of twenty-one (21) hours per week for a period of three (3) consecutive months.

For the purposes of entitlement and disentanglement, the hours tests set out above will apply, but will be based on twenty-one (21) hours instead of twenty-eight (28) hours per week.

New employees who are covered by the B.C. Medical Service Plan at the date of their employment can elect to maintain their continuity of coverage to be paid as defined above.

Enrolment of group benefits shall be compulsory at the option of the Employer. The Employer, at its option, may require all enrolment cards to be signed within three (3) months from the date that regular full-time employment commenced.

If, under exceptional circumstances, an employee does not sign an enrolment card within three (3) months of employment, he or she may be allowed a further month of grace at the option of the Employer. A period of grace longer than one (1) month may be allowed by the Employer; but, in such cases, a medical examination at the employee's own expenses shall be compulsory and a three (3) month penalty may be imposed.

MAINTENANCE OF BENEFITS:

The Company agrees to maintain its share of the cost of the Health and Welfare premiums when and Employee is absent on W.C.B. claims for up to six (6) months. After six months an Employee can maintain Benefits but must repay to Employer upon return to work.

Employees that return from an approved WCB leave to pre-leave hours do not have to re-qualify for benefits.

ARTICLE 23: GENERAL PROVISIONS

Section 1 Baking premises shall be kept clean and sanitary throughout. All employees shall keep their persons in a clean and sanitary manner. All those engaged in handling of bakery products, until they have been wrapped, shall wear white, other employees to be supplied with suitable uniforms. The cost of supplying and laundering of all uniforms to be borne by the Company except jobbers who work less than two (2) weeks, provided that jobber requests his/her uniform by the end of his/her second week in which event the Company agrees to provide his/her uniform by Tuesday of the third week.

Section 2 The Company shall provide and maintain for the convenience of employees, washrooms and lockers. The lunch room shall be separate and apart from dressing rooms, and shall provide facilities for boiling water.

Section 3 Employees shall at all times leave benches and machinery cleaned and (except in the case of necessity for mechanical or joiner's repairs) in condition for the immediate resumption of work. The Company shall keep all equipment in good safe working order.

Section 4 Employees to co-operate and assist in maintaining the utilities and conveniences of the Bakery, in good order, and to refrain from misusing or defacing them and to refrain from any conduct which would tend to depreciate or render unsanitary any such utensils or conveniences.

Section 5 Both parties to this Agreement endorse the City of Vancouver By-Law No. 2148, with particular respect to health certificates.

Section 6 The use of tobacco in any form in any part of the bakery where bakery products are produced or handled, is prohibited and any breach of this rule on the part of the employee shall be cause for instant dismissal.

Section 7 In the event of technological changes that have a significant affect on production, the Company agrees to discuss the matter with the Union six (6) weeks prior to institution of same.

Section 8 Due to the retail environment in the in-store bakeries, the Union recognizes that bakers may be required to serve on the counter during relief periods, and that when Union members are not available to slice bread, the counter employee may slice and wrap bread to facilitate customer service within the bakery department.

ARTICLE 24: UNION LABEL

The Union label will be furnished to the Company at cost as long as this Agreement is upheld, provided no other Union has a grievance with the Company. The Union agrees at all times to advance the sale of Union products by label campaign or otherwise.

ARTICLE 25: UNION REPRESENTATIVE

Section 1 The Company and the Union undertake mutually to foster the spirit of co-operation in the interpretation of this Agreement. The management of this Company will at all times, whenever reasonably possible, extend to the accredited representative of the Union, upon his/her request, evidence and facilities for confirming that the terms and conditions of this Agreement are being maintained. He/she shall also be granted permission to inspect pay cheques of any employee should he/she so desire.

Section 2 The Business Agent shall be permitted to enter any and all departments of the shop during working hours, to attend to the business of the Union. He/she shall, as a matter of courtesy, state the purpose of his/her visit to the person in charge of the department, and shall be given every opportunity to personally examine complaints of workers on the job, but at no time will he interfere with bakery operation.

ARTICLE 26: GRIEVANCE PROCEDURE

Section 1 In the event an employee feels he/she has been improperly dismissed, such grievance shall be taken up under the Grievance Procedure of this Agreement.

