

Vince Ready Collective Agreement Recommendations

RECOMMENDATIONS

If a Collective Agreement provision is not listed below, current language is to be maintained unchanged.

Article 2.04 (New) – Re Store Conversion Create

new article as follows:

Article 2.04 (New) – Re Store Conversion

In the event Sobeys West Inc. (Safeway Operations) decides to open or convert existing stores to operate under an alternate banner, that are different in size or type of operation from its conventional stores, the Employer will enter into negotiations with the Union to develop a separate Collective Agreement that is appropriate for the type of business contemplated. This agreement must be concluded within three (3) months from the date of announcement. Should a dispute arise as to the terms of the Collective Bargaining Agreement, the items in dispute shall be referred to a final offer selection process in accordance with the provisions of Article 28.02(2) through (6) no later than four (4) months after the date of the announcement. The final offer selection decision will be effective no later than five (5) months after the date of the announcement.

Article 7.12 – Shift and Shopping Premium

Increase night shift premium to \$2.00 per hour.

Article 7.15 – Suppliers Representatives

Amend Article 7.15, and create new Letter of Intent as follows:

7.15 Suppliers Representatives

Except prior to new store openings and one (1) week thereafter or during store remodeling to a maximum of one (1) week, suppliers' representatives, other than rack jobbers or employees of soft drink,

salted snacks, bread or bakery will not price products in stores, stock or replenish merchandise other than to rotate or check code dating on shelf stock.

New Letter of Intent (not to form part of the Collective Agreement) to read as follows:

The Company agrees that no full-time employees will be reduced to part-time as a direct result of the implementation of the new language in Article 7.15.

Article 9.05 and 9.06 – Head Cashier

Amend Articles 9.05 and 9.06, as required, to provide a “Head Cashier” premium of \$1.00 per hour above top-rated Tier 1 Cashier. Employee’s relieving for a Head Cashier get at least a \$1.00/hr increase over their existing Cashier rate.

Article 14.05 – Leave of Absence

Amend to provide paid bereavement of five (5) days for full-time and parttime averaging twenty-four (24) hours per week; two (2) paid days for part-time averaging less than twenty-four (24) hours per week.

Letter of Understanding (New) Re Third Party Kiosks:

New Letter of Understanding as follows:

Letter of Understanding Re Third Party Kiosks

The operation of third party kiosks such as those selling sushi, ethnic cuisine, etc., may be carried out by persons excluded from the bargaining unit. However, work carried out by those operating these kiosks shall be limited to the tasks pertaining to their duties.

WAGES AND TERM

Article 28 – Duration of Agreement Amend

Article 28 as follows:

28.01 This agreement shall be effective from the 22nd day of June, 2014 and shall remain in force until the 25th day of June, 2022. Nothing in this agreement is retroactive unless specifically provided herein by the parties.

Reopener

Accordingly, I recommend a 2019 reopener, at which time the parties will be able to revisit any or all Collective Agreement provisions, in light of the economic, comparative, and competitive landscape prevalent at that time, and informed by their experience with the Collective Agreement changes implemented upon ratification and prior to the reopener.

Reopener negotiations are to be resolved as follows:

- Within six (6) months immediately preceding November 3, 2019, either party may give written notice to the other party to negotiate changes in the current Collective Agreement.
- If the parties are unable to agree by September 1, 2019 on what, if any, changes are to occur, the parties shall resolve their dispute through binding interest arbitration.
- The parties will agree to the appointment of the interest arbitrator. If no agreement is reached by the parties within fourteen (14) days, the interest arbitrator is to be selected by the Chairman of the Saskatchewan Labour Relations Board.

Wage Increases

Current Top Rate or Over-scale Employees Hired Prior to Ratification:

Active employees who were on the payroll at the top rate or overscale as of the date of ratification shall receive the following increases:

Effective Sunday following ratification –	\$0.50 increase
Effective November 18 th , 2018 –	\$0.50 increase

Current Employees at the Start Rate or in the Progression Hired Prior to Ratification:

Active employees who were on the payroll at the start rate or in the progression as of the date of ratification shall receive the following increases:

Effective Sunday following ratification –	\$0.25 increase
Effective November 18 th , 2018 –	\$0.25 increase

Off Scale – Any employee who is placed at an off scale rate as a result of any wage increase referred to above will remain at that off scale rate until his/her service and experience qualify him/her for the next higher rate in the wage scale.

Retroactive Pay

All active top rated or over-scale employees on the payroll hired prior to ratification shall receive retroactive pay at the rate of fifty (50¢) cents per hour from June 22nd, 2014 to the Saturday following the date of ratification for all regular hours worked. Retroactive pay shall be paid to all employees within thirty (30) calendar days from the date of ratification.

All active employees on the payroll who are at the start rate or in the progression hired prior to ratification shall receive retroactive pay at the rate of twenty-five (25¢) cents per hour from June 22nd, 2014 to the Saturday following the date of ratification for all regular

hours worked. Retroactive pay shall be paid to all employees within thirty (30) calendar days from the date of ratification.

