

THIS AGREEMENT MADE AND ENTERED INTO BY AND BETWEEN:

**SAPUTO FOODS LIMITED**

(Hereinafter referred to as the Company)

- AND -

**AUTOMOTIVE LODGE 1857, INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS**

(Hereinafter referred to as the Union)

**EFFECTIVE FROM:  
APRIL 1, 2007 TO AND INCLUDING MARCH 31, 2013**

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**EFFECTIVE FROM:  
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All Parties to this Agreement hereby commit themselves to the fullest cooperation with the object of maintaining efficient and uninterrupted service in the plant(s) of the Company.

**SECTION 1**  
**RECOGNITION**

- 1.01** Any person performing work with tools of the trade or classification covered by this Agreement shall be considered part of the Bargaining Unit.
- 1.02** The Company shall recognize the Union, its designated agents and representatives, its successors, and/or assigns, as the sole and exclusive collective bargaining agent on behalf of all of the employees of the Company within the Bargaining Unit with respect to wages, hours of work, and all other terms or conditions of employment.
- 1.03** All employees within the Bargaining Unit as defined by the Certificate of Bargaining Authority, who are members of the Union, or who may, during the term of this Agreement, become members of the Union, shall as a condition of employment retain membership in good standing for the duration of this Agreement. In the event that any employee affected by the foregoing fails to pay his monthly dues, initiation and/or reinstatement fee, the Company shall discharge such employee within five (5) days of receipt of written notice from the Union that he has not complied with this paragraph and/or that he is in arrears in accordance with the Union Constitution.
- 1.04** The Company shall be free to hire new employees who are not members of the Union with the provision that all new employees upon being hired shall be required to sign an application for membership in the Union and a checkoff authorization before commencing work. The application for membership and the checkoff authorization for deduction of monthly Union dues and initiation or reinstatement fee shall be completed by the employee and immediately be returned to the Company's Personnel Department who will, without any undue delay, forward the application for membership and checkoff authorization to the Union office. The authorization and application for membership forms will be supplied by the Union. Any employee who works the major portion of any calendar month shall be deducted Union dues. Statutory Holidays and vacations are considered days worked for the purposes of this Section.
- 1.05** Upon request of the Business Representative(s) (but not more than once in any three (3) month period) the Company shall furnish a list of all employees in the Bargaining Unit with their date of commencement of employment and classification.
- 1.06** If any employee of the Company should be elected to act as a delegate for the Union, he shall be allowed, upon sufficient notification reasonable leave of absence without pay for the transaction of Union business; provided that not more than one employee shall be absent at any one time for every fifty (50) employees or portion thereof.

- 1.07** Any employee acting on Union business as a Shop Steward shall first notify his immediate Supervisor before carrying out that business. If any employee of the Company should be elected to serve the Union on a full time basis, he shall be considered, upon sufficient notification, to be on leave of absence, without pay for a maximum period of four (4) years. He shall be re-employed at the same type of work which he performed prior to his leave of absence and with seniority accumulated; provided that not more than one employee be absent at any one time.
- 1.08** Prior to entering any company Maintenance area, the Union Business Representative shall report to the Supervisor and request permission to do so.
- 1.09** **CONTRACTING OUT**
- All work performed on the Employer's premises shall be performed by members of the Bargaining Unit with the exception of those jobs normally performed by persons outside the Bargaining Unit as defined in the Certificate of Bargaining Authority. Should the Employer deem the members not available or capable of performing the required work, or for other 'bona fide reasons', the Employer agrees that prior to contracting out work it will inform the Union or an on-site employee and, subject to competitive cost estimates, to employ companies employing members of the I.A.M. or, if no such companies are available or competitive, the second choice will be companies employing union members. Should the Union deem the Employer has violated the intent of this Clause, the issue may be referred to the grievance and arbitration procedure as outlined in Sections 6 and 7 of this Agreement.
- 1.10** It is understood that all plants and/or locations will be considered as separate locations for the purposes of this agreement

## **SECTION 2**

### **STANDARD WORKING HOURS**

- 2.01** (A) The standard working week shall be one of thirty-six (36) hours, with at least two (2) consecutive days off, one of which shall be Saturday or Sunday.
- (B) The standard working shift shall be one of nine (9) hours exclusive of one half (1/2) hour off for lunch.
- (C) The start time(s) for the day shift shall be between the hours of 6:00 a.m. and 8:00 a.m.
- (D) The start time(s) for the afternoon shift shall be between the hours of 3:00 p.m. and 5:00 p.m.
- (E) The start time(s) for the night shift shall be between the hours of 9:00 p.m. and 11:00 p.m.

(F) Notwithstanding the foregoing, an employee's starting time may be changed upon mutual agreement of the Company and the Employee, otherwise Article 3.02 applies.

(G) The Partsman standard working week shall be thirty-six (36) hours, five (5) days per week, Monday to Friday. (Starting the first full pay period in January 2009 and forward)

**2.02** Any shift not confined to the standard shift hours at 2.01 (C) shall invite shift premiums of \$2.15 for all hours worked with the exception of summer and casual help.

**2.03** No employee shall work during his designated lunch period, except in the case of an emergency. When only one employee is on a shift and is required to remain on the premises during his regularly scheduled lunch period, his one-half hour lunch break shall be calculated as part of his regular daily hours (i.e., 8-1/2 hours' work - 9 hours' pay). It is also understood that any and all premiums for such shift shall apply to all paid hours.

**2.04** Employees shall be allowed sufficient time during working hours to return tools, parts, etc., to the stores or crib before the end of each shift.

**2.05** There shall be no split shifts (i.e. two (2) starting times and two (2) stopping times on the same shift). Shifts shall mean block of shifts in a one week period which shall be either all days or all afternoons or all nights as defined in 2.01 (C), (D), (E).

**2.06** Employees commencing a shift that starts on a Saturday and/or a Sunday shall be paid a premium of \$1.95 per hour (in addition to any other shift premiums that may be applicable) for all hours worked on the shift.

**2.07** Any employee of Journeyman classification required to perform work "off the premises" as defined below shall be paid an "out of Shop" premium of ten (10) percent of his regular classified hourly rate for all hours worked "off the premises" in addition to any and all applicable premiums and working conditions herein contained in this Agreement. For the purpose of this Clause it is agreed that "off the premises" is defined and the "Out of Shop" premium is payable where:

(1) In the case of the employee having to travel "out of town":

While the employee is travelling to and from the out of town work destination, he will receive his regular classified hourly rate plus overtime, if applicable. However, if circumstances are beyond the employer's control, e.g. weather or accident causing undue delay over and above regular travelling time, the employee will receive his regular classified straight time hourly rate.

