

Collective Agreement

between

Grain Millers Canada Corporation
Hereinafter called THE COMPANY



GRAIN MILLERS

and

Grain and General Services Union (ILWU • Canada)
Hereinafter called THE UNION



Duration of Agreement:
April 1, 2013 to March 31, 2016

Grain Millers Canada Corporation

Hereinafter called THE COMPANY

and

Grain and General Services Union (ILWU • Canada)

Hereinafter called THE UNION

Duration of Agreement: April 1, 2013 to March 31, 2016

WITNESSETH:

1 - Recognition

1.01 Scope - The Company recognizes the Union for the duration of this agreement as the sole bargaining agent for the purpose of collective bargaining in respect to wages and all other conditions of employment on behalf of the Company's employees within the following bargaining unit, namely:

All employees employed by Grain Millers Canada Corporation working at, or in connection with its milling, cleaning, packaging, and warehousing operations in and near the City of Yorkton, in the Province of Saskatchewan, excluding Managers, those above the rank of Managers and the Assistant Office Manager.

1.02 Spirit and Intention - The spirit and intention of this Agreement is to maintain good and amicable relations between the Company and all of its employees covered by this Agreement, so that the solution of all matters pertaining to conditions of employment may be arrived at by collective bargaining and agreement between the parties hereto. This Agreement is in no sense to be taken as a discouragement to direct negotiations where a solution can be reached by such means without having recourse to the grievance procedure hereinafter provided.

1.03 Access - The Staff Representative(s) of the Union shall in the course of his/her duties have access to the Company premises provided that he/she has received the permission of the Company, such permission not to be unreasonably withheld. Any business between the Staff Representative and an employee shall be conducted during non-working times. All Union Executive Members will obtain permission from the

Operations Manager or designate before conducting non-grievance related Union business on Company time.

1.04 Non Discrimination - The Company will not discriminate in its hiring and employment practices against persons by reason of age, race, creed, sex, nationality, ancestry or place of origin, political affiliation, union activity, marital status, or physical or mental disability.

1.05 Union Notice Board - The Company agrees to provide, in each of its locations covered by the collective agreement, one bulletin board, in a convenient location, for the use of the Union. The main purpose of the bulletin board shall be for the posting of notices relating to union meetings, union elections, union officers and staff, social and recreational events.

1.06 No Strike/Lockout - The Union, its Agents, and each employee agree that during the term of this Agreement, there shall be no strikes, slowdowns, or withholding of production and the Company agrees that there shall be no lockout.

2 - Definitions

2.01 Seniority - No employee shall acquire seniority until he/she has completed satisfactorily a probationary period of ninety (90) calendar days, at which time his/her seniority shall be retroactive to the date of hiring.

Except for seniority as defined above, the terms of this agreement shall apply to all probationary employees excepting that such probationary employees may be terminated for lesser cause. Lesser cause shall mean that, in the Company's opinion, the probationary employee's job performance or suitability to the job is unsatisfactory.

Seniority shall be calculated, on a cumulative basis, to include all service with the Company based on straight time hours paid.

2.02 Service With The Company - If employment with the Company is broken by resignation or termination of employment, service prior to such resignation or termination shall not be included in computing service with the Company.

2.03 Promotion - Shall mean the movement of an employee from a position to a position bearing a higher pay rate.

2.04 Demotion - Shall mean the movement of an employee from a position to a position bearing a lesser pay rate.

2.05 Transfer - Shall mean the movement of an employee from a position to another position bearing an identical pay rate.

2.06 Layoffs - The word "layoff" means a period of time when employees are not required to work due to a shortage of work, or shutdown or discontinuance of all or part of the Company's operations, or a reduction in hours of work.

3 - Union Security

3.01 The Company agrees that as a condition of employment, membership dues or sums in lieu will be deducted from the wages earned by all employees covered by this collective agreement.

3.02 Membership dues or sums in lieu deducted from salaries shall be paid monthly to the General Secretary of the Union within fifteen (15) calendar days following the completion of the last payroll period in the calendar month. The remittance shall contain information with respect to each individual employee including name, home address, wage rate, classification, total straight time earnings for the period, total dues deducted, and the period covered by the remittance for the employee.

3.03 The Company shall furnish the General Secretary of the Union with employee change lists monthly, which shall include the name, location, classification, salary, and effective date of all employee changes, including new hires.

Management Rights - The management of the Company's operations and the direction of the working forces are vested solely and exclusively in the Company. The Company agrees that in the exercise of its management rights, it will not violate any of the terms of this agreement or the law, and shall be subject to the right of any employee or the Union to file a grievance, as provided in Article 4. The enumeration of the management rights listed below shall not be deemed to exclude other rights not enumerated. The Company retains the sole and exclusive right to manage the business, and its rights include the following:

- The planning, control, and direction of the Company's operations.
- The scheduling of work to be done and how it is to be done
- The assignment of employees to perform work.

- The determination of the skills to run the operations.
- The determination of the ability of employees as it relates to job performance.
- To maintain discipline and efficiency.
- The establishment and enforcement of reasonable rules of conduct.
- The rights to hire, demote, suspend, discharge, or discipline for cause, and to transfer and lay off employees.
- The methods, processes, and means of manufacturing.
- The control and regulation of all equipment and other property of the Company.
- The determination of production standards.
- The determination of the quality and quantity of work to be produced.
- The determination of the products to be manufactured and produced.
- The location or relocation of plants.
- The closing down of plants or any part of a plant.
- The work to be assigned to each part of the operation.
- The shifts to be worked.
- The determination of whether and to what extent the work required in the Company's business shall be performed by employees covered by this agreement.
- The determination and establishment of any new or improved production methods or facilities.

3.04 The Company shall provide a ½ hour Union orientation session with pay for all new employees within two weeks of their hire date. The Union shall notify the Company of the appropriate Union Executive members assigned to provide the orientation.

