

AGREEMENT

Between

J.M. SCHNEIDER INC.

And

**THE SCHNEIDER
EMPLOYEES' ASSOCIATION**

**KITCHENER-ONTARIO
JUNE 1, 2005- MAY 31, 2010**

00281 (07)

The interest of workers and the interest of management can never be separated successfully. The well being of one travels side by side with the other, and when this fact is realized, and employee and employer join hands to work out their problems together, they will have industrial peace, prosperity and happiness.

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THIS AGREEMENT

**ENTERED INTO AS OF THE SIXTEENTH DAY OF
JUNE, 2005**

MADE BY AND BETWEEN:

J.M. SCHNEIDER INC.

Hereinafter referred to as the Company

And

SCHNEIDER EMPLOYEES' ASSOCIATION

Hereinafter referred to as the Association

ARTICLE 1 - PURPOSE

It is the purpose of this agreement to maintain and promote harmonious relations between the Company and the Association and the employees who are represented by the Association and to provide the negotiated terms and conditions of employment of such employees. Both parties agree that their mutual interest lies in friendly co-operation to promote the mutual interest and welfare of both the Company and such employees.

ARTICLE 2 - RECOGNITION

(2.1) Bargaining Agent

The Company recognizes the Association, which is certified by the Labour Relations Board of Ontario, as the sole and exclusive bargaining agent for all employees at Kitchener, save and except foremen, persons above the rank of foremen, Office Staff, and Sales Staff.

Where the term Association is used, it shall mean the Executive Officer of the Association.

(2.2) Transfer of Operations

The Company agrees that if the existing operations covered by this agreement or part of it are moved or transferred to another facility operated by J.M. Schneider Inc., outside the bargaining unit, affected full time employees shall have the first opportunity to transfer without loss of seniority and service, subject to the provisions of any collective agreement in place at such facility.

ARTICLE 3 - ASSOCIATION SECURITY

(3.1) Membership

All employees covered by this agreement shall be required on or before the first work day of actual employment, to become members of the Association and sign a dues deduction authorization form. On the first day of employment a new employee will be introduced to his Union steward by the process foremen. **Efforts will be made by the Supervisor to introduce the Safety Rep and where this not possible, provide contact information.**

(3.2) Part-Time Employees

Part-time employees may be used to supplement existing staff requirements, for volume fluctuations, for absenteeism and for other business opportunities, where it is not practical to employ full-time employees. Part-time employees may be used up to twenty-four hours per week except in cases of emergency or as otherwise agreed with the Association Executive.

Part-time employees will not be employed for the purpose of reducing overtime unless that part-time work is required on a regular basis (**regular meaning at least twice per month**). Part-time employees will be the first to be laid off provided there are qualified

full-time employees who can perform the work. Where the work performed by part time employees within a Process can be satisfactorily combined to permit the employment of a full time employee, this will be done provided the employee has the ability to satisfactorily perform the work.

Part-time employees will be eligible to receive overtime at the rate of time and one-half for any hours worked in excess of their regular daily schedule provided their regular daily schedule is a minimum of eight (8) hours duration. Part-time employees may be offered overtime on a first or second additional shift etc. provided all full time employees in the process have been given the opportunity to work.

Part-time employees will be hired into a job and be allowed to apply for part-time vacancies of a higher job rate within their Process and the successful applicant will be the senior applicant who is capable of performing the job as determined by the Company.

Part-Time employees will be allowed to apply for part-time vacancies on a different shift within their process, limited to one move every twelve (12) months, and the successful applicant will be the senior applicant who is capable of performing the job as determined by the Company.

Part-time employees who are at work may be reassigned to other work as required in accordance with article 17 of the Collective Agreement except they may not be reassigned to perform work that is scheduled to be done on overtime (Clarity 17.5 not apply).

Where overtime is required on a regular basis (twice a month or more) the Company may utilize a part-time shift.

Full-time employees may be assigned to a regular shift supplemented by part-time employees in accordance with the Collective Agreement.

The Company may use full-time employees on overtime together with part-time employees if required to fill in for absent employees or on a temporary basis (temporary meaning 4 weeks) or during the job posting procedure or for the purpose of training part-time employees (the parties will agree to the duration of such training).

Part-time employees are not entitled to the following provisions of the Collective Agreement:

Article 2.2

Article 9.5 to 9.7

Article 10.1 to 10.7

Article 10.9

Article 11.1 to 11.3, 11.5 and 11.6

Article 17.5 (except Life Insurance)

Article 18.0

Article 20.1 to 20.2, 20.6 to 20.7

Article 22 (except 22.4)

Letters of Agreement, except #1, #2 ,#5,

(3.3) Student Employees

The Company may hire student employees by process for the last two (2) full weeks of April to September 15 each year. Student employees will not acquire seniority rights or recall rights and may be terminated by the Company at any time. Students will be entitled to work the same number of regular hours as full-time employees in their respective process. Student employees will be paid accordingly to Article 9.1 and are eligible for process overtime only after all qualified full-time employees in the process have been offered the opportunity to work.

Student employees will become members of the S.E.A. and are not entitled to the following provisions of the Collective Agreement.

Article 7
Article 9.2 to 9.7
Article 10.2
Article 11.1, 11.2, 11.5, 11.6
Article 13.1 (individual holiday), 13.3, 13.6
Article 16.0
Article 17.3, 17.4, 17.5, 17.7
Article 18.1, 18.2, 18.3
Article 19 (except 19.6e)
Article 20
Article 22

(3.4) Payment of Dues

The Company agrees that it shall deduct from the pay of each employee the dues of the Association as determined by it from time to time, in accordance with the constitution of the Association. Such deductions from pay shall be remitted every week by the Company to the Treasurer of the Association in the week following such deduction.

(3.5) Contracting Out

The Company prefers to have the work done by its employees, although, at times, it is necessary to have work done by outside contractors. The relevant factors which the Company will consider before contracting out the work will be as follows:

Availability of the required skills, duration and frequency of the job, urgency of the job, cost and availability of equipment.

Any job that the Company feels may be contracted out will be discussed with the Association before a decision is made. The term "discussed" means that an initial discussion prior to a decision being made, will occur when the contracting out will be of a repetitive nature (for example, delivery specials, weekend maintenance), project work or other planned uses of outside contractors. The Company agrees that it will deal fairly and honestly with any decision to contract out.

The word "prefers" as used in this article, means the Company's first choice is to utilize its own employees.

The Company agrees to utilize the present 'outside contractor's form' unless agreed by the Company and the Association to change the form.

Any changes in installations or truck routes presently covered by bargaining unit employees will be discussed in advance with the Association.

(3.6) Foremen Working

Foremen shall not do any bargaining unit work except for training or in cases of emergency.

Foremen shall not perform any overtime work normally done by a bargaining unit member unless there is no bargaining unit member available or qualified to do the job.

(3.7) Officers and Stewards of the Association

The Company recognizes that Stewards of the Association are required from time to time to investigate and process grievances or discuss with supervision other matters affecting employees.

When it becomes necessary for a Steward to leave his job to attend to these matters they will give supervision as much advance notice as possible, at which time supervision will make arrangements for the Steward to be relieved within one hour after receiving such request.

The Association agrees it will exercise its rights in a manner consistent with the provisions of this collective agreement.

ARTICLE 4 - MANAGEMENT RIGHTS

The management of the plant and the direction of the working force are vested exclusively with the Company. The Company retains the sole right to hire; discipline; discharge for just cause; layoff; assign duties, promote and transfer employees; and to determine the starting and quitting time and the number of hours to be worked; to determine the product to be handled, produced or manufactured; the schedules of production and the methods, processes and means of production or handling subject only to the restrictions and regulations governing the exercise of these rights are expressly provided in this contract.

The Company agrees it will exercise its management rights in a manner consistent with the provisions of the collective agreement.

ARTICLE 5 - DISCRIMINATION

The employer and the Association shall not discriminate against an employee because of membership or activity in the union or the exercise of his lawful rights, or with respect to terms or conditions of employment because of race, ancestry, place of origin, colour, ethnic

origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status, family status or handicap.

ARTICLE 6 - GRIEVANCE PROCEDURE

(6.1) Grievance Committee

The Association shall establish a grievance committee of not less than three (3) or more than five (5) and the Company shall be kept informed of the personnel of such committee. Each party is responsible for arranging for their representatives to attend the third step of the grievance procedure.

(6.2) Substitution of Members

In the event of the absence of any members of Management or the Association, substitution may be made by members of equal rank on either side.

(6.3) Initiation Time of Grievance

A grievance will not be considered by the Company or the Association, unless grievance procedure is initiated within seven (7) full working days of the event on which the grievance is based.

(6.4) Time Limits

Time limits imposed in this article shall apply equally to the Company and the Association but may be extended by mutual agreement. Working days, as referred to in this article, shall not include Saturdays, Sundays or Statutory Holidays.

(6.5) Grievance Steps 1 - 3

Should any differences arise as to the interpretation, application or non-application of the provisions of this agreement, an earnest effort will be made to settle the same in the following manner.

FIRST: There will be a discussion between the aggrieved employee, the process steward, and the appropriate management representative of the process involved. This step of the procedure to be processed and a decision rendered by the foremen within three (3) full working days.

SECOND: If a settlement is still not reached, the grievance shall be presented in writing to the **Process Production Manager** (or designate), who shall then **schedule** a meeting consisting of the appropriate management representatives, the process steward, the grievor and the Chief Steward of the shift. The Chief Steward will be notified 48 hours prior to the meeting. This step of the procedure is to be processed within five (5) full working days and a decision rendered in writing within another five (5) full working days.

THIRD: If a settlement is still not reached, the grievance shall be presented within five (5) full working days of the decision under the second step to the Manager of Employee Relations (or designate), who shall then **schedule** a meeting consisting of the appropriate

management representatives which shall include the Operations Manager, or National Distribution Manager or Engineering Operations Manager, whichever is appropriate, the Vice-President of the Association and/or members of the Grievance Committee and the grievor. This step of the procedure to be processed and a written decision rendered within five (5) full working days.

(6.6) Company Grievance

The Company has the right to present a grievance against the Association, its officers, its members in the bargaining unit or other representatives for failure to comply with the terms of this agreement. Any grievance presented by the Company shall be in writing to the Secretary of the Association and shall be entered at the third step of the Grievance procedure.

(6.7) Association Grievance

The Association has the right to present a grievance against the Company for alleged violations of this agreement, provided that such grievance could not be filed under the terms of this agreement by an individual employee and provided that the interest of the Association, or the interest of the members of a department, or the members of a group of departments in an area, is affected. Any grievance presented by the Association shall be in writing to the Manager of Employee Relations, and entered at the third step of the grievance procedure.

(6.8) Mediation

Where the parties are in agreement the services of a mediator, mutually agreed upon by the parties, will be used in an effort to resolve grievances prior to the arbitration process. Where this is done the cost of the mediator will be shared equally by the parties.

(6.9) Request for Arbitration

If an amicable settlement is not arrived at through the foregoing procedure, the matter in dispute shall be referred to arbitration. The request for arbitration must be made within five (5) full working days of the completion of the third step of the grievance procedure referred to in this article.

ARTICLE 7 - ARBITRATION

(7.1) Arbitrable Matters

Both parties to this agreement agree that any dispute or grievance concerning the interpretation, application, or alleged violation of this agreement, which has been properly carried through the appropriate steps of the grievance procedure outlined in Article 6, and

which has not been settled, or any dispute as to whether a matter is arbitrable, will be referred to a Board of Arbitration at the written request of either of the parties.

(7.2) Appointment of Arbitrators

The Board of Arbitration will be composed of one person, appointed by the Company; one person appointed by the Association; and a third person to act as chairperson chosen by the other two members of the Board. Each party will notify the other, in writing, of the name of its nominee within five (5) working days of the request by either party for a Board.

Should the person chosen by the Company and the person chosen by the Association fail to agree on a third person within ten (10) days of the notification mentioned above, the Minister of Labour of the Province of Ontario, will be asked to nominate a person to act as chairperson.

The Association or the Company shall have the right to refer any arbitrable matter to a single arbitrator. The selection of the single arbitrator shall be the subject of mutual agreement of the parties. In the event of a failure to agree upon a single arbitrator, the arbitrable matter shall then be referred to a three-member board as provided above.

(7.3) Decision of the Board

The decision of a Board of Arbitration, or a majority thereof, constituted in the above manner, shall be binding on both parties and upon any employee, concerned in, or affected by, the decision.

(7.4) Power of the Board

The Arbitrator, Board of Arbitration shall not have any power to alter or change any of the provisions of this agreement or to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this agreement.

(7.5) Expenses of Arbitration

Each of the parties to this agreement will bear the expenses of the nominee appointed by it to the Arbitration Board, and the parties will jointly bear the expense, if any, of the chairperson. In the case of the appointment of a single arbitrator, the parties will jointly bear the expense, if any.

(7.6) Time Limits

Time limits imposed in this article shall apply equally to the Company and the Association but shall be extended, by mutual agreement, and shall exclude Saturdays, Sundays, and Statutory Holidays. Extensions of time limits shall be granted on request for just cause.