- (2) It is agreed that temporary out of town work will not be posted.

### **SECTION 3** **OVERTIME**

- 3.01** Time worked in excess of the basic working periods as shown in Section 2 shall be considered as overtime provided that the excess time is approved by the Company. This provision applies to time worked before an employee's scheduled shift as well as after the scheduled shift.

Employees working two (2) hours (or more) overtime before or after their scheduled shift, and with no prior notice the previous day, shall be granted (on presentation of a receipt) up to ten (\$10.00) meal allowance and sufficient time with pay for such meal, up to a maximum of thirty (30) minutes.

In addition, the Employer agrees to reimburse employees for costs accrued for the transportation of meals, upon presentation of receipts.

- 3.02** Overtime shall be paid at the rate of double time. Double time shall also be paid under the following circumstances:

- (1) For all time worked on call-backs.
- (2) For all work performed on an employee's scheduled day off.
- (3) In all cases of overtime work there shall be a break of nine (9) hours before commencing a designated new shift, i.e., a different shift from what they were on. In an emergency where this is not possible, the following shift shall be paid for at the rate of double time. This clause is intended to provide a nine (9) hour break to employees who had been on overtime immediately following their regular shift and is not to apply where:

(A) There had been an early scheduled starting time - as per second sentence, Section 3, Paragraph 3.01, above.

(B) Call-Backs

To provide further clarification on this area and to provide a break where an employee had been on call-back the following policy has been adopted and is now part of Section 3, Clause 3.02.

(1) Minimum four (4) hours' straight time pay.

(2) Where an employee on call-back is not provided a nine (9) hour break before commencing his next designated shift he shall receive a break with pay commencing at his normal starting time or the equivalent at a mutual convenient time amounting to the hours worked during the call-back period.

(4) Should any employee be instructed to start later than his normal starting time in order to be allowed a nine (9) hour break, he shall suffer no loss of pay for such hours not worked within the shift.

**3.03** All employees required to be on stand-by for call-back shall be paid for four (4) hours at straight time rates. However, if an employee is called back, then Paragraph 3.02 (1) will apply in addition to the four (4) hours at straight time pay for stand-by.

Notwithstanding the above: Employees required to be on stand-by on a Statutory Holiday and are called in to work will receive four (4) hours' pay at straight time rates plus the prevailing overtime rates for work performed.

No employee will be compelled to work overtime. If a job is in progress the man working on the job should be required to finish the job if the Supervisor thinks it necessary in the interest of safety and efficiency. Otherwise, on planned overtime, if there are no volunteers, the Supervisor will designate, in reverse order of seniority, the people who are able to perform the work required.

**3.04** (A) Employees who are required to work on a Statutory Holiday or a Floating Holiday, (as defined in Paragraph 11.02 of Section 11) falling within the course of their regular work week shall have the option of:

(1) Being paid at double time for such work and receive an additional day off with pay which may be accumulated,

OR:



- (2) Being paid at straight time for such work and receive two (2) additional days off with pay which may be accumulated.
- (B) If any of the Holidays specified in Paragraph 11.02 of Section 11, should fall on a non-working day and no work is performed, the employee shall have the option of:
  - (1) Being paid straight time for such day,  
OR:
    - (2) Receiving a day off with pay which may be accumulated.
- (C) If any of the Holidays specified in Paragraph 11.02 of Section 11, should fall on an employee's regular day off and he is required to work, he shall have the option of:
  - (1) Being paid at double time and one-half for such work and receive an additional day off with pay which may be accumulated,  
OR:
    - (2) Being paid at time and one-half for such work and receive two (2) additional days off with pay which may be accumulated.

**3.05** All employees will have the choice of pay or equivalent compensatory time off for any overtime work at the appropriate overtime rate.

Employees are required, once each calendar year, to sign an overtime designation form declaring method of overtime payment. Employees may alter their designation form only once during the calendar year. Requests to alter a designation more than once during a calendar year due to special circumstances will not be unreasonably refused. Employees who do not make a written declaration shall have their overtime paid out each pay period.

Employees may accumulate overtime to provide up to a maximum of four (4) weeks off in a calendar year. Where an employee has accumulated such days off as described in this Section during any calendar year of January 1st to December 31st, he shall, upon mutual agreement with the Company be paid out at the employee's request or take these holidays prior to March 31st of the next year. This date may be extended up to two months by mutual agreement. The employee's request for payout shall not be unreasonably withheld. If the accumulated days off are not utilized before the March 31st deadline, the employee shall be paid at the rate of double time in lieu of accumulated Holidays.

Each employee, excluding probationary employees, shall be entitled to a Statutory Holiday even when he or she is off through illness, quarantine, compensation or lay-off, providing he or she is not absent for a period exceeding thirty (30) calendar days immediately prior to the Statutory Holiday. This payment will represent the difference between compensation or sick leave payment and his/her regular pay for that day.

- 3.06** The Company will make every effort to equalize overtime opportunities within a classification at any one plant or location. The Company shall retain copies of all overtime opportunities as posted within the plant.

#### **SECTION 4** **VACATIONS**

- 4.01** Annual vacations shall be granted in accordance with the following:

- (A) All employees with less than two (2) years' service shall receive two (2) weeks off with full pay or 4% of their annual earnings, whichever is the greater.
- (B) All employees with two (2) years' or more service shall receive three (3) weeks off with full pay or 6% of their annual earnings, whichever is the greater.
- (C) All employees with seven (7) years' or more service shall receive four (4) weeks off with full pay or 8% of their annual earnings, whichever is the greater.
- (D) All employees with fourteen (14) years' or more service shall receive five (5) weeks off with full pay or 10% of their annual earnings, whichever is the greater.
- (E) All employees with eighteen (18) years' or more service shall receive six (6) weeks off with full pay or 12% of their annual earnings, whichever is the greater.
- (F) Effective April 1st, 1983, all employees with twenty-five (25) years or more service shall receive seven (7) weeks off with full pay or 14% of their annual earnings, whichever is the greater, provided however that any employee off ill or on Compensation shall be given an annual holiday credit of:

- (1) Two (2) months if entitled to two (2) weeks.
- (2) Three (3) months if entitled to three (3) weeks.
- (3) Four (4) months if entitled to four (4) weeks.
- (4) Five (5) months if entitled to five (5) weeks.
- (5) Six (6) months if entitled to six (6) weeks.
- (6) Seven (7) months if entitled to seven(7) weeks.