Section 2 Any employee who alleges that the Company has unreasonably increased the work load of his/her job, thereby causing injury to the health of such employee or reasonable apprehension of such injury, may present the matter as a grievance under this Article.

Section 3 Any complaint, disagreement, or difference of opinion between the Company and the Union, or the employee covered by this Agreement which concerns the interpretation or application of the terms and provisions of this Agreement, shall be considered a grievance. Any employee, the Union or the Company, may present a grievance.

Section 4 The procedure for adjustment of disputes and grievances shall be:

(a) Should a grievance occur, the member claiming such shall report the matter to the Shop Steward or the Business Agent of the Union.

(b) The Shop Steward or Business Agent of the Union shall take the matter up with the superintendent within ten days of the alleged incident and a further thirty days shall be permitted to finish the balance of the grievance steps or the grievance is dropped. An extension can be mutually agreed to.

(c) Should the grievance not be settled between the Superintendent and Shop Steward or Business Agent, the matter shall then be taken up between the Business Agent and the Manager of labour representative of the Company.

ARTICLE 27: BOARD OF ARBITRATION

Section 1 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.

If mutually agreed between the Company and the Union, a single arbitrator shall preside.

The parties shall each select one (1) member, within seven (7) days of receipt of the notice by either party that a grievance is to be submitted to arbitration, and the third member shall be selected by mutual agreement of the two members first selected. The third member shall act as Chairman of the Board. If agreement can not 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 Labour Relations Board of the Province of British Columbia, which shall appoint a Chairman.

Section 2 The Board of Arbitration shall receive and consider such material evidence as the parties may offer, and shall make such independent investigation as it deems essential to a full understanding and determination of the issue involved. In reaching its decision, the Arbitration Board shall be governed by the provisions of this Agreement.

Section 3 The Board of Arbitration shall not be vested with the power to change, modify or alter any of the terms of this Agreement. All grievances submitted shall present an arbitration issue under this Agreement. Where the Board of Arbitration finds that an employee was dismissed or suspended for other than proper cause, the Board of Arbitration may direct the Employer to reinstate the employee and pay to the employee, a sum equal to his/her wages lost by reason of his/her discharge or suspension, or such lesser sum as in the opinion of the Board is fair and reasonable.

Section 4 The finding 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 a decision of the Board.

Section 5 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 in good faith in proceeding to adjust grievances in accordance with the provisions of this Article.

Section 6 Each party shall pay its own arbitrator, but all expenses incurred by the Chairman shall be borne equally by the parties to the arbitration.

ARTICLE 28: PENSION PLAN

- (a) Commencing on the **5th day of April, 2009**, the Employer shall make payments to the Bakery and Confectionery Union and Industry Canadian Pension Fund (the "Fund") for each employee working in job classifications covered by the Collective Agreement as follows:

For each hour or portion thereof, for which an employee subject to the Collective Agreement receives pay, the Employer shall make a contribution of **\$3.56** to the Fund, up to a maximum of \$124.60 in any week for any one employee.

Commencing on the **4th day of April, 2010**;

For each hour or portion thereof, for which an employee subject to the Collective Agreement receives pay, the Employer shall make a contribution of **\$3.61** to the Fund, up to a maximum of \$126.35 in any week for any one employee.

Commencing on the **3rd day of April, 2011**;

For each hour or portion thereof, for which an employee subject to the Collective Agreement receives pay, the Employer shall make a contribution of **\$3.69** to the Fund, up to a maximum of \$129.15 in any week for any one employee.

Commencing on the **1st day of April, 2012**;

For each hour or portion thereof, for which an employee subject to the Collective Agreement receives pay, the Employer shall make a contribution of **\$4.02** to the Fund, up to a maximum of \$140.70 in any week for any one employee.

For the purpose of this Article, hour or day for which an employee receives pay shall include all forms of remuneration payable to the employee, whether or not the employee has actually performed work.

