

COLLECTIVE AGREEMENT

between

**LEVI STRAUSS & CO. (CANADA) INC.
BRANTFORD FINISHING CENTRE**

and

**UNION OF NEEDLE TRADE
INDUSTRIAL AND
TEXTILE EMPLOYEES
LOCAL 551**

U.N.I.T.E.

August 1, 2001

To

July 31, 2004

00917 (07)

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THIS AGREEMENT made and entered into this 18th day of September 2001 and between Levi Strauss & Co. (Canada) Inc. at 70 Easton Road, Brantford, Ontario, Canada, hereinafter referred to as “Employer” and the Union of Needle Trade, Industrial and Textile Employees Union, Local 551, AFL-CLC, hereinafter referred to as the “Union”.

ARTICLE 1 – MANAGEMENT RIGHTS

- 1.1 The Union recognizes and acknowledges that the management of the operations and the direction of working forces are fixed exclusively in the Employer, and without limiting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Employer to:
- (a) maintain order, discipline, efficiency and in connection therewith; to make, alter and enforce from time to time reasonable rules and regulations, policies and practices to be observed by its employees, and to discipline or discharge employees for just cause;
 - (b) select, hire, transfer, assign to shifts, promote, demote, classify, lay off, recall or retire employees at retirement age; and select employees for positions excluded from the bargaining unit;
 - (c) establish and administer tests for the purpose of assisting the Employer in determining an employee’s qualifications, and require medical examinations for health and safety reasons or to support a benefit or claim under this Agreement;
 - (d) determine the location of operations, their expansion or their curtailment, the sub-contracting of work, the schedules of operation, the number of shifts, job content, quality and quantity standards and targets, the establishment of work or job assignments.
 - (e) change, combine or abolish job classifications; determine the qualifications of an employee to perform any particular job, the nature of tools, equipment and machinery used and to use new or improved methods or processes; and to decide on the number of employees needed by the Employer at any time.
 - (f) the Employer agrees that it will not exercise its functions in a manner inconsistent with the provisions of this Agreement.
 - (g) the Brantford Finishing Centre shall be characterized by an atmosphere of Continuous Improvement. The Employer shall ensure that all employees work in a manner which is consistent with the Company’s Aspirations.

ARTICLE 2 – UNION RECOGNITION

- 2.1 The Employer recognizes the Union as the exclusive bargaining agent of all employees of Levi Strauss & Co. (Canada) Inc. for its finishing operation in the City of Brantford, Ontario, save and except supervisors, instructors, trainers, mechanics, quality control staff, forepersons, clerical and sales staff, or any other salaried position.
- 2.2 The employer shall recognize all Union Reps as the Union may elect or appoint. The employer shall not be obligated to deal with more than six (6) reps at one meeting.
- 2.3 The Union Executive shall consist of:
- President
 - Vice-President
 - Secretary
 - Plus three (3) additional positions to be determined by the Union
- 2.4 It is agreed that Supervisors, and all other salaried personnel, will not perform bargaining unit work, except in the following instances:
- a) Instructing, training, or developing and introducing new equipment, techniques or products
 - b) Preventing an accident or injury or preventing damage to property, equipment or product

It is further understood that the above exceptions will not be used in a manner that would deprive a bargaining unit employee of any normal hours of work and/or overtime hours.

ARTICLE 3 – NO STRIKE OR LOCKOUT

- 3.1 The Union hereby undertakes that it shall not directly or indirectly cause any cessation of or interference with production in the plant of the Employer. The Employer shall not engage in any lockout. All differences between the parties hereto shall be settled in accordance with the provisions of Article XI herein.

- 3.2 Any action by a Union member, or a Union official which instigates, prompts or leads to a strike, slowdown, stoppage, walk out, calling out of workers for a meeting during working hours, or cancellation/withdrawal of overtime is prohibited and is a violation of this Agreement.

ARTICLE 4 – CHECKOFF

- 4.01 The Company agrees to deduct an amount of Union dues to be determined by the Union. The amounts shall be deducted on a weekly basis from employee's pay and then remitted to the Union on a monthly basis for all dues deducted in the previous month.

The Company will at the time of making such remittance specify the employees from whose pay such deductions were made.

The Company shall include the amount of dues deducted each year on each employee's T-4 slip.

All Union Dues will be deducted from day one of employment and is non-refundable. The Union shall notify the Company when changes occur to the amount to be deducted, and of an initiation fee, if applicable.

- 4.02 The union agrees to hold the employer harmless in the event that it is required by law to make any restitution of dues and/or initiation fees which have been deducted and transmitted to the Union in accordance with the provisions of this article.
- 4.3 Membership in the Union shall be required as a condition of employment for each employee. A new employee shall be known as a probationary employee until he/she has completed three hundred and sixty (360) hours of work. It is further understood that probationary employees shall be entitled to representation from day one of employment.

