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COLLECTIVE AGREEMENT

BETWEEN

H. J. HEINZ COMPANY OF CANADA LTD

AND

UNITED FOOD AND COMMERCIAL WORKERS,  
LOCAL 459

A.F.L. C.I.O. C.L.C.

FACTORY OFFICE & QUALITY CONTRACT

Expires April 30, 2011

THIS AGREEMENT made and entered into at

Leamington, Ontario

as of the 1st day of May, 2007.

00347 (09)

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 I**  
**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 and to provide an amicable method of settling any difference or grievance which may arise relating to conditions of employment.

1.02 The parties agree that 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 10.02.

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 10.02.

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 on 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 30<sup>th</sup> 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 re-qualify 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 serving 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, **daughter-in-law, son-in-law, brother-in-law or sister-in-law.**

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 the death of the employees 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.

In no case will an employee be paid for more than three (3) work days nor will an employee be paid for Saturday or Sunday under any circumstances. If the employee cannot attend the funeral, only one work day will be granted provided satisfactory evidence of death **is** furnished to the company.

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 sixty-four (64) 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-six (86) 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 a.m.

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.

**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 (40) hours per week will be paid at one and one-half (1½) times the regular rate.

Employees required working on the sixth (6th) or seventh (7th) day will be paid at a rate of one and one-half (1½) 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 (6<sup>th</sup>) and seventh (7<sup>th</sup>) 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 (7<sup>th</sup>) 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 7.04 (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 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 or seasonal employees who work on the day upon which any of the following holidays are observed, namely:

New Year's Day	Good Friday
Easter Monday	Canada Day
Victoria Day	Labour Day
Civic Holiday	Boxing Day
Thanksgiving Day	Christmas 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 8.02.

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

- (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 the last working day prior to New Year's Day subject to the conditions set out in paragraphs 8.02 and 8.03.
- (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);
- (i) 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 8.02 (i) applies and must be worked.



## ARTICLE IX

### REPORTING ALLOWANCE AND 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 **eight (8)** 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 **eight (8)** 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, but 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 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 10.06 (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 10.03 and **10.06**;

(iii) In the application of Section (ii) above, the redundant employee shall exercise their 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 1<sup>st</sup> indicating what  
departments will be shutdown.

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

**Employees eligible for three (3) or fewer  
weeks of vacation must take one (1) week  
during either the July, December or any  
other shutdown scheduled by the Company.**

Two (2) weeks mandatory vacation must be  
taken during the **same** shutdowns **as above**  
for those employees with four (4) or more  
weeks of vacation.

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 department or 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 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 the 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, and 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 layoffs 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



other 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 Union agree, where practical, the Company will try and place employees on sick leave or compensation; on jobs 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 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 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) week 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 10.07 (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 the article are deemed to be a full week of shutdown. If any of the paid holidays under paragraph 8.01 occur during such a shut-down, employees who are laid off under this provision shall receive holiday allowance in accordance with paragraph 8.02,

provided they work the full scheduled working day with (3) three working days immediately preceding and within three (3) working days immediately following the shut-down period. Employees who continue to work during a shutdown shall qualify for Holiday Allowance in accordance with paragraphs 8.02 and 8.03.

10.14 (a) 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 (3) weeks leave of absence through his Department Head.

**(b) The Company shall grant leave of absence without pay, for a period of up to six (6) months, for time during which he/she is serving sentence of incarceration.**

10.15 An employee loses seniority when the employee:

(a) Quits or resigns;

(b) Is discharged for just cause;

(c) In the case of employees with seniority with two (2) years or 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 (5) months of pregnancy and shall be entitled to be re-employed with full seniority rights provided she reports for work within two (2) 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 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 and Assistant Chief Steward and person replacing the Chairperson shall have the privilege of working 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 disabled by accident shall maintain his seniority rights during the period of such illness.