ARTICLE 8 - DISCIPLINE, SUSPENSION OR DISCHARGE

(8.1) Discipline, Suspension or Discharge for Just Cause

The Company reserves the right to discipline, suspend or discharge for just cause, including having or consuming intoxicants or unauthorized drugs on company property; theft, disorderly, immoral or indecent conduct; continued absence or irregular attendance; habitual lateness, loitering during working hours; smoking in prohibited areas; insubordination or refusal to do work assigned; wilful or deliberate violation of safety practices or plant rules, or for any offence that while not specifically listed, is considered to be detrimental to the welfare of this Company and its employees.

Employees must be informed of option to have divisional steward or officer in attendance at discipline, suspension or discharge.

(8.2) S.E.A. Notification

The Association Secretary shall be notified immediately, in writing, of all suspensions and discharges.

(8.3) Unjust Discipline, Suspension or Discharge

Any employee who feels they have been unjustly disciplined, suspended or discharged shall have the right to appeal through the grievance procedure. Grievance dealing with discipline other than suspension or discharge shall be processed in accordance with Article 6.3 commencing at the first step. In the case of grievances dealing with suspension or discharge, the employee must notify the Grievance Committee within two (2) full working days after suspension or discharge and the Grievance Committee must present the matter in writing to management involved or his delegate, within two (2) full working days after receiving notification from the suspended or discharged employee and the same shall be entered at the third step of the grievance procedure. A probationary employee's appeal shall be limited to the third step of the grievance procedure. If, upon review by management, it is found that an employee has been unfairly or unjustly suspended or discharged, they shall be awarded whatever lesser discipline is appropriate, or if circumstances warrant, they shall be reinstated and recompensed for loss of earnings resulting from such unfair or unjust suspension or discharge.

Employees discharged or suspended may not remain in the plant after their discharge or suspension. The only time they may return is to attend a grievance hearing under this clause.

(8.4) Disciplinary Notification

The Company will remove references to disciplinary action from the employee's record as follows: verbal warning after a **twelve (12) month** period, written warning after an **eighteen (18) month period**; suspension after a Thirty-six (36) month period provided however, there has been no further disciplinary action taken against the employee during the applicable period referred to above.

Exceptions to the above include suspensions for the following serious offences; illegal strike, slowdown, work stoppage, insubordination or fighting.

ARTICLE 9 - RATES OF PAY

(9.1) Wage Rates

a) The starting rate for full-time and part-time employees hired after the date of ratification of this collective agreement, which expires May 31, 2010 will be in accordance with the start rate in the scale listed below or 80% of the job category rate whichever is higher. Employees hired into the General Labour I or General Labour II job categories will upon completion of thirteen (13) weeks, have their rate adjusted by one half (1/2) the difference between the start rate and their job category rate. Upon completion of twenty-six (26) weeks the employee will have their rate adjusted to their job category rate.

Employees hired into the semi-skilled or skilled job categories will, upon completion of twenty-six (26) weeks have their rate adjusted by one half (1/2) the difference between the start rate and their job category rate. Upon completion of one (1) year seniority the employee will have their rate adjusted to their job category rate.

b) All full time employees hired prior to June 1, 1999, except Maintenance trades, will be red-circled at the rate of pay for the job they own or at the base rate if they do not have job ownership as of September 4, 1999 for the duration of this collective agreement which expires May 31, 2010. Employees who fail to secure job ownership by September 4, 1999 will be red-circled at base rate. Such red-circled rates will not be adjusted downwards or upwards for any reason under the provisions of this collective agreement except if the employee has job ownership in a new job category as listed below, which has a higher rate than the employee's red-circled rate.

c) **Licensed Maintenance Journeyman and Class "A" Drivers** - The hiring rate for these employees will be 5% below the rate of the job. The rate will be adjusted to the job rate at the end of 26 weeks or whenever qualified, whichever comes first.

Job Class	2005 May 29	2006 June 4	2007 June 3	2008 June 1	2009 May 31
Start	10.30	10.60	10.90	11.20	11.50
General Labour 1	11.35 \$200	11.70	12.05	12.40	12.75
General Labour 2	13.35 \$200	13.70	14.05	14.40	14.75

Semi Skilled	16.35 \$500 \$200	16.50 \$500	16.65 \$500	16.80 \$500	16.95 \$500
Skilled	18.55 \$200	18.90	19.25	19.60	19.95
Students	10.20 \$100	10.40	10.60	10.80	11.00
Pre June 1999	.35 \$200	.35	.35	.35	.35
Part Time	\$100				

(9.2) Two (2) Job Rates

When an employee regularly performs two (2) or more jobs, they will receive the higher rate for eight (8) hours if the higher rated job exceeds one (1) hour.

(9.3) Rates on Temporary Transfer

Pay rates of qualified employees on temporary transfer to higher rated jobs shall be adjusted to the higher rate for

- a) all hours worked on the higher rated job if the higher rated job is performed for more than one (1) hour during the regular shift.
- b) all hours worked on the higher rated job during over-time, except for daily overtime that is scheduled for thirty (30) minutes or less
- c) all "higher rate time" will be rounded to the closest one half hour
- d) employees temporarily transferred to lower rated jobs at their request or on advice of their physician, will assume the rate of such job commencing the first full shift on the lower rated job.

(9.4) Rates on Permanent Transfer

An employee permanently transferred to another job will be paid their existing rate or the rate of the job to which they have been transferred whichever is the lesser. When qualified, or within three (3) months, their rate shall be adjusted to the prevailing job rate. On jobs requiring a high degree of skill, it may be mutually agreed between the Company and the Association, that a longer period is justified. Qualified as used above shall mean the ability to regularly perform the job without instruction or assistance.

(9.5) Classification of New or Changed Jobs

When changes in production significantly alter jobs or when new jobs are introduced (except maintenance tradespersons), the Company will assess the job based upon its evaluation system and assign jobs to the appropriate job category. In making its determination the Company will consider such factors which may include, but are not limited to: benchmarking, skill, ability required, complexity, responsibility, working conditions etc. The Production/Distribution Manager shall notify the Association in writing of new or significantly changed jobs as soon as possible.

An employee who feels the new job category determined by the Company is not correct may appeal to the Job Evaluation Committee for a review. Decisions of the Job Evaluation Committee are binding upon both parties. Disagreement over evaluation results cannot form the subject matter of the grievance or arbitration process.

(9.6) Work Measurement and Job Standards

The Company will utilize recognized and accepted techniques to measure work and establish job standards. Only qualified full-time employees with appropriate skills and ability will be studied for the purpose of establishing permanent work standards. Whenever possible, this will be an employee(s) who normally performs the work.

(9.7) Job Standards Disputes

Employees and the Association will give every work standard a fair and just trial by working conscientiously against those standards. If the standard is in dispute after the fair and just trial, a qualified member of the Association may conduct a study using established Company work measurement techniques.

Should the new job standard remain in dispute after a comparison of the Company and the Association studies, it may be introduced as a grievance starting at the Second Step of the grievance procedure.

It is further agreed that where the new job standard remains in dispute, the Company and the Association may, by mutual agreement, appoint a qualified independent engineer to conduct a separate study. The expense of such study shall be shared by the Company and the Association.

(9.8) S.E.A. Notification

Subject to the provisions otherwise specified in this agreement, the Company agrees that the officers of the Association be provided with information regarding the pay rate and progress of any individual employee.

(9.9) Method of Payment

The Company will pay employees in a manner it deems to be most efficient. For each pay period the employees will be provided with an itemized calculation of all earnings and deductions. For the duration of this collective agreement expiring **May 31, 2010**, employees will be paid on a weekly basis

ARTICLE 10 - HOURS OF WORK, OVERTIME AND PREMIUMS

(10.1) Regular Work Week

The regular work week for full-time employees shall be forty (40) hours per week consisting of five (5) consecutive (8) hour shifts or four (4) consecutive ten (10) hour shifts from Sunday to Saturday inclusive, except for Stationary Engineers and part-time

employees. These hours of work are exclusive of the unpaid meal period. Stationary Engineers who will be scheduled in accordance with Letter of Agreement #8. Any employee whose regular scheduled hours of work are changed from 5 x 8 hour shifts to 4 x 10 hour shifts and vice versa, will immediately upon transfer to the new schedule be covered by all terms and conditions applicable to such new shift schedule under this collective agreement.

Any employee hired prior to June 1, 1999 whose work schedule is changed to include Saturday and/or Sunday as part of their regular schedule, shall have the opportunity to relinquish job ownership if they do not want to work on the new schedule and in such case they shall become a floater, and will be assigned job ownership either in his/her Process or in the plant if the Job Posting or Plant-wide Posting procedure, whichever is applicable, arrives at their name and they are capable of performing the job.

Any employee who is assigned to a 4 x 10 hour shift schedule that includes Saturday and Sunday as part of their regular shift is excluded from bidding onto another job for a period of one year commencing the date of the awarding of the posting. Such employees, including probationary employees, are exempt from lay-off during this one year period provided there is a need for employees to perform this work.

Maintenance tradespersons shall not be scheduled to work a 4 x 10 hour shift schedule that includes Sunday as part of the regular work week.

b) Stationary Engineers

The regular work week for Stationary Engineers shall be provided for in LOA # 8. Two consecutive days in each work week are allowed off, except as provided for in Letter #8, and for all purposes, shall be considered additional shifts.

(10.2) Changes to Employee Schedule

No employees' schedule shall be changed without at least twenty-four (24) hours prior notice from the start time of their existing shift.

In the event it becomes necessary to change an employees' weekly schedule without at least twenty-four (24) hours prior notice from the start time of their existing shift, time and one half will be paid for any work performed in the first shift of the new schedule.

In the event it becomes necessary to change an employees' daily start time without at least twenty-four (24) hours prior notice from the start time of their existing shift, time and one half will be paid for any work performed outside the existing shift.

(10.3) Daily Overtime

One and one-half times the hourly rate will be paid for all hours in excess of the regular shift schedule provided, the regular shift schedule is a minimum of eight (8) hours in duration. Two times the regular rate will be paid for hours worked in excess of twelve (12) per shift. Vacation hours will not be credited to hours worked in calculating daily overtime, if taken in a fashion that extends the employees' work day beyond the normal shift end.

An employee who volunteers to work overtime prior to their regular shift will be paid the overtime rate for those hours worked up to their regular start time and must work their regular shift thereafter unless excused by management.

When the overtime schedule is posted on the appropriate bulletin board in the first four (4) hours of the shift, any errors or omissions will be brought to the attention of the scheduler by the missed employee. Failure to do so will nullify any right to the grievance procedure.

(10.4) First Additional Overtime Shift

One and one-half times the hourly rate will be paid for hours worked on the first additional overtime shift following completion of the weekly shift schedule. Two (2) times the regular rate will be paid for hours in excess of the amount of the regular shift hours. If during the week preceding the first additional overtime shift, the employee has been charged with a **culpable absence**, they shall be paid their regular rate to a maximum of the hours equivalent to their regular shift provided the regular shift is a minimum of eight (8) hours and time and one-half thereafter.

When the overtime schedule is posted on the appropriate bulletin board two (2) hours or more prior to the end of the last regular shift of the week, any errors or omissions will be brought to the attention of the scheduler by the missed employee. Failure to do so will nullify any right to the next overtime opportunity as provided for above.

(10.5) Second & Third Additional Overtime Shifts

Two (2) times the regular rate shall be paid for work performed on the second and third additional overtime shifts following completion of the weekly shift schedule. If during the week preceding the second and third additional overtime shift, the employee has been charged with a **culpable absence**, or if the employee has not worked the first additional overtime shift, they shall receive one and one-half times their regular rate to a maximum of hours equivalent to the employees' regular shift provided the regular shift is a minimum of eight (8) hours and two (2) times the regular rate thereafter.

When the overtime schedule is posted on the appropriate bulletin board two (2) hours or more prior to the end of the last regular shift of the week, any errors or omissions will be brought to the attention of the scheduler by the missed employee. Failure to do so will nullify any right to the next overtime opportunity as provided for above.

(10.6) Work Performed on Statutory Holiday

Two (2) times the regular hourly rate shall be paid for all work performed on a designated Statutory Holiday.

(10.7) No Accumulation of Premiums

There shall be no accumulating of overtime premiums for the same hours worked and/or paid for, but the highest overtime premium shall apply. This does not apply to Article 10.2.

(10.8) Off-Shift Premium

An off-shift premium of fifty (50) cents per hour, shall be paid to shift workers whose regular work schedule starts between noon and midnight. Employees working on shifts beginning after twelve (12) midnight and before 7:00 a.m. shall receive the off-shift premium for all hours worked up to 7:00 a.m. This premium shall apply to workers who are receiving overtime pay for overtime worked.

(10.9) Freezer Premium

A freezer premium of twenty-five (25) cents per hour shall be paid to employees assigned to work in the freezer. A freezer shall be defined as a room or area of the plant that is constantly held at -4 C (25 F) or colder.

(10.10) Missed Overtime

If a qualified employee is missed as a result of a good faith mistake when it was his opportunity to work overtime, he shall be given the opportunity to work overtime, subject to seniority rights, on work for which he is qualified, when the next comparable overtime is required. The missed overtime work opportunity will be made within thirty (30) calendar days or paid out.

However should an error occur other than above, the Company will pay the amount of the missed overtime opportunity.

ARTICLE 11 - GUARANTEES AND CALL-INS

(11.1) Minimum Week

Hourly rated full-time employees who are scheduled to work and who are at work are guaranteed a weekly pay equal to thirty-seven (37) hours at their regular rate (applicable only to employees hired before June 1, 1999). Should the lack of work be attributed to circumstances over which the Company has no control, excluding mechanical breakdown, this guarantee will be reduced by the number of hours lost. Each hour of overtime worked will be credited as one hour against this guarantee. If employees fail to avail themselves of the regular hours of work provided, the guaranteed minimum week shall be reduced by the difference between the actual hours worked and the hours of work made available.

