

COLLECTIVE AGREEMENT

Between:

Overwaitea Food Group, common employer (PriceSmart Foods)

And:

United Food and Commercial Workers Union, Local 1518

November 16, 2004 – March 31, 2015

Incorporating Amendments from
October 27, 2008 Mediation Settlement Terms;
and
November 29, 2011 Final Offer Selection and Interest Arbitration.

(The effective date for any changes made to the Collective Agreement as a result of the November 29, 2011 award will be the Sunday after the date of the Award (SAA) (i.e., December 4, 2011) unless a specific effective date has been prescribed for in a Collective Agreement change.

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PriceSmart Foods Collective Agreement

MEMORANDUM OF AGREEMENT made this 11th day of November, 2004.

BY AND BETWEEN: **OVERWAITEA FOOD GROUP**, a division of Great Pacific Industries Inc., carrying on business as **PriceSmart Foods**

(Hereinafter referred to as the "EMPLOYER")

AND: **UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1518**, chartered by the United Food and Commercial Workers International Union, A.F.L., C.I.O., C.L.C.

(Hereinafter referred to as the "UNION")

AS AMENDED the 27th day of October, 2008 by Mediation Settlement Terms;

AS AMENDED the 29th day of November, 2011 by Final Offer Selection and Interest Arbitration
(The effective date for any changes made to the Collective Agreement as a result of the above award will be the Sunday After the date of the Award (SAA) (i.e., December 4, 2011) unless a specific effective date has been prescribed for in a Collective Agreement change.

WHEREAS: The Employer and the Union desire to establish and maintain conditions which will promote a harmonious relationship between the Employer and the employees covered by the terms of this Agreement and desire to provide methods of fair and amicable adjustment of disputes which may arise between them;

NOW THEREFORE: The Employer and the Union mutually agree as follows:

Section 1 – BARGAINING AGENCY

1.01 The Employer recognizes the Union as the sole and exclusive collective bargaining agent with respect to rates of pay, wages, hours and all other conditions of employment set out in this Agreement for all employees employed in all present and future PriceSmart Food stores owned and operated by the Employer in the Province of British Columbia, save and except the Store Manager, **Assistant Store Manager, up to five (5)** Department Supervisors, Pharmacists and those persons above the rank of Department Supervisor.

Section 2 – UNION SHOP

2.01 The Employer 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 Employer shall be free to hire new employees who are not members of the Union, provided said non-members, whether part- or full-time employees, shall be eligible for membership in the Union and shall make application within ten (10) days after employment and become members within thirty (30) days.

- 2.02 The Employer agrees to provide each new employee at the time of employment with a form letter outlining to the employee his or her responsibility in regard to Union membership and outlining the provisions of Section 6.02 of this Agreement, and to provide the Union in writing with the name and address of each employee to whom they have presented the letter, along with the employee's date of hire. The Employer will have new employees sign the check-off and Union membership application upon successful completion of orientation. The Union shall bear the expense of printing the form, the contents of the letter to be such that it is acceptable to the Employer. The Employer further agrees to provide the Union once a month with a list containing names of all employees who have terminated their employment during the previous month.
- 2.03 **The Employer agrees to provide web portal access to the UFCW Local 1518 website on the Employer's website for employees (myofgteamsite.com).**

Section 3 – DEDUCTION OF UNION DUES

- 3.01 The Employer agrees to deduct from the wages of each employee, upon proper authorization from the employee affected, such initiation fees, Union dues, fines and assessments as are authorized by regular and proper vote of the membership of the Union. The Employer further agrees to automatically deduct Union dues from the wages of all new employees. The Union will supply an appropriate form to the Employer so those new employees, at the time of hire, will authorize Union dues deductions. This form will be applicable from the time the employee commences employment until such time as the Union submits an official dues checkoff to the Employer. The employee shall, within thirty (30) days after commencement of employment, provide the Employer with a signed authorization for such deductions. Monies deducted during any month shall be forwarded by the Employer to the Secretary-Treasurer of the Union not later than the tenth (10th) day of the following month, accompanied by a written statement of the name and social insurance number of each employee for whom the deductions were made and the amount of each deduction. Dues checkoffs are to be submitted on a monthly or four-week basis showing amount deducted each week, for what purpose and the total amount deducted during the month or four-week period, as well as the Store number of each employee for whom the deductions were made. Union dues deducted by the Employer shall be shown on the employee's T4 slip.

Section 4 – CLERKS WORK CLAUSE

- 4.01 With the exception of excluded personnel listed in Section 1 of this Agreement and salespersons or vendor representatives whose product is delivered directly to the store, all work in the handling and selling of merchandise in the retail stores of the Employer shall be performed only by employees of the bargaining unit who are members of UFCW Local 1518.

All vendors that fall under the definition contained in the above paragraph as of the Sunday after the Award (SAA) 2011 shall be considered red-circled in the event their product is no longer delivered directly to the store. In effect nothing changes in the store with respect to vendor representatives working their stock in the Employer's stores as is being done today.

For example, the Employer may make arrangements with Coke to have their products, which are currently delivered directly to PriceSmart Foods stores, delivered to the

Employer's third party warehouse providers and then shipped with other inventory to the stores. Should this occur the Coke representative will continue to work the Coke stock as they do today.

Section 5 – HOURS OF WORK

- 5.01 The Employer reserves the right to schedule hours of operation, employee hours of work, rest periods, meal periods and overtime work, subject to the provisions set out in this section.

Basic Work Week: The basic work week of a full-time employee shall be forty (40) hours per week consisting of five (5) eight- (8-) hour days, to be worked as scheduled by the Employer.

Full-time employees shall receive forty (40) hours pay at straight-time rates and shall work four (4) days, thirty-two (32) hours, including work on the statutory holiday, in a week in which one (1) statutory holiday occurs; three (3) days, twenty-four (24) hours, including work on the statutory holiday, in a week in which two (2) statutory holidays occur.

Time worked in excess of forty (40) hours of actual work by part-time employees during a week in which a statutory holiday or statutory holidays occur shall be paid at the rate of time and one-half (1-1/2).

- 5.02 Sunday shall be considered the first day of work for the basic workweek.

- 5.03 **Posting of Schedules:** A weekly work master schedule will be posted on Monday for the workweek beginning Sunday, two (2) weeks in advance. The Employer is required to make reasonable effort to verbally advise individual employees of the changes to the work schedule once it has been posted. The Employer will endeavour to schedule employees' days off together where possible, subject to the operational needs of the store.

An employee's schedule may be changed without notice in the event of absence of other staff due to sickness or accident or in the event of emergencies, such as fire, flood, breakdown of machinery or other instances of *force majeure*. In all other cases, at least twenty-four (24) hours' notice of any change must be given or four (4) additional hours' pay given in lieu of notice. A student must be notified on the day before of any change to his or her schedule or be given an additional two (2) hours' pay if the schedule is changed for a school day and four (4) hours' pay if the schedule is changed for a non-school day.

Daily hours of work shall be consecutive with the exception of rest and meal periods. No split shifts shall be worked. Employees shall not work longer than their scheduled work day unless requested to do so by the Employer, in which case additional hours will be paid at the applicable rate of pay.

- 5.04 **Requested Time Off (R.T.O.):** Employees, requesting and who are granted R.T.O. prior to the posting of the work schedule, shall not have their hours of work for the week reduced as a result of the granting of the request. It shall be optional for the Employer to reduce the hours for any request made and granted after the posting of the work schedule.

- 5.05 **Statutory Holidays:** The following days shall be considered statutory holidays:
- | | | | |
|----------------|-------------|------------------|-----------------|
| New Year's Day | Good Friday | Victoria Day | Canada Day |
| B.C. Day | Labour Day | Thanksgiving Day | Remembrance Day |
| Christmas Day | Boxing Day | | |

and all other public holidays proclaimed by Federal, Provincial or Municipal governments, provided that all other major grocery stores close on any such holiday proclaimed and, further, that in the case of a statutory holiday proclaimed by a municipality, only those stores of the Employer in that municipality shall be affected by the requirements of this Section.

Employees required to work on a holiday shall be compensated at the rate of one and one-half times (1-1/2x) their regular hourly rate for each hour worked, and full-time employees shall receive eight (8) hours' minimum pay at the overtime rate for whatever time worked.

Part-time Employees: All part-time employees who have been employed thirty (30) calendar day or more and have worked an average of at least thirty-two (32) hours or more per week on the four (4) weeks preceding the week in which the statutory holiday occurs, shall receive eight (8) hours' pay at their regular hourly rate for each holiday.

All part-time employees who have been employed thirty (30) calendar days or more and have worked 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 Statutory Holiday occurs, shall receive six (6) hours' pay at their regular hourly rate for each holiday.

All part-time employees who have been employed thirty (30) calendar days or more, and have worked 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 Statutory Holiday occurs, shall receive four (4) hours' pay at their regular hourly rate for each holiday.

All part-time employees who have worked less than ten (10) hours per week will receive Statutory Holiday pay as set out in the *Employment Standards Act*.

If an employee is eligible for pay for a statutory holiday while on Workers' Compensation or Weekly Indemnity (W.I.), the maximum amount of pay the employee will receive from such sources for any particular day shall not be more than one hundred percent (100%) of the employee's normal daily pay.

Time worked in excess of forty (40) hours of actual work by part-time employees during a week in which a statutory holiday or statutory holidays occur shall be paid at the rate of time and one half (1½).

By mutual agreement, statutory holidays may be scheduled in the week prior or the week following the week in which the statutory holiday occurs. Further, it is agreed re-scheduled statutory holidays will be scheduled with the employee's day off.

Deemed Time Worked: Paid vacations for full-time employees and statutory holidays for all employees shall be considered as time worked for all purposes of the Collective Agreement.

5.06 **Meal Periods and Rest Periods:** Employees' rest periods and meal periods shall be scheduled, depending on the length of their shift, as follows:

- Four (4) hours or more - one (1) paid 15 minute rest period
- Six (6) hours or more - two (2) paid 15 minute rest periods
- Seven (7) hours or more - two (2) paid 15 minute rest periods and one (1) 30 minute unpaid meal period.

