

AGREEMENT

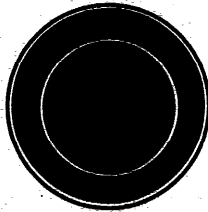
BETWEEN

HORIZON

HORIZON POULTRY PRODUCTS INC.

AJR PLANT - ONTARIO

AND



**THE SCHNEIDER
EMPLOYEE'S ASSOCIATION**

KITCHENER - ONTARIO

January 1, 2000 - December 31, 2001

00287 (07)

TABLE OF CONTENTS

	Sec.	Page	
ARTICLE 1 - PURPOSE		1	
ARTICLE 2 - RECOGNITION		1	
ARTICLE 3 - ASSOCIATION SECURITY *	**	2	
Membership	3.1	2	
Payment of Dues	3.2	3	
Contracting Out.....	3.3	3	
Team Managers Working.....	3.4	4	
Officers and Stewards of the Association	3.5	4	
ARTICLE 4 - MANAGEMENT RIGHTS	*	5	
ARTICLE 5 - DISCRIMINATION	**	*	6
ARTICLE 6 - GRIEVANCE PROCEDURE		6	
Grievance Committee.....	6.1	6	
Substitution of Members.....	6.2	6	
Initiation Time of Grievance.....	6.3	6	
Time Limits.....	6.4	6	
Grievance Steps 1-3.....	6.5	7	
Company Grievance.....	6.6	a	
Association Grievance	6.7	8	
Request for Mediation.....	6.8	9	
Request for Arbitration.....	6.9	9	
ARTICLE 7 - ARBITRATION		9	
Arbitrable Matters.....	7.1		
Appointment of Arbitrators	7.2	9	
Decision of the Board	7.3	10	
Power of the Board	*	7.4	10
Expenses of Arbitration	7.5	11	
Time Limits.....	7.6	11	
ARTICLE a - DISCIPLINE, SUSPENSION OR DISCHARGE		11	

	Sec.	Page
Discipline, Suspension or Discharge		
For Just Cause.....	8.1	11
S.E.A. Notification	8.2	12
Appeal Procedure, Suspension or Discharge	8.3	12
Disciplinary Notification.....	8.4	13
ARTICLE 9 - RATES OF PAY		13
Two (2) Job Rates.....	9.1	13
Rates on Temporary Transfer.....	9.2	13
Rates on Permanent Transfer.....*	9.3	14
Rates - Changes in Method of Production	9.4	14
Probationary Rates.....	9.5	15
S.E.A. Notification	9.6	15
Work Measurement and Job Standards	9.7	16
Job Standards Disputes.....	9.8	16
Method of Payment.....	9.9	17
ARTICLE 10 - HOURS OF WORK, OVERTIME		
AND PREMIUMS		17
Regular Work Week.....	10.1	17
Changes to Employee Schedule*	10.2	17
Daily Overtime.....	10.3	18
Sixth Shift and Unscheduled Saturday	10.4	18
Seventh Shift and Unscheduled Sunday	10.5	19
Scheduled Saturday and/or Sunday	10.6	19
Work Performed on Statutory Holidays	10.7	19
Off-Shift Premium.....*	10.8	19
No Accumulation of Premiums.....	10.9	20
ARTICLE 11 - GUARANTEES AND CALL-INS		20
Minimum Week.....	11.1	20
Statutory Holiday in Minimum Week	11.2	21
Exclusions to Minimum Week.....	11.3	21

	Sec.	Page
Reporting Minimum - Normal Shift	11.4	21
Reporting Minimum - 6th or 7th Shift or Statutory Holidays.....	11.5	21
Call-in	11.6	22
Compensable Accident.....	11.7	22
ARTICLE 12 - REST PERIODS AND MEALS.....		23
Straight Eight Hour Shifts.....	12.1	23
Sixth, Seventh or Statutory Holiday Shift and Emergency Call-backs.....	12.2	24
Out-of-Town Meals.....	12.3	24
ARTICLE 13 - STATUTORY HOLIDAYS.....		25
Designated Statutory Holidays.....	13.1	25
Qualifications for Pay	13.2	26
Statutory Holiday in Vacation.....*	13.3	27
ARTICLE 14 - BEREAVEMENT.....		28
ARTICLE 15 - JURY DUTY.....		29
ARTICLE 16 - SENIORITY.....		29
Probationary Period.....	16.1	29
Seniority on Transfer.....	16.2	30
Job Elimination/Combination Bumping Procedures.....	16.3	30
S.E.A. Stewards.....	16.4	34
Absence Due to Accident or Illness.....	16.5	35
Discharge, Termination or Lay-Off	16.6	36
Leave of Absence.....	16.7	37
Provisions for Trainees.....	16.8	39
ARTICLE 17 - LAY-OFFS AND RECALLS.....		39
Order of Lay-Offs	17.1	39
Order of Recall.....	17.2	40

	Sec.	Page
S.E.A. Notification.....	17.3	40
Benefits on Lay-Off.....	17.4	40
Plant Closing.....	17.5	41
ARTICLE 18 - PROGRESSION		41
Job Progression.....	18.1	41
Job Vacancies.....	* 18.2	42
ARTICLE 19 - TRANSFERS		43
Temporary Transfers.....	* 19.1	43
ARTICLE 20 - VACATIONS		43
Vacation Year.....	* 20.1	43
Length of Service.....	20.2	43
Vacation Schedule.....	* 20.3	44
Completion of Required Service.....	20.4	44
Advance Vacation.....	* * 20.5	45
Vacation Pay.....	* 20.6	45
Choice of Vacation.....	20.7	47
No Accumulation.....	20.8	47
ARTICLE 21 - RETIREMENT		47
Normal Retirement.....	21.1	47
Optional Early Retirement.....	21.2	48
Canada Pension Plan.....	21.3	48
Company Pension Plan.....	21.4	48
Pension Plan Amendments.....	* 21.5	49
ARTICLE 22 - SAFETY HEALTH AND SANITATION		* 50
ARTICLE 23 - WELFARE PLANS		51
Eligibility	* 23.1	51
Health Insurance.....	23.2	52
Life Insurance.....	23.3a	53
Optional Life Insurance.....	23.3b	53

	Sec.	Page
Weekly Indemnity.....	23.4	54
Long Term Disability Insurance . . . *	23.5	55
Dental Care.....	23.6	57
Claim Eligibility.....	23.7	58
ARTICLE 24 - CLOTHING AND		
PERSONAL EQUIPMENT.....		58
New Employees.....	24.1	58
Replacement and Additional Clothing	24.2	59
Transferred Employees.....	24.3	59
Laundering.....	24.4	59
Maintenance Mechanic's Tools.....	24.5	59
ARTICLE 25 - BULLETIN BOARD.....	*	60
ARTICLE 26 - GOVERNMENT REGULATIONS.....		60
ARTICLE 27 - COMMENCEMENT AND DURATION		
OF AGREEMENT.....		60
Effective Dates.....	27.1	60
No Strike or Lockout.....	27.2	61
NEGOTIATING COMMITTEES.....	*	61
RATES OF PAY.....		61
MAINTENANCE RATES.....	*	63
ECONOMIC.....		64
LETTER OF AGREEMENT #1.....		66
LETTER OF AGREEMENT #2.....		66
LETTER OF AGREEMENT #3.....		67
LETTER OF AGREEMENT #4.....		68
LETTER OF AGREEMENT #5.....		69
LETTER OF INTENT #1.....		70
LETTER OF INTENT #2.....		71
LETTER #1.....		72
LETTER #2.....		73

THIS AGREEMENT
ENTERED INTO AS OF
THE **25TH** DAY OF MARCH **2000**
MADE BY AND BETWEEN:
HORIZON POULTRY
(A DIVISION OF **J.M. SCHNEIDER INC.**)
AYR, ONTARIO
(Hereinafter called the Company)
and
SCHNEIDER EMPLOYEES ASSOCIATION
"S.E.A."
(Hereinafter called 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

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 **Ayr**, save and except Team Managers, persons above the rank of Team Managers, Office Staff (excluding Office Clerks) and Sales Staff. Use of the masculine gender in this Agreement

shall be considered also to include the feminine. Where the term Association is used, it shall mean the Executive Officers Of The Association.

