

EXPIRY DATE: AUG.16, 2005

AGREEMENT BETWEEN:

WESTERN GLOVE WORKS LTD., hereinafter referred to as the
"Company",

AND

UNITED FOOD AND COMMERCIAL WORKERS UNION,
LOCAL NO. 832, chartered by
the United Food & Commercial
Workers International Union,
hereinafter referred to as the
"Union".

WHEREAS: THE COMPANY AND THE UNION DESIRE TO COOPERATE IN ESTABLISHING AND MAINTAINING CONDITIONS WHICH WILL PROMOTE THE EFFICIENT AND PRODUCTIVE OPERATION OF THE COMPANY, IMPROVE QUALITY, ELIMINATE WASTE AND UNNECESSARY EXPENSE AND AVOIDABLE DELAYS IN PRODUCTION, MAINTAIN HARMONIOUS RELATIONS BETWEEN THE COMPANY AND ITS EMPLOYEES AND FACILITATE THE AMICABLE SETTLEMENT OF DIFFERENCES;

NOW, THEREFORE, THE COMPANY AND THE UNION MUTUALLY AGREE AS FOLLOWS:

ARTICLE 1 NATURE OF THE BARGAINING UNIT

1.01 The Company recognizes the Union as the sole and exclusive bargaining agent for the bargaining unit defined in Certificate No. MLB-313 dated July 4, 1951 which is recognized as including all employees of the Company employed at 555 Logan Avenue and 300 Princess Street, in the City of Winnipeg, in the Province of Manitoba, and excluding mechanics, maintenance personnel, quality control personnel, laundry technical personnel, fabric personnel, product development personnel, office staff, office clerical staff, plant clerical staff, sales staff, retail staff, supervisors, those above the rank of supervisor and those excluded by The Labour Relations Act (Manitoba). If the Company moves from 555 Logan Avenue and/or 300 Princess Street to another location in Manitoba, this Agreement will apply mutatis mutandis to the employees at that new

location except where the employees at that new location are covered by another Manitoba Labour Board certificate or another collective bargaining agreement.

1.02 The Union and the employees recognize and agree that in order to provide maximum opportunities for continued employment and in order to continue to provide good wages and working conditions, the Company must always be in a strong competitive market position. This means that the Company must always provide the highest quality products and services at the lowest possible cost. Therefore, the Union and the employees also acknowledge that at all times, subject to the express terms of this Agreement, the Company must be able to improve the quality of workmanship, products and services, eliminate waste of materials, supplies and time, conserve and protect materials, supplies, equipment and facilities and do such other things as may be reasonably required to promote efficient and productive operations.

1.03 Once every three (3) calendar months the Company will provide the Union with a list containing the current names, addresses, telephone numbers and rates of pay of all employees. The onus is on each employee to keep the Company advised of his current address and telephone number.

ARTICLE 2 DEFINITIONS

2.01 The word "employee" or "employees" whenever used in this Agreement shall mean those employees of the Company for whom the Union is the bargaining agent as set forth in Article 1.01 and who are covered by the terms of this Agreement.

2.02 (a) The words "temporary employees" whenever used in this Agreement shall mean an employee who is hired to meet seasonal or peak period demand or as a replacement for a regular employee who is on vacation, on Workers Compensation or on an approved leave of absence and whose service will be of a limited duration and in any event of not more than three (3) consecutive months. A temporary employee shall have no rights under the seniority provisions of this Agreement. However, if a temporary employee remains in the Company's employ beyond three (3) consecutive months, or if he is offered permanent full-time employment prior to that date, he shall thereupon cease to be a temporary employee and shall be then regarded as a regular employee. In such a case, service as a temporary employee shall be credited to his most recent date of hire.

No employee will work less than his full week's work because of temporary employees performing his normal work and no temporary employee will be hired while there are regular employees on layoff who are immediately available to perform the work and who have the qualifications and skill to perform the work in an efficient

manner.

(b) The employment of an employee hired as a temporary employee shall automatically terminate at the expiry of the available work for which the employee was hired, the stipulated term or upon return of the absent permanent employee whichever is the lesser. An employee hired as a temporary employee shall be advised at the time of his hiring of his temporary status and the estimated duration of his employment and the Union shall be informed in writing of same.

(c) Temporary employees shall not have access to the grievance procedure set forth in Article 10 or to the arbitration provisions set forth in Article 11 in the event of discharge or layoff.

2.03 Whenever the singular or masculine terms are used in this Agreement, they shall also mean the plural or feminine terms where the context so requires.

2.04 The words "probationary employees" whenever used in this Agreement shall mean those employees referred to in Article 6.

2.05 The words "piece work average rate of pay" whenever used in this Agreement shall mean the average hourly rate of pay earned by an employee working piece work during the most recent three (3) calendar month period as set forth below preceding the date of application of the piece work average rate of pay under this Agreement during which the employee worked a minimum of two hundred and forty (240) hours on piece work. If an employee has not worked a minimum of two hundred and forty (240) hours on piece work in each of the two (2) immediately preceding three (3) calendar month periods, then that employee will be paid the guarantee rate of pay, unless he has not worked the minimum two hundred and forty (240) hours on piece work in each of the two (2) immediately preceding three (3) calendar month periods because he has been absent due to an authorized leave of absence or because he has been transferred by the Company in circumstances where his rate of pay has been maintained pursuant to Article 8.01, in which event the Company and the Union will agree on a piece work average rate of pay for that employee for the current three (3) calendar month period and failing agreement, a grievance may be filed in accordance with Article 10 with respect to the rate. The piece work average rate of pay is calculated based on the number of hours actually worked by an employee on piece work in the three (3) calendar month period divided into the total piece work earnings, exclusive of any and all overtime pay, supplementary pay or premium pay of any kind, of that employee for those hours during that three (3) calendar month period.

The three (3) calendar month periods shall be from the beginning of the pay period beginning closest to the fifteenth (15th) day of December to the end of the pay period ending closest to the fourteenth (14th) day of March, from the beginning of the

pay period beginning closest to the fifteenth (15th) day of March to the end of the pay period ending closest to the fourteenth (14th) day of June, from the beginning of the pay period beginning closest to the fifteenth (15th) day of June to the end of the pay period ending closest to the fourteenth (14th) day of September and from the beginning of the pay period beginning closest to the fifteenth (15th) day of September to the end of the pay period ending closest to the fourteenth (14th) day of December.

2.06 The words “guarantee rate of pay” whenever used in this Agreement shall mean the greater of:

(a) the applicable statutory minimum wage rates in effect from time to time in Manitoba plus fifteen (15¢) cents; and

(b) five dollars and sixty (\$5.60) cents,

minus the supplementary pay referred to in Article 20.07 for employees working piece work who have not completed six (6) months of continuous service with the Company since their most recent date of hire.

2.07 The words "regular hourly rate of pay" and "piece work average rate of pay" whenever used in this Agreement shall mean at any time with respect to any employee that straight time rate of pay per hour or piece work average rate of pay per hour as the case may be, exclusive of any and all overtime pay, supplementary pay or premium pay of any kind, to which such employee is entitled under the terms of this Agreement in respect of the work which he is performing at such time.

2.08 The word “department” whenever used in this Agreement shall mean one of the following:

1. Product Development
2. Cutting
3. Sewing Preparation
4. Sewing Assembly
5. Sew Finishing
6. Wet Processing (includes Laundry and Sandblast)
7. Finishing
8. Distribution
9. Trim

together with such other additional departments as the Company may from time to time establish.

ARTICLE 3 MANAGEMENT RIGHTS

3.01 The Union recognizes and agrees that except as specifically, unequivocally and expressly limited by this Agreement, all rights, powers and authority are retained solely and exclusively by the Company.

3.02 Without limiting the generality of the foregoing, the Union acknowledges that the Company has the sole and exclusive right to operate and manage its business, affairs and facilities; to control and direct the working forces and to select, hire, promote, demote, transfer, assign, classify, lay off and recall employees; to maintain order, discipline and efficiency and to discipline and discharge employees for just cause; to establish, alter and enforce from time to time reasonable rules, regulations, policies and practices to be observed by employees; to establish new jobs and to alter, consolidate or abolish existing jobs; to determine the number and type of employees needed at any time, the hours and shifts to be worked, the duties to be performed, overtime requirements, job content, quality and quantity standards of performance and the qualifications of employees to perform any particular job; to subcontract work; and to determine the hours and schedules of operation, operating techniques, methods, procedures and processes and means of performing work, the facilities and services to be provided, the materials, supplies, tools, machinery, equipment and facilities to be used, the nature and kind of business conducted, the number, location and types of operations and the extension, limitation, curtailment or cessation of operations or any part thereof.

3.03 The Company agrees that it will not exercise its functions in a manner inconsistent with the express terms of this Agreement and in that regard, in administering this Agreement, the Company shall act reasonably, fairly, in good faith and in a manner consistent with the Agreement as a whole.

ARTICLE 4 ACCESS TO PLANT

4.01 A maximum of three (3) duly authorized representatives of the Union who are not employees of the Company (herein referred to as "the Union Representatives") shall be admitted to the premises of the Company at any one time to conduct Union business after notifying the Director of Operations or his designate upon entering the premises and before proceeding on the visit.

The Company will keep the Union informed of the name of the Director of Operations or his/her designate if the Director of Operations is unavailable.

4.02 Whenever possible, meetings between an employee and a Union Representative shall take place on the rest period or meal period of the employee or immediately prior to or immediately following the scheduled work period of the employee. However, if the meeting must occur during the employee's working hours, the Company shall allow the employee up to fifteen (15) minutes of paid time off in order to meet with the Union Representative.

4.03 Discussions between the Union Representative and the employee shall be held in private so as to not distract other employees. The Company will designate the location of any meeting between an employee and a Union Representative. In no event shall the admission of the Union Representatives or their meetings with employees interfere with or disrupt operations.

4.04 The Union shall promptly notify the Company in writing of the names of the Union Representatives and any changes thereto. The Company will not recognize an individual as a Union Representative until it has received such notification from the Union.

ARTICLE 5 UNION MEMBERSHIP AND DEDUCTION OF UNION DUES

5.01 All employees hired or rehired on or after the date of ratification of this Agreement shall, as a condition of employment, apply for membership in the Union within ten (10) calendar days from the date of hire or rehire and once membership is granted by the Union, such employees shall continue to be members of the Union for the duration of this Agreement.

5.02 The Company agrees to forward Exhibit One, as attached to this Agreement, duly completed, to the Union within ten (10) calendar days from the date of hire or rehire of an employee. The Union shall bear the expense of printing and mailing Exhibit One.

5.03 Once each calendar month the Company will provide the Union with a list

containing the names and social insurance numbers of all employees who have terminated their employment during the previous calendar month.

5.04 The Company will deduct from the wages of each employee such Union dues, initiation fees and assessments as are authorized by regular and proper vote of the membership of the Union.