ARTICLE 5 – STUDENT EMPLOYMENT LANGUAGE

- 5.1 The Company may hire employees classified as “student temporaries” to replace employees who are on vacation. It is mutually agreed that this classification shall be governed by the following provisions:
- Returning students shall not accumulate seniority from year to year.
 - New student employees who are performing bargaining unit jobs will be paid in accordance with the wage and probationary rates as outlined in the Collective Agreement. Normal shift premiums will apply. Team and plant bonus will be paid where applicable. Returning students who are able to perform at a specified standard shall be paid:
 - 1st year of return – 90% of wage for first 160 hrs worked.
 - 2nd year and any subsequent years of return – 90% of wage for first 80 hrs worked.
 - Student temporaries who are offered a full-time position would begin their probationary period and accumulation of seniority at the time of permanent hire.
 - Student temporaries who are offered a full-time position will be subject to all provisions of probationary employees with the exception of rate of pay.
 - Student temporaries are not eligible to bid on any posted jobs. However, should no regular employee seek a job vacancy, the Company can fill the job with a student temporary.
 - Student temporaries will not be eligible for benefits or statutory holiday pay. This excludes any entitlement governed by Employment Standards.
 - Student temporaries are not eligible to participate in overtime unless all permanent employees within the department in which the employee is employed have been offered overtime.
 - Student temporaries shall pay Union dues as per the Collective Agreement.
 - Student temporaries shall have their name added to the seniority list with an “S” following their name to indicate Student.
- 5.2 It is understood that student temporaries will be laid off first in a lay-off situation and no student temporary will be hired to perform a bargaining unit job while any full-time bargaining unit employee is on lay-off.

ARTICLE 6 – INSURANCE BENEFITS/PENSION

- 6.1 Commencing on the Monday following the completion of three hundred and sixty (360) hours of work, the Employer shall pay the premium costs to provide the following insurance benefits:
- (a) Ontario Health Insurance Plan, for either single or family coverage as required by the employee.
 - (b) \$25,000 life insurance coverage. (Effective August 1, 2002 \$30,000).
 - (c) A supplementary Health Care Program, details of which will be provided in a booklet to be furnished by the Employer. Please refer to the benefit booklet for information regarding benefits.
 - (d) Every two (2) years the Company will reimburse each employee the cost of prescription safety eyeglasses plus a maximum of \$125.00 towards the cost of frames.
 - (e) The Company will contribute a maximum of \$200.00 every two years toward the cost of prescription glasses for eligible employee's spouse and children.
- 6.02 Eligible employees who qualify for a WI claim will be paid by the Insurance Carrier 65% of their regular earnings for any Statutory Holidays that fall during the employee's WI claim.
- 6.03 **PENSION** – Effective November 13, 1986, all employees who have completed one (1) year of service (as of November 13, 1986) will become members of the Levi Strauss & Co. (Canada) Inc. Hourly Employees Pension Plan. Former Elgin Street employees to have membership in the plan retro-active to April 14, 1982. The benefit under the Pension Plan for eligible employees is \$5.00 per month per year of credited service.
- (a) Effective August 1, 2001 the benefit under the Pension Plan for eligible employees is \$17.00 per month per year of credited service.
 - (b) Effective August 1, 2002 the benefit under the Pension Plan for eligible employees is \$18.00 per month per year of credited service.

It is agreed by the Company that eligible employees have the option of making voluntary contributions toward their Pension Plan, up to the maximum annual company contribution.

6.04 **DENTAL PLAN**

As of August 1, 1995 coverage will be:

- reimbursement for preventative dental care (routine oral examination and scaling and cleaning of teeth twice in one (1) year).
- Reimbursement for other basic dental work (filling, x-rays, root canal, stainless steel crowns, etc.)

The dental plan will cover the employee and his/her spouse and children up to \$1,000 per member per year (effective January 1, 2002 \$1,400 per member per year).

The dental plan will be: 80% Company paid premiums, 20% employee paid premiums.

The rates for the employee cost portion will be posted.

Premiums and coverage will never be less than 1 year back of current year on Ontario Dental Association Fee Schedule