ARTICLE 3 - ASSOCIATION SECURITY

(3.1) Membership

All new employees covered by this agreement shall be required, on or before the first work day of actual employment, become a member of the Association and sign a dues deduction **authorization** form.

Casual employees are not entitled to the provisions of Articles 6 to **24** inclusive except;

- (a)** Article **6.7**
- (b)** Articles **9.9, 10.3 to 10.9** inclusive
- (c)** Article **11.7**
- (d)** Article **12.1, 12.2**
- (e)** Articles **13.1**
- (f)** Article **17.1**
- (g)** Article **20.6 (b)**
- (h)** Article **22**
- (i)** Article **24**

Casual employees are to be used for emergency and Summer Vacation employment on a day to day basis for the hours required.

The Company shall not hire casual employees for the purpose of eliminating or reducing overtime opportunities

that would have been available for full-time employees.

Casual employees will not be used where it is practical to employ full-time employees except where it is agreed with the Executive Officers.

“Management will conduct a staffing review weekly with its appropriate stewards using the approved procedure.”

Where the work performed by casual employees can be satisfactorily combined to permit the employment of a full time employee, this will be done.

(3.2) 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.

(3.3) 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 Company agrees that it will deal fairly and honestly with any decision to contract out. In emergency situations a discussion will be held with the steward in advance, if possible.

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 contractors form” unless agreed by the Company and the Association to change the form.

Where the work is of a repetitive nature, i.e.: project work, week-end maintenance etc., an initial form will be provided.

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

(3.4) Team Managers Working

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

(3.5) 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/her 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.

A Steward who is required to represent more than one shift, will be permitted to be called in under Article (11.6) to represent any member as per this Article, if no other Steward is on the premises.

The Association will exercise its rights in a fair and just manner.

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, lay-off, 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** as are **expressly** provided in **this** contract.

Management shall exercise its rights in a fair and just manner.

ARTICLE 5 - DISCRIMINATION

The Company and Association agree that there will be no intimidation, discrimination, interference, restraint, or coercion exercised or **practiced** by either of them or by any of their representatives or members because of an employee's membership in the Association or because of his activity or lack of activity in the Association.

ARTICLE 6 - GRIEVANCE PROCEDURE

(6.1) Grievance Committee

The Association shall establish a grievance committee of not less than three or more than five and the Company shall be kept informed of the personnel of such committee.

(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 department steward, the Team Manager and the general foreman. This step of the procedure to be processed and a decision rendered by the general foreman within two full working days.

SECOND - If a settlement is still not reached, the grievance shall be presented in writing to the Plant Manager (or his delegate in his absence) who shall then convene a meeting consisting of the appropriate management representatives, the department steward, chief steward and the **grievor**. This step of the procedure 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 Human Resources Manager (or his delegate in his absence), who shall then convene a meeting consisting of the appropriate

management representatives, the Association 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 by the Company shall be in writing to the Secretary of the Association and shall be dealt with by the Grievance Committee 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 or provided that the interest of the Association, or the interest of a majority of the members of a department, or the majority of 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 Human Resources and entered at the third step of the grievance procedure.

(6.8) Request for 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 full working days of the completion of the third stage of grievance 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 hereto.

(7.2) Appointment of Arbitrator

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 chairman chosen by the other two members of the Board. Each party will notify the other, in writing, of the name of its appointee within **five** 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 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 chairman.

The Association and 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 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 chairman. 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 may be extended, by mutual agreement, and shall exclude Saturdays, Sundays, and Statutory Holidays.

ARTICLE 8 -DISCIPLINE, SUSPENSION OR DISCHARGE

(8.1) Discipline, Suspension Dr Discharge For Just Cause

The Company reserves the right to discipline, suspend or discharge for just cause any employee without notice for 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; **willful** or deliberate violation of safety practices or plant rules; or for any **offense** that, while not specifically listed, is considered to be detrimental to the welfare of this Company and its employees.

No discipline, suspension or discharge will be processed unless there is a departmental steward or an **Officer** of the Association in attendance, to represent the employee.

Any employee who feels he has been unjustly disciplined, suspended or discharged shall have the right to appeal through the grievance procedure.

Employees discharged or suspended may not remain on company property after their discharge or suspension. The only time they may return is to attend a grievance hearing.

(8.2) S.E.A. Notification

The Association secretary shall be notified within **24** hours, in writing, of all suspensions and discharges.

(8.3) Appeal Procedure, Suspension or Discharge

Grievances 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 the Manager of Human Resources 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. If upon review by Management, it **is found** that an employee has

been unfairly suspended or discharged, he shall be awarded whatever discipline is appropriate, or, if circumstances warrant, he shall be reinstated and recompensed for loss of earnings resulting from such unfair or unjust suspension or discharge.

(8.4) Disciplinary Notification

The Company will remove references to disciplinary action from the employee's record as follows: **Written** Warning after a twenty-four **(24)** month period; reprimand or 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 reprimands or suspensions for the following serious **offenses**; illegal strike, slow-down, work stoppage, **willful** damage, insubordination or fighting.

ARTICLE 9 - RATES OF PAY

(9.1) Two (2) Job Rates

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

(9.2) 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 time worked on the higher rated job during overtime, 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 the advice of their physician, will assume the rate of such job commencing the first full shift on the lower rated job.

(9.3) Rates on Permanent Transfer

Any employee permanently transferred to another job will be paid his existing rate or the rate of the job to which he has transferred (whichever is the lesser). When qualified, or within three months, his 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.

(9.4) Rates - Changes in Method of Production

Where changes in method of production or new jobs are introduced, the Company will determine the new Job Class

based upon a comparison of benchmark jobs established by the Company within each Job Class. The Chief Steward will be notified in writing of all new or revised Job class assignments. Where the Company has determined a Job Class assignment, the Association will be granted access to the Company studies (including job descriptions where they exist) pertaining to the review. If a Job Class assignment is in dispute the Plant Manager and Chief Steward will discuss the differences and attempt to resolve the issue. If they are unable to resolve the issue it may be referred to Arbitration in accordance with Article 7.

(9.5) Probationary Rates

Employees hired on or after March **9, 1998** shall be hired at **85%** of the applicable Job Class rate. Automatic increases of **5%** of the Job Class rate will be granted every 6 months.

After **18** months the full Job Class rate will be paid.

Maintenance employees will be hired at **95%** of the applicable maintenance rate.

After 6 months the full rate will be paid.

