

THIS AGREEMENT made and entered into at

Leamington, Ontario

as of the 1st day of June 2004.

B E T W E E N :

H. J. HEINZ COMPANY OF CANADA LTD
(hereinafter referred to as the "Company")

OF THE FIRST PART

- and -

UNITED FOOD AND COMMERCIAL WORKERS
LOCAL 459
A.F.L. C.I.O. C.L.C.

(hereinafter referred to as the "Union")

OF THE SECOND PART

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ARTICLE 1
PURPOSE

- 1.01 It is the purpose of this Agreement to maintain and promote harmonious relationship between the Company and its employees, to set forth hours of work, rates of pay and other conditions of employment to provide an amicable method of settling any difference or grievance which may arise relating to conditions of employment.
- 1.02 The parties agree to ensure the betterment of the Leamington Plant (employment levels and year round operations). A joint union/management committee will be established to review all aspects of the operation.

ARTICLE II
RECOGNITION

- 2.01 The Company recognizes the Union as the exclusive collective bargaining representative for all employees, in the factory of the Company at Leamington, save and except Supervisors, and persons above this rank, persons employed in the Medical Department and Human Resources Department, Senior Labour Analyst, Maintenance Planners, persons employed regularly for twenty-four (24) hours a week or less, and students employed for the school vacation period.

- 2.02 The term "employee" when used in this Agreement refers only to persons employed by the Company within the bargaining unit described in this article and who have acquired seniority **as set out** in Sub-Article 9.02.
- 2.03 The **term** "probationary employee" when used in this Agreement refers only **to** persons who have not completed the probationary period prescribed in this Agreement and who have not acquired seniority **as set out** in Sub-Article 9.02.
- 2.04 The only provisions of this Agreement which apply to probationary employees **are** those provisions which **are** specifically applicable to probationary employees and such provisions shall only apply to probationary employees **to** the extent specifically provided in such provisions.
- 2.05 Whenever the singular or masculine are used in this Agreement, the same shall be construed **as** meaning the plural or the feminine where the context or the parties hereto so require.

ARTICLE III

UNION SECURITY

- 3.01 All employees who are now members of the union or who may later become members, shall remain

members in good standing during the lifetime of this agreement **as** a condition of employment.

- 3.02** All employees, who may hereafter become employees in the bargaining unit, shall immediately, upon expiration of sixty (60) consecutive working days with the Company, or after sixty (60) intermittent working days within a period of five (**5**) consecutive months, but without necessarily having worked in each of such months, become and remain members in good standing of the union during the lifetime of this agreement as a condition of employment.
- 3.03** ~~The~~ Company will furnish to the Union, every month, a list of employees with more than **fifty (50) and** less than fifty-five (**55**) consecutive working days with the Company.
- 3.04** The Company will deduct union dues from the pay of each member of the Union when so authorized by such members in writing on a form acceptable **to** the Company. The Company will also deduct the equivalent of union dues from the pay of each employee upon the completion of the probationary period. Such deduction shall be made monthly from the employee's first pay each calendar month and the amounts so deducted shall be transmitted to the Financial Secretary of the Union within twelve (12) days following each deduction. Upon written notice

from the Financial Secretary of the Union, the Company agrees to deduct any assessment which may be levied from time to time.

- 3.05
- (a) Six **(6)** months advance notice of permanent plant closure in order to set up an Adjustment Committee.
 - (b) The Company will provide the Union three (3) months advance notice of partial plant closure in order to set up **an** Adjustment Committee. This shall apply only to a permanent layoff of fifty **(50)** or more seniority employees. This section shall not apply to seasonal operations.

ARTICLE IV

MANAGEMENT RIGHTS

4.01 The Union acknowledges that it is the exclusive function of the Company to:

- (i) Maintain order, discipline and efficiency;
- (ii) Hire, classify, direct and lay-off;
- (iii) Discharge, transfer, promote, demote, suspend or otherwise discipline employees subject to the right of the employee concerned to lodge a grievance **as** herein provided;
- (iv) Make and alter from time to time rules and regulations to be observed by the employees

provided they are not inconsistent with the provisions of this Agreement;

- (v) Generally to manage the industrial enterprise in which the Company is engaged and without restricting the generality of the foregoing the right **to** plan operations, to determine services to be **performed** and **the** methods, procedures and equipment in connection therewith, the engineering and designing of its products, **the** control of materials and parts to be incorporated in the products produced, and **the** extension, limitations, curtailment or cessation of operations.

4.02 It is understood that the causes for which the Company may summarily suspend employees (provided that the suspension will not preclude the Company from discharging the employee) include the following:

- (i) Intoxication;
- (ii) Disorderly conduct;
- (iii) Insubordination;
- (iv) Unauthorized absenteeism;
- (v) Neglect of duty;
- (vi) Carelessness endangering **the** safety of others;
- (vii) Theft or destruction of Company property.

4.03 The termination of any employee without seniority

may be ~~for~~ any reason ~~as~~ determined by the Company.

- 4.04 The Company agrees that these functions will be exercised in a manner consistent with the provisions of this Agreement.
- 4.05 (a) No employee shall be discharged or disciplined except for just cause.
- (b) The Company agrees that where meetings are held with employees concerning their ~~work~~ or conduct, which implements any form ~~of~~ official reprimand, discipline or discharge, a Shop Steward or Union Representative shall leave the meeting if requested to do ~~so~~ by the employee.
- (c) The Union ~~agrees~~ that it will uphold the rules and regulations of the Company in regard ~~to~~ punctual and steady attendance, proper notification in case ~~of~~ absence and conduct on the job.

ARTICLE V

WAGES

- 5.01 (a) Wages will be paid in accordance with the Wage Schedule of Appendix "A".
- (b) COLA payments will be based on fiscal year end versus April 30th calendar period end.

- 5.02 Promotions: When an employee is promoted to a classification in a higher grade, he will move to the next higher rate within his new **grade** with a minimum increase of \$15.00 per week, effective at the time of his promotion. However, this rate cannot exceed the maximum rate of the job on the wage schedule.
- 5.03 A cost of living allowance will be paid in accordance with Appendix "B".
- 5.04 (a) When **an** employee temporarily **replaces another** employee in a higher grade during absence for vacations, illness, etc., no adjustment is made unless the replacement period extends for a period of one **(1)** day in which **case**, after completing such day, the employee's rate will be adjusted to the next higher rate to his present rate within his new job grade with a minimum increase of \$15.00 **per** week, retroactive to the commencement of such job; however, this rate cannot exceed the maximum rate of the job on the wage schedule.
- (b) When **an** employee has once qualified for the job rate by progressing through the **salary** progression schedule he/she does not have to requalify if placed on the same job within a **two (2)** year period.

- 5.05 The **rules** and regulations under the Job Grading Plan appear **as** Appendix "A" hereto and shall be considered **as** part of this Agreement.
- 5.06 Job titles and grades applicable to each group shall be available in the respective groups.

JURY DUTY

- 5.07 All employees required to serve on a **jury or subpoenaed** shall, for the period of such service, be compensated for the difference between the daily amount received by them as jurors and **eight(8) hours** pay **at** the rate paid the employee the last working day before **servin** jury duty.

BEREAVEMENT PAY

- 5.08 **An** employee will be granted a leave of absence from work as required of three (3) days in the case of absence due to death of **the** employee's spouse, child, mother, father, sister, brother, mother-in-law, father-in-law, **member** of his step family, grandparent, grandparent-in-law and grandchild. Such employee will be paid eight **(8)** hours pay per day at the rate he received on the last day **worked** before such leave for each day **following death of the employee's relative up to and including the day after the funeral provided such days are regular working days upon**

which the employee would have otherwise been scheduled to work and the leave does not exceed three (3) days.