The Company agrees to deduct Union dues and/or initiation fees and/or assessments from the first paycheque of any new employee provided the employee has worked, or received pay, for more than forty (40) hours during the first pay period. If a new employee has worked less than forty (40) hours during the first pay period, the Company shall deduct only the initiation fee with respect to that employee. Thereafter, the amount of Union dues set by the Union from time to time shall be deducted from each subsequent paycheque of employees regardless of the amount of hours worked during any pay period subsequent to the first pay period, as long as the employee remains a member of the bargaining unit.

5.05 The Company will remit monthly the total sum of the amount so deducted to the Union on or before the twentieth (20th) day of the calendar month following the month in which the deductions were made, together with a list of the names and social insurance numbers of the employees from whose wages the deductions have been made and the amounts so deducted from each employee's wages.

5.06 The Union shall advise the Company in writing of the amount of Union dues, initiation fees and assessments to be deducted from the wages of employees and shall notify the Company in writing of any change in such amounts to be deducted at least thirty (30) calendar days in advance of the end of the pay period in which the deductions are to be made.

5.07 Each year the Company shall calculate the amount of Union dues deducted from each employee's pay and shall indicate same on the T-4 slip of each employee by no later than February 28.

5.08 The Union shall indemnify and save harmless the Company from any and all claims, demands, actions, proceedings and any other form of liability or expense arising out of or in respect of deductions made by the Company from the wages of any employee pursuant to the provisions of this Article 5, except where the Company has failed to make deductions in accordance with the foregoing.

ARTICLE 6 PROBATIONARY PERIOD

6.01 A newly hired employee shall be on probation for thirty (30) days of actual

work with the Company since his most recent date of hire. The Company may discipline or discharge an employee at any time during his probationary period and neither the employee nor the Union on his behalf shall have any recourse to the grievance procedure set forth in Article 10 or to the arbitration provisions set forth in Article 11. The discipline or discharge of a probationary employee shall be deemed to have been for just cause. After completion of the probationary period, seniority shall be established and shall be effective from the most recent date of hire.

ARTICLE 7 STRIKES AND LOCKOUTS

7.01 The Union and the employees agree that during the term of this Agreement they will not cause, condone or engage in any strike, sympathy strike, slowdown, sitdown, stoppage, picketing or interruptions of any kind which would in any way restrict, disrupt, limit or otherwise interfere with the quality or quantity of work or production.

7.02 The Company agrees that during the term of this Agreement there will be no lockout.

ARTICLE 8 TRANSFER FROM ONE OPERATION TO ANOTHER

8.01 When the Company requires an employee working on piece work to transfer from his normal operation to another operation, the employee's piece work average rate of pay will be maintained during the transfer for a maximum of twelve (12) calendar weeks provided that:

- (a) at the time of the transfer the employee had sufficient work at his normal operation;
- (b) the transfer is not of a seasonal type which is normal to the operation of the Company;
- (c) the transfer is not made as a result of change-overs in types of garments being made by the Company; and
- (d) the transfer is not to one of the employee's other established operations which shall mean an operation the employee has performed for at least two hundred and forty (240) hours in the last six (6) months.

8.02 When there is no work available at his normal operation, an employee working piece work may, at the time of transfer, reject a transfer to another operation where he would not be paid his piece work average rate of pay and thereby elect to go

home, notwithstanding anything to the contrary contained in this Article 8.

8.03 In case of dissatisfaction with the work assigned or the transfer made, employees must continue to do such work as is assigned or to which they have been transferred, but may grieve in the manner set forth in Article 10 and the procedure therein provided for shall then be followed so that the grievance may be heard and adjudicated upon through the procedure provided in Article 11.

8.04 Whenever there is a breach of any of the provisions of this Article 8 by an employee, no negotiations shall take place and no complaints shall be heard or adjudicated upon until all employees who have committed such breach are back to work in the usual manner, unless the employee and his immediate supervisor otherwise agree.

8.05 Wages earned on piece work shall not be used to cover work performed on time work and vice versa. An employee must immediately clock out whenever there is a change in the method by which he is paid and he must have that clock out immediately verified by his immediate supervisor. Employees who have an operation which normally provides less than the normal hours of work each day will be granted a second available operation whenever reasonably possible in an attempt to provide the normal hours of work each day. Operational Seniority shall prevail with respect to the assignment of a second available operation provided the senior employee possesses the qualifications and skill to perform the available operation in an efficient manner and to the satisfaction of the Company.

8.06 When an employee is transferred from one (1) operation/ classification/ department to another, s/he shall retain his/her Operational Seniority/ Departmental Seniority in the operations/classification/department from which s/he was transferred for a period of one hundred and eighty (180) calendar days. Following one hundred and eighty (180) calendar days, if the transfer remains in effect, the employee's full Operational Seniority/ Departmental Seniority will be transferred to the new operation/ classification/ department and s/he shall cease to have any Operational/Departmental Seniority in the operation/classification/department from which s/he was transferred.

Note: Article 8.06 will be applied by the Company to current employees as of the date of ratification of this Agreement, will be applied to both employees working piece work and hourly paid employees and will be applied retroactively to December 15, 1994 for all current employees who have been transferred since December 15, 1994, from one operation to another and who, in accordance with the current Article 8.06 did not have their seniority transferred.

8.07 Hourly paid employees assigned by the Company to a higher paying classification for more than one (1) work day will receive the higher hourly rate of pay for all time worked in the higher paying classification. Hourly paid employees assigned by the Company to a lower paying classification for less than four (4) calendar weeks will not have their hourly rate of pay reduced for all such time worked.

8.08 Any employee who relieves a person outside the bargaining unit for more than one (1) work day will receive, in addition to his/her regular hourly rate of pay/ piece work average rate of pay an additional sixty-five (65¢) cents per hour for all such relief time worked outside the bargaining unit.

ARTICLE 9 SHOP STEWARDS AND UNION ACTIVITIES

9.01 The Company acknowledges the right of the Union to appoint not more than twenty (20) employees as Shop Stewards. The Union shall promptly notify the Company in writing of the names of the Shop Stewards and any changes thereto. The Company will not recognize an employee as a Shop Steward until it has received such notification from the Union.

9.02 There shall be no Union activity of any kind on Company time or property unless such activity is specifically permitted by this Agreement. No meetings of the Union or its members shall be held on Company property at any time without the prior written approval of the Director of Operations or his designate except as specifically provided for in this Agreement. Shop Stewards shall perform their regular work assignments and shall engage in no Union related activity whatsoever during working hours except as specifically provided for in Article 9.03.

9.03 To ensure operations are not interfered with or disrupted, the parties agree that whenever possible the Shop Stewards shall conduct their activities outside regular working hours. In a grievance situation which requires a Shop Steward's attention during working hours, he shall not leave his regular duties without first obtaining permission to do so from his immediate supervisor. It is understood that the taking of such time away from regular duties shall be kept to a minimum and that permission will not, therefore, be unreasonably withheld. Shop Stewards shall report to the supervisor of the area visited before contacting any employee in that area and shall return to their regular duties as expeditiously as possible. The Company reserves the right to limit such time if the time requested is unreasonable. Abuse of leave or excessive use of time spent adjusting grievances shall not be permitted and in no event shall the adjustment of grievances interfere with or disrupt operations. Subject to the foregoing, a Shop Steward shall be paid at his regular hourly rate of pay/his piece work average rate of pay for the time spent investigating or presenting a grievance during his regular working hours.

9.04 Subject to the terms of this Agreement, the Company agrees that no employee shall be discriminated against for exercising his rights under the terms of this Agreement.

9.05 Shop Stewards shall be allowed to wear their Shop Steward's badge while on duty.

ARTICLE 10 ADJUSTMENT OF GRIEVANCES

10.01 The Company and the Union agree that grievances shall be adjusted as quickly as possible in the manner set out herein and without suspension, interruption or disruption of the normal operations of the Company.

10.02 A "grievance" shall mean a dispute concerning the interpretation, application or alleged violation of the provisions of this Agreement. The Company, the Union or an employee may present a grievance.

10.03 All employees have the right to express to management any complaint they may have concerning any matter related to their work or general welfare.

10.04 No employee shall have a grievance until he, or a Shop Steward or a Union Representative on his behalf, has first given his immediate supervisor the opportunity to settle the complaint.

10.05 If such informal discussion does not result in a satisfactory adjustment of the employee's complaint, an earnest effort shall be made to settle the grievance in the following manner:

STEP 1 The grievance shall be submitted in writing to the Director of Operations or his designate within fifteen (15) working days immediately following the event or circumstance giving rise to the grievance. Any grievance which is not presented within fifteen (15) working days shall be forfeited and waived by the aggrieved party. The Director of Operations or his designate shall reply to the grievance in writing within five (5) calendar days of receipt of the written grievance. If a satisfactory settlement has not been reached, or if the Director of Operations or his designate has failed to reply in writing within the five (5) calendar days, then the employee, the Shop Steward or the Union Representative may proceed to Step 2.

The nature of the grievance, the article or articles of this Agreement alleged to have been violated and the remedy sought shall all be clearly set out in the grievance.

STEP 2 Failing satisfactory settlement at Step 1, the employee shall meet with the Director of Operations or his/her designate, together with a Shop Steward and/or Union Representative, to discuss the grievance within the next fourteen (14) calendar days. The Director of Operations or his/her designate shall render his/her decision in writing within seven (7) calendar days after the meeting. If the

matter is not resolved at Step 2, or if the Director of Operations or his/her designate has failed to reply in writing within the seven (7) calendar days, then the employee, the Shop Steward or the Union Representative may proceed to Step 3.

STEP 3 Failing satisfactory settlement at Step 2, either the Company or the Union may submit the grievance to arbitration in accordance with the provisions of Article 11.

10.06 A grievance arising directly between the Company and the Union concerning the interpretation, application or alleged violation of this Agreement shall be initiated by either the Company or the Union at Step 1 of the grievance procedure within fourteen (14) calendar days after the event or circumstance giving rise to such policy grievance. If not so presented the grievance shall be forfeited and waived by the aggrieved party. The nature of the grievance, the article or articles of this Agreement alleged to have been violated and the remedies sought shall all be clearly set out in the written grievance.

10.07 The parties agree that this Article 10 does not apply in the event of the discipline or discharge of a probationary employee as referred to in Article 6.01.

ARTICLE 11 ARBITRATION

11.01 When a party desires that a grievance be submitted to arbitration, that party shall notify the other party in writing, within fourteen (14) calendar days of receiving the final written decision from either party but not thereafter, of its desire to submit the matter to arbitration. If no such written request for arbitration is received within the said fourteen (14) calendar day time limit then the grievance will be deemed to have been abandoned. Grievances shall be submitted to a single arbitrator to be chosen in rotation from a panel consisting of:

Paul S. Teskey
William D. Hamilton
A. Blair Graham

If any individual of the above noted panel, who has been requested in his/her turn to act as an arbitrator, shall be unable or unwilling to act s/he shall not again be requested to act as the arbitrator until his/her name comes up again on the regular rotation of the panel.

11.02 The person selected as arbitrator shall in no way be directly involved in the controversy under consideration or be a person who has a personal or financial interest in either party to the dispute.