4 - Grievance Procedure

4.01 The Company and the Union agree that it is most desirable to resolve misunderstandings and disputes through discussions between the employee and the Manager, and both the Company and the Union shall encourage employees to discuss

their complaints with their Manager so as to resolve differences quickly and directly. No employee shall file a grievance until he/she has first given his/her immediate supervisor the opportunity to settle the complaint, except for those complaints referred to in article 4.10. If such informal discussion does not result in a satisfactory resolution to the employee's complaint, the complaint may be referred to the grievance procedure as follows:

4.02 Formal grievances, whether individual or executive, shall be raised within fourteen (14) calendar days of the date on which the grievance becomes apparent, or ought to have become apparent. Grievances shall be in writing on the approved grievance form and shall be dealt with in the following manner:

4.03 Step 1 - The grievance shall be taken up with the first line out of scope Manager, or his\her delegate, who shall render a written decision within eight (8) calendar days of the receipt of the grievance.

4.04 Step 2 - Failing a satisfactory settlement of the grievance at Step 1, the General Secretary of the Union or his\her designate shall consult with the Operations Manager or designate of the Company. If a settlement is not achieved within a further fourteen (14) calendar days, it may be submitted to arbitration as hereinafter provided.

4.05 Arbitration - In the case of any dispute arising between the parties regarding the meaning or alleged violation of this Agreement which the parties are unable to settle between themselves, the matter may be referred to a single Arbitrator. The Arbitrator shall be selected in rotation from the following list:

1. Francine Chad-Smith.

The request to act shall be made in writing within fourteen (14) calendar days from the date of notice from either party to the other of its desire to refer the matter to Arbitration. The person appointed shall be duly empowered to act as sole Arbitrator.

The Arbitrator shall not have any authority to alter or change any of the provisions of this Agreement, or to substitute any new provisions in lieu thereof, or to give any decision contrary to the terms and provisions of the Agreement, but it is agreed that where disciplinary action is involved, the Arbitrator shall have the power to award a penalty or amend a penalty imposed by the Company. The decision of the Arbitrator shall be final and binding upon the parties and upon any employee or employees concerned.

No costs of any arbitration shall be ordered to or against either party, but each party shall be responsible for one half (1/2) the expenses and/or fees payable to the Arbitrator.

4.06 All time limits referred to in Article 4 shall be exclusive of statutory holidays. Time limitations in the above articles may be extended by mutual agreement between the two parties. Such requests shall not be unreasonably denied.

4.07 Employees must have benefit of representation by Union officials at any of the steps in the grievance procedure.

4.08 In the event of a grievance, the Company agrees, upon request, to provide the Union with copies of disciplinary and any other documents which the Company intends to use in regard to the specific grievance.

4.09 Employees shall have access to all material in their personal file. Arrangements to view their file, at a mutually agreeable time, must be made by the employee in advance with the appropriate manager.

4.10 A grievance concerning a discharge of an employee shall be initiated at Step 2 of the grievance procedure by a written grievance being submitted to the Operations Manager or designate within seven (7) calendar days of the dismissal. Thereafter the time limits set forth in the grievance procedure outlined above shall be followed.

4.11 The Union shall have the right to submit an executive grievance within fourteen (14) calendar days of the circumstances giving rise to the executive grievance. An Executive Grievance is a grievance filed by the Union, as opposed to a grievance filed by an individual. Such grievance shall be initially presented in writing at Step 2 of the grievance procedure. Thereafter, the time limits set forth in the grievance procedure outlined above shall be followed.

4.12 The Company agrees that shop stewards shall have the right to perform their duties, investigate disputes and represent employees on grievances. No shop steward will leave his/her work without the permission of his/her Manager. Shop stewards may participate in Articles 4.01, 4.02, 4.03 and 4.04 of the formal grievance process on paid Company time.

Shop Stewards will only investigate grievances on scheduled breaks or after working hours.

4.13 When an employee is required to attend a meeting where a disciplinary decision concerning him/her is to be taken by the Company the employee is entitled to have a designated representative of the Union attend the meeting.

5 - Lay Off and Recall Procedure

5.01 A laid-off employee shall be entitled to remain on a lay off list for a period of twelve (12) months. If, at the end of the twelve (12) month period no work is available, the employee shall be so advised and their employment terminated.

5.02 While on lay off an employee shall not earn seniority, but he/she shall retain seniority which he/she had accumulated to the time of his/her lay off.

5.03 Except where the layoff is as a direct result of an accident or disaster requiring the sudden and unforeseen closure of a part or all of any operation, an employee who is laid off is entitled to two (2) weeks written notice of lay off, or pay in lieu of notice.

An employee who is terminated without just cause shall be entitled to two (2) weeks written notice or pay in lieu of notice.

5.04 A short-term lay off shall be defined as a lay off lasting 30 calendar days or less.

A long-term lay off shall be defined as a lay off lasting more than 30 calendar days.

An employee on short term lay off that extends past 30 calendar days shall gain access to the rights set forth in 5.05. ii).

5.05 Employees given notice of lay off shall exercise seniority rights as follows:

- i) In the case of a short term lay off an employee shall be entitled to exercise seniority to avoid lay off only in his/her regular job classification, provided they possess the necessary skill and ability to perform the duties required of the position.
- ii) In the case of a long term lay off, an employee shall be entitled to exercise seniority in their own job classification or to the most junior employee in a

lower job classification, provided they possess the necessary skill and ability to perform the duties required of the position.

5.06 It is understood that exercise of seniority rights under 5.05 above will be on a temporary basis until such time as the employee's regular position becomes available again. The employee will then return to his/her regular position.

5.07 When recalling employees from lay off, employees will be recalled to work in order of seniority provided they are qualified to perform the available work.

5.08 When a laid off employee is being recalled he/she must accept recall to his/her previous classification, or equivalent, or to a lower classification, subject to the following terms:

- i) If an employee on a lay off rejects recall to a lower classification, he/she will only be recalled to his/her previous classification unless he/she notifies the Company in writing of his/her willingness to accept a lower classification. The junior employee on lay off in a classification must accept a recall in that classification in accordance with Article 5.09.
- ii) It is understood that a return from lay off to a lower classification shall be on a temporary basis until such time as the employee's regular position becomes available again. He/She will then return to his/her regular classification.

5.09 An employee on the layoff list, as specified in Article 5.01, when recalled to work, shall be notified by telephone or other suitable communication to their last known number or address. The employee shall notify the Company within seven (7) calendar days of receiving a recall of their intention to return. Failure to notify the Company may result in termination at the Company's discretion.

