

COLLECTIVE AGREEMENT

BETWEEN

**NATIONAL GROCERS CO. LTD.
SAULT STE. MARIE CASH AND CARRY
173 TRELAWNE AVENUE
SAULT STE. MARIE, ONTARIO**

AND

**RETAIL, WHOLESALE AND DEPARTMENT
STORE UNION, DISTRICT COUNCIL**

- of the -

United Food and Commercial Workers International Union



**April 6, 2009
to
March 31, 2013**

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2009 - 2013

BETWEEN: **NATIONAL GROCERS CO. LTD.**
SAULT STE. MARIE CASH AND CARRY
(Hereinafter called "the Company")

AND: **RETAIL WHOLESALE AND DEPARTMENT STORE UNION,**
DISTRICT COUNCIL -of the - UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION
(Hereinafter called "the Union")

ARTICLE 1 - OBJECT OF AGREEMENT:

1.01 The purpose and intent of this Agreement is to provide co-operation and harmony, and to provide a channel through which information and problems may be transmitted from one to another, as well as to cover hours, wages and working conditions.

ARTICLE 2 - SCOPE:

2.01 The Company recognizes the Union as the sole and exclusive bargaining agent of all employees of National Grocers Co. Ltd., at its Cash and Carry operation in the City of Sault Ste. Marie, save and except Manager, Assistant Manager, Bookkeeper, persons above the rank of manager, persons regularly employed for not more than thirty-two (32) hours per week, and students employed during the school vacation period.

ARTICLE 3 - RECOGNITION:

3.01 The Company recognizes the Union as the sole collective bargaining agency for the said employees of the Company with respect to rates of pay, hours of work and all other conditions of employment.

ARTICLE 4 - NO DISCRIMINATION:

4.01 The Employer and the Union agree that every employee has the right to equal treatment with respect to employment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, marital status, family status, handicaps, religious beliefs or membership in the Union.

ARTICLE 5 - MANAGEMENT RIGHTS:

5.01 The Union acknowledges the right of the Company to manage its business in all respects, to direct the working force, and to introduce new or improved methods and facilities.

5.02 The Union acknowledges further that it is the function of the Company to hire, promote, demote, transfer and lay-off employees, and to suspend, discipline and discharge employees for just and sufficient cause. Any exercise of these rights in conflict or inconsistent with the provisions of this Agreement shall be subject to the provisions of the grievance procedure as set forth in Article 8.

5.03 The Company agrees to notify the Union before any new or improved methods of production or facilities are introduced. The Union shall be permitted to discuss with the Company and offer whatever suggestions it desires. The Company reserves the right to implement any new or improved method of production or facilities in the form it considers appropriate.

ARTICLE 6 - UNION SECURITY:

6.01 The parties agree that all employees covered hereunder shall, as a condition of their employment, become and remain members of the Local Union in good standing in accordance with the by-laws and constitutions of the Union.

6.02 Any new employee hired after the signing of this Agreement shall, prior to the completion of his probationary period, make application for membership in the Union and shall become and remain a member of the Union in good standing as a condition of his continued employment with the Company.

6.03 The Company shall deduct the Local Union initiation fees and the weekly regular Union dues and special assessments in the amount and manner specified by the Union by-laws and constitutions from each pay cheque due to each employee covered by this Agreement and remit such monies so deducted to the Union presently located at 230 Regent Street, Sudbury, Ontario, P3C 4C5, on or before the 20th day of the month following the month in which such deductions are made. The Company will at the same time submit a list of the employees from whose pay such deductions have been made. In the event that the amount of such deductions are changed during the term of this Agreement, the Company shall be given fourteen (14) days' prior notice.

6.04 In the event that any employee who is required to obtain and maintain membership in good standing in the Union is denied membership or is suspended or expelled from the Union so that under the terms of this Agreement such employee may not continue to be employed, the Union shall send to the Company a statement of the reasons for the action in refusing membership or suspending or expelling that person from the Union. The Union agrees to save the Company harmless of any damages that may be claimed in lost times, wages or benefits by any employee under this Article.

6.05 The Union agrees that, in taking such action against any employee, it shall neither act in a discriminatory manner nor refuse membership or impose expulsion or suspension for any reasons contrary to its own constitutions or Local Union By-laws.

6.06 It shall be the Company's responsibility to show on each employee's annual T-4 slip the full amount of Union dues paid by such employee during the previous calendar year.

6.07 The Company shall supply a list of employees' names, addresses, telephone numbers, and social insurance numbers to the Union every three (3) months along with a list of those employees who have left the employ of the Company in accordance with any provincial or federal privacy legislation that may apply.

6.08 On a monthly basis, the Company shall send to the Union a list containing the names of new and terminated employees. Such list shall contain the date of hire or termination.

ARTICLE 7 - NO CESSATION OF WORK:

7.01 Neither the Union nor any employee shall take part in or encourage any strike, sitdown, or any suspension of work, partial or otherwise, against the Company, nor shall the Company engage in any lockout.

ARTICLE 8 - ADJUSTMENT OF GRIEVANCES:

8.01 Should any difference arise between the Company and any of the employees, or between the Company and the Union, as to the interpretation, application or alleged violation of any of the provisions of the Agreement, an earnest effort shall be made to settle such differences without undue delay in the following manner:

STAGE ONE

The Employee concerned and a Union steward or a Union representative may, within seven (7) working days after the grievance occurs, request a meeting of his Supervisor or his delegate to submit his grievance. The Supervisor or his delegate shall give his answer within seven (7) working days. Should the employee feel that his grievance has not been satisfactorily settled, then,

STAGE TWO

A committee of the Union comprised of not more than three (3) employees of the Company and/or not more than two Union representatives, may, on behalf of the employee, present the grievance in writing to the management within seven (7) working days after the decision has been received at Stage One, who shall discuss the matter with such committee and give a written decision to the Business Agent with a copy to the Chief Steward not later than seven (7) working days after such discussion is concluded. If a satisfactory settlement of the grievance is not reached, it may be dealt with as hereinafter provided by arbitration.

GENERAL

8.02 The time limits mentioned in this Article 8 may be extended by mutual agreement between the parties, which shall be in writing; however, if such arrangements are not made and either party fails to answer within the time limits, then the other party may move the grievance to the next step within the time limits specified in the Grievance Procedure.

8.03 (a) The Company agrees to recognize Union stewards as appointed by the Union for the purpose of handling grievances of the employees covered by this Agreement. The Company shall pay for all lost time wages at the employee's regular rate of pay for all hours lost as a result of meetings with Management while discussing or settling grievances, including arbitration.

(b) The Company also agrees to pay for the lost time wages of the Union bargaining committee, while such committee is in the process of negotiating an agreement or any changes to the Collective Agreement as the case may be, including when the parties are being assisted by a conciliation officer, a mediator, or a conciliation board.

(c) The Company shall be obligated to pay the lost time wages for one (1) member of the Union bargaining committee. Such committee member

shall be employed at one (1) of the Company's Cash and Carry operations either from Sudbury or Sault Ste. Marie, Ontario, as may be decided by the Union.

- (d) The Union Steward shall, upon written request by the Local Union office given at least three (3) work days in advance, be allowed to be off work for up to four (4) hours per month without pay to attend to Union business which requires him to leave the Company's premises.
- (e) The Chief Steward shall be granted one (1) day off without pay in the month preceding the month in which the contract expires, and one (1) day off without pay following the ratification of a Memorandum of Agreement.
- (f) INTRODUCTION TO STEWARD

Within two (2) weeks of being hired employees will be introduced collectively or individually to a Union Steward.

8.04 Wage grievances shall be taken up within fourteen (14) days after the employee has received his disputed pay.

8.05 (a) Any difference arising directly between the Company and the Union as to the interpretation, application or alleged violation of any of the provisions of this Agreement may, if deemed necessary, be submitted by either party to the other at Stage Two of the grievance procedure, within fourteen (14) working days from the date on which the matter at issue arose.

(b) Any dispute involving the use of part-time employees that is alleged to be a grievance by the Union shall be lodged if necessary at Stage Two of the grievance procedure.

