

November 23, 2010

Mr. Brian Haughey
Representative
Retail, Wholesale & Department Store Union
1233 Winnipeg Street
Regina, SK S4R 1K1

Dear Mr. Haughey,

This letter will summarize the employer's best offer to the employees and the Union.

The employer has offered:

- 4% increase on April 1, 2008;
- 2% increase on April 1, 2009;
- 1 ½% increase on April 1, 2010; and
- 2% increase on April 1, 2011.

The increases in the past are fully retroactive and will be paid to all employees who are employed as of the date when we sign a new Collective Agreement. Also, employees who have retired since April 1, 2008 are also eligible for retro pay from April 1, 2008 to their date of retirement. If a new Collective Agreement were to be effective January 1 2011, full time employees of Regina Laundry Services would be entitled to retro pay in the range of \$2,200.00 to \$3,700.00 per employee.

The employer has proposed changing to a 5-5-4 work schedule, the same as the rest of the employees in health care. This 5-5-4 rotation would have employees receiving a full day off every 3 weeks in conjunction with their normal days of rest. The employer has also offered to raise the hourly rates another ½% when the change takes effect to ensure that the employees will see no reduction in their weekly salary even though they are working less hours per week.

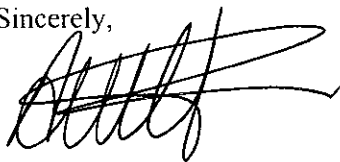
The employer has proposed the following revisions to the agreement:

- increase to shift premium and weekend premium;
- change to union leave language to place the current practice in the agreement;
- clarification of vacation carry over language;
- increase to the employer's contribution to the RWDSU Dental Plan; and
- market adjustment for the 3rd Class Chief Engineer of \$4.09 per hour.

These revisions will be effective the date of signing of the new agreement.

The employer believes that a 10% increase over 4 years is a fair and reasonable offer and should be the basis of the settlement of this round of negotiations. The employer committee is available to meet with the Union to clarify the hours of work proposals at any time. It is our intention to post this letter on the bulletin boards at the Laundry for the information of employees.

Sincerely,



Allan Parenteau

cc: RQHR Management Bargaining Team