

EXPIRY DATE: MARCH 15, 2014

AGREEMENT BETWEEN:

CANADA SAFEWAY LIMITED, a body corporate carrying on business in the Province of Manitoba, hereinafter referred to as the "Company"

RECEIVED
30/04/09

AND

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL No. 832, chartered by the United Food & Commercial Workers International Union, hereinafter referred to as the "Union".

WHEREAS: The Company and the Union desire to co-operate in establishing and maintaining conditions which will promote a harmonious relationship between the Company and the employees covered by this Agreement, to provide methods for fair and amicable adjustment of disputes which may arise between them and promote efficiency and improved operations,

NOW, THEREFORE, THE UNION AND THE COMPANY MUTUALLY AGREE AS FOLLOWS:

SECTION 1 NATURE OF THE BARGAINING UNIT

1.01 The Company recognizes the Union as the sole agency for the purpose of collective bargaining for all employees, whether full-time or part-time, coming under the provisions of this Agreement, employed in the stores owned and/or operated by the Company in the province of Manitoba, save and except one Store Manager per store, one First Assistant Store Manager per store, one Pharmacy Manager per store, Graduate and Undergraduate Pharmacists, **Registered Pharmacy Technicians if and when the Province of Manitoba enacts such a designation**, and those currently excluded as of November 15, 1998.

1.02 In respect to Meat Managers, Bakery Managers, Produce Managers, Second Assistant Managers, Floral Managers, Food Service

04326 (10)

Managers, Coffee Bar Operators and Service Meat Counter Operators, it is agreed between the Company and the Union that the Company shall retain the sole right and function in respect to transfers, promotions and demotions and the Union agrees that transfers, promotions and demotions in respect to Meat Managers, Bakery Managers, Produce Managers, Second Assistant Managers, Floral Managers, Food Service Managers, Coffee Bar Operators and Service Meat Counter Operators shall not be subject to any arbitration as provided for in Section 27 of the Agreement.

1.03 In the event the Company creates new departments in the stores, Department Managers will be included in the bargaining unit and covered in every respect by all the sections of this Agreement. In the event the Company creates new departments within the stores, the Company and the Union agree to meet to negotiate rates of pay for all employees in the department specific to the new department. In the event agreement cannot be reached, at the request of either party, the matter may be referred to arbitration in accordance with the arbitration procedure of the collective agreement.

Upon the appointment of a Department Manager for a new department, the Union and the Company shall meet forthwith to negotiate a rate of pay and if an agreement cannot be reached, at the request of either party the matter shall be arbitrated, utilizing the arbitration provisions of this Agreement.

1.04 It is agreed that where jointly-trusted benefits exist between the Company and the Union, contributions will be made only on behalf of those who are members of the Union and those who become members of the Union.

1.05 In Winnipeg only, employees not assigned hours of work by a store, as set out in sub-section 5.10, or who work in more than one (1) store in any one (1) week, will be assigned hours of work by Division Management. The Company will assign as few employees in this manner as is necessary to operate efficiently.

1.06 Interpretation

- (a) In this Agreement, the use of masculine terms shall also include the feminine and vice versa.
- (b) Whenever the word "Agreement" is used in this document, it shall mean this collective bargaining agreement.

- (c) Whenever the word "part-time" is referred to in this Agreement, it shall include Tier 1, Tier 2 employees and Courtesy Clerks, unless indicated otherwise.
- (d) "Tier 1" employees are employees who were hired on or before April 1, 2002, except employees classified as Trainees, Meat Production/Bakery Production Trainees or Courtesy Clerks on March 31, 2002.
- (e) "Tier 2" employees are employees hired after April 1, 2002, and include employees who were classified as Trainees, Meat Production / Bakery Production Trainees or Courtesy Clerks as of March 31, 2002.

- 1.07
- (a) Seniority Zone One shall be referred to as the city / town where the employee works (except Selkirk which is deemed part of Winnipeg).
 - (b) Seniority Zone Two shall be referred to as the geographically nearest next Safeway store outside their city / town.
 - (c) Seniority Zone Three shall be referred to as anywhere else in the province after Zones One and Two have been exercised.

SECTION 2 **UNION SHOP**

2.01 The Company agrees to retain in its employ within the bargaining unit, as outlined in Section 1 of this Agreement, only members of the Union in good standing. The Company shall be free to hire or rehire new employees who are not members of the Union, provided said non-members, whether part-time or full-time, shall be eligible for membership in the Union and shall make application on the official membership application form within ten (10) calendar days from date of hire or rehire and become members within thirty (30) calendar days.

2.02 The Company agrees to provide each new employee and rehired employee, at the time of employment, with a form letter outlining to the employee his responsibility in regard to payment of union dues and initiation fee.

2.03 The Company agrees to forward a Membership Application duly completed, to the Union within ten (10) calendar days from date of hire or rehire of an employee. The Union shall bear the expense of printing and mailing the Membership Application, the contents to be such that it is acceptable to the Company.

2.04 No employee shall be discharged or discriminated against for lawful Union activities, or performing services on a Union committee outside working hours or for reporting to the Union the violation of any provisions of this Agreement.

2.05 The Union shall be provided with the following information once per four or five-week period:

- 1) a list containing the names of employees who have terminated their employment during the previous four or five-weeks;
- 2) a list of new appointments to full-time positions and their classification, store number, distribution code and effective date of appointment;
- 3) a list of full-time employees reduced to part-time;
- 4) a list of Tier 1 employees' hours worked and Tier 2 hours worked, overtime hours worked, Tier 1 rate of pay and Tier 2 rate of pay;
- 5) a list of status changes (for example going from Courtesy Clerk to Tier 2) and Department Manager appointments with store number, distribution code and effective date.

2.06 The Company agrees, once per year upon request from the Union, to provide the employee's social insurance number, hourly rate of pay, address, distribution code and EPIC code.

2.07 The Company agrees to provide the above information to the Union in a computer usable form which may include a diskette or similar electronic medium as determined by the Company. The Union is responsible for any conversion required in the event the medium is incompatible with their system.

2.08 Orientation

A Shop Steward designated by the Union will be allowed to introduce themselves to new employees either on shift or off shift. Such time will be permitted after notifying the manager or supervisor, will not exceed five (5) minutes and shall not unduly interfere with the employee's regular duties. A Union Representative shall also be entitled to attend any such meeting. This meeting is expected to take place during the employee's first scheduled work week.

SECTION 3 **DEDUCTION OF UNION DUES**

3.01 The Company agrees to deduct from the wages of the employee such union dues and initiation fee as are authorized by regular and proper vote of the membership of the Union. The Company further agrees to deduct the union dues automatically from the wages of new or rehired employees' first paycheque(s). Monies deducted during any month shall be forwarded by the Company to the Secretary-Treasurer of the Union within twenty (20) calendar days following the end of the Company's four (4) or five (5) week accounting period and accompanied by a four weeks or monthly I.B.M. cartridge of the name, Social Insurance Number and store number of the employees for whom deductions were made and the amount of each deduction.

SECTION 4 **PROBATIONARY PERIOD**

4.01 New employees shall be on a probationary period for **two hundred and forty (240)** hours worked. The Company, at their discretion, may discharge any probationary employee within the above time limit and said employee shall have no recourse to the Grievance and Arbitration sections of this Agreement. It is understood that for the purpose of this clause hours worked shall not include orientation and training hours to a maximum of an additional thirty (30) hours.

SECTION 5 **HOURS OF WORK**

5.01 The normal basic work week for regular full-time employees shall be thirty-seven (37) hours per week, to be worked in five (5) shifts scheduled by management as follows:

- (1) four (4) shifts of eight (8) hours each and one (1) shift of five (5), OR
- (2) two (2) shifts of eight (8) hours each and three (3) shifts of seven (7) hours each.

5.02 With the exception of the meal period, a full-time employee's shift for the day shall be comprised of consecutive hours of work.

5.03 In a week in which one (1) General Holiday occurs, the basic work week for full-time employees shall be twenty-nine and one-half (29½) hours.

5.04 In a week in which the Company observes two (2) General Holidays, the basic work week for full-time employees shall be twenty-two and one-half (22½) hours.

5.05 Full-time employees will not be required to work more than two (2) nights per week, when the store is open for night shopping, unless they are willing to do so.

5.06 Employees shall have a minimum of **ten (10)** hours off between scheduled shifts, unless otherwise mutually agreed between the Company and the employee.

5.07 **Express Check Stand**

Employees will not be required to work in the express check stand for longer than four (4) hours in any one (1) day except in the case of an emergency. There will be a five (5) minute leeway to complete the order of a customer and/or the transfer of the cash register to another employee.

5.08 No employee will be assigned to an automated checkstand more than six (6) hours in any one day except by mutual agreement between the employee and the Company. The Company agrees to meet upon request to discuss issues relating to accommodation in and access to this area.

5.09 The Company will schedule full-time employees two (2) consecutive days off (Saturday/Sunday OR Sunday/Monday) once every four (4) weeks, except in the week of a General Holiday. The Company shall schedule full-time employees an equal number of Saturday/Sunday or Sunday/Monday combinations off (minimum of four (4) Saturday/Sunday combinations) over the year providing the employee is desirous of same. Should a full-time employee prefer to have some other days off at the time he would normally be scheduled for two (2) consecutive days off, as set out above, the employee shall advise the Company, in writing, by Thursday of the preceding week and, in such an event, the employee will forfeit his two (2) consecutive days off in that four (4) week period.

Provided the full-time employee advises the Company, in writing, at least one (1) month before the commencement of his vacation, the Company agrees to schedule one (1) of the employee's Saturday/Sunday or Sunday/Monday combinations to coincide with the employee's vacation, once per year.

5.10 **Posting Work Schedule**

1. (i) The Company will post a weekly work schedule for the period of two consecutive weeks.

Each week thereafter the current schedule will be removed and replaced with another schedule for the week following the week already posted. There will always be two (2) consecutive one week schedules posted on the bulletin board.

Requests for time off must be received by Tuesday noon prior to the schedule covering the affected days being posted except in extremely unusual circumstances.

This system of posting schedules shall continue unless the Union and the Company mutually agree to revert back to a one-week schedule at a time, or to amend it.

- (ii) The Company shall post weekly schedules for full-time and part-time employees as indicated above in 5.10(1)(i) no later than Thursday, 6:00 p.m. (no later than Friday noon during the week of a General Holiday) of each week for the week after for the following week. If the new schedule is not posted by Thursday, 6:00 p.m. (no later than Friday noon during the week of a General Holiday), then the schedule already posted shall apply for the week after the following week. The Company has the right to call in other part-time employees, not previously scheduled to work, if required by the business, as indicated in section 9.04 and 18.14

2. The schedule of employees working full-time may be changed without notice in the event of an unscheduled absence of employees or in the event of emergencies, such as snow storm, flood, breakdown of machinery, or other instances of force majeure. In all other cases, at least forty-eight (48) hours' notice of change must be given, or four (4) hours' additional pay, at the straight time rate, in lieu of notice.

The foregoing shall not apply to employees other than full-time. Notice to such other employees shall be given as far in advance as possible, by the Company.

3. The Company agrees to limit the scheduling of full-time employees on Saturday after 6.30 p.m. to the minimum required to properly operate the business and where such a schedule is necessary, the schedule will be rotated among the full-time employees in the department who normally perform such work.

4. **Time Sheets**

The Company shall provide either a **time recording device** or time sheets to enable employees to record their own time for payroll purposes. Employees shall record their own time at the time they start and finish work and the time they commence and return from meal periods and such other recordings as may be required by the Company. Where time sheets are used, the employees will record their time in ball-point pen. Time sheets shall be in a form mutually agreed upon. A carbon copy of the completed Payroll Cheque Requisition and Time Sheet for each store will be forwarded weekly to the Union.

In the event the Company discontinues time sheets, the Company will, to the extent practicable, provide the Union with the same or comparable information as presently contained on existing time sheets consistent with 2.07.

If the Company discontinues time sheets and adopts another system and that system does not provide all the information contained in the existing time sheets, the Company agrees to meet with the Union with the intention of finding a system to provide the missing information.

5. Any employee who for any reason fails to record all time worked in the manner required by Section 5.10 (4) shall be disciplined as follows:

1st violation: a written warning.

2nd violation: three (3) working days' suspension without pay during one (1) week. Full-time employees will only be permitted to work two (2) days during such a week.

For part-time employees, second violation to be one (1) calendar week up to a maximum of three (3) days.

3rd violation: two (2) weeks' suspension.

4th violation: termination of employment.

The suspension shall take place within thirty (30) days of the notification from the Union in writing or such longer period as may mutually be decided between the Company and the Union, unless subject to the grievance procedure.

Any such dispute shall be subject to the Grievance and Arbitration Sections of this Agreement. Any employee terminated for the above reasons shall not be entitled to notice or pay in lieu of notice.

Management agrees to assume its full responsibility in seeing that all employees are compensated for all time worked.

5.11

Meal and Rest Periods: Full-time Employees

A meal period without pay for employees working a daily shift of six (6) hours or more shall not be less than thirty (30) minutes' and not more than sixty (60) minutes' uninterrupted duration and shall start not earlier than three (3) hours nor later than five (5) hours after commencement of the employee's shift. There shall be no exceptions to the meal period, except as provided below.

Times at which such meal periods are taken shall be scheduled by management.

The Company agrees to grant rest periods with pay to all employees working a five (5) or more hours' shift, one (1) rest period to be granted before and one (1) after the meal period.

On a five-hour shift, or for any full-time employees entitled to night shift premiums, meal periods may be waived by mutual agreement between an employee and the Company.

Rest periods for all employees shall not begin until one (1) hour after commencement of work or less than one (1) hour before either the meal period or the end of the shift and shall not be combined with the meal period.

The Company and the Union agree rest periods shall be scheduled by the Company, and shall consist of fifteen (15) minutes' uninterrupted duration.

If an employee is required to work overtime on the completion of an eight (8) hour shift, and if the Company does not schedule a meal period without pay, then the employee will be scheduled a fifteen (15) minute rest period with pay within half an hour of the end of the first shift, providing the overtime is for two (2) hours or more.

5.12 Meal and Rest Periods: Part-time Employees

- (1) A daily shift of more than three (3) hours and up to and including five (5) hours shall have one (1) rest period with pay. On a five-hour shift, or for any part-time employees entitled to night shift premiums, meal periods may be waived by mutual agreement between an employee and the Company.
- (2) A person working a daily shift of more than five (5) hours, but less than seven (7) hours, shall have one (1) rest period, with pay, and one (1) thirty (30) minute meal period, without pay, or by mutual agreement between the Company and the employee, two (2) rest periods, one with pay and one without pay.
- (3) Rest periods for all employees shall not begin until one (1) hour after commencement of work or shall end not less than one (1) hour before either the meal period or the end of the shift and shall not be combined with the meal period. For shifts of five (5) hours or longer, the rest periods, or meal periods where applicable, shall not commence earlier than one and one half (1½) hours after the start of the shift, nor less than one and one-half (1½) hours before the end of the shift.
- (4) One (1) meal break of not less than thirty (30) minutes or more than sixty (60) minutes, without pay, and two (2) rest periods with pay shall be scheduled for employees who work a daily shift of seven (7) or more hours.
- (5) If an employee is required to work overtime on the completion of an eight (8) hour shift, and if the Company does not schedule a meal period without pay, then the employee will be scheduled a fifteen (15) minute rest period with pay within half an hour of the end of the first shift, providing the overtime is for two (2) hours or more.

- (6) The Company and the Union agree rest periods shall be scheduled by the Company, and shall consist of fifteen (15) minutes' uninterrupted duration.

5.13 Emergency Pay and Change in Work Schedule

In the event of a snow storm, a full time employee who reports late for work, but in any event within the first three (3) hours of his scheduled shift, shall receive pay for his full shift. All other employees shall be paid only for the hours worked. It is further understood that overtime rates will not apply until an employee has completed eight (8) working hours.

In the event of fire, flood, breakdown of machinery, or other instances of force majeure, the Company will endeavour to provide employment in such other of its stores within Seniority Zone One not so affected.

5.14 Night Stocking

- (1) In stores where night stocking is in effect one (1) or more days per week, there will be one (1) employee appointed on night stocking crew to act as Lead Hand. A premium of seventy-five (75¢) cents per hour will be paid to the Lead Hand for all time so appointed, including General Holiday pay and overtime. **On days where the Lead Hand is not available, another employee on that shift will be given the premium.**
- (2) Normal night stocking operation for full-time employees shall not exceed three (3) months over a six (6) month period. The Company agrees to notify, in writing, at least one (1) week in advance, any employee scheduled to work on normal night stocking, except in the event of an emergency. Normal night stocking shall be defined as five (5) or more night shifts per week. Under unusual circumstances and by mutual agreement between management and the employee, the time limits set forth in the above paragraphs may be changed.
- (3) The Company will endeavour not to schedule Food Clerks to work the midnight shift after they have been in the employ of the Company twenty-five (25) years or more, subject to the needs of the Company to maintain an efficient work force.

- (4) No employee shall be scheduled to work alone on night stocking in any store, except in case of emergency.
- (5) The Company agrees that employees working the night shift will not be scheduled to commence work before Sunday midnight, except in cases of emergency or by mutual agreement between the Company and the employee.
- (6) There will be a minimum of twelve (12) hours between the end of the employee's day shift and the beginning of the employee's night stocking shift and also between the end of the employee's night stocking shift and the beginning of the employee's day shift.

SECTION 6 OVERTIME

6.01 All time worked in excess of the normal, basic work week, as defined in Section 5, sub-sections 5.01, 5.03, 5.04 or the regular working day scheduled by the Company, which shall not exceed the scheduled work day of the employee, as outlined in sub-section 5.01 of this Agreement, shall be paid for at the rate of time and one-half (1½) the employee's regular rate.

Part-time employees shall be paid overtime, at the rate of time and one-half (1½) their regular, hourly rate, for all hours worked in excess of eight (8) hours in a shift or in excess of the normal basic work week.

It is agreed that both daily and weekly overtime shall not be paid for the same hours. Such extra hours worked shall not be included in computing the normal basic work week.

6.02 All time worked by regular, full-time employees on their scheduled day off, when forty-eight (48) hours' notice has not been given and no emergency exists, shall be paid for at the rate of double time of the employee's regular hourly rate for all time so employed.

6.03 All overtime must be authorized by management.

6.04 Overtime shall be by mutual consent (subject to this clause) and shall be offered to the most senior employee on the shift, in the section and thereafter in decreasing order of seniority, providing the employee has the ability and qualifications to perform

the work of the required overtime. It is further understood that the efficient operation of the business may require overtime, and in this event the most junior employees on this shift in the section, in increasing order of seniority, who have the ability and qualifications to perform the work, shall then do the required work.

6.05 For those stores that are closed for business on Sunday, any full-time employee scheduled to work on Sunday shall be paid double time his regular, hourly rate of pay for all hours worked. Any part-time employee scheduled to work on Sunday shall be paid double time his regular, hourly rate for all hours worked.

6.06 For those stores that are open for business on Sunday, the following conditions will prevail:

- (a) all work done on Sunday will be at regular rates plus one (\$1.00) dollar per hour premium;
- (b) Sunday will be considered the first day of the work week for payroll purposes;
- (c) The Company will staff its stores on a voluntary basis. It is understood that in the event that sufficient employees do not volunteer for work on Sunday, the Company will have any of the following options:
 - (i) obtain volunteers from another store;
 - (ii) meet with the Union to establish in a store or stores another procedure satisfactory to the Union and to the Company; or
 - (iii) hire new employees to work on Sunday.
- (d) It is agreed that (b) above will not stop the Company from scheduling either Saturday/Sunday or Sunday/Monday as consecutive days of rest.
- (e) When the stores are open for business on Sunday, employees scheduled to work before and after shopping hours in the store, will also be paid at a regular rate of pay, plus \$1.00 per hour premium.
- (f) Hours of work on Sunday will not be part of the work week for the calculation of any assurance of hours.

6.07 Compensating time off shall not be given in lieu of overtime pay.

SECTION 7 **JOB SECURITY - FULL-TIME EMPLOYEES**

7.01 The Company agrees that not less than twenty-five (25%) percent of all employees working in the bargaining unit, excluding Courtesy Clerks, shall be employed as full-time employees for the duration of this Agreement

7.02 The calculation of the number of full-time jobs shall be done four times per year. The calculations will occur within 2 weeks of the end of the three or four period quarter as determined by the Company.