8.06 (a) In the event that any employee is discharged from his employment after the date hereof, and believes that his discharge is without just and sufficient cause, or is in violation of any of the provisions of this Agreement, such discharge may, if deemed necessary, be taken up at Stage Two of the grievance procedure provided, however, the grievance is filed within seven (7) working days from the date of discharge. In such cases, the employee will be advised in writing, with a copy to the Union, of the reason for his dismissal within five (5) working days following the incident which caused the dismissal.

(b) REPRESENTATION

When an employee, who is covered by this Collective Agreement, is called in to a meeting with Management to investigate the employee's alleged misconduct or to impose discipline upon them, a Union Steward or Union Representative shall be present during the meeting, or if no Steward is available, time limits shall be adjusted accordingly.

8.07 (a) In the event that any employee is demoted as a result of discipline or disciplined in any other manner, and believes that such demotion or discipline is without just and sufficient cause, it shall be subject to the provisions of the grievance procedure and may be dealt with as outlined in this Article 8. In such cases, the employee will be advised in writing, with a copy to the Union, of the reason for his demotion or discipline within five (5) working days of the date of such demotion or discipline.

- (b) Other than discipline arising from violence in the workplace, all written reprimands, written warnings and suspensions issued to employees shall be rendered null and void after a period of eighteen (18) consecutive months have elapsed. All verbal warnings issued to employees shall be rendered null and void after a period of twelve (12) consecutive months have elapsed, provided no other disciplinary notices were issued during that period.

8.08 ARBITRATION

- (a) Should the Company and the Union fail to reach settlement upon any grievance dealt with by them, either party may refer the grievance to arbitration. Such referral shall be forwarded to the other party in writing within thirty (30) calendar days after receipt of the stage two decision and shall contain a list of names of three (3) suggested arbitrators.
- (b) The Company and the Union shall endeavour to choose a mutually acceptable arbitrator from such list who shall hear the arbitration. Should the Company and the Union fail within a further thirty (30) calendar days to agree to an arbitrator, then an application shall be made to the Ontario Ministry of Labour requesting them to appoint an arbitration forthwith.
- (c) The arbitrator so chosen by either of the above methods shall hear evidence of both parties and render his decision as soon as possible after the completion of taking evidence. It is further understood that the decision of the arbitrator shall be final and binding upon both parties.
- (d) No person shall be appointed as an arbitrator who has been involved in the grievance.
- (e) No matter shall be submitted to arbitration which has not been properly carried through all the required steps of the Grievance Procedure. Only grievances which arise through the interpretation, application or alleged violation of the provisions of this Agreement, shall form the subject of arbitration.
- (f) The arbitrator shall not be authorized to make any decisions inconsistent with the provisions of this Agreement, nor to alter, annul, modify, or amend any part of this Agreement.
- (g) The fees and all related costs of the arbitrator shall be borne equally by the parties.
- (h) If the arbitrator decides that a discharge was without just and sufficient cause, the arbitrator may reinstate the employee and may reimburse them for all time lost from the date of discharge up to the date of reinstatement or any other arrangement which is just and equitable.
- (i) Notwithstanding anything contained in this Collective Agreement, either party may request the Minister of Labour for Ontario pursuant to Section 49 of the Labour Relations Act, to refer a grievance to a single arbitrator.

8.09 If the Company representative is unable to meet the Steward during the Steward's normal working hours, the Steward shall be paid at his regular rate of pay for all time spent during the processing of the grievance with the Company on the Company property or at any other place which is mutually agreed upon by both the Union and the Company.

ARTICLE 9 - SENIORITY:

9.01 Seniority is the principle of granting preference to employees for promotions, demotions, layoffs, and rehiring after layoffs, and all other matters in accordance with the length of accumulated service, but only when an employee has the qualifications necessary to fill the normal requirements of the job.

9.02 Seniority means the relative ranking of the employees as determined by their respective length of accumulated service in the bargaining unit with the Company. Seniority shall apply to any employee after sixty (60) worked days' service with the Company, and shall be computed from the first day of this sixty (60) worked day period. Probationary employees will not have recourse to the grievance and arbitration procedures.

9.03 APPLICATION OF SENIORITY

- (a) In all cases of promotions, demotions, layoffs for lack of work and recall after layoffs, an employee's bargaining unit seniority shall determine which employees are to be promoted, demoted, laid off or rehired, subject always to the matter of qualifications referred to in the first paragraph of this Article.
- (b) Union stewards shall enjoy top seniority in case of layoffs and, during their term of office, they shall be continued in employment while work is available which they are capable of doing.

9.04 SENIORITY LISTS

- (a) Within two (2) weeks after the signing of this Agreement, the Company shall prepare and post seniority lists showing the seniority ranking of the employees so that the employees may have the opportunity to dispute and settle any inaccuracies which may appear in such lists. The Company shall maintain such lists, revise and post them every three (3) months, and a copy of such lists shall be forwarded to the Union every three (3) months.
- (b) A seniority list containing names and addresses of employees as contained in the records of the Company will be prepared and forwarded to the Union Office every three (3) months in accordance with any provincial or federal privacy legislation that may apply.

9.05 SENIORITY IN REHIRING

- (a) In the event that any employee is laid off for lack of work, such employee shall retain his seniority and be entitled to recall before other permanent help is hired, provided that such employee makes himself available within seven (7) days after receiving the mailed notice to return to work by the Company, which notice shall be sent by registered mail to the employee's address last recorded with the Company. In the event that any employee receiving such recall notice to return to work signifies in writing to the Company and the Union a legitimate reason acceptable to the Company for being unable to return to work within seven (7) days, and stating when he may be able to return to work, such employee shall be accepted without loss of seniority.
- (b) Notwithstanding the above, full-time employees on layoff shall be given the first opportunity to perform part-time or temporary work provided

that they are willing to be available when required, and further provided that the layoff notice spelled out in this Article shall not apply when the number of consecutive normal working days is five (5) or less.

9.06 BREAK IN SENIORITY

A break in seniority shall be deemed to have occurred and employment shall be terminated if an employee:

- (a) voluntarily leaves the employment of the Employer;
- (b) is discharged and such discharge is sustained by the Arbitration Board if the case is taken to arbitration;
- (c) fails to return to work in accordance with the provisions of Article 9.05;
- (d) fails to return to work after the completion of a leave of absence on the date mentioned in the signed leave of absence form.
- (e) is not recalled from lay-off for a period of eighteen (18) months.
- (f) uses an approved Leave of Absence for reasons other than those specified.
- (g) is absent from work for more than three (3) "consecutive" working days without prior notification except in rare and exceptional circumstances.

9.07 LEAVE OF ABSENCE

The Company shall, upon request of the Union made at least one (1) week in advance and two (2) weeks if practicable, grant leave of absence not exceeding thirty-one (31) days to any employee, not to exceed one (1), who may be selected by the Union to attend the annual Union conventions, Union seminars, Union training sessions and other such Union conferences and events. The Company shall if requested by the Union pay the employee time lost and bill same to the Union.

Such leave shall be granted provide the employer can maintain a qualified and sufficient workforce. Such leave shall not be unreasonably denied.

- 9.08 (a) The Company will, on application by the Union given one (1) month in advance, grant leave of absence to one (1) employee who may be selected by the Union to fill an office or act in any official capacity for the Union. Such leave shall not exceed at any one time a period of twelve (12) months.

(b) MILITARY LEAVE

A leave of absence upon four (4) weeks of notice and a letter from the Commanding Officer shall be granted to an employee for the purpose of allowing such employee to be provided with training in the Canadian Armed Forces, during peace time not to exceed one hundred and twenty (120) days per year. Employees are required to provide an expected return date prior to commencing their leave. During such leave of absence, the employee's seniority shall continue to accrue. In the event that such employee serves in war time, such employee shall be considered on a granted leave of absence until he is discharged from duty and he/she shall have ninety (90) days to report back to work. Upon

return to work, the employee shall be re-instated to their former classification, rate of pay and with an accumulation of seniority for all time spent on such leave of absence.

Notwithstanding the above, in the event an employee wishes to participate in an overseas NATO, UN, or any other sanctioned mission by the Canadian Armed Forces, the Company agrees, upon four (4) weeks notice, to grant such leave. Such leave shall not be longer than eighteen (18) months in duration.

9.09 The Company may grant a leave of absence to any employee for any other legitimate reason.

9.10 Employees shall be entitled to maternity/parental leave as provided for in ESA 2000. The employee shall be required to supply a certificate from her doctor.