- (b) For the purpose of this Article, it is understood that contributions shall be payable on behalf of all employees covered by the Collective Agreement from the first day of employment, whether said employees are permanent, temporary or seasonal, or full-time or part-time employees, and regardless of whether or not they are members of the Union. The term "employee" does not include a self-employed person, a corporate officer, owner, or partner of the Employer.
- (c) Contributions provided for herein shall be paid monthly and shall be accompanied by a completed remittance report in form required by the Administrator of the Fund. Both payment and report are due thirty (30) days following the period covered by the report. In the event the Employer fails to pay amounts owed or provide the reports, the Employer shall pay, in addition to the contributions owing, such collection and other costs incurred by the Union or the Trustees of the Fund in collecting such contributions and obtaining such remittance information, including legal fees, pay interest at the rate of 9% per annum on outstanding contributions and shall furnish security for future payments if requested by the Trustees.
- (d) The obligation of the Employer to make contributions to the Fund is conditional on the Fund continuing to qualify for approval as a Registered Pension Plan by Canada Revenue Agency, so as to enable the Employer to treat contributions to the Pension Fund as a deduction for income tax purposes.
- (e) The Employer shall enter into a Participation Agreement with the Trustees of the Fund in form attached hereto. The obligations of the Employer set out in the Participation Agreement shall not be considered incorporated by reference into the Collective Agreement and constitutes an agreement between the Employer and the Trustees only.

- (f) If the Employer and Union agree that the contributions made pursuant to this Article shall be allocated as follows:

Effective Date April 5, 2009

Plan A: \$2.37

Plan C \$0.34

Plan D 2% \$0.32

Plan G \$0.53

Effective Date April 4, 2010

Plan A \$2.41

Plan C \$0.35

Plan D 2% \$0.32

Plan G \$0.53

Effective Date April 3, 2011

Plan A \$2.47

Plan C \$0.35

Plan D 2% \$0.33

Plan G \$0.54

Effective Date April 1, 2012

Plan A \$2.47

Plan C \$0.35

Plan D 4% \$0.66

Plan G \$0.54

ARTICLE 29: DENTAL PLAN

The Employer agrees to ensure the following dental benefits:

- 90% co-insurance present plan
- 80% co-insurance for crowns, bridges and dentures
- 50% co-insurance for orthodontics, \$3,000.00 maximum for eligible dependents - effective

Date of ratification (as per company's past practice).

If a government plan is instituted at any time with the same or equivalent benefits, it is understood that if necessary, the Company will pay the difference between any such plan and the maximum of thirteen cents (\$0.13) per hour.

Effective Sunday following ratification, the Dental Plan will be made available to all full-time employees after 6 months of full-time service (910 hours worked). An employee who qualifies then who subsequently reverts to regular Part-time no longer qualifies for Dental coverage after 13 full weeks after reduction to Part-time. An employee who loses his/her dental coverage by ceasing to qualify for Full-time status and returns to Full-time status within six (6) months of disqualifying, coverage shall resume on the first of the month after returning to Full-time status. An employee who loses his/her dental coverage by ceasing to qualify for Full-time status and returns to Full-time status more than six (6) months after disqualifying, he/she must requalify for coverage as per the above.

ARTICLE 30: DURATION

THIS AGREEMENT shall be in force and effect from Sunday after ratification until MARCH 31, 2013 and thereafter from year to year until a new Agreement, the terms of which shall be retroactive to April 1, of each year, has been consummated. The parties agree to specifically exclude the operation of Section 50(2) of the Labour Code of British Columbia, and do agree that there shall be no re-opening of this Agreement, until proper notice is served prior to the expiration date of March 31, 2013. Should either party desire to make any changes in this Agreement, the party desiring the change shall notify the other party, in writing, at least sixty (60) days prior to the expiry date of the Agreement, in any year. In the event of a failure to reach an amicable settlement, mediation may be applied for under existing provincial legislation.

LETTERS OF UNDERSTANDING to be renewed, as agreed.

SIGNED ON BEHALF OF THE COMPANY SIGNED ON BEHALF OF THE UNION

October 24, 1997

TO: All Store Managers
Vancouver Operating Area

RE: Bakers Help for the Bakery Department

The Bakery, Confectionery and Tobacco Workers' International Union, Local 468 and Canada Safeway Limited have entered into an agreement that allows for the introduction of Bakers Helpers into the Bakery Department.