ARTICLE 7 – ANNUAL VACATION

- 7.1 Employees who have completed one (1) year of continuous employment with the Employer, as of their anniversary date, shall be entitled to two (2) weeks of vacation with pay. Such pay to be computed on the basis of four percent (4%) of the gross earnings which the employee has received from the first week of July in one (1) year to the last week of June in the following year or two (2) weeks pay based on the employee's base rate of pay plus bonuses if applicable, whichever is greater.
- (a) Employees who have completed five (5) years of continuous employment with the Employer, as of their anniversary date, shall be entitled to three (3) weeks vacation with pay. Such pay to be computed on the basis of six percent (6%) of the gross earnings which the employee has received from the first week of July in one (1) year to the last week of June in the following year, or three(3) weeks pay based on the employee's base rate of pay plus bonuses if applicable, whichever is greater.
 - (b) Employees who have completed ten (10) years of continuous employment with the Employer, as of their anniversary date, shall be entitled to four (4) weeks vacation with pay. Such pay to be computed on the basis of eight percent (8%) of the gross earnings which the employee has received from the first week of July in one (1) year to the last week of June in the following year, or four(4) weeks pay based on the employee's base rate of pay plus bonuses if applicable, whichever is greater.
 - (c) Employees who have completed nineteen (19) years of continuous employment with the Employer, as of their anniversary date, shall be entitled to five (5) weeks vacation with pay. Such pay to be computed on the basis of ten percent (10%) of the gross earnings which the employee has received from the first week of July in one (1) year to the last week of June in the following year, or five (5) weeks pay based on the employee's base rate of pay plus bonuses if applicable, whichever is greater.
 - (d) Employees who have completed twenty-eight (28) years of continuous employment with the Employer, as of their anniversary date, shall be entitled to six (6) weeks vacation with pay. Such pay to be computed on the basis of twelve percent (12%) of the gross earnings which the employee has received from the first week of July in one (1) year to the last week of June in the following year, or six (6) weeks pay based on the employee's base rate of pay plus bonuses if applicable, whichever is greater.
 - (e) For those employees who are entitled to three (3), four (4), five (5), six (6) weeks of vacation, the vacation time shall be mutually agreed upon between the Employer and the employee concerned.
- 7.2 Vacation pay shall be paid to an employee not later than the last work day preceding the week in which the employee's vacation begins.
- 7.3 Employees who terminate with less than one year continuous employment shall receive vacation pay equal to 4% of their gross earnings from date of hire to the date of termination.
- 7.4
- a) Those employees who have been on a personal non-medical leave during their vacation pay shall be based on a percentage of earnings. This applies to those employees who have had a personal leave of absence during the vacation accrual year which was beyond four (4) weeks duration (21 consecutive days or over).
 - b) Employees who have been absent from work for more than four (4) weeks for reasons of WSIB

and maternity leave during the period from July 1 to June 30 will receive vacation pay at their applicable vacation pay percentage entitlement. Earnings will include monies received from temporary WSIB benefits and/or EI maternity benefits

- 7.5 Employees who are on WI or a Workers' Compensation claim during their vacation time shall be allowed to re-schedule vacation time that was disrupted due to such claim at a time mutually agreeable to the Company and the employee.

ARTICLE 8 – HOLIDAYS

- 8.1 (a) For each calendar year, the Employer shall grant to each of its eligible employees the following nine (9) holidays: New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.
- (b) During each year of this contract an additional three (3) floating holidays will be granted by the Employer at a date to be determined by mutual agreement between the Employer and the Union.
- (c) Statutory and floating holiday pay shall be calculated on the basis of the employee's base rate plus bonuses as applicable as per Schedule A.
- 8.02 An employee shall be eligible for holiday pay if he/she had completed their probationary period (360 hours) and he/she has worked his/her regularly scheduled work day immediately preceding and following the paid holiday.
- Authorized medical absences shall not cause an employee to be ineligible for statutory holiday pay. The employer may require the employee to furnish satisfactory proof of illness, including a Doctor's Certificate.
- 8.03 An employee on lay-off status is entitled to holiday pay if the lay-off during which the holiday occurred is not more than ten (10) scheduled working days duration.
- 8.04 All statutory holidays shall be paid for irrespective of the day on which they fall.
- 8.05 If the statutory holiday falls on a Saturday, the preceding Friday shall be observed as the holiday. If the holiday falls on a Sunday, the Monday following shall be observed as the holiday.

ARTICLE 9 – WORK WEEK AND OVERTIME

9.1 The work week (pay period) shall be defined as 7:00 p.m. Sunday to 7:00 p.m. the following Sunday and shall consist of up to 40 hours.

9.2 Hours of Work – Wash & Line

Day shift Monday – Thursday

7:00 a.m. to 4:00 p.m.

Friday

7:00 a.m. to 1:00 p.m.

Afternoon shift Monday – Thursday

4:00 p.m. to 1:00 a.m.

Friday

1:00 p.m. to 7:00 p.m.

Midnight shift Sunday

7:00 p.m. to 7:00 a.m.

Tuesday – Friday

1:00 a.m. to 7:00 a.m.

- a) Overtime is defined as work performed in excess of the regularly scheduled hours of work.
- b) All work performed at the request of the Employer before the regular working day's starting time and/or after the regular day's quitting time shall be considered overtime and shall be paid as such, provided that the employee completes his/her regularly scheduled shift.
- c) In those cases where the employee does not complete his/her regularly scheduled shift at the request of the Employer, or due to a verifiable personal emergency which requires the employee to leave the plant, overtime hours worked in accordance with Article 8.02 (b) will be paid at overtime rates.
- d) All overtime will be on a voluntary basis and shall be distributed fairly and equitably
- e) Overtime work as defined herein shall be paid at the rate of time and one half (1 ½) except that where an employee works ten (10) hours or more overtime in a pay period he/she shall be paid double time (2X) for all overtime hours worked in excess of 10 hours.
- f) Work performed on the employee's designated Statutory Holiday shall be paid at double (2X) time.
- g) Day, Afternoon and Midnight shift employees shall be paid double time (2x) for work performed on a Sunday prior to 7pm, except where hours worked are an extension to a midnight shift employee's regular work hours, in which case the regular overtime rate of time and one half will apply
- h) Grievances settled in favour of an employee who was next in line for overtime and has been passed and/or overlooked will be resolved by the employee(s) receiving payment at the applicable rate for all hours in question instead of being offered to work make up hours at another time.

