

Collective Agreement

AGREEMENT BETWEEN:

RITCHIE-SMITH FEEDS INC.

and

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

DURATION: July 01, 2009 to June 30, 2012

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COLLECTIVE AGREEMENT

BY AND BETWEEN:

RITCHIE-SMITH FEEDS INC.

(hereinafter referred to as the "Company")

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

(hereinafter referred to as the "Union")

WITNESSETH: that the parties hereto agree as follows:

ARTICLE 1: OBJECTS

1.01 The objects of this Agreement are to maintain a harmonious relationship between the Company and its employees, to provide an amicable and equitable method of settling grievances or differences which might possibly arise; to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement.

1.02 Employee Relations Committee

(a) *The Company agrees to continue the existing practice of quarterly Employee Relations Committee meetings which all employees are invited to attend as well as the practice of departmental meetings on matters of interest to particular departments.*

(b) *In addition, the company agrees that for matters relating to the Collective Agreement, it will meet at the request of the Chief Shop Steward.*

ARTICLE 2: BARGAINING AGENCY

2.01 The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of the Company employed at the place(s) set out in the certificate(s) of bargaining authority.

2.02 Employees not in the bargaining unit shall not perform work normally performed by bargaining unit members if the performance of that work will cause or prolong the layoff of a seniority rated employee.

ARTICLE 3: UNION SECURITY

3.01 Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, be and remain or become and remain a Union member in good standing for the duration of this Agreement or for the duration of his employment with the Company, whichever is shorter. Counting from the date he commences employment with the Company, each new employee will be allowed thirty (30) calendar days within which to make application to join the Union and tender the appropriate initiation fees. The Union shall have the exclusive right to determine who is a member in good standing. Should an

employee at any time cease to be a member in good standing in the Union the Company shall, upon notification in writing from the Union, discharge such employee forthwith. This provision shall not apply to employees covered by this Agreement who are not members of the Union as of January 24, 2008.

- 3.02 **CHECK-OFF:** The Company shall deduct from each new employee an amount equal to the Union dues from the employee's first payroll cheque after completion of six(6) days of work in a calendar month and add that employee's name and the said amount to the closest applicable check-off; i.e., if the check-off for that month has not been remitted to the Union, it shall be added to that check-off; if that month's check-off has been remitted, it shall be added to the following month's check-off and shown as the previous month worked.
- 3.03 **AMOUNTS DEDUCTED:** Union dues deducted under this provision or other check-off provisions shall be remitted to the Union not later than the fifteenth of the month following the month in which such check-off applies.

ARTICLE 4: MANAGEMENT RIGHTS

The Union recognizes and agrees that:

- 4.01 The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.
- 4.02 The Company has and shall retain the right to select its employees, to hire, classify, promote, demote or discipline them and discharge employees for just cause. Provided that such rights shall be exercised in a manner which is consistent with the terms of this agreement and which does not result in the discrimination against any bargaining unit member for membership in the Union or participation in Union affairs.
- 4.03 The right to hire employees of its choice is vested exclusively in the Company, but when the Company requires new employees, it shall so notify the Union so that the Union may have the opportunity to provide the Company with suitable applicants. This provision is not intended to provide any form of preferential hiring to applicants provided by the Union.

ARTICLE 5: DEFINITION OF EMPLOYEE

- 5.01 In this Agreement "employee" means a person who is employed by the Company and who is included in a unit of the Company's employees for whom the Union has been certified as the collective bargaining agent by the *Labour Code of Canada*. "Employee" shall also mean a person employed in a job classification listed in Appendix "A" and/or "B" attached hereto.

ARTICLE 6: HOURS OF WORK AND OVERTIME

- 6.01 **PRODUCTION AREA HOURS OF WORK:** The normal hours of employment for all production workers shall consist of ten (10) hours per day between the hours of 6:00 a.m. and 1:50 a.m. with the exception of the receiver in Mill 2B whose hours of work shall consist of eight (8) hours per day between the hours of 7:30 a.m. to 4:00 p.m. The parties recognize that there may be circumstances beyond the Company's control which will result in the length of shift being curtailed, curtailment of any employees shift will not see another employee replace those who have been affected. Employees are required to be at their

work station at their scheduled start time and are required to remain at work until the end of their shift. Time worked in excess of or outside of the above scheduled hours of work for a day shall be considered overtime and paid at one and a half (1 ½) times the hourly rate. All overtime shall be approved in advance by the immediate supervisor. The Company will, initially, canvass for volunteers **by seniority** to perform overtime. In the event there are no volunteers, the junior employee with the required competency may be compelled to work, ***i.e. voluntary down the seniority list, mandatory back up the seniority list.***

It is expressly agreed that employees will take their paid rest periods and meal breaks in such a manner that production machinery shall run continuously. Relief persons will be designated on the shift schedules posted by the Company. In the event that hours of work do not comply with any statutory standards or regulations, the parties agree to meet and amend these provisions to conform with their legal obligations.