7.03 The total number of employees will be the average number of employees who work each week in the three or four accounting periods prior to the calculation date.

7.04 Full-time employees who are counted will be those who have full time status on the date of the count and will include for example, employees on vacation, leave of absence (to a maximum of one year unless exceeded by law), weekly indemnity, WCB, LTD and any other approved absence. Employees noted in this clause will be included in the count of full time employee but will not be included in the total number of employees used to calculate the percentage.

7.05 The Company agrees to provide to the Union on request, all necessary documentation and information so as to ensure that the full-time ratio is being maintained.

7.06 In the event a deficiency in the full time ratio is determined to exist the Company agrees to remedy the deficiency within 4 weeks of the end of the last accounting period under consideration.

SECTION 8 **GENERAL HOLIDAYS**

8.01 The following days shall be considered as General Holidays. **An** employee's pay for a General Holiday shall be as set out in sub-sections 8.03 and 8.04 below:

- | | |
|-----------------------|------------------|
| New Year's Day | Labour Day |
| Louis Riel Day | Thanksgiving Day |
| Good Friday | Remembrance Day |
| Victoria Day | Christmas Day |
| Canada Day | Boxing Day |
| Civic Holiday | |

and any other day or portion of a day generally observed by the retail grocery and meat stores and designated as a holiday by the Company.

The Company may designate the Good Friday general holiday to be observed in the following week for those employees who volunteer to do so provided it gives the Union twenty-one (21) days advance notice.

In situations where there are more volunteers in a department who wish to observe Good Friday in the following week than are needed by the Company, the senior employee will be given preference subject to the Company, having sufficient qualified employees on duty to efficiently operate the business. For those full-time employees who observe Good Friday in the following week they will be given either the Monday or Saturday as their day off in the week following Good Friday, unless mutually agreed to between the Company and the employee.

Where mutual agreement between the Company and the Union is reached, this provision may be applied to other general holiday weeks.

8.02 In order for a full-time or part-time employee to receive pay for a General Holiday, he must:

- (1) not have been voluntarily absent from work on the scheduled work day prior to and following such holiday;
- (2) have worked his full, regular designated weekly hours for the week in which holidays, a holiday, or portion of a holiday occur, except for bona-fide illness.

Any employee on leave of absence (except employees disentitled for General Holiday pay as set out in the following paragraph) granted by the Company, at the request of the employee, shall not qualify for a General Holiday with pay if she is absent on both her last scheduled work day prior to, and her first scheduled work day following the General Holiday.

Any employee receiving a payment under the Company's Weekly Indemnity Benefit Plan, or Workers Compensation, for the full week in which the General Holiday(s) occurs, shall not be entitled to General Holiday pay.

- 8.03 (a) Eligible full-time employees shall suffer no reduction in their pay for a General Holiday as set out in 8.01 above.
- (b) Full-time employees working on General Holidays, designated in Section 8 of this Agreement, shall be paid the regular, hourly rate they would have received had they not worked, plus an additional double time said hourly rate for all time required to be on duty. Employees other than full-time, working on General Holidays, designated in Section 8 of this Agreement, shall be paid their regular, hourly rate they would have received had they not worked, plus additional time and one-half (1½) said hourly rate for all the time required to be on duty.

8.04 Eligible part-time employees shall be compensated as follows:

- (a) All part-time employees who have been employed thirty (30) calendar days or more and have worked and/or were paid an average of at least thirty-two (32) hours or more per week in the four (4) weeks preceding the week in which a General Holiday occurs, shall receive eight (8) hours' pay at his regular, hourly rate for each holiday.
- (b) All part-time employees who have been employed thirty (30) calendar days or more and have worked and/or were paid an average of at least twenty (20) hours a week, but less than thirty-two (32) hours per week in the four (4) weeks preceding the week in which a General Holiday occurs, shall receive six (6) hours' pay at her regular, hourly rate for each holiday.
- (c) All part-time employees who have been employed thirty (30) calendar days or more and have worked and or were paid an average of at least ten (10) hours a week, but less than twenty (20) hours per week in the four (4) weeks preceding the week in which a General Holiday occurs, shall receive three (3) hours' pay at her regular, hourly rate for each holiday.

SECTION 9 **WAGES**

9.01 The hourly rates of wages for all employees coming under this Agreement shall be as set out in Appendix B **and G** of this Agreement. Where an individual employee's weekly or hourly wage is higher, such wage or hourly rate of wages shall not be reduced by reason of this Agreement except where specifically provided. **The rates of pay provided in Appendix B will not be changed without first discussing changes with the Union.**

9.02 New employees will be considered for previous experience credit to a maximum of one thousand and one (1001) hours except for Bakery /Meat Production classification which will be to a maximum of two thousand and one (2001) hours, in their designated classification, provided:

- i) it is comparable experience in a unionized chain retail food store; and
- ii) twelve (12) months have not elapsed since their last day worked.

9.03 It shall be the responsibility of the employee to supply reasonable proof of her previous experience within thirty (30) calendar days of employment. Otherwise, all claim for credit for previous experience shall be forfeited by the employee. Reasonable proof will mean that if past employment records are not obtainable, the Union records, income tax records, or other similar documents will be acceptable. The hourly rate for recognized credit will be effective from the first day **of** employment.

The Company will have the right to demand proof of past experience from the employee affected in establishing his proper wage scale.

9.04 **Scheduled or Call-in Time**

Employees scheduled or called in and who report for work, shall, if required to work less than four (4) hours, receive four (4) hours' pay at their regular hourly rate.

9.05 **Travel Time**

Any employee who is transferred, at the request of the Company, from one store within Seniority Zone One to another within Seniority Zone One during the regular working day, shall be paid her regular, hourly rate for all reasonable travelling time. Employees shall be compensated for actual expenses of public transportation or its equivalent or the actual cost of taxi fare, if such transportation is required by the Company.

9.06 Night Shopping Premium

All employees who are scheduled to work twenty-two (22) hours or more per week, and who are required to work after 6:30 p.m. when the store is open for night shopping, shall receive sixty-five (65¢) cents per hour, in addition to their regular, hourly rate of pay for each quarter hour worked after 6:30 p.m. Premium pay for night shopping shall not be added to the employees' hourly rate for the purpose of computing overtime under subsection 6.01.

9.07 Night Shift Premium

Any employee who is required to work on any day when the majority of his working hours fall between 10.00 p.m. and 5.00 a.m., or who starts his shift prior to 5.00 a.m., shall be paid a premium, in addition to his regular, hourly rate, of one (\$1.00) dollar per hour for all hours worked on the shift. Shift premium pay shall not be added to an employee's hourly rate for the purpose of computing overtime. The night shift premium shall be paid for all hours including general holiday pay and overtime.

This clause shall not result in duplication of premiums.

9.08 Person In Charge (PIC)

When the Store Manager, First Assistant Store Manager and Second Assistant Store Manager have left the store for the day, one employee will be designated as a Person in Charge (PIC). The employee will receive a premium of sixty-five (65¢) cents per hour for all hours worked after the Manager(s) has/have left the store for the day.

SECTION 10 RELIEVING RATES OF PAY

10.01 Store Manager

Any employee relieving a Store Manager for one (1) day or more shall receive a minimum of one dollar and sixty-five (\$1.65) cents per hour in addition to his regular, hourly rate of pay for all time so employed. Any employee designated by the Company to relieve a Store Manager for a full week will have, notwithstanding anything to the contrary contained in Section 5 of this agreement, a basic work week of 40 hours per week.

10.02 First Assistant Store Manager

Employees assigned to relieve a First Assistant Store Manager for **one (1) day or more** shall receive one dollar and thirty (\$1.30) cents per hour in addition to their hourly rate of pay. Any employee designated by the Company to relieve a First Assistant Store Manager for a full week will have, notwithstanding anything to the contrary contained in Section 5 of this agreement, a basic work week of 40 hours per week.

10.03 Second Assistant Store Manager, Produce Manager, Bakery Department Manager, Food Service Department Manager, Floral Department Manager, Meat Department Manager, Coffee Bar Operator

Employees assigned to relieve any of the managers above for a period of one (1) day or more shall receive **seventy (70¢) cents** per hour in addition to their hourly rate of pay.

10.04 In the event of an employee's rendering temporary service in a classification in which the rate is lower than has been received by him, his regular rate shall not be reduced, except as indicated in E-4.

10.05 **Relief premiums noted above are not paid for the Manager's regular days off.**

SECTION 11 VACATIONS WITH PAY

11.01 Each year's vacation requirements for any full-time employee to qualify for the respective periods of vacation with pay, as set forth below, are that they have worked for the Company not less than ninety-five (95%) percent of the regular, full-time hours during a continuous twelve (12) month period, but time for absence from work not to include:

- (1) the period of vacation;
- (2) the aggregate of periods not exceeding thirty (30) working days in all, comprised of:
 - (i) time during which the employee has been authorized by the Company to be absent from work;

- (ii) time in respect of which the employee files with the Company a certificate, signed by a duly qualified medical practitioner, that she was unfit to work during that time, by reason of her illness or injury.

Where a full-time employee does not qualify for vacation with pay as outlined above, she shall receive vacation pay calculated at two (2%) percent of her total wages earned for each week of vacation entitlement, for which no vacation allowance has been paid.

11.02 Full-time employees with less than one (1) year's full-time service by April 1st will receive an amount equal to four (4%) percent of their total wages earned during the period of employment for which no vacation allowance has been paid up to April 1st. Such employees shall be allowed time off for vacation purposes, without pay, up to two (2) consecutive weeks during the months of April 1st to September 30th, inclusive, unless otherwise mutually agreed to between the employee and the Company.

11.03 Vacation entitlement for full-time employees based on years of continuous full-time service will be as follows (with the exception of part-time employees going to full-time as set out in 11.19):

one (1) or more years by April 1st - two (2) weeks' vacation with pay;

three (3) or more years by April 1st - three (3) weeks' vacation with pay;

eight (8) or more years by April 1st - four (4) weeks' vacation with pay, (with the exception of the first calendar year when an employee qualifies for the fourth week by October 1st);

thirteen (13) or more years by April 1st - five (5) weeks' vacation with pay, (with the exception of the first calendar year when an employee qualifies for the fifth week by October 1st);

eighteen (18) or more years by April 1st - six (6) weeks' vacation with pay, (with the exception of the first calendar year when an employee qualifies for the sixth week by October 1st);

twenty-three (23) or more years by April 1st - seven (7) weeks' vacation with pay, (with the exception of the first calendar year, when the employee qualifies for the seventh week, by October 1st).

Employees hired after November 21, 1993 will not be entitled, when qualifying for a fourth, fifth or sixth week of vacation, to the October 1st cut-off period instead of April 1st. April 1st shall apply to said new employees for all vacation entitlements under Section 11.

11.04 Employees with five (5) years of employment in the past ten (10) years, upon completion of one (1) year of full-time service from their most recent full-time employment date, shall be entitled to three (3) weeks' vacation with pay.

11.05 Full-time employees shall be granted a minimum of two (2) consecutive weeks' vacation with pay during the months of April 1st to September 30th.

The balance of the vacation entitlement during that period shall be scheduled by the Company unless otherwise agreed to between the employee and the Company, except for requests for consecutive vacation under 11.06 or unless otherwise mutually agreed to between the employee and the Company.

11.06 Full-time employees entitled to three (3), four (4), five (5), six (6) and seven (7) weeks' vacation with pay shall be granted said vacations consecutively, during the months of January, February, March, April, May, October and November if requested.

During the months of June, July, August, September and December, vacation with pay may be granted consecutively if mutually agreed to between the employee and the Company.

11.07 The vacation period shall be April 1st to September 30th, unless otherwise mutually agreed to between the employee and the Company.

11.08 When a General Holiday occurs during a full-time employee's vacation period, an extra day's vacation shall be granted if the holiday is one which the employee would have received had she been working. If granting an extra day's vacation will hamper operations or interfere with the arrangements of vacation schedules, an extra day's pay shall be given in lieu of an extra day's vacation.

11.09 A full-time employee's approved scheduled vacation dates will not be changed by the Company without two (2) weeks' prior notice and in no event will they be changed if the employee produces evidence of more than fifty (\$50.00) dollars obligations committed, prior to the two (2) weeks' notice.

11.10 If a full-time employee becomes confined to his home or in the hospital due to serious illness or injury while on vacation, the employee may file a claim for Weekly Indemnity benefits and the balance of the employee's vacation will be rescheduled following the employee's return to work.

11.11 Full-time vacation entitlement must be taken in the calendar year and shall not be carried over to the next calendar year.

11.12 Full-time employees who work less than one (1) year and whose employment is terminated, shall receive vacation pay calculated at four (4%) percent of their total wages earned for the period of time for which they have not received any vacation pay.

Part-time

11.13 Part-time employees will receive vacation pay allowance based on their previous year's total wages earned January 1st to December 31st.

Entitlement will be based on years of continuous service with the Company to December 31st of each year as outlined below:

less than three (3) years	-	4%
three (3) years and more	-	6%
eight (8) years and more	-	8%
thirteen (13) years and more	-	10%
eighteen (18) years and more	-	12%
twenty-three (23) years and more	-	14%.

11.14 Employees with five (5) or more years of employment in the last ten (10) years shall receive six (6%) percent of their total wages earned for the vacation period for which they have not received any vacation pay.

In the administration of this sub-section, the employee must work fifty (50%) percent of the regular full-time hours worked in a year to establish one (1) year of service (in accordance with the Employment Standards Code of the Province of Manitoba).

11.15 Upon written request of the employee, the Company agrees to grant time off for vacation purposes without pay, based on the full-time employees' schedule for the vacation entitlement for the number of weeks entitlement only. Two (2) weeks shall be granted during the months of June, July, August, September or December, the balance to be granted by the Company in any other month, unless otherwise mutually agreed to between the Company and the employee.

General

11.16 The words "total wages earned", wherever stated in this section, shall mean all wages earned, with the exception of vacation payments, overtime and payment relating to termination of employment.

11.17 The vacation schedule for all employees shall be in circulation by **December 15th**. **Employees may request weeks of vacation and such requests made up to February 1st will be scheduled in accordance with Section 11.18. The finalized vacation schedule will be posted by March 1st** setting out each employee's vacation entitlement or time off for vacation purposes for the year.

Requests for vacation during the months of January through to April shall be made to the Company and if approved and taken shall also be set out in this schedule.

11.18 The Company reserves the right to determine the vacation period for each employee, subject to the provisions above and the provisions of **Section 18 of this agreement. This discretion will be applied reasonably in consideration of business requirements and all other relevant considerations. In all vacation related matters full-time employees will be deemed senior to part-time employees.**

11.19 A regular part-time employee proceeding to full-time employment, after a minimum of one (1) year of full-time service since her most recent full-time employment date, will be credited with the number of hours accumulated during the employee's continuous service with the Company as a regular part-time employee and provided the employee's service is continuous from part-time to full-time. The credited hours will be balanced with the annual hours of a regular full-time employee to establish the appropriate yearly credit for future vacation entitlements as provided in Section 11.03.

11.20 Part-time employees' vacation pay shall be paid during the month of February of each year.

11.21 Upon written request of an employee to the Human Resources Director, no later than January 15th for the year vacation pay is payable for a part-time employee (and no later than three weeks before a full-time employee ceases working for the Company to go on an approved leave of absence for maternity or parental leave), the Company shall defer payment of part-time vacation pay allowance (or full-time vacation entitlement under Section 11.03) until after completion of the leave. Payment will be made within three (3) weeks of the employee's return to work, if written notification of return is forwarded to the Human Resources Director in accordance with the filing requirements of EI as they may exist from time to time. In such instance the vacation pay shall be allocated to the week it is paid.

SECTION 12 MANAGEMENT'S RIGHTS AND FUNCTIONS

12.01 The management of the Company and the direction of the working force, including the right to plan, direct and control store operations, to maintain the discipline and efficiency of the employees and to require employees to observe Company rules and regulations; to hire; lay off or assign employees' working hours; transfer; promote; demote; discipline, suspend or discharge employees for proper cause, are to be the sole right and function of the management.

12.02 The Company shall be the sole judge as to the merchandise to be handled in its stores.

12.03 The foregoing enumeration of management's rights shall not be deemed to exclude other functions not specifically set forth. The management, therefore, retains all rights not otherwise specifically covered in this Agreement.

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

SECTION 13 HEALTH AND SAFETY

13.01 The Company, the Union and the employees mutually agree to co-operate in maintaining and improving safe working conditions in all of the Company's stores.

13.02 The Company agrees to maintain adequate heating in all of its stores.

13.03 The Company agrees to ensure, as far as is reasonably practical to do so, the health and safety of the employees in all of

the stores and address health and safety hazards that arise in the workplace. Employees agree to work in a safe manner respecting all safety rules and using equipment provided.

13.04 A Health and Safety Committee shall be established for each store and both the Company and the Union shall appoint two committee members from each store. In addition, one alternate may be appointed by the Union and one by the Company. The meetings will be held quarterly at a store or otherwise mutually agreed location. When urgent health and safety issues arise between the quarterly meetings and are presented to the Company or the Union, the Company will respond to the issue, or will convene a health and safety committee meeting.

The Union or any employee may bring to the attention of the Company any health and safety concerns and such issues will be addressed by the Committee. The Company will act as promptly as reasonably possible in responding to any health and safety concerns raised.

The Company will endeavour to schedule Health & Safety Committee meetings during the scheduled work shift of the committee members. Where this is not possible, employees on the Committee will be compensated at their regular rate of pay for time spent in the meeting. In such cases, the minimum call-in would not apply, but employees will be paid not less than one hour's pay.

13.05 Health & Safety Committee

A Provincial Joint Health & Safety Committee will be established to meet up to two (2) times per year, or more often if necessary, to address health & safety issues raised by either party. The Committee shall be comprised of a maximum of four (4) representatives from the Company and four (4) representatives from the Union. Safeway employees will suffer no reduction in their pay on account of service on this committee.

13.06 The Company and the Union agree to share the cost of the fee for a Standard First Aid & CPR training course for any members of the bargaining unit who are on the Health & Safety Committee who wish to take same.

13.07 Water Bottles

Cashiers shall be allowed to have a Company approved water bottle at their work locations provided the bottle is stored out

of public sight and the employee exercises common courtesy with customers when consuming water.

13.08 Ergonomic Hazards

The Company recognizes the importance of eliminating or reducing ergonomic hazards in the workplace to improve workers' wellbeing and to prevent injuries.

SECTION 14 PAYMENT FOR MEETING ATTENDANCE

14.01 When the Company requires an employee to be present at a meeting called by the Company, time spent at such meeting will be considered as time worked. This provision shall not apply to dinner meetings, where attendance by an employee is voluntary.

SECTION 15 STRIKES AND LOCKOUTS

15.01 It is mutually agreed that there shall be no strikes, lockouts, stoppages of work or slow-downs during the life of this Agreement.

SECTION 16 UNION REPRESENTATIVE'S VISITS TO STORES

16.01 Duly authorized full-time Representatives of the Union shall be entitled to visit the store for the purpose of observing working conditions, interviewing members and unsigned employees, and to ensure that the terms of the Agreement are being implemented.

16.02 The interview of an employee by a Union Representative shall be permitted after notifying the Store Manager, and shall be:

- (1) carried on in a place in the store designated by management;
- (2) held whenever possible during the lunch period. However, if this is not practical,
- (3) during regular working hours. Time taken for such interview in excess of five (5) minutes shall not be

on Company time unless with the approval of management;

- (4) held at such times as will not interfere with service to the public. No interview shall be held on Friday, Saturday, or any day after 4.00 p.m. or on the day preceding a General Holiday, except in cases of employees who work only Fridays, Saturdays, or after 3.30 p.m.

16.03 The Union Representatives shall not discuss grievances with the Store Manager. Such matters shall be presented to the Company in accordance with the provisions of Section 26 of this Agreement.

16.04 Union Representatives shall be permitted to review the hours of work schedule and in the event of any discrepancies, they shall be presented under Section 26 of this Agreement.