An employee's meal period shall not commence earlier than three (3) hours or later than five (5) hours after the start of an employee's shift. Rest periods shall not begin until one (1) hour after the commencement of an employee's shift or the end of a meal period. **Rest periods during a four (4) hour shift must be taken one and one-half (1-1/2) hours prior to the end of the shift.**

If an employee works six hours or more, the employee shall be able to request to combine the two fifteen (15) minute periods to allow for one paid thirty (30) minute rest period. The Employer shall not unreasonably deny such requests.

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

5.07 **Overtime Pay:** All time worked in excess of the basic workweek, as defined in Sections 5.01 and 5.05 and hours worked in excess of eight (8) hours in a day shall be paid at the rate of time and one-half (1½) the regular rate. All hours worked in excess of ten (10) hours in a day and in excess of 48 hours in a regular workweek shall be paid at twice the regular rate. Compensating time off shall not be given in lieu of overtime pay. Employees shall be paid time and one half the regular rate for all hours worked after their fifth (5th) work day in a week.

It is agreed that no one will be paid more than one (1) overtime premium for any overtime hours worked.

When required to work overtime, an employee may decline if the employee has a valid reason. Such refusal shall be accepted provided there is another employee on the shift when overtime is required who is prepared to work the overtime and has the ability to perform the work required.

5.08 **Interval Between Shifts:** There shall be an interval of not less than ten (10) hours between shifts for all employees. An employee who is not allowed a ten (10) hour interval between shifts shall be paid at the rate of time and one half (1½) for time worked prior to the expiry of the ten (10) hour interval.

Employees may elect to have less than the ten (10) hour shift interval (but no less than eight (8) hours) on the shift immediately after a late shift in order to be available to work an early shift or vise-versa.

5.09 **Minimum Hours:** All employees shall be paid their regular hourly rate for each hour worked except where employed for less than four (4) consecutive hours per day, in which event they shall receive a minimum of four (4) hours pay. An employee who is called for work and upon reporting finds that his or her services are not required shall receive two (2) hours pay.

5.10 **Recording Hours of Work:** The Employer shall provide a sign-in form or an electronic time recording process to enable employees to record their hours of work 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. . Employees who fail to record all time worked in the manner required by this subsection shall, upon complaint of the Union, be disciplined as follows:

- 1st violation
 - three (3) day's suspension without pay
- 2nd and subsequent violations
 - one (1) week suspension without pay

Suspensions shall be implemented within forty-five (45) days of notification by the Union unless a longer period is mutually agreed upon between the Union and the Employer or in the event that the requested suspension becomes 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.

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

5.11 Work Loads: If an employee believes the amount of work he or she is required to perform is excessive over what is required from the rest of the staff and it will result in an occupational accident or occupational injury to him or her, the question shall be referred to Section 15 of this Agreement.

5.12 Personal Time Off (PTO): Full-time employees may request to leave prior to the completion of their scheduled shift.

If granted, this Personal Time Off (PTO) shall be unpaid but the hours of PTO shall count for the purposes of accumulating Vacations and Statutory Holidays.

5.13 Consecutive Days of Work: No employee shall be required to work more than six (6) consecutive days. It is understood that there will not be any “available hours” claim, involving a seventh (7th) or subsequent consecutive days of work.

Section 6 – CLASSIFICATION OF EMPLOYEES

6.01 Movement Between Pay Grids

Except for New Stores, Replacement Stores and Store #2204 Queensborough (Letters of Understanding #6 , #7 and 8, respectively), it is understood that thirty percent (30%) of the hours worked will be scheduled to employees in Pay Grid A, fifty percent (50%) of the hours worked will be scheduled to employees in Pay Grid B and twenty percent (20%) of the hours worked will be scheduled to employees in Pay Grid C.

- (a) When the hours scheduled in Pay Grid A fall below thirty percent (30%), the Employer will promote the most senior employee paid under Pay Grid B to Pay Grid A to bring the hours back up to thirty percent (30%). Promoted employees from Pay Grid B will

receive the next highest wage rate within Pay Grid A and progress through the wage schedule based on hours worked.

- (b) When the hours scheduled in Pay Grid B fall below fifty percent (50%), the Employer will promote the most senior employee paid under Pay Grid C to Pay Grid B to bring the hours back up to fifty percent (50%). Promoted employees from Pay Grid C will receive the next highest wage rate within Pay Grid B and progress through the wage schedule based on hours worked.
- (c) At the end of each quarter, i.e., February, May, August, November, the average hours scheduled in each Pay Grid will be reviewed to determine movement between the grids for the next quarter. In the event that the hours scheduled in Pay Grid A and/or B are more than thirty percent (30%) and fifty percent (50%), respectively, the most junior employee(s) in the Grid will be moved down to the next Grid. It is agreed the practices established between the Employer and the Union at Cooper's Foods on managing the movement between pay grids shall be followed in this Agreement.

6.02 **Credit for Previous Experience:** New employees shall be classified according to previous comparable experience **within the retail, retail food or food service industry. The Employer shall develop a policy which specifically sets out a consistent approach on how much credit is provided and what experience is considered to be comparable.**

6.03 It shall be optional for the Employer to grant credit to those employees who are claiming previous experience if such employees have been out of the industry for two (2) years or more.

6.04 In the event of any disagreement as to credit granted for previous experience, such disagreement shall be considered a grievance and the grievance procedure in this Agreement shall apply. However, if the Employer has :

- (a) provided the employee with the "New Employee" letter provided for in Section 2.02 of this Agreement not later than two (2) weeks from the date of employment, and
- (b) given the employee written notification showing credit granted for previous experience within the thirty (30) day period required by this Article; and
- (c) given the Union written notification showing credit granted for previous experience within the same period,

then no consideration shall be given to any disagreement pertaining to credit for previous experience if presented later than sixty (60) days after the employee's date of employment.

Section 7 – WAGES

7.01 The Employer agrees to pay all employees covered by the terms of this Agreement not less than the following schedule of wages during such time as this Agreement is in force, effective on dates as shown, provided that if an employee is receiving a wage rate in excess of the rates herein contained, such wage rate shall not be reduced by reason of the signing of this Agreement. There shall be a regular weekly or bi-weekly payday and each employee shall be provided with an itemized statement of earnings and deductions for the pay period covered. **The Employer may**

discontinue the use of paper pay advices to be replaced with on-line access to the required pay information.

Meat Cutters and Bakers:

As of Sunday After Date of Mediation Award of October 27, 2008, the following shall apply: In the event employees are engaged in cutting from block-ready meats (but not individual customer requests) and/or baking from scratch or mix (but not frozen, frozen proof or parbake) employees (except those classified as Team Leaders or Assistant Supervisors) engaged in these work activities shall be paid the following premium amounts for all hours engaged in such work.

\$4.50 per hour for top rate Grid A employees

\$3.00 per hour for all other employees

Due to the differences in function, the above premiums for Meat Cutters and Bakers do not apply when work is performed by employees in the classifications outlined in point 4 of Letter of Understanding #8 – Ethnic Stores.

SCHEDULE OF WAGE RATES

Wage Adjustments

The Grid C Start Rate shall be twenty-five cents (\$0.25) above the minimum wage.

Grid A – Hired after ratification, 2004						
Hours	SAR	July 05	July 06	July 07	July 08	July 09
0000	12.00	12.50	12.75	13.00	13.25	14.00
1041	12.50	13.00	13.25	13.50	13.75	14.25
2081	13.00	13.50	13.75	14.00	14.25	14.50
3121	13.50	14.00	14.25	14.50	14.75	14.75
4161	14.00	14.50	14.75	15.00	15.25	15.25
5201	14.50	15.00	15.25	15.50	15.75	15.75
6241	15.00	15.50	15.75	16.00	16.25	16.25
7281	15.50	16.00	16.25	16.50	16.75	16.75
8321	16.25	16.50	16.75	17.25	17.25	17.25

Grid B						
Hours	SAR	July 05	July 06	July 07	July 08	July 09
0000	11.00	11.20	11.40	11.60	11.80	12.25
1041	11.20	11.40	11.60	11.80	12.00	12.50
2081	11.40	11.60	11.80	12.00	12.20	12.75
3121	11.60	11.80	12.00	12.20	12.40	13.00
4161	11.80	12.00	12.20	12.40	12.60	13.25
5201	12.00	12.20	12.40	12.60	12.80	13.50
6241	12.20	12.40	12.60	12.80	13.00	13.75
7281	12.90	13.10	13.35	13.45	13.65	13.85

Grid C Food Clerk					
Hours	Current	Nov 1 2011	May 2012	May 2013	May 2014
0000	\$9.50	\$9.75	\$10.50	\$10.75	\$11.00
521	\$9.90	\$9.90	\$10.55	\$10.80	\$11.05
1041	\$10.30	\$10.30	\$10.60	\$10.85	\$11.10
1561	\$10.70	\$10.70	\$10.70	\$10.90	\$11.15
2081	\$11.10	\$11.10	\$11.10	\$11.10	\$11.20
2601	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
3121	\$11.90	\$11.90	\$11.90	\$11.90	\$11.90

Team Leader		
Grid A – Hired After Ratification 2004		
Hours	SA 2008 Award	July 2009
0	\$15.75	\$16.50
1041	\$16.25	\$16.75
2081	\$16.75	\$17.00
3121	\$17.25	\$17.25
4161	\$17.75	\$17.75
5201	\$18.25	\$18.25
6241	\$18.75	\$18.75
7281	\$19.25	\$19.25
8321	\$19.75	\$19.75

Assistant Supervisor		
Grid A – Hired After Ratification 2004		
Hours	SA 2008 Award	July 2009
0	\$17.75	\$18.00
1041	\$18.25	\$18.75
2081	\$18.75	\$19.00
3121	\$19.25	\$19.25
4161	\$19.75	\$19.75
5201	\$20.25	\$20.25
6241	\$20.75	\$20.75
7281	\$21.25	\$21.25
8321	\$22.50	\$22.50

The Union and the Employer shall create a separate classification called a Pharmacy Assistant. Pharmacy Assistants shall be scheduled separately and hours shall not be subject to claim by employees in other classifications. Employees designated as Pharmacy Assistant shall be required to meet one of the following criteria:

1. certification;
2. at least 2 years of experience; or
3. successfully challenge an exam.