6.02 **TRANSPORTATION AREA HOURS OF WORK:** The normal hours of employment for all transportation workers shall consist of ten (10) hours per day commencing either at 5:00 a.m., 6:00 a.m. or 3:30 p.m. The parties recognize that there may be circumstances beyond the Company's control which will result in the length of the shift being curtailed. Curtailment of any employee's shift will not see another employee replace those who have been affected. Payment of wages commences at the start time of an employee's shift, unless otherwise noted. Employees in the transportation area are paid for their rest periods and are expected to return to work after a break in a timely fashion. Time worked in excess of or outside the scheduled hours of work for a day shall be considered overtime and paid at one and a half (1 ½) times the hourly rate. All overtime shall be approved in advance by the immediate supervisor. The Company will, initially, canvass for volunteers **by seniority** to perform overtime. In the event there are no volunteers, the junior employee with the required competency may be compelled to work, ***i.e. voluntary down the seniority list, mandatory back up the seniority list.***

6.03 While the regular hours of work are set out above, the parties recognize that there are two (2) employees in the transportation area who operate equipment which is operated on the 13.3 hour shift schedule between the hours of 5:00 a.m. to 6:30 p.m.

Where practical, where an employee in the transportation area is short of regular hours of employment and a situation requiring extra driving arises later in the pay period, every effort will be made to offer the employee the opportunity to make up their hours.

The parties agree to red circle the current employees covered by this Article and, when a vacancy occurs, to meet to agree on how the position will be filled.

6.04 **MAINTENANCE/WAREHOUSE OPERATOR HOURS OF WORK:** The normal hours of employment for maintenance staff and warehouse operators shall consist of eight (8) hours per day between the hours of 7:30 a.m. to 4:00 p.m. The parties recognize that there may be circumstances beyond the Company's control which will result in the length of shift being curtailed, curtailment of any employees shift will not see another employee replace those who have been affected. Employees are expected to commence work at their scheduled start time and are required to remain at work until the end of their shift. Time worked in excess of or outside of the above of the scheduled hours of work for a day shall be considered overtime and paid at one and a half (1 ½) times the hourly rate. All overtime shall be approved in advance by the immediate supervisor. The Company will, initially,

canvass for volunteers to perform overtime. In the event there are no volunteers, the junior employee with the required competency may be compelled to work.

- 6.05 **CALL-INS:** Employees called in for unscheduled work will be paid for the hours actually worked, with a minimum of three (3) hours pay for each occurrence. Call-in pay shall not be paid for prearranged meetings such as safety committee meetings, driver meetings, or any other prearranged meeting. The transportation area employee designated as the Sunday "on call" driver will be paid a three (3) hour call-in even if not required to attend work.

For maintenance area employees, all call-in time is compensated at one and one half (1 1/2) times the hourly rate. If a maintenance employee is called into work after the end of his normal shift (4:00 p.m.) and works up to 12:00 a.m., the employee is expected to return to work for his next normal shift nine (9) hours after completing the call-in and will work until the end of his normal shift. In such circumstances, the maintenance employee is entitled to receive eight (8) hours of pay notwithstanding that they have worked less than the normal hours of work. Maintenance area employees whose call-ins terminate prior to 12:00 a.m. are expected to report for work at the commencement of their normal shift nine (9) hours later.

If a maintenance area employee is called-in after 12:00 a.m. and works until at least 3:00 a.m., the employee is expected to return to his normal shift nine (9) hours after the completion of the call-in and to complete their normal shift. In such circumstances, the employee is entitled to receive eight (8) hours pay notwithstanding that they have not worked their full shift. Further, maintenance area employees called-in to work after 12:00 a.m. who work until at least 3:00 a.m. have the option of taking the next shift off.

In such circumstances, the employee will receive four (4) hours of pay at their regular hourly rate.

If a maintenance area employee is called-in at 12:00 a.m. or after and works until at least 4:00 a.m., the employee is not expected to return for their next scheduled shift and will be compensated eight (8) hours pay at their regular hourly rate.

If a maintenance area employee is required to commence work prior to their scheduled shift start time, a supervisor must notify them prior to 8:00 p.m. the preceding day. In the event such notice is given, the employee is not entitled to call-in pay but is expected to return home after completing nine (9) hours work. In the event the maintenance area employee receives notice of a call-in after 8:00 p.m. the previous day, call-in rates will apply.