An employee will be granted on the same basis **as** stated above a one (1) day paid leave of absence from work in the case of absence due to the death of the employee's daughter-in-law, son-in-law, brother-in-law, or sister-in-law.

5.09 Employees shall receive their pay Thursdays.

5.10 It is agreed that any employee who has been in the employ of the Company for a period of sixty (60) days of actual work within a period of one (1) year **and** who has been laid off and rehired within one (1) year from the date of lay-off will receive, on rehiring, the rate of pay which **was** being received by him **at** the time of lay-off, together with any increases agreed to during the period of lay-off. Provided that, in any case, the rate of pay to be received by such an employee, upon rehiring, shall not exceed the rate then being paid to employees who have completed sixty (60) days **of** actual work.

5.11 Quality chairperson will be given copies of the current job descriptions for jobs in their respective units.

ARTICLE VI
SHIFT PREMIUMS

6.01 **A shift premium of fifty-nine (59) cents shall be paid for all hours worked after 3:00 p.m. on a regular afternoon (second) shift and a shift premium of eighty one (81) cents for all hours worked prior to 8:00 a.m. on a regular night (third) shift. To qualify for a shift premium on the night (third) shift, an employee must work the majority of his standard eight (8) hours on that shift, prior to 8:00 am. To qualify for a full shift premium on the afternoon (second) shift or night (third) shift, an employee must work fifty percent (50%) or more of his standard eight (8) hours on his respective shift.**

On the 3rd year of contract an increase of five (5) cents per shift premium will take effect, resulting in a shift premium of sixty-four (64) cents for the afternoon (second) shift and eighty-six (86) cents for the night (third) shift.

ARTICLE VII
HOURS OF WORK

7.01 (a) Hours of work shall be scheduled by the Company in accordance with its requirements.

- (b) It is agreed and understood that Monday commences at **12:00** a.m. (Sunday midnight).

7.02

- (a) Time and one-half shall be paid for all hours worked in excess of eight (8) hours per day or forty **(40)** hours per week, Monday through Friday. Only overtime authorized by supervision will be paid. The overtime rate will be determined by dividing the weekly salary by forty **(40)** hours. Overtime will be calculated **and** paid to the closest quarter (1/4) of an hour.
- (b) During the period that tomatoes are being processed, probationary and seasonal employees shall be paid overtime at the rate of time and one half for all hours worked in excess of forty **(40)** hours per week. The Company shall post notices prior to any work week when this period shall begin.

7.03

Time and one-half shall be paid for all hours worked on Saturday and double time for all hours worked **on** Sunday.

7.04

- (a) (i) When the Company decides that overtime work is necessary, throughout the period of Monday to Friday, inclusive, it will be **first** assigned to employees on the same shift, who **are** performing the work required and

then by shift seniority within the existing overtime group arrangement, provided they are ready and available for such work.

- (ii) When overtime work is required on Saturday, Sunday or a paid holiday, it will be allocated by seniority on a shift basis within the existing overtime group arrangement, provided the employees concerned have the necessary skill, merit and ability to perform the work required. Shifts will be determined by the following guidelines:

- 7.04 (b) (i) The employee shall be deemed to be working on the shift on which he has spent the majority **of** his time during the week, Monday **to** Friday, preceding the Saturday and Sunday overtime. Example: **An** employee who works three (3) days **on** days and two (**2**) on nights would be considered for the day shift overtime on Saturday and Sunday, even **though** he was not on days on the Friday preceding the overtime.
- (ii) In a week in which a paid holiday occurs, the holiday shall be considered **as** a day shift, provided the employee does not work a different shift on the holiday.

(iii) If an employee is absent due to illness, he shall be considered **as** working on the shift he was scheduled for the day he took sick.

(iv) Employees trading **an** individual day **or** night shift or by the week, shall be considered **as** working on their original scheduled shift.

(b) (v) Tomato Seasonal Continental Work Week

Eight (8) week duration (only)

All departments (all units)

5 x 8 hour shifts starting any day of the week/five (**5**) days on, **two** (2) days off.

All hours in excess of eight (8) hours per shift (forty (**40**) hours per week) will be paid at one and one-half ($1\frac{1}{2}$) times the regular rate.

Employees required to work on the sixth (**6th**) or seventh (**7th**) day will be paid **at** a rate of one and one-half ($1\frac{1}{2}$) times **for** all hours worked.

The number of times the affected employees will be expected to work Saturday/Sunday at regular rate will be limited to five (5) times out of the eight **(8)** week period. This is unlikely to impact more than 200 employees.

During the **season**, it is agreed that the sixth **(6th) and** seventh **(7th)** consecutive work day shall be treated **as** a Saturday and Sunday with respect to the hours of work and overtime provision in the Collective Agreement with the exception that the seventh **(7th)** day will be paid at the rate of time and one-half for all hours worked, (rather than double time).

The Union/Management Committee will meet to develop a detailed schedule for the **affected** employees.

Applies to seasonal and probationary employees only.

- 7.04 (c) **When** the Company decides that overtime work is necessary on Sunday, during the tomato season and pickle season, it will be allocated **as** outlined in 6.04 (a) above provided the assignment of overtime does not interfere with **normal** shift rotation.

7.05 In any week in which a paid holiday **as** provided by this Agreement falls, the Company shall pay time and one-half for all hours worked in excess of eight (8) hours per day or thirty-two (32) hours per week.

7.06 If not enough employees have agreed to come in to work from the existing overtime group then the unit seniority list will be **used**, in descending order **of** seniority, until enough people are found, subject to skill, merit and ability.

ARTICLE VIII **HOLIDAYS**

8.01 (a) Employees other than probationary employees who work on the day upon which any of the following holidays is observed, namely:

New Year's Day	Civic Holiday
Good Friday	Labour Day
Easter Monday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day

shall be paid at the rate of time and one-half for all hours worked in addition to the holiday allowance of eight (8) hours **as** provided in paragraph 7.02.

These payments shall be computed on the basis of the rate applicable to the job performed.

- (b) Two (2) additional days **as** determined by the Company will be granted **as** a recognized holiday during the Christmas season.
- (c) A holiday allowance of eight (8) hours will be paid for the last working day prior to Christmas Day and last working day prior to New Year's Day subject to the conditions set out in paragraphs 7.02 and 7.03.
- (d) Each of the holidays will be observed Monday through Friday.

8.02

Employees other than probationary employees not required to work on such recognized holidays shall receive a holiday allowance of eight **(8)** hours **at** the rate paid the employee the last working day before the holiday, provided he works his full scheduled working day immediately preceding and his full scheduled working day immediately following such holiday unless absent for any of the following reasons:

- (i) Personal illness (proven by a Doctor's certificate acceptable **to** the Company);
- (ii) Quarantined by order of a qualified health authority;
- (iii) Death in the immediate family;

- (iv) Compulsory Court attendance **as** a witness or on **jury** duty;
- (v) If absent up to five **(5)** working days when written leave-of-absence therefore has been granted by the employee's Department **Head**;
- (vi) Absent **on** bona fide Union business up to ten **(10)** working days.

8.03 In order **to** qualify for pay for the holidays **as** above, the employee's scheduled working day herein before referred to must fall within three **(3)** working days before and within three **(3)** working days after the said holiday (or within six **(6)** working days before and within six **(6)** working **days** after the said holiday where paragraph 7.02 (i) applies) and must be worked.

ARTICLE IX

REPORTING ALLOWANCE & CALL IN PAY

9.01 **An** employee who is scheduled or notified to report for work and who does report for work on time shall be entitled to a minimum of four **(4)** hours straight-time pay, unless previously notified by the Company not to report for work, provided that no reporting allowance shall be paid for **any** period of time worked by **an** employee within his regularly scheduled shift. Provided further, that if requested by the **Company**, the employee shall perform a minimum of four **(4)** hours of such available work **as** the Company may

assign, and **further**, provided, that the Company's obligation to grant minimum reporting pay **as** above provided shall not apply where failure to furnish work is due to **causes** beyond the Company's control.