The following pay scales shall apply:

Grid A Pharmacy Assistant					
Hours	Current	Nov 1 2011	May 2012	May 2013	May 2014
0000	\$9.89	\$9.89	\$10.50	\$10.75	\$11.00
1041	\$10.80	\$10.80	\$10.80	\$10.80	\$11.10
2081	\$11.67	\$11.67	\$11.67	\$11.67	\$11.67
3121	\$12.58	\$12.58	\$12.58	\$12.58	\$12.58
4161	\$13.49	\$13.49	\$13.49	\$13.49	\$13.49
5201	\$14.40	\$14.40	\$14.40	\$14.40	\$14.40
6241	\$15.28	\$15.28	\$15.28	\$15.28	\$15.28
7281	\$16.18	\$16.18	\$16.18	\$16.18	\$16.18
8321	\$18.75	\$18.75	\$18.75	\$18.75	\$18.75

Grid B Pharmacy Assistant		
Hours	SA (2008) Award	July 2009
0	\$11.80	\$12.25
1041	\$12.00	\$12.50
2081	\$12.20	\$12.75
3121	\$12.40	\$13.00
4161	\$12.60	\$13.25
5201	\$12.80	\$13.50
6241	\$13.00	\$13.75
7281	\$13.65	\$13.85

Grid C Pharmacy Assistant					
Hours	Current	Nov 1 2011	May 2012	May 2013	May 2014
0000	\$9.50	\$9.75	\$10.50	\$10.75	\$11.00
521	\$9.90	\$9.80	\$10.55	\$10.80	\$11.05
1041	\$10.30	\$9.85	\$10.60	\$10.85	\$11.10
1561	\$10.70	\$9.90	\$10.70	\$10.90	\$11.15
2081	\$11.10	\$9.95	\$10.75	\$11.10	\$11.20
2601	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
3121	\$11.90	\$11.90	\$11.90	\$11.90	\$11.90

Pharmacy Assistant hours of work shall not form part of the calculation of Grid percentages set out under Section 6.01 of this Agreement.

Pharmacy Assistants who achieve the top rate of their pay grid shall move up to the next pay grid after working 520 hours.

Lump Sum Payments

Full-Time Employees

Sunday after the Award (2011) (SAA) – Effective the first full pay period SAA (2011), active full-time employees shall receive a lump sum payment of \$1500.00. In addition, effective the first full pay period following SAA (2011) active full-time employees shall receive a thirty cent (\$0.30) off-scale increase.

July 2012 – Effective the first full pay period, active full-time employees on the payroll on SAA shall receive a lump sum payment of \$1000.00.

July 2013 – Effective the first full pay period, active full-time employees on the payroll on SAA shall receive a forty cent (\$0.40) off-scale increase.

July 2014 – Effective the first full pay period, active full-time employees on the payroll on SAA shall receive a forty cent (\$0.40) off-scale increase.

Part- Time Employees

Sunday after the Award (2011) (SAA) – Effective the first full pay period SAA, active part-time employees shall receive a lump sum payment as follows:

Employees that work 24 hours or more per week.....	\$1000.00
Employees that work 16 hours to 24 hours per week	\$500.00
Employees that work 8 hours to 16 hours per week	\$250.00
Employees that work less than 8 hours per week	\$100.00

In addition, effective the first full pay period following SAA (2011), active part-time employees shall receive a thirty cent (\$0.30) off scale increase.

July 2012 – Effective the first full pay period, active part-time employees on the payroll on SAA shall receive a lump sum payment as follows:

Employees that work 24 hours or more per week.....	\$650.00
Employees that work 16 hours to 24 hours per week	\$350.00
Employees that work 8 hours to 16 hours per week	\$100.00

July 2013 – Effective the first full pay period, active part-time employees on the payroll on SAA shall receive a forty cent (\$0.40) off-scale increase.

July 2014 – Effective the first full pay period, active part-time employees on the payroll on SAA shall receive a forty cent (\$0.40) off-scale increase.

It is understood that an employee who is absent from work due to illness, accident or approved leave shall receive the lump sum outlined above provided they are cleared, and have returned to work prior to the next lump sum payment.

- 7.02 **Jury Duty Pay:** A full-time employee summoned to Jury Duty or Witness Duty, where subpoenaed in a court of law, or where subpoenaed to an arbitration hearing or an LRB hearing shall be paid wages amounting to the difference paid them for Jury or Witness service and the amount they would have earned had they worked on such days. Employees on Jury or Witness Duty shall furnish the Employer with such statements of earnings as the courts may supply. This does not apply if the employee is summoned on his/her day(s) off.

Part-time employees, when appearing as a material witness on behalf of the Employer shall be rescheduled or paid for lost hours.

Employees shall return to work within a reasonable period of time. They shall not be required to report if less than two (2) hours of their normal shift remains to be worked. Total hours on Jury Duty or Witness Duty and actual work on the job in the store in one (1) day shall not exceed eight (8) hours for purposes of establishing the basic workday. Any time worked in the store in excess of the combined total of eight (8) hours shall be considered overtime and paid as such under the contract.

Once the work schedule has been posted, the schedule cannot be changed to circumvent this clause.

- 7.03 **Staff Meetings:** Staff meetings, whether in the store or off the premises, shall be considered as time worked and paid for accordingly, except meal meetings at which the attendance is voluntary.

- 7.04 **Cash Shortages:** No employee may be required to make up cash register shortages unless he or she 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 and unless cash is balanced daily, except as specified below.

No employee may be required to make up register shortages when Management exercises the right to open the 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.

No employee shall be held responsible for cash shortages unless he or she has exclusive access to his or her cash.

- 7.05 **Learning Prices and Codes:** Learning prices and codes shall be included in the employee's daily work schedule and shall be paid for in accordance with the terms of the Collective Agreement.

- 7.06 An employee relieving a department supervisor for more than two (2) full shifts shall be paid seventy-five cents (\$0.75) per hour for such relief work, in addition to the employee's present rate of pay.

7.07 Premiums – Assistant Department Supervisor and Team Leader (to apply to converted stores or employees covered by the Job Security Guarantee in non-converted stores): An employee appointed or posted into an Assistant Department Supervisor or Team Leader position whose rate of pay is higher than the top rate of pay for that position but is not already compensated for such a position (i.e., being paid a department manager rate of pay under a job security guarantee from another banner collective agreement) shall qualify for a two dollar (\$2.00) premium for all hours worked in that role.

Section 8 –VACATIONS

8.01 The date for determining an employee's vacation entitlement in a calendar year shall be January 1 of that calendar year. Employees who have completed less than one (1) year of continuous service with the Employer as of January 1 shall have their vacation entitlement pro-rated for that calendar year. Employees with the corresponding continuous years of employment with the Employer as a full-time employee will be entitled to the following paid vacation:

Full-time employees with the corresponding continuous years of employment with the Employer will be entitled to the following paid vacation:

	<u>Vacation Time Off</u>	<u>Vacation Pay</u>
One (1) or more years	2 weeks	2 weeks
Three (3) or more years	3 weeks	3 weeks
Eight (8) or more years	4 weeks	4 weeks
Thirteen (13) or more years	5 weeks	5 weeks
Eighteen (18) or more years	6 weeks	6 weeks

The Employer will pay all part-time employees their vacation pay for the previous year by February 28 of each year. **Part-time employees who wish to delay the payment of their earned vacation pay until their scheduled vacation may do so provided they notify the Payroll Department in writing by December 31st of the previous year either electronically or in writing.**

Part-time employees will be entitled to the following vacation time off, without pay, and vacation pay according to corresponding continuous years of employment completed:

	<u>Vacation Time Off</u>	<u>Vacation Pay</u>
one (1) or more years	2 weeks	4%
three (3) or more years	3 weeks	6%
eight (8) or more years	3 weeks	8%
thirteen (13) or more years	3 weeks	10%
eighteen (18) or more years	3 weeks	12%

A part-time employee who becomes full-time will be credited the number of hours accumulated during the employee's length of service with the Employer as a part-time employee, provided there is no interruption of employment between the employee's part-time and full-time status. The total number of hours worked by the employee will be calculated into full-time hours to

determine the employee's full-time service status for future vacation entitlements as outlined above.

The Employer agrees to provide vacation pay on a "total compensation" or normal week's pay, whichever is greater. Total compensation shall mean "all monies received directly from the Employer" (wages, overtime, bonuses, premiums, vacation pay, sick-leave-credit payments, and other items of similar nature).

All time lost (up to thirty-one (31) consecutive days) because of sickness, occupational or non-occupational accident, all time absent on paid full-time vacation, and paid statutory holidays, shall be considered as time worked for the purpose of determining the vacation allowance to which a full-time employee is entitled.

Vacation schedules, once approved by the Employer, shall not be changed except by mutual agreement between the employee and the Employer. **Vacation time off shall follow the agreed to Vacation Guidelines and these guidelines will not be modified unless mutually agreed to by the Employer and Union.**

- 8.02 Vacation time off will be scheduled according to the employee's continuous years of employment with the Employer under the terms of this Collective Agreement. Employees must take the vacation time to which they are entitled and cannot receive vacation pay in lieu of vacation time off.

Any employee who is entitled to vacation time off may request to take one (1) week of vacation and break it into five (5) Single Day Vacation days off. These vacation days off shall be granted by seniority on the following basis:

Single Day Vacation requests approved during the annual vacation selection process shall have preference over RTO and TAB.

Employees may request their days off be consecutive with the Single Day Vacation day off.

Only one (1) Single Day Vacation may be taken per week.

Single Day Vacation days shall not count toward the allotted vacation time off slots for vacation weeks.

Single Day Vacations are subject to the operational needs of the department and in the case of multiple requests, the requests will be denied in order of reverse seniority.

Single Day Vacation will not impact other employees' ability to take a full week of vacation.

- 8.03 When a statutory holiday occurs during an employee's vacation, an extra day's vacation with pay shall be granted if the holiday is one which the employee would have received had the employee been working. Where an employee receives three (3) or more weeks' vacation with pay and a statutory holiday occurs during the employee's paid vacation, an extra day's pay may be given in

lieu of an extra day's vacation with pay if, in the opinion of the Employer, an extra day's vacation with pay will interfere with vacation schedules or hamper operations.