In addition to time worked during the year, provided further that the sum total of time credited and time worked does not exceed one (1) year. All employees in each group shall be given the opportunity to choose their holiday dates in order of their seniority, i.e., length of service. If such employee desires to split his annual vacation into two (2) periods, he may do so, the second period to be taken at a time mutually agreed to between the Company and the employee.

- 4.02** Employees shall submit vacation selections by the first (1st) of February in each calendar year indicating their vacation time selections; i.e., first, second and third choice. The Company will confirm all vacation allotments by March 1st. On confirmation by the Company, the selections will be deemed final for the purposes of exercising seniority rights.

Employees who change jobs or shifts through Section 8 of this Agreement following confirmation of vacation selections, will be advised of any vacation scheduling conflicts prior to accepting the new position or shift.

- 4.03** Annual Vacations to be taken between April 1st and October 31st are to be selected by the 1st of March. If too many employees within a classification are off on any one shift, then consideration will be given to more senior men.

In the event that an employee should request that his annual vacation be at a time other than between April and October inclusive, such permission shall not be unreasonably withheld. Employees shall take all vacations by March 31st.

- 4.04** It is hereby agreed that for the purpose of computing vacation pay and entitlement, the employee's anniversary date of employment shall be used except for employees engaged after April 1st, 1958; in this instance April 1st will be the date of entitlement to vacation time and pay.

- 4.05** All employees terminating their employment shall receive 4%, 6%, 8%, 10%, 12%, or 14% of their annual earnings in lieu of holidays to which they are entitled.

- 4.06** Should a Statutory Holiday occur during an employee's vacation period he will have the option of receiving one day's pay for said Statutory Holiday or accumulating one day to be taken at a later date.

- 4.07** The Company agrees that at least three (3) weeks prior to an employee going on his regular

vacation, each employee shall be notified as to the date of his vacation allotment.

**4.08** Should an employee be requested to work during their vacation period he shall be paid double time for such day, plus one (1) day off at a later time.

**4.09** Summer Period Vacation

It is intended that all employees be given the opportunity to schedule two (2) weeks off in the summer period, which is the last Sunday of June to Labour Day. Selections to be made on a rotational basis in order of seniority, subject to manning requirements.

**SECTION 5**  
**SICK LEAVE**

**5.01** Both Parties recognize that where attendance is not possible and is beyond the employee's control, it is his responsibility to inform the Company in a timely manner, and in accordance with established Company procedures. The Company grants paid Sick Leave to employees in order to provide protection from loss of earnings when incapacitated from work due to illness.

Effective the first (1<sup>st</sup>) full pay period of each fiscal year, full-time employees with one year or more service shall receive fifty-four (54) hours Sick Leave. New employees that have completed their probationary period shall receive a pro-rated portion of entitlement.

An employee who works the complete fiscal year shall receive a pay-out of one hundred (100%) percent of his unused Sick Leave.

An employee who works the complete fiscal year and has not used any Sick Leave shall receive a pay-out of one hundred twenty-five (125%) percent of his unused Sick Leave.

An employee absent due to any combination of WI or LTD in excess of thirty (30) days shall have his Sick Leave pro-rated for the purpose of payout.

"Previous" Sick Leave Program.

Upon ratification, to implement the Incentive Attendance Program, any used Sick Leave from April 1, 2008 (previous sick program) will be deducted from the fifty-four (54) hours (of the Incentive Attendance Program) that started on the 1<sup>st</sup> pay period of April 2008.

Employees may transfer hours from the previous "Current Bank" to compensate for sick time used from April 1, 2008 to ratification date, to a maximum total of fifty-four (54) hours in the Incentive Attendance Program 2008.

The remaining current sick time (bank) will be paid out the first full pay period February 2009.

Excess accruals from prior years that were elected to be used as time off must be used prior to last full pay period May, 2009 or be paid out in the next pay period.

- 5.02** Where an absence occasioned by sickness or accident is not covered for payment by either the "Weekly Indemnity Benefits" (except as provided for in Section 11, Paragraph 11.10 (5) or "Workers' Compensation", employees shall draw on time so accumulated in the following manner:

An employee who is absent due to sickness or accident may draw on accumulated sick leave to provide full pay for the first twenty-seven (27) hours of absence due to sickness or accident which the employee would otherwise have worked.

Employees absent due to workers' compensable accident shall draw on accumulated sick leave to provide a full day's pay on the day of such accident.

- 5.03** Wilful abuse of this privilege by any employee may result in immediate discharge.

- 5.04** Any employee who has any accumulated sick days in his "sick bank" and whose employment for any reason is terminated shall receive the equivalent in pay as follows:

If he has zero (0) to seven (7) years of service he shall receive no pay for accumulated sick days. If he has seven (7) to fourteen (14) years of service, he shall receive thirty-three percent (33%) of accumulated sick days owing. If he has fourteen (14) to eighteen (18) years of service, he shall receive sixty-six percent (66%) of accumulated sick days owing. If he has eighteen (18) years of service or over, he shall receive one hundred percent (100%) of accumulated sick days owing to a maximum of thirty (30) days.

- 5.05** If an employee is on a W.I. or W.C.B. claim, the employer reserves the right at any time to request and obtain satisfactory medical evidence of an employee being properly on leave or of an employee's ability to return to work, prior to such employee returning to work.

**SECTION 6**  
**DETERMINATION OF GRIEVANCES AND DISPUTES**

- 6.01** It is agreed that grievances and disputes relative to the interpretation and application of the Clauses of this Agreement, which may arise during the life of this Agreement shall be promptly discussed and the Parties hereto will diligently cooperate in an effort to adjust such grievances at the earliest possible time.
- 6.02** Any employee who is to be interviewed regarding any disciplinary action, shall be interviewed in the presence of a Shop Steward. All disciplinary notes shall be removed from an employee's file after four (4) years.
- 6.03** All grievances and disputes must be filed in writing with the Shop Steward and the Company within seven (7) calendar days of the occurrence. The agreed procedure for adjusting such matters is as follows:
- (1) By a discussion, within seven (7) calendar days between the Shop Steward designated by the Union for the Department involved and the Supervisor or Foreman of the employee's shop as designated by the Company.
  - (2) Failing agreement being reached by the above, the grievance will be discussed within seven (7) calendar days by the employee, the Business Representative and the Supervisor or Department Head of the Department concerned.
  - (3) Failing agreement, the grievance will be discussed within ten (10) calendar days by the highest Company Official or Officials, designated by the Company to handle such matters and the Union.
  - (4) Failing agreement, the grievance may be submitted to Arbitration (Section 7).
- 6.04** The above time limits may be extended by mutual agreement between the Company and the Union.
- 6.05** In the event of a grievance arising from differences of interpretation, application, operation of, or any alleged violation of this Agreement between the Employer and the Union relative to this Agreement, the employees shall continue to work until such grievance is settled. The said grievance shall be adjusted between the representatives of the Employer and the representatives of the Union, within ten (10) calendar days, unless otherwise mutually agreed by both parties. Failing agreement, the grievance may be submitted to Arbitration (Section 7).

