

**COLLECTIVE AGREEMENT
BETWEEN**

**BREWERY, WINERY &
DISTILLERY WORKERS
UNION LOCAL 300**

and



**OKANAGAN SPRING
BREWERY**

**A Division of Sleeman
Breweries Ltd.**

JANUARY 1, 2009 – DECEMBER 31, 2011

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COLLECTIVE AGREEMENT

THIS AGREEMENT entered into this 3rd day of December in the year of our Lord two thousand and eight.

BETWEEN:

OKANAGAN SPRING BREWERY

2801 – 27A Avenue

Vernon BC

(hereinafter called “the Company”)

OF THE FIRST PART

AND:

**BREWERY, WINERY AND
DISTILLERY WORKERS UNION,
LOCAL 300**

(hereinafter called “the Union”)

OF THE SECOND PART

WITNESETH:

In consideration of the mutual terms and covenants hereinafter contained, it is hereby agreed by and between the parties hereto as follows:

ARTICLE 1 - DEFINITION

1.01 EMPLOYEES

"Employee" shall mean all employees in the bargaining unit as described in the certification issued by the Labour Relations Board, except those excluded by the Labour Relations Code.

1.02 SUPERVISORY PERSONNEL

The Company will supply to the Union a list of all supervisory personnel.

1.03 PLURALITY AND GENDER

For ease of expression, use of the masculine gender and singular tense shall mean the same as the feminine gender and plural tense unless otherwise specifically stated.

ARTICLE 2 - BARGAINING AGENCY AND RECOGNITION

2.01 MEMBERS IN GOOD STANDING

The Company recognizes the Union as the sole and exclusive bargaining agent for all employees in the bargaining unit. Only members in good standing with the Brewery, Winery and Distillery Workers Union, Local 300 shall be employed in all departments of the Company save those employees coming within the exceptions set forth in Article 1.01, hereof.

2.02 PERMIT CARDS

- a) Should the Union at any time be unable to furnish competent help when requested by the Company, the Company shall be permitted to hire other employees temporarily on permit cards as long as such employment does not cause any lay off to the regular Union members.

- b) All such extra help must obtain a permit card from the Union before going to work.

2.03 SEASONAL AND TEMPORARY EMPLOYEES

The Company agrees to follow the provisions of Article 2 when hiring personnel for seasonal or temporary assignments.

- a) Seasonal help may only be hired during the period June 1st to August 31st of each year.
- b) Temporary help may be hired for specific time frames and projects outside of the seasonal period after consultation with and agreement of the Union.
- c) It is agreed that employees hired for skilled positions that require specified qualifications shall be paid in accordance with Article 2.04(a) and (b). Such positions include: Class 1/3 drivers, QA Lab Technicians, and Tradespersons.
- d) In the event that the Employer decides to continue the employment of said seasonal employees beyond August 31st all

days worked shall accrue towards benefit status. These employees will maintain the seasonal rate until they reach their sixty (60) days worked, and be placed on the seniority list at that time.

2.04 PROBATIONARY PERIOD

Pursuant to the provisions of Article 2 hereof, when new persons are employed they shall:

- a) If a member of the Union, be deemed to be on a trial basis for the first forty-five (45) days worked from the day he started with the Company. Such trial period will be for the purpose of determining the employee's suitability for employment. During such period, they shall be paid the job rate specified herein for the work they are doing and shall enjoy all other benefits of this Agreement. In the event an employee is dismissed during their trial period, the reasons for such dismissal shall be given in writing.

- b) If not a member of the Union but skilled in the job category for which the new employee is employed, be deemed to be on a trial basis for the first sixty (60) days worked from the day they started with the Company. Such trial period shall be for the purpose of determining the employee's suitability for employment. During such period they shall be paid the job rate specified herein for the work they are doing and shall enjoy all other benefits of this Agreement. In the event an employee is dismissed during their trial period the reasons for such dismissal shall be given in writing. The term skilled will refer to positions that require specific qualifications. Specifically, QA (Science Degree or equivalent), Maintenance (Certified Trades), and Drivers (Class 1 and 3).
- c) If not a member of the Union and not skilled in the job category for which the employee is employed, be deemed to be on a trial basis for the first sixty (60) days worked from the day they started with the Company.

Such trial period shall be for the purpose of determining the employee's suitability for employment. During such period they shall enjoy all other benefits of this Agreement. In the event an employee is dismissed during this trial period, the reasons for such dismissal shall be given in writing. Such new employees shall be paid the permit card rate for the first sixty (60) days worked. They shall thereafter be paid the job rate in accordance with Article 5 of this Agreement.

2.05 MANAGEMENT RIGHTS

Except insofar as there is any conflict between the terms of this Agreement and the rules of the Company, the employees shall observe the said rules and comply with the lawful instructions and orders of those set in authority over them.

The Union recognizes and acknowledges that the management of its operations and direction of its work force, including determining the location of operations and their expansion or curtailment, are the

exclusive right of the Company and without limiting the generality of the foregoing the Union further acknowledges that, subject to the terms of this Agreement, it is the exclusive function of the Company to direct the work force, including the right to hire, discipline, suspend and discharge and make rules, regulations, policies and procedures provided they are not inconsistent with any terms of this Agreement.

2.06 UNION ACTIVITY

- a) No employee shall be discriminated against or discharged for their activity as a Union member, or for serving on a committee or doing any other work in the interest of the Union. Ideally, Union activity will be completed outside of regular work hours, however, if a Union representative needs to conduct Union activity during the course of their shift, they must seek consent from a Manager/Supervisor and a Manager/Supervisor in the affected department(s), such consent shall not be unreasonably withheld, provided that the activities do not

disrupt normal operations. The Company agrees that Shop Stewards and/or Union Committee members shall be permitted to represent an employee's interest without loss of pay during the Shop Stewards and/or Union Committee member's hours of work at the request of management.

- b) Employees shall not lose any regular pay for attending meetings approved by the Company.
- c) The Company agrees to pay Union Representatives at straight time rate of pay to attend meetings at the request of the Company that are outside their normal working hours.
- d) Members of the Union Committee shall not be scheduled to work on any day that collective bargaining negotiations with the Company are held to discuss the renewal of this Agreement. The Company agrees to pay three (3) Union Committee members eight (8) hours pay at their current rate of pay for a maximum of ten (10) negotiation

days per Union Committee member.

- e) Employees who are granted leave for Union business shall receive payment for their regularly scheduled work day at their base rate of pay. This payment will be done on the Company's payroll, and these earnings are subject to all normal deductions. These wages are not subject to premiums normally paid while working. The Company will recoup these wages from the Union in full, either via deduction from Union dues or by means of invoice.

2.07 UNION DUES

- a) The Company shall deduct from the pay of each employee covered by this Agreement a sum in the amount of the current Union dues and duly authorized assessments, with no more than four (4) adjustments in one (1) contract year.

The Company will indicate on the employee's annual T-4 slip the

amount of Union dues paid during the year.

A written list of the employees' names and the relative amounts so deducted shall be submitted by the Company to the Union financial secretary bi-weekly.

The Union will notify the Company of the amount of the established dues to be deducted and will further notify the Company thirty (30) days in advance of any change with respect to the amount of dues to be deducted.

- b) The Company shall deduct from the employee's cheque an initiation fee after sixty (60) shifts. The deduction form will be provided by the Union and will be signed upon hire with the Company. The initiation fee will be set by the Union General Executive Board. This deduction shall be taken from the first cheque after the employee changes to the new rate. The Company will provide this initiation fee along with the Union dues, and the initiation fee will be

noted with the cheque to the Union office.

- c) Notwithstanding Article 2.07(a), there shall be no financial responsibility on the part of the Company for dues of an employee unless there are sufficient unpaid wages of that employee in the Company's hands.

- d) The Company will endeavour to make dues/pension payments to the Union through the means of electronic transfer. All adjustments to these payments (either over or under pay) will be corrected via cheque or on the next electronic transfer.

2.08 NO OTHER AGREEMENT

No employee covered by this Agreement shall, individually or collectively, be required or permitted to make a written or oral agreement with the Employer or its representatives, which may conflict with the terms of this Agreement, or a statute of the Province of B.C. or Canada.

ARTICLE 3 - SENIORITY

3.01 DEFINITION

- a) Seniority is defined as the length of an employee's service with the Company, calculated as the elapsed time from the date they were first employed, unless their seniority was broken, in which event such calculation shall be from the date that they returned to work following the last break in their seniority.

- b) Employees hired on the same date will be put on the seniority list as per the date stamped on their resume from the hiring hall. Seniority service records shall not be considered broken by reason of:
 - 1. Leave of Absence when granted mutually by the Company and the Union.

 - 2. Absence due to seasonal lay off, providing the employee reports to work within seven (7) days after written notice to report has been sent by

registered mail to their last address registered with the Company; provided that when an employee is recalled to work and does not report the Company may recall the next employee in line but they are subject to being displaced if the first employee does report within seven (7) days. The Shop Steward will be notified of the recall.

3. Sickness or injury.
4. Active service in the Canadian Armed Forces during national emergencies.
5. Continuous lay off of less than twelve (12) months.

3.02 PROCEDURE REGARDING LAY OFFS

Should it become necessary to reduce the regular working force for any reason, all permit card help must be laid off first, then

Union members in reverse order of seniority.

- a) When it becomes necessary to reduce a departmental work force, members shall be laid off in reverse order of their plant seniority from within that department provided the senior employee is willing and able to perform the required duties in the opinion of management and the Union at the classified rate for the job;
- b) Notwithstanding the foregoing, it is understood and agreed that an employee who is deemed to be on training will be considered supernumerary to the department, and are exempt from these layoff provisions.

SCHEDULED LAYOFFS

- c) Employees laid off from their department in accordance with Article 3.02(a), shall have the right to bump the most junior person in the plant whose job they are willing

and able to perform, subject to the following conditions:

- (i) The regular schedule will be posted as per Article 4.01(d).
- (ii) It is the employee's responsibility to inform their departmental manager or supervisor of their desire to bump by 9:00 a.m. Thursday of the preceding week.
- (iii) A revised schedule will be posted by 3:00 p.m. Thursday listing those employees scheduled for work in the following week. It is the employee's responsibility to see if they are scheduled.
- (iv) The most junior person will be bumped. The Company will attempt to schedule the affected employee with minimal disruption to the schedules of other members

(i.e. employee bumping in will be placed on most junior employee's shift, if possible).

- (v) If the member bumping in cannot be placed on the most junior employee's shift, the Company will make changes to the schedule to accommodate the member. The member bumping in and/or the most junior member in the department whom may be displaced will not be compensated with a shift change, should one be required.
- (vi) Once the member has bumped into a shift, crewing will be done in accordance to Article 3.06.
- (vii) To assist employees in planning scheduled time off from work, the Company shall post the planned production levels and

planned maintenance shutdowns for each Fiscal Year by January 15th. The planned dates are for budget purpose only and may be subject to change. Further to this, the Company will provide four (4) weeks written notice for all planned plant maintenance shutdowns that are scheduled to exceed five (5) working days and which will affect greater than seventy percent (70%) of those employees on the seniority list.