- 8.04 Pregnancy Leave shall count for purposes of accumulating time towards vacation entitlement only (see Section **10.05**).
- 8.05 Paid vacations for full-time employees and statutory holidays for all employees shall be considered time worked for all purposes of the Collective Agreement.
- 8.06 Employees whose employment is terminated or if they terminate and give two (2) weeks' notice in writing to the Employer, shall receive all earned vacation pay or applicable percentage of earnings, whichever is higher, less any paid vacation taken plus the applicable percentage of earnings for any period since the employee's last anniversary date and date of termination.

Section 9 – HEALTH AND WELFARE

- 9.01 The Employer agrees with the Union to participate in and contribute to a UFCW Local 1518 Dental Plan.
- 9.02 The Employer agrees to contribute to this Dental Plan an hourly contribution as determined by the Trustees (sixty cents (\$0.60) per hour at ratification, 2004) for all straight-time hours paid by the Employer to Pay Grid A and Pay Grid B employees of the bargaining unit (hours paid shall include hours worked, vacation, statutory holidays, sick days, jury duty, bereavement leave, paid time off for negotiations, etc.) up to a maximum of forty (40) hours per week. If it is determined by actuarial advice that different contributions are required to maintain benefits under the plan, then the contributions shall be changed in amounts and on dates determined by such actuarial advice.
- 9.03 The Trust Fund of the Dental Plan shall have the required cents per hour contributed to it by the Employer to provide adequate finances to pay the monthly premiums.
- 9.04 Contributions, along with a list of employee for whom they have been made, and the amount of weekly contributions for each employee, and the number of hours worked or paid, shall be forwarded by the Employer to the Trust Company and/or financial institution designated within the fifteen (15) days after the close of the Employer's four (4) or five (5) week accounting period. The Employer agrees to pay interest at the rate established by the Trustees on all contributions not remitted as stipulated above.

The Trustees shall meet and shall decide on the type and form of this UFCW Local 1518 Dental Plan.

- 9.05 **Medical Services Plan / Sick Leave:** The Employer agrees to pay 100% of MSP premiums for all full-time employees and dependents. A short-term sick leave plan and MSP benefits will be provided by the Employer to part-time employees who work **an average of thirty two (32) hours per week for thirteen (13) weeks**. An employee must fail to meet the above **average** hours requirement for a period of thirteen (13) weeks from the time he or she fails to meet it before he or she is disqualified. Paid hours for Statutory Holidays shall count towards qualification of this benefit.

9.06 **Weekly Indemnity Benefit Plan:** All employees who are eligible for benefits under Section 9.05 above, shall be eligible to participate in this plan. Weekly Indemnity Benefits shall be payable commencing on:

1. The first (1st) day of hospitalization due to non-occupational accident or sickness, or
2. The fourth (4th) day of absence due to sickness or non-occupational accident.

The benefit period shall be a maximum of twenty-six (26) weeks.

Weekly Indemnity payments shall be in the amount of seventy percent (70%) of an employee's straight-time rate of pay. All matters of eligibility, coverage and benefits shall be as set out in the Plan and as determined by the carrier.

9.07 **Return to Work After Illness:** After absence due to illness or injury, the employee must be returned to his or her job when capable of performing his or her duties.

9.08 **Return to Work Program:** An ongoing committee of Union and Company representatives will continue to work on providing employees with a fair and dignified Return to Work Program.

9.09 **Medical Reports:** The Employer agrees to pay the fee for medical reports required by the Employer for Sick Leave or Weekly Indemnity provisions to a maximum of **forty dollars (\$40.00)**.

9.10 **Physical Examinations:** Where the Employer requires an employee to take a physical examination, the doctor's fee for such examination shall be paid by the Employer. Such examinations shall be taken during the employee's working hours without loss of pay to the employee, except for examinations, which take place prior to commencement of employment, and during the employee's first four (4) weeks of employment.

9.11 **Maintenance of Benefits:** The Employer agrees to maintain the full cost of Health and Welfare premiums when an employee is absent on Weekly Indemnity or Workers' Compensation claims or on Sick Leave to a maximum of six (6) months. **The employee shall reimburse the Employer for the tax portion of such payments upon his or her return to work, within a reasonable time period. If unable to return to work, the employee shall have the option to pre-pay for MSP benefits for an extended period of time.**

9.12 **Pension Plan:** Effective December 30, 2001, the Employer agrees to participate in the UFCW Industry Pension Plan and Trust Fund.

The Employer shall make contributions to the Plan on the basis of the percentage of earnings, set forth below, of each participating employee. The percentage applicable shall be as follows:

<u>Effective Date</u>	<u>Percentage</u>
December 30, 2001	five percent (5%)
March 30, 2003	six percent (6%)
December 30, 2007	six and three-quarters percent (6.75%)
December 28, 2008	seven percent (7%)
December 25, 2011	eight and one-quarter percent (8.25%)
December 30, 2012	eight and one-half percent (8.5%)
December 29, 2013	eight and three-quarters percent (8.75%)

The Employer and the Union understand and agree that it is the responsibility of the Pension Plan Actuary and the Pension Plan Trustee to administer the Pension Plan and make any changes to the features of the Pension Plan that they consider appropriate in the particular circumstances. The Employer and the Union also agree that once the Pension Plan is fully funded the Employer's contributions will be reduced by 0.25% increments annually until the level becomes 8.00%.

Furthermore, it is agreed that the following contributions shall be made to the Plan and Trust, by each employee, a percentage of their earnings received from the Employer. The percentage applicable to each employee shall be as follows:

<u>Age at Last Birthday</u>	<u>Percentage</u>
Less than 30 years.....	Nil
30 or more but less than 40 years.....	one percent (1%)
40 or more but less than 50 years.....	two percent (2%)
50 years or more	three percent (3%)

Contributions by participating employees shall be made by payroll deduction.

Changes in contribution by participating employees shall be effective from the first pay period following the date in which they become age 30, 40 and 50 respectively.

Pay period shall mean the weekly period from Sunday through Saturday used by the Employer for paying earnings to participating employees.

Earnings shall mean the total compensation paid to a participating employee and recorded as earnings (excluding taxable benefits) on the T-4 (or similar tax reporting form should this designation by Revenue Canada be changed in the future) provided to the participating employee each year.

Contributions, along with a list of employees for whom they have been made and other relevant information, will be remitted by the Employer not later than twenty one (21) days after the close of each of the Employer's four (4) or five (5) week accounting periods.

9.13 Long-Term or Indefinite Joint Accommodation Committee: An ongoing joint committee consisting of representatives of the Union and the Employer shall form a joint committee that shall ensure its policies and procedures adhere to the Duty to Accommodate Protocol Agreement, as amended from time to time.

The Parties agree to meet at least monthly to discuss and resolve employee specific accommodation files.

The Parties agree to meet annually, with legal counsel, in front of the Accommodation Arbitrator, to keep abreast of jurisprudence, and to:

- A. Consciously review the Duty to Accommodate Protocol Agreement.
- B. Share a synopsis on recent key legal issues pertaining to the duty to accommodate.

C. Revise the protocol agreement if necessary.

It is acknowledged that the Employer, the Union and the employees all have a responsibility to accommodate disabled employees who return to work.

Section 10 – LEAVES OF ABSENCE

10.01 **Leaves of Absence:** Except as otherwise indicated in the Collective Agreement, applications for leaves of absence without pay will be adjudicated on the basis of merit, compassion, length of service and the operational needs of the store. Leaves of absence shall not be unreasonably withheld.

- i) Employees who are granted a leave up to six (6) weeks shall accumulate seniority;
- ii) After four (4) years of continuous service and upon giving three (3) months' notice, all employees shall be entitled to an unpaid leave of absence of the following conditions:
 - (a) The leave of absence shall be for a maximum period of one (1) year.
 - (b) Employees who are granted leave under this provision shall have their seniority frozen for the duration of the approved leave and shall neither earn nor lose seniority. Employees on such Leave of Absence shall neither earn nor lose seniority. For example, an employee with a January 1, 2000 seniority date shall have their seniority date adjusted to January 1, 2001.
 - (c) Employees may return to work earlier than the scheduled end of the leave provided they give their Store Manager one (1) month notice of their early return to work date. Upon their return to work these employees will be scheduled in accordance to their revised seniority date (actual leave).
 - (d) While on this approved leave of absence an employee shall not take employment with any competitor in the food business. (Violation of this provision may result in termination, see Section **10.03**.)
 - (e) Written application for a leave shall be made to the Store Manager. Written approval of a leave shall be provided to the Union and the employee involved.
 - (f) Seniority shall be the determining factor in scheduling leaves of absence.
 - (g) An employee who is on a leave of absence could be offered minimal part-time work with the Employer without seniority or rights to such work for the duration of the leave.
 - (h) The period of time off will not count towards time worked for vacation entitlement.
- iii) **Employees who transfer to another banner of the Employer shall be deemed to be on a one-year leave of absence from her/his bargaining unit.**

- 10.02 **Take-A-Break Leave of Absence:** Employees with **one (1)** or more continuous years of service are entitled to Take-A-Break leave of absence (TAB) of up to one hundred and twenty (120) days per year. The length of such leaves shall be no less than one (1) week and shall only be granted if another employee is available and has the ability to replace the employee requesting the leave. **In the event of a family care emergency the one (1) year requirement will be waived and such TAB will not be unreasonably withheld. The employee may be required to provide details of the family care situation including proof that they will be providing the supportive care.**

Employees will be given the opportunity to use paid time off (i.e., vacation monies) in the event of a family emergency.

- 10.03 **Conflict of Interest:** It is agreed that the term “competitor” raised in Section **10.01** above shall mean any food and/or drug retail establishment. An employee working for a competitor as defined herein will be placed in a conflict of interest with their ongoing employment with the Employer.

An employee shall avoid any conflict with the interest of the Employer. A conflict of interest includes an obligation in a relationship with any person or organization, which competes or does business with the Employer that, could affect the employee’s judgment in fulfilling his or her responsibilities to the Employer or which could affect the Employer’s business interests.

Violation of this provision may result in termination. Prior to termination, the Employer shall notify the employee of the infraction so the employee can rectify the problem.