9.11 When an employee is transferred out of the bargaining unit, he shall retain his seniority in the bargaining unit for three (3) months. In the event that such employee does not return to his former position within three (3) months, he shall lose his seniority standing in the bargaining unit with the exception that a bargaining unit employee on a modified work program through the Workplace Safety and Insurance Board shall retain seniority in the bargaining unit for so long as such modified work program operates, to a maximum of one (1) year after the modified work program commences. Should an employee, after the lapsing of three (3) months be transferred by the Company back into the bargaining unit, he shall be placed at the bottom of the seniority list.

9.12 (a) All requests for leaves of absence in excess of one (1) day shall be in writing and shall include the effective date, the return to work date and the reason for the leave. The leave of absence, if approved by the Company, shall be signed in triplicate by the Company and the employee. The Company shall retain one (1) copy, one (1) copy shall be given to the employee and one (1) copy shall be forwarded to the Union. Such granted leaves of absence shall be without pay, but shall not, however, cause any loss or any break in any employee's seniority rights.

(b) Requests for time off for one (1) day or less will be considered on an individual basis. Approval for these requests will be made verbally by the store manager or his designate.

9.13 LAYOFFS

In case of any layoff of more than one (1) day due to curtailment of staff, the employees affected shall be given one (1) week's notice or one (1) week's pay in lieu of such notice.

9.14 JOB POSTING

(a) In the event that a vacancy or a newly created position comes open, notice of such vacancy or newly created position shall be posted for five (5) working days on the bulletin board or boards provided on the premises for such purpose. All such notices shall designate the job classification title, the shift, the rate of pay of such job, and the date such notice was posted. Any senior employee may apply for such job within the time limit specified above.

- (b) Those employees wishing to apply for such vacancy or newly created position shall do so by submitting a copy of their resume to the Manager. The Manager shall confirm in writing the receipt of the resume and a copy of such receipt shall be forwarded to the Union Office.
- (c) After such notice has been posted for five (5) working days, it shall be removed from the bulletin board or boards, and a copy of such notice shall be forwarded to the Union.
- (d) If an employee is absent from work and during such absence a job posting is made, such employee will be considered an applicant provided he or a Union Steward acting as his agent and upon his request affixes the employee's name to the posting within the stipulated five (5) working day period.
- (e) Employees off sick may bid on any job that is posted. When such employee returns to work they will go to the last job that they bid on and were the successful applicant or in the event that the employee did not bid on a job or was not the successful applicant of a job posting such person shall return to the job that they previously held immediately prior to their being off.
- (f) The person who was occupying the absent employee's job on a temporary basis, shall upon the return of the absent employee revert back to the job that they previously held.
- (g) The Company shall, within three (3) working days after the notice has been removed, post on the same bulletin board or boards for at least five (5) working days the name and length of service of the successful applicant, a copy of which shall also be forwarded to the Union.
- (h) The successful applicant shall be placed in and on the job the first work day of the week following the week of the successful applicant being posted.
- (i) In the event that there is no successful applicant, the Company will then be free to choose an employee who did not apply for such job and who is willing to accept such job, or hire an outside employee to fill such job.

9.15 The following factors shall determine which employee shall fill the vacancy:

- (a) the bargaining unit seniority ranking of the employee affected;
- (b) the ability of the individual to fulfil the normal requirements of the job.

ARTICLE 10 - HOURS OF WORK AND OVERTIME:

- 10.01 (a) The normal work week for full time employees shall be forty (40) hours per week consisting of five (5) eight (8) hour days, or four (4) ten (10) hour days from Sunday through Saturday.
- (b) Overtime will be payable at the rate of time and one-half (1 1/2) for all hours worked in excess of the daily schedule of hours or forty (40) hours per week.

- (c) Scheduled overtime will be offered by seniority within each classification, provided the employee is available and has the ability to perform the work. Such overtime opportunities shall be offered to full time employees prior to part time employees. If there is an insufficient number of volunteers, the overtime will be assigned in reverse order of seniority.

10.02 SHIFT SCHEDULES

- (a) Employees will have their schedules for the following week posted by Friday at noon. Employees will be given a minimum of two days notice of change in their regular work schedule, prior to such change being implemented, except in the case of sickness, accident, bereavement, fire or flood. A copy of the schedule will be given to the steward at his request.

10.03 Employees will be allowed two (2) fifteen (15) minute breaks, one in the first half of the shift and one in the second half of the shift.

- 10.04 (a) The Company undertakes that no employee will be required to work a split shift.
- (b) Should an employee report for work on his/her regular shift and there is no work available, he/she will be paid a minimum of four (4) hours pay.
- (c) An employee called back to work after the completion of their regularly scheduled shift will receive one and one-half (1.5) times the regular hourly rate of pay for such hours and shall be guaranteed a minimum of three hours pay at the premium rate.

ARTICLE 11 - WAGES AND CLASSIFICATIONS:

11.01 The following are the minimum hourly rates of pay for all full-time clerks.

	Ratification	March 31st, 2010	March 31st, 2011	March 31st, 2012
Start	\$10.00	\$10.75	\$10.75	\$10.75
6 Months	\$10.10	\$10.85	\$10.85	\$10.85
12 Months	\$10.20	\$10.95	\$10.95	\$10.95
18 Months	\$10.30	\$11.05	\$11.05	\$11.05
24 Months	\$10.40	\$11.15	\$11.15	\$11.15
30 Months	\$10.50	\$11.25	\$11.25	\$11.25
36 Months	\$10.60	\$11.35	\$11.35	\$11.35
42 Months	\$10.70	\$11.45	\$11.45	\$11.45
48 Months	\$10.80	\$11.55	\$11.55	\$11.55
54 Months	\$10.90	\$11.65	\$11.65	\$11.65
60 Months	\$13.30	\$13.60	\$13.90	\$14.20

- 11.02 (a) Employees who are receiving rates of pay in excess of the end rates set out in the wage schedule as mentioned above, shall receive an amount equal to the end rate increase when they come into effect.
- (b) No wage, currently enjoyed by an employee, which is in excess of rates set out in the wage schedule herein, shall be reduced during the lifetime of the agreement except in the event of lay-off or demotion.

11.03 RELIEF MANAGER PREMIUM

Employees assigned to relieve the Cash and Carry Manager shall be paid a premium of one dollar (\$1.00) per hour for all such time spent while relieving the Manager.

ARTICLE 12 - VACATIONS:

- 12.01 (a) Each employee who as of December 31st in any year has been employed by the Company on a continuous full-time basis, for less than one (1) year shall be paid vacation as outlined in the Employment Standards Act, 2000;
- (b) Each employee who as of December 31st in any year has been employed by the Company on a continuous full-time basis, for more than one (1) year, but less than five (5) years, shall be entitled to two (2) weeks vacation with pay based at four percent (4%) of gross earnings of the employee for the previous calendar year;
- (c) Each employee who as of December 31st in any year has been employed by the Company on a continuous full-time basis, for more than five (5) years, but less than twelve (12) years, shall be entitled to three (3) weeks vacation with pay based at six percent (6%) of gross earnings of the employee for the previous calendar year;
- (d) Each employee who as of December 31st in any year has been employed by the Company on a continuous full-time basis, for more than twelve (12) years, but less than twenty (20) years, shall be entitled to four (4) weeks vacation with pay based at eight percent (8%) of gross earnings of the employee for the previous calendar year;
- (e) Each employee who as of December 31st in any year has been employed by the Company on a continuous full-time basis, for more than twenty (20) years shall be entitled to five (5) weeks vacation with pay based at ten percent (10%) of gross earnings of the employee for the previous calendar year.

12.02 Choice of vacation dates will be based upon seniority. Once the employee has selected their vacation dates any changes to the vacation schedule shall be by mutual agreement.

12.03 Employees shall be allowed to take one (1) weeks vacation entitlement on a daily basis, subject to the following:

- (a) the employee will provide one (1) weeks notice to the Company of the date on which he desires to take his one (1) days vacation entitlement;

- (b) no more than one (1) employee per department per shift will be allowed to exercise this option on the same day unless by mutual agreement between the Company and the employee;
- (c) the taking off of such vacation day(s) off, shall not interfere with another employee's regular scheduled vacation period;
- (d) Employees will sign a record of days taken as floaters, single days of vacation, etc.