Employees required to work during the maintenance shutdown will be scheduled at the time of the notice.

A select number of general labour will also be required for said shutdowns; these positions will be offered in order of seniority from those not required to work. The most senior employees will have the option to “opt out” of this work and take vacation time or be on layoff. If an insufficient number of volunteers are

obtained, the Company will schedule these positions based on reverse seniority.

As per Article 7.01, employees wishing to take vacation or other time off during the planned shutdown must request this time off and will be scheduled so as not to interfere with the efficient operation of the plant.

UNSCHEDULED LAYOFFS

- d) When a shift or shifts are cancelled for any unforeseen reason, employees scheduled for the cancelled shift may exercise their seniority rights for the remaining shift(s) in that week. Provided, there is at least one (1) shift break between all shifts pursuant to Article 3.03(b). Employees who do not exercise their bumping rights and have worked less than twenty-five (25) hours will be considered for weekend overtime.
 - (i) Members will notify their departmental manager/supervisor of their desire to bump when they

are notified of their shift being cancelled.

- (ii) If a member has had the opportunity to work four (4) hours because notification of the cancellation was less than eight (8) hours or twelve (12) hours the member will not be eligible to bump or recover the hours for that one (1) shift.
- (iii) The most junior employee will be bumped, the member bumping in will be placed on that shift. The bumping will occur at the first available opportunity with eight (8) hours or twelve (12) hours notification given to affected employees.
- (iv) Members bumping in will not be compensated with a shift change, should one be required. Once the member has bumped onto a shift

crewing will be done in accordance to Article 3.06.

- e) The final decision as to whether or not an employee is able to perform a job and can exercise their bumping rights shall be made by the Company.
- f) Maintenance personnel and Lead Hands, providing they are performing their regular duties, shall be exempt from these bumping provisions unless otherwise agreed by the Union.
- g) The Company will make every effort to train senior employees to enable them to exercise their bumping rights.
- h) Employees laid off shall receive their record of employment in accordance with HRSDC (Employment Insurance).

3.03 PROCEDURE REGARDING RECALL

- a) When staffs are augmented employees will be recalled in order of their plant seniority provided that the senior employee is willing and able to perform the work required of them at the classified rate for the job. The Company shall provide as much notice as possible when recalling employees to work.

- b) Employees shall be guaranteed a minimum of eight (8) hours between shifts. In the event their seniority is such that the employer recalls them prior to the eight (8) hours elapsing, they shall be paid at the rate of double time from the commencement of their shift until the full eight (8) hours has elapsed between shifts. The Company shall not be permitted to recall employees out of seniority in order to circumvent this provision. This provision however, shall not apply in the event it is a bumping situation.

- c) Employees on layoff shall ensure that they are available for recall on a daily basis. When the following shifts are in operation, employees not scheduled must make themselves available for potential work assignment. Those employees must check the on-call list to see which shift (if any) they are designated to be on-call. These designated shifts will require the employee to be available only for the time listed below. A maximum of six (6) employees will be designated on-call, and will be designated by seniority.

Days	6:00 – 8:00 am
Afternoons	2:00 – 4:00 pm
Graveyards	9:00 – 11:00 pm

Only the on-call employee(s) scheduled to be on-call for that shift will be required to be available for work. If there are six (6) employees on-call, the first two (2) employees will be designated for day shift call-in, the next two (2) employees will be designated for afternoon shift call-in, and the

final two (2) employees will be designated for graveyard shift call-in. Employee's on-call will still be contacted in order of seniority. Should there be less than six (6) employee's on-call these numbers will be reduced and posted on the schedule. When operating a two (2) shift operation, these six (6) employees will be designated accordingly on two (2) shifts.

Employees are required to ensure that their contact information is correct and up-dated with their department supervisor/manager.

An employee called during the above hours that either does not respond (within fifteen (15) minutes) or refuses assignments on four (4) separate occasions during any six (6) month period will cease to be an employee of Okanagan Spring Brewery. Upon the second notification of refusal or failure to respond, the Company will involve the Union Committee in the process.

In the event it becomes necessary for the Company to recall employees outside of these hours, every effort will be made to contact employees in accordance with the subsection (a) above. However, employees who are not available outside of the hours stipulated above shall not be held blameworthy, nor shall they be permitted to grieve the loss of work.

3.04 DAILY JOB VACANCY REPLACEMENT PROCEDURES

Subject to the efficient operation of the Company, when a job vacancy is created due to the absence of the scheduled employee, the following provisions will be used to fill the vacancy:

1. Consideration will be given to employees who:
 - a) are able to do the work and,

- b) are scheduled in the department in which the vacancy exists and,
 - c) are in the plant at the time the vacancy is to be filled and,
 - d) have advised their supervisor of their desire to do the job vacated.
2. From the employees who meet the criteria above, the job vacancy will be filled by:
- a) the senior employees holding a posting in that department, otherwise,
 - b) the senior employee able to do the job that is vacant.
3. No penalties or additional costs will be incurred by the Company in accommodating employees as per Article 3.04(2), above.
4. To fill the job vacancy created by the employee selected under Article 3.04(2) above, the vacancy will be

filled in any manner the Company chooses in consultation with the Union, (if the Union is available), as long as any employee called in from layoff is the senior employee able to do the job required of them.

5. The preceding procedures do not restrict the Company in any way from not filling vacant positions or filling vacant positions on a temporary basis or changing employees work assignments or changing production schedules in reacting to manpower shortages and production needs.

3.05 SEVERANCE PAY

1. An employee shall be eligible for a separation payment as set forth below if on any date during their layoff the hours scheduled for them during the previous twelve (12) consecutive months were less than fifty percent (50%) of normal full time hours.
2. Severance payments shall not be made:

- a) To employees who are discharged for just cause.
 - b) To employees who have not completed their probation period.
 - c) In the event of closing due to Acts of God, public enemy, war, or disaster.
3. Severance pay shall be twelve hundred and fifty dollars (\$1,250.00) for each year of seniority (pro-rated for incomplete years) up to maximum of fifteen (15) years, twenty-two (22) years in the event of plant closure. Part time employees shall receive one (1) week's pay per year of seniority calculated by taking the average of the employees' best eight (8) week period in the previous twelve (12) months.
4. Employees shall be removed from the seniority list upon signed agreement of their severance.

3.06 JOB POSTINGS - DEFINITIONS

- a) A permanent posting shall be the governing posting in the filling of job vacancies. Whenever possible, if an employee is working and their job posting is being performed they will be scheduled to perform their posted job if they are the senior employee on shift holding that posted position.

- b) A relief posting shall be used when the Company perceives the need for training to cover vacant jobs created by time off, scheduling, sickness, increased work load or for reasons in which the employee holding the permanent posting will not be able to fill their position. The employee so trained will be expected to fill these positions when scheduled or directed.

Crewing shall be done in rank order:

- (a) senior posted
- (b) relief posted
- (c) senior capable

3.07 POSTING PROCEDURE

1. NOTICE

- a) Whenever a job posting is available in any of the departments, the Company shall post a standard notice on the posting bulletin board for at least five (5) production days soliciting the names of employees who wish to apply to fill such posting. Employees wishing to apply to these positions must see their supervisor to sign the official job posting.

- b) The standard notice on the bulletin board shall specify:
 1. The type of job posting (permanent or relief).
 2. The job available.
 3. The qualifications required.
 4. The rate of pay, job description and the approximate conditions of temperature, humidity, and

general environment to which the employee will be exposed.

5. The number of positions available.
- c) Any Union employee covered by this Agreement may sign the job posting.
 - d) An employee absent from work for not more than three (3) weeks will have the right to apply within five (5) days of their return to work, but this need not delay filling the job within the period.
 - e) The Union Committee shall receive a copy of the signed posting upon its removal from the bulletin board.
 - f) A “running” job posting sheet will be posted on the bulletin board indicating posted date, removal date and employee selected. If the Company wishes they may remove items which have been on this sheet for more than a period of two (2) months.

2. POSITIONS

- a) The maximum number of postings that can be held by any worker are:
 - i. One (1) permanent and two (2) relief postings; or
 - ii. Three (3) relief postings.

For the purpose of this section, Lead Hand will be treated as a permanent posting.

Exception: Employees holding a permanent posting in QA (Lab), Maintenance, Brewing/Filtration, and Class 1/3 Driver may not hold a relief posting outside of their home department.

3. SELECTION

- a) In cases involving relief postings, the posting shall be filled, within reason, by the senior applicant.
- b) In cases involving permanent postings, the Company will select the most senior employee who suits the training requirement and meets the qualifications. For an employee

to be selected for a permanent job posting, for a skilled position that requires specified qualifications listed on said posting, they must have this qualification prior to signing for the job posting as it is deemed to be a pre-requisite of the job.

The term skilled will refer to positions that require specific qualifications; Specifically, QA (Science Degree or equivalent), Maintenance (Certified Trades), and Drivers (Class 1 and 3).

- c) In the event differences arise which cannot normally be settled, as to which of the applicants should be given a trial to fill the job posting, the matter shall, within three (3) days after the said differences arise, be dealt with under Article 13.03 starting with STEP 3 thereof.
- d) Notwithstanding the foregoing, it is understood and agreed that employees who voluntarily give up a job posting will not be permitted to repost on that job for a period of

twelve (12) months unless otherwise agreed between the Company and the Union. If reposting has been accepted, the Company and the Union will establish the retraining time frame.

4. TRAINING AND TRIAL PERIOD

- a) The person selected shall be given a reasonable training period to learn the job. The minimum training period will not be less than twenty-four (24) hours (or the equivalent of three (3) shifts) for machine operation in which the primary function of this training will be the safety aspects of the job or eight (8) hours (or the equivalent of one (1) shift) for a utility position. In either case this timeline may be altered as discussed and agreed in consultation with the Union. The Company shall work with the Union to increase its training guidelines.

It is agreed and understood that the employee will be supernumerary

during the training period, with the exception of training on the Kegger.

- b) The Company acknowledges that training is to be performed by members of the bargaining unit. When required for new techniques, new machinery, or changes to operating procedures, part of that training may be assumed by a supervisor/manager or manufactures representative, when retraining of a permanent posted position is required. In exceptional circumstance, manager/supervisors may be required to conduct training; however said training will be conducted as instructional only and with consultation and agreement from the Union Committee.
- c) Employees accepted for postings will have thirty (30) days during which they have the right to turn down the posting and return to their former job after completion of the prescribed training period.
- d) Upon completion of said training period, employees shall be granted

up to a thirty (30) production day trial period to prove their suitability. In cases of unsuitability, the department shop steward shall receive prior notification.