- 10.04 **Funeral Leave:** In the event of death in the immediate family of an employee, the employee will be granted up to three (3) days leave of absence with pay. The length of such absence shall be at the discretion of the Employer. The term "immediate family" shall mean spouse, parent, child, brother, sister, mother-in-law, father-in-law, sister-in-law, brother-in-law, grandmother, grandfather, grandchild or any relative living in the household of the employee.

Notwithstanding the foregoing, if the death is a case of spouse, father, mother or child, the employee shall be entitled to one (1) week leave of absence with pay. It is understood that in the case of a part-time employee, the compensation shall be at the average hours worked during the preceding four (4) weeks.

The family members listed in this provision include “step” family members, for example, father also includes step-father.

Time off due to the death of a member of an employee's family must be taken at the time of the bereavement.

An employee's day off will not be altered to circumvent funeral leave benefits.

- 10.05 **Pregnancy Leave:**

- (1) An employee who is pregnant shall be given an unpaid leave of absence without loss of seniority or other privileges for a maximum of seventeen (17) weeks, up to eleven (11) weeks prior to the expected delivery date and at least six (6) weeks after the actual delivery date. The employee may choose to delay the commencement of her maternity

leave, provided she is medically fit to perform the full range of duties of her position. This will not affect the employee's entitlement to pregnancy leave.

- (2) An employee is entitled to up to six (6) additional consecutive weeks of unpaid leave if, for reasons related to the birth or the termination of the pregnancy, she is unable to return to work when her leave ends under subsection (1).
- (3) All such requests must be submitted in writing at least two (2) weeks prior to their return to work date. The request must specify the length of the extension and the revised date the employee will be available to return to work. The length of the extension can be modified by mutual consent.
- (4) In addition to the pregnancy leave set out above, the attending physician certifying that the health of the mother or child may be in danger by the mother continuing to work may extend such leave prior to delivery.
- (5) Benefit entitlement for the above leaves shall be as required by the *Employment Standards Act*.

10.06 Parental Leave:

- (1) An employee who requests parental leave under this Section is entitled to:
 - (a) for a birth mother who takes leave within one year of the birth of a child and in conjunction with pregnancy leave taken under Section 10.04 - up to thirty five (35) weeks of unpaid leave beginning immediately after the end of the leave taken under Section 10.04.
 - (b) for a birth mother who does not take a leave under Section 10.04 in relation to the birth of a child - up to thirty seven (37) weeks of unpaid leave beginning after the child's birth and within fifty two (52) weeks after that event.
 - (c) for a birth father - up to thirty seven (37) weeks of unpaid leave beginning after the child's birth and within fifty two (52) weeks of that event.
 - (d) for an adopting parent - up to thirty seven (37) weeks beginning within fifty-two (52) weeks after the child is placed with the parent.
- (2) If certified by a licensed medical practitioner that the child requires an additional period of parental care, the employee is entitled to up to five (5) additional weeks of unpaid leave, beginning immediately after the end of the leave taken under subsection (1) above.
- (3) The employee is required to give the Employer four (4) weeks' advance notice in writing of their intention to take a leave. The Employer may request this notice be accompanied by a medical practitioner's certificate or other evidence of the employee's entitlement to leave.
- (4) Benefit entitlement for these above leaves shall be as required in the *Employment Standards Act*.

10.07 Military Leave: An employee who is a member of the Canadian Armed Forces, including the Primary Reserve, and who is part of an operational deployment will be granted a leave of absence without loss of seniority. Employees may be required to provide documentation

to support the leave request.

Section 11 – SCHEDULING HOURS OF WORK

- 11.01 (1) Senior employees shall be scheduled at least as many hours as junior employees within each weekly work schedule. This does not imply an obligation on the Employer to schedule more hours than the Employer deems necessary for the efficient operation of the store.
- (2) All first day, short notice call-ins shall be filled by the most senior employee(s) not scheduled that day who are not already scheduled for five (5) days in the week of absence. Second and subsequent days of confirmed absence would be scheduled by seniority.
- (a) A short notice call-in results from an employee absence due to illness no-show, termination, or suspension. Short notice hours are not subject to claim by senior employees at the end of the week.
- (3) In cases where shift extensions are required by the employer, the extension will be offered to the most senior employee(s) on shift at that time that is (are) trained to perform the work required.
- (a) Hours arising out of Shift Extensions are not subject to claim by senior employees at the end of the week.
- (4) In cases where it is identified that senior employees can receive more scheduled hours in a new department but do not have the required training to perform the duties, the Employer will provide the required training within the next two (2) scheduled weeks. During this period of time there shall be no hours claim in the new department.
- 11.02 Employees shall have the option of restricting their weekly hours of work up to three (3) times per calendar year. Those employees who restrict to twenty (20) or fewer hours per week shall have the option of submitting a declaration of availability. Employees must be available for at least twelve (12) hours per week. All restricted employees must have open availability for either Saturday or Sunday shifts. Employees shall be required to work according to their declaration of availability.

Employees shall not have the option of changing their availability for a period of six (6) months from the date of hire, except students who must remain available to work weekend shifts.

Full-time employees who restrict to part-time status shall be covered by the language in Section 11.02, 11.03 and 11.04. All hours worked by full-time employees that restrict their hours shall count as full-time hours for the purposes of Section 11.04. Full-time employees shall have the ability to reclaim full-time status without a posting being generated.

- 11.03 The Employer shall make available a Restriction/Availability form to each part-time employee. Such forms shall be completed by the employee and returned to the Department Supervisor four weeks prior to the restriction taking affect.

Part-time opportunities for night (graveyard) shifts shall be posted and awarded by seniority. Hours of work on night shifts shall only be claimable by employees who have won postings. Upon four (4) weeks notice, employees shall have the option to opt out of night shifts.

Copies of all **Restriction/Availability** forms shall be forwarded to the Union.

11.04 Twenty percent (20%) of bargaining unit hours will be used to calculate the number of employees to be scheduled on a full-time basis. The calculation will be done twice per year (end of February and end of August) and the positions will be assigned on a province-wide basis as determined by the Employer. The parties will meet twice yearly to review the calculation.

11.05 **A student is defined as any employee regularly attending high school, university, college, vocational institution or other educational institution requiring attendance in classes. Students may be required to verify their attendance and class times.**

Students shall restrict their availability to a maximum of twenty (20) and a minimum of twelve (12) hours in accordance with their schedule of classes, by semester. It is understood that Students shall not be available for certain shifts which may limit their ability to maximize hours. Students must be available when not attending classes.

Students shall continue to maintain their current hours restriction up to a maximum of twenty hours per week in their seniority slot for the full duration of their summer break and shall have the opportunity to be scheduled additional hours in a second slot on the schedule upon four (4) weeks' notice.

Students shall have open availability for Saturday or Sunday shifts.

Section 12 – FULL-TIME VACANCY POSTING

12.01 All full-time vacancies shall be posted and filled as set out below. All employees are eligible to apply for posted vacancies. Vacancies shall be filled on the basis of seniority. The Employer agrees to act in good faith and further agrees not to discriminate in any manner

A full-time vacancy shall exist when a full-time employee is transferred or terminates employment and a full-time position remains open, or scheduled hours warrant the addition of a full-time position.

Vacancies shall be filled on the basis of seniority provided that the employee is able to perform the normal requirements of the job.

Ability to do the job means ability to competently perform the normal requirements of the job following an appropriate familiarization period or an appropriate training and trial period. The Employer may not curtail the training or trial period without just cause before it has run its normal course. In the event the employee is not able to or does not wish to complete the training or trial period, or cannot satisfactorily perform the job following the training or trial period, the employee shall be returned to their former position and wage rate, without loss of seniority and

any other employee that has been promoted or transferred as a result of the posting shall similarly be returned to his/her former position.

12.02 Each vacancy posting shall be posted for a minimum of five (5) days. Applicants may only apply on forms supplied by the Employer. The applications shall be accepted by the Employer up to and including the closing date.

12.03 The name of the successful applicant along with their seniority date will be posted within fifteen (15) days of the original posting. The Employer will forward a copy to the Union.

12.04 Each job posting shall only include the following information:

- a) **the classification**
- b) **store number and location**
- c) **closing date of the posting**
- d) **whether the posting is for night shift**

This provision does not apply to postings for Assistant Supervisors, Team Leaders and Pharmacy Assistants, each of whom shall also include the criteria requirements for these positions.

All job postings covered by this Agreement shall be made available to employees in each store throughout the province. Once the successful applicant has been selected the successful applicant shall carry his or her seniority to the new position.

Section 13 – NOTICE OR PAY IN LIEU OF NOTICE

13.01 Commencing after four (4) months from date of employment, full-time employees when terminated by the Employer, unless guilty of rank insubordination, dishonesty, drunkenness, obvious disloyalty or absence without Leave unless having a bona fide reason for such absence, shall receive notice in writing or pay in lieu of notice as follows:

- After four (4) months and up to two (2) years of continuous service
 - one (1) week's notice in writing or one (1) week's wages in lieu thereof.

- From two (2) years up to five (5) years' continuous service
 - two (2) weeks' notice in writing or two (2) weeks' wages in lieu thereof.

- From five (5) years up to eight (8) years' continuous service
 - three (3) weeks' notice in writing or three (3) weeks' wages in lieu thereof.

- More than eight (8) years' continuous service
 - four (4) weeks' notice in writing or four (4) weeks' wages in lieu thereof.

13.02 This Section shall not invalidate an employee's right to process his or her termination and to be reinstated as set out in Section 17, providing the employee has been employed by the Employer four (4) calendar months or more.

- 13.03 The Employer agrees to give full-time employees one (1) week's notice in writing prior to layoff. Such notice shall not be required in cases of layoffs due to fire, flood or other cases of *force majeure*.
- 13.04 Full-time employees reduced to part-time who terminate or are terminated within three (3) months of the date of their reduction to part-time shall be given whatever pay in lieu of notice they were entitled to immediately prior to the date of their reduction to part-time, unless terminated for and guilty of rank insubordination, dishonesty, drunkenness, obvious disloyalty or absence without Leave except where the employee has a bona fide reason for such absence.
- 13.05 A copy of notice of dismissal or layoff of full-time employees who have been employed more than four (4) calendar months shall be forwarded to the Union office at the date of giving such notice to the employee concerned.