When a recall from layoff occurs other than at the beginning of the regular work week, the weekly guarantee will be reduced proportionately by those days that the employee was on layoff.

The Company agrees to not have any one day plant shut downs that will cause a reduction in the minimum week guarantee other than provided for in this Article.

(11.2) Statutory Holiday in Minimum Week

Statutory Holidays paid for during any week where the minimum guarantee is effective shall be considered as part of and included in the pay for the minimum week. Any hours worked on a Statutory Holiday shall be counted against this minimum week.

(11.3) Exclusions to Minimum Week

Provisions of items 11.1 and 11.2 shall not apply to part-time, probationary and student employees.

(11.4) Reporting Minimum - Normal Shift

Any employee who reports for their normal shift and is sent home before four (4) consecutive hours work have been completed shall be paid a minimum of four (4) hours pay at their regular rate. To qualify, the employee must be available and willing to accept such work as may be provided, providing that such work is made available during normal working hours. Should the lack of work be attributable to circumstance over which the Company has no control, excluding mechanical breakdown, this guarantee is waived and the employee will be paid only for the time worked.

a) All student and part-time employees who have reported to work will be paid two (2) hours pay at their rate.

(11.5) Reporting Minimum -Additional Overtime Shifts (10.4 & 10.5) and Statutory Holiday

Employees who are scheduled and report on an additional overtime shift or Statutory Holiday will be guaranteed a minimum payment of six (6) hours at their regular rate.

(11.6) Call-In

Any employee who is requested to return to work after completing their regular daily shift and the work period is four (4) hours or less, shall be paid at the appropriate overtime rate with a minimum equivalent of four (4) hours pay at the regular rate. If the hours worked exceed four (4), or five (5) if the regular shift schedule is in excess of eight (8) hours daily, it will be considered as an additional overtime shift worked in that day and paid at time and one-half. An employee who has completed the number of shifts equivalent to his weekly schedule in the week and is subsequently called into work shall be paid at the appropriate overtime rate with the minimum equivalent of six (6) hours pay at the regular rate. The call-in shall be through when the job for which an employee has been called-in is completed or at the commencement of their regularly scheduled shift, whichever occurs first. Employees will be allowed to complete their regular schedule for the balance of that week. Provisions of this paragraph shall not apply to part-time and student employees.

(11.7) Compensable Accident

Employees who are injured and lose pay as a result of a compensable accident during a shift, will receive an amount equal to their regular rate for the regularly scheduled shift. However, if the employee has started into overtime, or if the overtime schedule at the shift end is normally and regularly worked by the employee, an amount equal to the scheduled overtime shall be paid to the injured employee. This is applicable to additional overtime shifts and Statutory Holidays provided the employee has actually commenced work on such shifts.

ARTICLE 12 - REST PERIODS AND MEALS

(12.1) Rest and Meal Periods - Regular Shift

Employees who are scheduled to work more than five (5) hours per day shall receive a paid ten (10) minute rest period and an unpaid twenty (20) minute meal period in each shift. If the work period is more than two (2) hours but less than five (5) hours, the employee shall only qualify for the rest period. Employees working a regular shift schedule of ten (10) hours shall receive an additional paid ten (10) minute rest period. **The Company reserves the right to add twenty minute paid meal periods where it deems appropriate.**

Deviations from the normally scheduled rest periods and lunch period shall not exceed one (1) hour.

(12.2) Rest and Meal Periods - Overtime

Employees who work overtime of less than five (5) hours but more than two (2) hours shall receive a paid ten (10) minute rest period.

Employees shall qualify for an unpaid twenty (20) minute meal period if scheduled to work overtime and five (5) hours have elapsed since the conclusion of their first meal period.

The Company reserves the right to add twenty minute paid meal periods where it deems appropriate.

Employees working an overtime shift schedule of eight (8) hours shall receive a paid ten (10) minute rest period and an unpaid twenty (20) minute meal period.

Employees working an overtime shift schedule of ten (10) hours shall receive two paid ten (10) minute rest periods and an unpaid twenty (20) minute meal period.

(12.3) Washroom Breaks

The Company shall allow a maximum of two (2) eight (8) minute washroom breaks per person per shift. Employees scheduled for five (5) hours or less will receive one (1) eight (8) minute washroom break. This will include additional shifts and Statutory Holidays.

To ensure there is no misunderstanding with regard to "personal necessity time" for emergency situations, the following will state the Company's position: the Company recognizes that from time to time or for certain medical reasons, employees may require more personal necessity time than was agreed to at negotiations. The company will allow employees more personal necessity time or frequencies when it is absolutely necessary. However, these occasions must be the exception rather than the rule.

In other emergency situations, employees are expected to observe no more than the normal personal necessity breaks during their shift.

ARTICLE 13 - STATUTORY HOLIDAYS

(13.1) Designated Statutory Holidays

Employees shall be paid their regular hourly rate for regular hours not worked, Sunday to Saturday inclusive on the following designated statutory holidays:

<u>Holiday</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Canada Day	Friday July 1/05	Monday July 3/06	Monday July 2/07	Tuesday July 1/08	Wednesday July 1/09
Civic Holiday	Monday Aug. 1/05	Monday Aug. 7/06	Monday Aug. 6/07	Monday Aug. 4/08	Monday Aug. 3/09
Labour Day	Monday Sept. 5/05	Monday Sept. 4/06	Monday Sept. 3/07	Monday Sept. 1/08	Monday Sept. 7/09
Thanksgiving Day	Monday Oct. 10/05	Monday Oct. 9/06	Monday Oct. 8/07	Monday Oct. 13/08	Monday Oct. 12/09
Christmas Day	Friday Dec. 23/05	Monday Dec. 25/06	Tuesday Dec. 25/07	Thursday Dec. 25/08	Friday Dec. 25/09
Boxing Day	Monday Dec. 26/05	Tuesday Dec. 26/06	Monday Dec. 24/07	Friday Dec. 26/08	Thursday Dec. 24/09
New Year's Day	Friday Dec. 30/05	Monday Jan. 1/07	Tuesday Jan. 1/08	Thursday Jan. 1/09	Friday Jan. 1/10
Floater	Monday Jan. 2/06	Tuesday Jan. 2/07	Monday Dec. 31/07	Wednesday Dec. 31/08	Thursday Dec. 31/09
Good Friday	Friday Apr. 14/06	Friday Apr. 6/07	Friday Mar. 21/08	Friday Apr. 10/09	Friday Apr. 2/10
Victoria Day	Monday May 22/06	Monday May 21/07	Monday May 19/08	Monday May 18/09	Monday May 17/10

The eleventh Statutory Holiday of each year of the contract shall be granted as an individual holiday to be taken at a time to be agreed upon between the employee and management. The individual day will not normally be granted during the months of June to September inclusive nor shall it be used to extend other holiday weekends. A new employee must complete their probationary period in order to be eligible for the individual holiday.

If the individual statutory holiday is not taken by the end of the contract year, such holiday shall be paid out, except for employees who are in receipt of E.I.C. disability benefit and in such cases the payment will be made when the employee returns to work or receives an L.T.D. benefit, whichever occurs first.

If the Statutory Holiday does not fall on a workday within the scheduled work week of an employee, he/she shall receive an additional eight (8) hours pay for the Statutory Holiday in addition to all the hours worked and paid in the week of the Statutory Holiday. The same procedure shall apply when two (2) Statutory Holiday fall in a calendar week.

In order to meet the needs of the business, the Company reserves the right to designate the observance of statutory holidays to another date for those employees it deems necessary to do the required work.

(13.2) Night or Shift Workers

Statutory Holidays for night or shift employees, except stationary engineers, shall be designated according to shift number. Employees working Sunday to Thursday, Sunday will be shift number one. For day shift employees, Monday will be shift number one and so on.

Employees who are scheduled to start on Sunday night, but who as a result of a Statutory Holiday falling on Monday, start on Monday night, will receive the Sunday premium for work performed on the Monday night. This shall exclude employees whose regular shift starts on Sunday night.

(13.3) Part-Time Workers

Part-time employees shall be paid for the hours they would have worked, had such a day not been observed as a holiday. **If the Statutory Holiday does not fall on a workday within the scheduled work week of an employee, he/she shall be eligible for payment as per the Employment Standards Act. This is applicable for part time employees hired after the date of ratification.**

(13.4) Qualifications for Pay

In order to qualify for Statutory Holiday pay, the employee must work the required regular shift immediately preceding and following the Statutory Holiday. However, the employee will qualify for statutory holiday pay if they have been excused from working the required regular shift by their foremen or production manager or has been laid off, providing they have received payment for hours worked during the week containing the holiday or during the preceding week if the holiday falls on Monday. An employee who is disabled from working on either or both the regular shift immediately preceding or following the paid holiday and such disability is verified by a doctor's certificate, will be paid for the statutory holiday.

Employees who accept an additional overtime shift, and then fail to show up for work will be treated as if the day or days missed were the same as a regular shift for purposes regarding Statutory Holidays, recorded sickness, etc.

(13.5) Premiums for Statutory Holiday Worked

Two (2) times the regular hourly rate shall be paid for all work performed on a designated Statutory Holiday.

(13.6) Statutory Holiday in Vacation

Full-time and part-time employees whose vacations include any of the Statutory Holidays mentioned in this article shall receive an additional regular day's pay, or an alternate day off. Such day off to be taken at a time convenient to the employee and management.

To qualify for the additional day Statutory Holiday pay in a vacation week that has been arranged in advance, the employee must work their required regular shift, preceding and

following the Statutory Holiday, except if absent due to illness confirmed by a doctor's certificate.

(13.7) Exclusions

The provisions of this article shall apply only to hourly rated employees who were on payroll prior to the date on which the holiday occurs.

ARTICLE 14 - BEREAVEMENT

The Company shall pay the employee's regular hourly rate for all regular time lost up to three (3) consecutive days pay, in the event of the death of the employee's spouse (as per company records), son, daughter, mother, father, brother, sister, stepson or stepdaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, stepsister, stepbrother, grandchild, stepmother, stepfather, daughter-in-law, son-in-law or stepparent.

The Company shall pay the employee's regular hourly rate for all regular time lost up to two (2) consecutive days pay, in the event of the death of the employee's grandmother or grandfather.

The Company shall pay the employee's regular hourly rate for all time lost up to one (1) days pay, in the event of the death of the grandparent of the employee's spouse.

The time provided for bereavement leave will end on the day following the funeral, unless alternate arrangements are made by mutual agreement with the company.

In order to qualify under this section, an employee must be a full-time or part-time employee and must have completed the probationary period. Employees shall not be paid for Saturdays and Sundays under this section, unless they were otherwise scheduled (exclusive of overtime scheduling) to work on those days.

When an employee is absent and loses pay to attend a memorial service for any of the aforementioned relatives, they shall be reimbursed at their regular rate for regular hours lost up to one regular day.

Employees who experience bereavement during a booked vacation will be allowed to defer that part of their vacation affected by bereavement. Deferred vacation day(s) will be taken at a time mutually agreed upon by the employee and their supervisor.

Provisions of this Article shall not apply to Student or Probationary employees.

ARTICLE 15 - JURY DUTY

An employee who is

- a) summoned to appear or required to serve Jury Duty, or

- b) subpoenaed to testify as a witness, in a civil or criminal court, shall be paid for their regular hours at their regular rate. The employee shall furnish a notice of jury selection or a copy of the subpoena as soon as possible.

For employees working afternoons, the time off should be following Jury Duty. For employees working nights the time off should be the shift prior to Jury Duty.

When an employee works after their regular hours on a day in which they served Jury Duty or appeared as a subpoenaed witness, those hours will be calculated as overtime.

ARTICLE 16 - SENIORITY

(16.1) Probationary Period

From the time of hiring, new employees shall be considered probationers and shall possess no seniority until they have completed twenty-six (26) weeks time worked.

Upon completion of the probationary period, the seniority date shall be the employment date. A probationary employee shall have recourse to the full grievance procedure relating to matters other than suspension or discharge. Probationary employees who feel they have been unjustly suspended or discharged shall have the right to appeal as stated in Article 8.3.

A part-time employee's seniority only has application within the part-time classification.

(16.2) Seniority and Service Accumulation When Absent from Work

An employee with seniority hired prior to June 1, 1999, absent due to accident or illness, shall continue to accumulate and be credited with service and seniority however, service accumulation shall not exceed the following scale:

<u>Employee Seniority</u>	<u>Maximum Accumulation</u>
Less than 5 years	2 years
5 years but less than 10 years	3 years
10 years but less than 15 years	4 years
15 years but less than 20 years	5 years
20 years but less than 25 years	6 years
25 years and greater	7 years

The maximum service accumulation stated above commences at the beginning of the seventh month of absence.

The purpose of this service accumulation is limited to application to the non-contributory pension supplement only. For purpose of eligibility only of the optional early retirement Article 20.2, service will be considered to be cumulative.