5.10 Employees on lay off shall provide the Company with their current address and phone number.

5.11 Employees who bump to a lower classification to maintain employment shall have their wages set according to their current step in the salary range, or to the step they had achieved in the position being filled, whichever is greater. All time served counts towards the employee's next increment in any classification.

6 - Job Posting

6.01 In the matter of promotion, demotion, transfer, temporary performance of higher duties of more than thirty (30) calendar days duration, seniority shall prevail subject to qualifications.

6.02 When filling vacancies and new positions within the scope of this Agreement, the position shall be posted for a minimum of seven (7) calendar days and such postings shall be placed in all departments. Employees will be required to apply in writing prior to the expiry date indicated on the posting. In the selection process, seniority shall prevail subject to qualifications. An applicant having more seniority than the appointed applicant may request reasons in writing for not receiving the appointment. When filling positions the Company shall select the candidate who is best qualified for the position, and where two candidates' qualifications are relatively equal, the Company shall select the candidate with the most seniority.

6.03 Employees may select jobs that interest them and have their names placed on a posting list and be automatically considered candidates for the posted positions that interest them. Employees must submit a separate application for each position. The Company shall maintain a posting list and employees on the list shall be considered as applicants for vacancies posted pursuant to Article 6.02.

6.04 It shall be the policy of the Company that in filling any vacancy outside the scope of this agreement, present employees will be given first consideration.

6.05 Seniority lists shall be updated and posted quarterly.

6.06 On promotion or change of position, an employee shall be required to serve a sixty (60) day assessment period. During this period the Company shall determine the employee's suitability for the position, subject to the employee's right to grieve if they are deemed unsuccessful.

6.07 Employees who do not complete the assessment period shall revert to their former position. The employee may choose to revert to their former position during the assessment period.

6.08 Article 6.06 and 6.07 shall apply to employees who promote to out-of-scope positions.

6.09 All postings shall include the pay rate range for the position posted. All employees shall be notified of the successful applicant for all postings.

6.10 Management shall post a list of all staff changes, (new hires, promotions, and retirements) as changes occur.

7 - Leave of Absence with Pay

7.01 Bereavement/Special Leave - Leave of absence with pay at regular straight time hourly rates up to three (3) consecutive working days shall be granted to an employee who has completed their probationary period, for pressing emergency. Pressing emergency shall only include death, serious accident or serious illness in the immediate family of an employee. Bereavement leave of up to three (3) consecutive working days immediately following the date of death shall be granted. For bereavement leave purposes only, where major travel or special circumstances are involved, approval may be given by the Company to extend the three (3) day limit to five (5) days. Immediate family shall be defined to include:

- a) the employee's spouse or common-law partner;
- b) the employee's mother and father, and the spouse or common-law partner of the mother and father;
- c) the employee's child(ren) and the child(ren) of the spouse or common-law partner;
- d) the employee's grandchild(ren);
- e) the employee's brothers and sisters;
- f) the grandmother and grandfather of the employee;
- g) the mother and father of the spouse or common-law partner of the employee and the spouse or common-law partner of the father and mother; and
- h) any relative of the employee who resides permanently with the employee or with whom the employee permanently resides;

i) or as otherwise modified in accordance with the Canada Labour Code.

7.02 Employees shall be entitled to bereavement leave of five (5) consecutive working days immediately following the death of their spouse or child.

7.03 Jury Leave - In keeping with the policy that an employee not suffer a loss of pay while serving as a juror, leave with pay of up to five (5) working days as provided for in Article 7.01 shall be granted for jury leave. The remuneration to be received by the employee on any working day the employee reports for or serves on the aforementioned shall be the employee's regular rate of pay for the day less jury duty fees received for that day.

7.04 An employee on leave of absence covered by this article shall continue to accumulate seniority, vacation credits, and other service benefits.

8 - Leave of Absence Without Pay

8.01 General Leave of Absence - If circumstances permit, the Company may grant leave of absence with or without pay for a reason acceptable to the Company. Any leave of absence shall be applied for in writing and shall specify the reason for requesting the leave. An employee shall not take employment elsewhere during the period of leave of absence. An employee on a paid leave of absence under this Agreement shall continue to accrue Seniority, Vacation Credits and other benefits. An employee on any leave of absence without pay under this Article shall maintain seniority and benefits accumulated prior to taking the unpaid leave of absence but shall not further accrue seniority and vacation benefits or other service benefits. Employees on LOA subject to Article 8.04 (a) and (b) shall continue to accumulate seniority, vacation and other service benefits.

8.02 Maternity Leave - Female employees shall be entitled to maternity leave in accordance with the Canada Labour Code.

8.03 Parental Leave - Parental Leave shall be granted in accordance with the Canada Labour Code.

8.04 Union Leave

- i) Leave of absence without pay shall be granted to three (3) designated Union representatives for the purpose of collective bargaining.
- ii) Leave of absence without pay shall be granted to one (1) designated Union representative for the purpose of attending Annual and Semiannual meetings for the Union's Joint Executive Council.

8.05 The Company shall continue the regular wages of employees on authorized Union business when so requested by the Union Central. The Company shall bill the Union for regular work hours paid during which the employee was on Union business approved by the General Secretary or his or her designate.

9 - Health and Safety

9.01 The Company and the Union recognize an employee's right to working conditions which show respect for his/her health, safety, and physical well-being.

9.02 The Company and the Union shall work together to promote a safe, healthy, and injury free workplace and agree to comply with the provisions of the O H & S act as outlined in the Canada Labour Code and Company policies.

9.03 The Company and the Union recognize the need for constructive and meaningful consultations on health and safety matters. To this end, joint safety committees shall be established. All employees covered by this collective agreement will be eligible to let their name stand for election to the Joint Health and Safety Committee.

10 - Benefit Plans

10.01 Sick Leave Plan

- i) Employees shall earn and accumulate sick leave credits on the basis of six point six six (6.66) hours per month of continuous service from commencement of employment. Maximum accumulative sick leave credits shall be one hundred and sixty (160) hours.

ii) Employees who are sick and/or disabled will be entitled to payment of wages commencing with the first day of illness or disability at the rate of pay that would apply if the employee were not absent on sick leave to the limit of his/her accumulated sick leave credits. The Company may require a Doctor's note for absences over two (2) days.

iii) Family Medical Leave

In an effort to enhance employee work life and help balance family medical responsibilities, a permanent fulltime employee shall be allowed 40 hours of family medical leave per year. The family medical leave will be drawn from the employees accrued sick leave balance.