We recognize that the slicing, wrapping, packaging and overwrapping is the exclusive jurisdiction of the Bakery, Confectionery and Tobacco Workers' Union.

I will not tolerate the scheduling of Bakery Helpers in such a way that our pre-ratification employees are denied their rights under the terms of the Collective Agreement.

I have instructed our Human Resources Department to bring any abuses of B.C.&T jurisdictional work reported by the Union, to my personal attention.

(signed)

(signed)

Dave Rodych
V.P., Retail Operations

Don Balletto
Director, Labour Relations

Letter Of Understanding:

(Existing Stores)

This confirms our agreement during negotiations that this Letter of Understanding shall form part of the Collective Agreement which shall be enforceable under all its Sections except where specifically amended herein. All provisions which are not specifically amended shall remain in full force and effect.

The Union and the Employer agree that in all Bakeries a new classification will be implemented under the following terms and conditions:

(1.) All new hires vacancies shall be classified as "Bakers Helper" and shall be permitted to perform all of the duties within each classification they are assigned.

(2.) The objective is to have fifty percent (50%) of the Bargaining Unit hours worked in a Bakery scheduled to employees employed as "Bakers Helper" (fifty percent [50%] objective).

Hours worked are defined as hours worked by all bargaining unit Employees within a store.

(3.) It is understood that the available hours of work scheduled to "Bakers Helper" shall be claimable by employees hired prior to ratification, 1997, within each classification (except for those hours made available as a result of the Buyout).

(4.) "Bakers Helper" shall be scheduled by the Employer as required. It is intended that employees in these classifications shall be scheduled firstly on weekends and late hours. In the event there are not sufficient available hours on the weekends and late hours, the Employer will next schedule any remaining hours during the day.

Senior employees in these classification shall be scheduled at least as many hours as junior employees in these classifications within each work schedule.

(5.) Once a store achieves the "fifty percent [50%] objective" in a quarter then the store will be required to balance the use of "Bakers Helper" hours by using plus or minus hours in the next quarter. The quarters are defined as three (3), four (4) week accounting periods (12 weeks) and at year end the quarter is defined as four (4), four (4) week accounting periods (16 weeks).

(6.) The Employer will provide the Union with a quarterly report to show the percentage of hours worked by "Bakers Helper". The Union and the Employer agree to establish a committee to regularly review the results of the quarterly reports. As well, the Employer will develop a weekly report of results that will be forwarded to the Union Office, so that adjustments can be made on an ongoing basis so that the percentage objectives are met at the end of each quarter.

Where it can be shown that quarterly adjustments prove to be detrimental to pre-ratification, 1997, employees, the Union and the Employer may mutually agree to modify the adjustment process.

(7.) Employees employed as "Bakers Helper" shall only be entitled to benefits of Statutory declaration only. Baker's Helpers will be eligible for statutory holiday pay as per Article 5, Section 1 (e).

Explanation:

It is the goal of the parties to eventually achieve a fifty-fifty (50-50) hours split. At this time only the buyout hours shall go to the new "Bakers Helper". These "Bakers Helper" shall be scheduled weekends and late evening shifts primarily to allow for a more preferred schedule to senior existing Bakers.

Letter Of Understanding

(Replacement Stores)

This confirms our agreement during negotiations that this Letter of Understanding shall form part of the Collective Agreement which shall be enforceable under all its Sections except where specifically amended herein. All provisions which are not specifically amended shall remain in full force and effect.

The Union and the Employer agree that the following terms and conditions of employment shall apply to replacement stores, that open after Ratification, 1997.

- (1). All new hires vacancies shall be classified as "Bakers Helpers" and shall be permitted to perform all duties.
- (2). The objective is to have 50% of the Bargaining Unit hours worked in a store scheduled to employees employed as "Bakers Helpers" (50% objective).

Hours worked are defined as hours worked by all bargaining unit employees within a store.