- 6.06 **Allocation of Shifts:** The Company shall post shift schedules no later than two (2) weeks in advance. The Company shall give employees forty-eight (48) hours notice prior to the changing of shift, except in emergency circumstances which would affect the proper operation of the plant ***and after the Company has made reasonable efforts to avoid changing the shift.***
- 6.07 Meal breaks and rest breaks during regular hours of work shall be in accordance with existing practice. Employees who work beyond twelve (12) hours per day shall be entitled to an opportunity to eat a meal, provided always that such break is taken in a manner that production machinery shall run continuously. Employees who complete twelve (12) hours of work or work beyond twelve (12) hours per day may elect to receive a cash payment of

ten dollars (\$10.00) in lieu of being provided an overtime meal or to be reimbursed to a maximum of fifteen dollars (\$15.00) upon presentation of receipts.

ARTICLE 7: GRIEVANCE PROCEDURE

7.01 Should a dispute arise between the Company and an employee or the Union as an entity regarding the interpretation, application, operation, or any alleged violation of this Agreement, including any question as to whether any matter is arbitrable, it shall be resolved in the following procedural manner:

STEP A: The Employee or the Union, together with such person or persons as he or the Union may wish, shall take the matter up with the Company within thirty (30) calendar days.

STEP B: Should a solution not be reached by STEP A, then a Business Representative of the Union, accompanied by the employee if the employee or Business Representative so wish, shall discuss the matter with the Company. If a solution is reached, this shall be final. If no solution is reached, the matter shall be referred to arbitration within ten (10) days.

7.02 GRIEVANCE – TIME LIMIT: Any discharged or suspended employee may, within seventy-two (72) hours of his discharge or suspension (exclusive of Saturdays, Sundays and General Holidays), in writing, require the Company to give him the reasons for his discharge or suspension and the Company will give such reasons to him, in writing, within seventy-two (72) hours of such request and in the event of any dispute or difference as to whether or not there was just cause for the discharge or suspension of such an employee.

ARTICLE 8: ARBITRATION

8.01 If the parties fail to settle a dispute under the steps of the grievance procedure, the grievance may be referred to an arbitration board as provided below:

(a) The party desiring arbitration shall advise the other party, within seven (7) days of the completion of STEP B of the grievance procedure, or such further period as the Company and the Union may agree to in writing, of its desire to proceed to arbitration. This step must be taken by notice in writing.

(b) The parties shall have ten (10) working days to agree on a single arbitrator. Failing such agreement, an arbitrator shall be selected , by lot, from the following list:

David McPhillips
Emily Burke
Rod Germaine
Mark Brown

(c) The parties to the arbitration recognize that the authority of the arbitrator is set out in the provisions of the *Canada Industrial Relations Act* and nothing in their agreement shall fetter that authority. In no case will an arbitrator have the authority to amend or alter this collective agreement.

(d) Each party to the arbitration will bear one half of the cost associated with the expenses to amend or alter the remuneration of the arbitrator.

- (e) The decision of the arbitrator shall be final and binding subject to such rights as may be available to either party at law to review the award.
- 8.02 The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.
- 8.03 If the Award of the Arbitration Board is subsequently set aside by a court of competent jurisdiction, the question shall, at the request of either party, be submitted to another Arbitration Board appointed pursuant to and with all the powers provided by this Article.
- 8.04 The expenses and remuneration of the Chairman shall be paid by the parties in equal shares.
- 8.05 Without restricting the specific powers hereinbefore mentioned, the Arbitration Board shall have all the general powers of an Arbitration Board.

ARTICLE 9: SENIORITY

- 9.01 **SENIORITY LIST:** The Company shall at least once every six (6) months, post in a conspicuous place in its premises an up-to-date list of all employees covered by this agreement showing the date when each commenced his employment with the Company ***and the date he commenced working in a department.*** The Company shall forward to the Union a copy of each list on the date of its posting.
- 9.02 **PROBATIONARY PERIOD:** An employee will be considered on probation during the first sixty (60) days actually worked and during this period seniority will not accumulate. During the probationary period, the Company may terminate an employee if the probationary employee is not suitable for continued employment. The sixty (60) working day probationary period referred to may be extended with written agreement between the Company and the Union.
- 9.03 Seniority shall mean length of continuous service with the Company. Departmental seniority shall mean length of continuous service in the following departments: production (including warehouse operations), maintenance and transportation.
- 9.04 **LAYOFFS:** In the event of a layoff, departmental seniority shall be recognized. The principle of last man on, first man off within the department shall prevail. The Company shall give at least forty-eight (48) hours notice of layoff, exclusive of Sundays and General Holidays.
- 9.05 **SENIORITY RETENTION:** An employee's seniority will be lost and the employee shall be deemed terminated if he:
 - (a) quits employment with the Company for any reason;
 - (b) is discharged and not reinstated through the grievance procedure or arbitration;
 - (c) is laid-off for a continuous period exceeding the length of his seniority at the time of layoff or a period exceeding twelve (12) months, whichever comes first;
 - (d) fails to return to work within the time period set out in this agreement after notification of recall to employment; or

- (e) is absent for five (5) working days without notifying the Company or is absent for this period without bona fide reason.