- e) The person selected shall be transferred to the posted job (Permanent) within twenty (20) working days provided that there is a replacement available. The transfer shall not be delayed longer than ninety (90) days unless otherwise agreed to between the Union and the Company.

- f) In the event of unsuitability, or the exercising of rights in Article 3.07(4)(c), the selection process will start again with the same sign up list that the original employee was selected from.

Should there be no successful candidate after the list has been exhausted, the Company shall post the posting one (1) more time. Should that not secure a candidate then the Company will go to the Hiring Hall to fill the posting.

- g) Employees who, by reason of physical deficiency are required to transfer from their present job will retain their plant seniority.

In all cases where it is necessary to transfer an employee for the aforementioned reason, the Company and the Union will mutually decide on the job to which the employee will be transferred.

- h) Employees selected for posting (Relief) will begin their training as soon as possible after the date of being awarded the position.

3.08 SENIORITY RESPECTING OVERTIME

- a) In the event it is necessary to work unforeseen overtime, the following selection process will apply to those employees who are able to perform the duties required in order of their plant seniority.
 1. The employee performing that job will be asked first.

2. Employees working in the department.
 3. Employees working in the plant.
 4. Employees not on shift.
- b) In the event the employer wishes to schedule overtime shifts on Saturdays, or Statutory Holidays, which fall in that week, employees who are able to do the work required will be asked, in order of their plant seniority in the following manner:
1. Employees who have not had the opportunity to work twenty-five (25) hours in the week just ended due to layoff.
 2. Employees working in the department concerned.
 3. Plant wide.
- c) In the event the employer wishes to schedule overtime shifts on Sundays, employees who are able to do the

work required will be asked in order of their plant seniority.

1. Employees working in the department concerned.
2. Plant wide.

3.09 TRANSFER OUTSIDE THE BARGAINING UNIT

If a Union member accepts employment with the Company in a classification outside the bargaining unit, he shall retain his seniority for a period not to exceed ninety (90) days from the date he accepts such employment.

ARTICLE 4 - HOURS OF WORK

4.01 WORK WEEK

- a) For all employees, eight (8) hours shall constitute a day's work and five (5) days, namely forty (40) hours, Monday through Friday inclusive, shall constitute a weeks work. An employee who is ordered to work less than eight (8) hours a day or

forty (40) hours a week shall be considered temporarily laid off.

- b) Notwithstanding Article 4.01(a) above, the employer shall have the right, providing the affected employees are in agreement, to schedule ten (10) hour shifts on a Monday to Thursday or a Tuesday to Friday basis. In the event the employer so decides, it is understood that the four (4) day work week shall be four (4) consecutive days

REST PERIODS

- c) All employees will be allowed a fifteen (15) minute rest period in the first half of their shift, and a fifteen (15) minute rest period in the second half of their shift. These rest periods will be included in the working hours stipulated previously herein. Providing the circumstances that warrant this practice remain the same, those employees who currently enjoy a paid half (1/2) hour lunch period shall continue to do so. Other employees who are required to remain on premises (i.e.

Millwright/Machinists and First Aid Attendants) or who are called back to work during this period shall also be paid for their lunch period. For all other employees the lunch break shall be unpaid.

In the event the Company wishes to schedule the four (4), ten (10) hour day shift schedule as per Article 4.01(b) employees will be given an additional fifteen (15) minute rest period in the last two and one half (2) hours of the shift.

SHIFT SCHEDULES

- d) Notification of shift schedules shall be given no later than 12 noon Wednesday for work in the following week. Employees must notify the supervisor of any changes no later than 9:00 am Thursday. Adjustment to this schedule may be made without penalty up to 3:00 pm Thursday. Employees whose seniority is such that they are scheduled to work the entire week shall be assigned one (1) starting time which will not change more

than one (1) time in the course of that week by more than one half (1/2) hour.

Where the employer requires an employee to commence work prior to his posted starting time or work after his regular quitting time, such hours shall be considered overtime and be paid at the applicable overtime rates:

1. Unless the change is requested by the employee.
2. Unless the changed job is a promotion, a bumping or a training posting.
3. Unless the employee is returning to his customary job.
4. Unless the employee is filling a relief position for which he has been trained, provided notice is given at or before the end of the employee's shift on the previous day.

5. Unless the employee has exercised seniority rights after his scheduled shift was cancelled.

An employee called in to work up to one (1) hour before their scheduled shift will be considered to have commenced work prior to his posted starting time and shall be considered overtime and be paid at the applicable overtime rates.

Where the employer requires an employee to change his shift (e.g. from days to afternoons) the employee shall be compensated at the rate of time and one half (1 $\frac{1}{2}$) for the first shift so worked.

- e) All regular shifts shall be eight (8) hours or ten (10) hours in duration and the employees shall be paid a minimum of eight (8) hours or ten (10) hours, whichever is applicable.
- f) Employees who receive permission to leave early or who agree to leave early because of a temporary reduced

department workload shall be paid for the time worked only.

- g) Employees must be given twelve (12) hours prior notice to normal start time if they are not to report for work the next day. If they are not notified and report to work, they shall be paid for a minimum of four (4) hours, excluding those absent without notification to the employer on the day the notification not to report is given.

The foregoing shall not apply in the case of multiple shifts. When more than one (1) shift is in operation the Company will provide a minimum of eight (8) hours notice if a shift is cancelled for any unforeseen reason (e.g. machine breakdown).

- h) An employee called out for any reason shall receive not less than two (2) hours pay at double time and double time for any hours in excess of two (2). If the employee is called back after punching out and before leaving the plant, this will be considered a continuation of their

regular shift and the two (2) hour at double time minimum will not apply and they will be paid for the period from their regular quitting time until the task is completed at overtime rates.

- i) When an employee is not relieved at the end of their shift during continuous production the employee will remain on shift or contact their supervisor or lead hand if they are unable to remain until relief arrives. Overtime rates shall apply to the time the employee must remain.

- j) Employees who will be absent must provide the supervisor of the department for which they are scheduled that day, with a minimum of one half (1/2) hours notice prior to the start of their scheduled shift and give the reason for the absence. In cases of absences of more than one (1) consecutive day the procedure of call-in must be followed each day unless your supervisor is provided with a doctor's note stating the length of time the employee is to be off work.

- k) When the production requirements warrant the need for a three (3) shift operation for six (6) continuous weeks or greater, the Company may schedule a revolving three (3) shift schedule. This schedule will involve the rotating of both the canning and bottling production through the day, afternoon, and graveyard shifts.

If production requirements warrant the need for three (3) shifts for less than six (6) continuous weeks, the canning production will be scheduled for the graveyard shift. The Company will first attempt to staff the graveyard canning shift by voluntary sign-up. In the event the Company cannot fill the graveyard canning shift by way of voluntary sign-up, it shall be filled by qualified personnel in order of reverse seniority.

In the event there is a production disruption due to machine breakdown or any other cause, employees may exercise their “bumping” rights as per Article 3.02.

4.02 OVERTIME

- a) Work performed in excess of eight (8) hours or ten (10) hours during any normally scheduled production day, Monday to Friday inclusive, shall be overtime and shall be paid as follows:

8 hour shifts:

Time and one half (1 $\frac{1}{2}$) for the first two (2) hours and double time thereafter.

10 hour shifts:

Double time.

Employees will be given a fifteen (15) minute break at or immediately before, the completion of their regular shift if overtime hours are expected to be one (1) hour or more. Thereafter, the regular breaks will be taken every two (2) hours.

- b) All work performed on Saturdays, (excluding plant checks) is overtime and shall be paid at the rate of double time.

- c) All work performed on Sundays, (excluding plant checks) is overtime and shall be paid at the rate of double time.
- d) In the event it is necessary to work overtime, the Company shall, whenever possible, provide four (4) hours notice of such overtime.
- e) The Company shall whenever possible give employees three (3) days notification for Saturday, Sunday, or Statutory Holiday work involving production (e.g. for Saturday overtime posted by Noon on Wednesday).
- f) Employees are not obligated to work overtime. However, in emergency situations the Union agrees to provide competent help.

It is agreed and understood that if overtime is required to complete a bottling or canning run due to equipment malfunction or breakdown, the Company shall have the right to schedule employees to finish off the run and clean up.

However, this shall not result in any employee being required to work more than one (1) hour overtime. This clause is intended only to allow clearing of the remaining product on the line due to the breakdown, not to increase production.

4.03 PLANT CHECKS

Employees required to do one (1) plant check per day shall receive four (4) hours pay. Employees required to do two (2) plant checks per day shall receive six (6) hours pay. In the event a plant check requires more than four (4) hours work, then the employee shall be paid at the premium rate for all hours worked.

ARTICLE 5 - WAGES

5.01 PAY PERIOD

- a) Whenever possible and providing the error is eight (8) hours or more, payroll errors shall be corrected within three (3) days of notification by the employee. Otherwise corrections shall be made in the following pay period.

- b) Overpayment – In the event of an overpayment, the employee agrees to either pay back the amount owing in one lump sum, or alternatively, to be paid in instalments to an amount as agreed to by the employee and the Company, provided the employee is able to repay the indebtedness in full within a twelve (12) month period. The indebtedness must be paid in full upon termination of employment.

5.02 - WAGE RATES

	2009	2010	2011
MAINTENANCE DEPARTMENT			
Lead Hand	29.25	30.35	31.50
Certified Trades	27.98	29.10	30.26
DISTRIBUTION DEPARTMENT			
Class 1 Driver	25.82	26.73	27.66
Class 3 Driver	25.10	25.98	26.89
Warehouseman	23.90	24.61	25.35
BREWING DEPARTMENT			
Brewers	25.82	26.73	27.66
Filterman	25.82	26.73	27.66
Cellars	25.44	26.20	26.99

	2009	2010	2011
QUALITY ASSURANCE DEPARTMENT			
Lead Hand	27.05	28.00	28.90
Lab Technician	25.82	26.73	27.66
PACKAGING DEPARTMENT			
Lead Hand	25.96	26.73	27.54
Senior Machine Operator	24.15	24.88	25.62
Machine Operator	23.90	24.61	25.35
Utility	23.15	23.62	24.09
Seasonal/Casual	15.45	15.45	15.45
Permit Card	12.00	12.00	12.00

Senior Machine Operator applies to employees who have stayed in one (1) of the following postings for a period of twelve (12) months or greater and have completed the Soft Maintenance/QA certification program: Can-line Filler, Bottle Filler, Bottle Washer, Labeller, Kegger and Line Prep.

5.03 GENERAL

Present higher wages of any employee shall not be reduced except as covered under Article 5.08 and Article 3.

Premiums:

Qualified employees are only eligible for the premium when assigned.