Any employee on a bona fide leave shall receive retroactive pay upon their return to work.

Wage Scale for Employees Hired Following Ratification

Implement a new scale for Sales Service Clerk and Courtesy Clerk employees hired after the date of ratification as follows:

0 - 500 hours	10.96
501 - 1000 hours	11.06
1001 - 1500 hours	11.16
1501 - 2000 hours	11.26
2001 - 2500 hours	11.36
2501 - 3000 hours	11.46
3001 - 3500 hours	11.56
3501 - 4000 hours	11.66
4001 - 4500 hours	11.76
4501 - 5000 hours	11.86
5001 - 5500 hours	12.50
5501 - 6000 hours	12.80
Over 6000 hours	13.50
Senior Clerk	
0 - 500 hours	14.50
501 - 1000 hours	15.25
1001 - 1500 hours	16.00
1501 - 2000 hours	17.10
Over 2000 hours	18.05

All new Sales/Service Clerks will progress to the top of the Sales/Service Clerk scale. They will then progress to the Senior Sales/Service Clerk scale when the Senior Sales/Service Clerk hours as a percentage of the total Sales/Service Clerk hours hired after the date of ratification is less than twenty-five (25%) percent. This calculation will be done, by store, two times per year (April 15 and October 15).

All new Courtesy Clerks hired after the date of ratification will progress up the wage scale based on hours worked or paid to the two thousand and one (2001) level in the new wage scale above and be capped at that level.

Minimum Wage Increase

Create language as follows:

In the event that Provincial minimum wage rate increases, the scales will start at the new minimum wage and employees will progress at ten cent (10¢) increases every five hundred (500) hours until their class hours correspond to an existing rate on the employees scale.

An employee hired on an off-scale rate will progress at ten cent (10¢) increases every five hundred (500) hours until their class hours correspond with an existing rate on the employees scale.

In all cases employees in the progression or start rate will receive a minimum ten cent (10¢) increase every five hundred (500) hours.

Existing employees on off scale rates in the progression shall receive a twenty-five cent (25¢) increase in each year of the collective agreement.

Buyout

Appendix “D” to be amended as follows:

Pursuant to Letter of Understanding #19 of the current collective agreement, the Company will at its sole discretion offer a voluntary buyout program with a General Framework for Restructuring Labour Costs similar to those set out in “Appendix D” of the Collective Agreement, except that the “bought and attrition hours” for full time will be thirty-seven (37) hours per week.

Items Previously Discussed

The parties previously agreed on a significant number of items (many of them simply housekeeping in nature). I herein recommend adoption of these agreed amendments.

Rather than reprint the language of these agreed items, I simply list them below, and direct the parties to their November 17, 2017 submissions for the sum and substance of each specific item agreement:

- General – “Canada Safeway Limited” amended to “Sobeys West Inc.”
- General – “Pharmacy Technician” amended to “Pharmacy Assistant”
- Article 7.03 – “endangering” amended to “impacting”
- Article 7.06 – “regular” amended to “existing”
- Article 7.12 – “night” shopping amended to “evening”
- Article 7.13 – Amend premium for Close and Lock-up from 50¢ to 65¢
- Article 9.04 – “Labour Standards Act” amended to “The Saskatchewan Employment Act”
- Article 10.03 – Delete “regular”
- Article 11.01, .12 & .13 – Delete “regular”
- Article 11.15 – New article re use of vacation entitlement
- Article 12.02,3., 12.10 – Delete “regular”

- Article 12.09 – Amend max severance from 15 weeks to 20 weeks
- Article 14 – “Labour Standards Act” amended to “The Saskatchewan Employment Act”
- Article 15 & 16 – Delete “regular”
- Article 18 – Delete “Smocks and Aprons” language no longer applicable
- Article 23 – “Saskatchewan Trade Union Act” amended to “Saskatchewan Employment Act”
- Appendix “F” – “Labour Standards Act” amended to “Saskatchewan Employment Act”

Turning now to the outstanding issues from the “Items Previously Discussed” lists, my recommendations regarding same are as follows:

Article 9.01 – Wage Rates and Job Classifications/Appendices “A” & “B”

Delete Appendix “B” (Wage Scales for Prince Albert and Swift Current) and include all rates of pay under Appendix “A”.

Note: No rate protection for Prince Albert/Swift Current Doughman, Ovenman or Tablehand.

Article 26 – Saskatchewan R.W.D.S.U. Dental Plan

Amend Article 26.01 as follows:

The Company agrees to make a direct contribution to the “Saskatchewan Retail Wholesale and Department Store Employees Dental Trust Fund hereinafter known as “The Fund” of thirty (30) cents per hour (thirty-two (32) cents/hr effective SFR; thirty-four (34) cents/hr effective June 17, 2018) for each straight time paid hour....Such contributions shall not exceed eleven dollars and ten cents (\$11.10) per week (eleven dollars and eighty-four cents (\$11.84) per week effective SFT; twelve dollars and fifty-eight cents

(\$12.58) per week effective June 17, 2018). Such contributions shall be forwarded to The Fund...accounting period.