11.03 If any individual of the above panel who, having been requested in his turn to act as arbitrator on an arbitration, shall be unable or unwilling to act, he shall not again be requested to act as arbitrator on any arbitration until his name comes up again on the regular rotation of the panel.

11.04 The arbitrator shall receive and consider such material evidence and contentions as the parties may offer and shall make such independent investigation as he deems essential to a full understanding and determination of the issues involved. The arbitrator may determine his own procedure but shall give full opportunity to the parties to present evidence and to make representations. In reaching a decision, the arbitrator shall be governed by the provisions of this Agreement and shall render his decision within sixty (60) calendar days following the end of the hearing.

11.05 The arbitrator shall not have any jurisdiction to alter, modify, amend or add to any of the provisions of this Agreement, nor to substitute any new provisions in lieu thereof nor to make any decisions inconsistent with the provisions hereof. The arbitrator shall have the authority, within the above limitations, to dispose of grievances in such manner as he may deem just and reasonable in the circumstances.

11.06 The decision of the arbitrator shall be final and binding upon the parties and upon any employee affected by it.

11.07 The Company and the Union shall each pay one-half (½) of the fees and expenses of the arbitrator.

11.08 The time limits set out in the grievance procedure (Article 10) and the arbitration provisions (Article 11) are mandatory and may only be extended or waived by mutual agreement in writing between the Company and the Union.

11.09 In the interest of settling a grievance prior to an arbitration hearing the parties may mutually request the assistance of a grievance mediator from the Province of Manitoba Conciliation Services. In the event the costs of the mediator are not borne by the Province of Manitoba, the expenses and fees of the mediator shall be borne equally by the parties to the arbitration proceedings.

ARTICLE 12 HOURS OF WORK AND OVERTIME

12.01 The provisions of this Article 12 are intended to define the normal hours of work for the purpose of calculating payment for authorized overtime and nothing in this Article or this Agreement shall be construed as a guarantee of or a limitation upon the hours of work per day or per week or of days of work per week, nor as a guarantee of work schedules.

12.02 The normal work week shall consist of forty (40) hours to be worked in five (5) consecutive days, eight (8) hours each day, during the period Monday to Friday inclusive (currently Monday to Sunday inclusive for those employees working in the laundry). Hours paid for a holiday as referred to in Article 18 on which an employee does not work shall be considered as hours worked when calculating weekly overtime.

The Company will give to each affected employee and to the Union as much advance notice as is practicable in the circumstances before implementing shift schedules in excess of eight (8) hours in one (1) day. The requirements and efficiency of operations must necessitate the implementation of such schedules and such schedules must not be implemented in an unreasonable or arbitrary manner. The Company will consult with the Union before implementing such schedules and will give careful consideration to any recommendations which the Union may have with respect to the implementation of such schedules provided, however, that if the Union does not agree with the implementation of such schedules, a grievance may be filed in accordance with Article 10 and failing settlement, the matter may be referred to arbitration in accordance with Article 11.

12.03 Overtime is recognized as being voluntary but if there are insufficient qualified volunteers immediately available to do the required work, then the Company will require employees to work the overtime which will be assigned to employees immediately available who have the qualifications and skill to perform the work in an efficient manner. Permission to be excused from working overtime shall not be unreasonably withheld. Whenever the Company requires overtime work to be performed, the Union and the employees must cooperate fully whenever possible.

12.04 The Company shall pay an hourly paid employee one and one-half ($1\frac{1}{2}$) times his/her regular hourly rate of pay for all hours worked by him/her in excess of his/her normal hours of work in any one (1) day (e.g. eight (8), ten (10), twelve (12)). The Company shall pay an employee working piece work his/her piece work earnings plus one-half ($\frac{1}{2}$) of his/her piece work average rate of pay and one-half ($\frac{1}{2}$) of the supplementary pay referred to in Article 20.07 for all hours worked by him/her in excess of his/her normal hours of work in any one (1) day (e.g. eight (8), ten (10), twelve (12)).

12.05 The Company shall pay an hourly paid employee one and one-half ($1\frac{1}{2}$) times his/her regular hourly rate of pay for all hours worked by him/her in excess of his/her normal hours of work in any one (1) week. The Company shall pay an employee working piece work his/her piece work earnings plus one-half ($\frac{1}{2}$) of his/her piece work average rate of pay and one-half ($\frac{1}{2}$) of the supplementary pay referred to in Article 20.07 for all hours worked by him/her in excess of his/her normal hours of work in any one (1) week.

12.06 All hours worked by an hourly paid employee on a Saturday which is her/his regularly scheduled day of rest shall be considered overtime and the employee

shall be paid one and one-half (1½) times his/her regular hourly rate of pay for all hours worked by him/her on the Saturday unless the employee is absent without valid reason during any part of his/her regularly scheduled work week, in which event s/he shall only be paid overtime for those hours worked by him/her in excess of his/her normal hours of work in any one (1) week. All hours worked by an employee working piece work on a Saturday which is his/her regularly scheduled day of rest shall be considered overtime and the employee shall be paid his/her piece work earnings plus one-half (½) of his/her piece work average rate of pay and one-half (½) of the supplementary pay referred to in Article 20.07 for all hours worked by him/her on the Saturday unless the employee is absent without valid reason during any part of his/her regularly scheduled work week, in which event s/he shall only be paid overtime for those hours worked by him/her in excess of his/her normal hours of work in any one (1) week. For the purposes of this Article 12.06, "valid reason" shall be absence for a compelling and satisfactory reason or any authorized leave of absence under this Agreement. If the reason for the absence is illness or injury, the employee must, if requested to do so by the Company, provide to the Company satisfactory medical evidence that s/he was unable to work due to illness or injury in order to have a valid reason for the absence.

12.07 All hours worked by an hourly paid employee on a day observed as a holiday in accordance with Article 18 shall be considered overtime and paid for at two (2) times the employee's regular hourly rate of pay. All hours worked by an employee working piece work on a day observed as a holiday in accordance with Article 18 shall be considered overtime and the employee shall be paid his piece work earnings plus his piece work average rate of pay and the supplementary pay referred to in Article 20.07 for all hours worked by him on the holiday. Each employee shall also receive the pay he would otherwise have been entitled to receive pursuant to Article 18 had he not worked on the holiday.

12.08 In the event an hourly paid employee works seven (7) consecutive days, he shall be paid two (2) times his regular hourly rate of pay for all hours worked by him on the seventh (7th) day. In the event an employee working piece work works seven (7) consecutive days, he shall be paid his piece work earnings plus his piece work average rate of pay and the supplementary pay referred to in Article 20.07 for all hours worked by him on the seventh (7th) day.

12.09 It is understood that any change in shifts or days off initiated by the employees themselves (which must be approved in advance by the Company) shall not result in overtime or any other additional costs to the Company.

12.10 In no event shall overtime or premiums or any other benefits be duplicated, compounded or pyramided.

12.11 Notwithstanding anything to the contrary in this Agreement, should the

majority of affected employees voting on the issue and the Company desire to have hours banked in order to have up to four (4) additional days (or such other number of days as may be mutually agreeable) off between December 24 and January 2, inclusive, the Company will advise the Union by September 30 as to which Saturdays will be worked by which employees at regular hourly rates of pay/piece work average rates of pay, according to (i), (ii) or (iii) below:

- (i) the first four (4) Saturdays following October 1 excluding the Thanksgiving Day long weekend at eight (8) hours per day, or
- (ii) the first eight (8) Saturdays following October 1 excluding the Thanksgiving Day and Remembrance Day long weekends at four (4) hours per day, or
- (iii) such other combination of days as may be mutually agreeable between the Company and the majority of affected employees.

It is agreed that employees shall be paid for such time banked on the first (1st) pay cheque after January 1 of the following year and it is further agreed that after the time has been banked, should the Company then choose not to close for the banked days, the Company will pay the overtime rates otherwise applicable for such banked time worked by employees but not taken as days off.

ARTICLE 13 BREAKDOWN OF MACHINERY

13.01 When an employee is required to report for work and does report for work, he shall be guaranteed a minimum of four (4) consecutive hours of work or four (4) hours of pay at his regular hourly rate of pay/piece work average rate of pay unless he has been advised previously by the Company at least two (2) hours before the start of his shift not to report for work and provided he performs the work, if any, that may be assigned to him that day. This Article 13.01 shall not apply when work is not available due to an act of God, power shortage, lack of material, machinery or equipment breakdown or other reasons beyond the reasonable control of the Company. To qualify for payment under this provision, employees must have their current telephone number on file with the Company.

13.02 An employee must immediately clock out and report to his immediate supervisor when the machine he is using is not in suitable working order or has broken down, in which case the employee's regular hourly rate of pay/piece work average rate of pay shall be paid for the loss of time after the first fifteen (15) minutes waiting time and until such time as alternate work, if any, is assigned to him or he is sent home, except that there shall be no fifteen (15) minute waiting time when the employee immediately begins working on another machine. When the machine is repaired or the employee is assigned

alternate work, he must immediately clock in and have his immediate supervisor verify both the time he clocked out and the time he clocked in.

13.03 When an employee is required to move to another machine of the same type on a temporary basis while the machine he normally works with is being repaired, the temporary machine shall be serviced (thread, etc.) to enable the employee to continue to earn his regular hourly rate of pay/piece work average rate of pay.

ARTICLE 14 MEAL AND REST PERIODS

14.01 The normal daily hours of work referred to in Article 12.02 are exclusive of a thirty (30) minute unpaid meal period but inclusive of two (2) rest periods. The Company shall grant to each employee one (1) rest period of ten (10) minutes during the first half of the shift and one (1) rest period of ten (10) minutes during the second half of the shift provided that more than two (2) hours are worked in each half shift.

14.02 An employee who is expected to work for two (2) hours or more but less than three (3) hours in addition to and immediately following his normal work period in any one (1) day shall be granted one (1) fifteen (15) minute rest period before commencing such additional work, or one (1) twenty (20) minute rest period when the employee is expected to work three (3) hours or more, provided that the Company may schedule such rest periods on a staggered basis for the employees affected to allow for a continuity in operations. If circumstances arise where, by virtue of staggering, an hourly paid employee does not receive a paid rest period due to completion of the work, then such employee will receive pay for the rest period not taken.

14.03 Hourly paid employees will be paid at their regular hourly rate of pay for all rest periods referred to in this Article 14.

ARTICLE 15 SENIORITY

15.01 Seniority in this Agreement is defined as the length of an employee's continuous service in the bargaining unit covered by this Agreement since his most recent date of hire and shall apply on an operational or departmental basis as follows:

- (a) Operational Seniority in this Agreement is defined as applying within a single operation (e.g., J-stitching, side seaming, bar tacking, bar tack loops, etc.) for an employee working piece work and within a single classification for an hourly paid employee;
- (b) Departmental Seniority in this Agreement is defined as applying to all employees working in one (1) of the departments referred to in

Article 2.08.