- 9.02 **An** employee who is called and returns to work after he has completed his scheduled shift and has **left** the premises of the Company, shall be paid, regardless of the amount of time worked, not less than four **(4)** hours straight-time pay.

ARTICLE X **SENIORITY**

- 10.01 Seniority means length of continuous service with the Company. It entitles the employee to preference in cases of decrease or increase of the working force.
- 10.02 **An** employee shall acquire seniority after completing the probationary period of sixty **(60)** consecutive working days with the Company or after sixty **(60)** intermittent working days within a period of five **(5)** consecutive months but without necessarily having worked in each of such months and when ~~so~~ acquired, the employee's seniority commences from the date first hired.
- 10.03 Seniority will be applied separately in the following groups, subject to such change in the **future as** the

interests of the business may require and **as** agreed to by the Union:

1. Quality Control
2. Factory Offices

- 10.04 (a) **A** new employee's seniority applies in the group to which he is assigned at the end **of** his probationary period and continues in that group until the employee is transferred to another group;
- (b) **An** employee who has completed his probationary period may file a grievance claiming he has been improperly classified.
- 10.05 The Company will post in suitable locations, **a** seniority list for each group, showing the name and seniority **of** each employee and will revise the list every six (6) months as required. The **Local** will be provided with copies of the seniority lists.
- 10.06 (a) The Company recognizes the importance of seniority **as** a factor to be considered **along** with skill, ability and requirements of the job in respect of transfers, demotions, promotions, temporary layoffs and recalls to work thereafter within each separate group **and** when skill, ability and requirements **of** the job are relatively equal between employees, then group seniority is

recognized as the prevailing factor in the making of a selection;

- (b) In the application of paragraph 9.06 (a) the time spent in filling a temporary vacancy shall not result in an employee being given preference over employees who normally perform the job.

10.07

- (a) In the case of layoffs other than temporary or for a temporary shutdown, the following procedure shall apply;
 - (i) Probationary employees shall be laid off first;
 - (ii) Thereafter, employees shall be laid off on the basis of the employee's chronological time of hiring, provided that the employee has the necessary skill, ability and requirements of the job to perform the required work. However, this paragraph does not apply to the technical employees of the groups which shall be governed by the provisions of paragraphs 9.03 and 9.06;
 - (iii) In the application of Section (ii) above, the redundant employee shall exercise his departmental and group seniority and then unit-wide seniority, provided he is able to perform the work. The employees that are displaced by a redundant employee, will follow the regular bumping process.

(b) Employees shall be recalled in the inverse order of being laid off, provided that the employee has the necessary skill, ability and requirements of the **job** to perform the required work.

(c) Annual Plant Shutdowns

Two (2) weeks in July

Two (2) weeks in December
Statutory Holidays will be included in the two (2) week shutdown in December.

Posted by February 1st indicating what departments will be shutdown.

If after February **1st** changes are required that necessitate departments working, volunteers will be **sought** by Department seniority and then by Plant seniority.

Two (2) weeks mandatory vacation must be taken during the July shutdown for those employees with four (**4**) or more weeks of vacation, effective calendar year 2002.

10.08

(a) The term "vacancy" for the purposes of this Article shall be defined **as an** opening in the group seniority list where the number **of** persons

required by the Company exceeds the number employed therein, due to an employee's transfer, death, **retirement**, termination of employment or an opening of a new group, and the duration of which is expected to exceed sixty five **(65)** working days. The vacancy will be posted for three (3) working days throughout the factory. Applications for transfer to a posted vacancy may be made in writing by employees throughout the factory who have more than **two (2)** years' seniority.

- (b) In making a transfer, seniority will govern where skill, merit and ability **are** comparatively equal, it being understood that the Company will not be obligated to select an applicant if the applicant is not able to meet the **normal** requirements of the job. Nothing herein contained will prevent the Company from filling such vacancy with a candidate from outside the bargaining unit if none of the applicants from within the unit possess the necessary skill, merit and ability.
- (c) The job vacated by an employee transferred under these provisions will be posted but any subsequent vacancy resulting therein, will not be subject to posting.

- (d) **An** employee who fails to fill the requirements of a posted vacancy, at the option of the Company, will be transferred back to the group he worked in immediately preceding the transfer-if he would have continued to work in that group except for his selection to the posted vacancy, or to some other group. Such employee may not apply for the same posted vacancy for a period of twelve (12)months.
- (e) In the case of arbitration, not more **than one (1)** employee may claim **an** improper selection for the same posted vacancy.

- 10.09
- (a) **An** employee who is transferred from one **(1)** group to another group **as** a result of his own request, acquires no group seniority in that new group for a period of six **(6)**months except over employees brought into the group after **the** date of his transfer, but if retained in that group after a period of six **(6)**months, the employee's total seniority shall be transferred **to** the new group.
 - (b) Where the transfer of **a** person in the employ of the Company from outside the bargaining unit into the bargaining unit is mutually agreed upon between the Company and Union, such person (employee) acquires no seniority within **the** bargaining unit for a period of six **(6)**months

except over employees brought into the bargaining unit after the date of his/her transfer, but if retained in the bargaining unit after a period of six (6) months, the employee's bargaining unit seniority will be based upon his/her total service with the Company.

- (c) In the application of (b) above, an employee who fails to fill the requirements of the position within six (6) months from transfer into the bargaining unit, at the option of the Company, will be transferred back to the group he/she worked in immediately preceding the transfer if he/she would have otherwise continued to work in that group except for his/her transfer, or to some other group within his/her original bargaining unit for placement, if any, on the basis of skill, ability and seniority.

- (d) In the application of (b) above, for the purpose of lay offs within the period of one (1) year following the employee's transfer into the bargaining unit from outside the bargaining unit, at the option of the Company, will be transferred back to the group he/she worked in immediately preceding the transfer if he/she would have otherwise continued to work in that group except for his/her transfer, or to some other group within

his/her original bargaining unit for placement, if any, **on** the basis of skill, ability and seniority.

- (e) The Company and the Union agree, where practical, the Company will ~~try~~ and place employees absent **on** sick leave or compensation, **on** jobs which they are capable of performing. If necessary, in the assignment of this work, the employees **must** agree to waive their seniority rights.

- 10.10** (a) **An** employee who is transferred from one group to another group by the Company acquires no seniority in the new group for a period of **three (3)** months, except over employees brought into the group after the date of his transfer but if retained in that group after a period of three (3) months, his group seniority, based upon his total service with the Company, applies in such new group. However, an employee, who is transferred by the Company to a new group **as** a result of a reduction in the number of employees in his former group due to a technological change, shall acquire seniority in the new group **as** of date of transfer.
- (b) In the application of the above, an employee who is rendered redundant or displaced from his job as a result of technological change shall exercise his departmental and group seniority and then

unit-wide seniority, provided he is able to perform the work.

The employees that are displaced by a redundant employee will follow the regular bumping procedure.

- c) Notwithstanding the above displacement procedures, the Employer and the Union, at any time, **can** formulate special measures to modify the above displacement procedures to take into account the desire of the parties to minimize the impact of displacement or **to deal with** particular operational considerations.

10.11 When **an** employee, after being transferred is laid off, such layoff shall not interfere with the accumulation of seniority in the new group. When recalled, such **an** employee will have preference over employees with less group seniority to come back into the group he was working **at** the time of the layoff. When recalled, the accumulation of seniority will continue until six (6) months after the date of the **first** transfer, or three (3) **months**, whichever is applicable.