An employee may be granted this leave to attend to a family member for whom he/she has a reasonable expectation for duty of care. Leave may be granted where the Employee has made reasonable efforts to use other available solutions. Family medical days may be granted for cases of illness of members of the employees' immediate family.

Immediate family shall be defined to include:

- a) **the employee's spouse or common-law partner;**
- b) **the employee's mother and father, and the spouse or common-law partner of the mother and father;**
- c) **the employee's child(ren) and the child(ren) of the spouse or common-law partner;**
- d) **the employee's grandchild(ren);**
- e) **the employee's brothers and sisters;**
- f) **the grandmother and grandfather of the employee;**
- g) **the mother and father of the spouse or common-law partner of the employee and the spouse or common-law partner of the father and mother; and**
- h) **any relative of the employee who resides permanently with the employee or with whom the employee permanently resides;**
- i) **or as otherwise modified in accordance with the Canada Labour Code.**

This may also include transportation of an employee and/or an immediate family member to a medical appointment. An employee that was unable to make the necessary arrangements for appointments

for personal health care outside of scheduled work time may utilize this benefit.

Time will be paid at regular rate of pay and at minimum of ½ of the hours in your scheduled work day.

Requests for leave will be made to the employee's manager and/or designate. In order to meet the Company's need of running an effective, efficient operations, employees will be required to provide reasonable notice when the day is required and unless there are unusual circumstances, family medical leave days should be utilized one day at a time. The Company reserves the right to request evidence from the employee that the leave is for personal/family medical responsibilities. The individual employees' judgment should be tempered with good faith, reasoning and an understanding that if misused the ability to take time off with pay for important family medical responsibilities may be denied.

10.02 The company will review the usage of the paid sick leave benefit program every six (6) months during the term of this agreement and will discuss the usage with representatives of the Union. If, in the Company's opinion, which shall not be exercised in an arbitrary or inequitable manner, the usage is excessive, the paid sick leave plan will be terminated at the end of this agreement by providing sixty (60) calendar days notice to the union.

10.03 The Company shall maintain a benefits program including extended health benefits, AD&D, group life insurance in the amount of two (2) X annual earnings to a maximum of \$100,000, and a dental plan. The benefit plans shall be mandatory for all employees. New employees shall be required to join the benefit plans once they have completed their initial probationary period of 90 calendar days. Temporary employees as defined in Letter of Understanding #1 shall not be eligible to join the benefit plans until they become regular employees and are in compliance with the terms and stipulations of the individual benefit policies.

10.04 Cost for the benefit plans shall be shared equally between the employer and the employees, with adjustments to provide for the most advantageous tax liability for employees.

10.05 **Long Term Disability**

All eligible employees will be automatically enrolled in the mandatory

Long Term Disability plan. The plan provides a percentage of your monthly earnings up to a specified maximum as outlined in the plan document. Disability premiums are 100% employee paid, which results in any benefits received being non-taxable to the employee in the event of a long-term absence from work due to illness or non-work related injury. This plan becomes effective upon enrollment with a target date of October 1, 2013.

10.06 **Retirement Plan**

Grain Millers Canada Corp. shall provide employees, who choose to participate in, a Company **retirement plan** which shall match employee contributions into the Company **retirement plan**. Participation in the Plan shall be voluntary but strongly recommended.

Effective July 1, 2008 the Company shall contribute a 100% match up to 4 % of employee's contribution.

Effective April 1, 2015 the Company shall contribute a 100% match up to 5% of employee's contribution.

Employees with ninety (90) days service shall be eligible to participate in the Company **retirement plan**.

10.07 The Company shall **provide** dental plan coverage to include 80 percent coverage for enamel fillings under basic services.

10.08 Coverage for eye exams shall be \$100 every two years, and provide coverage for the purchase of prescription eyewear of \$200 every two years.

11 - Scale of Wages, Job Classifications and Job Definitions

11.01 The scale of Wages and Job Classifications shall be set forth in Schedule A which shall be attached hereto, and such schedule shall form part of this Agreement.

11.02 If the responsibilities and/or duties of a job change, the position shall be examined when so requested by the employee. The request by the employee can be made at any time, providing a request respecting the position to be examined has not been processed in the preceding six months of the date of request. The request for examination by the employee shall be submitted in writing to the Operations Manager or designate. The Operations Manager or designate shall notify the employee of the

result of that examination within fourteen (14) calendar days. The employee may, if not satisfied, enter into the grievance process as outlined in Article 4.

11.03 The salaries for new positions or revised positions shall be the subject of discussions between the Company and the Union. When a job description for a new position has been submitted to the Union by the Company, negotiations shall commence respecting the scope and salary for the position within fourteen (14) calendar days. Where agreement cannot be reached regarding the rate of pay within seven (7) calendar days of commencement of negotiations, the position may be advertised at the rate proposed by the Company and may be filled on that basis.

12 - Shift Change

12.01 An employee whose scheduled hours of work are changed without two (2) days prior notice shall be paid one and one-half times the regular rate of pay for the first full shift following the change. Subsequent shifts worked on the new schedule shall be paid for at straight time.

12.02 Provided sufficient advance notice is given and with the approval of the employer, employees may exchange shifts if there is no increase in cost to the employer.

12.03 The Company shall consult with the Local Union Executive before implementing any new shift arrangement or modified shift arrangement. Such consultations shall begin, where possible, at least two weeks before the intended change is to take place. The Company shall consider any alternatives put forward by the Union, and shall endeavor to reach an agreement acceptable to all.

13 - Severance Allowance

13.01 An employee who has completed their probationary period and who is terminated for other than just cause shall be entitled to severance pay of five (5) days pay, or two (2) days pay per year of service, whichever is the greater.

14 - Temporary Performance of Higher Duty

14.01 When an employee is required by the Company to perform the duties of a higher classification level on an acting basis he/she shall be paid temporary performance

of higher duty pay, as if he/she has been promoted to the higher classification for the period in which he/she acts.