(9.6) 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.

(9.7) 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.

(9.8) Job Standards Disputes

It is understood that the Company will make every effort to establish fair and accurate work standards and that employees and the Association will give every work standard a fair and just trial by working conscientiously against those standards.

If after the fair and just trial period, the Association is still not satisfied that an average qualified worker, working conscientiously can maintain a performance of **100%**, a re-check study will be made by the Company when requested. If the standard is still in dispute after the Company audit, 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 at the third step of the grievance procedure, the Company and the Association may, by mutual agreement, appoint a qualified independent industrial engineer to conduct a separate study. The expense of such study shall be shared by the Company and the Association.

(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 employees will be paid on a weekly basis.

ARTICLE 10 - HOURS OF WORK, OVERTIME AND PREMIUMS

(10.1) Regular Work Week for Full-Time Employees

The regular work week shall consist of five consecutive shifts, eight hours per day, **40** hours per week from Sunday 10:00 p.m. to Saturday inclusive.

(10.2) Changes to ~~Employee~~ Schedule

No employees' schedule shall be changed without at least twenty-four 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 eight hours per shift, except those hours in excess of **12** per regular shift will be paid at two times the regular hourly rate. Vacation hours will not be credited to hours worked in calculating daily overtime.

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

(10.4) Sixth Shift and Unscheduled Saturday

One and one-half times the hourly rate will be paid for the first eight hours worked on an unscheduled Saturday, or sixth shift. Two times the regular hourly rate will be paid for hours in excess of eight. If during the week preceding the sixth shift or unscheduled Saturday, the employee has been excused, he shall receive his regular rate to a maximum of eight hours and time and one-half thereafter.

(10.5) Seventh Shift and Unscheduled Sunday

Two times the regular hourly rate shall be paid for work performed on an unscheduled Sunday, or seventh shift. If during the week preceding the seventh shift or unscheduled Sunday, the employee has been inexcused, he shall receive one and one-half times the regular rate to a maximum of eight hours and two times the regular rate thereafter.

(10.6) Scheduled Saturday and/or Sunday

Employees whose regular work schedule includes a Saturday or Sunday, will be paid one and one-half times their regular rate for hours on a shift which begins on a Saturday or Sunday to a maximum of eight (8) hours. Two times the regular hourly rate shall be paid for hours in excess of eight. This premium shall not apply to hours after midnight on Friday, which are part of the Friday shift, or to employees whose regular schedule starts on a Sunday night.

(10.7) Work Performed on Statutory Holiday

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

(10.8) Off-Shift Premium

An off-shift premium of **35** cents per hour shall be paid to shift workers whose regular work schedule starts between noon and midnight. Employees working on shifts beginning after **12** midnight and before **6:00** a.m. shall receive the **off-**

shift premium for all hours worked up to **6:00** a.m. This premium shall apply to workers who are receiving overtime pay for overtime worked.

(10.9) 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.

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 pay equal to **37** hours at their regular hourly rate. Should the lack of work be attributable 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 during the minimum week will be credited as one hour against this guarantee, to a maximum of three hours, Pay received for hours worked on the sixth and seventh shifts will not be included in this guarantee.

If the employee fails to avail himself of the regular hours of work provided, the guaranteed minimum week shall be reduced by the difference between actual hours worked and the hours of work made available.

Any employee recalled to work from lay-off will not be

eligible for the guarantee for the week of recall.

(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. Statutory Holidays falling on the **6th** or **7th** shifts will not be included as part of the minimum guaranteed week.

(11.3) Exclusions to Minimum Week

Provisions of items **(11.1)** and **(11.2)** shall not apply to probationary employees.

(11.4) Reporting Minimum - Normal Shift

Any employee who reports for his normal shift and is sent home before four consecutive hours' work have been completed shall be paid a minimum of four hours' pay at his 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 circumstances 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.

**(11.5) Reporting Minimum - 6th or 7th Shift
or Statutory Holidays**

Employees who are scheduled and report on their sixth shift, seventh shift, or Statutory Holiday will be guaranteed a minimum pay of six hours at their regular rate.

(11.6) Call-In

Any employee who is requested to return to work after leaving the plant and the work period is four (4) hours or less, he shall be paid at the appropriate overtime rate with a minimum equivalent of four hours' pay at the regular rate. If the hours worked exceed four (4), it will then be considered as a second shift worked in that day and paid according to Article (10.3). The employee shall be through when the job for which he has been called back is completed or at the commencement of his regularly scheduled shift, whichever occurs first. Employees will be allowed to complete their regular schedule for the balance of that week. Hours worked on the sixth shift of that week will be included for the purpose of the guaranteed minimum week. Scheduled call-in on weekends and statutory holidays will be paid the equivalent of 4 hours regular pay. Emergency call-in on the weekend and statutory holidays will be paid as per Article 11.5.

(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 to a maximum of eight hours. However, if the employee has started into overtime, or if the overtime

scheduled 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 the **6th** and **7th** shifts and Statutory Holidays provided the employee has actually commenced work on such shifts.

ARTICLE 12 - REST PERIODS AND MEALS

(12.1) Straight Eight Hour Shifts

Employees who are working on a straight eight hour shift basis, other than those who eat their meal on the job, shall receive two paid twelve minute rest periods and a paid twenty minute lunch period in each shift. If the work period is **five** hours or less, the employee shall only qualify for the break periods that would normally occur in the first five hours of his shift. In the event of back to back five hour shifts, the employees will qualify for two ten minute rest periods only.

Employees shall qualify for an additional ten minute rest period if scheduled to work overtime in excess of two hours and a thirty minute paid meal break plus a meal allowance of **\$5.00** if scheduled to work overtime in excess of two hours. The paid thirty minute break will not be counted as time worked in calculating when an employee qualifies for any additional rest periods or meal allowances. When the overtime work period exceeds two and one-half hours after the first meal allowance, the employee shall qualify for a

ten minute rest period and if the overtime work exceeds five hours, a second meal allowance will be provided, along with a paid thirty minute meal break.

**(12.2) Sixth, Seventh or Statutory Holiday Shift
and Emergency Call-backs**

Employees will qualify for two twelve minute rest periods when working more than five hours and one twelve minute rest period if working less. In the event of back to back five hour shifts, they will qualify for two ten minute rest periods. Employees who work more than five hours on their sixth or seventh shift, Statutory Holiday or emergency call-back will be provided with a thirty minute paid meal break plus a meal allowance of **\$5.00**. Employees will qualify for a second thirty minute meal break and meal allowance five hours after the first paid meal break. The paid thirty minute meal break will not be counted as time worked in calculating when an employee qualifies for any additional rest periods or meal allowances.

(12.3) Out-of-Town Meals

Employees required to work out of town will be allowed up to **\$5.00** per meal. They will be paid time in which to eat the meal if they so qualify under section **(12.1)** or **(12.2)** of this article.

ARTICLE 13 - STATUTORY HOLIDAYS

(13.1) Designated Statutory Holidays

Employees will be paid their regular hourly rate for regular hours not worked, Monday to Saturday inclusive, on New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day, Boxing Day, one floating day and one individual.

All Statutory Holidays falling on a Saturday or Sunday shall be observed on the preceding Friday or the following Monday, unless changed by mutual agreement.

In the event provincial or federal government legislation requires the observance of an additional public holiday during the term of this Agreement, that day shall become a paid holiday.