15.02 If an employee is transferred by the Company to a position outside the bargaining unit but within the Company and subsequently returns to the bargaining unit within six (6) calendar months of the transfer, he may do so without loss of Operational Seniority.

15.03 The Company will maintain a seniority list showing each employee's length of continuous service in the bargaining unit covered by this Agreement since his/her most recent date of hire, as well as showing each employee's Operational Seniority and Departmental Seniority. An up-to-date seniority list will be posted by the Company once every three (3) calendar months and a copy of the posted list will be mailed by the Company to the Union. An employee will be permitted a period of ten (10) working days following the posting of any seniority list to protest in writing to the Company any alleged omission or incorrect listing, but such protest shall be confined to errors or changes occurring subsequent to the posting of the immediately preceding seniority list. Where an employee is absent due to holiday, illness or approved leave, the ten (10) working day time limit for that employee shall run from the date of his/her return to work. In the event an employee does not file a protest within the time limits stipulated, then the seniority list shall be considered as correct, accepted and final as regards the employee. Any timely protest filed by an employee which is not settled can be taken up as a grievance under Article 10 of this Agreement.

15.04 An employee's continuous service shall be broken, his seniority lost and his employment with the Company deemed to be terminated for just cause if:

- (a) he quits; or
- (b) he is discharged for just cause and not reinstated through the grievance and arbitration procedure contained in this Agreement; or
- (c) he is absent from work without an authorized leave of absence, unless he provides a compelling and satisfactory reason; or
- (d) s/he has been laid off or is otherwise absent from work for any reason for a period of forty-four (44) weeks or more; or
- (e) he fails to report for work immediately after notification to his last known address by registered mail when recalled following a layoff, the onus being on the employee to keep the Company advised of his current address except only that where the employee is unable to report for work after such notification because he must give one (1) pay period's notice of termination of employment to another employer and he must work for that other employer during the said notice period, then he shall notify the Company as soon as possible

of his inability to report for work for those reasons and he shall report for work immediately upon the expiry of the said notice period, failing any of which this Article 15.04(e) shall apply; or

- (f) he retires; or
- (g) he takes employment elsewhere while on an authorized leave of absence; or
- (h) he fails to report for work at the expiration of an approved leave of absence, a vacation or a suspension, unless he provides a compelling and satisfactory reason.

ARTICLE 16 LAYOFFS AND RECALLS

16.01 Whenever layoffs occur, they will be put into effect as follows:

- (a) If the layoff is to be two (2) working weeks or less, employees will be laid off on an operational/classification basis in reverse order of Operational Seniority.
- (b) If the layoff is to be more than two (2) working weeks, employees will be laid off on a departmental basis in reverse order of Departmental Seniority provided the employee to be retained on the basis of Departmental Seniority possesses the qualifications and skill to perform the available work in an efficient manner and to the satisfaction of the Company. Efficiency is defined in terms of quality and speed as demonstrated by the employee during a maximum eight (8) working hours assessment period during which time the employee will be paid at his piece work average/his regular hourly rate of pay. If after the said assessment period the employee is able to demonstrate that he possesses the qualifications and skill to perform the available work in an efficient manner and to the satisfaction of the Company, then he will be retained to perform that work and his earnings will be determined by the piece work rate for that work without any guarantee of average or additions or by the regular hourly rate of pay for the work, as the case may be.
- (c) The Company shall have the option of dividing the available work so that each employee will receive approximately an equal amount of work or of dividing the available hours so that each employee will receive approximately an equal amount of hours for a period of up to two (2) working weeks. If the period exceeds two (2) working weeks then Article 16.01(b) will apply.

16.02

Notification

- (a) Short term layoffs in this Agreement are defined as any layoffs that are for a period of four (4) calendar weeks or less but more than one (1) calendar week. The Company shall give to each affected employee and the Union one (1) week's advance written notice of short term layoff, or pay to each affected employee one (1) week's pay at the employee's regular hourly rate of pay/piece work average rate of pay in lieu of notice, or a combination thereof provided, however, that no notice of short term layoff need be given where the lack of work is due to an act of God, power shortage, lack of material, machinery or equipment breakdown or other reasons beyond the reasonable control of the Company. The Company shall give to each affected employee and the Union as much advance notice of a layoff of one (1) calendar week or less but more than one (1) day as is practicable in the circumstances.

- (b) Long term layoffs in this Agreement are defined as any layoffs that are for a period of more than four (4) calendar weeks. The Company shall give to each affected employee and the Union three (3) weeks' advance written notice of a long term layoff, or pay to each affected employee three (3) weeks' pay at the employee's regular hourly rate of pay/piece work average rate of pay in lieu of notice, or a combination thereof provided, however, that no notice of long term layoff need be given where the lack of work is due to an act of God, power shortage, lack of material, machinery or equipment breakdown or other reasons beyond the reasonable control of the Company.

- (c) The Company shall give to each affected employee and the Union four (4) weeks' advance written notice of a permanent layoff, or pay to each affected employee four (4) weeks' pay at the employee's regular hourly rate of pay/piece work average rate of pay in lieu of notice, or a combination thereof provided, however, that no notice of permanent layoff need be given where the lack of work is due to an act of God, power shortage, lack of material, machinery or equipment breakdown or other reasons beyond the reasonable control of the Company. If a greater period of notice is required by legislation, such greater period of notice shall be given.

16.03

Recall

- (a) Employees will be recalled in reverse order of layoff provided, however, that Article 16.01(b) will apply if the employee is recalled to an operation/classification different from the one (1) from which he was

laid off. No new employee will be hired while there are regular employees on layoff who are immediately available to perform the work and who have the qualifications and skill to perform the work in an efficient manner.

(b) Notice of recall to an employee who has been laid off shall be made by registered mail to his last known address, the onus being on the employee to keep the Company advised of his current address.

(c) Union Stewards shall be the last employees laid off in each department and the first employees recalled in each department provided they have the qualifications and skill to perform the available work in an efficient manner.

ARTICLE 17 DISCHARGE AND DISCIPLINE

17.01 Subject to the terms of this Agreement, no employee shall be discharged or discriminated against for lawful Union activities or for reporting to the Union any violation of this Agreement.

17.02 Where an employee is given a written reprimand, a suspension or discharge, the employee shall have one (1) of the Shop Stewards present if there is a Shop Steward working at the same time and at the same location as the employee and/or, if readily available, a Union Representative present. This provision does not preclude the Company from giving a written warning, suspending or discharging an employee without holding a meeting but in such cases a copy of the written warning will be sent to the Union and the confirmation referred to in Article 17.03 will be sent to the employee and the Union.

17.03 Where an employee is given a written reprimand which is to be entered on the employee's personnel file, is suspended or is discharged, such reprimand, suspension or discharge will be confirmed to the employee by the Company in writing and a copy will be faxed to the Union office.

17.04 A written warning will be removed from an employee's personnel file after a period of twelve (12) months has elapsed from the date of issuance. In calculating the said twelve (12) month period, absences by the employee from work for any reason will be excluded.

ARTICLE 18 HOLIDAYS WITH PAY

18.01 The following days will be observed as paid holidays for employees:

New Year's Day Labour Day
Good Friday Thanksgiving
Victoria Day Remembrance Day
Canada Day Christmas Day
Civic Holiday (1st Monday in August) Boxing Day

If, during the life of this Agreement, a holiday should be declared by government which is not listed above and which is to be generally observed in the Province of Manitoba, such holiday shall be observed and paid by the Company under the same terms and conditions as apply to the holidays which are listed above.

18.02 In order to qualify for payment for any of the holidays referred to in Article
18.01:

- (a) a probationary employee must have worked at least fifteen (15) working days out of the previous thirty (30) calendar days immediately preceding the holiday; and
- (b) each employee must have worked on his last scheduled shift immediately preceding the holiday and his first scheduled shift immediately following the holiday (except Christmas Day, Boxing Day and New Year's Day) unless he was absent due to illness or injury, in which event the employee must provide to the Company satisfactory medical evidence that he was unable to work due to illness or injury, or unless he was absent due to an authorized leave of absence of not more than thirty (30) working days.

18.03 An employee who complies with the qualifications set forth in Article 18.02 shall be paid for each of the holidays referred to in Article 18.01 an amount equivalent to his regular hourly rate of pay/piece work average rate of pay for the number of straight time hours in his normal work day unless the employee is being paid insurance or Workers Compensation or other benefits for a holiday, in which event the Company will make up the difference between the insurance or Workers Compensation or other benefits paid to the employee and the amount the employee would otherwise have received for the holiday pursuant to this Article 18.03. It shall be incumbent upon the employee to claim payment of the insurance or Workers Compensation or other benefits to which he is entitled and to provide records of such payment to the Company in order to enable the Company to compute the portion of the holiday pay that is owing to the employee.

18.04 If one (1) or more of the holidays observed by the Company pursuant to Article 18.01 occurs during an employee's vacation, such holiday(s) will be added to the beginning or the end of the employee's vacation as agreed to by the Company and the employee. If mutual agreement is not achieved, the Company will pay the employee for the day not taken in an amount equivalent to his regular hourly rate of pay/piece work

average rate of pay for the number of straight time hours in his normal work day.

18.05 When a holiday, other than Remembrance Day, Christmas Day and Boxing Day, occurs on a Saturday or Sunday it will be observed on the preceding Friday or following Monday as determined by the Company. Remembrance Day shall be observed in accordance with the provisions of The Remembrance Day Act (Manitoba).

18.06 When Christmas Day or Boxing Day (but not both) occur on a Saturday or Sunday, the holiday occurring on the Saturday or Sunday will be observed, as determined by the Company, on the working day preceding or following the holiday which did not occur on the Saturday or Sunday.

18.07 When Christmas Day and Boxing Day occur on a Saturday and Sunday, Christmas Day will be observed on the preceding Friday or following Monday as determined by the Company and Boxing Day will be observed, as determined by the Company, on the working day preceding or following the day observed as Christmas Day.

ARTICLE 19 VACATIONS WITH PAY

19.01 In order to qualify for vacation with pay as set out below, employees must have worked for the Company not less than ninety-five percent (95%) of the regular working hours during the twelve (12) months June 1 to May 31. In computing regular working hours, the regular working hours of the following periods shall not be included:

- (1) the period of vacation;
- (2) the aggregate of periods not exceeding thirty (30) working days in all, comprising:
 - (i) time during which the employee has been authorized by the Company to be absent from work; and
 - (ii) time in respect of which the employee files with the Company a certificate, signed by a duly qualified medical practitioner, showing that the employee was not, in the opinion of the medical practitioner, fit to work during that time by reason of illness or injury.

Where an employee does not qualify for vacation with pay as outlined above, the employee shall receive vacation pay, calculated at two percent (2%) of his regular straight time wages earned by him in the immediately preceding twelve (12) months ending at the end of the last pay period ending in May, for each week of vacation entitlement for which no vacation allowance has been paid.