14.02 In order to provide training opportunities, employees may be given the opportunity to train at positions other than their own. The employee will continue to earn their current salary. Such training period shall be for a maximum of forty (40) hours in total. All employees will be given equal opportunity to access training. During the training period the company shall ensure that the regular incumbent is in the position on-site at all times.

15 - Contracting Out

15.01 In order to provide job security for the members of the bargaining unit the Company agrees that before contracting out in whole or in part, work or services performed or which could be performed by the employees in the unit, they will notify the Union of the proposed contracting out, and enter into discussions aimed at eliminating, or reducing job loss or layoff.

16 - Hours of Work and Overtime

16.01 As a norm, the work week shall be (40) forty hours consisting of (5) five consecutive eight-hour days. The daily hours are inclusive of rest periods and lunch breaks except for the day shift where the lunch break is excluded. On all shifts the lunch period may be scheduled so as to minimize interruptions to production.

16.02 Those employees working a (40) forty hour work week will be paid overtime for all hours worked in excess of eight hours per day or (40) **forty** hours in a week at the rate of time-and-one-half.

Those employees working on a modified work schedule will be paid overtime at the rate of time-and-one-half for all worked in excess of (80) eighty hours in any consecutive two-week period.

16.03 **When a shift needs to be filled it must be done first from a list of employees, sorted by seniority, that are in the position that originally was to work the shift. The most senior person on the list is to be called first. If the shift is not filled after going through the list then the Company may fill the shift from all other qualified candidates.**

16.04 Each employee shall receive a 15-minute rest period during each half working day and the paid rest period shall be approximately midway between each work shift, provided more than two hours have been worked in each half day.

16.05 Employees working on a modified schedule are entitled to paid lunch and rest periods while any process they are responsible for is in operation.

16.06 The workweek shall commence on Monday, and end on Sunday each week.

16.07 The Company shall maintain a bi-weekly pay period system.

16.08 Each employee is required to notify their immediate supervisor, or Manager, as soon as possible prior to the start of the scheduled work period if he/she is going to be absent for any reason. This notification will include the reason for the absence. If the employee is unable to speak to their supervisor they shall leave a number where they can be reached. Each employee is also required to request and obtain permission from the Supervisor or Manager before leaving work for any reason during his scheduled work period. Failure to notify your supervisor or late notification, or leaving work without permission may result in the absence being treated as unauthorized absenteeism and may subject the employee to discipline.

If an employee is absent from work without an authorized leave of absence for 3 consecutive work days, it may be viewed as termination due to abandonment of position.

17 - Reporting Pay, Call-Out Pay, Premium Pay

17.01 Reporting Pay - An employee who reports for work on his/her scheduled shift shall be paid for the time actually worked, or a minimum of three (3) hours' pay at straight time, whichever is the greater.

17.02 Call Back - A minimum of three (3) hours' pay will be paid to an employee who is called out for work after the employee has finished his/her regularly scheduled working hours.

17.03 Employees who work more than 50 percent of their assigned hours between the hours of 3:00 p.m. and 11:00 p.m. shall be paid a shift differential of \$.75 cents per hour for all hours worked on that shift.

17.04 Employees who work more than 50 percent of their assigned hours between the hours of 11:00 p.m. and 7:00 a.m. shall be paid a shift differential of **\$1.10** per hour for all hours worked on that shift.

17.05 Effective April 1, **2013**, employees shall be paid a premium of **\$1.50** per hour for all hours worked between 7:00 a.m. Saturday and 7:00 a.m. Monday.

18 - Vacations

18.01 Employees shall be entitled to vacation on the following basis:

120 hours vacation after 1 year of service.

160 hours vacation after 10 years of service.

200 hours vacation after 15 years of service commencing April 1, 2014.

18.02 Employees will earn vacation at the threshold for each category, starting from their anniversary date of employment.

18.03 The annual holiday scheduling procedure will be according to service with the Company; i.e. longer service - first choice. Requests for vacation will be accepted according to seniority up to May 1 of each year. After that, requests will be accepted and approved on a first come first serve basis. Employees will schedule vacation in the vacation year.

18.04 Vacations shall be scheduled at a time mutually agreeable between the employee and the Company except for Vacation Shutdown periods.

18.05 If the Company schedules a vacation shut down, it must:

- i) Schedule no more than 2 weeks annually.
- ii) Schedule the shutdown for a minimum of one week, or a maximum of two consecutive weeks in the months of July or August.
- iii) Notice of a shutdown must be given no later than March first of each year. Once scheduled, employees will be given the option of taking the time off, even if the shutdown is canceled. If Management allows employees to work during a shutdown, employees who are willing to

work will have their vacation rescheduled to a time that is mutually agreed on.

19 - General Holidays

19.01 New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, and Boxing Day, shall be recognized as General Holidays and employees shall be entitled to the above named General Holidays with full pay. In the event that an employee on an 8 hrs/day, 40 hrs/week schedule is required to work the whole or part of a General Holiday, he/she shall be entitled to one and one-half (1 ½) times his/her normal pay for the period so worked in addition to the regular day's pay for the General Holiday. Employees who work in a modified work schedule shall be paid in accordance with the modified schedule rules.

An employee who does not work on a statutory holiday is not entitled to pay for a statutory holiday that occurs in the first 30 days of employment with the Company.

20 - Effective Date and Duration of Agreement

A party wishing to revise this Agreement shall notify the other party in writing not less than 60 (sixty) days and not more than 90 (ninety) days prior to the expiry date hereof and on delivery of such notice the parties shall, within 10 (ten) days, or such later time as may be mutually agreed, commence negotiations.

This agreement shall be effective from **April 1, 2013**, and remain in full force and effect until **March 31, 2016**, and shall automatically continue thereafter from year to year until either party serves notice to the other of their desire to negotiate a revision thereof. During the negotiations for the renewal of this agreement or negotiations for a new agreement the terms and conditions of this agreement shall remain in full force and effect without prejudice to any retroactive clause of a new agreement until a new agreement superseding this agreement has been duly executed.

21 - Administration of Salary Schedule

21.01 Employees shall move to the next step in the salary schedule upon completion of the required time in the classification and subject to achieving a satisfactory performance review. Employees have the right to grieve if they disagree with their performance review.

21.02 An employee who promotes to a position shall have their salary adjusted to a step in their new classification which provides them with an increase.