(16.3) Seniority on Transfer

- a) Any full-time or part-time employee who is permanently transferred within the unit will carry seniority provisions with them.
- b) An employee who transfers back into the unit will, for the purpose of job postings only, be able to use their seniority accumulated while in the bargaining unit only, for a period of two (2) years and thereafter their total seniority will be recognized. This section is applicable to employees transferred from the bargaining unit prior to June 1, 1991.
- c) Employees who transfer out of the bargaining unit after June 1, 1991 may transfer back into the bargaining unit within the first year of being out with full seniority rights and service recognized. Employees who transfer back into the bargaining unit after one year will transfer with previous bargaining unit seniority only and full service.
- d) Employees are not permitted to transfer back into the bargaining unit while existing bargaining unit employees are on layoff.
- e) Employees transferring back into the bargaining unit under section b) or c) above must acquire job ownership through the plant wide posting procedure.

(16.4) Part-Time Transferred to Full-Time

Should any part-time employee be given full-time employment, the starting date shall be entered as of the day that transfer is made from Part-Time status. . **When transferring to Full-Time; Part-Time seniority will be recognized for the purposes of job preference. Service will be recognized for pension, rate progression and entitlement for vacation.**

(16.5) S.E.A. Stewards and Executive Officers

For the purpose of vacations and layoff only, Executive Officers and Stewards of the Association shall, for the term of their office, be granted top seniority according to their respective positions. Safety Representatives for the purpose of layoff will also be granted top seniority.

Stewards and safety reps from the process will be the last employees farmed out on their shift during layoff, provided the person has the seniority to remain at work, except stewards and safety reps who represent more than one shift.

(16.6) Job Ownership Protection due to Accident or Illness

An employee who cannot perform their job will have job ownership protection for a maximum of thirty (30) months. Where medical information confirms the employee will not be able to return to their job, including prior to the expiration of the thirty (30) months, Process ownership will be retained, and job ownership will be forfeited and the employee will be reassigned in accordance with the rehabilitative/modified work program or will be dealt with in accordance with Article 16.7 (g).

Employees on Workers' Compensation claim are required to keep the Health Center informed of "expected return to work" date, updated at least every two (2) weeks.

Employees establishing a compensation claim must advise the Health Center as soon as possible after the injury occurs.

(16.7) Loss of Seniority/Termination

The seniority of an employee will be considered broken, all rights forfeited and the employee will be terminated when he/she:

- a) Voluntarily leaves the service of the Company or is discharged for just cause.
- b) Fails to return to work within three days when recalled from layoff without a reasonable excuse.
- c) Has completed the probationary period but has less than fifteen (15) months seniority and has been laid off by the Company for twelve (12) months.
- d) Has fifteen (15) months seniority or more and has been laid off by the Company for twenty-four (24) months.
- e) Is absent for three consecutive workdays and fails during that time to notify **the Company** with a reason for the absence.
- f) Use Leave of Absence for any purpose other than for the reason granted.
- g) Has been absent from work due to illness or injury for thirty (30) months and there is no medical evidence of their ability to return to the workplace. This is applicable to employees hired June 1, 1999 or later.
- h) In the case of probationary employees when recall rights which are equivalent to their number of full weeks of employment at the time of layoff, expire.

(16.8) Leave of Absence

Leave of Absence is defined to be an absence from work with permission for a period of more than five (5) working days, without pay or compensation (except as may be provided for in this clause).

When planning activities for which a Leave of Absence is anticipated, an employee is expected to make maximum use of vacation schedules to which they are entitled.

Absences should be planned as far in advance as possible.

Application for Leave of Absence will not normally be considered during the months of June, July, August or September. Weeks which include, precede or immediately follow a Statutory Holiday require our entire work force, therefore, a Leave of Absence will not normally be granted during those periods.

In arriving at a decision regarding a Leave of Absence application, the requirements of the business or other reasons will be considered. Management's decision in granting or refusing such leave will not be arbitrable. In the event that absence is granted under the provisions of this clause, seniority shall continue to accumulate.

Leave of Absence reasons other than emergency, compassionate, Association business, or pregnancy may be approved for an employee who has completed two (2) years of service.

Maternity, Adoption, Parental and Emergency Leave will be granted as required by government legislation.

When applying for a leave of absence due to pregnancy, the employee must give two weeks notice in writing together with a medical certificate estimating the date of delivery.

The extended Health Insurance, Dental Care, and Life Insurance plans will be continued for the Leave of Absence. The employee will reimburse the Company (other than Maternity Leave) for the cost of these benefits at the current rates. The Association will be informed of changes to the benefit rates with an explanation of the changes four (4) weeks in advance of the new rates becoming effective. Contributions to the Company Pension Plan will be suspended for the Leave of Absence.

(16.9) Provisions for Leadership Roles

Persons whom the Company is training to fill technical, commercial or supervisory positions may be employed or retained in employment in plant operations irrespective of seniority provisions of this article as follows:

Current bargaining unit employees who enter the leadership program will relinquish job ownership but retain process ownership, upon commencement of the program. Employees who wish to leave the program or those who are not meeting the requirements of the position will be removed from the program and will acquire job ownership by applying under Article 18.2 or 18.3.

The rate of pay for leadership roles will be \$19.50 per hour effective May 29, 2005 and will receive the same annual wage adjustments as the skilled classification in Article 9.1.

The Secretary of the Association shall be advised of such appointments.

ARTICLE 17 - STAFFING

(17.1) Temporary Transfers (Other than Weekly Staffing, Article 17.2)

The Company may temporarily transfer any employee from one job to another on the same shift within the Process, but no such temporary transfer shall exceed three (3) months. Pay rates for employees on temporary transfer shall be paid according to the provisions of Article 9.3.

When the company needs to temporarily transfer an employee on a different shift, or to a different process, the Company shall request by seniority and ability, on a voluntary basis, if no one volunteers, then qualified farm-ins will be transferred then the most junior qualified employee will be transferred.

An employee who is temporarily re-assigned within his own process or to a different process, on a repetitive basis may register his objections to such repetitive transfer or reassignment in which case the Company will make a reasonable effort to obtain a replacement, subject to seniority rights, who can perform the work satisfactorily.

Transfers will be done on a per shift basis as much as possible.

Employees who volunteer under this section are not eligible for the shift change penalty.

(17.2) Weekly Staffing

A) Temporary Transfer When No Employees are Laid-Off

If a Process is looking to reduce staff and another Process needs to increase staff, the Company at its discretion may temporarily transfer any employee(s) from one job to another in the plant in order to meet the needs of the business. Such transfer will be done on the basis of seniority (with the junior employee being the first to be transferred), qualifications needed to perform the available job and the requirement to continue efficient operations. Operations management will reassign employees to jobs they are qualified to perform in order to create vacancies farmed-in employees will be able to perform.

B) Procedure When Employees Are Laid-Off

When it is necessary for the Company to reduce the number of employees at work, the following procedure will apply, subject to the requirement to continue efficient operations:

- FIRST: Student employees will be terminated.
- SECOND Part -time employees will be laid off provided there are qualified full-time employees who can perform the work. Full-time employees who displace part-time employees are not entitled to the guarantees specified in Article 10 and Article 11
- THIRD: Probationary employees from the Process needing to reduce will be laid-off, and then probationary employees from the plant will be laid-off if additional reductions are required.
- FOURTH: The number of least senior employees that equates to the number of employees that must be reduced will be identified and these employees will be laid off.
- FIFTH: The staffing work team will assign the displaced employees who have the seniority to be at work, but not on their job, to the Processes where vacancies exist as a result of laying-off the junior employees or where additional need for staff has been identified, on the following basis: skills, ability, knowledge, medical restrictions and staffing information forms.
- SIXTH: Operations management will reassign employees to jobs they are qualified to perform in order to create vacancies the farmed-in employees will be able to perform. This may involve proceeding up the seniority list to identify the junior qualified employees for temporary reassignment to different processes in order to place affected employees in temporary positions they can perform.

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Notes:

1. Where it is determined by the Company that an employee requires training the Company will designate which employee will provide the necessary training. Upon completion of the training the excess employee(s) will be laid off and will not be entitled to the weekly guarantee for the week if they are eligible and apply for E.I.C. (waiting period and/or weekly benefit).
2. Qualified as used in this Article 17 means the ability to regularly perform the job without instruction or assistance.
3. Employees who are transferred to a different shift as a result of weekly staffing shall not be eligible for the shift change penalty.
4. Pay rates for employees on temporary transfer shall be paid according to the provisions of Article 9.3.
5. When it is necessary to adjust staffing according to this Article 17.2 employees may be permitted, subject to the needs of the business, to volunteer for reassignment by signing the notice posted in their process by August 15 of each year and must accept any reassignment provided. An employee may remove their name from the voluntary reassignment list only upon return to their process from the temporary reassignment and will be ineligible for further voluntary reassignment until reapplying by August 15 of the following year.

(17.3) Order of Recall

When it is necessary to recall employees to work from lay-off, employees will be recalled in order of seniority to the available positions and will be assigned to the available jobs on the basis of: skills, ability, knowledge, medical restrictions and staffing information forms.

An employee who has been reassigned will be permitted to return to their own job, if it is required and if they have the seniority to return, when the job owner of the position to which they were reassigned has been recalled or, management may at its discretion return the reassigned employee to their job if a qualified replacement is available.

(17.4) Staffing Information Sheet

In order to meet the needs of the business, a "Staffing Information Form" as designed by the Company, must be completed and submitted by each employee to Human Resources. In the absence of a completed form, employees who require placement by the Staffing Work Team will be assigned to available work at the discretion of the SWT until the beginning of the next full work week after the form has been submitted provided, the employee possesses the seniority and qualifications to be at work. Employees must keep this form updated as information changes. Failure to do so will nullify a grievance that is based on the missing or inaccurate information.

(17.5) Benefits on Layoff

Laid off employees with seniority will continue to be covered under Article 22 (except Weekly Indemnity and Long Term Disability) for up to eight (8) weeks of layoff.

Up to five (5) additional weeks coverage will be automatically provided at the employee's expense if layoff continues, unless the employee advises the Company in writing in advance of his desire not to accept such coverage. This procedure must be repeated on each occurrence if the employee does not wish to continue the five (5) weeks benefit coverage. This cost of continued coverage will be deducted from the employee's first pay cheque upon recall.

(17.6) Plant or Process (Department) Closing

Employees with seniority shall be eligible for transfer to another operation of the plant under the provisions of Article 17.7.

Eligible employees who are permanently laid off due to a permanent full or partial plant closing will be entitled to severance payments in accordance with Employment Standards Legislation.

(17.7) Job Elimination/Combination Bumping Procedures

The Company will notify the Association of any job eliminations or job combinations and give in writing details of such changes at least twenty (20) working days in advance.

Job Elimination:

A job elimination occurs in the following circumstances:

- the job is permanently transferred to a different shift
- the work required to be performed is discontinued
- when a job combination occurs between two (2) or more shifts the work transferred from the originating shift on which the work was performed will be deemed to be a job elimination on that shift and handled accordingly.

Note: A job is not eliminated by reason of the start time changing within the same shift.

The individual directly affected must secure job ownership by either applying for job vacancies (Articles 18.2/18.3 - Process/Plant-Wide Posting) or by bumping to junior seniority positions within the Process.

The only purpose of the bumping procedure is for job ownership. If bumping applies it will be after the 20 days notice.

Job Combination Procedure:

A job combination occurs when:

1. Two (2) or more jobs on the same shift are combined and in such case the employee(s) with the least seniority will be bumped;

2. When a job is changed such that some of the work is allocated to other shift(s), the work remaining on the shift will be treated as a job combination on that shift. The work transferred to another shift(s) is considered a job elimination on the originating shift. In such cases there are no bumping rights across shift(s) for the displaced employee(s) on the originating shift(s).

The bumped employee(s) will proceed through the bumping procedure under job elimination.

Bumping Procedure:

- 1 An employee whose job was eliminated/combined must fill any vacancy on their shift, by seniority and ability, that becomes available under the process job posting procedures. If the job vacancy is on a different shift the employee may elect one of the following options:
 - a) If the number of employee job elimination/combinations on a shift is greater than the number of vacancies available, and if the most junior employee(s) jobs are not affected, the senior displaced employee has the option of filling a vacancy or bumping the junior employee.
 - b) The employee may displace the most junior employee in their process on their shift. If they are unable to perform the job of the most junior employee, they may displace the second least senior employee on their shift and so on until they reach a job they can perform consistent with their seniority rights.

Note: When an employee displaces a junior employee under this Article 17.7 they shall acquire job ownership of that job. If there is no vacancy in the process and there are farmed-in employees in the process, the employee whose job was eliminated/combined, may choose to bump a farmed-in employee rather than bump the junior employee.

- c) The employee may choose to transfer to a vacant job in the plant according to the Collective Agreement.
2. Once all job vacancies are filled, any additional displaced employees must bump a junior employee in their process to obtain job ownership.

The junior employee bumped off their shift will have the option of bumping the most junior employee in the process on any remaining shifts. If they are unable to perform the job of the junior employee they are entitled to bump, they can move up the seniority list as described in 1b.

3. The junior employee bumped out of their process must apply for all job postings (Article 18.2 and 18.3) or they will be placed in any job vacancy in the plant. If there is no vacancy, the employee will have the choice of replacing any temporary work assignment in the plant or displacing the most junior employee in the plant providing they have fifteen (15) months or more seniority. If they are unable to perform the most junior job, the employee will move up the seniority list as described in 1b.
4. When a number of employees are displaced due to job elimination, the

corresponding number of least senior jobs in the process and/or plant, whichever is applicable, will be identified and the most senior of the displaced employees can choose the job they want. In the event that two or more of the same job classification are identified within this group of least senior jobs, the junior employee in the job classification will be first to be displaced. This process will continue in order of seniority until all employees are assigned job ownership. If one of the displaced employees is unable to perform the job to which their seniority entitles them, they may move up the seniority list until they reach a job they can perform consistent with their seniority rights.