Chief Engineer	\$1.25 per hour
4 th Class Engineer	\$0.75 per hour
5 th Class Engineer	\$0.50 per hour
First Aid Level 1	\$0.50 per hour
First Aid Level 2	\$0.75 per hour
Fork-lift Trainer	\$0.75 per hour
Electrical FSR	\$1.25 per hour

Dual Ticketed Trades Premium fifty cents (\$0.50) per hour for each additional ticket.

Forklift Trainer rate paid for time during training hours.

Relief Lead Hands are paid in the same manner as regular Lead Hands when required to perform those duties.

5.04 FIRST AID ATTENDANTS

- a) The first aid postings will be secondary postings over and above

any production postings First Aid Attendants may hold.

- b) Employees required to renew first aid certificates will be compensated by the Company for the cost of tuition.
- c) The Company shall provide a maximum of ten (10) days paid leave of absence per year for each attendant required to maintain or upgrade first aid certificates.
- d) First aid candidates for Level II or greater will only be selected from the packaging department and will require a passing the medical requirement prior to going for first aid training.

5.05 LEAD HANDS

The Plant Committee will be consulted prior to the selection of Lead Hands and in evaluating their performance.

5.06 SHIFT PREMIUMS

Normal day shift will commence between the hours of 5:00 a.m. and 11:59 a.m. Shifts commencing between Noon and 6:59 p.m. shall be considered afternoon shift and shall receive a shift differential of seventy-five cents (\$0.75) per hour. Shifts commencing between 7:00 p.m. and 4:59 a.m. shall be considered night shift and shall receive a shift differential of one dollar and twenty-five cents (\$1.25) per hour. Premium pay will not apply if an employee requests a change of start time into premium pay hours.

5.07 WAGE RATE ADJUSTMENT

Any employee who is classified in a higher category, and otherwise would be working in said category, who is asked by the Company to perform work that is classified at a lower wage rate shall not have his wage reduced, except when returning to a former posting after accepting a temporary or training posting which carried a higher rate of pay.

5.08 NEW JOB CLASSIFICATION

Before new jobs are created as deemed necessary or advisable by the Company, a

rate and a classification for such a job will be established and agreed upon between the Union and the Company. In the event agreement cannot be reached, the Union reserves the right to seek redress through the Grievance Procedure.

5.09 ADEQUATE MANPOWER

- a) The Company will supply adequate manpower in all operations in all departments at all times so that an employee will not be required to perform more than a fair day's work.

- b) Clause (a) above shall not be construed to mean that the manning of all operations is at present exactly adequate or that all employees are presently assigned exactly a fair day's work, and accordingly changes in the manning of crews and changes in an employees work load may be made so long as the resulting situation is not a violation of Clause (a).

ARTICLE 6 – STATUTORY PAID HOLIDAYS

6.01 STATUTORY PAID HOLIDAYS

- a) The following shall be considered as Statutory Paid Holidays for each of which employees shall receive one (1) full day's pay without having to work:

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Easter Monday	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
B.C. Day	

And all other Statutory Paid Holidays as may be declared or observed by Federal or Provincial Governments.

- b) Any of the above holidays that fall on Saturday will be observed on the preceding Friday, or as agreed to by the Union and the Company. Any of the above holidays that fall on Sunday will be observed on the following Monday, or as agreed to by the Union and the Company.

ELIGIBILITY:

To be eligible for Statutory Paid Holiday an employee must:

Benefit Status Employees:

1. Employees who have completed their probation period (forty-five (45) days Union, sixty (60) days Non-Union) shall be paid for Statutory Paid Holidays provided they have worked at least forty (40) hours during the thirty (30) calendar days immediately preceding the day on which said holiday is observed. For purposes of calculation, vacation days, WCB, STD, LTD, Bereavement, Jury Duty and Pregnancy/Parental Leave are considered days worked. Sick days, unpaid leaves of absence or layoffs are not considered days worked.
2. If a benefit status employee has not met the criteria above, however, has earned wages on five (5) separate shifts in the previous thirty (30) calendar days they will be paid

an average days wage for the Statutory Paid Holiday.

3. The employee has no entitlement to Statutory Paid Holiday pay if he fails to work his last regularly scheduled day of work before the holiday or his first regular scheduled day of work after the holiday. The Company may request reasonable evidence to support the absence, if the documentation is requested and provided the employee will be paid for said holiday.

Probationary Employees/Permit Card Holders:

The following calculations apply to probationary or permit card holders who have earned wages during the thirty (30) calendar days immediately before the Statutory Paid Holiday and the employee has not been absent without permission on the last scheduled day preceding and the first scheduled day following the holiday.

Calculation:

- a) For a probationary employee who has worked at least fifteen (15) days of the last thirty (30) calendar days before a Statutory Paid Holiday by dividing the employees total wages, excluding overtime wages, for the thirty (30) day period by the number of days worked;
- b) For a probationary employee who has worked less than fifteen (15) of the last thirty (30) calendar days before a Statutory Paid Holiday, by dividing the employees total wages, excluding overtime wages, for the thirty (30) day period by fifteen (15).

For purposes of calculation vacation days, WCB, STD, LTD, Bereavement, Jury Duty and Pregnancy/Parental Leave are considered days worked. Sick days, unpaid leaves of absence or layoffs are not considered days worked.

- c) If an employee works on the Statutory Paid Holiday he will be

paid two (2) times the regular rate of pay for all hours worked on that day. In addition, the employee may either:

- i) Receive a scheduled day off with pay on a day mutually agreed between the manager and the employee; or;
- ii) Receive the Statutory pay in the pay period in which it occurred.

If the employee chooses to receive a scheduled day off with pay, the date of the day off in lieu will be selected and agreed to in writing within one (1) week of the Statutory Paid Holiday or the employee will be paid out for that Statutory Paid Holiday on the next available pay period. The scheduled day off with pay must occur no later than the end of the current payroll year.

ARTICLE 7 - VACATIONS

7.01 VACATION ENTITLEMENT

- a) All employees in the service of the Company for one (1) year or longer shall be granted two (2) weeks vacation per year with full pay. Holidays should be scheduled so as not to interfere with the efficient operation of the plant and the Company and the employees agree to co-operate in this regard. All vacations must be booked in blocks of weeks (not days) during the prime vacation time, June 1st to August 31st in order to facilitate better manpower planning and allow the maximum number of employees to be on vacation in any given week (as per Article 7.01(g)). Should the vacation be booked on a week that includes a paid Statutory Paid Holiday, the employee will be permitted to schedule an extra day in accordance with manpower requirements. However, notwithstanding the above, the vacation time may be taken in prime vacation time in accordance with manpower requirements.

- b) The vacation entitlement shall be granted to all employees provided they have achieved benefit status. Employees, who have not achieved benefit status, shall receive vacation pay based on four percent (4%) of their gross earnings for the year at payroll year end.
- c) All employees shall, after completing three (3) years of service with the Company, receive three (3) weeks vacation per year with full pay.
- d) All employees shall, after completing six (6) years of service with the Company, receive four (4) weeks vacation per year with full pay.
- e) All employees shall, after completing thirteen (13) years of service with the Company, receive five (5) weeks vacation per year with full pay.
- f) All employees shall, after completing twenty (20) years of service with the Company, receive

an additional one (1) week vacation with full pay in their 21st, 26th, 30th, and 35th year.

- g) For the purpose of determining an employee's eligibility for the third (3rd), fourth (4th), fifth (5th), and sixth (6th) week of vacation, January 1st, of the year in which the employee started shall be considered his anniversary date.
- h) Employees leaving the Company's service shall receive vacation pay earned year to date on their final cheque. Employees who have used more than their earned vacation pay will be required to pay back this unearned vacation pay. For the purpose of determining this in the employee's final year the percentage of earnings will be used.
- i) Two thirds (2/3) of the regular employee complement shall be granted two (2) weeks vacation each year during the period commencing with the week in which June 1st falls and ending with the week in which August 31st falls. Earned vacation in

excess of two (2) weeks must be taken outside of this period unless it is mutually agreed otherwise and such agreement does not deny another employee the right to take two (2) weeks during this period.

The seniority list effective on December 31st of the year preceding the vacation period will be used to calculate the number of employees two thirds (2/3) represents. The calculation will include W.W.F. employees.

- j) In the case of employees receiving three (3), four (4), five (5), or six (6) weeks vacation, one (1) week, two (2) weeks, three (3) weeks, or four (4) weeks, whichever is applicable, must be taken outside of the prime time period referred to in (i) above, unless otherwise mutually agreed.
- k) Employees must take their vacations during the calendar year in which they become eligible for such.

7.02 VACATION ILLNESS - CARRYOVER

- a) In the event an employee is unable to utilize scheduled vacation due to illness or injury, the Company will allow the employees to reschedule and utilize up to a maximum of two (2) weeks vacation prior to their anniversary date in the following year.

As the anniversary date of all benefit employees is January 1st of each year, vacation carryover must be taken in the following year before payroll year-end.

e.g. Vacation carryover from 2009 to 2010 must occur before the payroll year-end of 2010.

- b) If the employee is unable to utilize this vacation carryover by their anniversary date, the Company will pay out two (2) weeks vacation pay at payroll year end.
- c) Vacation carry over in (a) above will not apply after one hundred and four

(104) consecutive weeks of absence for any reason.

d) In the event an employee becomes ill or injured in excess of three (3) days after having commenced their vacation, they may request as outlined below to postpone their remaining days of vacation in order to enrol in the weekly indemnity plan.

(i) The employees shall advise their supervisor of their illness or injury and make arrangements to have the weekly indemnity form completed.

(ii) All approved requests will result in the employees remaining days of vacation being cancelled, as prescribed above, the day after the request is received. The remaining vacation time shall be scheduled at a time mutually agreeable to the Company and the employee.

- (iii) Any vacation pay held by the employee for the cancelled period shall be utilized for the rescheduled vacation period.

ARTICLE 8 - SECURITY OF PRINCIPLES

8.01 UNION MATERIALS

- a) Wherever practicable, all materials used by the Company shall be materials which are processed by Union labour in respect to their manufacture and subsequent wholesaling and handling.

Where the Company seeks bids from more than one (1) outside contractor for capital projects, due consideration will be given to competitive bids from contractors employing union workers.

- b) Subject to the efficient operation of the Company, the Company will not contract out bargaining unit work. Any work the Company deems necessary to contract out will be

discussed by the Union Plant Committee and the Company prior to the contract being let. The Company will not purposely under staff any department so as to increase the workload where it can "deem necessary" the contracting out of bargaining unit work.

8.02 BEER HAULING AND DELIVERY

- a) Wherever practicable all beer hauling and delivery shall be done by bargaining unit employees using Company vehicles, and when economically feasible, empty container hauling shall be done in the same manner.