Section 14 – SENIORITY

- 14.01 Seniority for employees shall mean length of continuous service with this Employer in British Columbia **as a member of UFCW Local 1518**. A full-time employee, for purposes of seniority, shall mean an employee who has been posted to a full-time position. Paid time off will be considered as hours worked. For clarification, continuous service shall include all leaves of absence from work pursuant to the Collective Agreement (i.e., vacations, accident, illness, and all approved leaves of absence).

Seniority lists of all employees shall be forwarded to the Union office twice per year.

The Employer agrees to forward an annual list of all employees' names and addresses to the Union office in addition to seniority lists, once per year.

Seniority will be lost if an employee:

- Voluntarily leaves the employ of the Employer
- Is discharged
- Is absent without approved leave for a period of more than three (3) working days
- Fails to report to work within three (3) working days of being recalled from a layoff as per Section 14.02 below.

The first seniority list for each (new) store will be created thirty (30) days after that store's opening date and will be updated and thereafter will be updated and posted as described above.

- 14.02 Assistant Supervisor/Team Leader: The Employer shall be permitted to designate up to six (6) Assistant Supervisors and up to twelve (12) Team Leaders in the store. The Employer will have a minimum of three (3) Assistant Supervisors in a store. The store shall be permitted Team Leaders as follows:**

Three (3) Assistant Supervisors.....a maximum of eight (8) Team Leaders
Four (4) Assistant Supervisorsa maximum of ten (10) Team Leaders
Five (5) Assistant Supervisorsa maximum of twelve (12) Team Leaders

In the event the Employer fills an Assistant Supervisor position without appointing a Supervisor, the Employer shall forfeit the opportunity to appoint one Team Leader position, which will then be treated as a position filled by seniority, and the end result shall not increase or decrease the total allowable number of Team Leader positions within the store.

It is not the intent of the Employer to have more Supervisors than Assistant Supervisors, however, in the event this occurs, this overage shall not exceed a period of four (4) months.

These positions shall be posted and the following selection criteria for Assistant Supervisors and Team Leaders shall apply:

- **Necessary skills to do the job.**
- **Ability and willingness to perform supervisory duties.**

Fifty percent (50%) of the Team Leader positions shall be awarded to the most senior applicant given they satisfy the above criteria and must be scheduled hours of work in accordance with their seniority date. The other fifty percent (50%) shall be appointed by the Employer and shall be scheduled super seniority.

When staffing new stores, the Employer shall be permitted to fill all of the Assistant Supervisor positions without a posting, however, fifty percent (50%) of the Team Leader positions shall be posted as set out above.

This structure shall be achieved through attrition in existing stores.

In the event of a step down or demotion of an excluded manager, the parties shall use the process as detailed in Placement of Step-down or Demoted Employees.

- 14.03 Layoff and Recall:** Seniority as defined in Section 14.01 above, shall govern in cases of layoffs and recall, provided the employee has the ability to perform the work required.

Employees laid off in accordance with the above provisions shall be recalled to work in order of length of service with the Employer, provided no more than six (6) months has elapsed since the last day worked by the employee, for employees with one (1) year or more of service, no more than twelve (12) months has elapsed since the last day worked by the employee.

If an employee, when contacted, for proper and sufficient reason is not immediately available to commence work, the next employee on the list can be hired temporarily. If the contacted employee cannot report for work until three (3) working days later, the employee shall exchange seniority with the next employee on the list who is immediately available for employment, until the employee is recalled, at which time the employee shall resume their original seniority status. If the employee does not report in one (1) calendar week from date of recall without proper or sufficient reason, the employee shall be dropped from the seniority list.

The employee shall keep the Employer informed of their current address and telephone number. If the Employer is unable to contact the employee within five (5) working days, or if the employee is contacted and refuses the employment without proper and sufficient reason by the end of the five (5) day period, the employee will be dropped from the seniority list.

Employees rehired in accordance with this Section shall retain their previous length of service for the purposes of this Section and Section 13.

- 14.04 Transfer of Seniority:** Seniority is only applied within a store except in the case of store closure where employees shall be able to exercise their seniority in other PriceSmart stores of the Employer or if employees are transferred to staff a new store at opening. Fifty percent (50%) of new full-time job opportunities shall be posted.
- 14.05 The Union and the Employer shall create a Fraser Valley (Hope to Whistler) bargaining unit that will provide employees with the right to retain their seniority when transferring to another store in the Fraser Valley Bargaining Unit. No employee shall be transferred without mutual agreement between the employee and the Employer. It is agreed that the transfer of an employee to a store shall not negatively impact the hours of work of another employee.**
- 14.06 Placement of Step-down or Demoted Employees:** When an employee in a Team Leader or Assistant Department Supervisor position decides to step down or is demoted, the joint Employer/Union committee shall meet to determine where the employee will be placed. The employee shall return to the classification and grid they possessed immediately prior to their supervisory position. When considering store placement the committee shall determine the area of least impact.

When a bargaining unit employee is promoted into an excluded management position with the Employer it is agreed that the employee will be considered to have taken a two (2) year leave of absence from the Contract Area. In the event the employee elects to return to the Contract Area within the two (2) year leave of absence time period the joint Employer/Union committee shall meet to determine the area of least impact.

Employees in excluded positions Sunday After Award (2011) (SAA) shall have a leave of absence recognized and backdated to a maximum of two (2) years from date they stepped out of the bargaining unit.

Section 15 – SEVERANCE PAY

- 15.01 In the event there is a permanent closure or sale or transfer of ownership of the store or part thereof, causing a regular full-time employee to lose his or her employment, the Employer hereby agrees to pay such employee severance pay at his or her regular rate of pay according to the following schedule:

<u>Full-Time Consecutive Service</u>		<u>Severance Pay</u>
Up to two (2) years	-	One (1) week
Over two (2) years	-	One (1) week's pay for every year of full-time service to a maximum of twenty (20) weeks

Should a full-time employee go to part-time and later lose his/her employment due to the circumstances set out in Section 15, then such employee shall be entitled to severance pay under this Section according to his/her years of full-time consecutive service only.

This Clause does not apply to a temporary layoff, full-time employees who accept other full-time or part-time employment with the Employer, or to regular full-time employees who lose employment and are reinstated within thirty (30) days to a full-time status.

Employees who are laid off as the result of store closure(s) can elect to receive their severance pay at any time up to the expiry of their recall period. If an employee is recalled or commences work within the recall period, then a new recall period shall commence from the date of a subsequent layoff.

Employees who qualify shall not be entitled to the benefits contained in Section 13.01 of this Agreement.

Section 16 – UNION'S RECOGNITION OF MANAGEMENT'S RIGHTS

16.01 The Union agrees that the management of the company, including the right to plan, direct and control the Store operations, the direction of the working force and the termination of employees for just or proper cause, are the sole rights and functions of the Employer. During the first four (4) calendar months of employment, each new employee shall be on probation and will receive a written evaluation within three (3) months of employment. The decision whether to retain or not to retain the employee's services shall be the sole right of the Employer and any termination occurring during that period shall not be subject to Sections 15 and 16 of this Agreement. It is agreed that the probationary period will not apply if it can be shown that an employee has been terminated for any lawful Union activity, in accordance with Section 19.08.

Those matters requiring judgment as to competency of employees are also agreed to be the sole right and function of management, subject however, to discharge of employees on grounds of alleged incompetence being processed under Sections 15 and 16 of this Collective Agreement, providing that such employees have been employed by the Employer four (4) calendar months or more. The Parties agree that the foregoing enumeration of management's rights shall not be deemed to exclude other recognized functions of management not specifically covered in this Agreement. The Employer, therefore, retains all rights not otherwise specifically covered in this Agreement.

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

Section 17 – GRIEVANCE PROCEDURE

17.01 Any complaint, disagreement or difference of opinion between the parties hereto concerning the interpretation, application, operation or any alleged violation of the terms and provisions of this Agreement shall be considered a grievance.

17.02 Grievances shall be presented in writing and shall clearly set forth the grievance and the contentions of the aggrieved party, following which the Union representative or representatives and the Employer representative or representatives shall meet and in good faith shall earnestly endeavor to settle the grievance submitted. If a satisfactory settlement cannot be reached or if the party on whom the grievance has been served fails to meet the other party within fourteen (14) days of receiving the written grievance, either party may, by written notice served upon the other,

require submission of the grievance to a Board of Arbitration, such Board to be established in the manner provided in Section 18 of this Agreement.

- 17.03 Grievances involving the dismissal or layoff of an employee must be submitted to the Employer within ten (10) working days from the date of dismissal or layoff to be waived by the aggrieved party, provided notice has been given as required under Section 13.05.
- 17.04 Any employee alleging wrongful dismissal may place his allegation before the Union representative and, if the Union representative considers that the objection of the employee has merit, the dismissal shall become a grievance and be subject to the grievance procedure as established by this Agreement.
- 17.05 Employer agrees to reply in writing as to the disposition of all grievances submitted by the Union.

Section 18 – ARBITRATION

- 18.01 The Board of Arbitration shall be composed of a single arbitrator. (The parties may, by mutual consent, agree upon a three (3) person board of arbitration.
- 18.02 Within thirty (30) days of appointment, the Arbitrator shall hear the matter in dispute and shall render a decision within fourteen (14) days of completing the hearing. It is understood and agreed that the time limits as set forth herein may be altered by mutual agreement between the Employer and the Union.
- 18.03 Grievances submitted to the Arbitrator shall be in writing and shall clearly specify the nature of the issue.
- 18.04 In reaching its decision, the Arbitrator shall be governed by the provisions of this Agreement. The Arbitrator shall not be vested with the power to change, modify or alter this Agreement in any of its parts, but may, however, interpret its provisions.
- 18.05 The findings and decision of the Arbitrator shall be binding and enforceable on the parties.
- 18.06 **Expedited Arbitration:** Expedited Arbitration may be proposed by the Union or the Employer within forty-five (45) days after the grievance has been filed as per Section 17.01. Within seven (7) days of referral to Expedited Arbitration, either party must respond as to their decision to proceed to Expedited Arbitration or Arbitration under Section 18.01.

Section 19 – MISCELLANEOUS

- 19.01 **Union Decal:** The Employer agrees to display the official Union decal of the United Food and Commercial Workers International Union in a location where it can be seen by customers.
- 19.02 **Wearing Apparel:** The Employer shall make available a smock or apron to each employee. Employees are required to supply their own safety footwear.