The Company will grant the individual holiday to be taken at a time agreed upon between the employee and management. Probationers or casuals will not qualify for the individual holiday. The individual holiday must be taken by the end of the contract year. Casual and probationary employees will qualify for designated Statutory Holiday pay as per the Employment Standards Legislation.

Note: existing casual and probationary employees as at March 9, 1998 will be identified to the S.E.A. and will be eligible for Statutory Holiday Pay as per Article 13.2.

Designated Statutory Holidays
Year One

Date	Holiday
Monday January 3, 2000	New Year's Day
Friday April 21, 2000	Good Friday
Monday May 22, 2000	Victoria Day
Friday June, 30, 2000	Canada Day
Monday August 7, 2000	Civic Day
Monday September 4, 2000	Labour Day
Monday October 9, 2000	Thanksgiving Day
Monday December 25, 2000	Christmas Day
Tuesday December 26, 2000	Boxing Day
Friday December 29, 2000	Floater Individual Floater

Year Two

Date	Holiday
Monday January 1, 2001	New Year's Day
Friday April 13, 2001	Good Friday
Monday May 21, 2001	Victoria Day
Monday July 2, 2001	Canada Day
Monday August 6, 2001	Civic Day
Monday September 3, 2001	Labour Day
Monday October 8, 2001	Thanksgiving Day
Monday December 24, 2001	Boxing Day
tuesday December 25, 2001	Christmas Day
Monday December 31, 2001	Floater Individual Floater

(13.2) 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 he has been excused from working the required regular shift by his Team Manager, or has been laid off, providing he has 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 absent on either or both the regular shift immediately preceding or following the paid holiday due to personal illness which is **verified** by a Doctor's certificate, which specifies his restrictions or inability to perform a job, will be paid for the Statutory Holiday.

If the employee is eligible for any payment to which the Company contributes either directly or indirectly for the day on which the Statutory Holiday is observed during the first fifteen **(15)** weeks of the absence, the Company will supplement this payment to bring his earnings to a level equal to a regular day's wage.

Employees who accept overtime for Statutory Holidays and/or Sunday, 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.

(13.3) Statutory Holiday in Vacation

Full-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 his required regular shift, preceding and following the Statutory Holiday, except if absent due to illness confirmed by a Doctor's certificate, which specifies his restrictions or inability to perform a job, will be paid for the Statutory Holiday

ARTICLE 14 - BEREAVEMENT

Where an employee is absent and loses pay because of a death of a sister, brother, husband, wife, son, son-i&w, daughter, daughter-in-law, mother or stepmother, father or stepfather, father-in-law, mother-in-law, he shall be reimbursed at his regular rate for regular hours lost on up to three regular work days ending with the day following the funeral.

Employees who experience a 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 his supervisor.

If the employee is absent and loses pay because of a death of a brother-in-law, sister-in-law, stepbrother, stepsister, grandparent or grandchild, he shall be reimbursed at his regular rate for regular hours lost on up to one regular day.

Grandparents to mean grandparent of employee or spouse.

Provisions of this article shall not apply to probationary employees.

ARTICLE 15 -JURY DUTY

An employee summoned to appear or required to serve Jury Duty or who is subpoenaed as a crown witness shall be paid for his regular hours at his regular rate. Employees shall be required to furnish a notice of selection for Jury Duty, or being subpoenaed as a crown witness as soon as possible. For employees working **3:00 - 11:00** or **11:00 - 7:00**, the time off should be on the shift following Jury Duty.

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

Provisions of this article shall not apply to probationary employees.

ARTICLE 16 - SENIORITY

(16.1) Probationary Period

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

"Weeks time worked" to be defined as a minimum of

twenty **(20)** actual hours worked per week.

Upon completion of the probationary period, the seniority and service 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)**.

(16.2) Seniority on Transfer

Any employee covered by this agreement who is appointed to a position outside of the bargaining unit will continue to accumulate service. In the event of a transfer back to the bargaining unit, the employee will return with service and previous bargaining unit seniority only.

Any full-time employee who is permanently transferred within the bargaining unit will carry seniority and service provisions with him.

(16.3) Job Elimination/Combination Bumping Procedures

The following is the procedure agreed to, between the Company and the **S.E.A.**, for an employee affected by a permanent job elimination or job combination. The individual affected may exercise his/her seniority rights, to bump downward, to junior seniority positions. The only purpose of the bumping procedure is for job security. If bumping applies it will be after the **20** day notice.

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

NOTE: A job is not eliminated by reason of the start time changing within the same shift. (Shift meaning **days=3 a.m.-11:59 a.m.**, **afternoons= 12:00 noon- 6:59 p.m.**, **nightshift=7:00 p.m.-2:59 a.m.**)

JOB COMBINATION PROCEDURE

A job combination occurs when two **(2)** jobs or more on the same shift are combined, and in such case the employee(s) with the least seniority will be bumped.

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

BUMPING PROCEDURE

- 1) The employee must fill any job vacancy in the Plant that has not been filled under Article **18**. If the job vacancy is on a different shift, the employee may displace the most junior employee on his shift, in his department. If he is unable to perform the vacant job or the job of the most junior employee, he may displace the second least senior employee on his shift and so on until he reaches a job he can perform

consistent with his seniority rights in his department. This paragraph will also apply to the bumped employee.

- 2) The junior employee bumped in his department, will have the option of bumping the junior employee on his shift in the Plant **if** he is unable to perform this job, he can move up the seniority list as described in item **#1**.
- 3) The employee bumped off his shift plant wide will have the option of bumping in his department on the remaining shifts. If unable to bump in his department will bump plant wide on the remaining shifts. Shift preference will be at the employees option, if the elected shift has a vacancy, must be filled before a bump occurs. If unable to perform this job he can move up the seniority list as described in item **#1**.
- 4) When a number of employees are displaced due to job elimination, the corresponding number of least senior jobs in the department and/or plant, whichever is applicable, will be identified and the most senior of the displaced employees can choose the job he wants. In the event that two or more of the same job classifications are identified within this group of least senior jobs, the junior man in the job classification will be the 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 his seniority entitles him, he may move up the seniority list until he reaches a job he can perform

consistent with his own seniority rights.

- 5) If the employee is unable to bump in accordance with the above steps, he/she will be laid off.
- 6) An employee whose job was eliminated or the bumped employee will have recall rights to his department **and/or** job if that job is reinstated as follows: twelve **(12)** months if the employee has less than fifteen **(15)** months seniority; twenty-four **(24)** months seniority from the data of displacement if additional full time staff is required as determined by the Human Resources Manager following discussion with the **S.E.A.** President or his delegate. Recall shall be by seniority.
- 7) Employees who do not have plant seniority can exercise their seniority rights in accordance **with** steps **1, 2 and 3.**
- 8) When a Maintenance job is permanently transferred or eliminated, the employee has the option of applying for the job. **If** the employee does not apply for the job, he will bump the most junior employee within his job ownership. The employee who is bumped off their job ownership, will have the right to bump the most junior employee whose job he qualifies for, within the Maintenance department.

The employee bumped out of the Maintenance department, will proceed to step **#1** of the procedure.

NOTE - The Company and the Chief Steward and/or delegate

plus the department steward will **mutually** determine if any employee is able to perform any job to which his **seniority** entitles him. 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.