21.03 An employee who demotes to a position shall have their salary adjusted to the step in their new classification which is equal to the step achieved in their previous classification, or to the top step previously achieved in the new classification, whichever is greater. All time worked shall count towards increment levels.

21.04 **Wages for April 1, 2013 to March 31, 2016 shall be set according to the attached grid. The wages then in place shall increase by 3.25 percent April 1, 2013, 3 percent April 1, 2014 and a further 3 percent April 1, 2015.**

21.05 **A onetime wage adjustment of \$0.50 will be applied to all classifications to cover LTD costs upon implementation.**

21.06 **\$0.50 per hour will be applied to Power Engineers salary grid with the addition of a 2 year level on the pay grid on April 1, 2013.**

21.07 **A onetime wage adjustment of \$2.50 per hour will be applied to Trades salary grid on April 1, 2013.**

21.08 **A one-time salary adjustment of 5% will be applied on April 1, 2013 as a transition of 50% of the incentive plan being applied to wage for all classifications (the remaining 50% of the incentive plan will remain outside of the contract).**

21.09 An employee who promotes to a new position shall have their pay adjusted to a step in the new classification that shall provide an increase of a minimum of 2 percent.

21.10 An employee who successfully bids into a promotion must be paid at the increased rate as soon as they assume the new position, or within sixty (60) days of their appointment, if their placement is delayed.

22 - Technological Change

The provisions of the Canada Labour Code shall apply to all situations involving Technological Change.

In witness thereof the parties hereto have hereunto subscribed their hands the day and the year first above written.

Dated this _____ day of _____, 2013

For Grain Millers Canada Corporation

For Grain & General Services Union (ILWU • Canada)

Effective April 1, 2013 with, \$2.50 Trades adjust., \$.50 Power Engineers 2nd year step, plus 3.25 % increase plus 5% bonus transition

Classification	A	B	C	D	E	F	
	Sanitation Flour Packers	Shpr/Rcvr FMO Packaging Operator Office Clerical-1 Lab Tech Elevator Assistant Sanitation II Forklift Operator	CPO Supervisors Maintenance Office Clerical 2	Assistant - Miller	Miller	Department Supervisors	
	Start	\$15.91	\$17.76	\$19.62	\$20.41	\$21.75	\$23.07
	500 hours	\$16.31	\$18.42	\$19.94	\$20.75	\$22.08	\$23.41
	2080 hours	\$16.90	\$19.02	\$20.61	\$21.41	\$22.73	\$24.07
	3120 hours	\$17.31	\$19.55	\$21.00	\$21.81	\$23.15	\$24.46
	4160 hours	\$18.04	\$20.14	\$21.61	\$22.73	\$24.20	\$25.52

Note 1: Lead hands in all departments will be paid 75 cents per hour premium

Note 2:	Labour	
	General	\$13.26
	Temp/Casual	\$13.26
	Students	\$13.26

Power Engineers	
Start	\$24.53
90 day	\$25.18
6 mos	\$25.86
1 year	\$26.52
2 years	\$27.06

Classification	Trades	Electrician Millwright Welder	Maintenance Lead Head
	Start apprenticeship	\$29.23	
1st level	1 year experience and with passing grade in school	\$30.89	
2nd level	2 years experience and with passing grade in school	\$32.55	
3rd level	3 years experience and with passing grade in school	\$34.20	
Journeyman Status	4 years experience and with passing grade in school	\$35.86	\$38.03

***Effective October 1, 2013 with \$.50 LTD adjustment**

Classification	A	B	C	D	E	F	
	Sanitation Flour Packers	Shpr/Rcvr FMO Packaging Operator Office Clerical-1 Lab Tech Elevator Assistant Sanitation II Forklift Operator	CPO Supervisors Maintenance Office Clerical 2	Assistant - Miller	Miller	Department Supervisors	
	Start	\$16.41	\$18.26	\$20.12	\$20.91	\$22.25	\$23.57
	500 hours	\$16.81	\$18.92	\$20.44	\$21.25	\$22.58	\$23.91
	2080 hours	\$17.40	\$19.52	\$21.11	\$21.51	\$23.23	\$24.57
	3120 hours	\$17.81	\$20.05	\$21.50	\$22.31	\$23.65	\$24.96
	4160 hours	\$18.54	\$20.64	\$22.11	\$23.23	\$24.70	\$26.02

Note 1: Lead hands in all departments will be paid 75 cents per hour premium

Note 2: Labour

General	\$13.26
Temp/Casual	\$13.26
Students	\$13.26

Power Engineers

Start	\$25.03
90 day	\$25.68
6 mos	\$26.36
1 year	\$27.02
2 years	\$27.56

Classification	Trades	Electrician Millwright Welder	Maintenance Lead Hand
	Start apprenticeship	\$29.73	
1st level	1 year experience and with passing grade in school	\$31.39	
2nd level	2 years experience and with passing grade in school	\$33.05	
3rd level	3 years experience and with passing grade in school	\$34.70	
Journeyman Status	4 years experience and with passing grade in school	\$36.36	\$38.53

Effective April 1, 2014 with 3 % increase

Classification	A	B	C	D	E	F	
	Sanitation Flour Packers	Shpr/Rcvr FMO Packaging Operator Office Clerical-1 Lab Tech Elevator Assistant Sanitation II Forklift Operator	CPO Supervisors Maintenance Office Clerical- 2	Assistant - Miller	Miller	Department Supervisors	
	Start	\$16.91	\$18.81	\$20.73	\$21.54	\$22.91	\$24.28
	500 hours	\$17.31	\$19.49	\$21.05	\$21.89	\$23.26	\$24.62
	2080 hours	\$17.92	\$20.10	\$21.74	\$22.57	\$23.93	\$25.30
	3120 hours	\$18.35	\$20.65	\$22.14	\$22.98	\$24.36	\$25.71
	4160 hours	\$19.10	\$21.26	\$22.77	\$23.93	\$25.44	\$26.80