19.02 Each employee who, on June 1 of each year, has less than one (1) year of continuous service with the Company, shall be entitled to receive an amount equal to four percent (4%) of his regular straight time wages earned during the period of employment for which no vacation allowance has been paid up to the end of the last pay period ending in May.

19.03 Each employee who, on June 1 of each year, has one (1) year of continuous service but less than five (5) years of continuous service with the Company shall receive two (2) weeks' vacation with pay at his regular hourly rate of pay/piece work average rate of pay as at May 31.

19.04 Each employee who, on June 1 of each year, has five (5) years of continuous service but less than fifteen (15) years of continuous service with the Company shall receive three (3) weeks' vacation with pay at his regular hourly rate of pay/piece work average rate of pay as at May 31.

19.05 Each employee who, on June 1 of each year, has fifteen (15) years of continuous service but less than twenty-five (25) years of continuous service with the Company shall receive four (4) weeks' vacation with pay at his regular hourly rate of pay/piece work average rate of pay as at May 31.

19.06 Each employee who, on June 1 of each year, has twenty-five (25) years of continuous service but less than thirty (30) years of continuous service with the Company shall receive five (5) weeks' vacation with pay at his regular hourly rate of pay/piece work average rate of pay as at May 31.

19.07 Each employee who, on June 1 of each year, has thirty (30) years of continuous service or more with the Company shall receive six (6) weeks' vacation with pay at his regular hourly rate of pay/piece work average rate of pay as at May 31.

19.08 Employees entitled to two (2), three (3), four (4), five (5) or six (6) weeks' vacation and who leave their employment, or whose employment is terminated, shall receive a vacation allowance in an amount equal to four percent (4%), six percent (6%), eight percent (8%), ten percent (10%) or twelve percent (12%) as the case may be, of their regular straight time wages earned during the period of employment for which no vacation allowance has been paid.

19.09 Vacation pay will be paid to employees at the end of the first pay period in June and employees shall be entitled to take equivalent vacation time off work without pay in accordance with the provisions of this Article 19.

19.10 The Union and the employees acknowledge that the seasonal nature of the business and the requirements and efficiency of operations might restrict the ability of employees to take all or part of their vacation during the period May 15 to September 1.

19.11 Each employee shall be granted and shall take his vacation at such times as determined by the Company but the Company shall, subject to the requirements and efficiency of operations, endeavour to give preference in the selection of vacation dates to employees on the basis of Operational Seniority and not unreasonably deny employee requests. In order to exercise their seniority rights in relation to vacation preference employees must submit their vacation requests in writing by no later than April 15 each year. It is understood, however, that the final right to determine the scheduling of all vacations is exclusively reserved to the Company to ensure the efficient and orderly operation of the business.

19.12 Employees may not, without the permission of the Company, take less than one (1) week of vacation at any one (1) time. The consent of the Company permitting an employee to take his full vacation entitlement at one (1) time shall not be unreasonably withheld but employees with vacation entitlement in excess of three (3) weeks may be required to split their vacation period and take the fourth (4th) and/or fifth (5th) week and/or sixth (6th) week of vacation at some other time as determined by the Company based on the requirements and efficiency of operations.

19.13 Except as indicated below, vacation entitlements earned as at June 1 must be taken within the twelve (12) months immediately following said June 1 and shall not be accumulated.

Subject to the requirements and efficiency of operations, once every three (3) years an employee will be allowed to carry over up to four (4) weeks' vacation to the following year provided the employee notifies the Company in writing at least ninety (90) calendar days in advance of his/her vacation in one (1) year of his/her desire to carry over up to four (4) weeks' vacation to the following year.

19.14 With respect to an employee's entitlement to three (3) weeks' vacation pursuant to Article 19.04, a former employee's service with the Company will be bridged upon a subsequent rehire on the provision that the employee had worked for the Company a minimum of four (4) years in the preceding ten (10) year period and had worked for the Company at least fifty (50%) percent of the regular working hours in each of the aforesaid four (4) years.

ARTICLE 20 WAGE RATES AND RELATED FACTORS

20.01 The minimum hourly rates of pay and the minimum rates payable to any employee in his respective classification shall be those set forth in the Wage Schedule (Appendix "A") appended hereto and forming part hereof. Nothing shall prevent the Company from exceeding the minimums under this Agreement payable to any employee from time to time.

Each employee's earnings from piece work will be computed on a daily basis.

20.02 Employees shall be paid bi-weekly unless otherwise agreed to by the Company and the Union. Errors in an employee's pay cheque in an amount of less than ten percent (10%) of the employee's net pay for the pay period will be corrected on the employee's next pay cheque. Errors of ten percent (10%) or more will be corrected by the Company issuing a manual cheque to the employee within three (3) working days of the employee notifying his immediate supervisor in writing of the error.

20.03 Work performed in the Product Development Department shall be paid for at regular hourly rates of pay. Work performed on samples in the Main Production area shall be paid for at piece work average rates of pay.

20.04 An employee must immediately report to his immediate supervisor when a piece work coupon for his operation is missing from a bundle and he must do so before he begins work on that bundle. The employee's immediate supervisor must then verify the piece rate price of the replacement coupon or verify the value of the work performed by the employee. Employees working piece work shall not perform any work or work related activities during their meal periods, rest periods and off work hours. Each employee working piece work must also submit to the Company each day before clocking out all tickets for all hours worked by him that day. Breach of this Article 20.04 by an employee will result in that employee not being paid for the work performed during his meal periods, rest periods or off work hours and with respect to the bundle(s) or the ticket(s), as the case may be.

20.05 No employee will be paid on a bi-weekly basis an amount less than the applicable statutory minimum wage rates in effect from time to time in Manitoba, minus the supplementary pay referred to in Article 20.07 for employees working piece work who have not completed six (6) months of continuous service with the Company since their most recent date of hire.

20.06 Pressers' piece work tickets shall be time studied on a ten percent (10%) differential.

20.07 The Company shall pay to each employee working piece work a supplementary pay of forty (40¢) cents for each straight time hour paid to such employee.

20.08 Cutters, spreaders and bundlers hired prior to April 1, 1992 shall not be paid an effective hourly rate of pay calculated on a bi-weekly basis which is less than the

hourly rate of pay paid to them on April 1, 1992.

20.09 When the Company requires an hourly paid employee (except for employees referred to in Article 20.08 who shall not be paid an effective hourly rate of pay calculated on a bi-weekly basis which is less than the hourly rate of pay paid to them on April 1, 1992, if transferred) to transfer to working piece work, that employee will not be paid less on a weekly basis than his/her hourly rate of pay for the hours worked by him/her during the ninety (90) calendar days immediately following the date of transfer.

20.10 Within sixty (60) calendar days following the date of ratification of this Agreement, the Company will adopt a direct deposit system for payroll purposes. Employees will have the option of having their pay cheque deposited to the financial institution of the employee's choice. The Company will continue to provide to employees their pay stubs on regular pay days.

ARTICLE 21 ESTABLISHING AND CHANGING PIECE RATE PRICES

21.01 The Company shall have the right to institute new piece rate prices and revise existing piece rate prices from time to time as may be required as a result of a change, such as a change in method, tools, equipment, work sequence, quality standards, design, machine speeds or materials, or when there has been an error in establishing the piece rate price. All new piece rate prices and all revised piece rate prices shall be given a trial period of ten (10) working days in total on the operation, during which time the employee or employees concerned shall give the piece rate prices a fair trial. An employee shall be paid not less than his piece work average rate for the ten (10) working day trial period. If an employee is dissatisfied with the new or revised piece rate price, he may at any time within the two (2) calendar weeks immediately following the expiration of the ten (10) working day trial period file a grievance with respect to same in accordance with Article 10 and failing settlement, the matter may be referred to arbitration in accordance with Article 11.

21.02 If a disputed piece rate price is revised as a result of agreement between the Company and the Union during the grievance procedure, or if it is revised by an arbitrator, then the piece rate price as revised may be made retroactive to the date upon which the disputed piece rate price was made effective.

21.03 The Union office will be notified, in writing, giving full particulars of any new or revised piece rate prices. If a new or revised piece rate price has not been challenged by the filing of a grievance within fourteen (14) calendar days of receipt of the above mentioned notice, then such piece rate price shall be deemed acceptable to the employees and the Union.

21.04 The Company shall have the right to install piece work systems on operations currently paid as time work and vice versa.

21.05 If requested in writing by the Union, the Company shall provide to the Union copies of all newly established rates and motion and time studies.

21.06 Where piece rate prices are revised as a result of change(s), the Industrial Engineer shall, if requested in writing by the Union, provide to the Union documentation to verify the change(s).

21.07 The Company will provide to the Union a list containing the standard allowed minutes for each operation once every three (3) calendar months.

ARTICLE 22 MISCELLANEOUS

22.01 The Company will not give an employee work to perform at home.

ARTICLE 23 NIGHT SHIFT PREMIUM

23.01 An employee who is required to work and does work on any shift where the majority of his working hours falls between 4:00 p.m. and 12:00 midnight will be paid an evening shift premium of fifteen (15¢) cents per hour in addition to his regular hourly rate of pay/piece work average rate of pay for all hours worked on that shift provided, however, that such premium will not be paid for any time worked in respect of which an overtime premium is payable. For the purposes of this Agreement, such evening shift premium shall not form part of an employee's regular hourly rate of pay/piece work average rate of pay.

23.02 An employee who is required to work and does work on any shift where the majority of his working hours falls between 12:00 midnight and 8:00 a.m. the following day will be paid a night shift premium of thirty (30¢) cents per hour in addition to his regular hourly rate of pay/piece work average rate of pay for all hours worked on that shift provided, however, that such premium will not be paid for any time worked in respect of which an overtime premium is payable. For the purposes of this Agreement, such night shift premium shall not form part of an employee's regular hourly rate of pay/piece work average rate of pay.

ARTICLE 24 BULLETIN BOARD

24.01 The Company will allow the Union to install an agreed upon bulletin board

on its premises at 555 Logan Avenue and on its premises at 300 Princess Street for Union notices relating to Union meetings, Union elections, the names of Union officers or Shop Stewards and social and recreational events. Prior approval of the Company need not be obtained with respect to such notices but the Union shall furnish the Director of Operations or his designate with a copy of such notices. The contents of such notices will not in any way be derogatory to the Company or its management, employees, suppliers or customers. Notices other than those referred to above require the prior approval of the Company expressed by the initials or signature of the Director of Operations or his designate prior to posting. No Union notices, bulletins or other publications will be distributed on Company property without the prior written approval of the Director of Operations or his designate.

24.02 The Company shall permit the Union to affix the Union's decal on the front door or front window of its premises at 555 Logan Avenue and its premises at 300 Princess Street, the exact location of which decal is to be determined by the Company.

24.03 Subject to business considerations and where practicable, the Company will attempt to have the Union label printed on the back of the care and content label sewn into the garment.

ARTICLE 25 ABSENCES FROM WORK

25.01 The Company may grant to an employee who has three (3) or more years of continuous service with the Company a leave of absence without pay and without loss of seniority for a period not to exceed eight (8) weeks, once every three (3) years. Subject to the requirements and efficiency of operations, permission for such leave will not be unreasonably denied.