9.06 **RECALL:** When vacancies occur, the Company shall rehire laid off employees according to their departmental senior and the principle of last man off, first man on within the department shall prevail.

The Company shall contact laid-off employees either personally or by mail at the address or the telephone numbers supplied by the employee. It shall be the responsibility of the employee to keep the Company and the Union informed of his current address and telephone number while laid-off.

ARTICLE 10: VACATIONS

10.01 Employees covered by this agreement shall be entitled to vacations with pay. Vacation pay which shall be calculated on the basis of 2% of the employee's regular annual earning for the proceeding year for each week of vacation entitlement as set out below:

- (a) Every employee who has completed one (1) year of continuous service shall be entitled to two (2) weeks vacation.
- (b) Every employee who has completed four (4) years of continuous service shall be entitled to a vacation of three (3) weeks.
- (c) Every employee who has completed ten (10) years of continuous service shall be entitled to a vacation for four (4) weeks.

Effective June 30, 2011, vacation entitlement shall be as follows:

- (a) ***Every employee who has completed one (1) year continuous service shall be entitled to two (2) weeks vacation.***
- (b) ***Every employee who has completed three (3) years of continuous service shall be entitled to a vacation of three (3) weeks vacation.***
- (c) ***Every employee who has completed nine (9) years of continuous service shall be entitled to a vacation of four (4) weeks vacation.***
- (d) ***Every employee who has completed eighteen (18) years of continuous service shall be entitled to a vacation of five (5) weeks vacation.***

There shall be no vacation carryover from year to year. All vacation entitlements must be used in the calendar year in which they are earned. Vacations are subject to the following guidelines:

- i. All allocated vacation is based on employee seniority. Extra time over and above the employee's allocated vacation time must be approved by the employee's respective supervisor prior to reserving.
- ii. Vacation will be scheduled in one (1) week blocks minimums. (Maintenance staff is excluded from this requirement).

- iii. Vacation time can be reserved **by seniority** in two periods of the year; by the last day of December for the months January, February, March, and April and by the last day of February for the balance of the year.
- iv. Vacation booked after the cut-off dates will be awarded on a first come first-served basis for each period.
- v. A maximum of two (2) employees from each department, transportation (including T37 driver), production and maintenance will be permitted off at one time. (Two (2) weeks ending January 1st is an exception to this rule.)
- vi. A maximum of two (2) weeks of earned vacation will be permitted during "Prime Time". Prime Time is specific to the months of July, August, and September and the two (2) weeks ending January 1st.
- vii. The two (2) weeks ending January 1st will be awarded on a revolving seniority basis: A maximum of one (1) employee from each department (transportation, production and maintenance) off at one time.
 - a. only employees who have completed ten (10) years of service will be included in the rotation, unless no one eligible requests that time.
 - b. eligible maximum once in five (5) years.
- viii. Surplus funds in a vacation account may be drawn off, but the remaining balance must cover the allotted days.
- ix. All employees shall take the allotted vacation time. There shall be no vacation carry over from year to year.

10.02 **Long Term Service Award**

(a) **20-Year Employees**

The Long Term Service Award for 20-year employees will remain in effect until June 30, 2011.

Employees who have completed twenty (20) years of service shall receive annually 2.5% of their annual wage (excluding Retirement Plan Payments) paid into their RRSP on the anniversary of their start date.

(b) **25-Year Employees**

Employees who have completed twenty-five (25) years of service will receive annually an additional 2% for a total of 4.5% paid into their RRSP.

Effective June 30, 2011, employees who have completed twenty-five (25) years of service will receive 2.5% of their annual wage (excluding retirement plan and pension plan payments). The employee may elect to have this paid into their RRSP or paid out on a separate cheque on the anniversary of their start date.

ARTICLE 11: STATUTORY HOLIDAYS

11.01 Statutory holidays shall be in accordance with the provisions of the *Canada Labour Code*. The statutory holidays are: New Years Day, Good Friday, Victoria Day, Canada Day, BC Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day.

Should the Company find it necessary to operate on a statutory holiday, it shall post a notice asking for volunteers to work the shift, and the work shall be allocated by seniority.