SECTION 17 LEAVES OF ABSENCE

17.01 The Company agrees to allow time off work without pay for up to ten (10) employees in the bargaining unit, elected to attend Union conventions or designated to attend negotiations, or to attend Union business, for a period of not more than fourteen (14) calendar days.

The Union will give the Company a minimum of two (2) weeks' notice in regard to such requests.

17.02 Any employee with **one (1) year or more of service** with the Company may request a leave of absence, without pay, of up to four (4) weeks. The request shall be made in writing, giving full details, and same shall be considered by the management on an individual basis. The granting of such requests shall not be unreasonably withheld by the Company.

17.03 Upon two (2) weeks' prior notice in writing from the Union, the Company agrees to grant a leave of absence of up to one (1) year to a maximum of one (1) employee per seniority zone who is elected or appointed to a full-time position in the Union. Such leave of absence shall be without pay or other benefits. The Union agrees to notify the Company at least two (2) weeks in advance of the employee's return to work for the Company.

17.04 **Maternity Leave / Parental Leave / including Adoption Leave**

A. **Maternity Leave**

A female employee shall be granted a maternity leave of absence by the Company. Said employee shall be re-employed by the Company after the birth, and must do so within seventeen (17) weeks unless she is entitled and so chooses to take parental leave immediately following her maternity leave.

In cases of a disabling medical condition, the employee may request an extension of her leave of absence up to but not exceeding an additional twelve (12) weeks, provided such request is accompanied by a Doctor's Certificate setting out the nature of the condition.

Accumulated paid sick leave and/or group insurance benefits required because **of** a disabling medical condition directly attributable to pregnancy, shall be granted to qualified employees under the same conditions as these benefits are granted to other disabled employees who qualify under the terms of the Plan(s).

B. **Parental Leave / Adoption Leave**

(1) **Entitlements**

Every employee who has been in the employ of the Company for seven (7) months and

(a) who,

- i) in the case of a female employee, becomes the natural mother of a child,
- ii) in the case **of** a male employee, becomes the natural father of a child or assumes actual care and custody of his newborn child, or
- iii) adopts a child under the law of a province; and

(b) who submits to the Company an application in writing for parental leave where possible at least four (4) weeks before the day specified in the application as the day

on which the employee intends to commence the leave;

is entitled to and shall be granted parental leave, consisting of a continuous period of up to thirty-seven (37) weeks.

(2) Commencement of Leave

Except as indicated below, parental leave must commence no later than the first anniversary date of the birth or adoption of the child or of the date on which the child comes into the actual care and custody of the employee. Parental leave for natural mothers must commence immediately on the expiry of maternity leave, unless the Company and the employee agree otherwise.

(3) Late Application for Parental Leave

When an application for parental leave under subsection (1) above is not made in accordance with subsection (b), the employee is nonetheless entitled to, and upon application to the Company shall be granted parental leave under this section for the portion of the leave period that remains at the time the application is made.

C. Reinstatement of Employee

- (1) **An** employee who wishes to resume employment on the expiration of any of the leaves granted in accordance with this section shall notify the Company in advance of not less than three (3) calendar weeks of the day she intends to return to work. The employee shall be reinstated in the position occupied by her / him at the time such leave commenced, or in a comparable position with not less than the same wages and benefits. In the event that an employee takes only maternity leave, said employee must provide the Company with a doctor's certificate certifying her to be medically fit to work .
- (2) Seniority will continue during the leave and benefits accumulated prior to the leave will be

maintained and not paid during the leave, except that employees who qualify under group insurance may elect to continue to pay the premium themselves during their leave.

17.05 The requesting and granting of leaves of absence shall be in writing.

17.06 Family Responsibility Leave

In the event of an illness or injury occurring to an employee's spouse, parent or child, an employee may request, and if so, shall be granted a leave of absence or absences which shall not exceed five (5) days of unpaid leave in total per calendar year. The purpose of this leave shall be to enable the employee to attend to the needs of their ailing spouse (including common law spouse), parent or child (including stepchild). The Company will be given as much notice as possible in such events.

17.07 Compassionate Leave

The Company agrees to grant time off consistent with the Compassionate Leave provisions of the Manitoba Employment Standards Code.

SECTION 18 SENIORITY

Full-time

18.01 Seniority for full-time employees shall be defined as "the length of continuous service with the Company within Seniority Zone One as a full-time employee".

The Company and the Union agree that when a full-time employee is transferred to another zone, or is eligible under the terms of this agreement to exercise his full-time seniority outside his own zone, he shall carry his seniority with him. This clause is effective November 15, 1998 and is not retroactive for events that occurred prior to November 15, 1998.

18.02 Seniority shall be considered broken and services terminated if an employee:

- (1) is duly discharged by the Company and not reinstated through the Grievance and/or Arbitration procedure of this Agreement;

- (2) voluntarily quits or resigns;
- (3) has been laid off continuously for a period of more than six (6) months or is called back to work after a lay off and does not return to employment within the time as set out in sub-section 18.04 (2);
- (4) is absent from work without a written leave of absence, unless a satisfactory reason is given by the employee. Sickness or inability to communicate with the Company shall be considered a satisfactory reason;
- (5) fails to return to work on the completion of an authorized leave of absence, unless a satisfactory reason is given by the employee. Sickness or inability to communicate with the Company shall be considered a satisfactory reason.

18.03 Unless merit, fitness and ability of an employee is greater than other employees regularly working full-time involved, length of continuous service with the Company within Seniority Zone One shall govern in cases of promotions.

Seniority with the Company within Seniority Zone One shall govern in case of layoff, reduction to part-time employment and rehire, providing the employee involved has the ability to perform the normal functions of the job required.

18.04 Employees regularly working full-time laid off or reduced to regular part-time in accordance with the above provision by the Company shall be recalled to work in order of length of service with the Company, provided:

- (1) no more than six (6) months has elapsed since the last day worked by the employee, and
- (2) the employee reports for duty within twenty-four (24) hours from time of recall, and
- (3) the employee is capable of performing the work.

18.05 Employees regularly working full-time, rehired within six (6) months of their lay off, shall retain their previous length of service for the purpose of this Section.

18.06 The six (6) month and twenty-four (24) hour deadlines contained in 18.04 (1) and 18.04 (2) above, respectively, shall be extended if upon recall an employee is unable to report due to illness or accident. Any extension granted shall only be for the duration of the illness or incapacity from accident and the Company may require the employee to provide written confirmation from a doctor of such illness or accident.

18.07 In the event an employee's status changes from full-time to regular part-time either at the direction of or with permission of the Company, her seniority date would be her part-time seniority date effective at the time of the appointment to full-time.

When an employee's full-time status is changed to regular part-time status due to circumstances of maintaining an efficient operation, subject to Section 18.03, it is understood that such employee shall first be given an opportunity to return to her previous full-time job in her classification.

18.08 The Company agrees to give one (1) week's notice prior to changing an employee's status from full-time to a regular part-time basis.

18.09 The Company, when reducing hours of work in a store, agrees they will not reduce the regular scheduled hours of a full-time employee for the purpose of replacing such hours with part-time help, except as indicated in Appendix E.

18.10 Part-time Seniority

(a) Seniority for part-time employees (Tier 1 or Tier 2) shall be defined as the length of service with the Company within Seniority Zone One as a part-time employee since her most recent date of continuous employment as a Tier 1 or Tier 2 employee. Part-time employees will have seniority within the part-time seniority list in the store, subject to 18.23, 18.25, and Appendix E.

(b) Seniority for Courtesy Clerks shall be defined as the length of service with the Company within Seniority Zone One since their most recent date of continuous employment as a Courtesy Clerk. Courtesy Clerks will have seniority within the Courtesy Clerk seniority list in the store, subject to section 18.23, 18.25 and Appendix E.

- (c) The exercise of seniority by part-time employees and Courtesy Clerks shall be subject to Appendix E and other applicable sections in the Agreement.

The Company and the Union agree that when a part-time employee is transferred to another zone, or is eligible under the terms of this agreement to exercise his part-time seniority outside his own zone, that he shall carry his seniority with him. This clause is effective November 15th, 1998 and is not retroactive for events that occurred prior to November 15, 1998.

18.11 Part-time employees shall not be employed or scheduled to the extent that it results in the displacement or prevents the hiring of full-time employees, except as indicated in Appendix E.

18.12 When a regular part-time employee works or is paid the basic work week for thirteen(13) consecutive weeks a full-time position shall be deemed to have been created, subject to Appendix E-3 and E-4 and shall be filled within Seniority Zone One according to subsection 18.21.

18.13 In scheduling or calling in part-time employees, preference in available hours of work in a week shall be given to senior part-time employees within the department insofar as this is consistent with their availability and willingness to perform the work, providing they have the ability to perform the normal functions of the job. If a senior part-time employee refuses to work a shift scheduled by the Company, the Company may, at its discretion, give the next employee in line of seniority the available hours for that week.

18.14 Call-in time Call-in time is defined as any time four (4) hours or more are required to be worked, which do not appear on the regular schedule either due to business conditions or the non-scheduled absence of employees.

A call-in on any day will be allocated to the senior employee in the job in the department who is capable of performing the normal functions of the job:

- a) who is not working on the same shift and has not worked eight (8) hours on that day;

- b) who is willing to perform the work and can be contacted with regard to the work;
- c) such allocation will in no event result in overtime.
- d) Notwithstanding E-9, if call ins on Sunday are required by the store such shifts will first be offered to employees in accordance with the provisions above. For the purpose of this section that means an employee would be offered the call in if it did not result in the employee working more than 30 hours that week.

If the required hours on Sunday cannot be filled in this manner then, notwithstanding E-9(1), the Company may then offer the hours to other employees in order of seniority in accordance with 18.13 (a), (b) and (c).

This procedure may result in junior employees receiving more hours for the week than senior employees. (For example, if a senior employee is scheduled 30 hours and a junior employee is scheduled 25 hours, and an 8-hour call-in becomes available, it would, all other things being equal, be allocated to the employee with 25 hours, giving that employee 33 hours for the week.)

Employees who are part-time will be offered a call-in, when available, on the sixth day in a week. Sunday shall not be included in said call-in.

18.15 The Company agrees to schedule, to the extent that it is practicable, fifty (50%) percent of regular part-time employees who are required by the Company and who are available to be scheduled in a week in the store, exclusive of Courtesy Clerks, a minimum of twelve (12) hours per week.

18.16 Declaration of Availability All part-time employees are required to complete an availability form (including Courtesy Clerks). This form would indicate the following information:

- the days the employee is available to work;
- whether the employee wishes to work Tier 2 hours and;
- whether the employee does not wish to take call-in shifts.

The Declaration of Availability for each employee shall be made by noon of the second Tuesday of each four-week

accounting period for the following four-week accounting period. If an employee fails to change his or her declaration of availability by Tuesday noon, the existing Declaration of Availability previously on record for this employee shall be automatically renewed for the four-week accounting period.

This Declaration of Availability shall be in triplicate form with one copy given to the employee, one copy mailed to the Union office every four weeks, one copy retained by the Store Management and a copy made available to the Shop Steward on request.

18.17 Minimum acceptable availability for all part-time employees

- (a) Totally available on Saturdays;
- (b) Available two or more shifts in a week. A shift is defined as a shift regularly scheduled by the Company until the close of the department at the time the employee fills out his declaration of availability. The Company agrees that if a change occurs on the regularly scheduled shifts that affect an employee's availability, he/she will be given an opportunity to amend the Declaration solely to adjust for that change.
- (c) An employee's declaration of availability will not prevent an employee from obtaining an occasional Saturday off or requesting a day(s) off during the period that they have declared themselves previously available. The employee's request shall be for bona fide personal reasons (e.g. Students writing exams, child care arrangements, family responsibilities, illness, injury or leave of absence).
- (d) In the event an employee in the employ of the Company on the date of ratification is unable to meet the minimum acceptable availability as indicated above due to special compelling personal circumstances, the Union, the Company and the employee shall meet to mutually resolve the issue.

18.18 The Company agrees that it will not schedule an employee outside of the period that the employee indicated they were available to work (as in **18.16**) unless the employee has agreed to same or except as follows below:

In the event that the Declaration of Availability of the employees in the store results in insufficient qualified employees to staff the store on a given day, the Company agrees to notify the Union of the deficiency. The Union agrees to cooperate to seek a remedy and solicit the cooperation of the employees. If the parties are not able to resolve the shortage, the Company will have the right to schedule sufficient qualified employees outside of their availability in reverse order of seniority provided that at least 7 days notice is given to the affected employee(s).

18.19 Hours scheduled to train a Tier 2 or Courtesy Clerk or employees who have been reviewed for a new job will not be counted for the purpose of exceeding the Tier 2 and Courtesy Clerk weekly hours to a maximum of two (2) weeks /calendar year/employees and to a maximum of four (4) weeks/calendar year / employees for training in the Meat, Bakery Production, or Pharmacy Tech. Such scheduling of training hours shall be scheduled on the condition that such training hours are hours that would not otherwise have been available to be worked by any other employee, but are extra hours scheduled strictly for this purpose and identified as Human Resource Training Code.

18.20 Hours worked or paid will be considered as hours worked for the purpose of satisfying the minimum guarantees in Section 18.13.

18.21 (a) Job posting shall be done within Seniority Zone One as follows:

When a full-time position within the scope of the bargaining unit becomes permanently vacant and the Company determines that the position is to be filled, the Company agrees to fill said vacancy from part-time employees who have made an application in writing to the Company as indicated below. The vacancy shall be filled with part-time employees in the same classification and department, providing the senior applicant can perform the normal functions of the job in a competent manner.

(b) Ability to perform the normal functions of the job in a competent manner shall mean that the employee involved is competently performing the normal functions of the job following a training and trial period of 20 days worked. Should the employee choose to step down before the completion of the 20 days worked, she may do so, or should the employee not be able to perform the normal functions of the job in a competent manner, the Company may return the employee to her previous job before the completion of the 20 days worked. In either event, she would return to her previous position and wage rate without loss of seniority.

The Company shall then make a second selection for the training and trial period from the next senior applicant that remains on the list from the original posting.

(c) When a full-time position becomes vacant, the Company may fill it by laterally transferring other full-time employees, except that the Company must post the last such full-time position vacancy.

(d) The following positions shall be open for posting when a full-time vacancy as indicated above occurs:

Bakery /Meat Production Specialist
Coffee Bar Server
Sales/Service Clerk
Pharmacy Technician

(e) The job posting shall contain:

- (i) classification;
- (ii) the store number, department and location;
- (iii) the closing date of the posting;
- (iv) the effective date of the position.

(f) The full-time positions which are posted shall be posted according to the following procedure:

- (i) vacant positions shall be posted within 5 days of becoming vacant, unless the Company decides that said vacant position has become redundant, or is above the full-time ratio as indicated in Section 7 **of** this Agreement. When the Company decides not to post a vacated position, it shall immediately inform the Union, in writing, within an additional 5 calendar days.
- (ii) Vacant position(s) shall be posted in all stores in the bargaining unit for a period of 10 calendar days. A copy of the posting shall be forwarded to the Union at the time of the posting.
- (iii) The posting shall be returned to the Human Resources Department at the end of the posting and shall be signed by the Store Manager and the Shop Steward (or another member of the bargaining unit in their absence) to confirm

that the posting was publicly displayed for the required period.

- (iv) Employees wishing to apply for the full-time position posted shall do so on a form provided by the Company, in triplicate, and shall give said application form to the Store Manager, or management designate, no later than 4:00 p.m. on the 10th day, who shall sign it to verify that the employee has made said application for the job posting.
- (v) The original copy shall immediately be sent to the Human Resources Department, a copy shall be mailed to the Union office and a copy shall be retained by the employee making the application.
- (vi) All employees must have a minimum of 12 months' service with the Company in order to apply for the position, except that in unusual circumstances and by mutual agreement with the Union, the 12-month period may be waived.
- (vii) The successful applicant shall not be eligible to apply for another posting for a period of 12 months from the effective date of the job posting.
- (viii) In the event that a job posting becomes available while an employee is on approved absence such as WCB, WI, LTD, LOA and vacation, under the Agreement, that employee shall be considered to have applied for the posting, provided he has made application for the job prior to the posting of the position and can return to work within 30 calendar days and can perform the job in a competent manner, as indicated above. The Company shall mail by registered mail to the employee's last known address, a letter indicating that that person is the successful applicant and the employee affected shall have 10 calendar days from the Company's registered post-mark letter to indicate that the employee will be back at work on a specific date within but no later than the 30 calendar days indicated above. The Company shall have the right to temporarily fill the

full-time vacancy until said successful applicant returns to work.

(ix) The name of the successful applicant, along with their seniority date, will be posted in all the stores in the bargaining unit within 15 days of the original posting. The Company will forward a copy to the Union.

(g) **New Departments**

The Company will discuss with the Union new departments that may arise.

(h) No full-time employees will be bumped from their present store assignment as a result of implementation of this provision.

18.22 Clarification of the job posting procedure shall be as indicated in Appendix F-19.

18.23 In the event a part-time employee is transferred to another store, the employee will retain her most recent date of continuous employment as her seniority date within the store to which she is transferred. Notwithstanding Section 18.28 it is understood that the Company has sole right to grant or deny transfers based on their assessment of the efficient operation of the business, except as indicated in Sections 18.25 and 18.26.

When a part-time employee is transferred by the Company to another store, such transfer will not result in a loss of hours in the six (6) weeks immediately following the transfer.

In order to determine if hours were lost, a period of thirteen (13) full calendar weeks immediately prior to the transfer will be used. Full calendar weeks where an employee was absent due to illness or injury or leave of absence for vacation purposes will not be counted to a maximum of four weeks.

18.24 **Zero Hours for Four Months**

Any part-time employee who has no working hours for a consecutive four (4) months period shall be dropped from the Company's payroll records and the employee's services terminated, unless such absence is due to illness or injury.

18.25 **Zero Hours for Four Weeks**

A part-time employee with more than two years service who receives no hours of work for four (4) consecutive weeks or more may exercise his seniority and displace the most junior employee in the same classification and department in another store within Seniority Zone One. Said employee will carry his company seniority to the other store for the purpose of scheduling.

Seniority - General

18.26 Any full-time or part-time employee who is laid off or fails to receive hours of work to which she is entitled, according to the foregoing, shall be compensated for the hours involved in any violation at her regular rate of pay.

18.27 The Company agrees to provide the Union every three (3) months with:

- (1) a seniority list of full-time employees within each of the Seniority Zones;
- (2) a seniority list of part-time employees on a store-by-store basis;
- (3) a seniority list of Courtesy Clerks on a store-by-store basis.

This will be generated in accordance with section 2.07, to a maximum of twice per year. The seniority lists will include employee number.

18.28 Where it will not interfere with the efficiency of the operation of the business, employees will be afforded an opportunity of employment in the Company's store within the Seniority Zone One nearest to their residence. The Company is to be the sole judge in this matter, but shall not unreasonably withhold such an opportunity.

18.29 **Greater Flexibility in Hiring**

To provide greater flexibility in the development and hiring of employees for supervisory positions, one regular part-time employee or one full-time employee per department may be selected for back-up relief, or filling of a supervisory vacancy.

The Company agrees to notify the Union, in writing, of the persons selected by the Company for this program indicating the store number and the Department.

Individuals will be selected on the basis of their qualifications, skills and abilities solely as determined by Management.

The use of back-up, relief employees, full-time or part-time, will not result in the reduction of the normal hours of any employees in said department.

Back-up, relief or filling of a vacancy shall only apply to the Assistant Store Management, Deli, Meat, Produce, Bakery, Floral, Seafood and Coffee Bar Departments and new departments, as mutually agreed between the Company and the Union.

18.30 Transfer to Another Department

- (a) A part-time employee who has worked in his/her current department in excess of one year will be considered for a transfer to another department in the store providing the employee has made such request in writing with a copy to the Union.
- (b) The transfer referred to above shall apply only for a part-time employee going to another part time position in another department. In order for a request for a transfer to another department to be considered a vacancy in the receiving department must exist created by the transfer, resignation, retirement or termination of another employee.
- (c) The employee's request will be considered on the basis of seniority and ability. The Company will be fair and reasonable in considering requests for a transfer.
- (d) Employees granted a transfer will be on a trial period of up to 30 calendar days to demonstrate their ability to perform the normal functions of the job in a competent manner. In the event they are unable to perform the normal functions of the job in a competent manner the employee will be returned to their former position and rate of pay. The employee will lose his "assurance of hours", if the employee was entitled to any, unless the employee is returned to his original position as indicated above.
- (e) **An** employee will be limited to one transfer during the life of the agreement.