25.02 The Company may grant to an employee who has five (5) or more years of continuous service with the Company a leave of absence without pay and without loss of seniority for a period not to exceed three (3) months, once every four (4) years. Subject to the requirements and efficiency of operations, permission for such leave will not be unreasonably denied.

25.03 An employee desiring a leave of absence without pay and without loss of seniority in accordance with Article 25.01 or Article 25.02 must request same in writing at least ten (10) weeks prior to the requested starting date of the absence and shall submit the written request.

25.04 The Company shall grant to any employee on compassionate grounds of a serious and compelling nature a leave of absence without pay and without loss of seniority for a period not to exceed two (2) months. Employee abuse of this Article 25.04 will not be permitted.

25.05 The Company may grant a leave of absence without pay to any employee for legitimate personal reasons.

25.06 **Union Leave**

A leave of absence without pay to attend to Union business shall be granted to an employee. Twenty-one (21) calendar days' advance written notice shall be given to the Company indicating that such leave is required and unless otherwise agreed to in writing by the Company, no more than one (1) employee shall be entitled to such leave at any one (1) time. This type of leave shall not exceed one (1) calendar year unless otherwise mutually agreed to in writing between the Company and the Union.

25.07 **Convention/Conference/Education Leave**

A leave of absence without pay for the purpose of attending conventions/conferences and/or education seminars shall be granted to employees by the Company upon receiving a written request from the Union. Time off shall not be granted to more than five (5) employees at any one (1) time unless otherwise mutually agreed to in writing between the Company and the Union and the duration of any such leave shall not exceed twenty (20) working days per person in total for any one (1) contract year. The Union shall give the Company written notice not less than twenty-one (21) calendar days before the requested leave is to commence. A request for an extension of any such leave of absence must be made in writing at least seven (7) calendar days prior to the expiration of the leave already granted and shall be considered by the Company in relation to existing working conditions.

25.08 **Negotiation Leave**

Leave of absence without loss of seniority for the purpose of attending negotiations with the Company for the renewal of this Agreement will be granted to a maximum of seven (7) employees. Such employees will be paid their respective regular hourly rates of pay/piece work average rates of pay for the time spent in negotiations with the Company during the employee's scheduled shift. In the event negotiations on any one (1) day commence after the start of the employee's scheduled shift or terminate prior to the end of the employee's scheduled shift, the employee may elect to report to work or return to work as the case may be for the part of his/her shift and be paid accordingly, or not report to work or not return to work as the case may be and in such event s/he will not be paid for the part of his/her shift which s/he would have worked but elected not to.

25.09 The Company will not unreasonably deny employee requests for leave of absence but all leaves of absence must be requested in writing, are subject to the requirements and efficiency of operations and must be approved in advance and in writing by the Director of Operations or his designate who may refuse or allow, in whole or in part, any request for leave, except requests for compassionate leave as provided for

in Article 25.04.

25.10 **Maternity Leave**

A female employee who has completed six (6) consecutive months of employment with the Company who submits an application in writing for maternity leave at least four (4) weeks prior to the date specified by her in her application as the date on which she wishes to commence such leave and who provides the Company with a certificate of a duly qualified physician certifying that she is pregnant and specifying the estimated date of delivery shall be granted a maternity leave of absence without pay terminating not later than seventeen (17) weeks following the birth. The employee must return to work on or before the expiry of the seventeen (17) weeks following the birth unless she wishes to take parental leave immediately following her maternity leave.

25.11 **Parental Leave**

(A) Entitlements

Every employee

(a) who,

(i) in the case of a female employee, becomes the natural mother of a child,

(ii) in the case of a male employee, becomes the natural father of a child or assumes actual care and custody of his newborn child, or

(iii) adopts a child under the law of a province; and

(b) who completes six (6) consecutive months of employment; and

(c) who submits to the Company an application in writing for parental leave where possible at least four (4) weeks before the day specified in the application as the day on which the employee intends to commence the leave;

is entitled to, and shall be granted parental leave, consisting of a continuous period of up to thirty-seven (37) weeks.

(B) Commencement of Leave

Parental leave must commence no later than the first anniversary date of the birth or adoption of the child or of the date on which the child comes into the actual care and custody of the employee. If the employee meets the requirements set out above, the employee may decide when such parental leave will commence.

If an employee intends to take parental leave in addition to maternity leave such leaves shall be consecutive unless the employee and the Company make other arrangements, in writing.

(C) Late Application for Parental Leave

When an application for parental leave is not made in accordance with the requirement of (c) above, the employee is nonetheless entitled to, and shall be granted upon application to the Company, parental leave for that portion of the leave period that remains at the time the application is made.

(D) Reinstatement of Employee

An employee who wishes to resume employment on the expiration of parental leave shall be reinstated by the Company in the position occupied by the employee at the time such leave commenced, or in a comparable position with not less than the same wages and benefits.

(E) Benefits provided for in this Article 25.11 are in addition to maternity leave benefits provided for in Article 25.10.

25.12 Each employee is required to notify his immediate supervisor prior to the start of his scheduled work period if he is going to be absent for any reason, indicating the reason for and the probable length of the absence. Each employee is also required to notify his immediate supervisor before leaving the premises for any reason during his scheduled work period. Failure to notify supervision or late notification or leaving work without notification may result in the absence being treated as unauthorized absenteeism. Consideration will be given to any extenuating circumstances which prevented the employee from notifying the Company of his absence prior to the start of his scheduled work period or from notifying his immediate supervisor before leaving work early.

ARTICLE 26 SAFETY AND HEALTH

26.01 The Company, the Union and the employees mutually agree to abide by the

provisions of The Workplace Safety and Health Act (Manitoba) and cooperate in maintaining and improving the clean and safe working conditions in the Company's premises and in its operations. The Union agrees to cooperate in the enforcement of the Company's rules, regulations, policies and practices concerning safety, health and sanitation.

26.02 An employee may refuse to perform work and will not be subject to discipline as long as he has reasonable grounds to believe and does believe that the particular work is dangerous to his safety or health and he has immediately reported his refusal and the reasons therefor to his immediate supervisor. During this time the Company may assign the employee to alternative duties which he is capable of performing. Payment for the period of refusal will not be made if the employee refuses to perform the alternative duties.

26.03 The Company agrees to a joint Labour/Management Safety and Health Committee which shall meet at least quarterly or more often by mutual agreement during regular working hours and which shall conduct safety tours of the Company's operation. The committee shall be comprised of eight (8) representatives from the Union and up to eight (8) management persons. The full-time Union Representative may also attend these meetings from time to time. Minutes of all meetings that occur shall be kept and a copy shall be given to each member of the committee and, as well, a copy shall be posted on the bulletin board for all employees to see. The Union office shall also be mailed a copy of these minutes. The chairperson of this committee shall rotate from meeting to meeting to ensure that there is an equal balance of representation in this position between management and the employees.

Employees on the Labour/Management Safety and Health Committee shall be paid by the Company at their respective regular hourly rates of pay/piece work average rates of pay for all time spent in attendance at meetings of the committee.

26.04 The Company will allow two (2) normal working days off with pay for each member of the joint Labour/Management Safety and Health Committee for the purpose of allowing such members to attend Union approved safety and health seminars, courses or conferences. The time and scheduling of this time off is to be mutually agreed upon between the Company and the Union. The Company shall not be required to pay lost wages in excess of sixteen (16) hours per committee member from the bargaining unit per calendar year.

26.05 Each employee shall maintain his immediate work area in a clean and orderly fashion.

26.06 The Company may require an employee to undergo a medical examination by a duly qualified medical practitioner of its choice to establish the state of health of the

employee. Such a medical examination shall be conducted at no cost to the employee and the employee shall be paid at his regular hourly rate of pay/his piece work average rate of pay for the time spent attending the medical examination if it must occur during his regular working hours.

26.07 An employee injured in an accident while at work, having to leave work because of the injury and qualifying for Workers Compensation benefits as a result of the injury but not compensated by Workers Compensation for the wages lost on the day of the injury shall be paid by the Company for the hours he would otherwise have worked on the day of the injury had he not been injured.

26.08 The Company will continue to supply each employee with the necessary protective clothing and equipment reasonably required by the employee in the performance of his job. Such items shall remain the property of the Company, shall not be removed from the Company premises and must be returned for new issue or upon termination of employment or layoff. Employees shall take reasonable care of such items and any employee wilfully damaging or destroying them shall pay the Company for such items at cost by way of payroll deduction.

ARTICLE 27 TECHNOLOGICAL CHANGE

27.01 Technological change shall mean the introduction by the Company of equipment or material of a different nature or kind than that previously used by the Company and a change in the manner in which the Company carries on the work that is directly related to the introduction of that equipment or material.

27.02 In the event of a technological change occurring during the life of this Agreement which will likely affect the security of employment of seven point five percent (7.5%) or more of the employees at work in terms of potentially and directly resulting in terminations or layoffs of that number of employees within a ninety (90) calendar day period, then:

- (a) The Company shall notify the Union at least ninety (90) calendar days before the introduction of the technological change and provide the Union with a detailed description of the technological change that it intends to implement, disclosing all foreseeable effects and repercussions on the employees.
- (b) The Company and the Union shall meet as soon as possible and not later than sixty (60) calendar days prior to the intended date of

implementation of the technological change for the purpose of negotiating reasonable provisions to address the impact on the employees affected.

- (c) If the Company and the Union fail to agree upon such provisions, the matter may be referred by either party to arbitration as provided for under the terms of this Agreement and it is expressly understood and agreed that the arbitrator shall have jurisdiction to determine reasonable provisions to address the impact on the employees affected and that the arbitrator's decision shall be final and binding on all parties concerned. The arbitrator shall not have jurisdiction to determine whether or in what manner the technological change shall be implemented.

27.03 This Article 27 is intended to assist employees affected by any technological change and accordingly Sections 83, 84 and 85 of The Labour Relations Act (Manitoba) do not apply during the term of this Agreement to the Company and the Union and are hereby specifically waived.

ARTICLE 28 LABOUR/MANAGEMENT RELATIONS

28.01 A Labour/Management Relations Committee will be established to deal with matters of mutual concern relating to the workplace as may arise from time to time. The Committee will consist of up to five (5) Company representatives and four (4) employees appointed by the Union and a Union representative who is not an employee of the Company. The Committee will meet at mutually agreeable times but at least once every four (4) calendar months to discuss matters of mutual concern. Employees shall be paid by the Company at their respective regular hourly rates of pay/piece work average rates of pay for all time spent in attendance at meetings of this Committee.

28.02 The Committee shall not have jurisdiction over wages, or any matter of collective bargaining, including the administration of this Agreement. The Committee shall not have the power to bind either the Union or its members or the Company to any decisions or conclusions reached in its discussions. The Committee may make recommendations to the Union and the Company with respect to its discussions and conclusions, but such recommendations are not binding in any way.