ARTICLE 12: WAGES

12.01 The Company shall remunerate an employee at the wage rate applicable to the job classification that such an employee is employed in. The job classification and applicable wage rates shall be those agreed upon and set out in Appendix "A", attached hereto, and forming part of this Agreement.

12.02 PAY STATEMENT: The Company will issue to each employee a separate or detachable itemized statement with each pay showing separately the number of straight time hours worked and the number of overtime hours worked and the respective hourly rates applicable thereon. The statement shall also show the total wages for the pay period and the total deductions therefrom.

12.03 ACCIDENTS – PAY TO EMPLOYEES: An employee who is injured while at work and is required to leave for treatment or is sent home as a result of such injury shall receive payment at their classified rate for the duration of their shift for the day of the injury. The Company shall bear the cost of any necessary transportation.

ARTICLE 13: EMPLOYEE VEHICLES AND DEVICES

13.01 Employee vehicles shall not be used on Company business. Employees shall not be required to use personal devices such as cellular phones, personal computers or other such similar devices for Company business.

ARTICLE 14: LEAVE OF ABSENCE

14.01 UNION SERVICE:

(a) The Company may allow time off work without pay for any employee who is serving on a Union committee for purposes of discussions with the Company, or serving as a Union delegate to any conference or function, provided all requests for time off are reasonable and do not interfere with the proper operation of the business.

(b) No employee who acts within the scope of this sub-section shall lose his job or be discriminated against for so acting.

(c) Upon written request by the Union and if reasonable notice is given and provided such leave does not interfere with the proper operation of the business, the Company may grant leave of absence to employees without pay for Union business. Should an employee be appointed, selected or elected to work full time for the Union, the Company will grant a leave of absence not to exceed one (1)

year. During a leave of absence under this section, an employee will maintain and accumulate seniority.

- 14.02 LEAVE OF ABSENCE DUE TO INJURY: When any employee suffers an injury or illness which requires his absence, he shall report the fact to the Company as soon as possible, prior to his actual starting time, so that adequate replacement may be made if necessary.
- 14.03 LEAVE OF ABSENCE: If an employee desires a leave of absence for reasons other than those referred to in this Section, he must obtain permission, in writing, for the same from the Company, a copy to be supplied to the Union.

ARTICLE 15: GENERAL PROVISIONS

- 15.01 INJURY REPORT: An employee suffering injury while in the employ of the Company must report to the first aid department immediately, or as soon thereafter as practicable, in accordance with the *Workers Compensation Act*, and also report to that department on returning to work.
- 15.02 WASHROOM FACILITIES: Adequate washroom facilities will be provided by the Company and kept in sanitary condition. The Company will ensure that these facilities will be maintained daily. Employees will cooperate by observing the simple rules of cleanliness.
- 15.03 COVERALLS: All employees required by the Company to wear coveralls or smocks shall have these supplied and cleaned by the Company at no expense to the employees involved. Any smock or set of coveralls supplied, shall be of the proper size to fit the employee. There shall be at least three (3) changes available each week to the employees involved, and maintenance workers going out on calls shall have several extra sets of coveralls to take with them when they go out on such calls.
- 15.04 LUNCH ROOM: The Company will supply suitably enclosed heated accommodation where employees may have their lunch. Lockers for personal storage shall be provided. The Company will ensure the Lunch Room(s) are cleaned and maintained.
- 15.05 SHOP TEMPERATURE: With the co-operation of employees, the Company will attempt to maintain shop temperature above 50 degrees Fahrenheit (10 degrees Celsius) during cold weather. The Company agrees not to require its employees to perform outside repair work in temperatures below -20 degrees Fahrenheit (-29 degrees Celsius), unless adequate protection and some form of heat is provided.
- 15.06 SHOP STEWARD:
- (a) The Union may elect or appoint a Shop Steward from each department to represent the employees and the Union shall notify the Company in writing as to the name or names of such Shop Steward or Shop Stewards. The Company agrees that no Shop Steward shall suffer any discrimination by reason of holding such office.
 - (b) When The Company for any reason finds it necessary to lay off or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.