- b) Where it is necessary for the Company to sublet beer hauling and delivery to outside firms, such hauling, wherever practicable, will be sublet to firms exclusively employing members of the Union. It is clearly understood and agreed that the intent of this paragraph is solely to safeguard employment of members of the Union and not to

commit the Company to be a party to forcing employees of other trucking and hauling firms to join the Union.

- c) The Company will agree to meet with the Union to discuss requirements for two-man routing.

8.03 STRIKE - LOCKOUT

- a) There shall be no lockout on the part of the Company and likewise there shall be no sympathetic strikes by the Union while this Agreement is in force and in effect, provided the Company does not require its employees to handle, process, or deliver goods coming from, belonging to, or for delivery to any establishment at which a strike or lockout is in progress, and it shall not be a violation of this Agreement for employees to refuse to handle, process or deliver such goods or cross an established bona fide picket line.

- b) The Company shall be entitled to the use of the Union Label during the term of this Agreement provided the

Company strictly lives up to the terms of this Agreement.

ARTICLE 9 - LEAVE OF ABSENCE

9.01 GENERAL AND PERSONAL LEAVE

- a) Leave without pay shall be obtained by mutual consent of the Company and the Union. Each request will be reviewed on a case by case basis and will consider the requirements of the situation. Requests for such leave must be in writing and with reasonable notice where possible. A leave of absence is to be used for exceptional circumstances. Employees requiring time off due to exceptional circumstances or other situations, will be granted should the request be reasonable and with notice. Requests must be made on the appropriate form and given to your Manager/Supervisor in person. Responses to these requests will be given within two (2) weeks of the Manager/Supervisor receiving the request.

- b) During the leave of absence, an employee shall not be employed elsewhere. If an employee is found to have obtained a leave through fraud or misrepresentation, they may be subject to discipline up to and including discharge.

- c) The Company's basic medical benefits, extended health care benefits, dental benefits, group life insurance benefits, and accidental death and dismemberment benefits will continue to be made available to any employee on leave provided the employee pays the Company for the costs of such benefit coverage if the leave continues for more than thirty (30) days. The onus is on the employee to notify the Company, prior to the commencement of said leave, of their intention to maintain all benefits during their leave and to pay the Company the amount required in advance on a monthly basis. Continuation of benefits does not include Short Term Disability or Long Term Disability.

9.02 JURY DUTY

When an employee is required to serve on a regular or coroner's jury or is subpoenaed as a witness, they shall be granted a leave of absence for the time so required on which they would otherwise have been working and shall receive the difference between their straight time rate of pay and the amount received for such jury duties.

9.03 PREGNANCY/PARENTAL LEAVE

- a) Pregnancy/Parental Leave will be acknowledged in accordance with the Employment Standards Act of British Columbia.

Upon request, the Company will provide information regarding Pregnancy/Parental Leave to the employee.

- b) Full benefit coverage under the Company's Group Insurance plans will be maintained during the Pregnancy/Parental Leave.

9.04 EDUCATION

- a) Where an employee, with the advance consent of the Company, chooses to upgrade his education or technical skills in any field associated with the brewing industry, the Company will provide leave of absence without pay for however long the employee requires to complete his training.

- b) Employees will be eligible for refund of the tuition costs of education courses, including prescribed text books, provided that:
 - (i) The course is given by a recognized school and is approved by the Manager as a contribution to the development of the employee.

 - (ii) The course is likely to contribute to the employee's performance or advancement within the Company.

- (iii) The employee offers proof of successful completion of the course.
- c) The maximum reimbursement to any employee in any one (1) calendar year will be twelve hundred dollars (\$1,200.00) on presentation of a proper receipt. Except where the course is required by the Company as part of the job description, in which case the reimbursement level shall be discussed.
- d) Employees who have upgraded their driving license shall be reimbursed as per (c) above. However, due to the license being a transferable skill, the employee must stay with the Company for a period of one (1) calendar year from the date of reimbursement. Should the employee leave prior to one (1) year the reimbursement must be paid to the Company in full upon termination.

If the employee is successful the Company will pay up to a maximum additional five hundred

dollars (\$500.00) on top of the twelve hundred dollars (\$1,200.00) previously paid (Article 9.04(c) above) twenty-four (24) months after the date of completion if still employed by the Company.

- e) The Company shall co-operate in such areas as shift scheduling, overtime, or recall with employees attempting to upgrade their education as per Clause (a) above.

9.05 BEREAVEMENT

In the event of the death of an immediate relative as defined herein employees shall receive a paid leave of absence as follows:

- a) Where the services are to be held locally or where the employee elects not to attend said services, they shall receive a leave of absence for not less than three (3) consecutive days and shall receive eight (8) hours straight time rate of pay for each of such days absent on which they would otherwise have been working. Consecutive working days will commence on the first work day

missed due to the death of a member of the immediate family.

- b) One (1) additional day will be granted if the employee must travel more than one hundred and sixty (160) kilometres but, less than five hundred (500) kilometres from their place of residence to attend the funeral. Where services are to be held in excess of five hundred (500) kilometres and the employee attends, the leave shall be increased by two (2) additional days.
- c) For the purpose of this section, immediate relative shall mean one of the following: wife, husband, life partner, son, daughter, stepchildren, mother, father, sister, brother, step-parents, step brother, step sister, mother-in-law, father-in-law, grandparents and grandchildren.
- d) In the event of the death of any of the following relatives, the Company shall grant a one (1) day paid leave of absence: aunt, uncle, nephew, niece, grandparents-in-law, sister-in-

law, brother-in-law, son-in-law, and daughter-in-law.

- e) If an employee is off on layoff or not otherwise scheduled to work during the time of the bereavement – they will not be entitled to take bereavement time upon recall, or when back on the schedule. If the employee is on the on-call list, they will be excused from this responsibility for the bereavement time indicated above upon notification to their supervisor; however, this time will be unpaid.
- f) A leave of absence may be requested – outside of the paid bereavement time – for compassionate reasons, and the Company will do everything possible to accommodate any reasonable unpaid leaves required by the employee during these times.
- g) If an employee is on a scheduled vacation and such a situation arises, upon notification to their supervisor/manager these previously booked vacation days will be changed to reflect bereavement leave

and the employee will be given the opportunity to use the remainder of their vacation days at another time.

9.06 UNION EDUCATION

Upon written application by an officer of the Union, the Company agrees to grant an education leave of absence, without loss of regular pay. No more than five (5) working days (forty (40) hours total) shall be available in any one (1) year to all Union members combined. Such education leave will be arranged between the Union and the Company so as to minimize disruption of the Company's operations.

9.07 ELECTION DAY

If, by reason of an election day ordinance, the Company is prevented from making deliveries in any area, the Company shall have the right to reassign affected employees providing that such reassignment shall not displace other employees, and in the event no reassignment is made, shall pay such employees at their straight time rate of pay for the hours of layoff resulting.

ARTICLE 10 - ADJUSTMENT PLAN

- a) Employees' jobs that are discontinued because of technological improvement or changes in production methods or processes including the method of shipping, receiving or handling of materials or products, the closing of a department or part of a department, are entitled to be reassigned without loss of pay. To determine an employee's suitability for a specific job through retraining, a maximum of sixty (60) working days shall be required.
- b) The Union must be notified of said changes at least ninety (90) days in advance.
- c) Immediately after notification the Company and the Union shall meet and determine which job(s) shall be suitable for reassignment.
- d) Training for other jobs within the bargaining unit must be done on a seniority basis, with the most senior

employee having the first choice of jobs available.

- e) Employees retrained under this Article will be considered to have no posting and must exercise their seniority under Article 3.07, in order to attain a new job posting.
- f) Affected employees shall retain their job rate for ninety (90) working days after the transfer has taken place. Thereafter, they shall receive the job rate for the position they have been assigned.

ARTICLE 11 - WELFARE

11.01 EFFECTIVE DATE

This plan shall be effective the date of signing the Agreement, or as soon thereafter as the same can be implemented and shall continue to be binding on the parties to the Agreement for so long as the Agreement is binding between the parties.

11.02 EMPLOYEE CONTRIBUTION

The cost of the Welfare Plans shall be borne by the Company. Abuse, misuse, or misrepresentation to obtain or continue to receive any of these benefits by an employee may be sufficient grounds for dismissal, subject to the grievance procedure.

11.03 ELIGIBILITY

Each employee shall be entitled to the benefits in this plan subject to the following conditions:

- a) If qualified for the present benefit plans on the date this Agreement is signed, they shall be eligible on the effective date of this Plan or;
- b) New employees will be eligible after ninety (90) working days in any twelve (12) month period.

11.04 LIFE INSURANCE

- a) Each eligible employee shall be insured for fifty thousand dollars (\$50,000.00).

- b) Each eligible employee shall be insured for fifty thousand dollars (\$50,000.00) in case of accidental death or dismemberment.
- c) Coverage on the above plans shall be reduced by fifty percent (50%) at age sixty-five (65).

11.05 MEDICAL, SURGICAL AND HOSPITAL

Each eligible employee shall be insured in the Medical Services Plan of BC and in the Company's present Extended Health Benefits Plan.

11.06 DENTAL

Each eligible employee shall be insured in a Dental Care Plan. Coverage shall be as follows:

- A - Basic - 90%
- B - Crowns & Bridges - 50%
- C - Orthodontia 50% for children up to 18 years.

\$1,500.00 lifetime maximum.

11.07 OPTICAL PLAN

The Company is to provide prescription eye-glass coverage for each employee and his dependants providing coverage up to a maximum of three hundred dollars (\$300.00) every twenty-four (24) months.

11.08 SICK LEAVE

- a) Effective the date of ratification and January 1st each year thereafter each employee shall be granted eight (8) days sick leave for use in the following twelve (12) months. If an employee makes a permanent change from eight (8) to ten (10) hours shifts (or vice versa) the employee's sick time for that year will be prorated to accommodate the change.
- b) An employee's hours of sick leave shall be reduced by the actual hours taken.
- c) Full pay for an employee shall mean the equivalent of their standard daily hours times their job rate of pay, and the payment of sick pay shall not result under any circumstances, in an

employee receiving more than full pay on any lost working day.

- d) The Company, at its discretion, may appoint the Doctor to examine the employee. Abuse, misrepresentation or any misuse of the above clause by the employee shall be sufficient grounds for their dismissal.
- e) An employee shall receive unused sick leave pay, paid out at one hundred percent (100%) of the rate commencing at payroll year end. "Rate" means their last base rate during the previous year. Payout of unused sick leave will be made at payroll year end.

When an employee has been off on a STD, LTD claim for twenty (20) consecutive working days unused sick leave will be prorated using the following calculation:

e.g. 8 days = 64 hours divided by 52 weeks = 1.23 hours per week 1.23 hours times the active weeks of service.

Employees whose sick pay is prorated due to a STD, or LTD claim will have their allotment adjusted and any over/underpayments will be made at year end.