- (f) An employee who is accepted for a transfer will if he/she is at or below the 2500 hour level in his home department move to the same hours level in the new department. Any employee who is above the 2500 hours level in his home department will move across at the 2500 hour level or a level that is \$1.00 per hour less than his current position in the wage scale whichever is higher for the first 500 hours of the transfer. The employee will then progress up the scale in accordance with experience and service gained in the new department. Overscaled employees who transfer to a classification having the same wage scale will maintain their overscaled differential in the department.
- (g) The above shall in no way affect or be in conflict with the part time employee's rights under Section 18.21. The above will not prevent the Company from filling the needs of a Department by making transfers.
- (h) Notwithstanding the above, in regard to Coffee Bar Servers, they will require two (2) years of service to be eligible for a transfer. Coffee Bar Servers who receive a transfer will go to the next higher rate that gives them an increase and then they will have to work 500 hours before they receive their next increase.

18.31 Full-time employees may request and may receive two (2) days off per month from Monday to Friday as part of their regular days off in order to attend to family and personal responsibilities. To be considered, the request must be made before the schedule for the affected week is posted. These requests will not be unreasonably denied after considering the operational requirements of the business as determined by the Company.

SECTION 19 MERGER OF BUSINESS

19.01 In the event ownership of the Company passes to another Company, the relevant sections of the Manitoba Labour Relations Act shall apply.

19.02 The Company will notify the Union, in writing, as far in advance as is possible in connection with any change *of* ownership or management, or the closing *of* any *of* their stores.

SECTION 20 SUPPLIERS' REPRESENTATIVES

20.01 Except prior to store opening and one (1) week thereafter, or during store remodelling to a maximum of one (1) week, suppliers' representatives, **other than representatives of Chip companies**, will not price products in stores, or stock or replenish merchandise other than to rotate or check code dating on shelf stock. **The following suppliers' representatives will be able to continue the work currently being provided: Greeting Card companies, Books and Magazine suppliers.**

20.02 It is understood that the above will not apply to suppliers' representatives who are engaged in the erecting of special displays which require the assembling of a special stand, composed of cardboard, wood, metal, etc. The initial stocking shall be performed by an employee of the store, directed by the supplier's representative.

**SECTION 21 STORE CLOSING / CENTRALIZATION/ DEPARTMENT CLOSING
and/or
ALTERATION OF DEPARTMENTS/ TECHNOLOGICAL CHANGE**

21.01 The Company will give the Union and affected employees notice in the following events:

- a) store closing - four weeks
- b) department closing or a full-time job becoming redundant - two weeks
- c) substantial alteration to a department - two weeks
- d) technological change - three months
- e) centralization of production - two weeks.

Definitions:

- a) "Centralization" means the movement of production and/or processing from one or more stores into another store or to a location outside the scope of the agreement operated by the Company.
- b) "Technological change" means introduction of new machinery or equipment which may result in the displacement of employees.
- c) "Affected" for a full-time employee means his full-time job is no longer required in his department because of one or more events as described in 21.01 above, and not due to a drop in business.

- d) "Affected" for a part-time employee means he suffers a reduction in hours (based on the average hours worked in the previous thirteen (13) weeks before the event) of 50% or more (in any week within eight (8) weeks of implementation of an event or events listed above), or due to the events described in 21.01, and not due to a drop in business.
- e) "Job becoming redundant" means the elimination of a full-time job in a classification in a department. This definition does not apply to changes as a result of Section 7.
- f) "Substantial alteration" is defined as a change in the department structure as follows:
 - i) a new group of products or commodities are to be sold; or
 - ii) the pre-existing mix of products or commodities is substantially altered to the extent that merchandising, production or staff requirements are substantially altered.

21.02 In the event a circumstance described in 21.01 above occurs, affected full-time employees shall be able to exercise bumping rights, by seniority and classification in their department first in their own store, and if not possible, in another store within Seniority Zone One, except for department closing or store closing where the order would be first Seniority Zone One, then, if not possible, Seniority Zone Two, then, if not possible, Seniority Zone Three.

21.03 In the event a circumstance described in 21.01 above occurs, affected part-time employees shall be entitled to exercise bumping rights as outlined in Section 21.06 without having to wait for four (4) weeks with no hours.

21.04 In the event that a full-time employee who is affected due to technological change, closing of a department, or a job becoming redundant, or centralization outside the scope of the collective bargaining agreement, bumps according to Section 21.05, he shall be offered a training period of up to thirty (30) working days. Should the employee refuse the training or if the employee cannot be retrained, the employee shall be paid severance equal to one week's pay for each year of continuous full-time service to a maximum of fifteen (15) weeks' pay, and shall be considered terminated.

This section does not apply to employees who accept other employment with the Company, outside the jurisdiction of this Agreement.

The Company will attempt, to the best of its ability, to find a job within the bargaining unit for part-time employees. If it is not possible, said employees will be terminated.

The reference to technological change in this section is intended to assist employees affected by same and accordingly Sections 83, 84 and 85 of the Manitoba Labour Relations Act, which refer to technological changes, do not apply during the term of the Collective Agreement between the Company and the Union.

21.05 Full-time employees displaced due to events of Section 21.01 shall exercise seniority rights as follows:

- i) displace the most junior full-time employee in their classification, in the same department, in another store;
- ii) displace a junior full-time employee in any classification, in any store;
- iii) in the event an employee cannot maintain full-time employment in any store, he shall remain part-time in his own classification and department, subject to his rights as per Section 21.06 below.
- iv) when a full-time employee accepts a full-time job in another classification, he shall be given the first opportunity to return to his previous full-time position, within twenty-four (24) calendar months of his transfer to another classification.

It is understood that the words "displace the most junior employee" or "displace a junior employee" as indicated in sections 21.05 and 21.06 shall mean that an employee who displaced the most junior employee or a junior employee in a department carries with him his Company seniority and is then scheduled according to said seniority, within his own department.

This subsection 21.05 will be applied within the Seniority Zone One, except for department closing or store closing where the order would be first Seniority Zone One, then, if not

possible, Seniority Zone Two, then, if not possible, Seniority Zone Three.

21.06 In the event a part-time employee is reduced to zero (0) hours for four (4) consecutive weeks, they shall be allowed to:

- i) displace the most junior employee in the same classification and department in another store. If not possible, then
- ii) displace the most junior employee in another classification in the same department in the same store, or if not possible,
- iii) displace the most junior employee in another department in the same classification as defined in Appendix B: Bakery /Meat Production (B-7 & B-9) Sales /Service Clerk (B-10 & B-13), Floral Clerk, Variety Clerk, Refreshment Centre Clerk, Store Records Clerk (B-11), Courtesy Clerks (B-15), except employees in 2nd Assistant and Produce Manager (B-1), Head Cashier (B-2), Meat Department Manager (B-3), Bakery Department Manager(B-4), Journeyman Baker(B-5), Bakery Operator(B-6), Ice Decorator (B-8) and Pharmacy Technician (B-14), may bump in the Sales /Service Clerk (B-10 & B-13) classification in the same store, or if not possible,
- iv) displace the most junior employee in another department in the same classification as defined in iii) above but in another store.

This subsection 21.06 will be applied within the Seniority Zone One, except for department closing or store closing where the order would be first Seniority Zone One, then, if not possible, Seniority Zone Two, then, if not possible, Seniority Zone Three.

21.07 **An** employee exercising his rights under Section 21 shall be given a "reasonable opportunity" to do the job in a competent manner. For the purpose of this section, "reasonable opportunity" shall mean a maximum of thirty (30) working days for a full-time employee and twenty-four (24) hours for a part-time employee.

This subsection 21.07 will be applied within the Seniority Zone One, except for department closing.or store closing

where the order would be first Seniority Zone One, then, if not possible, Seniority Zone Two, then, if not possible, Seniority Zone Three.

It is understood that an employee will be given only one (1) training opportunity for an event referred to in 21.01.

21.08 Rates of Pay

- (a) In the event any full-time employee exercises his right under Section 21.04 and remains in the same classification and department in another store, he shall retain his current rate of pay.

In the event any full-time employee exercises his right under Section 21.04 and moves to another classification or moves to another department, said employee shall be given the 2,501-hour level for the first eight (8) weeks (300 hours), the 3,001-hour level for the next eight (8) weeks (300 hours) and the top rate thereafter in that classification.

- (b) In the event any part-time employee exercised his right under Section 21.06 and remains in the same classification and department in another store, he shall retain his current rate of pay. If any part-time employee moves to another classification or moves to another department, said employee shall be given the 2,501-hour level for the first eight (8) weeks (300 hours), the 3,001-hour level for the next eight (8) weeks (300 hours), and the top rate thereafter in that classification.

- (c) Tier 1 employees who were in the employ of the Company prior to April 1, 2002, and who exercise their opportunity to displace employees as indicated in sections 21.05 and 21.06 above and in the application of 21.08 (a) and (b) shall receive the hourly rate of pay in the classification that they obtain based on the hourly rate of pay for Tier 1 employees.

- (d) Any employees displaced due to events of Section 21.01 who were on an over-scale rate of pay, shall keep their overscale when transferring to the new classification.

- (e) In the exercise of Section 21, no employee displaced due to the events of 21.01 will be allowed to move to a higher rated classification.

21.09 In the event that an employee moves to another Seniority Zone, the Company shall not be responsible for any costs relating to the employee's transfer.

SECTION 22 COURT'S DECISION

22.01 In the event of any articles or portions of this Agreement being held improper or invalid by any Court of Law or Equity or Labour Relations Board, such decision shall not invalidate any other portions of this Agreement than those directly specified by such decision to be invalid, improper, or otherwise unenforceable.

SECTION 23 HEALTH AND WELFARE

23.01 Health and Welfare benefits shall be as contained in Appendix "A" of this Agreement.

SECTION 24 CASH SHORTAGES

24.01 No employee may be required to make up cash register shortages unless he is given the privilege of checking the money and daily receipts upon starting and completing the work shift and unless the employee has exclusive access to the cash register during the work shift, except as specified below.

24.02 No employee may be required to make up register shortages when management exercises the right to open the cash register during the employee's work shift, unless the register is opened in the presence of the employee and the employee is given the opportunity to verify all withdrawals and/or deposits.

SECTION 25 REPRIMANDS

25.01 When an employee in the bargaining unit is subjected to a disciplinary interview (where the Company intends to discipline the employee, such as to be given a written reprimand, suspension or discharge), said employee shall have a shop steward present, or, in the absence of a shop steward, an employee from his store in the

bargaining unit, of the employee's own choice, from the commencement of the interview.

25.02 A copy of such disciplinary notice shall be given to a Shop Steward in the store and faxed to the Union office. If a Shop Steward or member is not present as required, or a copy of disciplinary notice is not given to the Shop Steward in the store, the resulting discipline shall not be valid and may not be utilized by the Company.

25.03 Sections 25.01 and 25.02 above are not intended to prevent management from investigating the circumstances, or inquiring, on a matter that may lead to discipline.

25.04 The employee will be given a copy of such reprimand which is to be entered on the employee's personnel file. A copy of the reprimand will be faxed to the Union office within forty-eight (48) hours of it being issued. In unusual circumstances, where it is necessary for the Company to advise an employee by mail of discharge, the Union office will be mailed a copy of such notice by registered mail or transmitted to the Union office by facsimile. **Failure to fax the discipline within 48 hours** does not invalidate the discipline under 25.02.

25.05 The signing of disciplinary notices and/or reprimands by Shop Stewards or employees does not mean that they are in agreement, or that they support the content of the reprimand or the disciplinary notice, but is an acknowledgment that they have received said disciplinary notice and/or reprimand.

SECTION 26 ADJUSTMENT OF GRIEVANCES

26.01 Any complaint, disagreement or difference of opinion between the Company, the Union or the employees covered by this Agreement, which concerns the interpretation, application, operation or alleged violation of the terms and provisions of this Agreement, shall be considered as a grievance.

26.02 Information

Where the Union requires information regarding accumulated hours of work for the purpose of establishing the pay rate of an employee, the Company agrees to co-operate to supply such information back to a period of two (2) years or such longer time as may be required to establish his proper rate of pay.

26.03 In any grievance regarding hours worked by an employee and the amount paid to an employee, the Company shall promptly supply such information in respect to the two (2) pay periods immediately prior to the request. If information for a longer period is required, the normal process of the Grievance Procedure shall apply.

26.04 The Union shall not use the foregoing provision to request information that does not pertain to a specific grievance of an employee.

26.05 Any employee, the Union or the Company may present a grievance. Any grievance which is not presented within twenty (20) calendar days following the event giving rise to such grievance, or within fourteen (14) calendar days of the last day worked when relating to a discharge grievance, shall be forfeited and waived by the aggrieved party.

26.06 All grievances shall be submitted in writing.

26.07 The procedure for adjustment of grievances and disputes by an employee shall be as follows:

- (1) by a discussion between the employee and the Union Representative, or the employee's immediate superior.
 - (a) When an employee takes a grievance to the Union Representative, Step One of the Grievance Procedure shall be considered complied with, providing the Union Representative files the grievance in writing with the Store Manager or his designate. The Store Manager shall reply to the grievance in writing within five (5) calendar days to the Union. After five (5) calendar days, the Union Representative may proceed to Step Two.
 - (b) If an employee takes a grievance to his immediate superior and a satisfactory settlement has not been reached within five (5) calendar days, then:
- (2) The Union Representative or Representatives may take the matter up with the Company Official designated by the Company to handle labour relations matters. If the matter is not taken up within ten (10) calendar days of the date the Union received the written reply to the grievance in Step One, it will be deemed to

have been abandoned and further recourse to the Grievance Procedure shall be forfeited.

26.08 If a satisfactory settlement cannot be reached, then upon request of either party, within fourteen (14) calendar days of receiving the final, written decision from either party, but not thereafter, the matter may then be referred to an Arbitrator, selected in accordance with Section 27.

SECTION 27 **SELECTION OF AN ARBITRATOR**

27.01 After one of the parties indicates they are taking the matter to arbitration, the matter shall be referred to a single Arbitrator as indicated in section 27.02.

In the interest of settling a grievance prior to an arbitration hearing, and by mutual agreement between the Company and the Union, either party may request the assistance of a grievance mediator from the Province of Manitoba Conciliation Services. During the life of this collective bargaining agreement, the parties may mutually agree to a list of mediators other than the mediators provided from the Province of Manitoba Conciliation Services.

27.02 A grievance shall be referred to a single Arbitrator as indicated below according to the date of the grievance to the following panel of individuals:

- (1) Mr. William Hamilton
- (2) Mr. Michael Werier
- (3) Mr. Arne Peltz

commencing with the name following the name of the last Arbitrator, and commencing again at the beginning of the panel after coming to the end of the panel. For the purpose of such allocation a case which has been withdrawn from arbitration shall be deemed not to have been withdrawn from arbitration. If in any case the Arbitrator allotted is unwilling or unable to act, the individual whose name follows his in the panel shall be submitted as the Arbitrator.

The parties may, by mutual agreement during the life of the Collective Agreement, add to and remove Arbitrators from the list above.

27.03 Whenever one of the parties refers a matter to arbitration, the matter shall be heard within thirty (30) calendar days for suspension or termination and ninety (90) calendar days for any other matters. The matter shall be heard within that time limit

unless both parties mutually agree to a date beyond the thirty calendar day or ninety calendar day requirement, or in the event that none of the three Arbitrators listed above are available to meet within the 30 calendar day requirement or 90 calendar day requirement, whichever is applicable. If the parties cannot mutually agree to a date beyond the 30-calendar day requirement, or 90-calendar day requirement, whichever is applicable, the matter shall be referred to the selected Arbitrator who shall have the right to decide on the matter. In no event can a hearing be extended to a period longer than another thirty (30) calendar days. The Arbitrator shall have thirty calendar days to render a decision in regard to any matters dealing with suspension or termination, and ninety (90) calendar days from the last date of the hearing on any arbitration cases referred to him or her other than suspensions or terminations.

27.04 The Arbitrator shall receive and consider such material evidence and contentions as the parties may offer and shall make such independent investigation as he deems essential to a full understanding and determination of the issues involved. In reaching his or her decision, the Arbitrator shall be governed by the provisions of this Agreement.

27.05 In the event of termination, discharge or suspension of an employee, the Arbitrator shall have the right to sustain the Company's action, or reinstate the employee with full, part or no back pay, with or without loss of seniority, **or** to settle the matter in any way he deems advisable.

27.06 The decision of the Arbitrator shall be final and binding upon all parties concerned.

27.07 The Arbitrator shall not be vested with the power to change, modify or alter any of the terms of this Agreement, except as indicated in section 27.05 above. All grievances submitted shall present an arbitrable issue under this Agreement and shall not depend on or involve an issue or contention by either party which is contrary to any provision of this Agreement or which involves the determination of a subject matter not covered by or arising during the term of this Agreement.

27.08 It is the intention of the parties that this section shall provide a peaceful method of adjusting all grievances, so that there shall be no suspension or interruption of normal operation, as a result of any grievance. The parties shall act in good faith in accordance with the provisions of Section 26 of this Agreement.

27.09 The expense and fee of the Arbitrator shall be borne equally by the parties to the arbitration proceedings.

SECTION 28 **BULLETIN BOARDS**

28.01 The Company agrees that during the term of this agreement, it will allow the Union to install its own bulletin boards in accordance with the conditions set out in Appendix F-11.

SECTION 29 **COMPANY AND UNION CO-OPERATION**

29.01 The Company agrees that it will not discriminate against any employee for reporting to the Union the violation of any provisions of this Agreement, or for performing services on a Union Committee outside working hours.

29.02 The Union agrees to co-operate when requested by the Company in correcting inefficiencies of the employees which might necessitate discharge.

29.03 (a) The Company recognizes the right of the Union to appoint one Shop Steward/store and one Alternate Shop Steward/store in stores where the Company has less than seventy-five (75) bargaining unit employees.

(b) For stores employing seventy-five (75) or more but less than one hundred and twenty-five (125) bargaining unit employees, the Company will recognize the right of the Union to appoint one Shop Steward/ store and two Alternate Shop Stewards/ store.

(c) In stores employing one hundred and twenty-five (125) or more but less than two hundred (200) bargaining unit employees, the Company will recognize the right of the Union to appoint one Shop Steward /store and three Alternate Shop Stewards/ store.

(d) In stores employing two hundred (200) or more bargaining unit employees, the Company will recognize the right of the Union to appoint one Shop Steward/store and four Alternate Shop Stewards/ store.

(e) Provided the Union notifies the Company Official responsible for Labour Relations in writing of the

names of the Shop Stewards in each store, the Company agrees to notify the Union prior to or at the time of a transfer of the designated Shop Steward.

29.04 The Company agrees to make space available on the bulletin board to the Union for a card indicating the name of the Shop Steward and the name of the Union Representative of this store. The size of said card is to be by mutual agreement between the Company and the Union. Said card shall be forwarded to the Store Manager for posting.

29.05 The Company agrees to allow Shop Stewards, designated by the Union, to wear their Shop Steward badge while on duty, providing the size of the badge is acceptable to the Company.

29.06 Store Management and Shop Stewards shall co-operate with one another in the administration of the Agreement.

SECTION 30 DECALS OR SHOP CARDS

30.01 The Company agrees that during the term of this Agreement, it will continue its present policy of permitting the Union to supply and install its store cards or decals, two (2) for each of the stores covered by this Agreement, provided however that such decal or card shall first be approved by management and be located as directed by the Store Manager. Such decal or card shall be displayed in a prominent position.

SECTION 31 UNIFORMS

31.01 The Company agrees that during the term of this Agreement, it will maintain its present policy of lending and laundering aprons to employees who are required to wear same, unless the employee opts to wear and maintain other apparel provided by the Company.

31.02 (a) Effective in the month of September 2009, active full-time employees and those active part-time employees who have worked or been paid more than 800 hours in the previous calendar year, shall be entitled to request and receive two (2) uniform shirts.