- (c) Authorized agents of the Union shall have access to the Company's premises for the purposes of representing employees at Steps 2 and 3 of the grievance procedure. Before entering the premises, the Union Representative shall check in with the General Manager or his designate by phone or in person at the front office.
 - (d) The Shop Steward shall be allowed reasonable time during working hours to carry out his duties as set out in this Agreement. Any employee being disciplined by the Company shall have the right to request that the Shop Steward be in attendance.
- 15.07 **PICKET LINE:** The Company recognizes the implications of a picket line to its employees and agrees that it will not routinely instruct its employees to cross such a line. However, in order to ensure continuity of supply to its customers, the Company reserves its right to direct employees to cross a picket line. When such instructions are given, the Union will be advised.
- 15.08 *The Company shall provide non-prescription safety glasses to all employees who are required by statutory safety regulations to wear them.***
- 15.09 **BONDING:** If, at any time, the Company requires an employee to be bonded by the individual bond, the cost of such bonding shall be assumed by the Company.
- 15.10 **SUB-CONTRACTING:** The Company will not contract out bargaining unit work where such contracting will directly result in the layoff of a member of the bargaining unit.
- 15.11 **NOTICE BOARD**
- (a) A notice board shall be provided for the posting of all official Union notices exclusively, and will not be used for the purpose of disseminating political information. The right is reserved to the Company to request the removal of material offensive to the Company.
 - (b) The following information shall be kept in a central location, readily accessible to the Shop Steward:
 - 1 – Seniority List;
 - 2 – Copy of the Agreement;
 - 3 – Welfare Plan Provisions;
 - 4 – Pension Plan Provisions; and
 - 5 – Safety Committee Minutes and Recommendations.Any employee requiring such information shall contact the Shop Steward for same.
- 15.12 **SEVERANCE PAY:**
- (a) In the event of permanent closure of the plant, or a department thereof causing an employee to lose his employment with the Company, the Company hereby agrees to pay severance pay to such an employee provided the employee has a minimum two (2) years' service with the Company. Severance pay shall be one (1) week's

pay for each year of completed service to a maximum of twenty (20) weeks and shall be based on an employee's regular rate of pay at the date of his severance.

In the event that part of the plant remains open an employee eligible to receive severance pay may elect to remain on the seniority list for possible recall.

- (b) An employee who is laid off under circumstances to which this Article may apply may elect to abandon his recall rights and accept severance pay provided the employee makes the election to take severance pay during the first three (3) months of his layoff. A laid off employee who accepts severance pay shall forfeit his employment and all seniority rights, including any further right of recall.

15.13 BEREAVEMENT PAY: If an employee suffers a death in the immediate family, he shall be granted compassionate leave of absence with full pay for three (3) days. Immediate family means: spouse, mother, father, brother, sister, children, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparents and grandchildren. If the employee affected does not attend or arrange services then he shall only be entitled to one (1) day as provided under this Section.

15.14 JURY DUTY:

- (a) Employees shall be granted necessary leave of absence for the purposes of performing their obligations relating to jury duty. Such leave of absence shall not affect the employee's retention or accumulation of seniority. When an employee returns from serving on jury duty, he will be returned to the job held prior to serving.
- (b) When an employee's attendance is required either as a witness or in any other capacity in any court proceeding arising out of his employment, he shall be paid by the Company at his applicable rate for the time spent in attendance at court. An employee participating in court proceedings arising out of his employment shall, upon return to work, be returned to the job held prior to such service.
- (c) If an employee is employed on an afternoon or graveyard shift and attends upon jury duty, or if an employee is attending upon jury duty or acting as a witness in a matter arising out of his employment and becomes scheduled to commence work on an afternoon or graveyard shift, such an employee shall be required to work such shifts. Any employee on jury duty shall, subject to this Section, make himself available for work before or after being required for such duty whenever practicable during this regular shift.

15.15 DISMISSED OR IMPROPER CHARGES: When a charge is laid against an employee, such charge arising while the employee was acting within his scope of employment with the Company, and such charge is dismissed or held improper by a court of competent jurisdiction or on an appeal taken therefrom, the Company shall pay the employee at his regular rate for the time loss due to attendances on his legal counsel and any court appearances. The Company shall also reimburse the employee for any legal fees and other legitimate expenses that the employee has incurred. Prior to the employee taking steps to defend himself, he shall consult the General Manager of the Company and obtain mutual agreement on which legal firm should be used.

15.16 ARTICLE HEADINGS: The Article headings shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

15.17 EDUCATION FOR UPGRADING: Employees who wish to take courses to improve or upgrade their skills in their line of work shall consult with the Company. Upon approval by the Company, the Company shall reimburse the employee upon completion of the course. The cost of Trades Qualification Exams will be paid by the Company.

Employees shall be paid their regular rate of pay for completing their driver's examination when required by the Company for the purposes of employment or any doctor's examinations in connection therewith.

15.18 SAFETY BOOT ALLOWANCE: The Company will provide a \$150.00 allowance, payable once a year for the purpose of purchasing safety boots.

15.19 TOOL INSURANCE: The Company shall provide, at its expense, tool insurance coverage for theft and fire to each eligible Journeyman and Apprentice. Such coverage shall pay the cost of replacing an employee's tool, tool for tool, brand for brand, at no cost to the employee. Each employee will provide a brand name inventory of his tools on each anniversary date of the Agreement on a form supplied by the Company to be eligible for tool insurance.