(revisions underlined for clarity)

Letters of Understanding

Note: Renew all Letters of Understanding/Agreement with existing language maintained unchanged, except as specifically indicated below. (Letters to be sequentially renumbered as required.)

Letter #2 – Appearance Guidelines Delete.

Letter #13 – Two Week Payroll Period Delete.

Letters #14 & #21 – Pension Plan

Delete these two letters and replace with the language previously agreed to by the parties and specified in their November 2017 submissions.

Pension Plan

The Company agrees to participate in the Saskatchewan Retail, Wholesale and Department Store Union Trust Fund (hereinafter called “the Fund”) and the Saskatchewan Retail, Wholesale and Department Store Union Pension Plan (hereinafter called “the Plan”) in accordance with the following conditions:

1. The Company shall have two (2) representatives on the Board of Trustees of the Fund.
2. The total number of Trustees for the participating employers and the Union shall be governed by the Plan’s Trust Agreement. The participating employers and the Union will have equal voting powers on the Board of Trustees of the Fund.
3. The financial liability of the Company shall, in no event, exceed the obligation to make contributions as set forth in this Agreement.
4. Any member of the Union who is currently a member of the Canada Safeway Limited Employee Retirement Plan shall cease making contributions to the plan effective January 3, 1981 and those employees shall be considered as

having withdrawn from the Canada Safeway Plan as set forth in Article II, Section 3 of the Plan titled, "Withdrawal from Plan".

5. The goals and intentions of the Union shall be to assure that:
 - a) If an employee of the Company ceases to be a member of the Company's pension plan in order to accept a position which is within the bargaining unit as defined in the Collective Agreement between the Company and the Union, the qualifying service which has accrued under the Company's pension plan shall be included in determining the employee's vesting rights under the Plan.
 - b) If an employee of the Company ceases to be a member of the Plan in order to accept a position with the Company which is outside the bargaining unit, the qualifying service which has accrued under the Plan for service while employed by the Company shall be included in determining the employee's vesting rights under the Company's pension plan.
6. The Company's contribution to the fund shall be for all regular hours paid, sick pay (not including weekly indemnity), full-time vacation, as set out in Articles 11.02, 11.03, 11.04, 11.05, 11.06 and paid holidays for all employees in the bargaining unit to the maximum of the basic workweek (reference Section 7). Effective the first full period after the ratification of the Collective Agreement, the contribution will be one dollar and forty-five cents (\$1.45) per hour.
7. The assets of the Fund may be co-mingled for investment purposes.
8. New employer groups who have a collective agreement with the Union may be admitted as participating employers in the Fund subject to the approval of the Trustees.
9. The provisions and the funding of the Plan shall at all times comply with all laws, statutes and regulations, both federal and provincial, and the Company and the Union shall endeavour to ensure that the contributing employers' contributions shall qualify as a deductible expense under any applicable income tax legislation.
10. All details of the Plan to be established, including but not limited to, matters of eligibility, coverage and benefits shall be determined by the Trustees of the Fund in accordance with the provisions of the "Declaration of Trust" between the parties.
11. All new employees hired after *the date of ratification* will become members of the pension plan after twelve (12) calendar months of employment with the Company.

12. Upon becoming a member each employee will be required to contribute two (2.0%) percent of his/her hourly wages to a Defined Contribution (DC) component of the Pension plan.
13. On a voluntary basis in the month of January of each year but at no other time each employee who is a member of the plan for two (2) years or more may opt to increase their contribution to the DC plan from the above noted two (2%) percent to four (4%) percent, six (6%) percent or eight (8%) percent. The above noted increase can be reduced to no lower than two (2%) percent in the month of January in the following year. This means that no more than one change in contributions can be made in any one calendar year.
14. The Fund is a 'negotiated cost' plan.
15. All Plan expenses to administer the pension are funded by the hourly contributions.
16. Contributions paid with respect to part-time vacation pay shall be based on the percentage of vacation pay paid under the applicable Collective Bargaining Agreement (e.g., 4%, 6%, etc.) of the hours worked in the previous year multiplied by the cents per hour contribution rate on the above effective date as indicated in the agreement (e.g., an employee having worked or been paid for one thousand (1000) hours in the previous year and who was entitled to four (4%) percent vacation pay would be entitled to receive an additional forty (40) hours' credit into his/her previous yearly total. The administrator would credit said part-time employee with forty (40) additional hours and receive forty (40) x the applicable contribution rate from the Employer). Therefore, for the previous year, the employee, in this example, would be credited with a total of one thousand and forty (1040) hours.

Note: Point 6 of the above-referenced language not to include the additional twenty-five (25) cent increase sought by the Union.