5. If the employee is unable to bump in accordance with the above steps they will be laid off.
6. When one or more jobs are eliminated or combined, the affected employee(s) within the process will have recall rights if the job is reinstated by 50% of its original form. Employees with less than fifteen (15) months seniority have twelve (12) months recall rights and employees with more than fifteen (15) months seniority have twenty-four (24) months recall rights.
7. An employee displaced from their process will have recall rights only to their process if additional full-time staff is required, subject to the above time limits, prior to applying Article 18.3. The Director of Meat Manufacturing will determine if full-time staff is required following discussion with the S.E.A. President or a delegate.
8. Employees who voluntarily transfer under Article 18.2 from the job to which they were assigned or bumped into as a result of their job elimination/combination, will retain recall rights as specified in this section. Employees who voluntarily transfer to another process under Article 18.3 from the job to which they are assigned or bumped into as a result of their own job elimination/combination, will lose their recall rights.
9. Employees who do not have fifteen (15) months or more seniority can exercise their seniority rights in accordance with steps 1, 2 and 3.

Note: The Company and the Association President and/or delegate plus the process steward will mutually determine if any employee is able to perform any job to which their seniority entitles them. Any disagreements regarding an employee's ability to perform a job may be entered as a grievance at the second step of the grievance procedure.

Note: An employee who has availed themselves of the transfer option contained in Article 17.7 will be eligible by seniority to secure job ownership of any new job created in the process where their job elimination occurred, prior to the affected date of elimination.

Rates of Pay:

An employee will have their rate of pay adjusted at the beginning of the first pay period following six (6) months from the date of their job elimination/combination. Employees who have not acquired job ownership during this time will be paid the rate of the job they are performing.

Job Transfers:

A job transfer will occur when the relocation of duties, product, equipment or such, results in additional jobs in the receiving process.

1. When a job is transferred to another process or operation, the employee who has job ownership has the option of moving with the job.

If the employee elects not to follow the job, the following will apply.

2. A. The job being transferred will be offered in order of seniority to the employees in the process it is leaving.
 - B. If no employee volunteers to move with the job to the process, the job will be posted in accordance with the job posting procedure.
 - C. The employee who had job ownership and who elected not to move with the job, will exercise their seniority rights and follow the bumping procedure as described in Article 17.7.

This Article is subject to review and revision every six (6) months as agreed to by the parties.

ARTICLE 18 - PROGRESSION

(18.1) Job Progression

The Company agrees to recognize the principle of seniority in job progression in a fair and equitable manner having regard not only to the length of service, but as well to the knowledge, training, skill, efficiency and physical fitness of the employee or employees concerned to do the work assigned.

Job progression means moving to a higher rated job category or a job on a different shift, as per LOA #9, within the Process.

(18.2a) Process Job Vacancies

When a permanent job vacancy occurs within a process, the vacancy will be posted on the process notice board for two days. Interested employees in the process will make application to the foremen. Employees from the process who have no job ownership will have their names automatically added to the job posting and must accept the job when it arrives at their name, if capable of performing it. Employees who are away on vacation will have their name automatically added to all process job postings.

The senior employee with job ownership listed on the posting who is capable of performing the duties of the job, as determined by the Company, will be awarded the position with no job trial if the position is accepted. Exceptions to awarding the position on the basis of seniority occur where specialized external qualifications are required such as journeyperson's license, truck drivers license or other positions requiring an external license or certificate or for the apprenticeship program. Where there is a new

job, or where the job vacancy is on a different shift, or in a different area of the process the Company will provide up to one-half hour to review the job and all pertinent information that is available at the time of posting such as the job description, physical demands analysis, standard operating procedures etc.

If the Company cannot find a suitable employee within the process then the vacancy will be advertised on a plant wide basis, according to the provisions of Article 18.3-Plant Wide Postings.

An employee who is no longer able to satisfactorily perform the duties of his job due to non-medical reasons as agreed between the parties, will forfeit job ownership and will be permanently reassigned by management in accordance with the procedure described herein.

When an employee from another process accepts a job vacancy and the result of that transfer will cause the staffing level to be in excess of the process requirements, the employee(s) without job ownership will become plant floaters but will retain process ownership.

The Company will consider each application in a manner consistent with the principles listed in Article 18.1. **An employee is limited to one job posting other than job progression within 6 months.**

All employees absent from work for any reason other than vacation must immediately render their decision when contacted by phone. The Company will make two phone calls to the employee. If there is no contact, such matters will be recorded and the employee will be bypassed. An absent employee will be considered for a job vacancy if he can return to the job within a four week period. The intent of this clause is not to allow an employee to temporarily interrupt a scheduled leave or illness/injury for the purpose of acquiring job ownership.

When an applicant has accepted, the change will be made effective the first shift of the following work week.

If the job vacancy is on the day shift, a plant wide posting will occur before awarding such job to a probationary employee.

Progression will not be considered until the applicant has attained job ownership under Article 18.2.

Process postings can occur to replace employees who are retiring at a future identified date. In such cases management may post the vacancy one week prior to the employee actually leaving except for job postings requiring more than one week training, in which case management will post the job sufficiently in advance to provide proper training. This also applies to employees who utilize their vacation entitlement to leave in advance of their actual retirement date.

(18.2b) Process Job Vacancies-Probationary Employees

1(a). Probationary employees who are capable of performing the duties of the available job may, through job progression, which is defined as the availability of a higher rated

job category or a job on a different shift, apply for permanent job vacancies within their Process subject to the other provisions of Article 18.2.

(b) If the job vacancy is on the day shift, a plant wide posting will occur before awarding such job to a probationary employee.

2. A probationary employee is restricted from applying for a vacancy through the job posting process which is not job progression during his/her probationary period.

3. Probationary employees without job ownership must accept the job if the company so requires in accordance with Article 18.2.

4. Plant-wide Postings: Probationary employees are subject to the requirement in Article 18.3 to have completed a minimum of **one year** service before being eligible to apply for a plant wide posting and therefore may not apply.

(18.3) Plant-Wide Postings

Vacancies received in the Human Resources department after the process posting procedure is complete, as per Article 18.2, will be posted on a plant wide basis for a period of five working days. Applications for a plant wide posting will be made in the Human Resources department and it is the sole responsibility of each employee to have their name listed on any plant wide posting for which they are interested. Prior to taking vacation, employees must notify Human Resources if they are interested in having their name added to plant wide postings.

The senior employee on the list for the posting who is capable of performing the duties of the job, as determined by the Company, will be awarded the position with no job trial if the position is accepted. Exceptions to awarding the position on the basis of seniority occur **at the Company's discretion** where specialized external qualifications are required such as journeyman's license, truck drivers license or other positions requiring an external license or certificate or for the apprenticeship program.

The Company will provide up to one half hour to review the job and all pertinent information that is available at the time of posting. Such information will include a job description, physical demands analysis, standard operating procedures, etc. Employees who have no job ownership will have their names automatically added to plant wide postings and must accept the position if their name is reached on the list provided, they are capable of performing the job as determined by the Company and S.E.A. representatives.

An employee who has completed a minimum of **one year** of service (**exceptions to the one year restriction may apply at the discretion of the Company**) and wishes to transfer to another process may apply by signing the form in the Human Resources department for a plant wide posting.

The Company will consider each application in a manner consistent with the principles list in Article 18.1.

When an applicant is accepted, the change will be made on the first shift of the following work week provided the remaining employees can satisfactorily perform the required work.

Employees, who make such an application for plant wide posting and as a result are transferred, may not apply for a further plant wide posting until two years have elapsed.

Should transferred employees be paid a rate lower than the rate of the job to which they are transferred under this Article, the rate will be increased to the rate of the new job in accordance with Article 9.4.

An absent employee will be considered for a plant-wide posting if he can return to the job within a four (4) week period. The intent of this clause is not to allow an employee to temporarily interrupt a scheduled leave or illness/injury for the purpose of acquiring job ownership. All employees absent from work for any reason must immediately render their decision when contacted by phone. The Company will make two phone calls to the employee. If there is no contact, such matters will be recorded and the employee will be bypassed.

(18.4) Job Vacancy Definition

When a job is filled temporarily for a period in excess of thirteen (13) continuous weeks in a process, a vacancy will then be considered to exist except where other employees are eligible to return to that process under other provisions of the agreement.

The thirteen (13) continuous week period defined above is not applicable where employees are assigned for purpose of temporary rehabilitation.

(18.5) Exclusions

The provisions of this article shall not apply to part-time employees or students.

ARTICLE 19 - VACATIONS

(19.1) Vacation Year

The vacation year will be from June 1st to the following May 31st.

(19.2) Length of Service

The length of vacations will be based on the length of service and shall be calculated from the employment date for each employee to the 31st of May of each year.

For the purpose only of determining eligibility for vacation entitlement under Article 19.3, a full-time employee who transfers to part-time employee status will have their full-time service recognized.

(19.3) Vacation Schedule

The length of vacation will be determined on the following schedules.

- a) Employees with one (1) full year of service will receive two (2) weeks vacation.
- b) Employees with five (5) full years of service will receive three (3) weeks vacation.
- c) Employees with ten (10) full years of service will receive four (4) weeks vacation.
- d) Employees with eighteen (18) full years of service will receive five (5) weeks vacation.
- e) Employees with twenty-five (25) full years of service will receive six (6) weeks

vacation.

- f) Employees with thirty-five (35) full years of service will receive seven (7) weeks vacation.

Employees hired after June 1, 1999 are not subject to the provisions of Article 19.3 e) and f)

First Vacation - Employees who have been hired prior to May 31st of any year but have not accumulated one (1) year of service will receive one fifty-second (1/52) of one week's vacation pay for each week of service computed to June 1 in the year in which the vacation is to be taken. The length of vacation shall be considered to be earned at the rate of one (1) day for each full month of employment to a maximum of ten (10) days.

(19.4) Completion of Required Service

Employees who after June 1st and prior to the end of the vacation year reach the service required to entitle them to an additional week of vacation in accordance with the vacation schedule in Article 19.3, paragraphs b), c), d), e) and f), will become eligible for such additional week of vacation on the completion of the required years of service as of their individual anniversary date of employment.

(19.5) Advance Vacation

Employees who have vacation entitlement earned by June 1st during any vacation year, may draw the earned portion of such vacation on or after January 1st preceding the vacation period or by mutual agreement.

When scheduling advance vacation, preference will be given to employees who have scheduled current vacation.

The only exception to the above is when an employee with unscheduled current vacation wishes to schedule vacation during a period when another employee already has advance vacation scheduled. In such instances preference will be given to the previously scheduled advanced vacations.

Employees who transfer to different processes and who have advance vacations scheduled will be responsible to contact their new supervisor to determine if the advanced vacation scheduled can be utilized.

(19.6) Vacation Pay

- a) Full Time -

Vacation pay shall be the regular daily or weekly hours at the employee's regular hourly or weekly rate in effect at the time of vacation.

The amounts stated above will be reduced by 1/52 for each week of absence during the previous vacation year excepting absences which are:

- with permission up to twenty (20) working days annually
- due to a layoff up to twenty (20) working days annually
- up to one (1) year maximum from date of injury due to compensable accident covered under Workers Compensation Act

- due to sickness which exceeds the following scale:
 - 15 weeks from date of illness for employees with less than five (5) years seniority
 - 26 weeks from date of illness for employees with less than twelve (12) years seniority
 - 52 weeks from date of illness for employees with more than twelve (12) years seniority

Employees returning from long term absence will only be considered as being back to work upon the completion of two (2) working weeks continuous attendance following such absence.

In addition, vacation pay on overtime and premium earnings calculated at 2% times the number of weeks of vacation entitlement will be paid in a lump sum once a year, to be distributed no later than the third pay week of June or sooner if available.

Vacation pay supplement will be paid to the family of an employee whose employment has been terminated due to death.

- b) Discharged Employees - Discharged employees will be eligible for vacation pay as provided by the Employment Standards Act.
- c) Terminations - Any full-time or part-time employee who voluntarily leaves the service of the Company, shall be entitled to a proportionate vacation pay allowance based on that portion of the year worked since June 1st and the total number of completed years of continuous service according to the provisions of Article 19.6 a).
- d) An employee working on a reduced work schedule will receive their vacation pay for each week of vacation entitlement in the current year based upon the greater of:
 - 1) the previous week's hours times their hourly rate;
 - or
 - 2) 2% of the previous vacation year earnings times the number of weeks vacation entitlement.

This does not apply to a reduced work schedule which is with twenty (20) weeks of the commencement of the illness or disability.

Employees on a reduced work week who observe a week or weeks of vacation will have their regular vacation entitlement reduced by the corresponding number of weeks taken.

This section is applicable after the application of Article 19.6a).
- e) **The amount of vacation pay for Students and Part time employees will be in accordance with the Employment Standards Act and will be paid to them weekly.**

(19.7) Choice of Vacation

Employees shall, as far as possible, be given choice of vacation, in order of seniority.

The times at which vacations shall be taken shall be fixed by the Company.