9.03 All employees shall have two (2) ten (10) minute paid rest periods during their respective shifts. Employees working on a twelve (12) hour shift shall be entitled to a one half (1/2) hour unpaid lunch break and four (4) ten (10) minute paid rest periods. All rest periods and break times by mutual agreement between the Union and the Employer.

9.04 If an employee returns to work on schedule without having received prior notice from the Employer not to report, such employee shall be entitled to four (4) hours of work or the equivalent in wages at his/her base rate of pay plus bonuses if applicable. This provision shall not apply if work is not available as a result of fire, flood, power failure, or other causes beyond the control of the Employer.

<p>Weekend Days Saturday 7 a.m. to 7 p.m. Sunday 7 a.m. to 7 p.m.* * Preventative Maintenance (Clean Up) may be performed during a portion of the Sunday shift.</p> <p>Weekend Nights Friday 7 p.m. to 7 a.m. Saturday 7 p.m. to 7 a.m.** ** Preventative Maintenance (Clean Up) may be performed during a portion of the Saturday shift. Employees who are scheduled on the weekend shift work additional hours Sunday to Friday.</p>	<p>W/E D1 Mon & Tues 1am – 7am Fri & Sat 7pm – 7am W/E D2 Wed & Thurs 1am – 7am Fri & Sat 7pm – 7am W/E D3 Sunday 7pm – 1am Friday 1am – 7am, 7pm – 7am Saturday 7pm – 7am W/E E1 Mon & Tues 7am – 4pm Sat & Sun 7am – 7pm W/E E2 Mon & Tues 4pm – 1am Sat & Sun 7am – 7pm W/E E3 Wed & Thurs 7am – 4pm Sat & Sun 7am – 7pm W/E E4 Wed & Thurs 4pm – 1am Sat & Sun 7am-7pm W/E E5 Fri, Sat & Sun 7am – 7pm</p>
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ARTICLE 10 – SENIORITY, LAYOFF AND RECALL

10.1 SENIORITY

- Seniority shall be on a plant-wide basis and shall mean total length of service in the bargaining unit.
- Seniority lists will be posted on plant bulletin boards. Employee names and department will appear on the seniority lists in order of their seniority date.
- An employee shall lose all seniority for any of the following reasons:
 - if the employee voluntarily quits,
 - if the employee is discharged for cause and not re-instated,
 - if the employee is laid off and the time elapsed from the date of the lay-off exceeds twelve (12) months.
- For cases of lay-off the following three (3) Union Executives positions will have preferred seniority:

President
Vice-President
Secretary

10.2 In the event of a **Short Term / Emergency** layoff (defined as 5 consecutive shifts or less), the company will have the option of a lay off by seniority within departments and shifts with no bumping.

10.03 In the event of a **Temporary** lay off (defined as less than 13 consecutive weeks), seniority within department shall prevail. Department shall mean Wash and Finish.

In the event of a temporary shift elimination displaced senior employees shall exercise bumping privileges to the low seniority position on the shift of their choice provided they are trained and able to perform the job.

In the case of temporary layoffs employees shall be recalled in order of seniority provided they are trained and have the ability to perform available work.

10.04 In the event of a **Long Term / Permanent** lay off (defined as greater than 13 consecutive weeks), the following provision shall apply:

The company shall lay off in reverse order of company wide seniority.

Any displaced senior employee shall exercise bumping privileges to the least senior employee in the shift of their choice provided they have the ability to perform the job.

In the case of long term layoffs, employees shall be recalled in order of seniority provided they have the ability to perform the job.

The company shall not hire any new employee until all employees on layoff have been given the opportunity to fill the position.

10.05 NOTIFICATION FOR LAYOFF

- a) In cases of **Short Term / Emergency** lay off (defined in article 10.02), the employees affected and the local President (or designate) will be notified as soon as possible. Every attempt will be made to provide twenty-four hours notice before layoff.
- b) In cases of **Temporary** lay off (defined in article 10.03), all affected employees and the local President (or designate) will be notified not less than forty-eight hours prior to such lay-off.
- c) In cases of **Long Term or Permanent** layoff (defined in article 10.04), all affected employees and the local President (or designate) will be notified two weeks prior to such lay-off.

10.06 NOTIFICATION FOR RECALL

When notifying any employee for recall the company shall attempt to contact the employee by telephone throughout the first (1st) twenty-four (24) hours. If contact has not been made after twenty-four (24) hours, a letter will be sent to the employee's last known address by messenger or registered mail.

Failure to report to work or contact the Company within twenty-four (24) hours following notification of recall shall result in termination of employment unless the employee was prevented from reporting for verifiable medical reasons or reasons of bereavement as recognized in clause 14.05

It is the responsibility of the employee to advise the Personnel Department of his/her current address and telephone number where he/she can be reached.

10.7 SENIORITY RE-INSTATEMENT

Any employee who transfers to a permanent position outside the bargaining unit may return to the bargaining unit within the first six (6) months with full seniority, but not accumulated seniority for time outside the bargaining unit, to the first available position following the job posting procedure. In the event that a position is not available the employee will be on lay-off status.

Following the completion of the six (6) month period the employee may return but will be regarded as a new employee and shall have no seniority. However, such employee will maintain their years of service for the purposes of vacation, pension and severance where applicable.