10.12 **An** employee transferred to **any** position within the Company excluded **from** the bargaining unit covered by this Agreement and subsequently transferred back to a position in the bargaining unit within a period of

one (1) year, shall retain his **full** seniority within the bargaining unit and shall be considered to have been continuously employed therein. Any other employee **transferred** from a position within the Company outside the bargaining unit to a position covered by this Agreement, shall acquire seniority in the bargaining unit **as** of the date of his transfer.

- 10.13** In the event of a temporary shutdown of one **(1)** or more groups, group seniority will apply **to** the employees involved with respect to **shutdowns of two (2) weeks** duration or less, provided that this may only be applied once per calendar year to the same employees. **However, this article shall not apply to the July and December shutdowns as detailed in Article 9.07 (c). For the purpose of clarity, the December shutdown ends on December 31 of each calendar year and any and all part weeks for the purpose of this article are deemed to be a full week of shutdown.** If any **of** the paid holidays under paragraph 7.01 occur during such a shutdown, employees who **are** laid off under this provision shall receive Holiday Allowance in accordance **with** paragraph 7.02, provided they work the full scheduled working day within three (3) working days immediately preceding and within three (3) working days immediately following the shutdown period. Employees who continue to **work** during a shutdown

shall qualify for Holiday Allowance in accordance with paragraphs **7.02** and **7.03**.

- 10.14 Leave of absence, if granted in writing by the Company will not **affect** an employee's seniority rating. **An** employee may, under special circumstances, receive **a** maximum of three weeks leave of absence through his Department Head.
- 10.15** **An** employee loses seniority when the employee:
- (a) Quits or resigns;
 - (b) Is discharged for just cause;
 - (c) In **case** of an employee with less than two (2) years seniority, is laid **off** for lack of **work** for a continuous period in excess of the length of his seniority with the Company. In **case** of employees with seniority of two (2) years or more is laid off for lack of work, for a continuous period in excess of five (5) years;
 - (d) Fails **to** report for work when called without a valid reason; or
 - (e) Fails **to** report for work within seventy-two (72) hours after being sent a **written** notice by registered mail addressed **to the** employee's last

address known to the Company, advising that all seniority rights shall terminate if the employee fails to report within seventy-two (72) hours of such notice, unless the employee obtains a written extension of the time within which to report within seventy-two (72) hours of such notice.

- 10.16 (a) A pregnant employee may apply for and take a leave of absence at the end of five months of pregnancy and shall be entitled to be re-employed with full seniority rights provided she reports for work within two months after the birth, unless she produces a medical certificate satisfactory to the Company showing that she is unable to do so.
- (b) In the case of adoption of a pre-school child, the mother or father may apply for leave of absence of three (3) months effective the date of receipt of the child and shall be entitled to be re-employed with full seniority rights at the termination of such leave.
- 10.17 (a) The local Union President, Chief Steward and Chairperson shall have the privilege of working on the day shift.
- (b) The ~~first~~ Vice-president, Assistant Chief Steward and person replacing the Chairperson shall have

the privilege of working on the day shift if the President, Chief Steward, or Chairperson is respectively absent for extended periods of time such **as** vacations, conventions, etc.

- (c) The Chief Steward or his/her replacement will be paid at a rate of pay determined by his/her classification or years of service.

10.18 **An** employee who **presents** a medical certificate showing that he has **been** ill or displaced by accident shall maintain his seniority rights during the period of such illness.

10.19 The Company will endeavour to place **an** employee having long and faithful service who has become unable **to** handle **his** job in another job which he is competent to perform.

ARTICLE XI
VACATIONS

11.01 Each regular employee shall be entitled to a vacation, its length **to** be determined **as** follows:

- (a) If employed less than ten **(10)** months during the previous **fiscal** year, one **(1)** day of vacation during the second **fiscal** year for each full calendar month of service in the previous **fiscal** year;
- (b) If employed ten (10) months or more but less **than** one **(1)** full fiscal year during the previous fiscal year, two (2) weeks of vacation in the second (2nd) **fiscal** year;
- (c) During the fiscal year in which the employee celebrates his second **(2nd)** and each subsequent anniversary date of service, each **regular** employee shall receive two (2) weeks **of** vacation with pay;
- (d) During the **fiscal** year in which the employee celebrates his fifth **(5th)** and each subsequent anniversary date of service, each regular employee shall receive three (3) weeks **of** vacation with pay;

- (e) During the fiscal year in which the employee celebrates his tenth (10th) and each subsequent anniversary date of service, each regular employee shall receive four **(4)** weeks of vacation with pay;
- (f) During the fiscal year in which the employee celebrates his eighteenth (18th) and each subsequent anniversary date of service, each regular employee shall receive five **(5)** weeks of vacation with pay;
- (g) During the fiscal year in which the employee celebrates his twenty-fifth (25th) and each subsequent anniversary date of service, each regular employee shall receive **six (6)** weeks of vacation with pay;

11.02 Five **(5)** working days shall constitute one (1) week.

11.03 Vacation with pay shall be calculated **as** follows:

- (a) Employees entitled to two (2) weeks or less vacation • four percent **(4%)** of earnings for the preceding fiscal year;

- (b) Employees entitled to three (3) weeks vacation - six percent (6%) of earnings for the preceding fiscal year;
- (c) Employees entitled to four (4) weeks vacation - eight percent (8%) of earnings for the preceding fiscal year;
- (d) Employees entitled to five (5) weeks vacation - ten percent (10%) of earnings for the preceding fiscal year;
- (e) Employees entitled to six (6) weeks vacation - twelve percent (12%) of earnings for the preceding fiscal year;
- (f) Vacation pay shall be calculated as follows:
 1. If the employee has worked 500 or more hours during the preceding **fiscal** year, two percent (2%) of earnings for such preceding fiscal year for each week of vacation entitlement, or the equivalent of the employee's regular hourly wage rate for the forty (40)-hour week, whichever is greater,
 2. If the employee has worked less than 500 hours during the preceding fiscal year, two percent (2%) of the employee's earnings for such

preceding fiscal year for each week of vacation entitlement;

3. In calculating the time worked, absence while receiving Workers' Compensation, weekly indemnity or casual union business, paid holidays and vacations will be credited **as** time worked on the basis of eight (8) hours for each day the employee would otherwise have regularly worked, provided that the employee has worked during such preceding **fiscal** year.

- 11.04**
- (a) **When** a paid holiday occurs while **an** employee is on vacation, he will be paid holiday pay in addition to **regular** vacation pay.
 - (b)
 - (i) Employees will have the option of taking an additional day **off** on either the Friday preceding or the Monday following their vacation if a paid holiday occurs during their regular vacation period. The Employees must notify supervision of their intention no later than one **(1)** week prior to the commencement of their vacation.
 - (ii) Employees whose vacation monies **are** considerably reduced because of absence the preceding **year**, may elect to take a reduced vacation time during the current year

equivalent to the amount of their vacation monies. The amount of vacation time to be taken is to be reviewed by the Human Resources Department, subject to legal requirements.

- 11.05 Employees entitled to a vacation will take it when convenient to the Company. Exceptions to **this** policy will only be granted under special circumstances and must be approved by the Vice-president concerned.
- 11.06 When practicable, vacations will be scheduled **as** requested by the employees in the employee seniority order except that efficient operation of the Company shall be the **first** consideration and the Company shall have the right to assign vacations on that basis.
- 11.07 **An** eligible employee upon being laid off indefinitely without having received the paid vacation provided under this Article, will receive vacation pay accumulated to the employee's credit at the **end** of the previous fiscal year, unless the employee notifies the Company in writing at the time of layoff that he prefers to postpone such paid vacation until **later** in the **fiscal** year in which he is laid off. Vacation pay will be made by Direct Deposit.
- 11.08 Upon termination of employment, an employee will receive vacation pay accumulated to his credit.