The third, fourth, fifth, sixth and seventh week of vacation shall be taken during the months of September to June inclusive, or at the convenience of the Company.

The Company agrees to allow employees two (2) weeks of vacation, from the last week of June to and including the first week of September, in any process where it can be done. In processes where there are restrictions, they will allow the maximum.

The Company agrees for the duration of this Collective Agreement, to allow employees with twenty-five (25) or more years of service to schedule three (3) weeks of vacation entitlement during the months of May, June, July and August. These three (3) weeks may be taken consecutively or individually.

(19.8) Statutory Holiday in Vacation Week

Hourly rated full-time and part-time employees whose vacations include any of the Statutory Holidays mentioned in Article 13 shall receive an additional regular day's pay or an alternate day off. Such day to be taken at a time convenient to the employee and management.

To qualify for the additional Statutory Holiday pay in a vacation week that has been arranged in advance, the employee must work their required regular shift, preceding and following the Statutory Holiday, except if absent due to illness confirmed by a doctor's certificate.

(19.9) No Accumulation

Vacations with pay shall not be accumulated from year to year. Employees must take their vacations within their vacation year, except as provided in Article 19.5, or management's consent.

(19.10) Rescheduled Vacations

Occasionally employees who are scheduled for vacation will be unable to observe part or all of their vacation due to illness or injury. Should this occur, the employee will be permitted to reschedule that portion of vacation missed due to the illness or injury, at a time convenient to the Company and with due regard to employee request, provided the employee notifies the foremen prior to the commencement of the vacation or as soon after as possible if there is a valid reason for the delay. The employee must also provide supporting medical documentation to substantiate the claim. This only applies to employees who are unable to commence their vacation. Employees who have already started their vacation will not be permitted to reschedule. For clarification purposes, the vacation is deemed to commence at the completion of the last scheduled shift in the week prior to the week of vacation.

Rescheduled vacations must be taken during the vacation year to which they are applicable. Employees who reschedule vacations under these circumstances will not have the right to displace the vacation schedule of other employees regardless of seniority or circumstance. When an employee is permitted to reschedule their vacation, the Company is under no obligation to schedule another employee's vacation in place of the week just cancelled.

If vacation is not used by the end of the vacation year, the vacation time will be forfeited and any vacation monies owing shall be paid to the employee. Except for employees

who are in receipt of E.I.C. disability benefits and in such cases the payment will be made when the employee returns to work or receives L.T.D. Benefits, whichever occurs first.

ARTICLE 20 - RETIREMENT

(20.1) Normal Retirement

Normal retirement shall be at age 65.

(20.2) Optional Early Retirement

An employee who has attained the age of 60, or who has a sum of at least eighty-five points from completed full years of age and completed full years of service (minimum age 55), may retire on the first of the month following such attainment and receive an unreduced pension.

Kitchener employees who are members of the defined benefit provision of the pension plan at May 31, 1999, will continue to be eligible for the unreduced retirement pension at age 60, or with completed full years of age and completed full years of service that add up to 85 with a minimum age of 55, upon their retirement provided such retirement is from active employment with the Company as a Courtland Avenue plant employee or are eligible under a plan windup.

An employee who is not eligible for an unreduced pension may elect to retire following the attainment of age 55 and receive a reduced pension only for any period earlier than age 60.

An employee may retire on the first of the month following such attainment.

This provision applies to members of the defined benefit provisions of the pension plan only.

(20.3) Canada Pension Plan

All employees must contribute to the Canada Pension Plan.

(20.4) Company Pension Plan

Employees hired June 1, 1999 or later will become members of the defined contribution provisions of the pension plan on the first of the month following the completion of two years of service. Part time employees hired after June 1, 1999 or later may become members of the defined contribution provisions of the pension plan on the first of the month following the completion of two years of accumulated service. Normal retirement age will be 65 but employees may elect to retire on the first of the month following the attainment of age 55.

Employee hired prior to June 1, 1999 will continue to be members of the defined benefit provisions of the pension plan.

(20.5) Company Pension Plan Contributions

Members of the defined benefit provisions of the pension plan are required to contribute 1.9% of all earnings up to the YMPE and 4% in excess of that amount. Earnings shall mean the remuneration by a member from the Company in a calendar year including regular rate of pay and overtime pay, vacation pay and vacation supplement pay, shift premium and freezer premiums.

Members of the defined contribution provisions of the pension plan will contribute at the rate of three percent (3%) of regular earnings. The Company will match such employee contributions and vesting of these contributions will take place after two (2) years of plan membership.

In addition, employees may contribute voluntary contributions to the Company Group Registered Retirement Savings Plan.

(20.6) Defined Benefit Provisions of the Company Pension Plan Benefits

Basic benefits at normal retirement date will be \$50.00 per year for each \$100.00 of contributions made by the employee until December 31, 1993. For each year after January 1, 1994 the basic benefit at normal retirement date will be **1.3%** of pensionable earnings to the YMPE and 2% of pensionable earnings above the YMPE.

A non-contributory supplement of \$18.10 per month per each full year of Company service prior to **May 31, 2010** will be paid to members who retire on or after June 1, 2005.

A contributory supplement of \$3.30 per month for each full year of Company Pension Plan participation prior to May 31, 1988 will be paid to employees.

The normal form of pension for employees shall be Joint and Survivor 60% with a guaranteed five (5) year payment period.

In the event of the death of a member prior to retirement, the surviving spouse shall receive an immediate pension benefit of 50% of the members' earned pension at date of death.

Pension Plan vesting (lock in) will take place after two years membership.

(20.7) Pension Advisory Committee

The Company and the Association shall establish a Pension Advisory Committee consisting of a maximum of three (3) representatives from the Company and three (3) representatives of the Association and one (1) retired member of the plan. The purposes of the Advisory Committee are:

- a) To promote awareness and understanding of the plan;
- b) To monitor the administration of the plan; and
- c) To make recommendations to the administrator of the plan respecting the administration of the plan.

The Advisory Committee shall have the right to examine the records of the administrator in respect of the administration of the plan in order to fulfil the purposes of the committee and the administrator of the plan shall provide the Advisory Committee with:

- a) A copy of the current plan text;
- b) A copy of plan text amendments; and
- c) A copy of plan documents that relate to the plan that are required to be filed with the Pension Commission (such as the annual information return, valuation report, and audited financial statement).

But all of the above does not apply in respect of information as to the service, wages, pension benefit or other personal information related to any specific member without the person's specific prior consent.

The Advisory Committee shall meet a maximum of four (4) times per calendar year. Some committee meetings may take the form of training sessions as arranged by the administrator of the plan. All expenses of the Advisory Committee approved by the administrator of the plan shall be charged to the plan.

The Company will provide the Association with a copy of all bargaining unit pension plan text amendments at least twenty-one days prior to presenting such amendments to the Board of Directors for execution.

The Company will provide the Pension Advisory Committee with individual member data, accrued benefit, contributions, etc. only if each individual employee provides written authorization.

The Company will provide the Pension Advisory with a copy of the actuarial valuation report which contains a description of the actuarial assumptions and cost method when the report is filed with Ontario Pension Commission.

The Company will provide a copy of the Statement of the Investment Policies and Goals when the statement is filed with the Ontario Pension Commission.

(20.8) In The Event of Sale

The Company agrees that in the event of a sale of the Company to a new buyer, the Company shall require the purchaser to cause to be registered a new pension plan which shall provide the transferred employees with pension benefits which are no less favourable to the employees than those currently provided under the plan and which shall provide for amendment or termination of that pension plan on terms no more favourable to the purchaser than those currently found in the plan.

ARTICLE 21 - SAFETY HEALTH AND SANITATION

The Company shall continue to make provisions for the safety and health of employees during the hours of their employment.

Protective devices on machinery and other equipment necessary to safeguard employees from injury shall be provided by the Company and must be used by the employees.

All employees involved in maintaining or operating equipment where there is a danger will be instructed in the proper lockout procedure as developed and updated from time to time by the Company.

Any worker has a right to refuse work that they believe is unsafe. Another worker may be assigned the work refused if they are told the reason for the refusal in the presence of a Worker Committee member. That other worker may also refuse to do the work. The procedure set out in the Occupational Health and Safety Act shall be followed, to expeditiously investigate and resume normal operations.

As stated in the Occupational Health and Safety Act, there shall be no penalty, coercion, intimidation or discrimination imposed upon a worker because they have complied with the Act.

J.M.S. recognizes that well trained safety representatives best serve the interests of the employees and the Company. To improve the knowledge level of the safety representatives the Company will provide the following in-house training:

- W.H.M.I.S.
- Accident Investigation
- Safety Law
- Ergonomics
- Workplace Inspection

Additional external courses are also available and when successfully completed employees will be reimbursed in accordance with the Company Educational Assistance Policy.

In the event of a critical injury, a worker member of the committee must do an investigation to be submitted to the Ministry of Labour. For injuries of a less serious nature it is desirable that a Worker Committee member be involved in an investigation.

The Company recognizes that the process of employee involvement is desirable and will foster this process by having Worker Committee members take part in making and evaluating recommendations that will improve the ergonomics of plant jobs.

Two certified reps will be trained representing SEA members with one being the main certified rep and the second, as the backup.

All rights and privileges established under the Laws of the Province of Ontario in respect to Occupational Health and Safety shall be followed.

Cleanliness in dressing rooms and washrooms is to be maintained at all times.

Cleanliness, good housekeeping and sanitation are prerequisite to the production of quality products.

Privacy in washrooms, as defined by the Health and Safety Act, will be provided by the Company.

Work uniforms and equipment must not be removed from the plant.

Employees are required to observe good housekeeping and sanitation procedures and maintain high standards of personal hygiene and health.

Employees will, and the Association shall, encourage its members to co-operate fully in maintaining cleanliness and orderliness in the use of all facilities and devices provided by the Company.

A safety representative who represents workers shall inspect the physical condition of the work area for the workers they represent once per calendar month or as agreed by the applicable joint committee.

Committee members will be informed and investigate all serious accidents in the department they represent.

Safety members will be informed of the planning stages of installation of new equipment or structural changes to the process they represent.

ARTICLE 22 - WELFARE PLANS

(22.1) Eligibility

Full-time employees are eligible for coverage in the following benefit plans after they have accumulated twenty-six (26) worked weeks of service, with the exception of:

- Weekly Indemnity - eligibility is after 13 worked weeks of service.
- Long Term Disability - eligibility is after 2 years of accumulated service.

Benefit coverage will be provided in accordance with the Group Benefits Insurance Booklet. It is understood that the employer is responsible for premium payments where applicable, on the basis stipulated in Article 22. The selection of the insurance carrier is vested exclusively with the Company.

Any claim, which is an eligible expense under the terms of the Group Benefits Insurance Policy, which is rejected by the Insurer, will be paid by the Company according to the term of the Group Benefits Insurance Policy.

Dependants must be enrolled in the plans to be eligible for coverage. Eligible dependants (spouse and children) of deceased employees will continue to be eligible for EHIP and Dental benefits for up to one year from the first of the month following death but not beyond the date that the deceased employee's spouse remarries or becomes eligible for comparable coverage.

Employees hired prior to June 1, 1999 who retire from employment are eligible for coverage in the appropriate Retiree Benefit Insurance Plan.

(22.2) Extended Health Insurance Plan

The Company will provide an Extended Health Insurance Plan and pay 100% of the insurance premiums for the following benefits:

- Managed Health Care Drug Plan at 100% of all eligible expenses for the Drug Benefit (does not include any drug that is available on an over-the-counter basis whether or not

prescribed), and the Supplementary Health Care Benefit. **Maximum dispensing fee payable is \$8.00**

- Vision Care at **\$200 every twenty-four months**
- Hearing Aids at **\$1000 every ten years**
- Supplementary Health Care (Excluding Semi-Private hospitalization coverage)

Positive enrolment - all employees will be provided with enrolment forms to identify the names of dependants and their birth dates who are to be provided with dependant coverage. Benefit claims for dependants will initially be claimed by the spouse whose birthday occurs first in the year when the spouse has coverage available from another source.

(22.3) Dental Care

The Company will provide a Dental Care Insurance Plan and pay 100% of the insurance premiums for the following benefits:

- Basic restorative & preventative at 80% reimbursement
- Dentures and denture repairs at 50% reimbursement
- Crowns and Bridges at 50% reimbursement
- Oral recall nine months
- Provide for the "Oral Life Plan"
- **Braces for children under 19, 50% lifetime maximum \$2000 per dependant**

For the duration of this collective agreement, which expires **May 31, 2010**, effective June 1st each year the ODA fee schedule for that year shall be implemented.

(22.4) Life Insurance

The Company will provide a Group Life Insurance Plan and pay 100% of the insurance premiums for the following benefits:

- **\$30,000 for all active full-time employees**
- \$12,500 for all active part-time employees
- \$2,000 for all employees hired prior to June 1, 1999 who retire or reach age 65 after June 1, 1999.

(22.5) Weekly Indemnity

The Company will provide a Weekly Indemnity Insurance Plan and effective January 1, 1994 the Company will apply its portion of the premium to provide additional pension benefit and the employee pays 100% of the insurance premiums for the following benefits:

- For absence due to illness or accident, benefits for up to fifteen (15) weeks at the rate of 66 2/3 (to the E.I.C. benefit level maximum) of the employee's regular daily or weekly hours at the regular hourly rate in effect at the time of illness or accident. Probationary employees who have accumulated thirteen (13) worked weeks of service are eligible for Weekly Indemnity benefits only.