12.04 The vacation week is defined as being Monday to Sunday.

12.05 (a) Provided an employee has worked more than six (6) months of the vacation year and has more than twelve (12) months of continuous service such employee will not receive vacation pay less than the equivalent of forty (40) hours pay per week of vacation up to a maximum of two (2) weeks. Such advance vacation pay will be re-adjusted upon termination of employment or at the end of the vacation year.

(b) Vacation pay for regular employees on short time will be computed at the rate of two percent (2%) of annual earnings for each week of vacation granted. At no time shall an employee's vacation be less than the equivalent of forty (40) hours per week of vacation, provided he has worked fifty percent (50%) of the time in the previous vacation year. Vacation and statutory holidays shall be considered as time worked. This provision shall only apply to employees on short-time due to sickness, accident or Workplace Safety and Insurance Board and shall not apply to employees who sever or have their employment severed. This clause applies to an employee who has more than twelve (12) months of continuous service.

(c) Employees defined by Article 12.01 (a) are not covered by Articles 12.05 (a) and 12.05 (b).

12.06 Vacation pay and general holiday pay will be considered as earnings.

12.07 The vacation schedule shall be posted by January 2nd of each year and shall be taken down on February 15th. Once an employee has scheduled his vacation period, he may not change such vacation period as was scheduled. Any employee who fails to book cannot change the then final vacation schedule. Employees shall have two (2) working days to book their desired vacation.

12.08 Full-time employees shall be given preference for vacation dates by seniority. The Company reserves the right to restrict vacation dates due to having to maintain a sufficient workforce to run the operation.

ARTICLE 13 - PAID HOLIDAYS:

13.01 The Company agrees to recognize the nine (9) paid holidays listed below.

- | | |
|----------------|------------------|
| New Year's Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Christmas Day |
| Dominion Day | Boxing Day |
| Family Day | |

Full-time employees hired prior to Date of Ratification (April 6, 2009) will receive a "Floater Day" to be taken at a time mutually agreed between the employee and Employer. An employee request to take their Floater Day will be subject to the Employer(s) need to maintain a sufficient workforce at all times but otherwise will not be unreasonably denied.

13.02 The Company agrees to recognize Remembrance Day as a paid holiday when it is declared as such by civic authority.

13.03 Qualification and calculations for the paid holidays listed in Article 13.01 shall be in accordance with the Employment Standards Act, 2000 (ESA, 2000).

13.04 If a paid holiday(s) falls within an employee's vacation period, the employee will receive his holiday allowance in addition to his vacation pay and, at the employee's request, he may be scheduled off for an additional day(s) immediately prior to or following the employee's vacation unless such day(s) off interfere with the efficient operation of the department. In this event, the day(s) off will be rescheduled at a mutually agreeable time and the employee shall be paid for the holiday when it is observed.

ARTICLE 14 - HEALTH AND WELFARE:

14.01 All full-time employees will be covered by the following benefit plan.

Part-time and student employees are not entitled to any of the benefits hereinafter provided for, unless expressly provided for otherwise.

(a) **BARGAINING UNIT EMPLOYEES**

The Company agrees to provide active full-time employees until retirement, Life Insurance equivalent to one (1) times an employee's annual earnings.

The Company agrees to provide all active full-time employees with Accidental Death and Dismemberment benefit coverage equal to one (1) times the employee's annual earnings in case of accidental death. Coverage is also provided for other losses such as speech, hearing, use of arms, legs, etc.

The Company agrees to provide Short Term Disability benefits to all active full-time employees on the following basis:

- first day of accident, or
- first full day of hospitalization, or
- commencing with the fourth day of sickness.

The plan will pay 66 $\frac{2}{3}$ % of the employee's basic earnings to a maximum of \$550.00 per week for the first two (2) weeks, then Unemployment Insurance will pay fifteen (15) weeks, then the Plan will resume payments for thirty-five (35) weeks.

The Company agrees to provide Long Term Disability benefits for active full-time employees after fifty-two (52) weeks if an employee is unable to perform any occupation (reasonably suited by means of training, education, or experience). The Plan will provide for sixty percent (60%) of the employee's basic earnings subject to a maximum monthly benefit

of \$1,500.00. Coverage would cease the date an employee attains normal retirement age.

The total premium cost of the above benefits is to be shared between the Company and the employee, as hereinafter provided.

The Company will arrange with its Group Insurers to deduct income tax from Weekly Indemnity and Long Term Disability benefits payable under these policies at the time payment of benefits is made.

An Employee's benefits under the Disability Policy will not be affected by any disability insurance that he has purchased privately.

(b) CANADA PENSION PLAN

The Company shall continue to make the Employer's contribution in respect to each employee in accordance with the Canada Pension Plan.

(c) DRUG PLAN

The Plan provides coverage for active full-time employees for reimbursement of eighty percent (80%) of eligible expenses after an annual deductible of one hundred dollars (\$100.00) single and two hundred dollars (\$200.00) family. The maximum eligible expense for dispensing fees will be five dollars (\$5.00). Eligible prescription drug expenses will be governed by the Company drug formulary.

(d) After six (6) months of employment, a bargaining unit employee shall be covered for Life Insurance and Accidental Death and Dismemberment Insurance. Entitlement to the other benefits set out above in this Article becomes effective commencing on the first day of the month after an employee has attained seniority.

(e) (i) When an employee who is eligible for the benefits set out above in this Article is laid off, the Company will pay its share of the premium costs for such benefits for the first thirty (30) days of layoff;

(ii) When an employee is recalled to work on a regular basis for twenty-four (24) hours or more per week (average over a period of four (4) consecutive weeks), he shall again become eligible for such benefits;

(iii) All benefits cease on the date of termination of employment.

(f) When an employee is granted leave of absence, the Company will pay its share of the premium cost of the other group benefits for the first thirty (30) days of such leave of absence.

(g) During the time an employee is in receipt of benefits under either the Weekly Indemnity, or Long Term Disability Insurance, the Company will continue to pay its share of the premiums on his behalf of the Drug Plan, the Dental Plan, and Group Life Insurance Plan.

(h) The Company agrees to provide Dental coverage for active full-time employees covered by this Article after a twenty-five (\$25.00) dollar

deductible for single, and fifty (\$50.00) dollar deductible for family each calendar year.

The Plan provides for one hundred percent (100%) reimbursement for cleaning, polishing, x-rays and fluoride treatments once every nine (9) months for employees and dependents over eighteen (18) years of age and two (2) times per calendar year for employees and dependents eighteen (18) years of age and under. Extractions, fillings, injections consultations, root canal therapy and periodontic treatment.

The Plan provides for a maximum of one thousand dollars (\$1,000.00) per family member per year. Effective Date of Ratification (April 6, 2009) reimbursement is based on the 2004 Ontario Association Fee Guide.

Effective April 1, 2010 reimbursement is based on the 2005 Ontario Association Fee Guide.

Effective April 1, 2011 reimbursement is based on the 2006 Ontario Association Fee Guide.

Effective April 1, 2012 reimbursement is based on the 2007 Ontario Association Fee Guide.

- (i) If an employee is injured on the job to the extent that he is unable to continue at work, and he requires and obtains treatment by a physician for the injury on the day on which it occurs, the Company will pay the employee for the balance of his regularly scheduled shift for that day.

- (j) SHARING OF COSTS

Employees covered by this Article shall contribute two percent (2%) of their gross earnings, as indicated on the employee's T-4 Statement of Earnings, towards the costs of the benefits outlined in this Article.

- (k) CO-ORDINATION OF BENEFITS

Where the spouse and/or family of an active full-time employee are provided with insurance coverage by virtue of such spouse's and/or family's employment, then the coordination of benefit coverage will occur. Where such other coverages are provided, the amount of benefit provided in the employee's health and welfare plan shall be equal to the amount otherwise payable by the Company less the full amount which would be provided by virtue of the spouse's employment in the absence of any benefits provided by the Company.

ARTICLE 15 - REGISTERED RETIREMENT SAVINGS PLAN (RRSP):

15.01 All full-time employees shall be eligible for a Registered Retirement Savings Plan (RRSP) as hereinafter provided for.