Note 1: Lead hands in all departments will be paid 75 cents per hour premium

Note 2: Labour

General	\$13.65
Temp/Casual	\$13.65
Students	\$13.65

Power Engineers

Start	\$25.78
90 day	\$26.45
6 mos	\$27.15
1 year	\$27.83
2 years	\$28.39

Classification	Trades	Electrician Millwright Welder	Maintenance Lead Hand
	Start apprenticeship	\$30.62	
1st level	1 year experience and with passing grade in school	\$32.33	
2nd level	2 years experience and with passing grade in school	\$34.04	
3rd level	3 years experience and with passing grade in school	\$35.75	
Journeyman Status	4 years experience and with passing grade in school	\$37.45	\$39.69

Effective April 1, 2015 with 3 % increase

Classification	A	B	C	D	E	F	
	Sanitation Flour Packers	Shpr/Rcvr FMO Packaging Operator Office Clerical-1 Lab Tech Elevator Assistant Sanitation II Forklift Operator	CPO Supervisors Maintenance Office Clerical- 2	Assistant - Miller	Miller	Department Supervisors	
	Start	\$17.41	\$19.37	\$21.35	\$22.19	\$23.60	\$25.01
	500 hours	\$17.83	\$20.07	\$21.68	\$22.54	\$23.96	\$25.36
	2080 hours	\$18.46	\$20.70	\$22.39	\$23.25	\$24.65	\$26.06
	3120 hours	\$18.90	\$21.27	\$22.81	\$23.67	\$25.09	\$26.48
	4160 hours	\$19.67	\$21.90	\$23.45	\$24.65	\$26.20	\$27.60

Note 1: Lead hands in all departments will be paid 75 cents per hour premium

Note 2:	Labour	
	General	\$14.06
	Temp/Casual	\$14.06
	Students	\$14.06

Power Engineers	
Start	\$26.56
90 day	\$27.25
6 mos	\$27.96
1 year	\$28.66
2 years	\$29.24

Classification	Trades	Electrician Millwright Welder	Maintenance Lead Hand
	Start apprenticeship	\$31.54	
1st level	1 year experience and with passing grade in school	\$33.30	
2nd level	2 years experience and with passing grade in school	\$35.06	
3rd level	3 years experience and with passing grade in school	\$36.82	
Journeyman Status	4 years experience and with passing grade in school	\$38.58	\$40.88

Letter of Understanding #1

Between

Grain Millers Canada Corporation

and

Grain and General Services Union (ILWU • Canada)

Re: Hours of Work and Shift Schedules

1. On December 1 and June 1 of each year of the current agreement, the shift schedule for the next six (6) month period shall be set out and published for all members.
2. Any changes to the shifts as set out will be carried out in accordance with Article 12.03. The Company agrees that changes to any schedule set out above shall be made only when there is urgent and pressing necessity for the change.
3. The Company shall give an employee at least seven (7) calendar days written notice of shift cancellation.
4. No employee will be called in to replace an employee who has had their shift canceled. If a shift is reinstated after being canceled, the employee regularly assigned to that shift must be given first opportunity to fill the shift.

Casual, Temporary and Part Time Employees

1. The rate of pay for casual, temporary and part-time employees shall be as stipulated in the Wage Grid under Note 2.
2. Casual, temporary and part-time employees shall not be eligible for participation in the benefit plans.
3. Casual, temporary and part-time employees will not be hired to displace, or replace a regular employee. The Company shall not use any system of consecutive employment of casuals to avoid hiring a regular employee.

4. Union dues will be deducted from casual employees after they have worked more than 24 straight-time hours in one pay period. Casual, temporary and part-time employees shall not pay the special assessment of 1 percent to a maximum of \$10 per month paid by regular employees.

5. Casual, temporary and part-time employees will be paid statutory holidays and vacation pay in accordance with the Canada Labour Code.

Dated this _____ day of _____, 2013

For Grain Millers Canada Corporation

For Grain & General Services Union (ILWU • Canada)

Letter of Understanding #2

Between

Grain Millers Canada Corporation

and

Grain and General Services Union (ILWU • Canada)

Re: Out-of-Scope Production Foremen

The Union agrees that the position of Production Foreman, as established by the Company, will be designated as out-of-scope.

Dated this _____ day of _____, 2013

For Grain Millers Canada Corporation

For Grain & General Services Union (ILWU • Canada)

Letter of Understanding #3

Between

Grain Millers Canada Corporation

and

Grain and General Services Union (ILWU • Canada)

Re: Maintaining Benefits and Allowances

The Company shall maintain the following benefits and allowances for the life of the agreement. Providers of service may be changed, but benefits and allowances will be maintained at the same, or no less advantageous, level for the employees.

Employee Uniforms

The Company will pay 100 percent of the cost of cleaning required Company clothing (i.e. coveralls, smocks, and other clothing currently supplied). Uniforms must not be removed from Company property.

The Company shall provide a safety boot allowance of 100 percent of the cost of approved safety footwear to a maximum Company payment of \$200.00 annually, upon presentation to the Company of a paid receipt.

The Company may determine that some employees may be eligible to receive a second annual allowance for the purchase of winter weight boots on the same basis. This will be at the sole discretion of the Company.

Work Gloves

The Company shall supply appropriate work gloves to employees requiring them for the performance of their duties on an as-needed basis to a maximum of two pairs of gloves per month. Old gloves must be turned in before new ones will be issued. Winter-weight gloves will be provided to employees whose duties require them to occasionally work outside.

Tools

The Company shall supply each maintenance employee with their own set of

hand tools and a lockable toolbox. The employee will replace lost or stolen tools. The Company will replace broken or damaged tools. The Company shall supply departmental tools. Employees may move tools between locations, but all tools remain the property of the Company, and must remain on Company property.

Winter Clothing

The Company shall supply suitable winter clothing for some employees to use while at the plant. Other employees who are required to work outside periodically shall have access to shared winter clothing while performing their duties. Hardhat liners shall be provided to employees who require them and the employee shall be responsible for their cleaning.

The Company will determine which employees require winter clothing and Dept. Managers will purchase the clothing. Each Department Manager will determine how often winter clothing should be replaced.

All supplied clothing shall remain the property of Grain Millers Canada Corporation. Employees will be responsible for lost or stolen clothing issued to them. Grain Millers Canada Corporation will provide cleaning services as required for all winter weight clothing at no cost to the employee. All supplied clothing (including cost-shared work boots) must remain on company property, and employees must change when reporting to and leaving work.