ARTICLE 29 COURT'S DECISION

29.01 Should it be determined by a court of law that it would be a violation of any legally effective Dominion of Canada or Province of Manitoba statute or any regulation(s) made thereunder to comply with any provision or provisions of this

Agreement, the parties hereto agree to amend this Agreement for the sole purpose of making such provision or provisions conform to such Dominion of Canada or Province of Manitoba statute or regulation(s) thereunder, and all other provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.

ARTICLE 30 BENEFITS

30.01 Within sixty (60) calendar days following the date of ratification of this Agreement, the Company will obtain a dental plan which will provide the benefits outlined in Appendix "B" appended hereto for eligible employees and their eligible dependents as such eligibility is defined in the plan, which definition shall be no less beneficial than in the existing dental plan. It is understood and agreed that the Company fulfills its obligations under this Article 30.01 by obtaining a plan which provides the benefits outlined in Appendix "B" and paying the requisite premiums therefor, but in all respects the benefits shall be administered in accordance with the rules and regulations of the plan obtained by the Company. It is also understood and agreed that the said plan shall not be or be deemed to be a part of this Agreement and shall not be subject to the grievance procedure or the arbitration provisions contained in this Agreement.

30.02 Effective August 26, 2002, the Company will increase its contribution to the United Garment Workers of America, Local 35 Sick Benefit Fund from eighteen (\$18.00) dollars to twenty-five (\$25.00) dollars per month for each employee. It is understood and agreed that the Company fulfills its obligations under this Article 30.02 by paying the twenty-five (\$25.00) dollars per month for each employee to the said Fund, but in all respects the benefits shall be administered in accordance with the rules and regulations of the Fund. It is also understood and agreed that the said Fund shall not be or be deemed to be part of this Agreement and shall not be subject to the grievance procedure or to the arbitration provisions contained in this Agreement. The administration of the Fund and resolution of any disputes in that regard shall be solely the responsibility of the Union.

The parties agree that the Company shall make its contribution to the United Garment Workers of America, Local 35, Sick Benefit Fund in the amounts indicated in Article 30.02, for each employee in the bargaining unit, commencing at the end of the calendar month following completion by a new employee of six (6) calendar weeks in the employ of the Company from the most recent date of hire. (For example, if an employee is hired on January 1, 2003 the \$25.00 contribution for that employee becomes due and payable at the end of February, 2003 for the month of February and the Company will remit that amount to the Union in March, 2003, together with the other amounts due to the Union with respect to that employee. If an employee starts in the third week of January, the contribution for that employee shall not be due and payable until the end of March and that contribution will be remitted by the Company in the month of April.)

30.03 **Canadian Commercial Workers Industry Pension Plan**

The Company will contribute to the Canadian Commercial Workers Industry Pension Plan an amount equal to twenty-four (24¢) cents per hour for each straight time hour of actual work performed by each non-probationary employee in the bargaining unit covered by this Agreement. It is understood and agreed that the Company fulfills its obligations under this Article 30.03 by making the contributions referred to herein to the said Pension Plan. In all respects the benefits shall be administered in accordance with the rules and regulations of the Pension Plan and without limitation the obligations of the Company shall in no manner whatsoever extend to the performance of the obligations under the said Pension Plan. It is also understood and agreed that the said Pension Plan shall not be or be deemed to be part of this Agreement and shall not be subject to the grievance procedure or to the arbitration provisions contained in this Agreement. Contributions, together with a list of the names of the employees for whom the contributions have been made, the amount of the bi-weekly contribution for each employee and the number of straight time hours actually worked by such employees, will be forwarded by the Company to the Union within twenty-one (21) days after the close of the Company's four (4) or five (5) week accounting period.

30.04 In the event the Company requires an employee to produce a doctor's note, the Company will reimburse the employee for the cost of the note to a maximum of ten (\$10.00) dollars per note upon production of a receipt by the employee.

30.05 **Education and Training Trust Fund**

On or before August 26, 2002, the Company will contribute twenty- five thousand (\$25,000.00) dollars to the United Food and Commercial Workers Union, Local No. 832, Education and Training Trust Fund.

ARTICLE 31 ID TAG/CLIPPERS

31.01 The Company will replace up to two (2) additional lost/ damaged identification tag per year at no cost to the employee. Any replacements beyond two (2) per year will be provided at a cost to the employee of no more than two dollars and fifty (\$2.50) cents, which will be paid for by way of payroll deduction.

31.02 The Company will provide clippers to employees who work as examiners or cleaners subject to the establishment by the Company from time to time of such rules and regulations as it deems necessary to prevent abuse. Such items shall remain the property of the Company, shall not be removed from the Company premises and must be returned for a new issue or upon termination of employment or layoff. An employee must pay by way of payroll deduction for the repair or replacement of any such items lost or damaged due to the employee's carelessness. Items not returned in exchange for new issue or upon termination of employment or layoff will be paid for by the employee by way of payroll deduction.

31.03 The Company will provide up to two (2) pair of scissors per year to

employees who work as sewers subject to the establishment by the Company from time to time of such rules and regulations as it deems necessary to prevent abuse. Such items shall remain the property of the Company and must be returned for a new issue or upon termination of employment or layoff. An employee must pay by way of payroll deduction for the repair or replacement of any such items lost or damaged due to the employee's carelessness. Items not returned in exchange for new issue or upon termination of employment or layoff will be paid for by the employee by way of payroll deduction.

ARTICLE 32 HARASSMENT

32.01 The Company and the Union agree that harassment will not be condoned in the workplace and both parties will work together to recognize and resolve such concerns as they arise. Harassment does not include giving direction, reprimanding employees or correcting employee behaviour.

The Company's harassment policy is set forth in Appendix "C" for the purpose of information but it does not form part of this Agreement and will not be the subject of grievance or arbitration. The Company will post its harassment policy in the workplace.

ARTICLE 33 DURATION OF AGREEMENT

33.01 This Agreement shall come into effect on August 17, 2001 and shall remain in effect until August 16, 2005.

33.02 A party wishing to revise or terminate this Agreement shall notify the other party in writing not less than thirty (30) and not more than ninety (90) days prior to the expiry date hereof and on delivery of such notice the parties shall, within ten (10) days or such later time as may be mutually agreed, commence negotiations. During the period of such negotiations this Agreement shall remain in full force and effect. If notice is not given as above, this Agreement shall automatically be renewed from year to year thereafter unless notice is given in accordance with this Article.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT.

SIGNED THIS DAY OF , 2002.

FOR THE UNION: FOR THE COMPANY:

APPENDIX "A"

WAGE SCHEDULE

<u>Classification</u> <u>Effective Aug.26/02</u>	<u>Minimum Hourly Rate of Pay</u>
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Re-Cuts 10.04	
Marker/Digitizer 1	9.79
Marker/Digitizer 2	6.75
Cut Sample 9.01	
Data Entry Clerk	7.25
Shift Dyers Attendant	7.50
Shipper 7.25	
Laundry Shift Machine Attendant	7.00
Soabar Computer Operator	7.00
Sample Sewer	8.00
Forklift 7.00	
Repair Sewing	7.25
Service 7.50	
Re-Bundler 7.25	
Re-Evaluator	7.00
Prep Laundry	
(includes Hand Sanding, Whiskering, Spraying)	7.50
Trim Clerk 7.00	
Sandblaster 7.50	
Sort/Stock Helper	7.00
Picking/Packing	7.00
In Line Inspecting	7.25
Examiner 7.25	

<u>Piece Work Rate</u> <u>Operation of Pay Per Hour</u>	<u>Piece Work Rate</u> <u>of Pay per Minute</u>
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Sewing/Finishing	8.24	.1373
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Wage Rates

1. Effective August 26, 2002, each hourly paid employee will receive a fifteen (15¢) cent per hour increase minus the cents per hour increase the employee receives as a result of the new minimum hourly rate schedule above;
2. Effective August 26, 2002, each piece work rate will be increased by fifteen (15¢) cents;

3. Effective August 26, 2003, each hourly paid employee will receive a fifteen (15¢) cent per hour increase;
4. Effective August 26, 2003, each piece work rate will be increased by fifteen (15¢) cents ;
5. Effective August 26, 2004, each hourly paid employee will receive a fifteen (15¢) cent per hour increase;
6. Effective August 26, 2004, each piece work rate will be increased by fifteen (15¢) cents; and
7. **Retroactive Pay**: On August 26, 2002, a signing bonus of three hundred (\$300.00) dollars, less required deductions, pro-rated on the employee's length of continuous service with the Company from August 17, 2001 to August 19, 2002, will be paid to each non-probationary employee actively working as of August 19, 2002, or returning to work no later than six (6) months following August 19, 2002, or returning to work no later than twelve (12) months following August 19, 2002 if absent for maternity or parental leave, which returning employees will be paid on the next pay day immediately following their return.

All employees who are overscaled to remain overscaled for the life of this Collective Agreement.

APPENDIX "B"

All eligible employees and their eligible dependents shall be entitled to receive 80% of eligible charges for the "Basic" dental services listed below:

Diagnostic:

- complete examination once every 3 years.
- recall or oral examinations covered twice in each calendar year.
- periapical or bite-wing x-rays covered once every two years if necessary.

Preventative:

- prophylaxis (the removal of deposits and stains from the tooth surface) up to twice in each calendar year.
- topical application of fluoride up to 2 applications in each calendar year.
- space maintainers (except when used in orthodontic treatment).

Surgical:

- extractions and complicated surgical procedures performed in the dentist's office, including post operative care and general anaesthesia.

Restorative:

- fillings made of amalgams, silicates, plastics and synthetic porcelains. Includes temporary stainless steel crowns.

Prosthetic:

- repair of damaged dentures. Adding teeth to existing dentures, or relining or rebasing the dentures. Each procedure limited to once every 3 years.

Accidental injury:

- Major dental services as a result of an accident up to a maximum of \$1,000.00 per year per person.

In addition to the "Basic" services listed, all eligible employees and eligible dependents shall be entitled to receive 50% of eligible charges for the "Major" dental services listed below:

Endodontics:

- the usual procedures required for pulpal therapy and root canal filling.

Periodontics:

- the usual procedures for treatment of the disease of the tissues and bones supporting the teeth.

Extensive Restorations:

- gold inlays and onlays.
- jackets, crowns and bridges to rebuild and replace missing teeth.
- each procedure except crowns limited to once in a 5 year period. Crowns will not be replaced within 5 years of placement.

Anaesthesia:

- nitrous oxide analgesia, administered in the dentist's office.

Prosthetic:

- partial or complete upper and lower dentures, provided by a dentist or licensed denturist. Each procedure limited to once every 5 years. Allowances include all adjustments.

Annual maximum for the dental plan is \$1,250.00 per person. The plan is based on the prevailing Dental Fee Guide. Any charges over and above those listed on this guide shall be the responsibility of the employee.