ARTICLE XII
NON STRIKE PROVISION

12.01 The Union agrees to accept and abide by all the terms and conditions of this Agreement and during its term will not permit its members to engage in any walk-out, sit-down, slow-down or other interference with or interruption of work and that it will not call, countenance or otherwise encourage any walk-out or strike.

Any employee violating this provision shall be subject to disciplinary action **as** determined by the Company. The Company *agrees* to accept and abide by all the terms and conditions of this Agreement and during its term will not lock out the employees.

ARTICLE XIII
GRIEVANCE PROCEDURE

13.01 The Union will appoint, from among employees who have completed their probationary period, and the Company will recognize five (**5**) Stewards and a Committee comprised of not more than three (**3**), one (1) of whom shall be the Chairman of the Committee.

13.02 (a) Each Steward or Committeeman shall be permitted **to** function **as** such only **as** provided

herein. It is understood that the Stewards and Committeemen have their regular work to perform **on** behalf of the Company and will spend only such time during working hours **as** is necessary to service grievances **as** provided under the grievance procedure. If it is necessary to service a grievance **as** authorized by this Agreement, they will not leave their regular work without **first** obtaining the permission of their Department Head.

It is also understood that a Steward shall not enter another Department without first obtaining the permission of the Department Head of such Department and notifying him **as** to the nature of the grievance and the personnel involved. The Steward upon leaving a Department after servicing a grievance, will notify the Department Head thereof, and upon resuming his regular work, **after** servicing a grievance in his **own** or another Department will **report** to his own Department Head.

Whenever, in the opinion of the Department Head concerned, more than a reasonable **period** of time has been **taken** by a Steward in servicing a grievance, the Steward's Department Head may decline **to** approve payment to such Steward for such excess time. The Chief Steward shall be

full-time, paid by the Company but maintain seniority rights for departmental seniority

- (b) All grievances shall be dealt with during working hours where possible without loss of time or pay to the parties involved.

13.03 **When** an employee is being disciplined for any reason, he may elect, at his discretion to have a Union representative present during any interview.

13.04 The Local shall notify the Company in writing from time to time of the names of the Committeemen and Stewards.

13.05 The Company will supply the Chairman of the Committee with **a** list of the Department Heads and Assistant Department Heads excluded from the provisions of this Agreement **as** aforesaid and will notify the chairman **of** any changes thereto.

13.06 It is understood that an employee has no grievance until he has given his Department Head **an** opportunity to adjust his complaint which shall be presented by the employee, who shall be accompanied **by** the Group Steward, to his Department Head within three (3) **full** working days after the circumstances giving rise to the complaint have originated or occurred. If an employee has an unsettled complaint, it may be taken

up as a grievance within three (3) full working days after receiving the Department Head's decision in the following manner and sequence;

Step No. 1:

Between the employee, who may be accompanied by the Group Steward, and his Department Head. The grievance shall be presented in writing and the decision of the Department Head shall be given in writing within two (2) full working days following presentation of the grievance;

Failing settlement, then:

Step No. 2:

The matter may be presented in writing within **two (2)** working days to the Human Resources Department and the Human Resources Department's written decision given within not more than three (3) working days following receipt of the written grievance at this step;

Failing settlement, then:

Step No. 3:

Within five (5) full working days following the decision under Step 2, the grievance shall be submitted as part of the agenda for a meeting between the Company's representatives and members of the Union Committee, not exceeding five (5) in number. **An** International Representatives of the Union may be present at such meeting. The decision of **the** Company's representative shall be given in writing within five (5) full working days of the said meeting.

- 13.07** Failing settlement of any difference between the parties under Step No. 3 of the Grievance Procedure arising from the interpretation, application, administration or alleged violation of this Agreement, including any question as to whether a matter is arbitrable, such difference or question may be taken to arbitration as provided in Article XIV. If no written request for arbitration is received within ten (10) working days after the final decision under the Grievance Procedure is given, it shall be deemed to have been settled or abandoned.
- 13.08** Any difference arising directly between the Company and the Union may be submitted by either party at Step No. 3 of the Grievance Procedure and time limits provided thereby shall appropriately apply to both parties.
- 13.09** The aggrieved employee may be present during each step of the Grievance Procedure and at Arbitration.
- 13.10** When a group of employees has a complaint or grievance it shall first be taken up under Step No. 2 and they may be represented by the appropriate Steward and not more than two employees.
- 13.11** Any adjustment arising under a settlement through the Grievance Procedure or under a decision of an

Arbitration Board shall not be made retroactive prior to the date the matter is first presented under the Grievance Procedure, except **as** to improper classification or bookkeeping error involving an employee's earnings.

- 13.12** All decisions arrived at, **between** representatives of the Company and the representatives of the Union, at any step of the written Grievance Procedure shall be final and binding on the Company, the Union and the employee or employees concerned. The Company shall submit a **written** reply **to** each Written grievance.
- 13.13 Failure of the Union or employees to comply with the time limits in Steps **1, 2** and **3** above, shall be considered **as** acceptance of the last answer given, thus disposing **of** the grievance. Failure **of** the Company to comply with the time limits provided in Steps **1, 2** and **3** above shall be considered a **refusal** of the request involved in the grievance and immediate **appeal** to the next step in the procedure may be taken. **When** either party desires additional time within which to properly process a grievance, additional time within reasonable limits shall be granted by the other party upon written request.
- 13.14** At any step in this grievance procedure, the Executive Board of the Local Union shall have the final authority in **respect** to any aggrieved employee

covered by this Agreement, to decline to process a grievance, complaint, difficulty or dispute further if, in the judgement of the Executive Board, such grievance or dispute lacks merit or lacks justification under the terms of this Agreement, or has been adjusted or justified under the terms of this Agreement to the satisfaction of the Executive Board.

Once the aggrieved employee has been notified either by their Steward or the Union Business Representative that their grievance is being dropped because of lack of merit, the aggrieved employee has fifteen **(15)** calendar days to appeal that decision by sending a letter **to** the Union President requesting to appear before the Union Executive Board.

- 13.15** Notwithstanding anything contained in this Agreement, the provisions of this Article and the provisions of Article XIV of this Agreement do not apply to probationary employees, nor shall the provisions of this Article or the provisions of Article XIV of this Agreement be available **to** the Union on behalf of any probationary employee.

ARTICLE XIV **ARBITRATION**

- 14.01** When either party requests that any matter be submitted to arbitration as herein before provided, it

shall make such request in writing addressed to the other party to this Agreement, and at the ~~Same~~ time nominate an arbitrator. Within five **(5)** days thereafter the other party shall nominate ~~an~~ **an** arbitrator; provided, however, that if such party fails to nominate ~~an~~ **an** arbitrator ~~as~~ **as** herein required the Minister of Labour for the Province of Ontario shall have power to effect such an appointment upon the application thereto by the party invoking arbitration procedure. The ~~two~~ **two** (2) arbitrators shall, within five **(5)** days of the appointment of the latter of them, attempt to select by agreement a Chairman of the Arbitration Board. If they ~~are~~ **are** unable to agree upon such a Chairman within such a period of five **(5)** days, they shall ~~then~~ **then** request the Labour Arbitration Commission to ~~assist~~ **assist** them in selecting ~~an~~ **an** impartial Chairman, provided that the Chairman shall be ~~selected~~ **selected** from other than the Civil Service and shall be chosen having regard to his impartiality, his qualifications in interpreting collective bargaining agreements and his familiarity with industrial relations.

14.02 No person may be appointed ~~as an~~ **as an** arbitrator who has been involved in ~~an~~ **an** attempt to negotiate or settle the grievance.

14.03 No matter may be submitted to arbitration which has not been properly ~~carried~~ **carried** through all previous Steps of the Grievance Procedure.