- f) Employees who quit or are terminated during the year will have their attendance allowance calculated by dividing their total yearly allowance by twelve (12) and multiplying by the number of full months worked during their final year. Any underpayment will be paid by the Company on their final pay, or any overpayment shall be deducted from the employee's final pay.

11.09 SHORT TERM AND LONG TERM DISABILITY

- a) The Company shall provide a weekly indemnity benefit, commencing on the first (1st) day of a non-occupational accident, the fourth (4th) day of illness, and continuing for a period of seventeen (17) weeks.

Where an employee is disabled due to a sickness or non-occupational accident, a weekly benefit amounting to sixty-six and two thirds percent (66 2/3%) of wages (applicable classified hourly rate X 40) be paid to an employee who is off work and under the care of a Doctor for the first seventeen (17) weeks of disability.

- b) The Company will provide Long Term Disability Insurance equal to current Weekly Indemnity commencing at the eighteenth (18) week and continuing until recovery or retirement.
- c) Decisions regarding benefits are made solely by the Third Party benefits provider, and the Company's obligation hereunder is limited to paying premiums for such coverage.

11.10 LOSS OF BENEFIT - COVERAGE

- a) An employee whose service with the Company has been terminated shall

not be entitled to any benefits after his termination date. In the case of a temporary lay-off benefits will cease after ninety (90) calendar days of layoff. For the purpose of this Article, employees who work five (5) or less days during this ninety (90) day period shall not be considered to have had their lay-off interrupted.

- b) Employees whose benefits have been discontinued due to temporary lay off as outlined in Article 11.10(a) above shall be reinstated to full benefit coverage immediately after completing thirty two (32) hours work in the bargaining unit.
- c) The Company shall endeavour to inform employees on layoff as to the date benefit coverage will cease.

11.11 PENSION PLAN

Effective September 1, 1997 all eligible employees shall be enrolled in the Brewery, Winery & Distillery Workers, Local 300 members Pension Plan. On the following basis:

1. Present group RRSP to continue unamended until August 31, 1997, and then to be replaced by the above noted plan.
2. Type: Money Funded Purchase Plan.
3. Eligibility: Providing the employee has attained benefit service, after one (1) year's seniority. For those employees who have not attained benefit service, they shall be retroactively enrolled in the plan after having earned 35%[^] of the YMPE in two (2) consecutive years as per the Pension Standards Act.
4. Participation: Mandatory for all eligible employees.
5. Vesting: Full vesting upon membership in the Pension Plan.
6. Contributions: Jointly funded as a percentage of the employee's gross wages as follows:

Jan 1/09 Jan 1/10 Jan 1/11

Employee Portion : 3% 3% 3%

Employer Portion: 6% 6% 6%

7. Employees may voluntarily increase their contributions, increases will only be allowed on a percentage basis. Said increases shall in no way impact on the employer's level of contributions.
8. The employee portion shall be automatically deducted from his pay cheque.
9. The employer shall forward both the employees and the employer's portions together with a detailed accounting of each employee's entitlement to the Union office bi-weekly.
10. Employees with five (5) years of service may opt to contribute an additional one percent (1%) contribution to either the Pension Plan or GRSP program matched by the Company. Employees must contact Human Resources to

participate and the extra percentage and match must go to the same program.

ARTICLE 12 - GENERAL

12.01 HUMAN RIGHTS

- a) The Parties agree there shall be no discrimination, interference, restriction, coercion, harassment, intimidation, or any disciplinary action exercised or practised with respect to an employee by reason of age, race, creed, colour, national origin, religious affiliation, sex, sexual orientation, family status, mental or physical disability or membership or activity in the Union and any other language or categories as per the Human Rights Code of British Columbia. The Company and the Union also recognize the right of employees to work in an environment free from sexual harassment and agree that sexual harassment will not be tolerated in the work place. Should any dispute arise regarding any of the foregoing, the employee shall take recourse

through the grievance procedure in the Agreement.

It is the intent of the Parties that the grievance should be brought to the immediate attention of Management and the Union. The initial stage of the grievance procedure shall be waived if a person hearing the grievance is the subject of the complaint.

- b) The parties agree that it is in everyone's best interest to maintain a respectful workplace. A respectful workplace is productive, encourages cooperation, and values others opinions. Everyone has the right to be treated with fairness and respect.

12.02 AMENITIES

All present amenities now enjoyed by the employees shall be kept in effect.

12.03 DISCIPLINE

- a) The Company agrees to engage in progressive discipline which is corrective and not punitive. Such

discipline will be given in a timely manner. In no case shall it be more than fifteen (15) working days after the alleged infraction, unless otherwise agreed by the Union.

The Company further agrees that discharge will only be for just and reasonable cause.

The Company recognized that there are always unique circumstances to every case, and progressive discipline will be for instances of a generally similar nature.

- b) Where written warning, suspension or discharge is contemplated by the Company the affected employee and the shop steward shall immediately be notified and given reasonable time in private to discuss the issues giving rise to the pending discipline.
- c) At the time at which said discipline is imposed, the affected employee and the shop steward shall immediately be given copies of the disciplinary letter.

- d) When the Company imposes a suspension on an employee, the suspension shall not be served sooner than two (2) weeks, or later than six (6) months after the disciplinary meeting, unless otherwise agreed to by the Company and the Union.

Notwithstanding the forgoing, if the Company determines that an employee must be suspended immediately for conduct that may include, but is not limited to, being violent, disruptive, or apparently under the influence of an intoxicating substance, the Company shall provide immediate verbal notice of the suspension and will provide notice in writing of a suspension as soon as possible thereafter pending final determination and the time for a meeting. A copy of such notice will be provided to a Union Representative, and the Union Committee.

- e) Copies of disciplinary records will be removed from the employee's personnel files after a period of

eighteen (18) months from the date of issuance of such discipline (two (2) years in case of suspension) and thereafter shall not be relied upon for any purpose.

Employees shall have the right to review their employee file with a manager in the Human Resources Department at an agreed upon time, preferably within five (5) working days, subject to the manager's reasonable availability.

12.04 OVERTIME MEALS

When an employee is required to work more than two (2) hours overtime after their regular shift they shall receive twelve dollars (\$12.00) in lieu of the overtime meal to be paid on the employee's pay cheque and taxed accordingly as per the Canada Revenue Agency.

12.05 SAFETY AND HEALTH

- a) It shall be the objective of the safety and health programme to eliminate accidents and health hazards. The Company shall strive for a

workplace free of recognized physical and health hazards in accordance with the Workers Compensation Act and Occupational Health and Safety Regulations.

- b) Each employee agrees to wear the protective equipment made available by the Company and to adhere to the Occupational Health and Safety Regulations.
- c) A Joint Health and Safety Committee shall meet monthly under the terms and conditions set out by the JHSC. There shall be equal representation of both parties.
- d) The Committee shall be made up of three (3) worker reps and three (3) management reps. The worker reps will consist of three (3) permanent and up to three (3) alternate members. Alternates are in place to substitute for permanent members in situations where, a permanent member of the Committee is unable to attend a meeting due to vacation or shift schedule, however, it is understood that the permanent

member will make every attempt possible to attend the meetings to maintain consistency of the Committee. The worker reps must include at least one (1) permanent or alternate member from the Warehouse/Distribution department. Attendance is essential at JHSC meetings. Meeting dates and times are set out for the year to provide as much notice as possible so that members of the Committee can ensure their availability. The Company will make every attempt possible to insure that JHSC members that are on shift will be made available for JHSC meetings. Employees requested to attend JHSC meetings outside their scheduled shift shall be paid at straight time rates for a minimum of one (1) hour, or the duration of the meeting if longer than one (1) hour.

A Joint Committee has the following duties and functions in relation to its workplace:

- i. to identify situations that may be unhealthy or unsafe for workers and advise on effective systems for responding to those situations;
- ii. to consider and expeditiously deal with complaints relating to the health and safety of workers;
- iii. to consult with workers and the employer on issues related to occupational health and safety and occupational environment;
- iv. to make recommendations to the employer and the workers for the improvement of the occupational health and safety and occupational environment of workers;
- v. to make recommendations to the employer on educational programs promoting the health and safety of workers and compliance with this Part and the regulations and

- to monitor their effectiveness;
- vi. to advise the employer on programs and policies required under the regulations for the workplace and to monitor their effectiveness;
 - vii. to advise the employer on proposed changes to the workplace or the work processes that may affect the health or safety of workers;
 - viii. to ensure that accident investigations and regular inspections are carried out as required by this Part and the regulations;
 - ix. to participate in inspections, investigations and inquiries as provided in this Part and the regulations;
 - x. to carry out any other duties and functions prescribed by regulation.

- e) All protective equipment shall be supplied free of cost with two (2) exceptions listed below:
1. Upon the presentation of appropriate receipts for the purchase of C.S.A. approved safety shoes or boots, the Company shall reimburse the employee up to a maximum of two hundred dollars (\$200.00) per contract year. The current practice of providing rubber boots shall remain the same.
 2. The current practice of providing protective clothing to certain employees shall continue. In addition, each employee shall be issued one (1) set of coveralls as requested. Tradespersons working in the Maintenance department will be issued three (3) sets of coveralls annually. The Company agrees to replace these coveralls on an as needed basis provided the employee

turns in his previous issue if requested.

3. New employees will be entitled to receive the boot allowance and coveralls following completion of their first sixty (60) days worked.
- f) The Company shall provide a proper lunchroom and sanitary conditions for all employees.
 - g) New employees will be introduced to the department Shop Steward and inducted into the rules and operations of the Company. New employees will have sufficient time to familiarize themselves with the entire plant and be introduced to their fellow workers in the immediate vicinity. The Company will supply a list of safety wear required, and regulations to all new employees.

12.06 CONTRACT BOOKLETS

Contract booklets, in a form acceptable to both parties shall be printed by union

printers. Two hundred (200) shall be printed. A copy shall be supplied to each employee and thirty (30) booklets shall be supplied to the Union and to the Company. The cost of printing said booklets shall be borne equally by the Company and the Union.

12.07 TOOL ALLOWANCE

Trades will receive a tool allowance of four hundred and fifty dollars (\$450.00) per year. This applies to those employees who provide their own tools as required by the Company.

Entitlement to the tool allowance is based on the Tradesperson having successfully completed their probation period as of July 1st of the year in which the allowance is paid.

For example: all Tradespersons that have successfully completed their probation on July 1st, 2009 will be paid the full amount for their tool allowance on the pay in which July 1st, 2009 falls within.

Tradespersons who have not successfully completed their probation as of July 1st will not be eligible nor will Tradespersons who terminated their employment prior to

July 1st. There will be no pro-ration for this bonus.

The tool allowance will be paid on the pay period in which July 1st falls.