**SECTION 7**

**ARBITRATION PROCEDURE**

- 7.01** If the said grievance or dispute cannot be adjusted under the procedures outlined in Section 6, it may be submitted to an Arbitration Board. The Board shall consist of two (2) representatives, one selected by the Company and one selected by the Union. No person involved directly in the controversy under consideration shall be a member of the Board of Arbitration. These two representatives shall have power to render a decision which shall be final and binding on both Parties, if they are in mutual agreement. If they are unable to reach agreement within two (2) days, they shall, within four (4) days, select a Third Party who shall be a disinterested person and who shall be Chairman.
- 7.02** In the event of the failure of the two representatives to agree upon a Chairman, he shall be appointed by the Honourable Minister of Labour of the Province of British Columbia. The said Arbitration Board shall forthwith sit, hear the Parties and their representations and determine its award and shall make and deliver its award to the Parties within fifteen (15) days from the date the Chairman is named, or within such longer period as the Parties may agree to. The decision of a majority shall be final and binding on all Parties. Each Party hereto agrees to forthwith pay to the Chairman one-half (1/2) his fee and expenses.
- 7.03** The Board of Arbitration shall not be vested with the power to change, modify, or alter any of the terms of this contract.

**SECTION 8**  
**SENIORITY**

- 8.01** Seniority shall be defined as the length of membership in the Bargaining Unit while employed by the Company. Seniority shall be applied to the Bargaining Unit on a Company-wide basis. The seniority standing shall be determined by the Union based on the employee's date of hire. The Company will ensure that the new employee submits an application for Union membership on date of hire. Seniority can be accumulated while an employee is a union member in good standing and is employed in the Bargaining Unit as defined by the Certificate of Bargaining Authority issued by the Labour Relations Board of B.C.
- (A) An employee who leaves the Bargaining Unit to serve in management shall have a 24 shift trial period with no loss of seniority. After this period, said employee will not accumulate seniority for any time spent out of the Bargaining Unit. After (90) ninety shifts the employee will no longer be in the bargaining unit and can only re-enter the bargaining unit as the junior employee.

**8.02** Probationary Employee

A new employee shall be considered to be a probationary employee during the first fifty-two (52) regular shifts worked. During this probationary period the employee's abilities, etc., will be assessed and the employee may be laid off without reference to seniority and the Employer shall not be obliged to re-hire this employee. The probationary employee shall be excluded from the Health and Welfare privileges contained in the Agreement for the first fifty-two (52) regular shifts.

**8.03** Seniority shall be established following fifty-two (52) regular shifts worked with the Company. This fifty-two (52) shift period shall be known as a probationary period. Upon successful completion of the fifty-two (52) shift probationary period, an employee will be credited with seniority rights and privileges back to the date of hire with the Company.

The probationary period may be extended only by mutual agreement between the Company and the Union, up to an additional thirty (30) regular shifts.

**8.04** (A) Pre Job Posting - Shift Selection

Prior to the posting of any vacancy, a shift selection will be completed. Seniority within a job classification in the plant or location shall be the determining factor in the selection of shifts to be worked. The Employer shall retain the right, at all times, to see that the required number of experienced employees is available on each shift to ensure proper and efficient operation.

It is agreed that the provisions of Clause 8.08 are excluded from this clause.

Employees absent on annual vacation, days off and who wish to change shifts, or days off must file a written notification indicating their preference, with their supervisor in order to qualify for inclusion in the above process.

There shall be only one vacancy created as a result of a shift selection.

(B) Job Postings

All job vacancies (including temporary or part-time) and/or promotions, and/or new positions (within the Bargaining Unit) shall be posted for a period of five (5) calendar days. Job applications will not be accepted after the closing date of the posting.

## (C) 'Temporary' job vacancies and other temporary changes necessitated by bona fide business or operational requirements for up to thirty (30) calendar days may be filled on the following basis:



- (1) By mutual agreement between the employee and the Company, commencing with the senior qualified employee on the shift and location in question, thereafter;
- (2) Where insufficient volunteers are not available, the vacancy shall be filled by the least senior qualified employee on the shift and location in question.
- (3) In those cases where 48 hours notice of change is not provided the employee shall be paid overtime rates for all hours actually worked within the 48 hour period and, thereafter a 10% premium for all hours actually worked during that block of shifts.
- (4) In those cases where 48 hours notice of change is provided, the employee shall be paid 10% premium for all hours actually worked during the first block of shifts only.
- (5) Where 7 days advance notice of change is provided no premium is payable.

**8.05** All job vacancies will be posted at or nearby every time clock or Union notice board at all Company locations throughout the Province of British Columbia.

**8.06** All job postings will have a job description and shall define job requirements and job specifications as defined in the specific classification on page 25 of this Agreement (Wages and Classifications).

**8.07** The criteria for awarding the successful applicant with the job will be on the following basis:

- (1) Bargaining Unit Company-wide seniority as defined herein this Section.
- (2) Past demonstrated ability with the Company.
- (3) Qualified but not most qualified to perform the work available.

**8.08** The successful applicant(s) will be granted a trial period of 24 regular working shifts in which to adjust to the new position. Should the employee not be suitable to the job, or decide that he does not wish to continue on the new job, within twenty-four (24) regular working shifts, he shall be returned to his most previous job and shift without loss of seniority rights and/or privileges, and the next applicant considered for the job will be granted the job as per Paragraph 8.07.

An employee who successfully bids on a posted job and, at his choice, reverts to his most previous job and shift within the twenty-four (24) regular working shifts shall lose all bidding rights for the next thirty (30) calendar days.

**8.09** If the successful applicant is not the most senior applicant then all unsuccessful senior job

applicants for any job posting will be interviewed and told of the reasons they were not selected for the posting within seven (7) calendar days from the date of selection of the successful applicant.

It is agreed by the parties that where temporary and part-time vacancies are required, they may be filled by other than the senior applicant (e.g., new hires) for reasons of 'practicality'.