- 14.04 The Arbitration Board shall not be authorized to make any decision inconsistent with the provisions of this Agreement, nor to alter, modify or amend any part of this Agreement.
- 14.05 The proceedings of the Arbitration Board will be expedited by the parties hereto, and the decision of the majority, or failing that, the Chairman of such Board, will be **final** and binding upon the parties hereto and the employee or employees concerned.
- 14.06 Each of the parties hereto will bear the expense of the arbitrator representing it, and the parties will jointly bear the expense of the Chairman of the Arbitration Board.

ARTICLE XV

FOR UNION REPRESENTATIVES

- 15.01 (a) A leave of absence with seniority maintained will be granted for a period of two (2) years to two (2) employees (only one (1) per department) at any time accepting a full-time position with the Union subject to renewal upon mutual agreement of the Company and the Union.

For the interpretation of this clause for leave of absence for union representatives means that the time spent on leave of absence is accumulated for seniority purposes only, but not for fringe benefits, e.g. pension service, etc., unless specifically **agreed** upon.

- (b) Reasonable time off with seniority maintained shall be granted to Union representatives to attend bona fide Union business, provided competent replacements **are** available for those employees desiring to be away **from** work. Every consideration will be given a Union officer to make it possible for him to attend Union meetings.

ARTICLE XVI

SICK AND WELFARE PLAN

16.01 The Company **agrees** to assume the **cost** of the following Sick and Welfare Plans with respect to each employee while in the active employment of the Company who is eligible for benefits thereunder:

- (a) Ontario Health Insurance Plan;

- (b) (i) The Weekly indemnity **Plan** providing a maximum coverage of fifty-two **(52)** weeks shall provide a weekly indemnity allowance equivalent to the sixty-six and two-thirds ($66 \frac{2}{3}$) percent Unemployment **Insurance** Commission Plan for employees who qualify thereunder;
- (ii) For employees with less than one (1) year's service ~~with~~ the Company, benefits provided will be the length of Company Service;
- (iii) Weekly indemnity payments will continue only while employees are on the active payroll;
- (c) (i) A regular employee who loses time through an injury, sickness or disease, where Workers' Compensation Benefits are not payable, and on producing a medical certificate shall be paid his regular wages until he is eligible for his weekly indemnity; **If the employee leaves ill during their regularly scheduled shift, they will be paid for the remainder of the shift providing they have obtained approval from the health centre or otherwise submitted medical documentation.**
- (ii) Where Workers' Compensation Benefits accrue on account of injury, this will be in lieu of payment of wages by the Company;

- (d) All regular employees shall be entitled to Weekly Indemnity benefits immediately upon reinstatement on the payroll following a lay-off;
- (e) Supplementary Hospitalization Plan to be continued;
- (f) The Company will pay the first \$6.50 for dispensing fees on prescriptions.
- (g) The present supplementary Health Care Benefit Plan will remain in effect;
- (h) The Company will provide a Dental Plan; nine (9) month check-ups;

The O.D.A. will be maintained with a two (2) year lag period.

- (i) The present Long Term Total Disability Plan will remain in effect;
- (j) Out-of-Province/Country emergency treatment;
- (k) The Company will provide a basic vision care plan; 1 pair every two (2) years; \$200 every two (2) years. The Company will pay up to Thirty (\$30) dollars for an annual eye exam when it is

not covered by O.H.I.P. A receipt is to be forwarded to the benefit provider for reimbursement.

- (l) Physiotherapy treatment covering visits to licensed clinics.
- (m) Chiropractor coverage **\$300** per year;
- (n) Benefit maximum per life time for retirees or their dependents **\$30,000**
- (o) Option to continue Life Insurance after retirement at same cost (after 05/01/98) up to age sixty-five **(65)**;

- 16.02
- (a) The Plan documents for all sick and welfare benefits provided under the agreement are an integral part of the Collective Agreement and are hereby incorporated by reference into it. The Company will provide the Union with complete and current documents of all benefit plans.
 - (b) The Company will ensure and agree if Benefits Carrier is changed the same coverages will apply.

ARTICLE XVII

UNIFORMS

- 17.01 Will be issued according to Company/Government regulations.

ARTICLE XVIII

BULLETIN BOARDS

- 18.01 *The* Company **agrees** to maintain bulletin boards on which the Union may post notices of the time **and** place of meetings, recreations, social **affairs** and elections and names of **officers** or accredited representatives and such other notices **as** may be approved by the Company. The Union shall deliver one **(1)** copy of each such notice to **the Human Resources Department** one-half hour (**½**) prior to posting.

ARTICLE XIX

REST PERIODS

- 19.01 Employees shall be entitled to two (2) rest periods of ten (10) minutes each for each eight **(8)** hour day.

HEALTH AND SAFETY

- 20.01** The Company will make reasonable provisions for the safety and health of the employees in the plant during their working hours.
- 20.02** A Union representative will be appointed by the Union to the Company's Safety Committee to attend safety meetings. The Company agrees to notify this Union Safety Representative of any lost time accidents in the bargaining unit.
- 20.03** The Company will provide safety shoes to all employees who are required to wear them.
- Safety Shoes Allowance to be \$100 per year.

GENERAL

- 21.01** The Chief Steward and Chairperson will be furnished with a copy of any employee report given to an employee.
- 21.02** (a) The Company **agrees** that no employee shall be discharged or disciplined except for just **cause**.

- (b) The Company agrees that where meetings **are** held with employees concerning their work or conduct, which implements any **form of** official reprimand, discipline or discharge, **a** Shop Steward or Union Representative will be present. The Shop Steward or Union Representative shall leave the meeting if requested to do **so** by the employee.

- (c) The Union understands the importance the Company places on its Rules and Regulations in regards to punctual and steady attendance, proper notification in case of absence and conduct on the job.

21.03

- (a) During the term of the Collective Agreement and except for cases of emergency, experimental work and instruction of employees work that **is** traditionally performed by employees covered by this **Collective** Agreement shall not **be** contracted **out** to be performed within the Leamington facilities by any persons not covered by this Collective Agreement.

- (b) The Company shall not contract out any bargaining unit work within the four walls of the Heinz facility beyond the degree that presently exists unless specifically agreed to, in writing, by the Union. Any written agreement entered into under this provision shall clearly

state the duration, duties and purpose of the permitted contracting out of work. All agreements under this provision are deemed to conclusively expire with this agreement as provided for in Article XXII - Termination and Renewal and shall not survive the stated expiry date.

- (c)** It is agreed that articles 21.03 (a) and 21.03 (b) shall not otherwise take away from the provisions of Article IV - Management Rights.

TERMINATION AND RENEWAL

- 22.01** This Agreement shall remain in effect until April 30, 2007 and shall continue in force thereafter from year **to year** unless either party shall have given sixty (60) days notice to the other of its desire to terminate the same. In the event of such notice of amendment or termination by either **party**, each party shall submit to the other party, within fifteen (15) days thereafter its proposed amendments, if any, to this Agreement and the parties **agree** to meet to commence negotiations with respect to such amendments within not later than a further period of fifteen (**15**) days.

EXECUTED at LEAMINGTON, ONTARIO

this ___ day of _____, 2004.