ARTICLE 13 - GRIEVANCE PROCEDURE

13.01 SHOP STEWARDS

Shop Stewards, all of whom shall be employees of the Company, shall be chosen by the Union and recognized by the Company. There are currently three (3) Committee members and four (4) Shop Stewards in the plant. The Union reserves the right to add additional stewards should it become necessary in the future.

13.02 GRIEVANCE COMMITTEE

- a) There shall be a Grievance Negotiating Committee, consisting of three (3) employees designated by the Union, and who shall be afforded such reasonable time off as may be required to attend meetings held at the request of the management or the grievance negotiating committee.

- b) The Union agrees to advise the Company of the names of the shop stewards and of the members of the grievance committee, in writing, and also of any changes from time to time.
- c) The Company agrees to advise the Union of the names of the members of their management committee, in writing, and also of any changes from time to time.

13.03 PROCEDURAL STEPS - GRIEVANCE PROCEDURE

- a) In case a grievance arises in any department of the Company, the parties hereto shall make an honest effort to settle the difference by proceeding through the following steps until the grievance is settled, deemed to be abandoned or arbitrated.

STEP 1

The aggrieved employee shall notify his shop steward who shall immediately request time off from his supervisor in order to take

up the matter if the case is urgent. If the case is not urgent it shall be taken up at the end of the shift.

The shop steward, with or without the aggrieved person, shall take up the matter with the supervisor within ten (10) working days of the event giving rise to the grievance.

STEP 2

Failing a satisfactory settlement, the grievance shall be put in writing on the grievance forms supplied by the Union and shall be signed by the aggrieved and the shop steward and presented to the supervisor within a maximum of ten (10) working days from the date the matter was first raised with the supervisor at Step 1. The supervisor shall give their answer within twenty-four (24) hours (Saturdays, Sundays, and holidays excluded), of the grievance being raised, after which the third step may be invoked.

STEP 3

Within ten (10) working days of the presentation at Step 2 the grievance shall be

taken up between the grievance negotiating committee and the management committee. The management committee shall give their answer within seventy-two (72) hours (Saturdays, Sundays, and holidays excluded) from the institution of this step, after which the fourth step may be invoked.

STEP 4

If the matter has not been resolved, the Union and the Company shall each have the option of a further meeting involving the Union Business Agent and a Company Representative, along with the Grievance Negotiating Committee before proceeding to arbitration. Said meeting shall, wherever possible, take place within thirty (30) days of the Company's response at Step 3.

STEP 5 - FACILITATED MEDIATION

Where a difference arises between the parties relating to the dismissal, discipline or suspension of an employee, or to the interpretation, application, operation or alleged violation of this Agreement, including any questions as to whether the matter is arbitrable, during the term of the Collective Agreement, a government –

appointed mediator or a substitute agreed to by the parties shall at the request of either party:

- (a) investigate the difference;
- (b) define the issue in the difference, and;
- (c) make written recommendations to resolve the difference.

Unless mutually agreed to otherwise, disputes may be referred to the agreed mediator only after completion of Step 4 of the grievance procedure.

Prior to rendering a decision the mediator may assist the parties in mediating a resolution to the grievance. Should there be no resolution by this means the mediator will make their recommendation(s). These recommendations are not binding so the parties do not have to implement them unless they have previously agreed to abide by the recommendations.

Resolutions of said mediations are “without prejudice” to the position of either party may take in the future.

If either of the parties disagrees with the recommendations, and have decided that these recommendations are not binding, they may refer the grievance to arbitration.

Each of the parties shall bear one half (1/2) the expenses of this process.

STEP 6

Any grievance which has been properly processed through the proceeding steps of the grievance procedure without being settled may be submitted to an arbitration board composed of one (1) representative chosen by the Union and one (1) representative chosen by the Company and an impartial arbitrator who shall act as Chairman of the Board. At the time that either party serves notice, in writing, of its intent to proceed to arbitration it shall, at the same time, notify the other party of the name of its representative. The other party shall appoint its representative within five (5) days of receiving written notice and these two (2) representatives shall agree on a person to act as Chairman. If they fail to agree, within a further five (5) days from the appointment of the second representative, the Minister of Labour of the Province of British Columbia

shall appoint the Chairman. The Arbitration Board shall be requested to render a decision within a period of one (1) month following the constitution of the Board. The majority decision of the Board shall be final and binding on both parties to this Agreement. The Board shall not have any jurisdiction to alter or change any of the provisions of this Agreement nor to substitute any new provisions in lieu thereof.

When the Arbitration Board is dealing with a grievance concerning the dismissal or suspension of an employee bound by the Agreement and it finds that the employee has been dismissed or suspended for other than proper cause, the Board may direct the employer to reinstate the employee and pay to said employee a sum equal to their wages lost by reason of their dismissal or suspension, or such lesser sum, as in the opinion of the Board, is fair and reasonable.

Similarly, where the Arbitration Board is dealing with a grievance lodged by an employee bound by the Agreement wherein such employee alleges, and the Arbitration Board finds, that the employee has been laid off, demoted, or not promoted in violation of the terms of the Agreement and thereby has

suffered loss of wages the Board may, provided the employee has raised their grievance without delay after the occurrence giving rise to it, direct the employer to pay to the employee a sum equal to their wages so lost or such lesser sum as in the opinion of the Board is fair and reasonable.

Notwithstanding the foregoing, during the course of establishing an Arbitration Board, either party may notify the other party of its desire to have the grievance heard by a sole arbitrator. In such an event, the grievance shall be heard by a sole arbitrator, provided that the parties can agree that the matter should be dealt with in that manner, and further that the parties can agree on the selection of a Chairman. Should the parties be unable to agree to the foregoing, the grievance shall be dealt with in the manner otherwise established in this Article. A sole arbitrator, if agreed upon, shall have the same powers and authority as an Arbitration Board established under this Article.

Each of the Parties hereto shall bear the expense of the arbitrator appointed by it and the parties shall jointly bear the expense of the Chairman of the Arbitration Board.

13.04 GENERAL - GRIEVANCE PROCEDURE

- a) Grievances involving discharge shall be placed in writing and dealt with by starting at Step 3.
- b) Any matter which may be the subject of a grievance must be taken up at Step 1 within ten (10) working days of its occurrence or it shall be deemed to be abandoned. Any grievance which is not resolved at any step must be advanced to the next step in writing within ten (10) working days or it is deemed to be abandoned and shall not be dealt with further under this Article. In each case the ten (10) working day period commences with the event or the advancement to the previous step of the grievance procedure.
- c) The time limits specified in Steps 1, 2, 3, and 4 may be extended by the written agreement between the parties. The Chairman of the grievance committee, on behalf of the Union, or the Manager on behalf of the Company, may file a policy

grievance at Step 3 of the grievance procedure. A policy grievance is defined as a dispute between the Union and the Company concerning the interpretation, application, operation, or alleged violation of the Agreement.

- d) In view of the orderly procedure arranged for the settlement of grievances, the parties hereto agree, each with the other, that there shall be no striking on the part of the Union or no lockout of employees on the part of the Company during the processing of any grievance or arising out of an award of a Board of Arbitration determining the same.

ARTICLE 14 - DURATION OF AGREEMENT

This Agreement shall remain in full force and effect from January 1, 2009 until December 31, 2011 (3 years).

1. During the term of this Agreement there shall be no strikes or lockouts whatsoever.

2. This Agreement is signed subject to ratification and said settlement shall be effective immediately.

IN WITNESS WHEREOF the parties hereto have caused their respective officers to set their hands on the day first above mentioned.

FOR THE COMPANY FOR THE UNION

Larry Kerwin
Jennifer Thatcher

Gerry Bergunder
Roy Graham
Doug Huard
Cam Robertson
Hans Fischer

**LETTER OF UNDERSTANDING #1 -
DUAL PERMANENT POSTINGS**

Following ratification of the 2006 Agreement all employees currently holding dual permanent postings will be asked to drop one (1) posting.

Employees who do not wish to drop their second permanent posting will be required to select their preferred posting. The remaining posting will be red circled.

For the purpose of this LOU the parties have agreed that red circling means:

1. If the employee chooses not to drop one (1) of his postings the employee may be required to work in either of their permanent positions at the discretion of management.
2. If the employee changes their mind and chooses to work in their red circled position their alternate permanent position will be considered dropped.
3. The employee may drop their red circled position at any time and retain their originally selected permanent position.

For the purposes of this LOU only, the position of Lead Hand will be considered a permanent position.

LETTER OF UNDERSTANDING #2 - BEER ALLOWANCE

The Company agrees to provide a monthly beer allowance to all benefit service employees of five (5) dozen per month.

In addition to the monthly allowance, each benefit status employee will be entitled to 1 – 50L keg or 8 – 12's in lieu of their keg.

All employee beer will be subject to the taxable benefits as per the Canada Revenue Agency.

Employees must pick up their beer allowance in person. Beer allowances are not transferable to other persons. In exceptional circumstances the employee may make other arrangements with management.

Beer allowance will continue for a maximum period of two (2) years for benefit employees absent from active service.

LETTER OF UNDERSTANDING #3 - SECURITY OF PRINCIPLES

The Union agrees to issue permit cards to employees of non-union firms doing contract work in the Brewery. In exchange, the Company shall remit four hundred dollars (\$400.00) per month.

One half (1/2) shall be forwarded to the Local 300 Union office (Burnaby) and one half (1/2) forwarded to the Local 300 Union Committee (OSB).

These payments will be made in January and July of each year.

LETTER OF UNDERSTANDING #4 - CANDLING RESOLUTION PROPOSAL

1. During periods when ten percent (10%) or less of the OSB seniority list (including permit cards) are not scheduled but are available to work, said employees will be responsible for candling held product which is destined for direct

delivery based out of the Vernon Warehouse.

2. When greater than ten percent (10%) of the OSB seniority list are temporarily unscheduled all the candling will be done by bargaining unit members unless;
 - i. Holding the product at the Vernon warehouse will result in a stock shortage at another location, which cannot be substituted, SKU for SKU, out of the Vernon Warehouse stock.
 - ii. The held product exceeds sixteen (16) pallets, or the Vernon warehouse is unable to accommodate the held product and the necessary candling station.
 - iii. Should at any time the amount of product requiring to be candled surpass the capabilities of the bargaining unit members, within a reasonable time

period (two (2) weeks, without incurring the cost of overtime) the Company will consult the Union as to the amount of product needed to be sent to an alternate location for Candling.

- iv. All Candling will be paid at no greater than the utility rate. (Permit Card members will be paid permit card rate).
3. Any issues pertaining to candling holds that are not addressed above these will be discussed on a case by case basis with the Plant Committee.

LETTER OF UNDERSTANDING #5 - WEEKEND WORKFORCE

The parties agreed during 2002 negotiations for a Revised Collective Agreement to set out the terms for a Weekend Work Force (WWF).