The Employer may develop a dress standard for employees, including hairnets and hats. The dress standard will include personal appearance standards, as well as, style and colour of pants and shirts.

The Company will post a policy on Wearing Apparel, dress code and protective clothing following these principles:

1. The Company will provide and launder aprons as required.
2. The Company will provide uniforms as required but will only launder uniforms for Bakery Clerks and Meat Cutters.
3. Coveralls provided to Utility Clerks and Janitors are not required. Should an employee receive a coverall, the employee will be responsible for laundering.

Commencing in the first quarter of 2012, the Employer shall provide each employee with two (2) shirts each calendar year. Employees shall be responsible for laundering and pressing these shirts. Employees who terminate their employment with the Employer shall return all of their shirts to their store.

- 19.03 **Tools and Equipment:** All tools and equipment which are required to be used by the employees shall be supplied and kept in repair by the Employer at no cost to the employee. These items must be kept on the premises.
- 19.04 **Charitable Donations:** Employee donations to charity funds shall be on a strictly voluntary basis.
- 19.05 **Time Off to Vote:** The Employer agrees that it will fully comply with any law requiring that employees be given time off to vote.
- 19.06 **Polygraph Tests:** The Employer agrees that polygraph or similar lie detector tests will not be used.
- 19.07 **Information:** If the Union requires information regarding accumulated hours of work for the purpose of establishing the pay rate of an employee, the Employer 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 or her proper rate of pay.

In any grievance regarding hours worked by an employee and the amount paid to an employee, the Employer 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.

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

- 19.08 **Intimidation:** No employee shall be discharged or discriminated against for any lawful Union activity, or for serving on a Union committee outside of business hours, or for reporting to the Union the violation of any provision of this Agreement.

If an employee walks off the job and alleges management has deliberately coerced or intimidated him or her into doing so, the matter shall be considered under the grievance procedure and, if such allegations are proved to be true, then the employee shall be considered not to have resigned. Such grievances must be filed no later than five (5) days after the incident that gave rise to the situation.

This is not to be construed to restrict management personnel from reprimanding an employee as required to maintain the proper operation of the Store.

- 19.09 **Picket Lines:** The Employer agrees that in the event of a legal picket line of another trade Union being in existence at any of the Employer's Stores covered by this Agreement, the Employer will in no way require or force members to report to work behind such a picket line. Nor will the Employer discipline or in any way discriminate against an employee who refuses to report to work while a legal picket line exists at his or her place of work.
- 19.10 **Employee's Personnel File:** A copy of formal discipline report to be entered on an employee's file will be given to the employee. The employee will be required to sign management's copy. Such signature will indicate receipt of formal reprimand only. Subject to giving the Employer advance notice, employees shall have access to their personnel file.
- 19.11 **Discipline Interviews:** Where an employee attends an interview with management for the purpose of receiving a formal discipline report or for a security interview, the employee shall have the right to a witness of his or her choice. If during any other private corrective interview with management it is determined that there will be a discipline report on the employee's record or the employee feels there is a violation of Section 19.08, the interview may be temporarily suspended so that the employee may call in a witness of his or her choice. Any witness used by the employee in the above situations will be another employee working in the Store at the time the interview is being held. It is understood the witness is an observer and not a participant.

Shop Steward Involvement: The Parties agree that pursuant to Section 19.11 the following general provisions shall govern:

1. **The Shop Steward will be involved in meetings and discussions with employees which will result in discipline, wherever possible.**
 2. **The nature of this involvement should include briefing the Shop Steward in advance or calling the employee to the discipline interview and could result in input from the Shop Steward which assists in the completion of the interview.**
 3. **Where a Shop Steward is not on duty and discipline must proceed, the same practices should be followed with a designated witness. However, a concerted effort shall be made to include the Shop Steward in these matters, wherever possible.**
- 19.12 **Harassment and Discrimination:** Both the Employer and the Union endorse the principles outlined under the B.C. *Human Rights Code*.

The Employer and the Union recognize the rights of employees to work in an environment free from harassment, including sexual harassment, and discrimination. Where an employee alleges that harassment or discrimination has occurred on the job the employee shall have the right to

grieve under the Collective Agreement. Where the Employer or the Union has received an allegation of harassment or discrimination, it will be investigated on a priority basis in accordance with the joint policy.

- 19.13 **Bulletin Boards:** Bulletin boards will be supplied by the Union and will be placed **in lunchrooms or other areas** in the store as mutually agreed. It is understood that these bulletin boards are the property of the Union and shall be for their exclusive use.

A person so authorized by the Union may post bulletins authorized by the Union.

Any other bulletins may only be posted by mutual agreement between the Union and designated Management

- 19.14 **Lockers:** The Employer shall provide secure lockers for use of each store employee during their shift.

Section 20 – HEALTH AND SAFETY COMMITTEE

- 20.01 **Health and Safety Committee:** The Employer agrees to maintain a Health and Safety Committee in each store. The Committee shall function in accordance with the Workers' Compensation Board Health and Safety Regulations.

A member of the bargaining unit shall be elected by Bargaining Unit members in the store or shall be appointed by the Union to the Health and Safety Committee.

- 20.02 The Employer has the primary responsibility for ensuring that safe conditions prevail within the workplace, to take appropriate and effective measures, both preventive and corrective, to protect the health and safety of employees.

This will include, but is not limited to, providing the Union with the details of the Employer's "Violence in the Workplace - Prevention and Response Program". The Union will be provided with applicable incident reports and recommendations flowing from any incident.

- 20.03 **Provincial Health and Safety Committee and Training:** The parties agree to establish a Provincial Health and Safety Committee of three (3) representatives from the Union and three (3) representatives from the Employer.

The committee shall meet quarterly to:

- A. Establish and implement health and safety policy.
- B. Discuss and decide issues arising from unresolved worksite committee recommendations.
- C. Assist and ensure compliance with WCB regulations.
- D. Develop and implement Employer/Union ergonomics programs.
- E. Establish and implement ergonomic training for committee members and employees at risk of M.S.I.

In the event of a disagreement, and when there is no consensus of the committee members, the issue(s) may be referred to an independent third party chosen by mutual agreement of the parties, who shall recommend reasonable solutions to be implemented by the committee.

All safety clothing and protective equipment (excluding safety footwear) required for the protection of employees, or as required by the Employer, or as per WCB orders on the Employer, shall be provided for and maintained by the Employer. The Employer will provide a selection of rubber safety boots for use by employees.

Section 21 – TIME OFF FOR UNION BUSINESS - UNION REPRESENTATION

21.01 The Employer agrees that employees chosen to attend to Union business in connection with conventions, conferences, seminars or Union negotiations shall be given time off up to seven (7) days according to the following formula:

(a) Not more than one (1) employee from any one Store.

The Union shall notify the Employer at least two (2) weeks in advance of the commencement of all such leaves of absence.

21.02 Upon at least two (2) weeks' notice, the Employer shall grant a leave of absence, for purposes of Union business, to one (1) employee on the following basis:

(a) Up to six (6) months' leave of absence without review and a further six (6) months by mutual agreement.

21.03 **Provincial Conferences:** In the event the Union should call a Provincial Conference, time off for Union business shall be granted according to the following formula:

(a) One (1) employee from each Store of the Employer shall be granted time off.

(b) Fifty (50) or more employees in the store – two (2) employees shall be granted time off.

The Employer shall be given at least three (3) weeks' notice of such conference.

21.04 The Employer will bill the Union and the Union will reimburse the Employer for wages and benefits paid to the employee during leaves set out in 21.01, 21.02 and 21.03.

21.05 **Visits of Union Representatives:** Duly authorized 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 Collective Agreement are being implemented.

The interview of an employee by a Union Representative shall be permitted after notifying the Store Manager, or whoever is in charge, and shall be:

(a) Carried on in a place in the store designated by Management;

(b) Held whenever possible during the lunch period; however, if this not practical;

- (b) During regular working hours. Time taken for such an interview in excess of five (5) minutes shall not be on Employer time, unless with the approval of Management;
- (c) Held at such times as will not interfere with service to the public;

Union Representatives shall be permitted to check employee time records including work schedules.

21.06 **Shop Stewards Recognition:** It is recognized that shop stewards may be elected or appointed by the Union from time to time and the Employer will be kept informed by the Union of such appointments or elections.

The Employer agrees to recognize shop stewards and alternate shop stewards for the purposes of overseeing the terms of the Collective Bargaining Agreement being implemented and for the purposes of presenting complaints and grievances to the designated management of the store.

The Employer agrees to recognize Shop Stewards and alternate Shop Stewards in the Store.

Shop Stewards may introduce new members to the Union on their own time to present membership cards for signature.

The Shop Steward and, in the absence of the Shop Steward, another member of the Bargaining Unit of the employee's choice shall be present when a member of the Bargaining Unit:

- (i) Is given a reprimand which is to be entered on the employee's personnel file.
- (ii) Is suspended or discharged.

21.07 It is agreed that Joint Labour Management meetings will be held on a regular basis, at least once per quarter, involving an equal number of management and employee representatives. The purpose of these meetings is to promote a harmonious relationship between management and employees at the store.

Section 22 – EXPIRATION AND RENEWAL

22.01 This Agreement shall be for the period from and including **November 16, 2004** to and including **March 31, 2015** and from year to year thereafter, subject to the right of either Party to the Agreement, within four (4) months immediately preceding **March 31, 2015** or any subsequent anniversary date thereafter to:

- (a) Terminate this Agreement, in writing, effective **March 31, 2015** or any subsequent anniversary thereof,
- (b) Require the other party to this Agreement, in writing, to commence collective bargaining to conclude a revision or renewal of this Agreement.

Should either party give notice pursuant to (b) above, 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:

- (i) The Union gives notice of strike in compliance with the *Labour Relations Code* of British Columbia, or
- (ii) The Employer gives notice of lockout in compliance with the *Labour Relations Code* of British Columbia.

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

Signed this _____ day of _____, _____.

For the Union

For the Employer

Ivan Limpricht, President

Major Brar

Letter of Understanding #1 – Night Stocking

In the event that night stocking becomes necessary, the Parties shall meet to discuss its implementation. If night stocking is implemented, one employee on the night stocking shift shall be designated as Lead Hand and shall be paid a premium of fifty cents (\$0.50) per hour in addition to their regular rate of pay.