Such insurance shall include coverage for theft and fire on an employee's tool box.

15.20 Full time maintenance employees and the Truck Maintenance Coordinator shall receive fifty cents (\$.50) per hour worked as a trade allowance.

ARTICLE 16: TECHNOLOGICAL CHANGES

16.01 In the event the Company proposes the introduction of equipment in its operations, requiring specialized training, the Company agrees to give the first opportunity to train on such equipment to employees then on the payroll through the job posting procedures of this Agreement. The Company further agrees to notify the Union as soon as its final decision is made as to the introduction of new equipment. Failure on the part of the Company to comply with these provisions will automatically give cause for grievance.

The Company agrees to work with the Union and utilize provincial/federal and Union training facilities to arrange training of employees whose jobs no longer exist as a result of plant closure or partial closure. Such employees shall have the choice of taking training provided or accepting layoff.

ARTICLE 17: JOB POSTING

17.01 PROMOTION: When new jobs are available, wherever possible, the Company will promote employees to a better paying job, seniority, qualifications and ability having been considered.

17.02 JOB POSTING:

(a) In the event a vacancy occurs, the Company shall post a notice on the bulletin board notifying that a vacancy exists in a particular job.

- (b) Employees desiring such job shall then apply, in writing, within seven (7) days of such posting, except that employees on vacation or out of town on work for the Company at such time shall have the privilege of applying when they return.
- (c) The Company and the successful applicant to a posting shall have the opportunity, for a period of three (3) months, to assess the suitability of the candidate continuing in the position. If, during the three (3) month period, the Company concludes that the applicant is not suitable for the job, or if the applicant concludes they no longer wish to stay in the position, the employee will have the right to return to their previous position and other affected employees shall revert to their previous job. If the employee determines, after the expiry of the three (3) month period, that the new position is not suitable, they shall have the right to change positions recognizing they may be required to return to an entry level job.
- (d) When the Company elects to make new assignments of tridem trailers, tandem trailers and tandem feed trucks, senior drivers who wish to drive a tridem over a tandem unit shall be given preference.

17.03 NEW JOB CLASSIFICATION:

- (a) When a new job classification is introduced which is not included in the list of classifications in Appendix "A" and/or "B", the Company and the Union shall promptly negotiate a wage rate for such classification.
- (b) Every effort will be made by the Parties to conclude negotiations within thirty (30) days, but in any event, the rate established shall be retroactive to the day the new job commenced.
- (c) In the event the Parties hereto are unable to conclude negotiations, the Company will set an interim rate and the matters in dispute shall be referred to a single Arbitrator agreed upon between the Parties. Failing such agreement, either Party at any time may call upon the provision of the Canada Labour Code to appoint an Arbitrator.

ARTICLE 18: MEDICAL – INSURANCE – DENTAL – PENSION

18.01 SICK DAYS: The Company does not expect sick employees to report to work. However, in order to be entitled to the benefit provided by this provision, an employee must notify their supervisor of their sickness and unavailability for work as soon as possible and, in any event, no later than their schedule start time.

Employees have no set entitlement to a certain number of paid sick days per month or per year. Payments made pursuant to this provision shall be calculated at seventy-five percent (75%) of the employee's regular wage rate multiplied by the number of regular scheduled hours of work missed. No entitlement to payment under this provision shall exist for any illness or absence covered under any other health and welfare program offered by the Company.

The Company may, at its discretion, request a medical report as a requirement for payment under this provision. In such circumstances, the Company shall reimburse the employee for the cost of preparation of the report.

18.02 The Company shall comply with all statutory leave programs under the Canada Industrial Relations Act.

18.03 Employees subject to this Agreement will, within one hundred eighty (180) days of its ratification, have a one time opportunity to elect to transfer future benefits currently paid to Great West Life Group Retirement Plan to the Operating Engineers Pension Plan.

All new employees shall have the option, during their probationary period to elect to direct their retirement benefit payments to the Great West Life Group Retirement Plan or to the Operating Engineers Pension Plan. Upon completion of the probationary period, new employees' pensionable service shall be back dated to their start date.

There shall be no options or elections made under this provision until such time as employees have had the opportunity of attending a presentation by or meeting with representatives from the respective benefit plans related to the exercise of their election.

18.04 Medical, health and welfare plan benefits in addition to those described above are provided in accordance with the Benefit Booklets provided by the Company's service providers. In accordance with existing practice, the premiums will be paid by employees but the Company agrees to remit those premiums to the insurance companies for the provision of the benefits set out in those booklets provided always that employees meet the eligibility requirement for enrolment in and continuing participation in such plans. Coverage provided under these plans is subject to the terms of the respective insurance policies. All benefits payable pursuant to these plans are payable by the insurer and not by the Company.