(b) Effective in the month of September 2009, active part-time employees who have not worked or been paid more than 800 hours in the previous calendar year, shall be entitled to request and receive one (1) uniform shirt.

(c) Employees hired after March 15, 2009, will be provided with one (1) shirt at the time of hire and will not be eligible for (b) above.

(d) Every September thereafter all employees with a minimum of one year of service may request and receive one (1) additional shirt as long as the employee remains actively employed.

(e) New employees who terminate their employment or who are terminated by the Company prior to completion of their probationary period will be required to return the shirt. If they fail to return the shirt they may have the cost of the shirt deducted from their final paycheck.

(f) Employees are required to maintain their shirts in a clean and presentable condition. Any additional shirts required by the employee can be purchased from the Company at cost. Shirts will be available in appropriate sizes.

31.03 Special clothing such as raincoats, parkas and freezer vests will continue to be supplied by the Company, where required, in appropriate sizes and in accordance with past practice.

SECTION 32 JURY DUTY

32.01 Full-time employees, and regular part-time employees averaging twenty-four (24) hours or more per week in the four (4) preceding weeks, summoned to jury duty, which shall include jury selection, shall be paid wages amounting to the difference between the amount paid them for jury duty and the amount they would have earned had they worked on such days to the maximum of eight (8) hours per day or thirty-seven (37) hours per week for Tier 1 employees and to a maximum of eight (8) hours per day or thirty (30) hours per week for Tier 2 employees. This does not apply if the employee is excused from jury duty for the rest of the day or days and fails to report back to work, or if jury duty occurs on the employee's scheduled day off.

SECTION 33 WITNESS FEES

33.01 Employees required to appear in Court as a witness on behalf of the Company will be paid wages amounting to the difference between the amount paid them for witness fees and the amount they

would have earned had they worked on such days to a maximum of eight (8) hours per day and thirty-seven (37) hours per week for Tier 1 employees and to a maximum of eight (8) hours per day or thirty (30) hours per week for Tier 2 employees.

33.02 Employees appearing as a witness on behalf of the Company on their day off will be paid a minimum of four (4) hours or the amount they would have earned had they worked on such day, as above. This compensation shall be paid at the employee's straight time hourly rate and shall not be considered as payment for time worked.

SECTION 34 BEREAVEMENT PAY

34.01 **After six months of employment, employees shall be granted time off from work, with pay, to a maximum of three (3) consecutive scheduled work days, in the event of death in the immediate family.**

The term "immediate family" shall mean spouse, parent, child, brother or sister, mother- or father-in-law, sister-in-law, brother-in-law, grandparents, common law spouse, stepparents, stepchild and grandchild. **One (1) day off, with pay, will be granted to an employee in the event of the death of his/her aunt, uncle, niece, nephew or grandparent-in-law.**

Employees shall not be required to attend the funeral in order to receive bereavement leave.

34.02 The Company shall provide one (1) day off without pay, to a person who attends a funeral of a person who is not a member of the employee's immediate family.

SECTION 35 LIE DETECTOR TESTS

35.01 The Company agrees not to force an employee to take a polygraph or similar lie detector test. This shall be interpreted to mean that should the Company wish to ask an employee to take a polygraph or similar lie detector test, it will have the right to do so, and the employee will have the right to agree. In such case the Company undertakes to have a full-time Union Representative present when the employee is asked to take the test.

SECTION 36 PHYSICAL EXAMINATIONS /DOCTOR'S NOTE

36.01 Where the Company requires an employee to take a physical examination, doctor's fees for the examination shall be paid by the Company. The time taken off the job shall also be paid at the employee's regular hourly rate.

Where the Company requires an employee to provide a doctor's note or to have a doctor fill out a form, they will pay the cost for same unless the note is required as a result of the following:

1. The employee has been formally advised that their attendance record is unacceptable and that doctor's certificates will be required in the future; or
2. The duration of the absence or the circumstances surrounding the absence require verification.

The Company will be under no obligation to pay for the completion of forms that are required to be completed for the receipt of benefits under Weekly Indemnity, WCB or LTD plans.

In regard to employees returning from a leave of absence the employee will be responsible for the cost of the initial note indicating they are fit to return to work. If the Company requires any further medical information the Company will pay the cost for same.

For all accommodations where the employee is returning to work from an absence, the employee will be responsible for the cost of the initial doctor's note which will clearly explain the nature and reason for the accommodation. If further medical information is required the Company will pay the cost for same.

The Company will be under no obligation to pay for a doctor's note confirming an accommodation for an employee who has not missed any work due to the medical condition requiring the accommodation.

SECTION 37 MANITOBA FOOD & COMMERCIAL WORKERS, LOCAL 832,

EDUCATION AND TRAINING TRUST FUND

37.01 The Manitoba Food & Commercial Workers, Local 832, Education and Training Trust Fund shall be as indicated in Appendix "D" of this Agreement.

SECTION 38 NO HARASSMENT

38.01 The Company and the Union agree that no form of sexual harassment shall be condoned in the workplace. Both parties shall work together in recognizing and resolving such concerns as they arise. Every effort shall be made in situations involving sexual harassment to be treated in strict confidence. Any employee who believes that she is being sexually harassed, shall report this to her immediate supervisor, full-time Union Representative or Human Resources Director.

The Company shall endeavour to find alternate employment if said employee asks the Company to do so until the matter has been dealt with. If no alternate employment can be found, the Union and the Company shall meet to attempt to resolve the issue. In addition, said employee may lay charges under the appropriate legislation against the harasser.

38.02 The Company and the Union each confirm their continued and long standing commitment that all management and non-management retail employees shall be treated, and shall treat each other, with dignity, respect and fairness appropriate in the circumstances in their interactions in the workplace.

SECTION 39 WORKFORCE RESTRUCTURING, MAXIMIZING OF HOURS

39.01 The program shall be as indicated in Appendix E attached to this Agreement.

SECTION 40 LETTERS OF UNDERSTANDING

40.01 All Letters of Understanding attached to this Agreement in Appendix F, H and I shall be an integral part of this Agreement.

SECTION 41 DUTY TO ACCOMMODATE

41.01 The parties recognize their joint responsibility to accommodate injured workers. The employee's job duties will be modified and/or they will be reassigned to a different work assignment where reasonably practicable. Employees have a responsibility to keep the Company informed of their condition, provide proper medical documentation (related to their ability to perform their job and any restrictions) in a timely fashion, and accept reasonable assignments that make a productive contribution to the Company's operations.

41.02 If an employee can only be accommodated in a lower paid classification, the Company will attempt to find a position that minimizes the effect on their rate of pay.

SECTION 42 EXTENDED HOURS / 24-HOUR STORES

42.01 The following conditions will apply to any store that is open twenty (20) or more hours per day. They will not apply to bakery and meat production, bakery sales related to current production stores, full-time grocery night stocking employees and file maintenance employees.

42.02 In the event that the Company elects to expand the store hours to twenty (20) hours or more per day in any of its retail stores, it shall advise the Union and the affected employees a minimum of two (2) weeks in advance of the change.

42.03 Night shift sales will be defined as all work performed which starts between 11:00 p.m. and 7:00 a.m. inclusive, where the majority of hours fall between 11:00 p.m. and 7:00 a.m.

42.04 Seniority will be the governing factor in staffing the night shift sales. Senior employees will be given first choice to work or not work and, if there are insufficient volunteers reverse order of seniority will apply.

42.05 Employees will not be required or scheduled to work hours during the night shift sales and normal store hours in the same week. There will be a minimum of forty-eight (48) hours between the end of the employee's day shift and the beginning of the employee's night shift and also between the end of the employee's night shift and the beginning of the employee's day shift.

42.06 The minimum shift for employees working the night shift sales will be six (6) hours but the Company will endeavour to schedule longer shifts whenever possible. The scheduling of longer shifts will be subject to the operational requirements of the business.

42.07 When a store opens 20 or more hours per day, employees will be given an additional one-time opportunity to change their declaration of availability.

42.08 The Company will take the appropriate steps to ensure the safety and security of employees working at extended / 24-hour stores.

SECTION 43 EXPIRATION AND RENEWAL

43.01 This Agreement shall be effective from **March 15, 2009** and shall remain in effect until **March 15, 2014**, and thereafter from year to year, but either party may, not less than thirty (30) days or more than ninety (90) days before the expiry date or the anniversary of such expiry date from year to year thereafter give notice in writing to the other party of a desire to terminate such Agreement or to negotiate a revision thereof. Nothing in this Agreement is retroactive unless specifically provided.

On the expiry date of this Agreement, as indicated above, if negotiations have not been completed, the Company and the Union agree that this Agreement will be extended automatically until:

- (1) an Agreement is reached between the parties hereto;
- (2) a strike is declared by the Union by giving the Company seven (7) calendar days' notice in writing of its intention to declare a strike, or
- (3) a lock-out is declared by the Company by giving the Union seven (7) calendar days' notice in writing of its intention to declare a lock-out.

43.02 All revisions desired by either party to this Agreement shall be submitted in writing within ten (10) days of the giving of such notice.

43.03 When the required notice for termination or revision is given by either party, negotiations in connection with same will be started promptly and expeditiously conducted, so that if it is reasonably possible, same may mutually and satisfactorily be concluded within the notification period.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE DULY EXECUTED THIS AGREEMENT.

SIGNED THIS

DAY OF

, 2009.

FOR THE UNION:

FOR THE COMPANY:

Leslie Addison

Pamela Anderson

Beth Bateman

Carino Bosica

Darrin Clinton

Bryan Houck

Kay Isokauppila

Debra Johnson

Candace Koehn

Sharla Lehmann

Pamela McIvor

Rose Owen

Corrine Serbin

Kim Ferris

Beatrice Bruske

Sonia Taylor

Jeff Traeger

Robert D. Ziegler



APPENDIX A

**HEALTH AND WELFARE, SICK LEAVE,
WEEKLY INDEMNITY BENEFIT,
LONG-TERM DISABILITY, DENTAL PLAN,
AND PENSION PLAN**

A-1 Manitoba Safeway / UFCW Local 832 Health and Welfare Plan (Plan 1)

- (a) The Company and the Union agree to a Manitoba Safeway /UFCW Local **832** Health and Welfare Plan (Plan1) to provide health and welfare benefits as decided by the Board of Trustees from time to time.
- (b) The Board of Trustees shall be comprised of two (2) representatives appointed by the Company and two (2) representatives appointed by the Union. Said Trustees can be changed or removed by the parties appointing said Trustees in accordance with the Agreement 'and Declaration of Trust effective as of June 25th, 1999.
- (c) The Company agrees to pay forty-five (45¢) cents per hour (53¢ per hour effective December 5, 2004 and until December 30, 2006; 50¢ per hour effective December 31, 2006) contribution for all regular hours paid, sick pay (not including weekly indemnity), full-time employees' vacation as entitled under subsection 11.03, and general holidays, to the maximum of the basic work week in respect to all employees in the bargaining unit. Such contributions shall be forwarded to the Trust Fund within twenty-one (21) days following the Company's four or five week accounting period.
- (d) Subject to (e) and (f) below, the eligibility and benefits for eligible employees shall be in accordance with the Plan and as determined by the Trustees.
- (e) Full-time employees shall be covered by the Trusteed Health and Welfare Plan after three (3) months of full-time employment. Part-time employees shall be covered by the Trusteed Health and Welfare Plan after averaging thirty-two (32) hours or more per week during any three (3) consecutive month period. (This shall be interpreted to mean regular hours paid and in the case of a part-time employee 3 months is intended to mean 13 consecutive weeks). Employees shall remain covered as long as they remain actively employed by

the Company, whether or not their average weekly hours drop below thirty-two (32) hours per week.

- (f) Employees who have not yet qualified to be covered by the Trusteed Health and Welfare Benefits or who were not entitled to be qualified for health and welfare benefits prior to October 1st, 1989, and who subsequently qualified as indicated above, and who restrict their availability, and as consequence average less than thirty-two (32) regular hours during any thirteen (13) week period, shall be disqualified from coverage under the plan.
- (g) The Company's contributions will be held in a separate Fund to provide benefits only to Safeway employees employed in the Province of Manitoba. It is understood all administration and benefits expenses will be paid by the Fund.

A-2 Sick Leave

- (a) Full-time employees shall accumulate credits at the rate of four (4) hours for each full month of employment, up to a maximum of **one hundred and sixty (160) hours** credit. Credits shall accumulate only on full-time employment, following the completion of a three (3) month full-time employment eligibility period.
- (b) The Company shall apply (for full-time employees only) any accumulated sick leave to absences due to sickness not covered by insured Weekly Indemnity benefits (or similar benefits) and may supplement Weekly Indemnity benefits (or similar benefits) with unused sick leave credits in an amount equal to but not to exceed the employee's normal earnings.
- (c) **All** regular part-time employees who have qualified for Group Insurance benefits shall commence to accumulate sick leave credits on the basis of four (4) hours for each four (4) week reporting period that they work in excess of one hundred and twenty-eight (128) hours.
- (d) The four (4) week reporting period shall be the same four (4) week reporting periods that are used in determining their eligibility for dental benefits under the Manitoba Food & Commercial Workers Dental Plan.

- (e) After averaging thirty-two (32) hours per week for thirteen (13) consecutive weeks, a regular part-time employee shall be eligible to commence accumulation at the commencement of the next reporting period.
- (f) **All** paid time off, such as General Holidays, sick pay from accumulated sick leave credits and time off taken as vacations (for which they have already received vacation pay) shall be counted for the purposes of determining hours worked in that reporting period. In order for regular part-time employees to get sick pay credit for vacation time purposes under this section A-2(h) below, when taking vacation, time off without pay, he must give in writing to the Store Manager a letter indicating the weeks of time off for vacation purposes, he intends to take.
- (g) Regular part-time employees shall accumulate credits at the rate of four (4) hours for each reporting period that they work in excess of one hundred and twenty-eight (128) hours, up to a maximum of forty-eight (48) hours per year and a total maximum of one hundred and twenty (120) hours, following the completion of the thirteen (13) week eligibility period.
- (h) In determining the number of hours to be credited as paid time off taken in respect to vacations mentioned above, the number of hours shall be determined by averaging the hours worked in the three (3) preceding reporting periods immediately prior to the reporting period in which the employee takes the time off for vacation.
- (i) Sick leave pay shall be applied only to absences on the employee's regularly scheduled workdays and shall not be applied to any days for which the employee is receiving Weekly Indemnity benefits.
- (j) The Company may require the employee to provide a doctor's certificate, verifying any absence due to disability.

An employee will not be prevented from returning to work from an absence of three (3) days or less because she has not yet obtained a required doctor's certificate.
- (k) In order to qualify for sick pay, employees must notify the Store Manager or, in his absence, the next highest ranking employee available prior to the starting time or as soon as possible on the first day of absence. Said employee shall also inform the Company, as indicated above, of the estimated length of illness and must notify the Company when

ready to return to work. The Company agrees to give employees the telephone number and to inform them of any changes.

- (l) Providing an employee is entitled to Weekly Indemnity benefits and a claim has been properly completed and filed with the Company, in cases where the employee does not receive Weekly Indemnity payment within three (3) weeks of receipt of the claim, upon request by the employee, an advance payment in the amount equal to the Weekly Indemnity payment will be paid to the employee. In such cases, the employee agrees to reimburse the Company when the Weekly Indemnity payment is received.
- (m) Eligibility for Tier 1 Part time employees who do not qualify for sick pay and may become eligible to claim sick pay from the Safeway/UFCW Health and Welfare Plan 2, will be as determined by the Trustees.

A-3 Manitoba Safeway / UFCW Local 832 Health and Welfare Plan (Plan 2)

- (a) The Company and the Union agree to a jointly trustee health and welfare fund for part-time employees for the purpose of providing health and welfare benefits to eligible employees who are not covered by the existing Plan 1 as determined by the Trustees from time to time.
- (b) The Board of Trustees shall be comprised of two (2) representatives appointed by the Company and two (2) representatives appointed by the Union. Said Trustees can be changed or removed by the parties appointing said Trustees in accordance with the Agreement and Declaration of Trust effective as of June 25th, 1999.
- (c) The Company agrees to pay eight (8¢) cents per hour (zero (0¢) cents per hour effective December 5, 2004 and until December 30, 2006; three (3¢) cents per hour effective December 31, 2006) contribution for all regular hours paid, sick pay (not including weekly indemnity), employees' vacation as entitled under subsection 11.03, and general holidays, to the maximum of the basic work week in respect to all employees in the bargaining unit. Such contributions shall be forwarded to the Trust Fund within twenty-one (21) days following the Company's four or five 'week accounting period.

- (d) The eligibility and benefits for eligible employees shall be in accordance with the Plan and as determined by the Trustees.
- (e) The Company's contributions will be held in a separate Fund to provide benefits only to Safeway employees employed in the Province of Manitoba. It is understood all administration and benefits expenses will be paid by the Fund.

A-4 Manitoba Food & Commercial Workers Dental Plan

- (a) The Company agrees to make a direct contribution to the Manitoba Food & Commercial Workers Dental Plan of twenty-nine (29¢) cents per hour for regular hours paid, sick pay (not including weekly indemnity), full-time employees' vacation, as entitled under subsection 11.03, and general holidays, to the maximum of the basic work week in respect to all employees in the bargaining unit.

A future increase of up to one (1¢) cent per hour per year to a maximum of two (2¢) cents over the term of the collective agreement will be made if determined necessary by an actuary to fund the existing level of benefits.

- (b) Such contributions will be forwarded to the Trust within twenty-one (21) days following the Company's four (4) or five (5) week accounting period.
- (c) It is agreed that in the event the Government of Canada or the Province of Manitoba provides a non-contributory Dental Care Plan with similar benefits, the Company's obligations to continue contributions to the Manitoba Food & Commercial Workers Dental Plan shall cease. It is further understood, should a Government Plan create duplicate benefits, then these benefits shall be deleted from the Manitoba Food & Commercial Workers Dental Plan and the Company's contribution in respect to the cost of these benefits shall cease.
- (d) A maximum coverage payment of claims of the Manitoba Food & Commercial Workers Dental Plan shall be as determined from time to time by the Board of Trustees.

A-5 Pension Plan

- (a) The Company agrees to contribute to the Canadian Commercial Workers Industry Pension Plan the sum of eighty-five (85¢) cents per hour for all hours worked or paid by the Company to its employees in the bargaining unit including any overtime hours worked in a week (to a maximum of the basic work week), vacation, general holidays, sick days (not including Weekly Indemnity, LTD or other similar indemnifications), jury duty, and any paid leave of absence required under the terms of the Collective Agreement.

Contributions are required for each hour overtime is worked and paid to the extent the cumulative hours worked and paid do not exceed the basic work week.

The maximum number of hours for which contributions are to be made in a week is the maximum number of hours of the basic work week for a full-time employee.

Contributions paid with respect to part-time vacation pay shall be remitted on an annual basis within one (1) calendar month of part-time employees receiving their vacation pay. It is understood that contributions paid with respect to part-time vacation pay shall only be made on behalf of employees who are in the employ of the Company as of the date vacation pay is paid.

Contributions paid with respect to part-time vacation pay shall be based on the percentage of vacation pay paid under **Section 11.13** (e.g. 4%, 6%, etc.) of the hours worked in the previous year multiplied by the cents per hour contribution rate on the above (e.g., an employee having worked or been paid for 1000 hours in the previous year and who was entitled to 4% vacation pay would be entitled to receive an additional 40 hours' credit into his/her previous yearly total. Therefore, for the previous year, the employee, in this example, would be credited with a total of 1040 hours.

In the event that CCWIPP is changed to allow employee contributions, the Company agrees to make deductions from employees' paycheques in the amount authorized by a vote of the Manitoba employees, provided such deductions are configurable under the Company's payroll system.

- (b) Contributions, along with a list of employees for whom they have been made, the amount of the weekly contribution for each employee and the number of hours worked or paid according to the above A-5 (a) shall be forwarded by the

Company within the twenty-one (21) days after the close of the Company's four (4) or five (5) week accounting period. The Company agrees to pay interest at the rate established by the Trustees on all contributions not remitted as stipulated above.