Dated this _____ day of _____, 2013

For Grain Millers Canada Corporation

For Grain & General Services Union (ILWU • Canada)

Letter of Understanding #4

Between

Grain Millers Canada Corporation

and

Grain and General Services Union (ILWU • Canada)

Re: Overtime Thresholds

The cyclical nature of the business may result in overtime being requested beyond the maximum for any individual employee on occasion.

Employees have the right to choose to work beyond the maximum hours that are required by the Canada Labour Code if they so wish.

If an employee agrees to work overtime past their allowable limit as outlined in the Canada Labour Code, but then determines after they are assigned they do not wish to work above the limit, the following guidelines must be followed,

1. The employee must receive permission from the Manager, or Supervisor/alternate Manager in his/her absence, to leave before the end of their assigned duties, shifts or scheduled hours which the employee has already begun on that particular day.
2. If an employee requests they not work an agreed to shift less than 48 hours from the commencement of the extra shift or scheduled hours, the employee must receive permission from the Manager, or Supervisor/alternate Manager in his/her absence to leave before the end of their assigned duties, shifts or scheduled hours. The Manager, or Supervisor/alternate Manager in his/her absence, shall determine how the impact will affect the operation of the systems directly related to this employee and attempt to reschedule other staff or operation needs in order to accommodate the refusal to work. However if the schedule cannot be altered then the pre-agreed extra hours must be worked by the employee.
3. If the scheduled extra hours are beyond those outlined in the Canada Labour Code, and the employee has agreed or not disputed the extra shifts/hours but then

is asking permission for refusal to work the extra hours at least 7 calendar days in advance, the Manager, or Supervisor/alternate Manager in his/her absence, will grant permission.

Nothing in the above guidelines is meant to change or challenge an employee's right to their rights under the Health and Safety provisions of the Canada Labour Code. It is encouraged that employees read and understand the Canada Labour Code that deals with the above guidelines.

Dated this _____ day of _____, 2013

For Grain Millers Canada Corporation

For Grain & General Services Union (ILWU • Canada)

Letter of Understanding #5

Between

Grain Millers Canada Corporation

and

Grain and General Services Union (ILWU • Canada)

Re: Modified Work Schedule

Notice of Modified Work Schedule of Hours of Work

Name of Employer Grain Millers Canada Corp.

Identification of the affected employees..... Milling Operations
Boiler Engineers

Address or Location of Work Place..... #1 Grain Millers Drive
Box 5040
Yorkton, SK S3N 3Z4

Hours of work in each work day 12 (Twelve)

Number of work days in the work schedule 7 (seven)

Number of weeks in the work schedule 2 (two)

Number of rest days in the work schedule 7 (seven)

Where one or more general holidays occur in a
week, the standard hours shall be reduced by 8 (eight) per each holiday

Maximum number of hours that may be worked..... 84 hours in a work schedule

Date the work schedule comes into effect **April 1, 2013**

Date the work schedule expires **March 31, 2016**

Work day start 7:00 a.m. (day shift),
7:00 p.m. (night shift).

Teams and Schedule:

At Grain Millers Canada Corp, there are 4 shift teams. These teams rotate off and on according to the schedule. The schedule consists of working the following,

- 2 days of work
- 2 days off
- 3 days of work
- 2 days off
- 2 days of work
- 3 days off

The cycle then repeats itself commencing at 7:00 a.m. every second Monday.

When two teams are on their off days the other two teams are working either the 12-hour day shift or the 12-hour night shift. The teams alternate days to nights every two weeks of work.

Vacation and Sick days:

During the pay period where vacation is taken or sickness occurs, the missed shifts will be paid out as if the employee was at work but only at Straight Time Pay. Hours will be pulled from the individual's vacation accrual bank or their sick leave account.

Stat Holidays:

1. All Stat days start at 7:00 a.m. on the day of the stat and end 7:00 a.m. of the following day.
2. All Stat days will be scheduled working days except for December 25 and December 26 (Christmas and Boxing Day).
3. Any employee must give 30 days' notice to request to have his or her stat day off upon review with his or her direct supervisor/manager.

4. Grain Millers Canada Corp will give 30 days' notice if a Stat Holiday (other than December 25 and 26) is to be recognized and as such the plant operations affecting those employees will be shut down.
5. Stat Holiday hours will reduce normal threshold of 80 hours before overtime is paid by eight hours per Stat.

Example:

- Single Stat would reduce 80-hour threshold to 72 hours
- OT would apply to any hours worked over 72 hours
- Pay period would show,
 - 8 hours Stat pay
 - 72 hours regular pay
 - Hours OT pay
 - Shift Premium pay

Stat Holidays Banking:

1. Employee to provide 30 days notice if they wish to bank a stat day or it will be paid out.
2. When banking a stat your pay period would show the threshold of 80 hours before OT as if the stat was not even in that particular pay period.
3. Employee to provide 30 day notice to use any banked stat.
4. When an employee is scheduling to use his or her stat the threshold before OT will be reduced by the number of stats used in that particular period.
5. Bank stats are not to exceed a total of two.
6. Once 2 stats are banked one must be paid out before banking the next stat as banked stats cannot exceed a total of two.
7. Banked stats are paid out as straight time by reducing the hours of work as noted in the example above.

Switching Shifts:

Switching shifts can be done as long as,

- No expense to the company (increased OT)
- Not to exceed 5 consecutive working days by employee
- Approved by the employee's supervisor or department manager
- Appropriate forms completed.
- Must take place in the same pay period

Shift Start Time:

1. Shifts start at 7:00 a.m. (for the day shift) or 7:00 p.m. (for the night shift). All employees are required to be at work prior to the start time to allow for proper changing of clothes and prepare for work.
2. Employees will be paid for 12 hours when their systems are required to keep operating and cannot be shut down.
3. Employees whose system can be shut down for their lunch break will not be paid for the time they have this break and when their system is shut down.
4. Certain employees who are required to review production issues etc. may remain on shift more than the 12 hours to explain details to the new crew. These employees will be paid for this time. This time must not exceed 15 minutes without approval from their supervisor or department manager. This time is broke down to be 10 minutes prior to the shift and 5 minutes after the shift has completed.

Dated this _____ day of _____, 2013

For Grain Millers Canada Corporation

For Grain and General Services Union (ILWU • Canada)