- 8.10** The Shop Steward is to be given a copy of the posting at the time of posting and notified in writing of the successful applicant. Postings will be awarded within a reasonable amount of time.

**8.11** Creation of a Chargehand

Where required, chargehand shall be selected by the Company from the shift in question and will invite the appropriate premium for all hours actually worked. The Company agrees to advise the Union of any employee who is appointed as a chargehand. It is understood that the chargehand position is a premium and not a classification.

**8.12** Seniority - Layoff and Recall

The seniority application regarding layoff and recall shall be applied to the Bargaining Unit on a Company-wide basis by classifications as defined in this Agreement.

- 8.13** In all layoffs the most junior employee(s) in a classification shall be laid off first. The last person laid off shall be the first person to return to work. In all cases of layoff in a classification at a specific location, the most senior of the junior employees to be laid off shall have the option and exclusive right to bump employees more junior to themselves employed at other locations in the same classification within seven (7) calendar days.

An employee laid off may elect to take any severance pay entitlement in lieu of exercising any bumping rights under this Clause. It is understood that any employee electing to take severance pay will forfeit all rights under this Agreement.

**SECTION 9**  
**DISCIPLINARY SUSPENSION AND DISCHARGE CASES**

- 9.01** Failing to reach settlement through the grievance procedure herein provided, a claim by an employee that he has been unjustly suspended or discharged, may be settled by confirming the Company decision in suspending, discharging, or laying off the employee, or by reinstating the employee with full, partial, or no compensation for time lost as seems just and equitable in the opinion of the conferring Parties or the Board of Arbitration, as the case may be.

**SECTION 10**  
**SEVERANCE PAY**

**10.01** Severance pay shall apply to those employees within the Bargaining Unit covered by the Agreement.

**10.02** Severance pay shall be paid to those employees whose termination arises out of or is attributable to:

(A) The elimination of a job process.

(B) The introduction of equipment or methods which reduces the number of employees, provided he has one (1) year or more service, he shall be eligible for severance pay at the rate paid at the time of severance.

**10.03** An employee who is permanently laid off due to the discontinuance of an operation shall be eligible to receive severance pay as follows:

Severance pay shall accrue at the rate of two (2) weeks of pay for each year of service but shall not exceed a total of thirty-two (32) weeks of pay.

**10.04** In the case of early retirement any variance to this Clause shall result in discussion between the Parties.

Senior employees in a department affected by permanent lay-offs who would not otherwise lose their employment may select to voluntarily terminate their employment and will be paid severance pay on the basis of one (1) week pay for each year of service to a maximum of twenty (20) years service. The number of employees eligible for severance under this voluntary provision shall be determined by the Company each year.

**10.05** Upon termination such employee shall be placed on the re-hire list for a period of four (4) weeks. At the end of four (4) weeks the employee so affected shall have the option of remaining on the re-hire list or accepting severance pay. Should he elect to remain on the re-hire list he may renew his option every fourth (4th) week but in any event, providing no suitable employment has been provided by the Employer, he must accept severance pay no later than fifty-two (52) weeks from the date of termination.

**10.06** Any employee electing to take severance pay under the terms set out above shall forfeit all rights under this Agreement.

**10.07** Severance pay shall be paid in addition to all other sums owing to the employee.

**SECTION 11**  
**GENERAL CONDITIONS**

**11.01** Wages shall be paid in a manner convenient to the Company, but in such a way as to eliminate needless waiting on the part of the employees.

**11.02** All employees shall receive eleven (11) Holidays with pay. The designated days shall be:

New Year's Day  
Good Friday  
Victoria Day

Dominion Day  
B.C. Day  
Labour Day

Thanksgiving Day  
Remembrance Day  
Christmas Day  
Boxing Day

and a Floating Holiday on a day mutually agreed to by the employee and the Company and any other Holiday proclaimed by the Provincial or Federal Government.

Canada Day is recognized on July 1<sup>st</sup> except when it falls on Sunday, in which case as per the Federal Canada Day Act, Monday July 2<sup>nd</sup> becomes the holiday.

**11.03** Protective clothing suitable to the working conditions shall be supplied by the Employer for the use of employees whose duties entail work injurious to their health and/or clothing.

**11.04** All uniforms and coveralls shall be supplied free of charge by the Company. Employees are expected to take reasonable care of clothing supplied.

**11.05** Wherever reasonably possible, lunch rooms of sufficient size to accommodate the staff will be provided by the Company.

**11.06** The Company agrees that the Plant(s) shall be heated and adequately ventilated.

**11.07** The Company agrees to provide space that is readily accessible for the Union notices of direct interest to the employees.

**11.08** No employees shall accept any other employment or perform any service ordinarily undertaken by the Company for anyone else so long as he is an employee of the Company.

**11.09** No provisions of this Agreement will be used to reduce wages or remove working conditions presently in force.

**11.10 HEALTH, WELFARE, FRINGE BENEFITS:**

A Welfare Plan giving the following benefits shall continue to be provided by the Company to all employees under this Agreement, at no cost to employees. The Employer agrees to facilitate but not administer or adjudicate the standard form Welfare Plan. The Company's responsibility is to pay its share of the applicable premium costs.

- (1) **Medical Coverage** and benefits equal to those provided by M.S.P.
- (2) **Extended Health Benefits** as provided by M.S.A. or it's equivalent, (effective the 1st of January, 1989).

One million dollars (\$1,000,000.00) in out-of-province medical coverage (effective January 1, 1989).

- (3) **Life Insurance** in the sum of:
 

Employee single	\$ 30,000.00
Married with no dependents	\$ 75,000.00
Married with dependent(s)	\$ 100,000.00

(Effective January 1, 1989)

Clarification:

- (A) Employee Single
- (B) Married with no Dependents is equivalent to single with one dependant.
- (C) Married with dependants is equivalent to single with more than one dependant.
- (4) **A.D. & D.** in the sum of \$30,000.00 (effective January 1, 1989).
- (5) **Weekly Indemnity** in the amount of sixty-five percent (65%) of weekly base straight time earnings on a 1-4-26 basis, or an amount equal to Unemployment Benefits, whichever is greater. In addition, when an employee with seven (7) years of service or more, is on "Weekly Indemnity" claim, he may at his option make up the difference between the Weekly Indemnity benefits received and full pay by using any portion of his accumulated sick days as defined in Section 5 of this Agreement.