- (c) Any member of the Union who also is a member of the Employee Retirement Plan of Canada Safeway Limited (hereinafter referred to as the Canada Safeway Plan) on January 5th, 1975 (June 29, 1987 for Neepawa and Portage la Prairie employees), shall thereafter cease making contributions to the Canada Safeway Plan. He/she will then be considered as having withdrawn from the Canada Safeway Plan as of January 5th, 1975 (June 29, 1987 for Neepawa and Portage la Prairie employees) and his benefits thereunder shall be as set forth in Article II, Section 3, of the Plan, entitled "Withdrawal from Plan".
- (d) In the event a new Master Agreement concerning the Canadian Commercial Workers Industry Pension Plan is concluded with Canada Safeway as a signatory, the Company agrees to abide by the terms of such Agreement.

A-6 CCWIPP Stabilization Fund

- (a) Subject to and in accordance with the terms of Appendix "A", the Company agrees to make contributions to the Stabilization Fund under the Canadian Commercial Workers Industry Pension Plan ("CCWIPP") administered by the CCWIPP Trustees pursuant to the January 1, 2006 Stabilization Fund Agreement between the Ontario Superintendent of Financial Services and the CCWIPP Trustees (the "CCWIPP Stabilization Fund Agreement").
- (b) Effective May 31, 2009, and continuing until the Stabilization Fund Contribution Termination Date, the Company agrees to make periodic contributions to the Stabilization Fund (in respect of each pay period) equal to thirty-five (35¢) cents for each hour worked for the Company by, or paid by the Company to, employees in the Bargaining Unit who participate during the same period in

CCWIPP including overtime hours worked in a week (to a maximum of the basic work week, vacation, General Holidays, sick days (not including Weekly Indemnity, LTD or other similar indemnifications), jury duty and any paid leave of absence required under the terms of the Collective Agreement.

- (c) For the purpose of this Appendix, the Stabilization Fund Contribution Termination Date shall mean the earliest of (i) the expiry of the Collective Agreement, (ii) the filing of the CCWIPP actuarial valuation report for the period ending December 31, 2010 and (iii) a determination by a pension regulatory authority that the Stabilization Fund may not continue to operate as provided under the CCWIPP Stabilization Fund Agreement. Where the applicable pension regulatory authorities agree to the continued operation of the Stabilization Fund to a new date that is after the December 31, 2010 date provided in the CCWIPP Stabilization Fund Agreement (the "Extension Date"), the term Stabilization Fund Contribution Termination Date shall mean the earlier of (i) the expiry of the Collective Agreement and (ii) the Extension Date.
- (d) Notwithstanding any other provision in this Appendix, if for any reason all or a portion of the contributions contemplated by this Memorandum of Agreement cannot be used as provided under the CCWIPP Stabilization Fund Agreement, the Company and the Union will negotiate in good faith to reach an agreement for an alternative structure that ensures that the contributions contemplated by this Memorandum will only be used for the benefit of the Company's employees in the Bargaining Unit covered by the Collective Agreement. If the Stabilization Fund Contribution Termination Date precedes the expiry of the Collective Agreement, the Company and the Union agree that the periodic contributions described in paragraph (b) above relating to pay periods following the Stabilization Fund Contribution Termination Date shall be contributed to CCWIPP and shall only be used for the benefit of the Company's employees in the Bargaining Unit covered by the Collective Agreement in the manner agreed to by the Company and the Union.

- (a) Employees found abusing any health and welfare benefit shall be disciplined by the Company.

A-8 Health and Welfare Funding Plan 1 and Plan 2

The parties to this collective agreement may, by mutual agreement, change the effective date or the amount of contributions into Plan 1 or Plan 2, provided that in total the contributions do not exceed fifty-three (53¢) cents per hour and the parties shall be deemed to have this authority.

APPENDIX B

WAGES SCALES

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
0 - 500 hours	16.65	16.65	16.65	16.65	16.65	16.65
501 - 1000 hours	17.75	17.75	17.75	17.75	17.75	17.75
over 1000 hours	19.69	20.50	20.90	20.90	21.40	21.90

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
over 1000 hours	18.71	18.91	19.11	19.11	19.36	19.61

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
0 - 500 hours	16.65	16.65	16.65	16.65	16.65	16.65
501 - 1000 hours	17.75	17.75	17.75	17.75	17.75	17.75
over 1000 hours	20.04	21.12	21.52	21.52	22.02	22.52

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
0 - 500 hours	16.65	16.65	16.65	16.65	16.65	16.65
501 - 1000 hours	17.75	17.75	17.75	17.75	17.75	17.75
over 1000 hours	20.72	21.12	21.52	21.52	22.02	22.52

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
	19.94	20.14	20.34	20.34	20.59	20.84

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
	19.53	19.73	19.93	19.93	20.18	20.43

B-7 Bakery Production - Hired on or before April 1, 2002

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
0 - 480 hours	10.14	10.14	10.14	10.14	10.14	10.14
481 - 960 hours	11.21	11.21	11.21	11.21	11.21	11.21
961 - 1440 hours	12.33	12.33	12.33	12.33	12.33	12.33
1441 - 1920 hours	13.35	13.35	13.35	13.35	13.35	13.35
1921 - 2400 hours	14.42	14.42	14.42	14.42	14.42	14.42
2401 - 2880 hours	15.49	15.49	15.49	15.49	15.49	15.49
over 2880 hours	18.51	18.71	18.91	18.91	19.16	19.41

B-8 Ice Decorator - Hired on or before April 1, 2002

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
0 - 640 hours	8.70	9.25	9.25	9.25	9.25	9.25
641 - 1280 hours	10.71	10.71	10.71	10.71	10.71	10.71
1281 - 1920 hours	12.72	12.72	12.72	12.72	12.72	12.72
1921 - 2240 hours	14.73	14.73	14.73	14.73	14.73	14.73
over 2240 hours	18.69	18.89	19.09	19.09	19.34	19.59

Trainees)

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
0 - 500 hours	9.35	9.85	10.10	10.35	10.60	10.85
501 - 1000 hours	9.67	10.10	10.35	10.60	10.85	11.10
1001 - 1500 hours	10.08	10.35	10.60	10.85	11.10	11.35
1501 - 2000 hours	10.60	10.60	10.85	11.10	11.35	11.60
2001 - 2500 hours	11.12	11.12	11.12	11.35	11.60	11.85
2501 - 3000 hours	11.63	11.63	11.63	11.63	11.85	12.10
3001 - 3500 hours	12.15	12.15	12.15	12.15	12.15	12.35
3501 - 4000 hours	12.67	12.67	12.67	12.67	12.67	12.67
4001 - 4500 hours	13.18	13.18	13.18	13.18	13.18	13.18
4501 - 5000 hours	13.70	13.70	13.70	13.70	13.70	13.70
5001 - 5500 hours	14.22	14.22	14.22	14.22	14.22	14.22
5501 - 6000 hours	14.73	14.73	14.73	14.73	14.73	14.73
6001 - 6500 hours	15.25	15.25	15.25	15.25	15.25	15.25
6501 - 7000 hours	15.77	15.77	15.77	15.77	15.77	15.77
7001 - 7500 hours	16.28	16.28	16.28	16.28	16.28	16.28
over 7500 hours	18.45	18.65	18.85	18.85	19.10	19.35

B-10 Sales / Service Clerk – Hired on or before April 1, 2002

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
0 - 500 hours	7.59	9.25	9.25	9.25	9.25	9.25
501 - 1000 hours	8.84	9.50	9.50	9.50	9.50	9.50
1001 - 1500 hours	10.09	10.09	10.09	10.09	10.09	10.09
1501 - 2000 hours	11.34	11.34	11.34	11.34	11.34	11.34
2001 - 2500 hours	12.60	12.60	12.60	12.60	12.60	12.60
2501 - 3000 hours	13.85	13.85	13.85	13.85	13.85	13.85
3001 - 3500 hours	15.10	15.10	15.10	15.10	15.10	15.10
over 3500 hours	18.30	18.50	18.70	18.70	18.95	19.20

BR

B-11 Floral Clerk, Variety Clerk, Store Records Clerk - hired on or before April 1, 2002

	Current	Mar. 15/09	Mar. 14/10	Mar. 13/11	Mar. 18/12	Mar. 17/13
0 - 500 hours	7.59	9.25	9.25	9.25	9.25	9.25
501 - 1000 hours	8.88	9.50	9.50	9.50	9.50	9.50
1001 - 1500 hours	10.18	10.18	10.18	10.18	10.18	10.18
1501 - 2000 hours	11.47	11.47	11.47	11.47	11.47	11.47
2001 - 2500 hours	12.76	12.76	12.76	12.76	12.76	12.76
2501 - 3000 hours	14.06	14.06	14.06	14.06	14.06	14.06
3000 hours	17.30	17.50	17.70	17.70	17.95	18.20

	Current	Mar. 15/09	Mar. 14/10	Mar. 13/11	Mar. 18/12	Mar. 17/13
0 - 500 hours	9.00	9.50	9.50	9.50	9.50	9.50
501 - 1000 hours	9.15	9.60	9.60	9.60	9.60	9.60
1001 - 1500 hours	9.30	9.70	9.70	9.70	9.70	9.70
1501 - 2000 hours	9.45	9.80	9.80	9.80	9.80	9.80
2001 - 2500 hours	9.90	10.00	10.00	10.00	10.00	10.00
2501 - 3000 hours	10.35	10.35	10.35	10.35	10.35	10.35
3001 - 3500 hours	10.80	10.80	10.80	10.80	10.80	10.80
3501 - 4000 hours	11.25	11.25	11.25	11.25	11.25	11.25
4001 - 4500 hours	11.70	11.70	11.70	11.70	11.70	11.70
4501 - 5000 hours	12.15	12.15	12.15	12.15	12.15	12.15
5001 - 5500 hours	12.60	12.60	12.60	12.60	12.60	12.60
5501 - 6000 hours	13.05	13.05	13.05	13.05	13.05	13.05
6001 - 6500 hours	13.50	13.50	13.50	13.50	13.50	13.50
6501 - 7000 hours	13.95	13.95	13.95	13.95	13.95	13.95
7001 - 7500 hours	14.40	14.40	14.40	14.40	14.40	14.40
over 7500 hours	16.45	16.65	16.85	16.85	17.10	17.35

	Current	Mar. 15/09	Mar. 14/10	Mar. 13/11	Mar. 18/12	Mar. 17/13
	18.30	18.50	18.70	18.70	18.95	19.20

B-14 Pharmacy Technicians Hired after April 1, 2002

	Current		Mar. 15/09	Mar. 14/10	Mar. 13/11	Mar. 18/12	Mar. 17/13
0 – 500 hours	10.35						
501 – 1001 hours	10.80	0 – 520 hours	13.50	13.75	14.00	14.25	14.50
1001 – 1500 hours	11.25	521 – 1040 hours	14.00	14.00	14.25	14.50	14.75
1501 – 2000 hours	11.70	1041 - 1560 hours	14.50	14.50	14.75	14.75	15.00
2001 – 2500 hours	12.15	1561- 2080 hours	15.00	15.00	15.25	15.25	15.50
2501 – 3000 hours	12.60	2081 - 2600 hours	15.50	15.50	15.75	15.75	16.00
3001 – 3500 hours	13.05	2601- 3120 hours	16.00	16.00	16.25	16.25	16.50
3501 – 4000 hours	13.50	3121- 3640 hours	16.50	16.50	16.75	16.75	17.00
4001 – 4500 hours	13.95	3641 - 4160 hours	17.00	17.00	17.25	17.25	17.50
4501 – 5000 hours	14.40	4161- 4680 hours	17.50	17.50	17.75	17.75	18.00
Over 5000 hours	16.45	Over 4680 hours	18.15	18.35	18.35	18.60	18.85

B-15 Courtesv Clerks

	Current	Mar. 15/09	Mar. 14/10	Mar. 13/11	Mar. 18/12	Mar. 17/13
0 - 500 hours	8.70	9.25	9.25	9.25	9.25	9.25
501 - 1000 hours	8.80	9.40	9.40	9.40	9.40	9.40
1001 – 1500 hours	8.90	9.60	9.60	9.60	9.60	9.60
1501 – 2000 hours	9.35	9.80	9.80	9.80	9.80	9.80
over 2000 hours	9.95	10.20	10.40	10.40	10.65	10.90

	Current	Mar. 15/09	Mar. 14/10	Mar. 13/11	Mar. 18/12	Mar. 17/13
0 - 500 hours	8.70	9.25	9.25	9.25	9.25	9.25
501 - 1000 hours	8.80	9.45	9.45	9.45	9.45	9.45
1001 - 1500 hours	8.90	9.65	9.65	9.65	9.65	9.65
1501 - 2000 hours	9.35	9.85	9.85	9.85	9.85	9.85
2001 - 2500 hours	9.95	10.20	10.20	10.20	10.20	10.20
Over2500 hours	10.35	11.00	11.20	11.20	11.45	11.70

B-17 Coffee Bar Operator

	Current	Mar. 15/09	Mar. 14/10	Mar. 13/11	Mar. 18/12	Mar. 17/13
0 - 500 hours		11.90	12.05	12.05	12.20	12.35
501 - 1000 hours		12.50	12.65	12.65	12.80	12.95
Over 1000 hours	11.85	13.25	13.65	13.65	14.15	14.65

	Current	Mar. 15/09	Mar. 14/10	Mar. 13/11	Mar. 18/12	Mar. 17/13
	18.30	18.50	18.70	18.70	18.95	19.20

B-19 Meat Cutter - Hired on or before April 1, 2002

	Current	Mar. 15/09	Mar. 14/10	Mar. 13/11	Mar. 18/12	Mar. 17/13
0 – 640 hours	9.24	9.25	9.25	9.25	9.25	9.25
641 – 1280 hours	10.49	10.49	10.49	10.49	10.49	10.49
1281 – 1920 hours	11.74	11.74	11.74	11.74	11.74	11.74
1921 – 2560 hours	12.99	12.99	12.99	12.99	12.99	12.99
2561 – 3200 hours	14.24	14.24	14.24	14.24	14.24	14.24
3201 – 3840 hours	15.49	15.49	15.49	15.49	15.49	15.49
3841 – 4320 hours	16.74	16.74	16.74	16.74	16.74	16.74
Over 4320 hours	19.94	20.14	20.34	20.34	20.59	20.84

B-20 MINIMUM WAGE GAP

In the event the Province of Manitoba changes the minimum wage during the life of this agreement, the new start rate will be twenty-five (25¢) cents above the new minimum wage.

If the minimum wage increases to ten (\$10) dollars or above, existing employees hired prior to March 15, 2009, will move to the new start rate and then progress to the next rate after working five hundred (500) hours. For employees hired after ratification, if the minimum wage increases to ten (\$10) dollars or above, employees will move to the next rate after one thousand (1000) hours.

B-21 RETROACTIVE PAY

All employees shall receive full retroactive pay to March **14, 2009**, for all regular hours worked and/or paid. Retroactive pay shall be paid to all employees within thirty (30) calendar days of March **15, 2009**.

B-22 WAGE INCREASE GENERAL

For Top Rated and Overscale Employees

Effective March **15, 2009** 40¢ with 20¢ being applied to the top rate in the Collective Agreement

Effective March **14, 2010** 40¢ increase with 20¢ being applied to the top rate in the Collective Agreement

Effective March **18, 2012** 50¢ increase with 25¢ being applied to the top rate in the Collective Agreement

Effective March **17, 2013** 50¢ increase with 25¢ being applied to the top rate in the Collective Agreement

B-23 LUMP SUM PAYMENT

For Top Rated and Overscale Employees

Effective March **13, 2011**

Lump sum for full-time employees on the payroll on March 13, 2011: \$1500

Lump sums for part-time employees on the payroll **of** the Company on March 13, 2011 will be based on the average weekly hours worked in the previous 52 weeks divided by 52 minus the number of weeks vacation entitlement taken in that period.

Employees averaging 24+ hours per week in previous 52 weeks **\$1125**
Employees averaging 16+ hours per week in previous 52 weeks

\$750

Employees averaging 8+ hours per week in previous 52 weeks

\$550

Employees averaging 4+ hours per week in previous 52 weeks

\$225

The words "on the payroll of the Company" shall include all employees who are on vacation, authorized leave of absence, and sick leave. Employees who are on other bona fide leave will receive a lump sum payment should they return to work prior to March 11, 2012.

Employees who are absent for the entire calculation period will have their lump sum calculated on the first 12 weeks average hours after their full return to work.

Those employees who have some complete weeks of absence due to verified disability will have those weeks excluded from the calculation.

The lump sum payments will be made within three (3) weeks of March 13, 2011

B-24 INCREASES TO OFF SCALE RATES - Employees in the Wage Progression

Effective March 15, 2009 30¢ off scale increase unless their corresponding wage rate in the new wage grid is greater

Effective March 14, 2010 30¢ off scale increase unless their corresponding wage rate in the new wage grid is greater

Effective March 13, 2011 30¢ off scale increase unless their corresponding wage rate in the new wage grid is greater

Effective March 18, 2012 30¢ off scale increase unless their corresponding wage rate in the new wage grid is greater

Effective March 17, 2013 30¢ off scale increase unless their corresponding wage rate in the new wage grid is greater

Off Scale - Any employee who is placed at an off scale rate as a result of any wage increase referred to above will remain at that off scale rate until his/her service and experience qualify him/her for the next higher rate in the wage scale.

The increases above will be based on the employee's status at the time of the increase.

The wage scale for Thompson will not be reduced as a result of this Collective Agreement and employees will receive the same wage increases.

B-25 SECOND ASSISTANT MANAGERS

In stores where night shopping is in effect one (1) or more days a week, one (1) Second Assistant Manager shall be appointed in stores employing a total of nine (9) or more full-time Sales / Service Clerks. This includes the Second Assistant Manager; however, it does not include the Store Manager or Meat Department employees.

B-26 Employees shall receive incremental increases to their rate of pay based on the increments as set out in their classification in B-1 to B-19.

The administration of hourly increases for job classifications is based on an employee's accumulated hours of actual work and hours paid (for example, general holiday, bereavement, jury duty, sick days).

B-27 All overscale employees as of **March 14, 2009** shall continue to receive their same overscale employees' rate of pay for the duration of this Agreement. All overscale employees who are required to transfer at the request of the Company to another classification shall keep their overscale premium which shall be added in addition to the hourly rate of pay that the employee is entitled to receive in their classification.

B-28 COURTESY CLERK CLASSIFICATION AND RESTRICTIONS

(1) (a) Before scheduling hours of work in a store to a Courtesy Clerk, part-time employees (i.e. **Sales /Service Clerks and former Students on the payroll December 1, 1985, who were previously assigned to bagging, handling of baskarts, clean-up, bottle returns and bottle sorting**) shall be offered the average weekly hours they worked during the period September 9th to November 30th, 1985. Fulfilling this is subject to the part-time employees' willingness to work assigned hours.

(b) Employees who have an assurance of hours shall continue to be entitled to same as indicated above, but the Company may, to maintain this assurance of hours, transfer the employee to another store, within a reasonable distance from their previous store or present residence.

- (2) No part-time employees other than Courtesy Clerks can apply for hours to be worked in the classification of Courtesy Clerk, except as indicated in B-29 and B-30 below.
- (3) **An** employee classified as Courtesy Clerk will not be scheduled by the Company or called in to work for more than twenty (20) hours per week. The twenty (20) hours maximum indicated above can be extended to twenty-four (24) hours, providing said Courtesy Clerks work one of their shifts on a Sunday and providing the Company assigns Courtesy Clerks to work on Sunday from volunteers and by seniority among Courtesy Clerks.

For Courtesy Clerks with more than three (3) years of service, the above restriction will be deemed to be 25 hours/ week maximum and 30 hours/ week if scheduled on Sunday.

- (4) Courtesy Clerk can be on duty a maximum of one (1) hour before store opening and one (1) hour after store closing.
- (5) The primary duties of Courtesy Clerks shall be bagging, carrying out of groceries, handling of baskarts, work associated with the baler, collecting and putting out garbage, sweeping and mopping of the floors in any area of the store premises which shall include the entire store (within the external walls) and the parking lot.

Courtesy Clerks' secondary functions may include price checks, product returns, bottle returns and bottle sorting, getting change, parcel pick-up and replenishing the supply of bags.