15.02 Effective Date of Ratification (April 6, 2009), the Company will contribute the sum of \$500.00 towards the cost of an RRSP subject to the following conditions:

- (a) the employee must have completed a minimum of one (1) year of service as of December 31, in any year;

- (b) the above-mentioned contribution shall be made on or about December 1, 2004 and each December 1 thereafter;
- (c) eligible employees must complete all necessary documentation.
- (d) the employer requires that all RRSP monies be directed to a financial institution of the employer's choice. For clarity, the RRSP will be registered in the employee's name.

ARTICLE 16 - BEREAVEMENT ALLOWANCE AND JURY PAY:

16.01 (a) In the event of a death in the immediate family of an employee, the Company shall grant the employee time off as set out below to attend the funeral and make the necessary arrangements for which the Company shall pay the employee his regular rate of pay:

Up to five (5) days in the case of parents, children, brother, sister, spouse.

Up to three (3) days in the case of mother-in-law, father-in-law.

Up to one (1) day in the case of grandparents, brother-in-law, sister-in-law, grandchildren.

- (b) Employees may be permitted extra days of leave in the event of long distances, etc., but such extra days shall be granted without pay.

16.02 JURY DUTY

In the event an employee is called to perform jury duty or required by subpoena to serve as a Crown Witness, the Company shall pay the employee the difference between the pay received for such service and his regular wages.

ARTICLE 17 - GENERAL:

17.01 (a) The Company agrees to provide sufficient space to allow the Union to post notices of Union meetings or any other activities of the Union. Such notices shall be signed by the President, Business Agent or International Representative of the Union, and shall be submitted to the Company for posting. All notices shall be approved by management prior to posting.

- (b) The Company agrees that a full-time Union representative shall be allowed to enter the Cash and Carry for the purpose of dealing with the administration of this Agreement, provided that he receives permission in advance from the Cash and Carry Manager or his designated representative. Such permission shall not be unreasonably withheld. The Union agrees that such representative will abide by the safety rules and regulations of the Company during such visits and that such visits will be timed to cause as little disruption as possible to the normal conduct of the Company's business.

17.02 Employees shall be paid weekly by direct deposit by Thursday except in the case of a short week when employees shall be paid by Friday. Each employee shall receive a statement listing his straight time hours, overtime hours and hourly rate plus all deductions.

17.03 COFFEE BREAKS

- (a) The Company shall grant to all employees a rest period of fifteen (15) minutes during each half of the shift with pay.
- (b) When an employee works overtime immediately after the end of his regular shift, he/she shall be allowed to take a fifteen (15) minute paid rest period before he/she commences their overtime; and,
- (c) Thereafter, he/she will be entitled to a further fifteen (15) minute paid rest periods before commencing each additional two (2) hour period of overtime.
- (d) Employees shall receive an unpaid thirty (30) minute meal break at the midway point of their shift. A longer meal break shall be by mutual agreement between the Company and the employee. Employee's must provide the Employer with two (2) weeks notice of desire to change their lunch period from half (1/2) hour to one (1) hour or vice versa.

17.04 Suppliers and representatives, except pop, bread and chips, shall not perform routine store work including the stocking of shelves. They may, however, be required to continue the present practice of assisting in the proper merchandising of their products.

17.05 In the case of an accident as a result of which the employee is disabled for the balance of the day's shift from earning full wages at work at which he is employed, the Company agrees to give the employee loss of earnings compensation covering the day the disability occurred, up to one (1) day's pay on the basis of the amount he would have earned at his regular rate had he not been absent from work.

17.06 The Company will provide an annual allowance for safety footwear, which will be paid between January 1st and July 1st of each year. Employees must present their supervisor with an official receipt for the purchase of safety shoe/boots. The Employer will reimburse the employee the amount on the receipt up to a maximum of one hundred and ten dollars (\$110.00) per year.

17.07 (a) The Company agrees to supply winter parkas and insulated boots for work in the cooler and freezer. The parkas will be cleaned at the Company's expense.

- (b) The Company will supply, at no cost of the employee, the following to full time and part-time employees of the Cash & Carry operation:

FULL-TIME

Three (3) summer shirts and three (3) winter shirts each calendar year;

PART-TIME

Two (2) summer shirts and two (2) winter shirts each calendar year.

ARTICLE 18 - TERMINATION:

18.01 This Agreement shall become effective as of the 6th day of April, 2009, except as otherwise stated, and shall continue in full force and effect up to and including the 31st day of March, 2013, at which time it shall be automatically renewed for a further year unless either party gives written notice to the other party, not more than ninety (90) days prior to the expiry date, of its desire to enter into negotiations for the revision or renewal of all or any part of this Agreement, and both parties shall thereupon enter into negotiations in good faith and make every reasonable effort to secure such a renewal.

18.02 In the event that negotiations for the renewal of this Agreement continue past the expiry date, the provisions of this Agreement shall continue in full force and effect until such renewal is affected or until the conciliation procedures under the Ontario Labour Relations Act have been exhausted.

DATED THIS _____ DAY OF _____, 20 _____.

FOR THE COMPANY:

FOR THE UNION:

PHIL STEWART
Director, Labour Relations

LANA DOROODIAN
Bargaining Committee Member

DION McDONALD
District Manager

HAROLD BRUZAS
Bargaining Committee Member

ROB CULLEN
Representative

DERIK J. McARTHUR
President, Northern Joint Council
Canadian Director, RWDSU
International Vice-President, UFCW

APPENDIX "A"

PART-TIME EMPLOYEES

All matters relative to part-time employees and their working conditions shall be contained in this appendix.

ARTICLE 1 - OBJECT OF AGREEMENT:

1.01 The purpose and intent of this agreement is to provide co-operation and harmony, and to provide a channel through which information and problems may be transmitted from one to another, as well as to cover hours, wages and working conditions.

ARTICLE 2 - SCOPE:

2.01 The Company recognizes the Union as the sole and exclusive bargaining agent of all employees of National Grocers Co. Ltd., at its Cash and Carry operation in the City of Sault Ste. Marie, save and except Manager, Assistant Manager, Bookkeeper and persons above the rank of Manager.

ARTICLE 3 - RECOGNITION:

3.01 The Company recognizes the Union as the sole collective bargaining agent for the said employees of the Company with respect to rates of pay, hours of work and all other conditions of employment.

ARTICLE 4 - NO DISCRIMINATION:

4.01 The Employer and the Union agree that every employee has the right to equal treatment with respect to employment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, marital status, family status, handicaps, religious beliefs or membership in the Union.

ARTICLE 5 - MANAGEMENT RIGHTS:

5.01 The Union acknowledges the right of the Company to manage its business in all respects, to direct the working force, and to introduce new or improved methods and facilities.

5.02 The Union acknowledges further that it is the function of the Company to hire, promote, demote, transfer and lay off employees, and to suspend, discipline or discharge employees for just and sufficient cause. Any exercise of these rights in conflict or inconsistent with the provisions of this Agreement shall be subject to the provisions of the grievance procedure as set forth in Article 8.

5.03 The Company agrees to notify the Union before any new or improved methods of production or facilities are introduced. The Union shall be permitted to discuss with the Company and offer whatever suggestions it desires. The Company

reserves the right to implement any new or improved method of production or facilities in the form it considers appropriate.

ARTICLE 6 - UNION SECURITY:

6.01 The parties agree that all employees covered hereunder shall, as a condition of their employment, become and remain members of the Local Union in good standing in accordance with the by-laws and constitution of the Union.

6.02 Any new employee hired after the signing of this Agreement, shall, prior to the completion of his probationary period, make application for membership in the Union and shall become and remain a member of the Union in good standing as a condition of his continued employment with the Company.

6.03 The Company shall deduct the Local Union initiation fees and the weekly regular union dues and special assessments in the amount and manner specified by the Union by-laws and constitution from each pay cheque due to each employee covered by this Agreement and remit such monies so deducted to the Union presently located at 230 Regent Street, Sudbury, Ontario, P3C 4C5, on or before the 20th day of the month following the month in which such deductions are made. The Company will at the same time submit a list of the employees from whose pay such deductions have been made.

6.04 In the event that the amount of such deductions are changed during the term of this Agreement, the Company shall be given fourteen (14) days prior notice.