The terms and conditions set out in this Letter of Understanding will supersede provisions in the current Collective Agreement only as they apply to employees working on the WWF.

(a) Hours of Work

The hours of work for employees assigned to the WWF will be:

- (i) **Twenty-four (24) hours:** twelve (12) hours on Saturday and twelve (12) hours on Sunday;
- (ii) **Thirty-two (32) hours:** twelve (12) hours on Saturday and twelve (12) hours on Sunday, plus one (1) additional eight (8) hour day on either Friday or Monday; or
- (iii) **Thirty (30) hours:** ten (10) hours on Saturday and ten (10) hours on Sunday, plus ten (10) hours on either Friday or Monday.

Management retains the right to assign the hours of work and determine the Friday and Monday shift assignments.

(b) Staffing

The Company will post a notice in each affected department and solicit the names of those benefit service employees who wish to be considered for the WWF.

When considering applications, the qualifications of the applicant shall be given primary consideration. If there is any choice between two (2) or more applicants having sufficient qualifications, the most senior applicant shall be given the position on the WWF. If the required skill sets are not present on the WWF, the Company can schedule the most junior employee(s) to work the WWF schedule. Employees assigned to the WWF will be replaced on the conventional schedule (five (5) days eight (8) hour shift schedule) by the appropriate relief individual.

Once selected, all benefit service employees will remain on the WWF for the duration of the period required, up to a

maximum of six (6) months.

Notwithstanding the above, any employee may be removed from the WWF for reasons of ill health or cause.

In the event the WWF is discontinued, temporarily or permanently, employees will return to their previous posted jobs and the relief employees will be re-assigned accordingly.

Any employee relieving for any reason on the WWF shifts will receive the WWF rate.

(c) Vacation

Benefit Service employees working on the WWF who are eligible for vacation under the provisions of Article 7.01(g) of the Collective Agreement will be entitled to take only one (1) week vacation between June 1st and August 31st.

An employee who is scheduled off on vacation will have his vacation entitlement reduced by forty (40) hours.

At the conclusion of the WWF employees with remaining vacation may take one (1) week of holidays at their option.

(d) Sick Pay

Employees on WWF will be paid under the Sick Leave Plan for qualified absence due to illness or non-occupational accident according to the number of hours missed on a WWF shift.

An employee working the A shift (24 hours) will be compensated at 1.58 times the straight time hourly wage. For example, an employee who is absent for a twelve (12) hour shift will have his sick bank entitlement reduced by nineteen (19) hours.

An employee working the B shift (32 hours) will be compensated at 1.37 times the straight time hourly wage. For example, an employee who is absent for an eight (8) hour shift will have his sick bank entitlement reduced by eleven (11) hours.

An employee working the C shift (30 hours) will be compensated at 1.33 times the straight time hourly wage. For

example, an employee who is absent for a ten (10) hour shift will have his sick bank entitlement reduced by thirteen point three (13.3) hours.

An eligible employee on the WWF who is absent due to sickness or non-occupational accident will be paid under the weekly indemnity plan after a waiting period of two (2) consecutive scheduled twelve (12) hour shifts.

If an employee becomes so ill that he cannot complete his shift after reporting for work in good health, he will be sent home and paid for the balance of his shift at the applicable rate as set out above. Such time paid will be deducted from his sick leave entitlement.

(e) Bereavement

Bereavement leave will be paid at the straight time hourly rate, up to a maximum of twenty-four (24) hours. Employees can draw on their vacation entitlement to “top up” to the number of hours they would have been paid for their scheduled WWF shift. For A shift top up to a maximum of thirty eight (38) hours, B shift top up to a

maximum of forty-four (44) hours, C shift top up to a maximum of forty (40) hours.

(f) Statutory Holidays

Eligible employees shall be paid eight (8) hours at straight time in addition to the pay for their weekend work.

(g) Compensation

Employees working on the A shift shall be paid at the rate of 1.58 times the straight time hourly rate for all scheduled hours worked to a maximum of thirty-eight (38) hours pay per week.

Employees working on the B shift shall be paid at the rate of 1.37 times the straight time hourly rate for all scheduled hours worked to a maximum of forty-four (44) hours pay per week.

Employees working on the C shift shall be paid at the rate of 1.33 times the straight time hourly rate for all scheduled hours worked to a maximum of forty (40) hours pay per week.

Shift premiums (afternoon, graveyard) will apply to WWF shifts.

(h) Implementation

The Company will provide a minimum of three (3) weeks notice of its intention to work employees on the WWF or to return to a conventional eight (8) or ten (10) hour shift schedule. Employees scheduled to commence work on WWF must not work the week prior to first scheduled shift of WWF. Employees will return to their regular shift schedules on the Monday shift after the last scheduled WWF.

LETTER OF UNDERSTANDING #6 - PENSION ADMINISTRATION FEES

1. The Company has agreed to advance ten cents (\$0.10) per hour per employee to the Union on account of administration fees for the Union Pension Plan (“the funds”) at the Union's request and based on its representation that it is in the best interests of its members and the beneficiaries to the Plan to do so.

2. If the consent of the members or the Plan beneficiaries is required for the advancement of the funds, the Union agrees to obtain any such consent.
3. The advancement of the funds in the manner requested by the Union is not to be construed as evidencing any intention on the part of the Company to participate, in any manner, with the administration of the Plan. For greater certainty, the parties specifically agree that by advancing the funds the Company is not agreeing to participate, in any manner, directly or indirectly in the administration of the Plan now or in the future.
4. The Union and the Company specifically agree that any liability for damages or loss sustained by any party as a consequence of the advancement of the funds referred to in 1-3 herein will be borne solely by the Union and the Union will take no steps to seek recompense (either on its own behalf or on behalf of any of its members or

their successors or dependants) for any such damage or loss from the Company.

5. The Union agrees to indemnify the Company in the event of any claims (regardless of the form or manner in which those claims are made) by beneficiaries of the Plan, their successors or dependants or any other third parties against the Company in relation to the advancement of funds referred to herein or the administration of the Plan or any matter related thereto. This indemnity is specifically agreed to include any and all claims and any related fees, expenses or costs which the Company may incur.

LETTER OF UNDERSTANDING #7 - CONTINUOUS OPERATION SHIFT SCHEDULE

The parties agree to the following:

This letter is to confirm that if during the duration of this Agreement, the projected

annual production volume exceeds the existing production capacity of the brewery, the Union and the Company agree to enter into meaningful discussions to determine the options available to address these issues. Such discussions will include, but not be limited to the development of a modified work week that would allow production to be scheduled on a twenty four (24) hour, seven (7) day week, if necessary, to remain competitive and cost effective.

The Union and Company would initiate any proposed changes arising out of these discussions.

By working together, the Union and the Company will provide the best opportunity to achieve operational excellence and increased capacity; and in doing so create a sustainable workplace of which all employees can be proud.

This letter shall not limit the rights of the Union or employees under the provisions of the existing Collective Agreement.

LETTER OF UNDERSTANDING #8 - PLANT COMMITTEE ON DAY SHIFT

It is hereby agreed that the Company will make its best efforts to assign the Plant Chairman (or designate) to day shift work subject to the following:

1. Provided that it is feasible and can be accommodated at no extra operational cost, and;
2. Such scheduling out of seniority does not result in counter productive effects or complaints and/or grievances from employees who may be required to increase their shift work as a result.

LETTER OF UNDERSTANDING #9 - INTRODUCTION OF SOFT QA AND SOFT MAINTENANCE

As part of our shared objective to improve the operational effectiveness of the Brewery through better training for employees, the Union and the Company agree to introduce a Soft QA and Soft Maintenance program. This will be initiated and developed through

the formation of a Workplace Change Committee (WCC) consisting of two (2) employees chosen by the Union and two (2) employees chosen by the Company. The main responsibility of the WCC will be to:

1. Assess the effectiveness of the current role of employees in performing soft QA and soft Maintenance requirements.
2. Determine the opportunities for further development of these and related tasks by Machine Operators and other employees.
3. Provide the opportunity to employees to improve and broaden their operation requirements. Such activities might include, but not be limited to elementary QA measurement or testing, machine lubrication, minor machine adjustment, equipment change-over's, calibration of equipment, warehouse cycle count, RF related tasks.
4. Ensure meaningful and relevant information is provided to

employees during the development, training and implementation of proposed changes to their duties and responsibilities.

5. Determine a reasonable time period for such training and the implementation of these objectives.

The Company will provide in-house training on Process Quality Control for Operators in all departments, as required and appropriate for each job function.

The Company will provide in-house training on Soft Maintenance for posted Operators in all departments as required and appropriate for each job function.

Employees who successfully complete the in-house training and demonstrate the application of these new skills will be certified as qualified “Process Quality Control” Operators or qualified “Soft Maintenance” Operators. The competency of the employee in demonstrating these new skills will be determined by written and/or practical tests.

Employees designated as Senior Machine Operators will be expected to successfully complete the certification program. Employees applying for these postings will be expected to complete the certification as part of their training program within the training period. Current Senior Machine Operators will be trained under this new process, however, will be grandfathered until they complete the certification.

Senior Machine Operators who are certified as qualified “Soft Maintenance Operators” will be scheduled to assist the Maintenance/Trades employees assigned to overhaul their machines or other equipment during scheduled maintenance shut-downs.

The Company will establish through the Continuous Improvement Specialist, regular meetings with Certified Operators, to address specific concerns by employees in regard to any soft QA or soft Maintenance issues.

The Workplace Change Committee will continue to participate in the continued development, implementation and monitoring of the job re-design training for this certification program.

By development of this program, the Union and the Company believe this provides each employee with the opportunity for improved job skills through better training, improved engagement through more complex duties and responsibilities and better understanding of their role in the production process, leading to increased personal satisfaction and operational excellence.

LETTER OF UNDERSTANDING #10 - GRADUATED RETURN TO WORK PROGRAM (GRTW)

Within three (3) months of the date of ratification, the Company and the Union shall create a Return to Work Committee consisting of two (2) employees chosen by the Union and two (2) representatives chosen by the Company. The purpose of this Committee is to detail what work assignments (current jobs that can be used) or other jobs created for the purpose of GRTW. These jobs must be meaningful in nature and may be temporary for the purpose of a GRTW, until the employee can return to their pre-injury job.

The purpose of the Committee is to develop the program to allow injured and/or ill employees who are absent from work to return to active employment in a safe and efficient manner. When needed, the Committee will meet to determine appropriate accommodations for GRTW plans that have special circumstances or when there is a disagreement regarding the employee's work restrictions. Employee information will be treated in the strictest confidence.

FOR THE COMPANY

Larry Kerwin
Jenn Thatcher

FOR THE UNION

Gerry Bergunder
Roy Graham
Doug Huard
Cam Robertson
Hans Fischer

C.O.P.E.U. Local 15/rk