Job Transfers

- i) When a job is transferred to another department, 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 procedure will apply:
 - ii) A) If no employee volunteers to move with the job to the new department, the job will be posted in accordance with the job posting procedures.
 - B) The employee who had job ownership and who elected not to move with the job, will exercise his seniority rights and follow the bumping procedure as described in Article **16.3**.

(16.4) S.E.A. Stewards

For the purpose of vacations and lay-off only, stewards of the Association shall, for the term of their stewardship, be granted top seniority on their respective shifts, and will remain on their shift during the lay-off.

The Company will provide up to six **(6)** working days per year for the purpose of furthering the formal education of the Association Stewards. The educational days **utilized**

shall be mutually agreed upon by the Company and the **S.E.A.** Additional educational days, at the expense of the Association, may be taken when the dates are mutually agreed upon in advance.

(16.5) Absence Due to Accident or Illness

An employee with seniority, absent due to accident or illness, shall continue to accumulate seniority and to be credited with service. An employee will have job ownership protection for two **(2)** years.

An employee who will be unable to return to work within the two **(2)** year limit will forfeit job ownership after it has been concluded by the Committee not to extend the time limit. This review will be done no later than the last month prior to the expiration of the two **(2)** year limit.

When an employee returns to work in less than the two **(2)** years, and medical information indicates he will be unable to perform the regular duties of his job, he will be **temporarily** assigned within his department or Plant to a job he can perform until such time as a job vacancy becomes available that he can perform. This employee will then apply for the job vacancy under Article **18** or whichever is applicable.

Where the employee provides medical information that indicates he is unable to perform the regular duties of his job within the two **(2)** years, he may voluntarily relinquish job ownership and be assigned to best advantage.

A Committee of four **(4)** equal in numbers between the

Association and the Company will deal with the process of extending the two **(2)** year limit and assigning such employees to modified work. If the employee is in disagreement with the decision of the Committee, he may appeal this decision to the Committee, provided such appeal is filed within seven **(7)** working days.

An employee may enter a grievance at the third step of the grievance procedure if the Committee fails to reach an agreement on extending the time limits.

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

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

(16.6) Discharge, Termination or Lay-Off

Seniority and service shall cease upon discharge for just cause or voluntary quitting. Employees who have seniority and are on lay-off will continue to accumulate seniority and service for the purpose of recall.

“Probationary employees shall possess recall rights equivalent to their number of weeks worked as defined above in Article **16.1.**”

Employees who have completed their probationary period but have less than fifteen **(15)** months seniority shall have recall rights for twelve **(12)** months from the date of lay-off. Employees who have obtained plant seniority (fifteen **(15)**

months or more) shall have recall rights for twenty-four **(24)** months from the date of lay-off.

Employees absent for three **(3)** consecutive work days, who fail to notify the Team Manager or Plant Manager during that time of the reason for absence, shall be considered to have quit employment voluntarily.

Employees who have been laid-off and who have been notified in writing at their address according to the Company's records, to return to work and within three days have failed to do so, without reasonable excuse shall be considered to have quit employment voluntarily and existing **seniority** rights shall thereupon be terminated.

(16.7) Leave of Absence

Leave of Absence may be granted at the discretion of the Company in an emergency up to ninety calendar days. Leave of Absence may be granted for Association business.

A pregnant employee will be granted such Leave of Absence 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.

Employees granted Leave of Absence subject to the considerations listed in the preceding paragraphs, shall continue to accumulate seniority and service during such Leaves of Absence.

Leave of Absence for reasons other than emergency, compassionate grounds, **S.E.A.** business or pregnancy may be granted subject to the requirements of business and other reasons at the discretion of management.

Applications for Leaves of Absence under this clause will normally only be considered for the months of October to June, inclusive. Weeks which include or precede or immediately follow a Statutory Holiday usually require our entire work force, therefore, Leaves of Absence will normally **not** be granted during those periods. Leaves of Absence under this clause will normally not exceed three weeks.

When planning activities for which a Leave of Absence is anticipated, employees are expected to make maximum use of vacation schedules to which they are entitled. Employees are expected to exercise discretion in judgment when submitting requests for Leave of Absence. Absences should be planned as far in advance as possible.

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 article seniority shall continue to accumulate.

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.

(16.8) Provisions for Trainees

Persons whom the Company is training to fill technical, commercial, or supervisory positions may be employed or retrained in employment in plant operations irrespective of the seniority provisions of this article, for a period of not longer than eight months. This paragraph shall apply to trainees of the Company. The Secretary of the Association shall be advised of such appointments.

ARTICLE 17 - LAY-OFFS AND RECALLS

(17.1) Order of Lay-Offs

When necessary to reduce the work force, the order of lay-off shall be:

First - Casual employees

Second - Probationary employees, provided that the remaining employees can satisfactorily perform the jobs assigned.

Third - Employees with seniority in order of seniority, provided that the remaining employees can satisfactorily perform the jobs assigned.

Employees who can qualify reasonably quickly will be given an opportunity to do so. Where such employee cannot qualify reasonably quickly, the job will be given to the

second most junior employee in the plant and so on up the line until a job is reached that he can perform satisfactorily or qualify for reasonably quickly. Those given such opportunity to qualify, must within one week, have the ability to perform the job satisfactorily.

Employees exercising their seniority rights under this article will only be entitled to one opportunity for training on the job, per twelve months, for the duration of this contract, unless otherwise mutually agreed by the parties.

Employees may apply for a leave of absence as per Article **16.7**.

(17.2) Order of Recall

When increasing the work force, the reverse procedure to lay-offs will be followed.

Any employee who has been laid-off and who has been notified in writing at his address, according to the Company's records, to return to work and within three days has failed to do so without reasonable excuse, shall be considered to have quit his employment voluntarily.

(17.3) S.E.A. Notification

The Association Secretary and Association Steward shall receive prior notification of all lay-offs and recalls.

Weekly staffing assignments shall be posted and a copy provided to the Chief Steward.

(17.4) Benefits on Lay-Off

Laid-off employees with seniority will continue to be covered under Article **23** (except Weekly Indemnity and Long Term Disability) for up to eight weeks of lay-off. Upon any recall to work, the eight (**8**) weeks will start over.

Up to five additional weeks' coverage will be automatically provided at the employee's expense if lay-off continues. This cost of continued coverage will be deducted from the employee's first pay cheque upon recall.

(17.5) Plant Closing

Employees with a minimum of twelve (**12**) months seniority shall be eligible for transfer to another division of the Company. Benefits shall continue until the end of the month following the month in which the lay-off occurs. These provisions shall apply where lay-offs occur due to a plant closing or partial closing.

If the employee declines a transfer to another division of the Company, the following severance schedule shall apply:

Up to one year, one week's pay for every year of full time service to a maximum of **26** weeks.

In **the** event that the Employment Standards legislation provides a greater benefit than detailed above, then it shall prevail.

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.

(18.2) Job Vacancies

When a permanent job vacancy occurs within the plant, the vacancy will be posted on the plant notice board for two **(2)** working days.

Interested employees must sign job postings on the plant bulletin board. Applications shall be considered according to the same principle as defined in Article **(18.1)**. An employee absent from work who is able to return within a four **(4)** week period, will have their names added to the posting by management. If they wish to accept the job posting without a trial period they will have their application granted.