Employees transferred to a position outside of the bargaining unit on a temporary arrangement will be allowed up to one (1) year. Such employees shall maintain their full seniority and shall continue to pay union dues. Any extensions to the one (1) year period shall be mutually agreed upon between the Company and the Union, in writing.

ARTICLE 11 – GRIEVANCE PROCEDURE

- 11.1 A grievance as defined by this Agreement is limited to a complaint which involves the interpretation, application or alleged violation of a provision of this Agreement or a policy and/or practice which the Company has been using or practicing.
- 11.2 There shall be no suspensions or interruption of work because of any grievance. The settlement of a grievance shall be handled in accordance with the following procedure:

Step 1

Within five (5) working days of the occurrence thereof, the grievance shall be discussed in a meeting between the affected employee and his/her immediate supervisor. The Elected Union Representative may or may not be involved in this discussion at the option of the employee. The supervisor involved shall give an oral answer with respect to the grievance not later than one (1) working day following said discussion. If the grievance is not settled at this step, then:

Step 2

Within three (3) working days following receipt of the oral answer provided in Step 1, the grievance shall be put in writing, dated, signed by the employee whenever possible approved by the Elected Union Representative and presented to the Plant Manager or his/her designate. The Plant Manager or his/her designate shall within three (3) working days following his/her receipt of the written grievance meet with the employee and the Elected Union Representative in an attempt to settle the matter. If settlement is reached, the matter shall be considered closed. If the grievance is not settled, a written and signed decision setting forth the Employer's position, and the reason therefore, shall be submitted by the Plant Manager, or his/her designate, to the Elected Union Representative within two (2) working days following said meeting. If the grievance is not settled at this step, then:

Step 3

Within five (5) working days following receipt of written decision provided in Step 2, the Local President or his/her designate of the Union and the Plant Manager or his/her designate shall meet at a mutually convenient time and place and attempt to settle the grievance. If settlement is reached, it shall be put in writing and signed by both parties. In the event that no settlement is reached at Step 3, then the grievance may be submitted to arbitration in accordance with Article XII of this Agreement.

- 11.3 If the Employer has a grievance, it shall be taken up at Step 3 of the Grievance Procedure.
- 11.4 If the Union has a policy grievance, such grievance may be filed at Step 2 of the Grievance Procedure. A policy grievance is defined as and limited to one which alleges violation of a specific provision of this Agreement which could not otherwise be resolved at a lower step of the grievance procedure because of the nature and scope of the grievance.
- 11.5 A claim by an employee that has been discharged without just cause will be treated as a grievance at Step 3 of the Grievance Procedure. Such grievance must be lodged with management within five (5) working days after the employee ceases to work for the Employer.

- 11.6 The insurance benefits provided in this Agreement are provided by an insurance company or trustee. Any dispute regarding benefit entitlement shall be considered to be between the insurer or trustee and the employee, and shall not be subject to the grievance procedure.
- 11.7 The selection of supervisory employees is the sole responsibility of the Employer and such selection shall not be the subject of the grievance procedure.
- 11.8 Either party may request an extension of the time limits of any step of the grievance procedure. Such request and response shall be in writing.
- 11.9 Any grievance not answered by the Employer within the time limits stipulated throughout the grievance procedure without prior mutually agreed to extensions shall move to the next step in the grievance procedure.

ARTICLE 12 – ARBITRATION

- 12.1 Only those grievances between the Employer and the Employee/Union which have been duly processed through the Grievance Procedure as specified in Article XI may be carried beyond the grievance procedure into arbitration. Either the Union or the Employer may request arbitration of grievances, in writing, at any time during a period of thirty (30) calendar days following the final meeting as described in Article 11.02. Upon such timely request, the arbitration shall proceed as follows:

The Employer and the Union shall select a neutral Arbitrator. If the parties cannot agree upon an Arbitrator, the appointment shall be made by the Minister of Labour of Ontario upon the request of either party. The sole Arbitrator thus chosen shall decide the matter, the decision and award shall be final and binding upon all parties. The Arbitrator shall have no authority to alter, add to or ignore the terms negotiated into this Agreement. The Arbitrator shall be limited to finding the facts and to applying them to the terms of this Agreement, and shall not add meaning or intent to this Agreement which was not negotiated. All other matters are to be resolved by negotiations between the parties. Each party to the Arbitration shall bear its own expense plus one-half (1/2) of the cost of the Arbitrator.

Nothing in this clause shall preclude either party from applying for Arbitration under the expedited provision of the Labour Relations Act.

ARTICLE 13 – DISCHARGE/DISCIPLINE

- 13.1 A grievance alleging improper disciplinary action or discharge, must be filed with the Employer, in writing, within five (5) working days after the imposition of such discipline or discharge. Failure to file a timely grievance will cause the employee to forfeit any right or claim to reinstatement or back pay unless compelling reasons for untimely filing can be demonstrated by the employee. If the grievance or complaint concerning disciplinary action or discharge cannot be adjusted by mutual agreement between representatives of the Union and the Employer as provided in Article XI, said grievance or complaint shall be processed in accordance with Article XIII herein.
- 13.2 Employees will not be disciplined or counselled either verbally or in writing without a Union Representative present.
- 13.3 Disciplinary action notices will remain in the employee's file but will not be referred to for further disciplinary measures after the completion of fifteen (15) months from the date of the incident.
- 13.4 Upon request, employees shall have access to their own personnel file.