FOR:

FOR THE COMPANY

**Ross Craig
Chris MacDonald
Don Piche
Carolyn Lang
Larry Ruffner**

FOR THE UNION:

**Paul McGee
Rob Milkins
Robert Crawford
June Davie
Ed Bodayla
~~Robert~~ Adams
Dan Bachynski
Archie Cervini
Cindy Hutchins
Kevin David
Bob Martin
Ed Carney**

APPENDIX "A"
SALARY PROGRESSION SCHEDULE
EFFECTIVE MAY 1st, 2004

FACTORY OFFICE AND QUALITY CONTROL UNIT

JOB GRADE	AFTER 60 WORKING DAYS	6 MOS.	9 MOS.	12 MOS.
1.	591.02	833.92		
2.	598.42	841.32		
3.	605.40	848.30		
4.	612.80	855.70		
5.	619.79	864.33		
6.	629.24	869.68	877.49	
7.	642.39	863.51	876.66	892.28
7. a	647.74	868.44	882.01	893.93
8.	655.96	869.68	884.06	917.35

LEAD RATE - 31 CENTS/HOUR

EFFECTIVE MAY 1, 2005

JOB GRADE	AFTER 60 WORKING DAYS	6 MOS.	9 MOS.	12 MOS.
1.	608.75	858.94		
2.	616.37	866.56		
3.	623.57	873.75		
4.	631.19	881.37		
5.	638.38	890.26		
6.	648.12	895.77	903.81	
7.	661.66	889.42	902.96	919.05
7. a	667.17	894.50	908.47	920.74
8.	675.63	895.77	910.58	944.87

LEAD RATE - 31 CENTS/HOUR

******NOTE THESE RATES DO NOT REFLECT FUTURE C.O.L.A. FOLD-INS******

EFFECTIVE MAY 1, 2006

GRADE	AFTER 60 WORKING DAYS	6 MOS	9 MOS.	12 MOS.
	628.53	886.85		
	636.40	894.72		
	643.83	902.15		
	651.70	910.02		
	659.13	919.20		
6.	669.18	924.88	933.18	
7.	683.17	918.32	932.31	948.92
7. b	688.85	923.57	937.99	950.67
8.	697.59	924.88	940.18	975.58

LEAD RATE - 31 CENTS/HOUR

NOTE THESE RATES DO NOT REFLECT FUTURE C.O.L.A. FOLD-INS

**PULES AND REGULATIONS GOVERNING THE
OPERATION OF THE JOB GRADING AND JOB
CLASSIFICATION PROGRAM**

1. All job grades and classifications effective June 1, 1998 have been correctly described and assigned to job grades and wage inequities thereby eliminated. Accordingly, no grievance alleging wage rate inequities will be filed or processed except where a job has substantially changed. Subsequent job, whose job descriptions and grading have been approved by the Union as hereinafter provided, will be considered as correct, and no grievance alleging wage rate inequities will be filed.

2. (a) A "change" in a job as referred to herein is one which materially affects its contents or requirements. Changes in a job description alone are not adequate to warrant regrading of an existing job;

- (b) When a new job is established or an old job is substantially changed, a job description for such new or changed job will be assigned to the appropriate job grade, based on comparison with the other jobs in the respective wage schedule which applies;

- (c) A copy of the job description of the new or changed job will be sent to the Union for approval at the earliest possible date after the job has been created, or the changes to the existing job have been made, together with a notation of the job grade;
- (d) Upon commencing an experimental job, changed job, or a new job, an employee will remain at the job classification rate which he regularly received prior to this job, until a job grade rate is assigned to the job. The job will be graded within a three (3) month period where possible;
- (e) If the Union believes that an existing job has changed to an extent sufficient to warrant an adjustment in job grade, it shall notify the Company in writing of its contention and of the adjustment in job grade it contends to be appropriate. Such notice, insofar as possible, shall be given to the Company within fifteen (15) working days after the change in the job is alleged to have occurred;
- (f) **Any** job description and grade proposed by the Company shall be considered accepted by the Union if no written complaint is filed by the Union within fifteen (15) working days after such job description and grade is submitted to the Union;

- (g) Upon receipt of notice that a difference exists concerning the job description or job grading of a new or substantially changed job, the Company representative will meet with the Union Job Grading Committee to discuss the difference and attempt to make a settlement of these differences. The Company will advise the Union, in writing, of their decision regarding the said Job Description or Job Grade;
- (h) (i) If the Company **and** Union **are** unable to reach agreement on the job description or job grading of a job classification within **a** reasonable period of time, the difference will be submitted by either party to an Impartial Arbitrator;
- (ii) The Arbitrator shall be chosen by agreement of the parties within ten (10) working days following their disagreement failing which the Arbitrator will be appointed by **the** Minister of Labour of the Province of Ontario upon the written application of either party;
- (iii) No person may be appointed **as** the Arbitrator who has been involved in an attempt **to** negotiate or settle the matters to be decided by the Arbitrator;

- (iv) The Arbitrator shall not be authorized to make any decision inconsistent with the provisions of these Rules and Regulations, nor to alter, modify or amend any of them;
 - (v) The proceedings of the Arbitrator will be expedited by the parties and the decision of the Arbitrator will be final and binding on the parties hereto and the employee or employees concerned;
 - (vi) The parties will jointly bear the expenses of the Arbitrator.
3. The description and grading of jobs will be in compliance with the following rules;
- (a) The description and grading shall be of the job, not the person performing it;
 - (b) Duties not assigned or approved by Management shall not be considered;
 - (c) The grading shall be based upon average requirements to perform the job satisfactorily rather than upon exceptions to the average;

- (d) The grading shall be based upon the performance of a fair day's work, and employees will be expected to maintain such standards;
- (e) The job descriptions **are** to be sufficiently accurate to reveal **those** features of ~~the~~ job that determine its classification. At the same time, they **are** not intended to provide a complete listing of every individual feature of the job. If new duties, which may be assigned at any time, become a permanent feature of the work, the job shall be reconsidered **as** provided in Section 2.

4. The factors **used** to determine Job Classifications are as follows:

- i. Job Knowledge;
- ii. Education and Training;
- iii. Complexity;
- iv. Responsibility for Judgment;
- v. Responsibility for Accuracy;
- vi. Responsibility for Confidential **Matters**;
- vii. Responsibility for Interpersonal Skills;
- viii. Working Conditions;
- ix. Physical Effort.

5. (a) **An** employee will be classified and assigned to the sixty (60) working-day rate in the appropriate job grade upon obtaining seniority;
- (b) **An** employee who maintains seniority privileges after being laid off for lack of work and being reinstated, is eligible for Job Grading. He will be placed on the salary schedule according to his length of service on the job in the appropriate job grade and classification subject to Clause 6;
- (c) The Company maintains the prerogative to hire technical and skilled employees at rates above the minimum wage rates **as** outlined in the **salary** grid in the collective agreement, provided these rates are not inconsistent with rates paid to employees in the same job classification;
- (d) An employee, who has lost his seniority with the Company by reason of a lay-off shall, on rehiring, be treated **as a new** employee and **must** accumulate the necessary service under Clause 5 (a) hereof in order to again become eligible for job grading.
6. Each employee respectively shall be classified and paid for all hours worked each day the appropriate rate of the wage schedule for the job grade in which he is classified.

7. Employees should be classified and receive their classification rate at all times for all work performed unless permanently promoted, transferred or demoted. Employees transferred shall receive the appropriate job classification rate **as** defined in Clause 6.
8. Employees who work on jobs **graded** on the basis of the employee being required to wear safety equipment will be required to wear such equipment when performing the work which requires such protection.
9. Employees will be paid at their job classification rate for the time spent during working hours attending meetings approved by Management.
10. (a) The wage rate of **an** employee whose job grade **has** been lowered **as** a result of the introduction of the job grading program will be considered "red-circled" and will not be reduced as long as he remains on the same job;

(b) A "red-circled" employee who moves to another job will receive the **grade** and wage rate of the new job classification he performs.

APPENDIX "B"

Modified Cola Formula

Cost of living formula modified to one (1) cent for each 3/10% rise in the CPI for the period May 1st to April 30th.

Amount of payout will be folded into wages effective May 1st of each year.

Retroactive COLA will be paid by separate cheque for all hours worked calculated by fiscal year end, to be paid in June of each year.