Courtesy Clerks may also clean up (dust, wash, dampmop, sweep, clean up product spills and breakages) in the lunch rooms, wash rooms and the sales area. The sales area shall be defined as any area within the store where the customers normally shop.

- (6) The primary duties of Courtesy Clerks shall be bagging, carrying out of groceries, handling of baskarts, work associated with the baler, collecting and putting out garbage, sweeping and mopping of the floors in any area of the store premises which shall include the entire store (within the external walls) and the parking lot.

Courtesy Clerks' secondary functions may include price checks, product returns, bottle returns and bottle sorting, getting change, parcel pick-up and replenishing the supply of bags.

Courtesy Clerks may also clean up (dust, wash, dampmop, sweep, clean up product spills and breakages) in the lunch rooms, wash rooms and the sales area. The sales area shall be defined as any area within the store where the customers normally shop. **Courtesy Clerks can clean shelves as long as they do not have to remove product or face product.**

B-29 COURTESY CLERKS PROMOTED TO PART-TIME GAINING HOURS BY WORKING COURTESY CLERK HOURS

1. Courtesy Clerks who have been promoted to part-time after June 1, 2004, shall be given an opportunity to supplement their weekly hours of work in addition to their regular weekly hours worked in a store by working additional hours as a Courtesy Clerk. For the purposes of Courtesy Clerk scheduling, they shall maintain their original Courtesy Clerk seniority date.
2. These additional hours are to be worked at their Courtesy Clerk rate of pay contained in B-15 up to a maximum of 30 hours per week when combining their regular hours at the appropriate part-time rate with their additional hours at the Courtesy Clerk rate, subject to B-28 (3).
3. It is understood that when a Part-time employee obtains additional hours under this section, these additional hours shall not be added to their part-time rates for the purpose of obtaining benefits that could only have been acquired if they had reached a certain level of hours in their original part-time classification, except pension and dental benefits.
4. A declaration that an employee wishes to acquire Courtesy Clerk hours must be made by June 1, 2005 or within 6 months of the date of promotion, whichever is later and must remain in effect for a minimum of one (1) month. Any employee who after the date of promotion advises the Company they no longer wish to acquire Courtesy Clerk hours must give the Company a minimum of two (2) weeks' written notice of such decision. Once made, this decision is irrevocable.

5. Hours scheduled as a part-time employee will take priority over Courtesy Clerk hours. An employee cannot abandon a scheduled part-time shift to take a Courtesy Clerk call-in.

6. A Courtesy Clerk shift will not be changed to a Part-time shift unless the Company has attempted to fill the shift required through the call-in procedure established in the Collective Agreement. In the event the Company is unsuccessful in calling in an employee the Company may designate the shift to become a Part-time shift instead of a Courtesy Clerk shift. In such case the shift will be paid at the appropriate Part-time rate of pay.

B-30 PART-TIME SALES/SERVICE CLERK OPTION TO BE RECLASSIFIED AS A COURTESY CLERK

The following conditions shall apply:

1. Sales/Service Clerks may opt to be reclassified to the "Courtesy Clerk" classification. The option will be confirmed in writing.

2. Courtesy Clerk positions will be assigned giving preference to seniority from amongst those employees in the store who exercise the option. The part-time seniority list in the store will be used to determine preference.

For the purpose of establishing the employee's seniority on the Courtesy Clerk seniority list, the Company shall recognize her most recent date of continuous employment.

3. A Courtesy Clerk who was previously a Sales/Service Clerk, can exercise her seniority to return to a Sales/Service Clerk position in the future. This shall be done on the basis of their previous part-time seniority ranking. It is understood that an employee will only be offered a job she previously performed, i.e. a former cashier would only be offered a cashier job. The 30-day assessment period will not apply.

4. **An** employee who accepts a reclassification offer in his store on the first opportunity given to him only shall be assigned a part-time seniority date equal to the period of

time he was previously classified as Sales/Service Clerk. If he chooses not to accept the first reclassification offer, he shall be assigned a new part-time seniority date from the date of appointment.

5. **An** employee who accepts a reclassification offer shall be paid the appropriate rate for the job classification she is assigned to in accordance with her career Service/Sales Clerk hours confirmed at the time the option is exercised.
6. Except where the Company requires a Sales/Service Clerk, on a temporary basis, an employee who exercises his option and who subsequently accepts a reclassification offered will not be allowed the option for a Courtesy Clerk's job for a period of one year from the date he is first reclassified.

B-31 NORTHERN ALLOWANCE FOR FULL-TIME EMPLOYEES (THOMPSON ONLY)

The Northern Allowance shall be paid to full-time employees after completion of three (3) calendar months of service. This allowance will apply to all hours worked or paid, including overtime, vacations, General Holidays and also while on sick leave. The Northern Allowance shall be:

Single: forty-four (44¢) cents per hour;
Major Wage Earner: eighty-six (86¢) cents per hour.

Definitions:

Northern Allowance for Single will apply to all full-time employees. Northern Allowance for Major Wage Earner will apply to all full-time employees who are the major wage earner in their family and have so notified the Company, in writing, in notarized statement.

B-32 NORTHERN ALLOWANCE FOR PART-TIME EMPLOYEES (THOMPSON ONLY)

Part-time employees with more than six (6) months' continuous service shall receive a Northern Allowance of thirty-two (32¢) cents per hour for **all** hours worked or paid.

B-33 NORTHERN ALLOWANCE (THOMPSON ONLY)

- (a) Northern Allowance paid to employees shall be considered an allowance with respect of travel for the purpose of the deduction authorized by the Income Tax Act (Canada) paragraph 110.7(1)(a). This amount will be reported as a taxable benefit on the employee's **T4** slip.
- (b) It shall be the responsibility of the employee to determine which portion (if any) of the amount reported on the **T4** slip, qualifies for an income tax deduction.
- (c) All parties acknowledge that the above allowance is subject to any changes implemented by Revenue Canada or any ruling which Revenue Canada may imply in respect to the benefits eligible.
- (d) Should Revenue Canada reduce or eliminate the allowance the Company shall not be responsible for any costs to make up for the lost benefits.

APPENDIX C

**BAKERY PRODUCTION DEPARTMENT
O N L Y**

This Agreement shall also apply in its entirety to the In-store Bakery Production Department employees, except as follows:

C-1 **Production Work Definition**

Production work shall be defined as any work performed in the processing of raw products.

C-2 **Night Shift**

Employees working in the In-store Bakery Production Department shall not be asked to work longer than nine (9) consecutive months in a twelve (12) month period on night shift, providing it is feasible and practical to do so.

C-3 **Wages**

The Company agrees to pay employees working alone on night shift for more than one (1) shift an additional One Dollar (\$1.00) per hour. This does not apply to employees classified under B-4 and B-5.

C-4 **Payment for Work in a Higher Classification**

The Company agrees to pay the hourly rate for the classification to an employee who works over fifty (50%) per cent of the basic work week in the higher classification for all hours worked during that week.

APPENDIX D

MANITOBA FOOD & COMMERCIAL WORKERS, LOCAL 832,

EDUCATION AND TRAINING TRUST FUND

D-1 The Company shall continue to contribute ten (10¢) cents per hour into the Manitoba Food and Commercial Workers, Local 832 Education and Training Trust Fund.

The hours for which the Company will contribute said amount will be the same as contributed for the Dental Plan under Appendix A-4(a), and shall be remitted to the Union in the same manner.

APPENDIX E

WORKFORCE RESTRUCTURING,
MAXIMIZING HOURS

E-1 The provisions of this Appendix are designed to allow the Company to reorganize and restructure its work force (i) by hiring new employees to replace those employees who voluntarily leave the Company through the buyout or who otherwise leave the Company after April 1, 2002 and (ii) to protect the hours of existing part-time employees.

E-2 **"New Hires" Maximum 40% of hours in store**

A maximum of forty (40%) percent of all hours worked in the bargaining unit in each store per week will be designated as "Additional Hours" to be worked by new employees under B-9, B-13 or B-14 or existing regular part-time employees at their B-9, B-13 or B-14 rate of pay. The 40% will be reached by adding existing Trainee hours to hours acquired through the 2002 buyout. In the event that the 40% additional hours is not obtained through the buyout, then the hours obtained by Tier 1 employees terminating their employment will be used for additional hours until the 40% is reached. Attrition for full-time will be thirty-two (32) hours per week. Attrition for part-time will be average regular weekly hours worked over the fifty-two (52) week period prior to the termination. After the maximum referred to above is reached all subsequent attrition in the existing employees will go to existing employees under E-3 unless said employee(s) are not available.

If the Company works more than 40% of the hours at the Tier 2 rate, except as otherwise contemplated elsewhere in this Agreement, then a correction to account for the over-scheduling will take place in the next four week period in the amount equal to the hours overworked as monitored by the in-store JLM committee.

E-3 **Maximizing Regular Rate Hours for Existing Part-time Employees**

When an existing regular part-time employee (as of April 1, 2002) now known as a Tier 1 employee, terminates his or her employment, or restricts his or her availability, or hours become available

because of the termination of a full-time employee after April 1, 2002, those hours shall be available to regular (existing) part-time employees, by seniority in their classification in their Department in the store, to increase their weekly hours, providing they are available to work those hours and are competent to do the normal requirements of the job.

When new hours become available due to the reasons above, the Company agrees to cooperate with the Union and the JLM Committee in reviewing new schedules to maximize hours, providing the new schedules result in no additional hours to the Company and provide the same coverage in a department in a store. If, after these tests have been met, changes to a schedule can be accommodated, then the Company will implement it. The same Company / Union cooperation shall apply in E-4 below. This will not involve the creation of full-time jobs above the ratio and 18.12 is not applicable.

E-4 Maximizing Hours for Existing Part-time Employees by Working Additional Hours in their Group as Der E-14

Tier 1 employees shall be given an opportunity to maximize their weekly hours of work in addition to their regular weekly hours worked in a store by working additional hours, now known as Tier 2 hours, which become available as a result of the buyout or normal attrition in the workforce following April 1, 2002, as well as the hours currently in place in the Agreement referred to as Tier 2 hours. Such hours will be at the per hour level for Bakery/Meat Production as indicated in B-10 or for Sales / Service Clerk as indicated in B-9, B-13 or B-14 up to a maximum of 37 hours per week and are to be worked in the groupings as described in E-14. After one week's notice in writing, said employees shall work the additional hours for not less than one full four week period, without changing their selection.

E-5 Tier 2 Employees Working Tier 1 Coded Hours

In the event sufficient Tier 1 employees are not willing and able to accept all of the Tier 1 hours that are available within the store and department, Tier 2 employees may work those hours. In such case and as anticipated by E-3 above Tier 2 hours may be over-utilized by the appropriate amount.

E-6 Scheduling of Tier 1 Employees

The hours worked by Tier 1 employees in their current regular classification shall take precedence over these additional hours. The Company shall, in scheduling all part-time employees, give preference in available hours to senior part-time employees within their department prior to newly hired and/or junior part-time employees, insofar as this is consistent with the availability and willingness of the senior part-time employees to perform the work, provided they have the ability to perform the normal functions of the job.

In an abundance of clarity, the "Additional Hours" created by the 2002 buyout and existing trainee hours that are worked by New Hires will be scheduled in accordance with the current method of scheduling under 18.13. This shall be intended to mean that the senior part-time employee to be offered and/or receive more hours than junior employees, unless an employee is unavailable to work said hours. It is not intended to permit the Company to schedule most employees the same number of hours of work.

E-7 No Combining of Hours for Benefits

It is understood that when a Tier 1 employee obtains additional hours under the first paragraph of Section E-4, these additional hours shall not be added to their regular hours at existing rates for the purpose of obtaining benefits that could only have been acquired if they had reached a certain level of hours in their original Tier 1 classification, except pension and dental benefits. Therefore, an existing part-time employee, if he/she has not reached top rate, can accumulate separately and not combined, hours at their regular classification rate and separate hours in the "new hire" hours scale (either B-9, B-13 or B-14), separate and independent from each other. This will not involve the creation of full-time jobs above the ratio and 18.12 is not applicable.

E-8 Scheduling of Tier 1 Employees - No loss of hours

Tier 1 employees will not lose any regular hours normally worked as a result of the implementation of the new wage rates under B-9 and B-13. The scheduling format will be the same as currently in

place under the current collective agreement, except Trainees are eliminated and the Trainee hours become part of the "Additional Hours".

E-9 Maximum Hours for New Hires

- 1) New part-time employees hired after April 1, 2002 will not be scheduled more than thirty (30) hours per week.
- 2) Effective April 1, 2009 the most senior one third (1/3) of all part-time employees (excluding Courtesy Clerks and Coffee Bar employees) in their specific Seniority Zone (Winnipeg/Selkirk, Thompson, Brandon, etc.) will not be subject to 1) above. This group of part-time employees will be included in a name list that will remain in effect until the next calculation occurs.
- 3) The calculation will be done four (4) times per year at the same time as the full-time ratio as per Section 7.02.
- 4) Notwithstanding the above, employees who are restricted by the 30 hour cap may volunteer to be scheduled on Sunday in excess of the 30 hour cap.

E-10 Joint Labour Management Committees

A Joint Labour / Management Committee referred to as the Main Committee shall oversee the implementation of this Appendix E and endeavour to resolve any and all problems or issues arising out of the implementation of the buyout and the new Wage Scales under Appendix B. In addition, a Joint Labour Management Committee shall be appointed in each store and composed of a maximum of two employees appointed by the Union and a maximum of two employees appointed by the Company who similarly shall attempt to resolve any and all issues dealing with these problems or issues. It is understood that the store level committees can be overruled by the Main Committee.

The Company agrees that the store Joint Labour Management Committee shall meet every week, if reasonably required. It will be the intention of management to schedule the appropriate time to perform their duties to a maximum of one hour uninterrupted during the scheduled shift for the JLM Committee member(s) to complete their calculations, review schedules and resolve problems or issues which may arise from the buyout and the wage

scales for new hires. The Union appointed committee member(s) will have access to all appropriate information required.

The Company agrees to provide the Committee and its members with full disclosure and **all** information required to carry out its mandate.

The Company agrees to include the number of hours worked as a regular employee and the number of hours worked at the new wage scales under B-9, B-13 and B-14 for each week on the computer tape version of the Union dues check-off or p.c. format.

E-11 It is agreed by the parties, when calculating hours worked in the bargaining unit, that the hours of Courtesy Clerks will not be included in the calculation of the 60/40% pool. Further, it is understood that the Courtesy Clerks will not be included in the 40% hours designated as Tier 2 hours nor in the 60% of hours designated as Tier 1 hours.

E-12 In calculation of the full-time ratio, it is also agreed that the number of Courtesy Clerks will not be included when calculating the total number of employees to determine the full-time ratio as per the Agreement.

E-13 The Company and the Union agree that all parties involved in implementing this Appendix E shall act in good faith and put their best effort to ensure that the goals and opportunities of the program are met.

E-14 **Hours Groupings** - Tier 2 hours will be allocated only in the following groupings:

Front End - Cashier, Customer Service, Cash Office, File Maintenance

Grocery - Clerk, Records Clerk, Bulk

Variety - Clerk, Pharmacy Tech

Produce - Clerk, Floral

Meat - Cutter, Production, Seafood

Meat Sales - Wrapper

Deli - Clerk

Bakery Production - All production

Bakery Sales

E-15 Letter of Agreement

1. Employees who are part-time will be offered a call-in when available on the 6th day in a week excluding Sunday.
2. General holiday pay for Tier 1 shifts shall be paid separately from shifts worked at Tier 2 rates.
3. Vacations, leaves of absences, etc. are not considered restrictions under Appendix E-3.
4. Effective July 3, 1994 (within Departments and jobs), when an employee restricts himself, that is, he gives up hours that his seniority entitles him to and he was working, the JLM Committee will have within its mandate to use any or all of those hours to maximize the hours of employees who are senior to that employee.

The parties recognize that the hours will be offered only for the duration of the restriction, and are subject to the overall intent of Appendix "E" .

5. Wherever 40% is used in this agreement to refer to the maximum amount of Tier 2 hours to be scheduled that number will be deemed altered by the language of the agreement that allows this number to be exceeded.

APPENDIX F

LETTERS OF UNDERSTANDING

BETWEEN: **CANADA SAFEWAY LIMITED**, a body corporate carrying on business in the Province of Manitoba, hereinafter referred to as the "Company"

AND: **UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL NO. 832**, chartered by the United Food & Commercial Workers International Union, hereinafter referred to as the "Union".

F-1 Payment of Shift When an Employee is Injured During the Shift

The Company agrees to pay any employee injured during a shift for the balance of the employee's scheduled shift.

F-2 Five Minute Leeway

The Union agrees to a five (5) minute leeway each day, which is not intended to be part **of** the work schedule. Rather, this is to take care of the extra few minutes required to complete a job in progress at quitting time.

All time worked in excess of the five (5) minutes' leeway shall be paid at overtime rates.

F-3 Locker Search

To the extent that lockers are currently provided to employees, it is understood between the parties that such lockers may only be entered in one of the two following circumstances:

- (1) (a) in the presence of the employee, or
(b) if requested by the employee, in the presence of a Shop Steward;
- (2) in the presence of a Police Officer.

F-4 Clarification of the Nature of the Bargaining Unit

Employees assigned, for example, to store relining, inventory crew, electronic store systems co-ordinator, and other such personnel that assist the operation of stores owned and/or operated by the Company are understood to be excluded from Section 1 of this Agreement.

F-5 Legislation changes - right of employee not to work on Sunday

In the event that the circumstances related to Sunday scheduling are determined to have changed by regulation, legislation or application at **the Company's major competitor in the City of Winnipeg**, with respect to an employee's right not to work on Sunday, the Union agrees to meet with the Company **to resolve the issue so** as to ensure that **the Company** is not placed at an operational disadvantage to **that competitor** as a result of the change.

F-6 Transfer to Another Store

The Company agrees to consider requests for part-time employees to transfer to another store for the purpose of receiving additional hours of work.

F-7 Working Late Evening Shopping Shift

- 1) When an employee works the late evening shopping shift, the Company will arrange to escort the employee to his car, if requested, to ensure his safe departure.
- 2) The cost of transportation for employees to or from work between twelve (12:00) o'clock midnight and six (6:00) o'clock in the forenoon shall be at the expense of the Company included in the employee's classified hourly rate of pay.
- 3) **For employees engaged in the service to customers in stores operating more than 20 hours per day the cost of transportation will be over and above that referred to above.**
- 4) Other matters relating to employees' security shall be brought to the attention of management.

F-8 Successors and Assigns

- (1) In the event the Company agrees to a sale, lease or transfer of more than fifty per cent (50%) of the retail facilities in the Winnipeg Division represented by the United Food & Commercial Workers Union, Local No. 832, it is acknowledged that, pursuant to the provisions of the Manitoba Labour Relations Act, this Agreement shall be binding upon the successor or assignee of the Company. It is clearly understood that this Letter of Understanding will only place these specified obligations upon a successor or assignee who intends to operate these facilities as retail grocery stores.
- (2) Given the circumstances specified in paragraph #1, the Company shall give written notice to the prospective successor or assignee of its obligation to assume this Agreement. Written confirmation of that Notice shall be provided to the Union fourteen (14) days prior to the transfer of business.
- (3) In consideration of the Company's execution of this Agreement, the Union agrees that the Company shall not be a guarantor or be held liable for any breach by the purchaser of its obligation under the Collective Agreement, and the Union shall look exclusively to the Purchaser for compliance with the terms of the Collective Agreement.

F-9 Seniority Ranking of Part-time Employees with the same hiring date in a store

When two or more part-time employees or Courtesy Clerks are hired or promoted on the same date, the Company shall rank employees, as determined by management, prior to completion of the probationary period or assessment period, if applicable.

The names of employees who are given a seniority ranking shall be forwarded to the Union on a monthly basis as required.

The ranking of employees with the same seniority date in the store shall be shown by a numerical designation beside the employee's applicable seniority date.

This ranking will also occur as stated above when a part-time employee is transferred to another store where two (2) or more employees have the same continuous date of hire.