- (3). "Bakers Helpers" shall be scheduled by the Employer as required. It is intended that employees in this classification shall be scheduled firstly on weekends and late hours. In the event there are not sufficient available hours on the weekends and later hours, the Employer will next schedule any remaining hours during the day.
- (4). In the event that a store exceeds the "50% objective" in a quarter then the store will be required to balance the use of "Bakers Helpers" by using less hours in the next quarter. The quarters are defined as three (3), four (4) weeks accounting periods (12 weeks) and at year end the quarter is defined as four (4), four (4) week accounting periods (16 weeks).
- (5). The Employer will provide the Union with a quarterly report to show the percentage of hours worked by "Bakers Helpers". The Union and the Employer agree to establish a committee to regularly review the results of the quarterly report. As well, the Employer will develop a weekly report of results forwarded to the Union Office, so that adjustments can be made on an ongoing basis so that the percentage objectives are met at the end of each quarter.

Where it can be shown that quarterly adjustments prove to be detrimental to pre-ratification, 1997 employees, the Union and the Employer may mutually agree to modify the adjustment process.

(6). Employees employed as "Bakers Helpers" shall be entitled to benefits of statutory declaration only. Baker's Helpers will be eligible for statutory holiday pay as per Article 5, Section 1 (e).

(7). The Employer and the Union will meet on a regular basis to develop a plan to restructure the work force so that a target of fully loaded labour costs as a percentage of sales that has been agreed to can be achieved. In developing the plan to achieve the target the Employer and the Union shall implement the following options.

(8) Seventy-five (75%) percent of the hours made available due to sales increases shall be scheduled to "Bakers Helpers". Twenty-five (25%) percent of these hours will be scheduled to protected employees. The Employer and the Union shall meet, within thirty (30) days prior to the replacement store opening, to determine the base of hours. The parties will adjust the measurement time of the base to ensure recent competitive activity is taken into account.

(9) All future Replacement Safeway Stores after ratification 2003 shall have 75% of the new hours scheduled to Baker's Helpers to a maximum of 75% of the bargaining unit hours in the store for a minimum 5 year period from date of opening. It is understood that the current practice of the calculation of the "base hours formula" will continue.

(10) A Replacement Store is defined as:
(a) a store which is completely rebuilt, or
(b) a store which is expanded in size through the movement of a perimeter wall, or
(c) a store which is remodeled, provided that the remodel is significant in scope. It is understood that these projects will go beyond simple maintenance and equipment replacement and involve considerable improvements in the store to drive additional business. For purposes of this provision, a significant investment is defined as at least \$ 2 million.

The foregoing shall apply on a go forward basis to any applicable remodel after date of ratification 2008.

Letter Of Understanding:

(New Safeway Stores)

This confirms our agreement during negotiations that this Letter of Understanding shall form part of the Collective Agreement which shall be enforceable under all its Sections except where specifically amended herein. All provisions which are not specifically amended shall remain in full force and effect.

The Union and the Employer agree that the following terms and conditions of employment shall apply to new stores (including acquisitions), that open after August 1, 1997.

(1). All new hires vacancies shall be classified as "Bakers Helpers" and shall be permitted to perform all duties.

(2). The objective is to have 50% of the Bargaining Unit hours worked in a store scheduled to employees employed as "Bakers Helpers".

Hours worked are defined as hours worked by all bargaining unit employees within a store.

(3). It is understood that in a new store the percentage of hours scheduled by "Bakers Helpers" may exceed 50 % for a period of 5 years at which time the schedule will be adjusted to meet the fifty Percent (50 %) objective. In the case of a new store opened after ratification 2008, the percentage of hours scheduled to "Bakers Helpers" may exceed 50 % for a period of 7 years at which time the schedule will be adjusted to meet the fifty Percent (50 %) objective.

It is understood that in a new store the percentage of hours scheduled to pre-ratification Journeyperson Bakers, upon opening, will be at least 25 %.

(4). "Bakers Helpers" shall be scheduled by the Employer as required. Senior employees in these classifications shall be scheduled at least as many hours as junior employees in these classifications within each work schedule. It is intended that employees in this classification be scheduled firstly on weekends and late hours. In the event there are not sufficient available hours on the weekends and late hours, the Employer will next schedule any remaining hours during the day.