ARTICLE 14 – ABSENCES

- 14.01 An employee who is absent from work for two (2) consecutive working days without valid reason, will be terminated from employment. Therefore, a valid reason for any absence must be promptly given to the Employer by messenger or telephone.

Effective August 1, 1999 the Company will cover the cost of Doctor's notes and forms requested by the Company (excluding those for W.I. and W.S.I.B. purposes) to a maximum of \$60.00 per year.

- 14.02 All requests for leave of absence for personal reasons shall be requested in writing and may be granted at the discretion of the Employer.
- 14.03 In cases of absence due to illness or disability, the employee may require a doctor's certificate. The Employer will hold open for twelve (12) months a job left vacant by virtue of its incumbent being on approved disability leave of absence. In the case of absences over twelve (12) months, the Employer will reinstate the employee in the same or similar job at the first opportunity.
- 14.04 The Company shall review payment of benefits and determine eligibility for those employees who have been absent from work for over twelve (12) months.

Employees returning to work from a non-work related illness or injury may be provided with modified work by the Company. This provision is contingent on availability of suitable productive work.

- 14.05 **BEREAVEMENT LEAVE** In the event of death in the immediate family, an employee shall be entitled to five (5) consecutive working days leave of absence with pay. For purposes of this Article, immediate family shall be limited to: Spouse, same sex partners/spouse (married or common-law), children (including stillbirths at 5 months or greater), parent or step-parent (whichever the employee deems to be their parent), brother, sister, common-law spouse, adopted and step-children.

The employee shall be entitled to three (3) consecutive working days leave of absence with pay. For purposes of this Article family shall be limited to parents-in-law, grandparents, sister-in-law, brother-in-law, and grandchildren, grandparents-in-law, son-in-law, and daughter-in-law.

- 14.06 The Employer reserves the right to request verification of the death, prior to authorizing payment for a bereavement leave as above.
- 14.7 Leaves of absence without loss of seniority shall be granted to a reasonable number of employees selected as delegates to Union conventions, conferences and other similar functions. Such leaves shall not exceed two (2) weeks unless otherwise mutually agreed upon and such employees shall be reinstated to their respective previous jobs upon their return to work. An employee on leave of absence in accordance with this Article shall be entitled to holiday pay for any holiday which occurs during the leave of absence.
- 14.8 The Employer shall pay an employee who is required for jury service, for each day of service, the difference between such employee's base rate of pay plus bonuses if applicable for the number of hours the employee would have been scheduled to work, and the payment received for jury duty. In order to qualify for this payment, the employee must present proof of service and the amount of pay received.
- 14.9 Male employees shall be granted one (1) day off with pay at the time of their baby's birth. The day can be taken on the day of the birth or on the day that the baby is brought home from the hospital.

ARTICLE 15 – NON-DISCRIMINATION

- 15.1 The parties hereto agree that the provision of this Agreement shall be applied to all employees or applicants for employment without regard to race, colour, religious creed, national origin, sex or handicap.

ARTICLE 16 – SEPARABILITY

- 16.1 Should any part of this Agreement be rendered or declared illegal by reason of any existing or subsequently enacted legislation, or by an decree of a court of competent jurisdiction, or by the decision of any authorized government agency, such invalidation of such part or provisions shall not invalidate the remainder thereof.

ARTICLE 17 – WAGES

- 17.1 The Employer shall establish standards of production and quality for jobs and further establish threshold targets of production, quality and cost for collective groups of jobs and/or teams of individuals with the teams' involvement.

Each employee in the group or the team will receive additional wage payments (bonus) for collectively achieving all of the threshold targets of production, quality and cost, and in addition a plant bonus will be paid when plant threshold targets are met.

The team and plant bonus payments as defined in Schedule A will be paid on the regular hours worked during the eligible period.

Quotas will be set at the minimum requirements for the respective job. They will be achievable so as to ensure that bonus payment can be made for the effort expended.

An operator who temporarily transfers to a job with a higher wage classification will receive the higher rate of pay for all hours worked on the higher paying job.

When the company temporarily transfers an employee to a job with a lower wage classification then the employee will receive his/her regular rate of pay for all hours worked on the lower paying job.

When employees are temporarily transferred to different teams/departments for longer than one week they shall receive the team bonus for the team/department into which they have been transferred.

Where the temporary transfer of the employee is the result of a company decision then the employee shall choose at the outset of the transfer whether to receive team bonus for his/her regular team or the team into which they have been transferred.

It is recognized that employees are regularly assigned to and required to perform more than one (1) job.

ARTICLE 18 – JOB POSTING

All temporary and permanent job postings will be awarded to the most senior employee. Vacancies requiring special training and/or ability, will be awarded to the most senior employee who possesses sufficient skill and ability as defined in the respective job description.

Prior to any posting being posted the Union will receive a copy of the posting with the reason for the posting.

Prior to the posting of successful applicants the Union will be notified of the successful applicant and will receive a list of all applicants.