Employees classified as inactive are not eligible for job postings under this article unless they have notified management of their ability to return to work within a four **(4)** week period. Employees who have notified management will be eligible for job postings following such notification.

When an applicant on the same rated job is accepted, the change will be made as quickly as possible without undue disruption within the plant. When an applicant on a lower rated job is accepted, the move will be made promptly.

Applications from any employees for a posted vacancy, other than progression, will not be considered within six (6) months of granting such previous application, except employees whose present job is the result of Article 16.3.

ARTICLE 19 - TRANSFERS

(19.1) Temporary Transfers

The Company shall assign employees whose job is not being performed by seniority and qualifications, by shift, and open jobs will be offered by seniority.

When the Company must transfer an employee to a different shift the Company will first consider those who have requested in advance, provided this requested transfer will not **jeopardize** the **efficient** operation of any shift. Those people requesting shift changes will not qualify for premiums as per Article 10.2 and 10.3.

If there are no requests the junior qualified employee will be transferred.

ARTICLE 20 - VACATIONS

(20.1) Vacation Year

The vacation year will be from May 1st to the following April 30th.

Horizon Poultry (A Division of J.M. Schneider Inc.) will **recognize** all past service and **seniority**.

(20.2) 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 **30th** of April of each year.

(20.3) Vacation Schedule

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

- a) Employees with one full year's service will receive two weeks' vacation.
- b) Employees with five full years' service will receive three weeks' vacation.
- c) Employees with ten full years' service will receive four weeks' vacation.
- d) Employees with eighteen full years' service will receive five weeks' vacation.
- e) Employees with twenty-five full years' service will receive six weeks vacation.
- f) Employees with thirty-five full years' service will receive seven weeks' vacation.

(20.4) Completion of Required Service

Employees who after May **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 paragraph **(20.3) (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 date of employment.

(20.5) Advance Vacation

Employees who have vacation entitlement earned by May 1st during any vacation year may draw the earned portion of such vacation on or after December 25th preceding the vacation period or sooner by mutual agreement of the parties.

Preference will be given to employees with current vacation, during the week of Christmas and New Year's, providing their names are on the list.

(20.6) 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 working days annually;
- due to lay-off up to twenty working days annually;
- up to **(1)** one year maximum from date of injury due to compensable accident covered under the Workmen's Compensation Act;

- due to sickness which exceeds the following scale :
- **15** weeks from date of illness for employees with less than 5 years' seniority;
- **26** weeks from date of illness for employees with less than **12** years' **seniority**;
- **52** weeks from date of illness for employees with more than **12** years' seniority.

Employees returning from long term absence will only be considered as being back to work upon the completion of two weeks' (**10** working days) 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 May 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) Casual or Discharged Employees

Casual and discharged employees will be eligible for vacation pay as provided by the Employment Standards Act.

(c) Termination

Any full-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 May 1st and the total number of completed years of continuous service according to the provisions of Article **(20.6)** (a).

(20.7) 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 October to May, inclusive, or at the convenience of the Company.

Employees will have the opportunity to book two **(2)** weeks vacation from the last full week of June up to and including the first full week of September.

Employees with **25** years of service will be allowed to book three weeks in the months of June, July and August.

(20.8) 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 **(20.5)**, or with Management's consent.

ARTICLE 21 - RETIREMENT

(21.1) Normal Retirement

Normal retirement shall be at age **65**.

(21.2) Optional Early Retirement

An employee may take an early retirement on the first of the month following the attainment of age **55**.

Members of the Company defined **benefit** pension plan will be entitled to a pension **unreduced** actuarially for the period of **48** months immediately prior to the employee's normal retirement date. Employees retiring with a reduced pension, the benefit is reduced by **1/2 of 1%** for each month by which the date of commencement of pension payments precedes the month in which the member attains age **61**.

(21.3) Canada Pension Plan

All employees must contribute to the Canada Pension Plan.

(21.4) Company Pension Plan

All employees hired prior to January **1, 1996** must continue to participate in the Company defined contribution pension plan in which they are a member. It will be a condition of employment for new employees hired after January **1, 1996** to participate in the defined contribution pension plan after completing two **(2)** years of service.

Total contributions by an employee will be **2.4%** of earnings to the **YMPE** and **4%** in excess of those earnings. Pension Plan vesting (lock-in) will take place after two **(2)** years membership for pension earned from January **1, 1987**.

The Company will contribute an amount for each member of the defined contribution pension plan based upon the following scale:

a	Years of Service t	but less than	% of Contributions
	0	5	50
	5	10	75
	10	20	100
	20	30	125
	30 - 35		150

Benefits from the defined **benefit** pension plan at normal retirement will be:

- Basic Benefit of **\$50.00** per year for each **\$100.00** contribution made by the employee
- Non-Contributory Supplement shall be **\$15.10** per month per year of service paid to all active employees for continuous service prior to December **31, 2001**.
- Contributory Supplement of **\$3.30** per month for each full year of Company Pension Plan participation prior to December **31, 2001** shall be paid to the employees.
- The normal earned pension shall be guaranteed for a minimum of sixty (**60**) monthly payments

(2 1.5) Pension Plan Amendments

The Company agrees to make available to the Association a copy of any and all bargaining unit pension plan text amendments affecting employees covered by this collective agreement at least twenty-one (**21**) days prior to presenting such amendments to the Board of Directors for execution.

The Company **agrees** to an immediate partial wind-up

amendment if there is a lay-off as per Article **17.5** and to **give** all reports pertaining to the wind-up as soon as possible. This letter **to** be received at a further date.

ARTICLE 22 - 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 necessary equipment to safeguard employees from injury shall be provided by the Company and must be used by the employee.

Any worker has a right to refuse work that he believes is unsafe. There must be reason to believe **that; equipment, physical** conditions or contravention of the Occupational Health and Safety Act, is likely to endanger themselves or co-workers.

The worker shall promptly report the circumstances of refusal to their supervisor. The supervisor and a committee member shall forthwith investigate in the presence of the worker.

If the worker still has reasonable grounds to believe there is an unsafe condition, an inspector from the Ministry of Labour shall investigate. Pending the inspector's investigation another worker may be assigned the work. Knowledge of refusal and reasons must be given to this worker. This worker may also refuse.

There shall be no dismissal, discipline, suspension, penalty or intimidation of a worker who acts in compliance of the Occupational Health and Safety Act.

The Company **recognizes** the need to have Safety Committee members and workers who are well trained. The Company will continue to train the Committee members to seek further training both through direct training sessions internal and externally and by encouraging members to take external courses for which they are reimbursed as per Company Policy.

The Company **recognizes** the need to foster the process of employee involvement in making and evaluation of recommendations.

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

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.

ARTICLE **23** - WELFARE PLANS

(23.1) 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 23. 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.

Dependents must be enrolled in the plans to be eligible for coverage. Eligible dependents (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 who retire from employment are eligible for coverage in the appropriate Retiree Benefits Insurance Plan.

(23.2) Health Insurance

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 Benefits (does not include any drug that is available on an **over-the-counter** basis whether or not prescribed), and the Supplementary Health Care Benefit.

- Vision Care at **\$100** every twenty-four months
- Hearing Aids at **\$500** every **10** years
- Supplementary Health Care

- Positive **enrollment** - all employees will be provided with **enrollment** forms to identify the names of dependents and their birthdates who are to be provided with dependent coverage. Benefit claims for dependents will initially be claimed by the spouse whose birthday occurs first in the year when the spouse has coverage available from another source.