6.05 In the event that any employee who is required to obtain and maintain membership in good standing in the Union, is denied membership or is suspended or expelled from the Union so that under the terms of this Agreement such employee may not continue to be employed, the Union shall send to the Company a statement of the reasons for the action in refusing membership or suspending or expelling that person from the Union. The Union agrees to save the Company harmless of any damages that may be claimed in lost times, wages and benefits by any employee under this Article.

6.06 The Union agrees that, in taking such action against any employee, it shall neither act in a discriminatory manner nor refuse membership or impose expulsion or suspension for any reasons contrary to its own constitution or Local Union by-law.

6.07 It shall be the Company's responsibility to show on each employee's annual T-4 slip, the full amount of Union dues paid by such employee during the previous calendar year.

6.08 On a monthly basis, the Company shall send to the Union a list containing the names of new and terminated employees. Such list shall contain the date of hire or termination.

ARTICLE 7 - NO CESSATION AT WORK:

7.01 Neither the Union nor any employee shall take part in or encourage any strike, sitdown, or any suspension of work, partial or otherwise, against the Company, nor shall the Company engage in any lockout.

ARTICLE 8 - ADJUSTMENT OF GRIEVANCES:

8.01 Should any difference arise between the Company and any of the employees, or between the Company and the Union, as to the interpretation, application or alleged violation of any of the provisions of the Agreement, an earnest effort shall be made to settle such differences without undue delay in the following manner:

STAGE ONE

The employee concerned and a Union steward or a Union representative may, within seven (7) working days after the grievance occurs, take the matter up with the Cash and Carry Manager or his delegate, who shall give his answer within seven (7) working days. Should the employee feel that his grievance has not been satisfactorily settled, then,

STAGE TWO

A committee of the Union comprised of not more than three (3) employees of the Company and/or not more than two Union representatives, may, on behalf of the employee, present the grievance in writing to the management within seven (7) working days after the decision has been received at Stage One, who shall discuss the matter with such committee and give a written decision to the Business Agent with a copy to the Chief Steward not later than seven (7) working days after such discussion is concluded. If a satisfactory settlement of the grievance is not reached, it may be dealt with as hereinafter provided by arbitration.

8.02 GENERAL

The time limits mentioned in this Article 8 may be extended by mutual agreement between the parties, which shall be in writing; however, if such arrangements are not made and either party fails to answer within the time limits, then the other party may move the grievance to the next step within the time limits specified in the Grievance Procedure.

- 8.03 (a) The Company agrees to recognize Union stewards as appointed by the Union for the purpose of handling grievances of the employees covered by this Agreement. The Company shall pay for all lost time wages at the employee's regular rate of pay for all hours lost as a result of meetings with management while discussing or settling grievances, including arbitration.
- (b) The Company also agrees to pay for the lost time wages of the Union bargaining committee, while such committee is in the process of negotiating an agreement or any changes to the Collective Agreement as the case may be including when the parties are being assisted by a conciliation officer, a mediator, or a conciliation board.
- (c) The Union steward shall, upon written request by the Local Union office given at least three (3) work days in advance, be allowed off work for up to four (4) hours per month without pay to attend to Union business which requires him to leave the Company's premises.
- (d) The Chief Steward shall be granted one (1) day off without pay in the month preceding the month in which the contract expires, and one (1) day off without pay following the ratification of a Memorandum of Agreement.

(e) INTRODUCTION TO STEWARD

Within two (2) weeks of being hired employees will be introduced collectively or individually to a Union Steward.

8.04 Wage grievances shall be taken up within fourteen (14) days after the employee has received his disputed pay.

8.05 (a) Any difference arising directly between the Company and the Union as to the interpretation, application or alleged violation of any of the provisions of this Agreement may, if deemed necessary, be submitted by either party to the other at Stage Two of the grievance procedure, within fourteen (14) working days from the date on which the matter at issue arose.

(b) Any dispute involving the use of part-time employees that is alleged to be a grievance by the Union shall be lodged if necessary, at Stage Two of the grievance procedure.

8.06 (a) In the event that any employee is discharged from his employment after the date hereof, and believes that his discharge is without just and sufficient cause, or is in violation of any of the provisions of this Agreement, such discharge may, if deemed necessary, be taken up at Stage Two of the grievance procedure provided, however, the grievance is filed within seven (7) working days from the date of discharge. In such cases, the employee will be advised in writing, with a copy to the Union, of the reason for his dismissal within five (5) working days following the incident which caused the dismissal.

(b) REPRESENTATION

When an employee, who is covered by this Collective Agreement, is called in to a meeting with Management to investigate the employee's alleged misconduct or to impose discipline upon them, a Union Steward or Union Representative shall be present during the meeting, or if no Steward is available, time limits shall be adjusted accordingly.

8.07 (a) In the event that any employee is demoted as a result of discipline or disciplined in any other manner, and believes that such demotion or discipline is without just and sufficient cause, it shall be subject to the provisions of the grievance procedure and may be dealt with as outlined in this Article 8. In such cases, the employee will be advised in writing, with a copy to the Union, of the reason for his demotion or discipline within five (5) working days of the date of such demotion or discipline.

(b) Other than discipline arising from violence in the workplace, all written reprimands, written warnings and suspensions issued to employees shall be rendered null and void after a period of **eighteen (18)** consecutive months have elapsed. All verbal warnings issued to employees shall be rendered null and void after a period of twelve (12) consecutive months have elapsed, provided no other disciplinary notices were issued during that period.

8.08 ARBITRATION

(a) Should the Company and the Union fail to reach settlement upon any grievance dealt with by them, either party may refer the grievance to

arbitration. Such referral shall be forwarded to the other party in writing within thirty (30) calendar days after receipt of the stage two decision and shall contain a list of names of three (3) suggested arbitrators.

- (b) The Company and the Union shall endeavor to choose a mutually acceptable arbitrator from such list who shall hear the arbitration. Should the Company and the Union fail within a further thirty (30) calendar days to agree to an arbitrator, then an application shall be made to the Ontario Ministry of Labour requesting them to appoint an arbitration forthwith.
- (c) The arbitrator so chosen by either of the above methods shall hear evidence of both parties and render his decision as soon as possible after the completion of taking evidence. It is further understood that the decision of the arbitrator shall be final and binding upon both parties.
- (d) No person shall be appointed as an arbitrator who has been involved in the grievance.
- (e) No matter shall be submitted to arbitration which has not been properly carried through all the required steps of the Grievance Procedure. Only grievances which arise through the interpretation, application or alleged violation of the provisions of this Agreement, shall form the subject of arbitration.
- (f) The arbitrator shall not be authorized to make any decisions inconsistent with the provisions of this Agreement, nor to alter, annul, modify, or amend any part of this Agreement.
- (g) The fees and all related costs of the arbitrator shall be borne equally by the parties.
- (h) If the arbitrator decides that a discharge was without just and sufficient cause, the arbitrator may reinstate the employee and may reimburse them for all time lost from the date of discharge up to the date of reinstatement or any other arrangement which is just and equitable.
- (i) Notwithstanding anything contained in this Collective Agreement, either party may request the Minister of Labour for Ontario pursuant to Section 49 of the Labour Relations Act, to refer a grievance to a single arbitrator.

8.09 If the Company representative is unable to meet the Steward during the Steward's normal working hours, the Steward shall be paid at his regular rate of pay for all time spent during the processing of the grievance with the Company on the Company property or at any other place which is mutually agreed upon by both the Union and the Company.

ARTICLE 9 - SENIORITY:

9.01 After a part-time employee has actually worked in any twelve (12) month period, a total of 240 hours, he shall be deemed to have passed his probationary period and to have acquired seniority for the purposes of this Article and his name shall be placed on the seniority list mentioned below.

Probationary employees will not have recourse to the Grievance and Arbitration Procedures.

9.02 Seniority means the relative ranking of the employees as determined by their respective length of accumulated service in the bargaining unit with the Company and shall be computed from the first day of hiring.

9.03 Employees from this bargaining unit will be given first opportunity for full-time employment based upon their seniority ranking and their ability to perform the normal requirements of the job, before a new employee is hired. In cases of layoff for lack of work and recall after layoff, an employee's bargaining unit seniority shall determine which employees are to be laid off or recalled provided that he has the ability to perform the normal requirements of the job.