- (6) **Long Term Salary Continuance** based on fifty percent of weekly base straight time earnings (minimum \$800.00 per month) to age sixty-five (65) or until disability ceases, whichever comes first. Such disability benefits will commence following the twenty-six (26) weeks of Weekly Indemnity.
- (7) **Dental Plan** - for employees and their dependents with such premium costs to be entirely paid by the Employer, providing the following coverage:
  - 100% payment of claims for Plan A (Basic Services).
  - 75% payment of claims for Plan B (Prosthetic appliances and crown and bridge procedures).
  - 50% payment of claims for Plan C (Orthodontics) to a maximum of \$1500.00 per life for each employee and each of their dependents.
- (8) When an employee is off work due to accident/illness or is on Compensation, the Company shall continue to pay his Welfare fees so that at all times the Employee shall be covered by the Welfare Plan.
- (9) An **R.R.S.P.** contribution on behalf of each employee shall be made by the employer, in one payment of an amount equaling the percentage as shown in the chart below:

<u>Effective Date</u>	<u>RRSP Contribution</u>
<u>October, 2007</u>	<u>10% of gross earnings</u>
<u>October, 2008</u>	<u>10% of gross earnings</u>
<u>October, 2009</u>	<u>10.5% of gross earnings</u>
<u>October, 2010</u>	<u>11% of gross earnings</u>
<u>October, 2011</u>	<u>11% of gross earnings</u>
<u>October, 2012</u>	<u>12% of gross earnings</u>

Effective beginning the first Full pay period October of each year such payment shall be based upon the previous twelve (12) months' gross earnings of the employee and will be deposited into the account on record with the Company. It is also understood that the RRSP shall be the property of each employee and shall be handled as he may see fit.

- (10) Employee(s) to receive up to \$10.00 upon voluntary presentation of a receipt from a physician for having any statement of disability completed in any sickness or accident period.
- (11) Effective on the date of ratification, the (optical Plan) will provde \$175.00 of

coverage each two year period applicable to each eligible person.

- (12) Employee's portion of the E.I. rebate shall be retained by the Company.
- (13) An employee hired to fill a temporary or part-time vacancy shall upon completion of his probationary period be eligible for basic medical (M.S.P).

An employee filling a permanent part-time vacancy shall upon completion of his probationary period be eligible for basic medical (M.S.P.) or if working a minimum of 18 hours per week the full benefit package. The fifty-two (52) shifts are accumulative.

- (14) The Company will provide Great West Life Plan Direct information and applications for extended health benefits upon retirement. The Company agrees to assist the employee in making such application. Cost of Plan Direct benefits will be one hundred (100%) percent by the retired employee.

#### **11.11 SUBROGATION**

If an employee is entitled to recover damages for loss of income from any government supported or crown agency as a result of personal injuries which are sustained by the employee and for which he is entitled to receive benefits under the Weekly Indemnity and Long Term Disability Insurance Benefits Provisions, the carrier will be subrogated to all the rights of recovery of the employee for loss of income to the extent of the sum of the benefits paid or payable to him under such provision.

- 11.12** When the Company finds it necessary to lay off or discharge a Shop Steward the Union shall be notified prior to such layoff or discharge. In the case of lay off the Company agrees to give four (4) hours notice to the Union.
- 11.13** The Company agrees to grant all employees covered by this Agreement two (2) ten (10) minute rest periods each day, one in the forenoon and one in the afternoon, without loss of pay.
- 11.14** It is agreed that upon such matters not specifically covered in this Agreement which may have a bearing on the Employer-Employee relationship, a discussion shall take place between the Company, the Shop Committee and the Union Representative(s).
- 11.15** Before any new classification is created, the wage rate thereof shall be settled by negotiations between the Employer and the Union.

**11.16** It is further agreed by the Company that no Union member will be asked to make any written or verbal agreement conflicting with this Agreement. No Union member shall make any written or verbal agreement with the Company conflicting with this Agreement.

**11.17** Any employee required to use his own car on Company business shall be reimbursed at the rate of forty cents (\$.40) per kilometer and be reviewed annually by the parties. Employees using their own vehicles for company business do so at their own risk, and are subject to insurance regulations governing same.

**11.18 BEREAVEMENT LEAVE:**

In the event of a death in the immediate family of an employee, the Company will grant three (3) days leave of absence with pay to make arrangements for/and/or to attend the funeral. The term "immediate family" shall mean both the employee's and spouse's parents, children, brothers, sisters, brother-in-law, sister-in-law, grandparents, mother-in-law, father-in-law and grandchildren.

**11.19 TOOL INSURANCE:**

The Company will provide, at no cost to the employee, insurance against loss due to fire or theft (as per insurance regulations) to a maximum value of \$4,000 (inventory list to be supplied by the employee to the Employer for the purpose of Tool Insurance and Tool Depreciation allowance).

**11.20 TOOL ALLOWANCES:**

- (1) A basic tool allowance of \$150.00 shall be paid to all employees in Journeyman classification. Payment to be made the first full pay period in January annually.
- (2) A tool depreciation allowance of \$20.00 per \$100.00 value of tools shall be paid to a maximum of \$500.00 per man per year. Payment to be made the first full pay period in January annually.

Employees hired after January 1st of any year will be paid one-twelfth of their tool allowance per month worked.

**11.21 FOOTWEAR ALLOWANCE:**

All employees who have completed their probationary period as of January 1<sup>st</sup> of each year shall be eligible for reimbursement of up to eighty-five (\$85.00) dollars per year (one hundred and seventy (\$170.00) dollars for two years) upon submission of an appropriate receipt. Safety footwear must be in compliance with the Company's Safety Footwear policy.

**11.22 FIRST AID ATTENDANTS:**



Level II Certificate	\$2.00 per hour
Level I Certificate	\$ .60 per hour

**SECTION 12**  
**LEAVE OF ABSENCE**

**12.01** An employee may request a leave of absence and such permission shall not unreasonably be withheld. The basis of such refusal shall be when such leaves will unduly affect the efficient operation of the business. If such leave of absence is used for purposes other than those for which it is granted, it shall be cause for dismissal.

**12.02** Insurance Policy Number and Carrier

The Company agrees to send the Union office a letter stating the present insurance policy numbers and carriers.

**12.03** Days Off With Pay For Compulsory Medicals

The Company agrees to meet and discuss this matter with the Union should legislation be enacted requiring compulsory medicals.

**12.04** Training and Development

The Company confirms its intent to provide training and development opportunities to present trades persons, with preference given to senior employees, so as to enhance their technical knowledge and skills. Training and development opportunities shall be posted for a period of five (5) calendar days.