(23.3a) Life Insurance

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

- **\$25,000** for all active full-time employees
- **\$2,000** for all employees who retire

(23.3b) Optional Life Insurance

Family life insurance will be made available for the employee's spouse and dependent children in the following units:

Plan 1 - Spouse \$5,000	Dependents - \$2,000
Plan 2 - Spouse \$10,000	Dependents - \$5,000

Optional **Life Insurance** (Employees only) - Optional Life Insurance will be made available for employees only, in

units of **\$10,000** to maximum of three **(3)** units.

This life insurance will be at **100%** employee cost. Cost of insurance may increase based on experience.

(23.4) Weekly Indemnity

The Company will provide a Weekly Indemnity Insurance Plan and the cost of this insurance is shared by the Company and the employee on a **50-50** basis.

The **U.I.C.** Premium reduction on behalf of employee contributions towards the Weekly Indemnity benefit shall be applied to reduce employee Weekly Indemnity premiums.

- For absence due to illness or accident, benefits for up to fifteen **(15)** weeks at the rate of **66 2/3** (to the **UIC** 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 a debilitating procedure has been performed. 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 his 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.

(23.5) 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 **\$1322** 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 **U.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 **U.I.C.** benefit paid to ensure the employee receives **60%** of his 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 **U.I.C.** disability benefits in lieu of the **L.T.D.** benefits. The Company will provide up to four **(4)** weeks of U.K. bridge benefit to any employee who has signed an agreement with the Company to repay such moneys, when there is an unusual delay in receiving **U.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 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 he is 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 he is 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.

(23.6) Dental Care

The Company will provide a Dental Care Insurance Plan and pay **100%** of the insurance premiums for the following benefits after one **(1)** year:

- Basic restorative & preventative at **80%** reimbursement

- Dentures and denture repairs at **50%** reimbursement
- The Dental Fee Guide shall be:

Effective January 1, 2000 - the 1999 O.D.A. Suggested Fee Schedule

Effective January 1, 2001 - the 2000 O.D.A. Suggested Fee Schedule

(23.7) Claim Eligibility

Where a claim for Weekly Indemnity or Income Continuance benefits is in dispute based upon the insurance carrier's assessment of the medical information provided by the employee's physician, the employee will be medically assessed by a third physician, mutually agreed upon by the parties, and this assessment will be determinative of employee's eligibility for benefit. The cost of this independent medical will be borne by the Company.

ARTICLE 24 - CLOTHING AND PERSONAL EQUIPMENT

(24.1) New Employees

Initial clothing requirements designated by the Company shall be purchased by the new employees, hired after date of ratification, Such initial cost will be deducted by equal amounts over 5 pay periods by the Company from employees pay.

The Company will supply equipment requirements to the employee at no cost.

(24.2) 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 Team Manager. This clothing and equipment remains the property of the Company and must not be removed from the plant. Casuals shall be required to pay half the cost for replacement of personal clothing, including safety shoes. Operators with job ownership will be supplied with uniforms.

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.

(24.3) Transferred Employees

Employees transferring from one job to another or from one department 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.

(24.4) Laundering

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

(24.5) 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 premises.

ARTICLE **25** - 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 the approval of the Plant Manager or his delegate before posting.

ARTICLE **26** - GOVERNMENT REGULATIONS

It is the intention of both parties to this 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 **27** - COMMENCEMENT AND DURATION OF AGREEMENT

(27.1) Effective Dates

Except as otherwise provided, this Agreement shall become effective on the **1st** day of January **2000** and shall continue in effect until the **31** day of December **2001** 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 not less than thirty (**30**) days prior to the date of expiration.

Where notice to amend the agreement is given, the

provisions of this agreement shall continue in force until a new agreement is signed or the right to strike or lock out accrues, whichever first occurs.

(27.2) 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 slow down or stoppage of work.

NEGOTIATING COMMITTEES

HORIZON POULTRY

JACK NOLAN
LOUCAPPA
DEREK DOUGLAS

SCHNEIDERSEMPLOYEES' ASSOCIATION

CHARLES LOSIER
DENNIS LESPERANCE
SYLVIA ROCKE
JOHN GILLIES
EUGENE COCKERTON
WILLIAM VAN MILTENBURG
DAVE PREISS
GUY PFAFF

JOB NUMBERS, JOB DESCRIPTIONS, RATES OF PAY

AYR

Casuals \$11.20

Job Class A **Rate**

Load and Rack \$13.21
Off ice Sanitation

Current Raw Feed to Cooker job owners rate of **\$13.49** will be grandfathered, all new postings will be at Job Class A rate of **\$13.21**. Current Raw Feed to Cooker job owners with a protected rate will receive no future increases until the rate for this position exceeds the grandfathered rate.

Job Class B **Rate**

Line Set-up \$13.49
Raw Rack-off and Tunnels
Tanks and Tubs Sanitation

****Overwrapper**

****Oven Glaze Applicator**

****These are jobs that are not consistently performed more than three days per week. These jobs will not be posted but above rate will be paid when performed by qualified personnel. These jobs are non-rotational.**

Job Class C **Rate**

Bucket Line Fryer Sanitation \$13.77
Off ice Clerk
Truck Driver

Fillet Line Operator
 Blending Operator
 Oven/ Bucket Operator
 Oven Sanitation
 Formed Fryer Sanitation
 Fillet Line **Fryer**
 Quality Assurance
 Shipper Receiver
 Auto Package Operator
 Formed Line Operator
 Back End Oven Operator
 Back End Cooked Sanitation
 Formed Line Sanitation
 Fillet Line Sanitation

<u>Job Class D</u>	<u>Rate</u>
Head Receiver	\$14.12

<u>JOB#</u>	<u>MAINTENANCE</u>	<u>RATE</u>
950	Sewage Treatment Plant Operator	\$18.41
951	General Maintenance	18.10
952	Journeyman Maintenance. Mechanic	19.10
953	3rd Class Stationary Engineer	18.41
954	4th Class Stationary Engineer	17.62
955	Chief Engineer	19.45
956	Journeyman Electrician	19.10

Maintenance employees who are licensed in two trades and are regularly performing work in both trades as assigned by management, shall receive the journeyman rate plus **\$1.00** per hour.

Maintenance employees who are licensed in two trades and who are temporarily assigned by management to work in their second trade will **be** paid a **\$1.00** per hour premium or will be paid in accordance with Article **9.3a**), whichever is greater.

Economic

1. Maintenance rates of pay will be adjusted by **\$2.27** per hour **retro** to January **3, 2000**, and will be subject to further review in accordance with the letter of January **5, 2000**. **This** includes Engineers and Sewage Treatment Operator.