APPENDIX "C"

PENSION AGREEMENT

BETWEEN:

H. J. HEINZ COMPANY OF CANADA LTD
Leamington, **Ontario**

(hereinafter called the "Company")

-and-

UNITED FOOD AND COMMERCIAL WORKERS

Affiliated with A.F.L. - C.I.O. and
the Canadian Labour Congress,
on behalf **of** its Local 459

(hereinafter called the "Union")

"Plan" or "Pension Plan" means the "Hourly-rated Employees' Pension Plan" set forth in Plan "A1" hereto or such **amended** or substitute plan **as the** parties may **agree** upon pursuant **to the** provisions of this Agreement, with the following amendments:

AMOUNT OF RETIREMENT ALLOWANCE

For retirements on or after January 1, 2001, the minimum Retirement Allowance payable to a Member shall be equal to \$30.00 per month multiplied by the number of years of his Creditable Service (within the meaning of the Old Plan or this Plan, as applicable).

Effective January 1, 2003: minimum retirement allowance will be \$32.00 per month

The Plan will incorporate the following features:

- a) 1-1/2 per cent of the average of the best five (5) years of the last ten (10) years.
- b) Fifty percent (50%) spouse benefit - surviving spouse of pensioner to receive fifty percent (50%) **of the basic pension. In addition to the normal survivor benefit under the present pension plan, fifty percent (50%) of the supplement will be paid to the surviving spouse until such time as the deceased pensioner would have reached age sixty (65).**
- c) Contribution - four percent (4%) of Gross Earnings.

- d) Supplement of \$19.00 per month per year of pension service, with a maximum service of thirty-one (31) years.
- e) COLA on pensioners receiving this pension • seventy-five percent (75%) of consumer price index to a maximum of six percent (6%).
- f) Pensioners will receive either the minimum guarantee or the percentage formula, which is greater.
- g) A pension seminar will be provided on a yearly basis for perspective retirees.

The Company will provide revised benefit booklets after ratification of this contract.

APPENDIX "D"

NEW PENSION AGREEMENT FOR NEW EMPLOYEES **EFFECTIVE MAY 1ST, 2004**

In lieu of the Defined Benefit Plan described herein, employees hired on or after May 1st, 2004 will be eligible to participate in a Defined Contribution Pension Plan.

A Summary Plan Description will be provided to eligible employees.

IN WITNESS **WHEREOF** the parties hereto have caused their **names to be subscribed to** this Agreement by their respective duly authorized representative this **21st day of June, 2004.**

FOR THE COMPANY

Ross Craig
Chris MacDonald
Don Piche
Carolyn Lang
Larry Ruffner

FOR THE UNION:

Paul McGee
Rob Milkins
Robert Crawford
June Davie
Ed Bodayla
Robert Adams
Dan Bachynski
Archie Cervini
Cindy Hutchins
Kevin David
Bob Martin
Ed Carney

June 1, 2004

Mr. Rob Milkins
President, Local 459
United Food & Commercial Workers
261 Erie St. S.
Leamington, Ontario
N8H 3C4

~~Dear~~ Mr. Milkins:

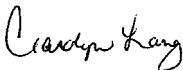
The following is in confirmation of the terms of the Company's long term **total** disability insurance plan.

1. **A** benefit of \$850 per month less a deduction of four percent (4%) **as** the employee's annual maximum contribution to the pension fund for **as** long as the employee is totally disabled but not after the normal retirement at age sixty-five (65).
2. The employee's annual maximum pension contribution will increase as the monthly benefit under the plan increases.
3. The premiums for the employee's continuing life insurance coverage will be paid by the company during the **period** of long term total disability insurance benefit payments.

4. The employee must submit medical evidence satisfactory to the insurance company for acceptance of his claim and **as** required during the period of total disability insurance payments.
5. The long term total disability insurance plan is effective after the completion of fifty-two (**52**) weeks of weekly indemnity payments.
6. The employee may **also** qualify for Canada Pension Plan disability payments. The total benefit of the long term total disability insurance plan plus the Canada Pension Plan disability payments, etc. cannot exceed the 66 2/3% E.I.
7. Eligibility for benefits is one (1) year seniority prior **to** the claim for weekly indemnity which qualifies the employee to apply for the long term total disability insurance plan.
 - a. Employees receiving long term total disability insurance benefits will have normal pension benefits accumulated during the period of long term total disability.
9. If the employee ceases to be totally disabled, the long term total disability insurance will terminate.
10. If the employee continues to be disabled to the extent he is unable **to** perform any of the jobs available at the H. J. Heinz Company of Canada Ltd, his long term disability insurance will continue provided he does not accept employment elsewhere.

11. The Company agrees to qualify employees, whose compensation payments are discontinued and they are unable **to** work under the long term total disability plan, with the following provisions.
- (a) This will be on a trial basis for the term of the Agreement.
 - (b) Any Compensation pension received from Workers' Compensation will be deducted **from** the long term total disability payments.
 - (c) The employee must agree to perform any work that is available in order **to** qualify for the long term total disability provisions.

Yours truly,



Carolyn Lang
Manager, Human Resources

June 1, 2004

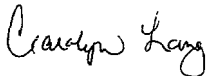
Mr. Rob Milkins
President, Local 459
United Food & Commercial Workers
261 Erie St. S.
Leamington, Ontario
N8H 3C4

Dear Mr. Milkins:

As discussed during negotiations when the day before Christmas and the day before New Year's Day falls on a Saturday or Sunday, the Company will have the option of observing these days on some other day during the Christmas holiday period.

This will be implemented on a trial basis for the term of the agreement.

Yours truly,

A handwritten signature in cursive script that reads "Carolyn Lang".

Carolyn Lang
Manager, Human Resources

June 1, 2004

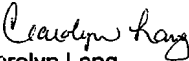
Mr. Rob Milkins
President, UFCW Local 459
261 Erie Street South
Leamington, Ontario
N8H 3C4

Dear Mr. Milkins:

Re: Memorandum of Agreement - Training Trust Fund

As a result of our recent negotiations, this memo **confirms** that the Company will spend at least **\$200,000**. (two hundred thousand dollars) per contract year for training employees represented by the **U.F.C.W. Local 459**, provided the number of said employees remains the same as on **May 1, 2004**. The amount spent annually for training will be adjusted should the number of represented employees increase or decrease.

Yours truly,
H.J. Heinz Company of Canada Ltd.


Carolyn Lang
Manager, Human Resources

Letter of Intent

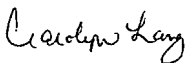
Mr. Rob Milkins
President, Local 459
United Food & Commercial Workers
261 Erie St. South
Leamington, Ontario
N8H 3C4

Dear Mr. Milkins:

Re: Province/Nationwide Protest Day

As discussed during negotiations, in the event of a Province/Nationwide Protest Day, the Company agrees to meet with the Union and discuss the ramifications ~~of~~ any such action **as** it pertains to the Union members and the Company.

Yours truly,



Carolyn Lang
Manager, Human Resources

June 1, 2004

Mr. Robert Milkins
President, Local **459**
United **Food &** Commercial Workers
261 Erie **Street** South
Leamington, Ontario
N8H 3C4

Dear Mr. Milkins:

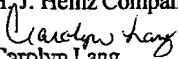
As a result of negotiations leading to this collective agreement, the Company **agrees** to the following regarding retiree **benefits**.

Dental:

For current retirees benefits are provided using the 1992 O.D.A. For future retirees only (retirements on or after May **1, 2004**), benefits **are** provided using the **1994 O.D.A.**

Vision:

For current and **future** retirees the Company will continue to provide a basic vision care plan; One **(1)** pair every two **(2)** years; **\$175** every two (2) years.

Yours truly,
H. J. Heinz Company Ltd

Carolyn Lang
Manager, Human Resources