18.05 Employees are entitled to request to use two (2) days of their vacation entitlement in each vacation year, on a single day basis, for the purpose of attending to family matters provided such requests are reasonable and do not interfere with the proper operation of the business.

ARTICLE 19: SAVINGS CLAUSE

19.01 No employee, who prior to the date of this Agreement was receiving more than the rate of wages as set out in the Schedule(s) attached hereto or working less hours than stipulated in the Agreement, shall suffer a reduction of wages because of the adoption of this Agreement.

19.02 If any Article or Section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of Any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

19.03 In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union, for the purpose of replacing the Article or Section to make it compliant with the law. If the parties

do not agree on a mutually satisfactory replacement, they shall submit the dispute to the Grievance Procedure.

ARTICLE 20: DURATION

20.01 This Agreement shall be in full force and effect from and including July 01, **2009** to and including June 30, **2012** and shall continue in full force and effect from year to year thereafter subject to the right of either Party to this Agreement within four (4) months immediately preceding the date June 30, **2012** or immediately preceding the anniversary date in any year thereafter, by written notice to the other Party, require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.

20.02 Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike, or the Company shall give notice of lockout, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

Signed this _____ day of _____, 2010.

RITCHIE-SMITH FEEDS INC.

INTERNATIONAL UNION OF
OPERATING ENGINEERS, LOCAL 115

PER:

PER:

APPENDIX "A" – WAGE SCHEDULE

	Level 1 Start	Level 2 > 6 mo.	Level 3 > 12 mo.	Level 4 > 18 mo.
<u>July 01/09 to June 30/10</u>				
Mill Operator	\$18.85	\$21.89	\$24.95	\$27.99
Driver/Loader	23.15	25.58	27.99	27.99
Maintenance w/ ticket	26.92	27.99	29.07	29.07
Journeyman Electrician	30.04	31.17	32.31	32.31
Housekeeping/Yard Person	16.15	19.39	21.54	24.77
<u>July 01/10 to June 30/11 +2%</u>				
Mill Operator	19.23	22.33	25.45	28.55
Driver/Loader	23.62	26.09	28.55	28.55
Maintenance w/ ticket	27.46	28.55	29.65	29.65
Journeyman Electrician	30.64	31.79	32.95	32.95
Housekeeping/Yard Person	16.47	19.77	21.97	25.27
<u>July 01/11 to June 30/12 +2%</u>				
Mill Operator	19.61	22.78	25.96	29.12
Driver/Loader	24.09	26.61	29.12	29.12
Maintenance w/ ticket	28.01	29.12	30.24	30.24
Journeyman Electrician	31.26	32.43	33.61	33.61
Housekeeping/Yard Person	16.80	20.17	22.41	25.78

The Company agrees to provide and pay for full cross-training once an Operator has demonstrated capability.

Level **3** will be awarded if the employee has shown competency in another position (pelleting or mixing).

Level **4** will be awarded if the employee has shown competency in both pelleting and mixing.

Initial placement of employees in the Wage Grid shall be at the discretion of the Employer.

The parties are to develop a process for increased input by senior employees on judgments of competency made by the Company for movement to Levels 3 and 4 of the wage grid.

PREMIUMS

4th Class Power Engineer Four percent (4%) per hour above the Tradesperson rate listed in Appendix "A".

3rd Class Power Engineer Six percent (6%) per hour above the Tradesperson rate listed in Appendix "A".

Lead hands	Lead hands are bargaining unit personnel appointed by the Company, in its discretion, for the purpose of providing leadership to other members of the bargaining unit. The lead hand shall be paid a premium of four percent (4%) over the Tradesperson rate listed in Appendix "A".
Warehouse Lead hands	The Company acknowledges the current premium of \$0.50/hour being paid, in the Company's discretion, to existing employees for fleet maintenance coordination and warehouse coordination. These premiums will be retained for the duration of this agreement or the end of the incumbency of these employees, whichever occurs first.
FIRST AID ATTENDANT	At the employee's option, the Company will provide survival first aid courses to all employees every two years.

APPENDIX "B"

B.01 APPRENTICE RATES – 4 YEAR CONTRACT

The Company will pay no less than:

- 1st 6 months – 55% of Journeyman rate
- 2nd 6 months – 60% of Journeyman rate
- 3rd 6 months – 65% of Journeyman rate
- 4th 6 months – 70% of Journeyman rate
- 5th 6 months – 75% of Journeyman rate
- 6th 6 months – 80% of Journeyman rate
- 7th 6 months – 85% of Journeyman rate
- 8th 6 months – 90% of Journeyman rate