Prior to any permanent lay-off due to technological changes, the Company agrees to meet with the Union to discuss the applicability of training and development for trades persons.

The Company agrees to provide a minimum of thirty (30) days notice to the Union of any lay-off of trades personnel due to technological change.

**SECTION 13**  
**SAVINGS CLAUSE**

**13.01** Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions and such remaining portions shall continue in full force and effect.

**SECTION 14**  
**WAGES AND CLASSIFICATIONS**

**14.01** Wages and classifications shall be as agreed upon and shall be attached hereto and form an integral part of this Agreement. (See Schedule attached.)

The parties agree that employees holding multiple qualifications may use such qualifications for purposes of postings and/or layoffs irrespective of their classification.

**SECTION 15**  
**RENEWAL AND TERMINATION**

**15.01** This Agreement shall be for the period from and including APRIL 1st, 2007, to and including MARCH 31st, 2013, and from year to year thereafter subject to the right of either Party to the Agreement, within four months immediately preceding the date of the expiry of this Agreement, (MARCH 31st, 2013), by written notice, to require the other Party to the Agreement to commence collective bargaining. Unless otherwise specified all amendments to be effective from date of ratification.

**15.02** Should either Party give written notice aforesaid, this Agreement shall thereafter continue in full force and effect and neither Party shall make any change in the terms of the said Agreement (or increase or decrease the rate of pay of any employee for whom collective bargaining is being conducted or alter any other term or condition of employment) until:

- (1) The Union shall give notice to strike (or until the Union goes on strike) or,
- (2) The Employer shall give notice of lockout (or the Employer shall lock out its employees) or,
- (3) The Parties shall conclude a renewal or revision of this Agreement or enter into a new Collective Agreement,

whichever is the earliest.

**15.03** The operation of Section 50 (2) and (3) of the Labour Relations Code of the Province of British Columbia is hereby excluded.

**15.04** The Company shall not require any employee to cross a legal picket line.

DATED AT \_\_\_\_\_, BRITISH COLUMBIA, THIS \_\_ DAY OF \_\_\_\_\_, 20

FOR THE COMPANY:

SAPUTO FOODS LIMITED

\_\_\_\_\_

FOR THE UNION:

AUTOMOTIVE LODGE 1857,  
INTERNATIONAL ASSOCIATION OF  
MACHINISTS & AEROSPACE WORKERS

\_\_\_\_\_  
BUSINESS REPRESENTATIVE

**WAGES AND CLASSIFICATIONS - SCHEDULE "A"**

Wages shall be effective commencing with the first full pay period in April in each year.

**WORKSHOP, GARAGE (ALL LOCATIONS)****CLASSIFICATIONS:**

	<b><u>EFFECTIVE:</u></b> <b><u>APR.1/2007</u></b> <b><u>PER HOUR</u></b>	<b><u>EFFECTIVE:</u></b> <b><u>APR.1/2008</u></b> <b><u>PER HOUR</u></b>	<b><u>EFFECTIVE:</u></b> <b><u>APR.1/2009</u></b> <b><u>PER HOUR</u></b>	<b><u>EFFECTIVE:</u></b> <b><u>APR 1/2010</u></b> <b><u>PER HOUR</u></b>	<b><u>EFFECTIVE:</u></b> <b><u>APR 1/2011</u></b> <b><u>PER HOUR</u></b>	<b><u>EFFECTIVE:</u></b> <b><u>APR 1/2012</u></b> <b><u>PER HOUR</u></b>
A. <b>JOURNEYMAN</b> , Bodyman, Carpenter, Maint. Mechanic, Comm. Trans. Mech., Painter, Welder, Maint. Electrician, PLC, Welder/Maintenance Mechanic	\$ <u>31.89</u>	\$ <u>32.85</u>	\$ <u>34.69</u>	\$ <u>35.56</u>	\$ <u>35.91</u> <u>PLUS COLA</u>	\$ <u>36.27</u> <u>PLUS COLA</u>
B. <b>PARTSMAN</b> With T.Q.	\$ <u>31.08</u>	\$ <u>32.01</u>	\$ <u>33.83</u>	\$ <u>34.68</u>	\$ <u>35.03</u> <u>PLUS COLA</u>	\$ <u>35.38</u> <u>PLUS COLA</u>
<b>PARTSMAN</b> Without T.Q.	\$ <u>30.16</u>	\$ <u>31.06</u>	\$ <u>32.86</u>	\$ <u>33.69</u>	\$ <u>34.02</u> <u>PLUS COLA</u>	\$ <u>34.36</u> <u>PLUS COLA</u>
C. <b>TRADE HELPER</b> (Fleet lubemen and helpers, maintenance shop helpers, paintshop helpers.)	\$ <u>28.03</u>	\$ <u>28.87</u>	\$ <u>30.61</u>	\$ <u>31.38</u>	\$ <u>31.69</u> <u>PLUS COLA</u>	\$ <u>32.01</u> <u>PLUS COLA</u>
D. <b>GENERAL HELP</b>	\$ <u>27.48</u>	\$ <u>28.30</u>	\$ <u>30.04</u>	\$ <u>30.79</u>	\$ <u>31.10</u> <u>PLUS COLA</u>	\$ <u>31.41</u> <u>PLUS COLA</u>

(New, inexperienced employees shall receive twelve percent (12%) less than the rate provided herein for the first 104 regular shifts worked, full scale thereafter, effective on ratification of this Agreement.)

**COST OF LIVING ALLOWANCE**

The standard of living of employees shall be protected through the application of a Cost of Living Allowance (COLA). The COLA will be based on the Consumer Price Index for British Columbia (CPI-BC) for "All-items" as published by Statistics Canada and shall use a starting base index of 2002=100 for the contract years April, 2011 and April, 2012 to March 31, 2013.

Effective the beginning of the first pay period April, 2011 and 2012, the COLA adjustments calculated from the preceding twelve (12) months (April through March, inclusive) for the contract years that begin 2010 and 2011 and shall be folded into the wage rates, as shown in the Wage Schedules.

**TRADES ADJUSTMENT**

Effective the first pay period following ratification, all Journeyman-classified employees shall receive a one (\$1.00) dollar trades adjustment to their wage.

**PREMIUMS:**

Journeyman	- Lead Hand	.35 per hour premium
Journeyman	- Charge Hand	<u>2.00</u> per hour premium
Journeyman	- Double Charge Hand	<u>2.75</u> per hour premium
Partsman	- Charge Hand	.57 per hour premium
Trade Helper	- Lead Hand	.32 per hour premium

**RELIEFMAN**

The reliefman will be required to work on any other employees vacated shift with at least 48 hours notice by the Employer.