(5). In the case of acquisitions, employees will be placed in classifications such that 50 % of the hours worked shall be scheduled to "Bakers Helpers".

(6). In the event that a store exceeds the "50 % objective" (once that level has been achieved under point 3 above) in a quarter then the store will be required to balance the use of "Bakers Helpers" by using less hours in the next quarter. The quarters are defined as three (3), four (4) accounting periods (12 weeks) and at year end the quarter is defined as four (4), four (4) week accounting periods (16 weeks).

(7). The Employer will provide the Union with a quarterly report to show the percentage of hours worked by "Bakery Helpers". The Union and the Employer agree to establish a committee to regularly review the results of the quarterly report. As well, the Employer will develop a weekly report of results to forward to the Union Office so the adjustments can be made on an ongoing basis so that the percentage objectives are met at the end of each quarter.

Where it can be shown that quarterly adjustments prove to be detrimental to pre-ratification 1997 employees, the Union and the Employer may mutually agree to modify the adjustment process.

(8). Employees employed as "Bakery Helpers" shall be entitled to benefits of Statutory declaration only. Baker's Helpers will be eligible for statutory holiday pay as per Article 5, Section 1 (e).

LETTER OF UNDERSTANDING

THIRD PARTY LIABILITY

Should a Safeway employee receive weekly indemnity, as a result of an accident, and he or she subsequently receives a wage loss settlement from I.C.B.C., covering the same period, the amount by which weekly indemnity benefits and sick leave benefits causes the actual replacement income to exceed the employees regular earning shall be reimbursed to the Company.

Any banked sick days which may have been used, shall be returned to the employees banked sick days accumulation.

Signed on behalf of the Company

Signed on behalf of the Union

LETTER OF UNDERSTANDING

Between: Canada Safeway Limited

And: The Bakery, Confectionery, Tobacco Workers and Grain Millers
International Union, Local 468

1997 Buyout

The hours made available as a result of the 1997 buyout have been calculated into percentages of weekly average hours of work for each store. Each week, the Employer will be permitted to schedule this percentage of hours worked to "Bakers Helpers" and are not subject to claim by employees hired prior to ratification 1997. Any hours of work scheduled in addition to the percentage obtained through the buyout to "Bakers Helpers" that result due to an increase in sales, increase in service levels, normal attrition and transfers of employees shall be subject to claim by employees hired prior to ratification 1997 (attached Appendix A, Protected Employees) in their classification.

Signed this

LETTER OF UNDERSTANDING:

BETWEEN: Canada Safeway Limited

AND: The Bakery, Confectionery, Tobacco Workers and Grain Millers
International Union, Local 468

Relief Bakery Manager
(applies to Positions posted after D.O.R.)

The Company will develop a training program off site for Bakery Managers and Relief Bakery Managers.

It is agreed and understood that as a result of this agreement, successful applicants who become Relief Bakery Managers cannot be bumped by other Bargaining Union Members out of their position, for one (1) year from which they received their posting. However, if a senior person is bumped or laid off their position such that their work week is reduced to less than thirty-five (35) hours per week, they could bump into that second (2) person position within the one (1) year time line.

LETTER OF UNDERSTANDING:

BETWEEN: Canada Safeway Limited

AND: The Bakery, Confectionery, Tobacco Workers and Grain Millers
International Union, Local 468

PLUS 4000 HOURS BAKERS HELPERS

1. Company agrees to current apprentices moving to Jobber pool.
2. 15 Bakers Helpers with 4000 hours or more at DOR to become jobbers by seniority provided they are qualified/competent to perform the work required.
3. All Bakers Helpers with 4000 hours or more at DOR who reach the top rate of the new Grid B and maintain a 13 week average of 21 hours or more will qualify for MSP and HEP with a 30 % employee cost sharing applied. Effective November 1, 2008 all Bakers Helpers with 4000 hours or more at DOR and who maintain a 13 week average of 21 hours or more will qualify for MSP with a 30 % employee cost sharing applied.
4. All Bakery Helpers with 4000 hours or more at DOR who reach the top rate of the new Grid B and maintain a 13 week average of 28 hours or more will qualify for Dental Benefits with a 30 % employee cost sharing applied.