9.04 (a) Any part-time employee who has completed his part-time probationary period and is hired to full-time employment shall only be required to complete a thirty (30) worked day probationary period.

If hired for full-time and terminated during the probationary period for reasons other than misconduct, the employee shall revert to his former part-time employment and retain his original part time starting date.

(b) Where a part-time employee becomes a full-time employee they will be required to serve the part-time to full-time probationary period of thirty (30) worked days and for the purposes of wages and vacation preference they will be given a seniority credit of fifty (50%) percent of their part-time seniority up to a maximum of twelve (12) months. Such employee shall be placed on the full-time wage scale at a level that gives them a wage increase and shall progress up the wage progression scale each six (6) months until they reach the end rate. This seniority credit is not intended to provide employees hired after Date of Ratification (April 6, 2009) with more full time seniority than existing full time employees on the payroll as of Date of Ratification (April 6, 2009).

9.05 Hours of work will be offered to part-time employees according to seniority provided the senior employee has the qualifications and availability necessary to perform the normal requirements of the job. Regular part-time employees shall have preference for available hours of work over students employees provided they have the ability to perform the normal requirements of the job.

9.06 The Company agrees to provide the Union with a list of the employees who have completed their probationary periods on the same basis as Article 9.04 of the full-time agreement.

9.07 BREAK IN SENIORITY

A break in seniority shall be deemed to have occurred and employment shall be terminated if an employee:

- (a) voluntarily leaves the employment of the Employer;
- (b) is discharged and such discharge is sustained by the Arbitration Board if the case is taken to arbitration;
- (c) fails to return to work in accordance with the provisions of Article 9.05 of the full-time agreement;
- (d) fails to return to work after the completion of a leave of absence on the date mentioned in the signed leave of absence form;

- (e) (i) fails to report three (3) times when scheduled or cannot be reached three (3) times within the hours of 5:00 pm to 7:00 pm within any six (6) month period unless he has a valid reason acceptable to the Company. An employee may decline to be scheduled for less than four (4) hours work;
- (ii) Valid reasons acceptable to the Company shall only be absence due to certified illness or accident, bereavement in employee's family, jury duty or subpoena as a Crown witness.
- (iii) However a part-time employee can call in prior to call in times to indicate where he may be contacted during the call in hours referred to above.
- (f) is laid-off because no work has been available for thirty (30) calendar days and subsequently is not required for work within a further four (4) month period.
- (g) uses an approval Leave of Absence for reasons other than those specified.

9.08 MILITARY LEAVE

A leave of absence upon four (4) weeks of notice and a letter from the Commanding Officer shall be granted to an employee for the purpose of allowing such employee to be provided with training in the Canadian Armed Forces, during peace time not to exceed one hundred and twenty (120) days per year. Employees are required to provide an expected return date prior to commencing their leave. During such leave of absence, the employee's seniority shall continue to accrue. In the event that such employee serves in war time, such employee shall be considered on a granted leave of absence until he is discharged from duty and he/she shall have ninety (90) days to report back to work. Upon return to work, the employee shall be reinstated to their former classification, rate of pay and with an accumulation of seniority for all time spent on such leave of absence.

Notwithstanding the above, in the event an employee wishes to participate in an overseas NATO, UN, or any other sanctioned mission by the Canadian Armed Forces, the Company agrees, upon four (4) weeks notice, to grant such leave. Such leave shall not be longer than eighteen (18) months in duration.

ARTICLE 10 - GENERAL:

10.01 When a part-time employee is called out to work and he reports for such work at the commencement of his shift, he shall be guaranteed a minimum of four (4) hours pay.

10.02 HOURS OF WORK

- (a) Part-time employees will be given as much notice as possible in advance of their required starting time and shift.
- (b) A schedule of hours for part-time employees will be posted not later than noon Thursday of each week for hours of work for the following week. The Company reserves the right to change the schedule when necessary.

- 10.03 (a) The Company shall supply the same safety shoe footwear allowance to part-time employees who have acquired one (1) years seniority as per the full-time collective agreement.
- (b) The Company agrees to supply winter parkas and insulated boots for work in the cooler and freezer. The parkas will be cleaned at the Company's expense.
- (c) The Company will supply, at no cost of the employee, the following to part-time employees of the Cash & Carry operation:

Two (2) summer shirts and two (2) winter shirts each calendar year.

10.04 OVERTIME

All work in excess of eight (8) hours in any one (1) day or forty (40) hours per week shall be paid for at the rate of time and one-half (1 ½) the employee's regular rate of pay. A part-time employee replacing a full-time employee shift of ten (10) hours will receive overtime only after ten (10) hours in any one day or forty (40) hours per week.

10.05 When an employee works overtime and such overtime is estimated to be, or is in excess of three (3) hours, the Company shall provide a reasonable meal at no cost to the employee.

10.06 Employees shall report absences at least one (1) hour prior to the commencement of their shift whenever possible.

10.07 REPLACEMENT OF FULL-TIME EMPLOYEES

- (a) The thirty-two (32) hours per week restriction shall not apply when a regular part-time employee is replacing a regular full-time employee absent due to sickness, accident, leave of absence from work or vacation.
- (b) This section shall not be used to prevent the hiring of new full-time employees, should a permanent full-time job become available.

10.08 (a) The Company agrees to provide sufficient space to allow the Union to post notices of Union meetings or any other activities of the Union. Such notices shall be signed by the President, Business Agent or International Representative of the Union and shall be submitted to the Company for posting. All notices shall be approved by Management prior to posting.

- (b) The Company agrees that a full-time Union representative shall be allowed to enter the store for the purpose of dealing with the administration of this Agreement, provided that he receives permission in advance from the store manager or his designated representative. Such permission shall not be unreasonably withheld. The Union agrees that such representative will abide by the safety rules and regulations of the Company during such visits, and that such visits will be timed to cause as little disruption as possible to the normal conduct of the Company's business.

10.09 Employees shall be paid weekly by direct deposit by Thursday except in the case of a short week when employees shall be paid by Friday. Each employee

shall receive a statement listing his straight time hours, overtime hours and hourly rate plus all deductions.

10.10 (a) COFFEE BREAKS

The Company shall grant to all employees a rest period of fifteen (15) minutes during each half of the shift with pay.

- (b) Where employees are scheduled for a lunch period such period shall be of one half (1/2) hour duration. Employees shall be entitled to take a one (1) hour lunch period by mutual agreement. Employee's must provide the Employer with two (2) weeks notice of desire to change their lunch period from half (1/2) hour to one (1) hour or vice versa.

10.11 COMPENSATION FOR ACCIDENTS AT WORK

In the case of an accident as a result of which the employee is disabled for the balance of the day's shift from earning full wages at work at which he is employed, the Company agrees to give the employee the loss of earnings compensation covering the day the disability occurred up to one (1) day's pay on the basis of the amount he would have earned at his regular rate had he not been absent from work.

ARTICLE 11 - WAGES:

11.01 The following are the minimum hourly rates of pay for all part-time employees covered by the terms of the Collective Agreement.

PART-TIME

Hours worked	Effective Ratification (April 6, 2009)	Effective March 31st, 2010	Effective March 31st, 2011	Effective March 31st, 2012
Start	\$9.50	\$10.25	\$10.25	\$10.25
250 +	\$9.55	\$10.30	\$10.30	\$10.30
500 +	\$9.60	\$10.35	\$10.35	\$10.35
1000 +	\$9.65	\$10.40	\$10.40	\$10.40
1500 +	\$9.70	\$10.45	\$10.45	\$10.45
2000 +	\$9.75	\$10.50	\$10.50	\$10.50
2500 +	\$9.80	\$10.55	\$10.55	\$10.55
3000 +	\$9.85	\$10.60	\$10.60	\$10.60
3500 +	\$9.90	\$10.65	\$10.65	\$10.65
4000 +	\$9.95	\$10.70	\$10.70	\$10.70
4500 +	\$10.00	\$10.85	\$10.85	\$10.85
5000 +	\$10.60	\$11.00	\$11.20	\$11.40

The below are the minimum rates of pay applicable to Part-time Student employees hired after Date of Ratification (April 6, 2009).