Subject: Maintenance Trades Wage Survey

The parties have agreed to conduct a wage survey to ensure the rates of pay for Maintenance Trades are competitive. We have agreed to the following procedure:

- a. The **S.E.A.** will identify five major industrial employers of its choosing within the radius of **Kitchener, Waterloo, Cambridge, Paris and Brantford.**
- b. The Company will identify five competitors of its choosing.
- c. The Company will attain pay information from **these** identified companies.
- d. The benchmark positions of Millwright Mechanic and Industrial Electrician will be surveyed.
- e. The maintenance rates of each position, for each company surveyed, will be combined, and a single average hourly rate will be determined by eliminating the highest and lowest wage rates. Should the average rate produced

through this formula be higher than the **Ayr** plant maintenance trade rate, the **Ayr** plant maintenance trade rate will be adjusted to the average rate of the survey. However, no adjustment of less than **10** cents per hour will be made.

f. This survey will be completed in the month of February of each year and any adjustments that may be warranted will be effective in the first pay period of March of that year.

g. This agreement will remain in force for the term of the current Collective Agreement

This survey will apply to the Stationary Engineers as well, with **the** Chief engineer being paid the top maintenance rate and the same **difference** that exists between the Chief Engineer, **3rd** and **4th class** rates being maintained.

The same pro-ration principles will be applied to the General Maintenance and Sewage Treatment Plant Operator positions.

2. Signing Bonus:

\$750.00 for all employees who have completed **15** weeks time worked, as of date of ratification.

January **1, 2001** a further **\$750.00** signing bonus as per above. Eligible employees must have completed **15** weeks time worked as of January **1, 2001**.

Above signing bonuses apply to employees on **Lay-Off** but do not apply to Maintenance personnel, Power House Engineers and Sewage Treatment Operator.

LETTER OF AGREEMENT #1

This letter will serve to clarify the intent of the parties regarding the hiring of casual employees to full-time positions as set out in Article 3.1.

- 1) All permanent jobs will be filled and staffed by full time staff.
- 2) Item #1 will be offered to existing casual employees before an outside hiring occurs.
- 3) Item #2 above does not preclude the Company from hiring directly from outside in the case of skilled trade job openings.

LETTER OF AGREEMENT #2

To ensure there is no misunderstanding with regard to "personal necessity time" for emergency situations, this letter will state the Company's position.

"The Company **recognizes** that from time to time or for certain medical reasons, employee 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.

LETTER OF AGREEMENT #3

Mr. Charles **Losier**
President

Schneider Employees' Association
321 Courtland Avenue East
Kitchener, Ontario
N2G 3X8

Dear Mr. **Losier**:

The Company agrees that in the event of 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 employee 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.

Yours truly

J.E. Nolan
Manager, Human Resources

LETTER OF AGREEMENT #4

Mr. Charles **Losier**
President

Schneider Employees' Association
321 Courtland Avenue East
Kitchener, Ontario
N2G 3X8

Dear Mr. **Losier**:

Once Management has signed and verified their overtime schedule it will be 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 (excludes Maintenance). Failure to do so will nullify any right to the grievance procedure.

Yours truly

J.E. Nolan
Manager, Human Resources

LETTER OF AGREEMENT #5

Mr. Charles **Losier**
President

Schneider Employees' Association
321 Courtland Avenue East
Kitchener, Ontario
N2G 3X8

Dear Mr. **Losier**:

When an employee is called in for a voluntary information meeting outside the normal hours of work the appropriate overtime rate will be paid for time spent at the meeting with a minimum of two hours at regular rate. Attendance will be on a voluntary basis for such meetings.

Yours truly

J.E. Nolan
Manager, Human Resources

LETTER OF INTENT #1

Mr. Charles **Losier**
President

Schneider Employees' Association
321 Courtland Avenue East
Kitchener, Ontario
N2G 3X8

Dear Mr. **Losier**:

This will confirm our discussion during contract negotiations that the Company will continue as much as possible to follow the current practice of recalling casual employees on the basis of length of service when there is a requirement.

Yours truly

J.E. Nolan
Manager, Human Resources

LETTER OF INTENT #2

Mr. Charles **Losier**
President

Schneider Employees' Association
321 Courtland Avenue East
Kitchener, Ontario
N2G 3X8

Dear Mr. **Losier**:

This will confirm our discussion during contract negotiations that the Company will not schedule regular production for the **10:00** p.m. Sunday start. This time is intended for preparation work (if necessary), to ensure product will be ready for day shift production.

Yours truly

Brian Keller
Plant Manager

NOT TO FORM PART OF
COLLECTIVE AGREEMENT

Mr. Charles **Losier**
President

Schneider Employees' Association
321 Courtland Avenue East
Kitchener, Ontario
N2G 3X8

Dear Mr. **Losier**:

This letter will confirm the commitment made by the **Company** during the **Ayr** Collective Agreement negotiations to the **effect** that, the company will provide on a voluntary basis training and upgrading in emergency response procedures and **emergency** First Aid to all employees the company requires.

Yours truly

J.E. Nolan
Manager, Human Resources

NOT TO FORM PART OF
COLLECTIVE AGREEMENT

Mr. Charles **Losier**
President **S.E.A.**

Schneider Employees' Association
321 Courtland Avenue East
Kitchener, Ontario
N2G 3X8

Dear Mr. **Losier**:

During the course of this Collective Agreement, some production will begin to move to the Gallant operation. As that occurs and if employees are laid off, the parties agree to the following procedures, which will be covered in a "letter of Agreement" signed by the parties, but not forming part of the Collective Agreement.

This letter of Agreement supercedes Article **17.5** of the current Collective Agreement

- 1.** The parties agree to make joint application for an Adjustment Committee.
- 2.** The Parties agree to make joint application for a Voluntary Reduction Program through the **E.I.C.**
- 3.** Employees will be permitted to elect one of the following options at the time of lay off, provided, in the

Company, they are unlikely to be recalled and further provided that their termination will not cause the Company to hire a replacement worker during the plant downsizing:

- a) Accept lay off and retain recall rights
- b) Elect to terminate and receive severance**
- c) Accept lay off and following 35 weeks of lay off, elect to terminate and receive severance**

4. Employees may elect to transfer to another J.M. Schneider Inc. operation at their own expense, subject to any collective agreement or plant rules and regulations in effect at such locations when they are deemed by the Company to no longer be required at the Ayr operation. For purposes of clarity, employees electing this option will be subject to the pay procedures for new employees hired as of the date they commence work at the new location. The parties agree to meet post negotiations to develop the transfer procedures. The employees' service with the Company will be transferred with them for the purpose of vacation & pension.

Employees who elect to transfer to **J.M.S. at 321 Courtland Ave., Kitchener** only, will be eligible to transfer their service for purpose of vacation, pension and wage rate.

5. Severance pay will be provided as follows:

a) for employees with one **(1)** year to **10** years seniority: two **(2)** weeks regular pay for every year of full time service

b) for employees with more than **10** years seniority: two **(2)** weeks regular pay for every year of full time service to maximum of **26** weeks

6. During the period of lay off, employees will be eligible to receive their Health and Dental **benefits** with the exception of **W.I.** and **I.C.** as per article **17.4**. Should an employee, during the period of lay off, find alternate employment and become eligible for health benefits with the new employer, the benefits described here will be discontinued.

7. Employees may, at their own expense, continue to make their contributions to the pension plan at the rate at which they normally contributed, for up to **35** weeks.

8. Jack Nolan letter dated December 6, 1999 is withdrawn.

The above proposals are based on a ratified two **(2)** year Poultry Agreement. Upon complete closure of Poultry operations at the **Ayr** facility or expiration of this two **(2)** year Poultry agreement on December **31, 2001**, a Red Meat Contract with it's terms and conditions will be proposed to the Association.

All other terms and conditions of the existing contract remain in effect.