- Benefits shall begin on the first day of absence if due directly to an injury caused solely by accident and disability began within 30 days of the initial injury. Benefits shall begin on the first day of absence if confinement to a hospital, surgery and pre-arranged out patient surgery where anaesthetic has been administered. Benefit shall begin on the fourth day of absence if due to other illness, except benefits for eligible probationary employees, which shall begin on the fifteenth day of absence if due to other illness.
- The employee must see a Doctor within 7 days of the commencement of the disability in order to be considered eligible for full payment.
- Statutory holiday pay received during the waiting period will extend the waiting period by the equivalent number of days for which such statutory holiday pay was received.
- An employee returning to work on a reduced work week rehabilitation program will have their Weekly Indemnity benefit reduced by \$.50 (fifty cents) for every dollar earned on the rehabilitation program. For purposes of calculating the benefit reduction, the applicable employee base rate will be used.

Definition of Accident re Weekly Indemnity Benefits

Accident

- a) The natural result of an unexpected/chance cause, e.g. slipping on a step; falling off a ladder.
- b) The unexpected/chance result of a natural cause, e.g. incurring a rupture playing golf; stooping over to pick up an object and breaking a ligament in the knee.

An Accident Does Not Include:

- a) The operation of natural causes such as old age, congenital or insidious disease, or the natural progression of some constitutional physical or mental defect.
- b) An injury which is the natural and direct consequence of an act deliberately done by the assured what would reasonable be expected to cause the injury, e.g. playing sports without proper protective equipment; accepting a dare to walk through broken glass barefoot.

If a claim for benefit is in dispute whether it is an accident or illness as rejected by the Insurance Carrier, the employee's attending physician will be requested to indicate which of the above categories is appropriate. When there is a difference between the insurer and the employee's physician, a third physician mutually agreed to by the parties will determine the appropriate category.

Where an employee is absent and in receipt of Weekly Indemnity benefits and is medically ready to return to work via the Rehabilitation/Modified work program, from that claim, and the Company is not able to provide work the employee is capable of performing within the documented non-compensable restriction, the employee will be eligible to receive continued Weekly Indemnity benefits.

(22.6) Long Term Disability Insurance

The Company will provide a Long Term Disability Insurance Plan and both the Company and the employee pay 50% of the insurance premiums for the following benefits:

- For absence due to illness or accident, a benefit of 60% of the employee's basic wage or salary to a maximum of \$1,322.00 per month.
- The monthly disability benefit is reduced for primary benefits received on a dollar for dollar basis by a disability income payable under Canada Pension Plan Disability Benefits.
- Employees no longer eligible for Weekly Indemnity Benefits must apply for E.I.C. medical disability benefit. If the disability continues beyond thirty (30) weeks from commencement, L.T.D. benefits will then be applicable. The Company will top-up the E.I.C. benefit paid to ensure the employee receives 60% of their basic wage to a maximum of \$1,322.00 per month. An additional top-up will be provided to offset any difference in the employee's tax payable as a result of receiving E.I.C. disability benefits in lieu of the L.T.D. benefits. The Company will provide up to four (4) weeks of E.I.C. bridge benefit to any employee, who has signed an agreement with the Company to repay such monies, when there is an unusual delay in receiving E.I.C. benefits, which is not attributable to the employees.
- During the qualifying period and the 24 month period immediately following it, "totally disabled" means the employee is unable due to a medically determinable physical or mental impairment due to injury or disease to perform the regular duties of any occupation which the Company may make available to the employee.
- After the 24 month period, "totally disabled" means the employee is unable, because of a medically determinable physical or mental impairment due to injury or disease to perform the duties of any occupation for remuneration or profit within the range of his education, training or experience.
- An employee is not considered totally disabled unless they are under the active and continuous care of a physician for that disability.
- An employee is not considered totally disabled due to the use of drugs or alcohol unless they are being actively supervised and receiving continuous treatment for that disability from a rehabilitation centre or an institution provincially designated for that treatment.
- Employees who are absent from work and in receipt of Weekly Indemnity benefits and who would have achieved two (2) years service during that period had they actively been at work, will be deemed to have met the service requirements to become eligible for this benefit.
- Employees who are collecting Long Term Disability benefits and are eligible for an unreduced pension from the Company Pension Plan and who are expected to remain totally disabled until normal retirement age, may elect to retire from the Company. The L.T.D. benefit will be reduced by \$.50 (fifty cents) for every dollar of pension received from the Company Pension Plan. Increases in pension payments for retired employees

will apply to employees who have retired under this provision. Employees reviewing this option with the Company may have an S.E.A. executive representative attend the meeting if they desire.

- An employee returning to work on a reduced work week rehabilitation program will have his Long Term Disability benefit reduced by \$.50 (fifty cents) for every dollar earned on the rehabilitation program. Only regular earnings will be applied to this reduction."
- Within the first twenty-four months of receiving Long-Term Disability benefits where an employee is medically ready to return to work via the Rehabilitation/Modified work program, from that claim, and the Company is not able to provide work the employee is capable of performing within the documented non-compensable restrictions, the employee will be eligible to receive continued Long-Term Disability benefits.
- Where an employee returns to full-time work via the Rehabilitation/Modified work program during the first twenty-four month period of Long-Term Disability and works less than six months within this period and the work they are capable of performing within their documented non-compensable restrictions is no longer available to them (except for lay-off by seniority) and the Company cannot provide any other suitable work, the employee will be eligible to receive continued Long-Term Disability benefits.

(22.7) Claim Eligibility

Where a claim for Weekly Indemnity or Income Continuance benefits is denied by the insurance carrier, based on its assessment of the medical information it receives, the following terms and conditions shall be followed:

The Company shall insure that a copy of the denial letter sent to the Company shall be forwarded to the SEA contemporaneously.

If the employee or the Association on their behalf requests an Independent Medical Assessment within 45 days of the initial notification of denial of Weekly Indemnity or other income continuance claims, it shall be performed and the Company shall not raise any objections based on an employee's return to work or based on a change in the employee's medical condition at the time the request is received.

The employee will be medically examined and assessed by a third party physician who is a specialist in the primary diagnosis, mutually agreed upon by the parties, and this assessment will be determinative of the employee's eligibility for benefit and shall be final and binding on the parties with no further recourse to the grievance or arbitration process.

The cost of this Independent Medical will be shared equally by the parties from their surplus funds of the respective disability benefit plan, and if there are no surplus funds the Company shall pay.

(22.8) E.I.C. Premium Reduction

The E.I.C. premium reduction sharing shall be applied to reduce employee Long Term Disability premiums.

ARTICLE 23 - CLOTHING AND PERSONAL EQUIPMENT

(23.1) New Employees

Clothing and equipment requirements, as designated by the Company, shall be provided to employees. New employees shall pay the cost of safety shoes and designated clothing and equipment to a maximum of \$150.00, which shall be deducted from the employee's first five (5) pay cheques in equal instalments.

(23.2) Replacement and Additional Clothing

Replacement and additional clothing and equipment will be provided by the Company at no cost to the employee when authorized by the foremen. This clothing and equipment remains the property of the Company and must not be removed from the plant.

The Company will provide parkas for employees in Assembly and Loading, Fresh Meat Receiving Dock, and Distribution Receiving Dock.

The Company will provide the prescribed winter footwear or winter galoshes for delivery and interplant drivers.

Each employee is responsible for the use and care of the clothing and equipment and is liable for full replacement cost if lost or maliciously damaged.

(23.3) Transferred Employees

Employees transferring from one job to another or from one process to another, may be required to turn in clothing and equipment not needed on the new job but shall be given any new equipment or clothing required at no cost to the employee.

(23.4) Laundering

The Company will provide and pay for the full cost of laundering of all clothing.

(23.5) Maintenance Mechanic's Tools

Maintenance Mechanics will be supplied with necessary tools at no cost to the employee. These tools remain the property of the Company and are not to be removed from the Company's premises.

Licensed maintenance journeyman hired after the date of ratification of this collective agreement which expires May 31, 2010 are required to supply their own hand tools. The Company will replace worn, broken tools up to a limit of \$200.00 per year for each journeyman.

(23.6) Garage Mechanic's Tools

Garage mechanics are required to supply their own hand tools. The Company will replace worn, broken tools up to a limit of **\$200 inclusive of air tools**, per year for each mechanic. These tools remain the property of the garage mechanic.

ARTICLE 24 - BULLETIN BOARD

The Company agrees to provide a bulletin board in a conspicuous place in the plant for the display of Association notices and material, provided that all such notices and material bear the signature of an Association official and have the approval of the Manager of Employee Relations before posting.

ARTICLE 25 - GOVERNMENT REGULATIONS

It is the intention of both parties to the agreement to operate within the laws and regulations of the Government of Canada and that of the province in which work is performed with respect to wages and other payments, hours, conditions of work and other related matters.

ARTICLE 26 - COMMENCEMENT AND DURATION OF AGREEMENT

(26.1) Effective Dates

Except as otherwise provided, this agreement shall become effective on the 1st day of June, **2005** and shall continue in effect until the 31st day of May, **2010** and thereafter, from year to year, unless either party gives written notice to the other of termination or amendment of not more than ninety (90) days and less than thirty (30) days prior to the date of expiration.

(26.2) No Strike or Lockout

There shall be no strike or lockout during the life of this agreement and in no event shall the Association cause, take part in, or tolerate any movement encouraging a slowdown or stoppage of work.

ARTICLE 27 - Letters of Agreement

Letters of Agreement which are binding upon the parties are contained within this Collective Agreement.

Letter Of Agreement #1- Changes in Working Conditions

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

RE: CHANGES IN WORKING CONDITIONS

This letter will serve to confirm the commitment made during negotiations that the Company will not change any working conditions, benefits or privileges which do not form part of the Collective Agreement without prior notification and explanation of such changes to the Association.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #2 - Protected Jobs

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

RE: PROTECTED JOBS

In the event that the Company must go into a layoff position, the following jobs must be protected, however, if another more senior employee has performed the job satisfactorily before and if such employee has the ability to regularly perform the job without instruction or assistance at the time of layoff, they may exercise their seniority to displace the incumbent of such job:

Maintenance Trades
All jobs in the Skilled Category
Leadership Roles

In the event that the designated S.E.A. Industrial Engineer is laid off and services are required they may be recalled out of seniority order to complete the necessary assignment.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #3 – Driver Training Agreement

Mr. Dennis Lesperance
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Lesperance,

RE: Driver Training

Preference will be given to employees who have a current "AZ" license as per Article 18.3 of the Collective Agreement.

If there are no applicants with a current "AZ" license, the Company may choose to hire from outside the bargaining unit, or may choose to implement the Letter of Agreement for Driver Training under Article 18.0, of the Collective Agreement.

Before awarding the position for Driver Training, Employees by seniority, on an individual basis (one at a time) will be given the opportunity to complete, and pass the following process to ensure they are capable of performing the job:

- 1) Employees must give the Company their license number, and consent to obtain a drivers abstract, covering a 3-year period, from the Ministry of Transportation payable by the Company. This abstract must indicate a 3-year good driving record.
- 2) Satisfactorily complete the testing deemed necessary, by the Company.
- 3) The Employee must, successfully complete an evaluation behind the wheel of a tractor for coordination, and suitability for training, conducted by an outside expert.
- 4) The Employee must submit, before being awarded the posting, and before the training begins, the following information paid for by the Company.
 - 4a) Employees are responsible to meet and maintain the Ontario medical requirements by submitting their medical, to the Ministry of Transportation.
 - 4b) Employees must possess, and if not, are responsible to complete and pass the written exam for the class "AZ" license, from the Ministry of Transportation.
 - 4c) Receipts for reimbursement must be handed into the Company for payment.
- 5) Should an employee fail to meet the above noted requirements of the training program, they will immediately be removed from the program and will return to their previous process.

- 6) Successful applicants will be enrolled in a training course offered by a Driver Training Company, selected and paid for by Schneider Foods. Employees will be paid consistent with the Collective Agreement, including Letter of Agreement # 12.
- 7) Employees who successfully achieve their "AZ" license will train as a truck or shunt driver, for a reasonable amount of time, as determined by the Company, on the assigned shift. Upon completion of the training period, the Employee will be assessed by an outside agency on their skills. If the Employee passes this assessment, they will be deemed qualified, and will be awarded job ownership. If they do not pass this assessment, they will receive an additional two weeks of training, and be reassessed.
- 8) The Company agrees to reimburse all active drivers, for medical, and written information, needed to maintain their license that is required by the Ministry of Transportation. The Company will make reasonable payment to the Employee, on proof of the expense, or upon receiving a receipt.

Yours truly,

George Mackie
Manager Human Resources

Letter of Agreement #4 - Rehabilitative/Modified Work Program

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

SUBJECT: REHABILITATIVE/MODIFIED WORK PROGRAM

The parties agree that a rehabilitative work program be maintained and the purpose of the program is to return employees to full productive sustainable employment that adds value to the organization as soon as possible following injury or illness.