Hours worked	Effective Ratification (April 6, 2009)	Effective March 31 st , 2010	Effective March 31 st , 2011	Effective March 31 st , 2012
0 - 500	\$8.90	\$9.60	\$9.60	\$9.60
501 - 1000	\$8.95	\$9.65	\$9.65	\$9.65
1001 - 1500	\$9.00	\$9.70	\$9.70	\$9.70
1501 - 2000	\$9.05	\$9.75	\$9.75	\$9.75

A student is defined as an employee under the age of 18 who is actively undertaking a course of study.

Upon reaching their 18th birthday or achieving 2000 hours worked, Part Time Student employees who are on this progression will be moved to the regular Part Time wage progression according to their full accumulated hours of work.

- 11.02 (a) Employees who are receiving rates of pay in excess of the end rates set out in the wage schedule as mentioned above, shall receive an amount equal to the end rate increase when they come into effect.
- (b) No wage, currently enjoyed by any employee, which is in excess of rates set out in the wage schedule herein, shall be reduced during the lifetime of the agreement except in the event of lay-off or demotion.

ARTICLE 12 - PAID HOLIDAYS:

12.01 Qualification and calculations for the paid holidays listed in Article 13.01 shall be in accordance with the Employment Standards Act, 2000 (ESA, 2000).

ARTICLE 13 - GENERAL:

13.01 Employees shall be paid weekly by direct deposit by Thursday except in the case of a short week when employees shall be paid by Friday. Each employee shall receive a statement listing his straight time hours, overtime hours and hourly rate plus all deductions.

ARTICLE 14 - DURATION:

14.01 This agreement shall become effective as of the 6th day of April, 2009, and shall continue in full force and effect up to and including the 31st day of March, 2013, at which time it shall be automatically renewed for a further year unless either party gives written notice to the other party, not more than 90 days prior to the expiry date of its desire to enter into negotiations for the revision and renewal of all or any part of this Agreement, and both parties shall thereupon enter into negotiations in good faith and make every reasonable effort to secure such renewal.

14.02 In the event that negotiations for the renewal of this Agreement continue past the expiry date, the provisions of this Agreement shall continue in full force and effect until such renewal is affected or until the conciliation procedures under the Ontario Labour Relations Act have been exhausted.

DATED THIS _____ DAY OF _____, 20 _____.

FOR THE COMPANY:

FOR THE UNION:

PHIL STEWART
Director, Labour Relations

LANA DOROODIAN
Bargaining Committee Member

DION McDONALD
District Manager

HAROLD BRUZAS
Bargaining Committee Member

ROB CULLEN
Representative

DERIK J. McARTHUR
President, Northern Joint Council
Canadian Director, RWDSU
International Vice-President, UFCW

LETTER OF AGREEMENT #1

**BETWEEN: NATIONAL GROCERS CO. LTD.
SAULT STE. MARIE CASH AND CARRY
(Hereinafter called "the Company")**

**AND: RETAIL WHOLESALE AND DEPARTMENT STORE UNION,
DISTRICT COUNCIL -of the - UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION
(Hereinafter called "the Union")**

RE: UNION SHOP CARDS

Upon request from the Union the Employer may display Union Shop Cards in the establishment wherein Union members are employed.

DATED THIS _____ DAY OF _____, 20_____.

FOR THE EMPLOYER:

FOR THE UNION:

DION McDONALD
District Manager

ROB CULLEN
Representative

LETTER OF AGREEMENT #2

**BETWEEN: NATIONAL GROCERS CO. LTD.
SAULT STE. MARIE CASH AND CARRY
(Hereinafter called "the Company")**

**AND: RETAIL WHOLESALE AND DEPARTMENT STORE UNION,
DISTRICT COUNCIL -of the - UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION
(Hereinafter called "the Union")**

RE: UNIFORMS

All employees are expected to return issued clothing issued to them, within the last year, at the time of resignation or termination. Failure to return issued clothing in normal condition (normal wear and tear) immediately following the employee's final shift will result in a deduction of fifty (50) dollars from the employees final pay. All employees will be made aware of this provision of the Collective Agreement when assigned shirts and/or sweaters/pullovers.

Articles of clothing will be re-assigned to employees only once professionally cleaned and only when in very good condition.

DATED THIS _____ DAY OF _____, 20_____.

FOR THE EMPLOYER:

FOR THE UNION:

DION McDONALD
District Manager

ROB CULLEN
Representative

LETTER OF AGREEMENT #3

**BETWEEN: NATIONAL GROCERS CO. LTD.
SAULT STE. MARIE CASH AND CARRY
(Hereinafter called "the Company")**

**AND: RETAIL WHOLESALE AND DEPARTMENT STORE UNION,
DISTRICT COUNCIL -of the - UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION
(Hereinafter called "the Union")**

RE: ONTARIO MINIMUM WAGE

This Collective Agreement reflects wages and wage adjustments that are negotiated on the basis that the Ontario Minimum Wage is scheduled to increase as follows on March 31, 2010:

- March 31, 2010 - adult minimum: \$.75 increase to \$10.25
- student minimum: \$.70 increase to \$9.60

In the event that the 2010 minimum wage increase announced by the Province of Ontario does not occur as announced (March 31st, 2009 - \$9.50/hr and March 31st, 2010 - \$10.25/hr), the "April 1st, 2010" and "April 1st, 2011" part time scale adjustments as found throughout the collective agreement shall not occur. Should the 2010 minimum wage increase not occur the scale below shall apply. Such scale is not intended to apply if minimum wage exceeds the announced 2010 minimum wage increase. In lieu of these scale adjustments the end rate only of the Part Time scales will be increased by twenty (0.20¢) per hour. This adjustment will not be made to the Part Time Student wage scale end rate. Full Time scales throughout the collective agreement are not affected by this letter.

Hours Worked	Ratification	March 31 st , 2010	March 31 st , 2011	March 31 st , 2012
Start	\$9.50	Min. Wage	Min. Wage	Min. Wage
250 +	\$9.55	Min. + 5¢	Min. + 5¢	Min. + 5¢
500 +	\$9.60	Min. + 10¢	Min. + 10¢	Min. + 10¢
1000 +	\$9.65	Min. + 15¢	Min. + 15¢	Min. + 15¢
1500 +	\$9.70	Min. + 20¢	Min. + 20¢	Min. + 20¢
2000 +	\$9.75	Min. + 25¢	Min. + 25¢	Min. + 25¢
2500 +	\$9.80	Min. + 30¢	Min. + 30¢	Min. + 30¢
3000 +	\$9.85	Min. + 35¢	Min. + 35¢	Min. + 35¢
3500 +	\$9.90	Min. + 40¢	Min. + 40¢	Min. + 40¢
4000 +	\$9.95	Min. + 45¢	Min. + 45¢	Min. + 45¢
4500 +	\$10.00	Min. + 50¢	Min. + 50¢	Min. + 50¢
5000 +	\$10.60	\$11.00	\$11.20	\$11.40

DATED THIS _____ DAY OF _____, 20_____.

FOR THE EMPLOYER:

FOR THE UNION:

DION McDONALD
District Manager

ROB CULLEN
Representative

LETTER OF AGREEMENT #4

**BETWEEN: NATIONAL GROCERS CO. LTD.
SAULT STE. MARIE CASH AND CARRY
(Hereinafter called "the Company")**

**AND: RETAIL WHOLESALE AND DEPARTMENT STORE UNION,
DISTRICT COUNCIL -of the - UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION
(Hereinafter called "the Union")**

Upon date of ratification (April 6, 2009), the Company will apply the cost sharing provisions outlined in Article 14.01 (J) of the Collective Agreement. Notwithstanding the above Full-time employees on the Employer payroll as of Date of Ratification (April 6, 2009) shall pay the cost sharing as follows:

Effective Date of Ratification (April 6, 2009) shall pay zero (0%) percent of their gross earnings.

Effective April 1, 2010 shall pay one (1%) percent of their gross earnings.

Effective April 1, 2011 shall pay one and a half (1 ½ %) percent of their gross earnings.

Effective April 1, 2012 shall pay two (2%) percent of their gross earnings.

DATED THIS _____ DAY OF _____, 20_____.

FOR THE EMPLOYER:

FOR THE UNION:

DION McDONALD
District Manager

ROB CULLEN
Representative