The posting shall contain job title, the rate of pay, the shift and a brief description of the job.

Posting applicants must have been employed with the Employer for at least nine (9) months.

The employee shall be granted a trial period of three (3) shifts worked on the new job in which he/she shall have the opportunity to transfer back to his/her original job.

If the employee should fail to meet the requirements of the new position within the normal training for the respective job, he/she shall be placed in a suitable position upon mutual agreement between the Union and the Employer.

18.01 PERMANENT JOB POSTINGS

When additional jobs are created or when a job becomes vacant the Employer shall post such jobs for five (5) working days.

The most senior employee applying within the time a job is posted and who possesses sufficient skill and ability as defined in the respective job description shall be awarded the job.

The first vacancy that occurs as a result of a permanent job posting will be filled in the same manner as a permanent job posting.

All subsequent vacancies will not necessarily be filled by job postings.

A successful applicant cannot apply for another posting or vacancy for nine (9) months from the date of transfer. This also applies to the successful applicant who chooses to return to their original job during or at the completion of the three (3) shift trial period.

18.2 TEMPORARY JOB POSTINGS

Temporary Job Postings will be governed by the following language:

Temporary Job postings are defined as:

- Temporary vacancies that arise as a result of a temporary absence e.g. medical leave, personal leave, maternity leave, etc.
- Temporary increases to manpower e.g. short term additions to teams or operations,

Temporary job postings as defined above and which are expected to last eight (8) weeks or longer will be posted. The senior employee who is fully trained and who is on an alternative shift will be granted the vacancy. Where there are no fully trained applicants from an alternate shift the most senior fully trained applicant will be granted the temporary job posting.

The posting requirements do not apply when coverage is being provided by those employees who are regularly assigned to that shift as permanent utility team .

When the temporary vacancy is no longer available (e.g. absent employee returns or the temporary vacancy becomes permanent) the employee filling the temporary vacancy will return to his/her previous position.

Temporary vacancies that exceed twelve (12) months duration will be posted as permanent positions.

Employees filling temporary vacancies are not required to fulfill the nine (9) month requirement before qualifying for other postings.

ARTICLE 19 – TUITION PROGRAM

- 19.1 For all full-time employees who have completed their probationary period the Employer will make available a tuition reimbursement program. Upon approval by the Employer, this program will reimburse the cost of tuition and books for educational certificates, designations and degrees which are job related. These costs will be reimbursed upon proof of successful completion of the course.

ARTICLE 20 – TECHNOLOGICAL CHANGE

- 20.1 Technological change means the introduction, by the company, of new and different or substantially changed equipment which results in a reduction of the number of employees previously required to perform the task affected.
- 20.2 The company shall give the Union Executive sixty (60) days advance notice prior to the implementation of any technological change. During the notice period, the Company shall meet with the Union Executive to explain the technological change and any effect it will have on the employees, with a view to minimizing such effects.
- 20.3 In the event that technological change results in the need for reduction in work force, layoff and seniority language will take effect.
- 20.4 In consultation with the union the Company will determine the training period, skills required and classification of job.

ARTICLE 21 – TERM OF AGREEMENT

- 21.1 This Agreement shall become effective August 1, 2001 and shall remain in full force and in effect until July 31, 2004.
- 21.2 Wage rates as defined in Schedule “A” affixed hereto shall become effective as of August 1, 2002, and August 1, 2003 as indicated.
- 21.3 The said Agreement shall automatically renew from year to year thereafter unless on or before June 1, 2004 or June 1 of any year thereafter, notice in writing by certified mail is given by either Employer or the Union to the other, of its intention to terminate or modify this Agreement. In the event that notice to terminate is given, this Agreement shall be terminated upon the ensuing July 31, 2004 but shall continue in effect until such time as an agreement is reached between the parties, or either party has given written notice to the other that it desires to terminate this Agreement, in which event this Agreement shall terminate on said date.

SCHEDULE "A"

For the first year of the contract employees shall receive a \$1,000 lump sum (net) payment. Payable between the week of October 29 – November 2, 2001. All employees who are actively at work as of October 29 will receive the lump sum payment. All employees who are not actively as of October 29 will receive the lump sum payment upon their full return to work.

EFFECTIVE	08/01/2001	08/01/2002	08/01/2003
GRADE I	10.12	10.44	10.79
Janitor			
Team Bonus	.40	.40	.40
Plant Bonus	.40	.40	.40
TOTAL	10.92	11.24	11.59

GRADE II	11.68	12.00	12.35
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Auto Tonello
Trim & Sort/Turn

*Finish Operator
Repairs
Clip Seconds
Material Handler/Pouching
Leather Label
Press
Oven

Team Bonus	.47	.47	.47
Plant Bonus	.47	.47	.47
TOTAL:	12.62	12.94	13.29

(*Finish Operator includes the following job elements Inspection, Big Jim and Dennison)

GRADE III	12.27	12.59	12.94
Wash & Dry			
Manual Tonello			
Shipping & Receiving			

Team Bonus	.50	.50	.50
Plant Bonus	.50	.50	.50
TOTAL:	13.27	13.59	13.94

Leadhand and Operator Trainer Rates:

EFFECTIVE	08/01/2000
Leadhand	\$1.00/hr
Operator Trainer	\$0.50/hr

Trainee Wage Rates:

Trainees in the job classification of Janitor, Turn/Sort Audit will be paid 80% of the base rate for the first 180 hours of work and 90% of the base rate for the next 180 hours of work.