APPENDIX "C"

WESTERN GLOVE WORKS

NO HARASSMENT/ABUSE POLICY

PREAMBLE

1. Western Glove is committed to providing a working environment in which all individuals are treated with respect and dignity. Each individual has the right to work in an atmosphere which promotes equal opportunities and prohibits discriminatory practices.
2. Western Glove has adopted this Policy to make it clear that discrimination and harassment will not be tolerated in the Company. The Company encourages the reporting of all incidents of discrimination or harassment. Any individual, regardless of position, found to have engaged in conduct constituting harassment or discrimination is subject to disciplinary action up to and including termination.
3. Discrimination and harassment are contrary to The Human Rights Code of Manitoba.

PURPOSES OF THE POLICY

The purposes of this Policy are:

- (a) to maintain a working environment that is free from harassment and discrimination;
- (b) to notify all employees of the Company that harassment and discrimination as defined herein are prohibited;
- (c) to set out the types of behaviour that may be considered offensive; and
- (d) to establish a mechanism for receiving complaints and to provide a procedure by which the Company will deal with these complaints.

This Policy is not intended to constrain social interaction between people in the Company.

DEFINITIONS

Discrimination

Differential treatment on the basis of an individual's ancestry, colour, perceived race, nationality, national origin, ethnic background or origin, religion, creed or religious belief, religious association or activities, age, sex, gender, physical characteristics, pregnancy, sexual orientation, marital or family status, source of income, political belief, association or activity, physical or mental disability (save and except where such differential treatment is permitted by law).

Discrimination can be constituted by the effect of action or omission. Intent to discriminate is not a prerequisite to a finding of discrimination.

Discrimination does not include any special programs designed to relieve disadvantage for

individuals or groups identified on the basis of the grounds noted above.

Harassment

Any unwelcome or abusive comment or conduct concerning an individual's ancestry, colour, perceived race, nationality, national origin, ethnic background or origin, religion, creed or religious belief, religious association or activities, age, sex, gender, physical characteristics, pregnancy, sexual orientation, marital or family status, source of income, political belief, association or activity, physical or mental disability.

Sexual Harassment

a) one incident or a series of incidents involving unwelcome sexual advances, request for sexual favours, or other verbal or physical conduct of a sexual nature:

(a) when such conduct might reasonably be expected to cause insecurity, discomfort, offence or humiliation;

(b) when submission to such conduct is made implicitly or explicitly a condition of employment;

(c) when submission to or rejection of such conduct is used as a basis for any employment decision (including, but not limited to, matters of promotion, raise in salary, job security and benefits affecting the employee); or

(d) where such conduct has the purpose or the effect of interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.

b) Sexual Harassment may include, but is not limited to the following:

- sexist jokes causing embarrassment or offence;
- leering;
- the display of sexually offensive material;
- sexually degrading words used to describe a person;
- derogatory or degrading remarks directed towards members of one sex or one sexual orientation;
- sexually suggestive or obscene comments or gestures;
- unwelcome inquiries or comments about a person's sex life;
- unwelcome sexual flirtations, advances or propositions;
- persistent unwanted contact or attention whether after the end of a consensual relationship or otherwise;
- requests for sexual favours;
- unwanted touching;
- verbal abuse or threats; or
- sexual assault.

GENERAL

Both males and females can be victims of sexual harassment.

Work related discrimination or harassment can occur in places other than the workplace. It can also occur at work related social functions or elsewhere where the individuals involved have a work related relationship.

COMPLAINTS

A Complainant has the option to have a complaint proceed informally or formally.

INFORMAL COMPLAINTS

A Complainant, with a Shop Steward or Union Representative if he/she so desires, may choose to report the alleged harassment to his/her immediate Supervisor (or another Supervisor if the complaint is against the employee's immediate Supervisor).

The person being harassed should keep a detailed written record of the event(s) including the name, place, date, time, witnesses (if any) and details of the offensive behaviour. If the person being harassed is unable for any reason to keep a written record, then the information can be transcribed by a co-worker or friend.

The person alleged to be responsible for the harassment (the Respondent) will be advised that allegations have been made against him or her.

If the Complainant consents, the supervisor shall attempt to resolve the situation between the two individuals. Informal resolution may take the form of mediation, conciliation, counselling of one or both of the parties or similar activities.

If an informal resolution acceptable to both the Complainant and the Respondent is reached, the Supervisor shall prepare a Record of Resolution which shall be placed in the Respondent's and Complainant's personnel files.

FORMAL COMPLAINTS

A Complainant, with the assistance of a Shop Steward or a Union Representative if he/she so desires, shall provide a signed complaint to the Director of Human Resources.

The Respondent shall be provided a copy of this Policy and the complaint and shall respond in writing within fourteen (14) days.

If the Complainant consents, the Director of Human Resources may attempt to seek a resolution prior to the initiation of a formal investigation.

If a resolution is achieved between the Complainant and the Respondent prior to the initiation of a formal investigation, the Director of Human Resources will advise the Complainant and the Respondent that the complaint may still have to be pursued and that disciplinary action may be appropriate.

If the complaint is not resolved, the Director of Human Resources will investigate the complaint and will prepare an investigation report. The Director of Human Resources shall then determine the course of action, if any, to be followed by the Company, including whether the investigation report will be provided to the Complainant and Respondent.

If discipline is required, the Director of Human Resources shall determine the discipline.

Where the investigation results in a finding that the complaint is substantiated the outcome of the investigation and any discipline will be recorded in the personnel files of the Respondent and the Complainant.

Where the investigation results in a finding that the complaint is not proved, all records of the complaint shall be removed from the personnel file of the Respondent, unless the Respondent chooses to have the record kept in his/her personnel file.

The Complainant will be informed of the outcome of the investigation and of any discipline.

DISCIPLINE

Employees of the Company against whom a complaint of discrimination or harassment is substantiated will be disciplined, up to and including termination.

Depending on the circumstances, discipline may include:

- (a) the requirement to provide a written apology;
- (b) a written reprimand delivered and recorded in a personnel file;
- (c) transfer within the Company;
- (d) suspension with or without pay; and
- (e) termination of employment.

CONFIDENTIALITY

The Company understands that it is difficult to come forward with a complaint of discrimination or harassment and recognizes the interest of both the Complainant and the Respondent in keeping the matter confidential.

Confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances; however, confidentiality cannot be guaranteed.

Anonymous complaints cannot be dealt with as Respondents have the right to be given the full particulars of any complaint brought against them.

All records, notes and files will be kept confidential except where disclosure is required by a disciplinary or other remedial process, or is required by law.

PROTECTION AGAINST RETALIATION

For the purposes of this Policy, retaliation against an individual:

- (a) for having invoked this Policy (whether on behalf of one's self or another individual);
- (b) for having participated or cooperated in any investigation under this Policy; or
- (c) for having been associated with a person who has invoked this Policy or participated or cooperated in any investigation;

will be treated as harassment.

TIME LIMITATION

Unless there are extenuating circumstances, a complaint made pursuant to this Policy must be made within six (6) months of the most recent alleged incident.

EXHIBIT ONE

NOTICE OF HIRE

Employee's Name _____

Address _____

City _____ Postal Code _____

Phone _____ Date of Hire _____ Birthdate _____

Social _____ Insurance _____ Number _____

Employer _____ Job _____ Classification _____

Full-time Part-time Casual

DUES AND INITIATION AUTHORIZATION

I, hereby, request and authorize the Employer to deduct from my wages, and pay to the Union, such Union dues and/or initiation fee requested by the United Food & Commercial Workers, Local 832.

Date _____

Signature _____

(To be mailed to the Union Office within 10 calendar days from the date of hire or rehire.)

TO THE EMPLOYEE

1. You are hereby informed that Union membership is a condition of employment.
2. The Union will be notified that you have received this statement and may approach you to make an application for membership with the full-time Union Representative, Shop Steward or the Union office.

Union Offices

1412 Portage Avenue, Winnipeg, Manitoba R3G 0V5, Phone 786-5055

Unit #1 - 759 - 1st Street, Brandon, Manitoba R7A 2X5, Phone 727-7131

90 Thompson Drive, Thompson, Manitoba R8N 1Y9, Phone 778-7108

MEMORANDUM OF AGREEMENT

BETWEEN:

WESTERN GLOVE WORKS LTD., hereinafter referred to as the
"Company",

AND

**UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL
NO. 832**, chartered by the United
Food & Commercial Workers
International Union, hereinafter
referred to as the "Union".

The Company and the Union agree to the following items which amend or give interpretation to certain articles of the Collective Agreement made August 17, 2001 and expiring August 16, 2005 ("the Collective Agreement").

1. **Western Glove Relieved from Obligation**

The Company agrees to execute a Memorandum of Agreement, in the form of Attachment "B" hereto, whereby Western Glove Works Ltd. is released from any past, present and future obligations and liabilities in regard to the United Garment Workers of America Local 35 Sick Benefit Fund and its successor fund, and upon execution of this document, the Company agrees that it shall have no further right to administer or control said fund or its benefits.

2. **Former Sandblast Operation Wet Processing Department Employees - Sick Benefit Fund and Canadian Commercial Workers Industry Pension Plan**

It is understood and agreed that employees at 555 Logan Avenue employed in what was the former sandblast operation at Unit 138 - 740 Dufferin Avenue and what is currently part of the Wet Processing Department at 555 Logan Avenue, commenced coverage under the Sick Benefit Fund and the Canadian Commercial Workers Pension Plan effective August 17, 1998.

**IN WITNESS WHEREOF THE PARTIES HERETO HAVE DULY EXECUTED
THIS MEMORANDUM OF AGREEMENT.**

SIGNED THIS DAY OF , 2002.

FOR THE UNION: FOR THE COMPANY:

ATTACHMENT "B"
MEMORANDUM OF AGREEMENT

BETWEEN:

WESTERN GLOVE WORKS LTD., hereinafter referred to as the
"Company",

AND

**UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL
NO. 832**, chartered by the United
Food & Commercial Workers
International Union, hereinafter
referred to as the "Union".

WHEREAS the United Food and Commercial Workers Union, Local No. 832 (hereinafter referred to as "the Union") became the certified bargaining agent for certain employees of Western Glove Works Ltd. (hereinafter referred to as "the Company") by reason of the merger of the United Garment Workers of America, Local 35G and the Union on April 1, 1995;

AND WHEREAS the United Garment Workers of America, Local 35G and the Company had, prior to this merger, established a benefit fund known as the United Garment Workers of America Local 35 Sick Benefit Fund (hereinafter referred to as "the Fund");

AND WHEREAS the Union and the Company entered into a Collective Agreement on August 17, 2001 covering the terms and conditions of employment for certain employees of the Company;

AND WHEREAS the Collective Agreement above noted refers in Article 30 and Appendix "B" to the Fund;

THE COMPANY AND THE UNION HEREBY AGREES AS FOLLOWS:

1. The Union, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby:
 - (a) release, remise and forever discharge the Company, and its directors, officers, shareholders, agents, employees, successors and assigns (hereinafter jointly and severally called "the Releasees"); and
 - (b) covenant and agree to indemnify and save harmless the Releasees,of and from any all claims, demands, actions, proceedings, fines, penalties and any