Employee Responsibilities:

- to provide the Process Nurse or in her absence the Health Centre with timely and specific medical restrictions
- to cooperate fully with the Program which may include, but is not limited to, taking an active role in minimizing the negative effect of accident/illness on himself and the Company and by participating in medical treatment as prescribed or skill and ability testing as required by the Company
- employees absent from work due to injury or illness must maintain biweekly contact with the Process Nurse or in her absence the Health Centre
- obligated to communicate any concerns with the position or placement to Process Management
- employees must notify the Process Nurse or in her absence the Health Centre of return to work date as soon as possible prior to returning to work
- failure to cooperate fully without a valid reason will result in discipline

Company Responsibilities:

- Where feasible, by modifying the pre-injury job the employee owns providing the employee can do 80% or more of the essential duties. If the list of job duties have been modified to suit a disabled worker and the worker no longer requires the job, it may revert to its former composition as determined by the Company
- where the Company requests further medical clarification such cost will be borne by the Company
- Process Management must inform Rehabilitative/Modified Program Coordinator of any concerns with placement that employee has expressed.
- determine in conjunction with the Process Nurse and/or the Health Centre, and as required, the medical community, the capabilities of the employee to perform the job
- at its discretion, the company can request a functional abilities evaluation or an independent medical evaluation

- if an employee in the Program is able to perform regular duties as determined by the medical information, he shall be removed from the Program and must obtain regular job ownership in accordance with the Collective Agreement

Creation of Rehabilitative/Modified Jobs:

- all jobs that are vacant after the Process and Plant-wide Posting procedure is complete and prior to the hiring of a new employee may at the Company's discretion, be included into the Rehabilitative/Modified Work Program. The Company will notify the union of any jobs to be included.
- by combining functions of existing jobs where the removal of the specified duties at that time does not result in the elimination of such existing jobs as discussed by the parties
- rehabilitative jobs are those that are created or set aside specifically for the Program and do not form part of the Job Posting procedure

General:

- Overtime is appropriate only if the Overtime Policy properly arrives at the individual and they are working full regular shifts in the week in which the overtime is required and they have completed their work hardening plan. The work must not be contrary to the medical restrictions
- rehabilitative jobs can be eliminated or suspended by the Company at any time after discussion with the SEA
- employees in the Program may only be displaced by other employees in the event of layoff
- an employee will become part of the Rehabilitative/Modified Work Program when they require accommodation in excess of four (4) weeks
- where the Company is unable to provide suitable work for disabled employees, it will contact the union representative for assistance in identifying placement opportunities
- the Company at its discretion, may award job ownership of vacant jobs to employees with permanent disabilities provided the employee can work the regular hours of the job and further provided the position remains open after the Process and Plant-wide Posting procedure is completed
- employees may at their request have union representation when meeting with the Company for purposes of the Rehabilitative/Modified Work Program.

Placement for Employees with Temporary or Permanent Restrictions

Definition: Placement is designed for employees with medically documented restrictions greater than four (4) weeks in duration that require graduated return to work, work hardening, or permanent rehabilitative work.

Procedure: The Program Coordinator considers restrictions on file from the Process Nurse and/or the Health Centre, and seniority of available employees. If successful, and restrictions match vacant position, placement can be made. This may require assistance of "other resources" as listed below.

When recommended return to work incorporates any combination of time on own job and modified placement, the Program Coordinator works with Department Foreperson to arrange placement if possible. Placement and restrictions are then communicated to the Department Supervisor, SEA Treasurer/Benefits representative, Process Nurse and Health Centre.

Employees who have been placed in a rehabilitative position and are excused, granted vacations or absent due to illness/injury for up to four (4) weeks will return to such position provided that the job needs to be filled, medical restrictions match the job and the employee has the seniority to remain at work. Where an employee is performing a job that requires more than two (2) months training, such employee will be eligible for recall to this assignment provided the layoff does not exceed eight (8) consecutive weeks.

Other Resources as Required:

- Ergonomic Analyst
- Health Services Coordinator
- Physician(s)
- Worker Safety Committee Co-chair or alternate
- Staffing Human Resources Associate
- Other external resources as required

Light Duty Placement

Definition: Light duty placement is not part of the Rehabilitative/Modified Work Program and is intended to place employees absent due to injury or illness for less than four (4) weeks in duration as a result of either a work or non-work related situation. The employee must report in person to the Process Nurse or in their absence, the Health Centre, if they are unable to perform their job due to injury or illness.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #5 - Changes in Operations

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

RE: CHANGES IN OPERATIONS

The following is agreed upon for the duration of the Collective Agreement.

It is the intent of the Company to discuss with the Association as far in advance as possible, changes in operations which affect plant staffing levels.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #6 - Apprenticeship Program

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

RE: APPRENTICESHIP PROGRAM

The Company and the Association agree that the operation of the apprenticeship program will be in accordance with the "Apprenticeship Standards" document dated **February 24, 2004.**

This agreement may be terminated by either party upon twenty (20) working days notice in writing to the other party.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #7 - Maintenance Department Rotating Shifts

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

RE: MAINTENANCE DEPARTMENT ROTATING SHIFTS

“Any new employee hired after January 15, 1986 will be hired under the condition they are required to work either a steady shift or a rotating shift as the situation warrants”.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #8 - Stationary Engineer Shift Schedule

Mr. Dennis Lesperance
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Lesperance

SUBJECT: STATIONARY ENGINEER SHIFT SCHEDULE

As requested by the stationary engineers and agreed to by the Company, the shift schedule of the second and third class engineers will be as per the agreed upon letter dated October 9, 2003 which includes the shift schedules.

Yours truly,

George Mackie
Manager Human Resources

Letter of Agreement #9 - Shifts Structure

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

RE: SHIFTS STRUCTURE

This will confirm the agreement between both parties on the definition of shift structure.

We have three shifts:

- a) Days 3:00 a.m. start to 11:59 a.m. start
- b) Afternoons 12:00 p.m. (noon) start to 6:59 p.m. start
- c) Nights 7:00 p.m. start to 2:59 a.m. start.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #10 - Utilizing Employees to Minimize Layoff

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

SUBJECT: UTILIZING EMPLOYEES TO MINIMIZE LAYOFF

Where management has determined that existing employees possess the necessary skills and are able to efficiently perform painting assignments within the plant the following will apply:

a) During Plant Layoff Only

The painting job must be in part of the plant where the job can be performed Monday to Friday during regular working hours (no overtime).

The employees will be reassigned using Article 17.2 for the time needed to complete said job.

b) Painting jobs that because of their location and production demands cannot be done until Saturdays and Sundays will continue to be contracted out.

When there is no plant layoff we will continue to contract out painting.

The plant maintenance foremen and the S.E.A. maintenance steward will communicate each job and decide which section it falls under.

Yours truly,

H.W. Short
Director of Human Resources

Letter Of Agreement #11 - Overtime Work - Definition

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

SUBJECT: OVERTIME WORK - DEFINITION

Please be advised of the following:

"Overtime Work" is defined as minutes or hours of time worked before or after the normal daily schedule of hours or the normal weekly schedule of hours.

Overtime will be determined and scheduled by management and will become available to employees only when the Company cannot produce or attain its requirements with bargaining unit employees working regular hours.

Rules for the distribution of overtime will be established by Process Overtime Policies, as developed to by the employees, Process management and stewards, and approved by senior management and S.E.A. officials. Process overtime policies are subject to be reviewed every two (2) years unless mutually agreed that changes are required.

When overtime work is made available by management, it will be awarded according to the Overtime Policy and paid for according to the provisions of the Collective Agreement.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement # 12 - Offsite Travel Compensation Procedure

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario N2G 3X8

Dear Mr. Losier

Re: Offsite Travel Compensation Procedure

On occasion hourly rated employees travel off-site for the purpose of providing a service, training etc. The parties have agreed when this occurs employees will be compensated in the following manner:

A) Travel Time - Regular Weekly Schedule or Days Off

Payment will be made for hours spent traveling up to a maximum equal to the employees regular shift (8 hours or 10 hours) at the employee's regular rate of pay. When travel occurs on a day regularly observed by the employee as his/her day off, payment will be made as above unless the employee was scheduled to work overtime in accordance with the overtime policy and in such case, payment will be made for the number of hours scheduled to work overtime at the appropriate overtime rate.

B) Travel Time - Statutory Holiday

On a statutory holiday payment will be made for hours spent traveling at the regular rate of pay up to a maximum of eight (8) hours except, if the travel is on a day that is part of the regular shift of an employee on a 4 x 10 hour shift schedule and in such cases the payment will be up to ten (10) hours.

Payment for A) and B) above commences when the employee leaves their residence and ends at the earlier of the arrival at their destination or when the maximum payment is reached. Payment for the return trip is included in the above if the employee returns the same day, and ends when the employee arrives back at their residence or workplace. If the return trip is a subsequent weekday it will be handled in the same manner as the first weekday travel.

Note: Travel time payment is only applicable for travel in excess of 25 km one way unless the employee is sent to another location after commencing work at his regular workplace.

Wages - Attendance at Training Program or Work Assignments Other Locations

Payment will be for eight (8) or ten (10) regular hours per day as determined by the employee's regular shift schedule. Employees are expected to return to work and complete their regular shift if time is available. Employees may be excused from doing so by their foreman but in such instances will be paid only to the point they would have returned to the workplace.

Accommodations

Where overnight accommodations are required, such arrangements shall be made and paid for by the Company for the time designated by the Company.

Expenses

Reasonable business expenses as determined by the Company will be paid for by the Company provided they are supported by receipts.

Where the destination is within travel distance by automobile, efforts will be made to have a Company vehicle available. When a Company car is not available, the Company will arrange for a rental vehicle to be available.

Note: This procedure will be reviewed with the employee prior to their departure and is on a voluntary basis.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #13 - Association Industrial Engineers

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

RE: ASSOCIATION INDUSTRIAL ENGINEERS

During negotiations, it was agreed that the Association should have within its membership a trained industrial engineer to act in a back-up capacity to the main S.E.A. Industrial Engineer when they are not available.

This letter is to advise you that should one of the Association's industrial engineers relinquish this position, the Company and the Association shall mutually agree upon a schedule for the selection and training of a replacement. It is understood when accepting this position it is done so with a minimum commitment of two years unless mutually agreed by the parties to a lesser period of time.

Yours truly,

H.W. Short
Director of Human Resources

Letter Of Agreement #14 - Association Business

Mr. Dennis Lesperance
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Lesperance

The Company will provide financial support for the Schneider Employees' Association as follows:

President – up to eight (8) hours worked per day to a maximum of five (5) days per week at the President's regular hourly rate until April 30, 2010.

Office facilities will be provided rent-free; however, costs associated with respect to photocopying, printing, facsimile, office supplies, and telephone services will be the responsibility of the S.E.A.

Yours truly,

H.W. Short
Director of Human Resources

Letter Of Agreement #15 - Definition of a Spare

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

RE: DEFINITION OF A SPARE

Full-time position whose function is to replace employees absent in their process as assigned by management due to illness, injury, leave of absence, excused, inexcused, open jobs, or other duties as assigned according to the job posting.

Yours truly,

H.W. Short
Director of Human Resources

Letter Of Agreement #16- Training on Layoff

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Ave. E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier:

SUBJECT: TRAINING ON LAYOFF

When mutually agreed upon by the parties, employees on layoff may be scheduled by the Company at its discretion for educational training programs and in such event will be paid at their regular rate, only for hours actually spent attending such training programs and such payment will not qualify the employee for any other payment, benefit or guarantees.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #17 - S.E.A. Executive Officers Temporary Job Posting

Mr. Charles Losier
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Losier

RE: S.E.A. EXECUTIVE OFFICERS TEMPORARY JOB POSTING

It is agreed that the S.E.A. Executive Officers will have their posted jobs protected through temporary postings for the duration they are in office. Those accepting temporary posting will forfeit their job ownership.

When an S.E.A. Executive Officer returns to his/her job, those in the temporary position will be allowed to go back to their original shift, if no vacancy, will bump the junior employee on that shift.

Yours truly,

H.W. Short
Director of Human Resources

Letter of Agreement #18 - MEDICAL CERTIFICATES AND NOTES

Mr. Dennis Lesperance
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Lesperance,

RE: Medical Certificates and Notes

In this matter, the issue is that of supervisors with reasonable grounds, requesting Doctor's notes of employees who have called in sick to substantiate their casual absence for illness.

If the Company directs an employee to provide medical information from a doctor, the cost of the note will be paid for by the Company upon presentation of a paid receipt. The Doctor's note must state the employee was disabled and incapable of working during the period of absence and signed by the doctor.

Employees are free to submit medical information on their own, not requested by the supervisor, to substantiate their casual absence from work for medical reason, however this will not be paid for by the Company.

Doctor's notes are to be submitted to the Health Centre Nurse who will notify the appropriate supervisor of the expected return and any work restrictions that may apply.

Yours truly,

George Mackie
Manager of Human Resources

Letter of Agreement #19 - MEDICAL AND LICENSE FEES

Mr. Dennis Lesperance
President
Schneider Employees' Association
321 Courtland Avenue E.
Kitchener, Ontario
N2G 3X8

Dear Mr. Lesperance,

RE: Medical and License Fees

The Company shall reimburse employees for the renewal of licenses, and all medical required in the performance of their duties upon presentation of a paid receipt.

Yours truly,

George Mackie
Manager of Human Resources

J. M. Schneider Inc. per

George Mackie
Steve Parkhill
Kevin McLeod

Stewart Campbell
Maurice Busuttill

Schneider Employees' Association per

Dennis Lesperance
Sylvia Rocke
Betty Dahms
Terry Ronnenberg

Ron Siebert
John Gillies
Mark Mueller
Mike Schmidt