Trainees in all other job classifications will be paid 80% of the base rate for the first 360 hours of work and 90% of the base rate for the next 360 hours or work.

Shift Premium:

EFFECTIVE	08/01/2003
Afternoon	\$0.42
Midnights	\$0.52
EFFECTIVE	08/01/1998
W/E	\$0.60

All wash and dry employees, upon completion of their probationary period, will receive a \$50.00 clothing allowance every six (6) months. Effective March 1, 2003 this clothing allowance will be eliminated.

LETTER OF INTENT

The Employer, whenever possible, shall make every effort to assist employees and the Union in getting information and answers towards denied Weekly Indemnity Claims.

IN WITNESS THEREOF, the Employer and the Union have executed this Agreement by their duly authorized officers.

Signed this 18th day of September, 2001 at Brantford, Ontario.

For the Employer

**LEVI STRAUSS & CO.
(CANADA) INC.**

Maurice Polidori

Toni Whibbs

Daryl McClure

David Black

Attila Donmez

David Pickering

Dorothy Stewart

For the Union

**UNION OF NEEDLE TRADE,
INDUSTRIAL AND TEXTILE
EMPLOYEES, LOCAL 551**

Kim Sager

Darlene Cook

Norma Barr

Satwinder Matharoo

Ken Baker

BONUS CALCULATION

The Calculation for the Bonus “Payment” will be administered as follows:

Finish Teams Bonus Calculation

Team Bonus in the Finish area will be awarded based on the attainment of quality and productivity targets. Targets for both of these areas must be achieved to receive bonus. Targets and team results are calculated on a four week rolling average.

Quality Target

The quality measurement for Finish Teams is a D.H.U.as determined by a load audit. Each team will have approximately five (5) per cent of their weekly production sampled at load audit. Non team errors or “off methods rejects” are not included in the error total for teams. Off method rejects include such things as insecure tacks and sew repairs outside of areas that are inspected. The number of errors that are found in the audit is expressed as a defects per hundred unit percentage (DHU). Quality targets are not met when a team’s DHU exceeds the target. The current target for finish teams is 2.5%. DHU targets may be adjusted, up or down, on a temporary or permanent basis, due to significant events either expected or unexpected.

Productivity Target

Production targets for Finish teams are based on:

$$\frac{\text{Average S.A.H. per unit}}{\text{Available team hours}}$$

The average S.A.H. per unit is calculated by averaging all S.A.H.’s expected for a given time (yearly/monthly). Available team hours is the sum of all hours worked by team members minus allowances for things like: meetings, extra handling, odds and training.

The available hours are divided by the average S.A.H. to determine the number of units required by the team on a weekly/daily/hourly basis.

The current target for finish teams is 284 units per team hour.

Adjustments are made weekly to each team’s target for things that are beyond the control of the team or for things that are not covered in the allowances eg.: State of Business meetings, Working sessions, absenteeism, high specialty mix and Dennison training, etc.

Finish teams are measured on the number of units packed within the shipping week versus the target. Each team records the number of units that it packs daily. The daily pack counts are totaled at the end of the ship week. The pack total is then divided by the target amount and the results are pressed as a percentage of target. Productivity targets are not met when production levels are lower than target.

Team Bonus Calculation for Non-Regular Teams (previously referred to as J & K teams)

Due to the difficulty in setting and measuring quality and productivity for operators in these teams they do not receive a team bonus. In place of a team bonus they receive a double payment of plant bonus. Non-regular is defined as teams that perform work that is significantly different to work performed in A to I teams.

Wash Team Bonus Calculation – includes all wash/warehouse employees based on:

1. Productivity measured by machine utilization. Target 90%. This information is based on information compiled from the washer log, which indicated the number of loads produced for each formula, taking away any lost time. The information is then summarized on to a wash department shift summary report, which in turn calculates the percentage the machines were running at.
2. Quality measured by Finishing Seconds. Target determined by wash mix, weekly. Seconds targets are determined by wash type, based on past performance. Finishing seconds are seconds caused during the finishing process in Brantford i.e. out of shade, uneven wash, lines, stains, holes. Finishing seconds does not include mill seconds, fabric flaws, knots, mispicks, sewing seconds, shaded parts or rivet holes. Based on what we wash and ship for the week we calculate our allowable seconds target for the week.

Seconds targets may be adjusted, up or down, on a temporary or permanent basis, due to significant events either expected or unexpected, such as the introduction of new fabrics, changes to existing fabrics, power outages, etc.

On those occasions when the Bonus is not paid the Company with the Union's input, shall analyze all of the factors contributing to non-payment. Based on the results of the analysis the Company will make a final determination as to Bonus payment. At this point the Union has the option of agreeing or disagreeing with the Company's decision. The Union shall have recourse through the grievance and arbitration procedure of the Collective Agreement.

The Bonus shall be paid only on regularly scheduled hours of work (excluding overtime).