Letter of Understanding #2 – New Departments

From time to time, the Employer may establish new departments according to the following criteria:

1. a new group of products or commodities are to be sold or services offered;
2. the preexisting mix of products or commodities is substantially altered to the extent that merchandising and staff requirements are substantially altered.

When a new department is established, the Department Supervisor **of** that Department will be added to the exclusions under Article 1 **provided a minimum of ten (10) employees are employed in the newly created department**. To enhance the Employer's ability to develop supervisory staff, there shall be created the position of Assistant Department Supervisor. The Assistant Department Supervisor shall: be filled by individuals hired or selected on the basis of their merit, qualifications, ability and seniority as determined by Management; shall be required to provide all relief for a Department Manager; and, when not relieving, shall receive hours equal to but not more than the senior employee in the Department.

The rate shall be thirty cents (\$.30) per hour over the top in the Department.

Letter of Understanding #3 – Start-up Agreement

In recognition that this is a start-up Agreement, both parties agree that upon request from either the Employee or the Union that both parties shall meet and resolve any and all outstanding problems in relation to the start-up Agreement.

Letter of Understanding #4 – Transfers

In the event that the Employer operates two or more **PriceSmart** stores in the same town, the parties shall meet to determine if there is mutual benefit to creating a multi-store bargaining unit.

Letter of Understanding #5 – Health, Safety and Education Fund

The Employer agrees to contribute to the Health, Safety and Education Fund five cents (\$0.05) for each hour worked.

Effective Sunday After Award (SAA), Employer contributions shall increase to ten cents (\$0.10) for each hour worked.

Effective the first Sunday in September, 2012, Employer contributions shall increase to thirteen cents (\$0.13) for each hour worked.

Effective the first Sunday in September, 2013, Employer contributions shall increase to sixteen cents (\$0.16) for each hour worked.

Effective the first Sunday in September, 2014, Employer contributions shall increase to twenty cents (\$0.20) for each hour worked.

Letter of Understanding #6 – New Stores

The Employer and the Union agree that the following terms and conditions of employment shall apply to all new stores (including acquisitions) that open after ratification, 2004.

1. Thirty percent (30%) of the available hours will be scheduled to employees in Pay Grid A.
2. Seventy percent (70%) of the available hours will be scheduled to employees in Pay Grid C for a maximum period of five (5) years from date of opening except as specified in point 3 below.
3. At **seven (7)** years from the date of opening it is understood that once employees included in Pay Grid C accumulate four thousand six hundred eighty-one (4,681) hours, the senior employee will be moved into Pay Grid B. This practice will continue until fifty percent (50%) of the available hours are being scheduled in Pay Grid B.

Letter of Understanding #7 – Replacement Stores

The Employer and the Union agree that should an opportunity arise to replace or remodel an existing store, the parties shall meet to discuss the application of the terms and conditions of this Agreement in that new or remodeled location and to review associated employee opportunities.

All new replacement or remodeled stores shall move to seventy percent (70%) of the available hours being scheduled to Grid C through attrition. These stores shall remain at seventy percent (70%) Grid C for a minimum of seven (7) years from the date of the opening of the replacement or remodeled store.

Letter of Understanding #8 – Ethnic Store (Non-Monetary Terms)

- 1. The following terms shall apply in the event the Employer opens a new Ethnic Store or converts an existing store to an Ethnic Store. The parties shall meet to review the contents of this Letter of Understanding on a semi-annual basis and make changes where necessary. Vince Ready shall be seized to resolve any disputes that may arise.**

- 2. Section 1.01 shall be modified to include the following positions:**
 - (a) Ethnic Deli Supervisor**
 - (b) Ethnic Meat Supervisor**
 - (c) Ethnic Seafood Supervisor**
 - (d) Ethnic Bakery Supervisor**
 - (e) Ethnic Produce Supervisor**
 - (f) Ethnic Grocery Supervisor**

An assistant Supervisor may be appointed for each of the above positions in addition to the Assistant Supervisor positions outlined in the Assistant Supervisor and Team Leader Letter of Understanding. The Assistant Supervisor position shall be a bargaining unit position and deployed under the terms outlined in the Assistant Supervisor and Team Leader Letter of Understanding.

- 3. The vendor stocking restrictions outlined in Section 4.01 shall not apply.**

- 4. Section 7.01 shall be modified to provide for the following new classifications:**
 - i. Dim Sum Chef**
 - ii. Sushi Chef**
 - iii. BBQ Chef**
 - iv. Hot Food Chef**
 - v. Ethnic Cakes Specialist**
 - vi. Ethnic Bread Specialist**
 - vii. Ethnic Deli/ Hot Foods Clerk**
 - viii. Ethnic Meat Clerk**
 - ix. Ethnic Seafood Clerk**
 - x. Ethnic Bakery Clerk**
 - xi. Ethnic Produce Clerk**
 - xii. Ethnic Grocery Clerk**

Scheduled hours in these classifications shall be scheduled by seniority within the classification. In lower volume stores, these classifications may perform duties across classifications, as determined by the Employer. The Employer commits to working with the Union to ensure there is an opportunity to critique and participate to ensure team members in the affected departments are treated in a fair manner.

The Employer shall establish specific selection criteria for the above positions including, but not limited to, fluency in a specific language.

Hours of work and rates of pay in the Chef and the Ethnic Assistant Supervisor positions shall be established by the Employer and shared with the Union.

5. The following Team Leader positions shall be appointed by the Employer and hours worked in these positions shall not be subject to claim:
 - i. Dim Sum
 - ii. Sushi
 - iii. BBQ
 - iv. Deli/Hot Food
 - v. Ethnic Meat
 - vi. Ethnic Seafood
 - vii. Ethnic Produce
 - vii. Ethnic Grocery

The above positions shall be filled based on criteria established by the Employer, however, these positions shall be included when determining the total number of Team Leaders that must be filled by seniority (fifty percent (50%)).

6. The Employer may elect to keep positions in positions in points 2, 4 and 5 vacant and transfer responsibilities to other positions within the store. For the purposes of this section, the Clerk classifications in point 4 may be combined but not deleted.
7. For the Grandview store, a guarantee of hours shall be provided to employees in classifications that have not been scheduled with ethnic departments.
8. This Letter of Understanding shall be implemented as follows:
 - (a) The structure for stores with less than six hundred thousand dollars (\$600,000) in weekly sales converting to the ethnic concept shall be altered to allow for the following positions:
 - i. One (1) Store Manager
 - ii. One (1) of each of the following Supervisors: Front End, Ethnic Deli, Ethnic Bakery, Ethnic Grocery, Ethnic Produce, Ethnic Seafood, Ethnic Meat, Assistant Store Manager
 - iii. Six (6) Assistant Department Supervisors
 - iv. Four (4) Ethnic Chefs (BBQ, Dim Sum, Sushi, Hot Foods)
 - v. Two (2) Bakery Specialists
 - vi. Twelve (12) Team Leaders
 - vii. Ethnic Food Clerks for Bakery, Deli, Grocery, Seafood, Meat and Produce

- (b) The structure for stores with greater than six hundred thousand dollars (\$600,000) in weekly sales converting to the ethnic concept shall be altered to allow for the following positions:
- i. One (1) Store Manager
 - ii. One (1) of each of the following Supervisors: Ethnic Deli, Ethnic Bakery, Ethnic Grocery, Ethnic Produce, Ethnic Seafood, Ethnic Meat, Perishable Supervisor, Non-perishable Supervisor
 - iii. Two (2) Assistant Store Managers
 - iv. Twelve (12) Assistant Department Supervisors
 - v. Four (4) Ethnic Chefs (BBQ, Dim Sum, Sushi, Hot Foods)
 - vi. Two (2) Bakery Specialists
 - vii. Twenty-one (21) Team Leaders
 - viii. Ethnic Food Clerks for Bakery, Deli, Grocery, Seafood, Meat and Produce

Letter of Understanding #9 – Ethnic Store (Monetary Terms)

1. Hours of work and rates of pay in the Chef, Specialist, Team Leader and the Ethnic Assistant Supervisor positions shall be established by the Employer and shared with the Union.

The following positions shall follow the Food Clerk schedule of wages:

- Ethnic Deli/Hot Foods Clerk
 - Ethnic Meat Clerk
 - Ethnic Seafood Clerk
 - Ethnic Bakery Clerk
 - Ethnic Produce Clerk
 - Ethnic Grocery Clerk
2. Re: Section 7 – Meat Cutters and Bakers: Due to the differences in function, these premiums do not apply when work is performed by employees in the classifications outlined in point 4 of Letter of Understanding #9 – Ethnic Store (Non-Monetary Terms).

Letter of Understanding #10 – Voluntary Severance

From time to time the Employer may decide to offer a voluntary severance payment to employees in certain stores and in certain classifications or pay grids.

The decision to offer or not offer such a payment, the maximum number of employees it will be offered to, the minimum number of employees required to accept it, and the amount of such payment, are at the sole discretion of the Employer and any offer made will be on a without prejudice basis. The Employer reserves the right to withdraw the offer if the designated minimum number of employees do not accept it.

If the Employer does determine that an offer is to be made, the full details of the offer will be provided to the eligible employees with a copy provided to the Union. It is understood that employees will be given a reasonable period of time to consider the offer and to seek advice on it as

they deem appropriate.

Acceptance of the offer is strictly voluntary and employees accepting it will be required to terminate their employment.

It is understood that hours of work that become available as a result of this offer will flow to other employees in accordance with the terms and conditions of the collective agreement.

Letter of Understanding #11 – Movement Between Banners

This agreement shall apply in each banner of the Overwaitea Food Group where this Letter of Understanding has been ratified (or awarded).

The Employer and the Union shall meet after Ratification (or Award) of this Agreement to set out rules and procedures to facilitate the movement of employees from one banner to another.

This provision shall only be available to employees who are members of a Bargaining Unit.

An employee moving under this provision shall use their seniority date, both in the process of moving and for the scheduling of hours of work, in the store he or she moves to. Once the employee moves to the other banner store, the employee shall be covered by all of the terms of that banner's collective agreement and will become a member of the Bargaining Unit covered by that collective agreement.

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