The reliefman position will be a full-time permanent position with a designated classification and base shift, that will be posted in accordance with this collective agreement. In the event of no applications being received for the posted position of reliefman, the most junior employee within the classification at the base location will be assigned the position.

The premium rate for the position of Reliefman will be \$.85 per hour above the regular hourly rate of the classification being relieved in addition to any other applicable premiums.

It is understood that a reliefman will only be used to replace another employees shift duties who may be absent from work because of vacation, illness, or leave of absence. The reliefman will not be used to cover for work load changes.

**WAGES AND CLASSIFICATIONS - SCHEDULE "B"****JOURNEYMAN:**

A Journeyman is defined as a person who has successfully completed the apprentice training program with the B.C. Ministry of Labour or a person who has worked in the trade for a period of time equal to the duration of time defined in a particular trade designated by the B.C. Ministry of Labour Apprentice Training Program.

**TRADE APPRENTICES:**

(May be employed at the trade in the ratio of one (1) apprentice to every five (5) Journeymen.) Apprentices shall be paid the difference between their regular rate of pay and the amount received from the Apprenticeship Branch while attending Trade School.

1st 6 months	60% of Journeyman rate
2nd 6 months	65% of " "
3rd 6 months	70% of " "
4th 6 months	75% of " "
5th 6 months	80% of " "
6th 6 months	85% of " "
7th 6 months	90% of " "
8th 6 months	95% of " "

Apprentices will remain at the 95% pay rate until they receive Journeyman's status.

It is understood that previous experience may be credited to new employees.

Apprentices who successfully complete the Apprenticeship Training Program as outlined by the Ministry of Labour of B.C. and who has received his Journeyman's status (T.Q.) with the Ministry of Labour of B.C., will be credited with full seniority as herein defined in Section 8 (Seniority), provided the apprentice is retained with the Company after their apprenticeship program.

It is understood that Apprentices will be restricted to job postings within their specific classifications of apprentices within a specific trade.

**CHARGE HANDS AND DOUBLE CHARGE HANDS:**

Charge Hands and Double Charge Hands are employees in the Bargaining Unit so designated by the Company whose job it is to assist the Foreman in:

- Training employees.
- Providing motivation to employees in the work group in attaining the Company's objectives of safety, quality and quantity of output.
- Transmitting work instructions and specifications to employees in the work group.
- Solving work problems in the group.
- Charge Hands and Double Charge Hands must in addition be prepared to perform related or similar duties as the employees in the work group.
- Charge Hands and Double Charge Hands shall have no vested authority to reprimand or effectively recommend promotions, demotions, lay offs, discharges or reprimands or to take any other disciplinary action against any other employee in the Bargaining Unit.

In the absence of a Supervisory Representative and/or the designated Charge Hand in any areas (sickness, holidays, days off, etc.), and where there are three or more employees on shift there will be at all times a designated Charge Hand who will assume the responsibility of and receive payment of the Charge Hand position. In all cases, the most senior, suitable employee who is agreeable will be designated as temporary Charge Hand. Employees designated to replace LEAD HAND and CHARGE HAND on a temporary basis shall be paid the applicable rate.

**LETTER OF UNDERSTANDING #1**

BETWEEN:

**SAPUTO FOODS LIMITED**

- AND -

**AUTOMOTIVE LODGE 1857, INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS**

**RE: Work Pertaining to Programmable Logic Controllers**

It is understood by the Company that the work of servicing and maintaining programmable logic controllers (PLC's) falls within the jurisdiction of the Union.

It is intended that this work may be performed by any qualified tradesperson falling under Schedule "A" - Wages and Classification.

The Company agrees to facilitate the training of available and interested tradespersons so that they may become qualified to perform the work of servicing and maintaining PLC's.

Notwithstanding the foregoing, it is understood by the parties that management personnel may perform the foregoing work where qualified personnel are not readily available.

DATED AT \_\_\_\_\_, BRITISH COLUMBIA, THIS \_\_\_ DAY OF \_\_\_\_\_, 20\_\_.

FOR THE COMPANY:

FOR THE UNION:

**SAPUTO FOODS LIMITED**

**INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AUTOMOTIVE LODGE  
1857**

\_\_\_\_\_

\_\_\_\_\_  
BUSINESS REPRESENTATIVE

**LETTER OF UNDERSTANDING #2**



BETWEEN:

**SAPUTO FOODS LIMITED**

- AND -

**AUTOMOTIVE LODGE 1857, INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS**

**RE: Article 1.09 - Contracting Out**

The Company and the Union acknowledge the sensitivity of the contracting out of work, and the importance of having regular open communications related to such issues. In order to review the circumstances of the contracting out if work a “CONTRACTING OUT COMMITTEE” will be established.

The committee will meet as required but at least once per month in order to review past and future incidents of the contracting out of work and in particular the factors involved including: skills, time availability, efficiency and cost.

It is intended that potential contracting out situations be reviewed prior to contracting out the work so as to identify alternatives and consider the requirements of both parties.

Where there are projects or new installations that may involve other departments (ie: Engineering), the Company agrees that the Maintenance Manager shall be kept informed as to the status of contractors involved in such projects. The Company agrees to bring the relevant personnel from such other departments to the Contracting Out Committee meeting in order to fully discuss the work being done.

DATED AT \_\_\_\_\_, BRITISH COLUMBIA, THIS \_\_\_DAY OF \_\_\_\_\_, 20\_\_\_\_.

FOR THE COMPANY:

FOR THE UNION:

**SAPUTO FOODS LIMITED**

**INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AUTOMOTIVE LODGE  
1857**

\_\_\_\_\_

\_\_\_\_\_

BUSINESS REPRESENTATIVE

**LETTER OF UNDERSTANDING #3**

BETWEEN:

**SAPUTO FOODS LIMITED**

- AND -

**AUTOMOTIVE LODGE 1857, INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS**

**RE: Alternative Work Arrangements**

The Company and the Union recognize the ongoing need to be competitive and agree to meet as required, to investigate the necessity of and the implementation of alternate work arrangements. Such alternative work arrangements shall be by mutual agreement between the Company and the Union.

DATED AT \_\_\_\_\_, BRITISH COLUMBIA, THIS \_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

FOR THE COMPANY:

FOR THE UNION:

**SAPUTO FOODS LIMITED**

**INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AUTOMOTIVE LODGE  
1857**

\_\_\_\_\_

\_\_\_\_\_  
BUSINESS REPRESENTATIVE