F-10 Specifics of Store Management and Shop Stewards Co-operation

- (1) The Store Management should welcome Shop Stewards and employees in their stores bringing complaints or alleged grievances to the attention of the Store Manager.
- (2) The Shop Stewards must appreciate and understand the fact that the Store Manager's duty and responsibility is to run the store according to the Company's policies and specifications.
- (3) Store Managers and Shop Stewards must jointly encourage employees in the stores to have their concerns resolved by the Store Manager and/or Shop Steward on matters dealing with the Agreement.
- (4) The Shop stewards must, in all cases, perform their duties as employees of the Company to the best of their ability, which is the main reason and purpose of their job.
- (5) A meeting should take place regularly, or as regularly as necessary, between the Store Manager and the Shop Stewards to discuss any concerns which the employees may have brought to the attention of the Shop Stewards.
- (6) The full-time Union Representatives will encourage the Shop Stewards to approach Store Managers and attempt to resolve concerns at the local store level.
- (7) The Store Managers should, therefore, make every speedy effort to do same.
- (8) If the above Store Manager/Shop Steward co-operation policy breaks down, each side, Management or the Union, will work to restore it to the intent of Section 29 of the Agreement.
- (9) It should be understood by Shop stewards that, although they have an important function to perform as Shop Stewards, they should nevertheless, to the best of their ability, work to achieve the missions and objectives of the Company.

F-11 Union Bulletin Boards are allowed in Safeway stores on the following conditions:

1. The Store Manager, the Union Business Representative and the store Shop Steward will each have a key to the Board.
2. The Boards will be placed in the lunch room, where suitable, or a location in the back room of the store.
3. The Union would assist in the installation of the boards.
4. The Boards will remain the property of the Union and returned to the Union in the event of store closure.
5. The Company can only ensure the same degree of care for the Board as any other general fixture in the store.
6. The posting of Union notices by Union Representatives will continue in accordance with Section 28 of the Agreement, i.e. provided such notice shall first receive the approval of management.
7. Notices of political nature will not be posted.
8. It is understood the Union Bulletin Boards will not be used as a weapon against Safeway during the term of contract or during negotiations for a new agreement. If the Boards are used as a weapon against Safeway, the privilege of the Union Boards in stores will be rescinded.
9. Any change in Division Management's acceptance of the Union Bulletin Boards in the stores will be advised by Labour Relations to the Chief Officer of the Union.

F-12 **Right to grieve termination due to illness or injury**

Pursuant to Company policy on terminating employees who are absent from work for twenty-four months or more due to illness or injury, the parties agree to the following:

- a. Prior to an employee who is absent from work due to illness or injury being terminated, the Company and the Union will meet to discuss the particular circumstances of the employee in question.

- b. The termination of an employee in these circumstances will not affect her eligibility for benefits under L.T.D. or Pension Plans.
- c. If the parties are unable to agree on the status of the employee, the Company maintains the right to terminate the employee subject to the Union maintaining the right to grieve the validity of such termination.

F-13 New payroll bi-weekly

The Union agrees that the Company may change its payroll to a bi-weekly payroll: that is, paid every second week, and the Union agrees that the Company, if they do so, shall have complied with the Agreement. It may also include a direct deposit. When the Company decides to switch to this other payroll system, it shall follow the following procedure:

- i) Give employees at least 90 calendar days' notice of change;
- ii) Assist employees by advancing one or two weeks' pay in the event of a personal financial hardship, one time only at the beginning of change-over;
- iii) In the event of a direct deposit, it shall pay to the financial institution of the employee's choice, if an employee has a bank account. If the employee does not have a bank account, the Company shall be free to designate such bank location;
- iv) The Company shall provide detailed account of earnings and deductions as previously done.
- v) Union dues shall continue to be calculated and the amount paid on a weekly basis.
- vi) Income tax rates shall be calculated when switching to a two-week pay period as if it were on a weekly period, in accordance with the Department of Revenue.
- vii) Upon written request received at least three weeks in advance to the store manager the Company agrees to deposit in the full time employee's account their vacation pay in the week prior to an employee going on vacation.

- F-14 **Effect of Tier 1 employees working Tier 2 hours in addition to their regular hours** as per Appendix E-4 on benefit entitlements in certain sections of the agreement

When a Tier 1 employee works both his Tier 1 hours and Tier 2 hours as per Appendix E-4, it shall be construed by the parties, for the purpose of this section, to be two separate employees; one who has worked Tier 1 hours and one who has worked Tier 2 hours. (For example, an employee who is averaging fifteen Tier 1 hours per week and in addition eleven Tier 2 hours per week would qualify for three hours of general pay at the Tier 1 rate of pay and three hours of general pay at Tier 2 rates, but shall not be entitled to six hours pay at his Tier 1 rate of pay when combining the Tier 1 hours and the Tier 2 hours, to make it 26 hours, as he would have been entitled if he had only worked the 26 hours as a Tier 1 employee, as contained in section 8.04 of this Agreement). Therefore, the same principle shall apply to other applicable sections of this Agreement.

- F-15 **Employees working in more than one store**

The Company and the Union agree to resolve any perceived favouritism in the assignment of employees to more than one store under article 1.05.

- F-16 **Grocery Clerk -- Cashier duties**

The Company intends to review and resolve with the Union any issues where Grocery Clerks are perceived to do Cashiers' duties to the extent that it may regularly take away a shift that could be available to Cashiers. This Letter of Understanding shall terminate on the expiry date of this Agreement.

- F-17 **Consideration of employees interested in position of Variety or File Maintenance as Back-up or Vacation Relief**

Employees who are interested in being considered for a position in Variety or File Maintenance as backup or vacation relief in the store may apply to the Company in writing. The Company agrees to consider such employees for future store needs on the basis of their relative skill and ability. In the event the employees are viewed as relatively equal by the Company, the senior employee will be selected provided the employee is prepared to work different shifts as designated by the Company.

F-18 Full-time Ratio

The Company and the Union agree that the following terms will comprise the understanding of the parties in respect to the administration of Section 7 of the above collective bargaining agreement.

1. Full-time employees who are counted will be those who have full time status on the date of the count and will include for example, employees on vacation, leave of absence (to a maximum of one year unless exceeded by law), weekly indemnity, WCB, LTD and any other approved absence. Employees noted in this clause will be included in the count of full time employee but will not be included in the total number of employees used to calculate the percentage.
2. Full-time employees assigned to tasks such as reline crew, training school, etc., who work outside the store will be counted provided they are covered by the Collective Bargaining Agreement and work and/or are paid thirty-seven (37) hours as listed.
3. If the Company is found to be in violation of the full time ratio, then:
 - a) a full-time position shall be deemed to have been created and the full-time job shall be posted as per Section 18.21 of the Collective Bargaining Agreement; or
 - b) a full-time employee who has been reduced to part-time by the Company, subject to 18.04 (1) and, subject to the Company's determination of the job that is required to be filled, such employee shall be given the opportunity for a full-time job before a job is posted.

It is understood that if the Company is short two employees, then two positions will be deemed to have been created. It is also understood in calculating the number of required positions that .1 shall equal one job.

4. The Company will, in good faith, provide data that is as accurate as practicable. Both parties recognize that errors

and corrections can occur in a data base as large and complex as the one under scrutiny. Accordingly, the Company accepts the fact that grievance time limits relating to full-time ratio grievances will not be rigidly applied but will be directory. Correspondingly, the Union recognizes that the initial information provided that indicates a violation may upon further review and explanation by the Company indicate a violation does not exist.

5. The calculation of the full time ration will be done by City/Town except that Winnipeg/Selkirk will be combined.

F-19 Job Posting

The Company and the Union agree that the following terms will comprise the understanding of the parties in respect to the administration of Section 18.21 of the above collective bargaining agreement.

1. a) **Classification** The classifications posted are listed in Section 18.21 (d).

- b) **Store Number** The Company will list the store number on single postings. The store location may not be permanent. In multiple postings, the store numbers are not required, but the successful applicants will have the right to decline the job posting without section 18.21 (f) (vii) applying.

- c) **Department** The department will be listed as distribution code and area (for example #864 Front End).

- d) **Location** The location will refer generally to the job area (for example cashier, bakery sales counter, meat wrapper).

- e) **Closing Date** The closing date of the posting will be indicated.

- f) **Starting Date** The Company will assign starting dates of group postings as close together as possible recognizing that operational and availability variables may exist, but in any case within 15 days of

the closing of the posting. The seniority dates of the successful applicants in multiple postings will be ranked based on their original continuous date of hire. This process in itself will reduce the likelihood of common promotion dates.

2. Who can apply? Employees may apply for job postings in their classification as outlined in the collective bargaining agreement. This means all Sales/Service Clerks, Food Clerks and Service Clerks may apply for Sales/Service Clerk postings.
3. What is the employee's rate of pay? The rate of pay for successful applicants shall be as outlined in Appendix "B" of the collective bargaining agreement. This will also apply to overscale employees as per item B-27 whether the over-scale employee is competent, or whether a training and trial period is required.
4. If there is no part-time employee in that classification and department, what happens?
If no-one from the department applies for the posted position, then the senior applicant from the same classification in another department will be offered the position. If no-one from the same classification in another department applies, the Company may fill the job at its discretion, subject to the normal fair and reasonable requirements under the contract and under normal labour legislation.
5. What is the process, for the purpose of job posting, for applicants who are on leave of absence?
Persons on leave of absence and vacation would be required to take the initiative to apply for a potential job posting before leaving for vacation or leave. The terms of the agreement would apply in respect to returning to work within thirty (30) days.

The Company agrees to maintain adequate heating and lighting in its stores.

F-21 Anti-Fatigue Mats

The Company will continue its past practice of having effective anti-fatigue mats to be placed at the checkstands, customer service and in appropriate areas provided it is safe and reasonable to do so.

F-22 Full Service Meat Counter

- 1) The full-time employee designated as responsible for the Full Service Meat Counter will receive a premium equal to the difference between the employee's current rate and the Meat Production rate of pay under B-9. Employees who were formerly full-time meat cutters or meat managers will receive a premium equal to the difference between their current rate and the meat cutter rate under B-13 for all hours.
- 2) Any employee who is designated to relieve the full-time employee in the Full Service Meat Counter for one complete week or more will receive a premium of seventy (70¢) cents per hour for all hours worked.

F-23 The interpretation of 7.04 is such that the inclusion of the employees referred to in 7.04 above in the count effective November 14, 2004, will not be used to reduce any current full time employee to part-time. This will not prevent the Company from reacting to business conditions. This agreement will expire on March 15, 2014.

F-24 The Company will comply with the Employment Standards Code as it relates to the calculation of part-time General Holiday pay.

F-25 Department Manager Relief

Any employee relieving an Assistant Manager or a Department Manager for more than thirty (30) calendar days will receive the rate of pay for the position rather than the relieving rate

established under Section 10 unless that relieving rate is higher.

F-26 Premium on Vacation

Vacation pay for full-time employees entitled to paid vacation shall include night shift premium if the employee is on nights for the four (4) weeks prior to the vacation. It shall also include relieving premium provided the employee relieved for the full four (4) week period immediately prior to the vacation. Vacation pay shall also include Northern Allowance and Lead Hand premium.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE DULY EXECUTED THIS LETTER OF UNDERSTANDING.

SIGNED THIS DAY OF , 2009.

FOR THE UNION:

FOR THE COMPANY:

Robert D. Ziegler

J. P. Witiuk

APPENDIX G

**New store opening in a city, town or community
where Safeway does not presently have
a store as of November 15, 1998**

In the event of a new store opening in a city, town or community where Safeway does not presently have a store, the Company and the Union agree as follows:

All terms and conditions of the collective bargaining agreement shall apply with the following exceptions:

G-1 **Section 7 - Job Security Full-Time Employees**

In sections 7.01, 7.02, 7.03 and 7.04, whenever the words and figure "twenty-five (25%) percent" appear, they shall be replaced with the words and figures "**nine point two (9.2%) percent**".

G-2 **Section 18 Seniority**

18.15 shall not apply and shall be replaced with the following:

The following items shall apply in all stores, in all departments; (excluding Courtesy Clerks):

- (1) Section **18.13** notwithstanding, the senior one-third (1/3rd) of the employees in the department, (excluding Courtesy Clerks), hereinafter called "the Group", shall be scheduled as follows:
 - (i) the senior one-third (1/3rd) of "the Group" shall receive **twenty-eight (28)** hours or better, per week;
 - (ii) the next most senior one-third (1/3rd) of "the Group" shall receive **twenty-four (24)** hours or better, per week;
 - (iii) the least senior one-third (1/3rd) of "the Group" shall receive **twenty (20)** hours or better, per week.
- (2) Implementation of the above minimum guarantee of hours for "the Group" shall be subject to the following definitions and/or conditions:

- (i) "The Group" shall be calculated based on the total number of part-time employees in the department, (excluding Courtesy Clerks).

This will then produce the number of part-time employees entitled to the minimum guarantee as indicated in (1) above.

- (ii) Any restricted employees shall not qualify to be scheduled under this section. The Company, therefore, shall go to the next unrestricted available employee until the total number constituting "the Group" is reached.

(3) Part-time employee - no hours

When a part-time employee receives no hours for more than four (4) consecutive weeks, for whatever reasons, he/she shall no longer be included in any manner, in a calculation of a Group, nor shall he/she be entitled to any Guarantee of Hours.

- (4) Hours paid for General Holidays as per Section 8.04 (A), (B) and (C) shall be considered as hours worked for the purpose of satisfying the minimum guarantees in (1) above.

G-3 The following list of departments and the following scales shall apply in the implementation of G-2 above:

- 1) Front End including Cashier, Customer Service, Cash Office and Record Clerk
- 2) Grocery Department including Clerk, Bulk and Variety
- 3) File Maintenance
- 4) Pharmacy Department
- 5) Produce Department
- 6) Meat Sales Department
- 7) Meat Production Department
- 8) Deli Department
- 9) Bakery Sales Department
- 10) Bakery Production Department
- 11) Floral Department
- 12) New Departments as may be established in accordance with the following criteria:

- a) The Company must notify the Union at least 2 weeks in advance and,
- b) A new group of products or commodities are to be sold,
- c) The pre-existing mix of products **or** commodities is substantially altered to the extent that merchandising, production or staff requirements are substantially altered.

G-4 The number of employees entitled to a minimum guarantee of hours of **twenty-eight (28) hours, twenty-four (24) hours, or twenty (20) hours**, is to be calculated according to a formula. For example:

Eligible Employees	Number in Group	Hours 28 hours	Received by 24 hours	"Group" 20 hours
1	0	-	-	-
2	1	1	-	-
3	1	1	-	-
4	1	1	-	-
5	1	1	-	-
6	2	1	1	-
7	2	1	1	-
8	2	1	1	-
9	3	1	1	1
10	3	1	1	1
11	3	1	1	1
12	4	1	1	2
13	4	1	1	2
14	4	1	1	2
15	5	2	2	1
16	5	2	2	1
17	5	2	2	1
18-20	6	2	2	2
21-23	7	2	2	3
24-26	8	3	3	2
27-29	9	3	3	3
30-32	10	3	3	4
33-35	11	4	4	3
36-38	12	4	4	4
39-41	13	4	4	5
42-44	14	5	5	4
45-47	15	5	5	5

48-50	16	5	5	6
-------	----	---	---	---

G-5 Stores covered under Appendix G will not be required to have one of each of the above-noted Managers per store. In addition, one Second Assistant Manager per store is excluded.

G-6 Appendix B Wages for Steinbach employees who were hired prior to April 1, 2002.

Service Clerk - Full Time and Part Time

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
0 - 500 hours	7.45	9.50	9.50			
501 - 1000 hours	7.87	9.50	9.50		9.50	
1001 - 1500 hours	8.29	9.50		9.50	9.50	
1501 - 2000 hours	8.71			9.50	9.50	
2001 - 2500 hours	9.19			9.50	9.50	9.50
2501 - 3000 hours	9.55			9.55	9.55	9.55
3001 - 3500 hours	9.97	9.97	9.97	9.97	9.97	9.97
3501 - 4000 hours	10.39	10.39	10.39	10.39	10.39	10.39
4001 - 4500 hours	10.81	10.81	10.81	10.81	10.81	10.81
4501 - 5000 hours	11.23	11.23	11.23	11.23	11.23	11.23
5001 - 5500 hours	11.65	11.65	11.65	11.65	11.65	11.65
5501 - 6000 hours	12.07	12.07	12.07	12.07	12.07	12.07
6001 - 6500 hours	12.49	12.49	12.49	12.49	12.49	12.49
6501 - 7000 hours	12.91	12.91	12.91	12.91	12.91	12.91
7001 - 7500 hours	15.23	15.23	15.23	15.23	15.23	15.23
over 7500 hours	18.30	18.50	18.70	18.70	18.95	19.20

For Steinbach employees who were hired prior to April 1, 2002

Bakery Production and Meat Production Specialists - Full Time & Part Time

	Current	March 15/2009	March 14/2010	March 13/2011	March 18/2012	March 17/2013
0 - 500 hours	8.45	9.50	9.50	9.50	9.50	9.50
501 - 1000 hours	8.94	9.50	9.50	9.50	9.50	9.50
1001 - 1500 hours	9.42	9.50	9.50	9.50	9.50	9.50
1501 - 2000 hours	9.91	9.91	9.91	9.91	9.91	9.91
2001 - 2500 hours	10.40	10.40	10.40	10.40	10.40	10.40
2501 - 3000 hours	10.88	10.88	10.88	10.88	10.88	10.88
3001 - 3500 hours	11.37	11.37	11.37	11.37	11.37	11.37
3501 - 4000 hours	11.86	11.86	11.86	11.86	11.86	11.86
4001 - 4500 hours	12.34	12.34	12.34	12.34	12.34	12.34
4501 - 5000 hours	12.83	12.83	12.83	12.83	12.83	12.83
5001 - 5500 hours	13.32	13.32	13.32	13.32	13.32	13.32
5501 - 6000 hours	13.80	13.80	13.80	13.80	13.80	13.80
6001 - 6500 hours	14.29	14.29	14.29	14.29	14.29	14.29
6501 - 7000 hours	14.78	14.78	14.78	14.78	14.78	14.78
7001 - 7500 hours	16.96	16.96	16.96	16.96	16.96	16.96
over 7500 hours	19.94	20.14	20.34	20.34	20.59	20.59

G-7 In the event that an employee transfers from Winnipeg to Steinbach, or to a new store not yet covered by this collective bargaining agreement, the Company agrees that the employee's hourly rate of pay shall be red circled and that employee shall not receive less than what they would have earned had they continued to work in Winnipeg under the main agreement.

TO: THE NEW EMPLOYEE:

You are hereby informed that Union membership is a condition of employment.

1. Articles of Agreement between the United Food and Commercial Workers Union, Local No. 832, U.F.C.W., A.F.L. & C.I.O. - C.L.C. and this Company, Canada Safeway Limited, contain the following statement.

UNION SHOP

The Company agrees to retain in its employ within the Bargaining Unit as outlined in Section 1 of this Agreement only members of the Union in good standing. The Company shall be free to hire or rehire new employees who are not members of the Union, provided said non-members, whether part-time or full-time employees, shall be eligible for membership in the Union and shall make application on the official membership application form within ten (10) calendar days from date of hire or rehire and become members within thirty (30) days.

2. New employees will be considered for previous experience credit to a maximum of six (6) months (one thousand (1000) hours) except for Meat Cutter, Ice Decorator and Bakery Production Helpers classifications which will be to a maximum of twelve (12) months (two thousand (2000) hours), in their designated classification, provided:

i) it is comparable experience in a unionized chain retail food store; and

ii) twelve (12) months have not elapsed since their last day worked.

It shall be the responsibility of the employee to supply reasonable proof of his previous experience within thirty (30) calendar days of employment. Otherwise, all claim for credit for previous experience shall be forfeited by the employee. Reasonable proof will mean that if past employment records are not obtainable, the Union records, Income Tax records, or other similar documents will be acceptable. The hourly rate for recognized credit will be effective from the first day of employment.

It is most important that you inform the Company of your previous experience and if you do not agree with your rate of pay and same

is not adjusted by mutual agreement with the Company, then this must be discussed with your Union Representative as soon as possible.

No consideration will be given to any disagreements pertaining to credit for previous experience if presented later than thirty (30) calendar days from the date of employment.