10.19 The Company will endeavor to place an employee having long and faithful service who has become unable to handle his job in another job which he/she 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 (2<sup>nd</sup>) fiscal year;

(c) During the fiscal year in which the employee celebrates his second (2<sup>nd</sup>) 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 (5<sup>th</sup>) 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 (10<sup>th</sup>) and each subsequent anniversary date of service, each regular employee shall receive four (4) weeks of vacation pay;

(f) During the fiscal year in which the employee celebrates his eighteenth (18<sup>th</sup>) 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 (25<sup>th</sup>) 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 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 calendar year for each week of vacation entitlement, or the equivalent of the employee's regular hourly wage rate for the forty (40) hour week, which ever 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, 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 is 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.

## VACATION BANK

11.09 Employees may carry over and bank a maximum of five (5) unused vacation days per year, with the bank not exceeding five (5) days in total.

The Vacation days accumulated in the vacation bank may be used in addition to their regular vacation time to which an employee is eligible during any year. Any vacation in the vacation bank shall be credited against the year of the vacation earnings.

## ARTICLE XII NON STRIKE PROVISION

12.01 The Union agrees to accept and abide by all the terms and conditions of this contract 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 this 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 Committee men 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 hereto.

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 employees, 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 (2) full working days following the 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 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 Representative of the Union may be present as such meeting. The decision of the Company's representatives 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 (2) 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 Step 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 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 judgment of the Executive Board, such a 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, or to seasonal 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 or on behalf of any probationary

employee.

**ARTICLE XIV**  
**ARBITRATION**

14.01 When either party request 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 arbitrator; provided, however, that if such party fails to nominate an arbitrator as herein requested, 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 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 unable to agree upon such a Chairman within such a period of five (5) days, they shall then request the Ontario Labour Arbitration Commission to assist them in selecting an impartial Chairman, provided that the Chairman shall be 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 arbitrator who has been involved in an attempt to negotiate or settle the grievance.

14.03 No matter may be submitted to arbitration which has not been properly 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**  
**LEAVE OF ABSENCE**  
**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 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 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 continue;

(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; 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 \$300.00 per year;

(n) Benefit maximum per life time for retirees or their dependents **\$40,000.**

(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 coverage's 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 copy of each such notice to the Human Resources Department one-half hour (1/2) 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.

**ARTICLE XX**  
**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 \$100.00 per year.

**GENERAL**

21.01 (a) The Chief Steward and the Chairperson will be furnished with a copy of any employee report given to an

employee.

21.02 (a) The Company agree 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.

**ARTICLE XXII**  
**TERMINATION AND RENEWAL**

22.01 This Agreement shall remain in effect until-April 30, 2011 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 26<sup>th</sup> day of May, 2007

FOR:

H. J. HEINZ COMPANY OF CANADA LTD.

Larry Ruffner  
Bob Clifford  
Dan Solan  
Jeff Smith  
Chris MacDonald  
Aaron Matthews

FOR:

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

Rob Milkins  
Robert Crawford  
Mark Stasso  
Perry Sabelli  
Glenn Dunn  
Archie Cervini  
Dan Bachynski  
Robin Matteis  
Brian McCarthur

APPENDIX " A "  
 SALARY PROGRESSION SCHEDULE  
 EFFECTIVE MAY 1, 2007

OFFICE AND TECHNICAL UNIT

Job Grade	9 months	After 60 Working Days 12 months		6 months
1	598.43	838.16		
2	609.50	850.84		
3	619.34	864.37		
4	632.45	871.34	879.95	
5	648.83	879.13	896.74	
6	656.62	887.73	906.58	918.45
7	665.23	897.57	917.23	944.28

LEAD RATE - 31 CENTS/HOUR  
 EFFECTIVE MAY 1, 2008

Job Grade	9 months	After 60 Working Days 12 months		6 months
1	611.56	851.29		
2	622.63	863.97		
3	632.47	877.50		
4	645.58	884.47	893.08	
5	661.96	892.26	909.87	
6	669.75	900.86	919.71	931.58
7	678.36	910.70	930.36	957.41

LEAD RATE - 31 CENTS/HOUR

\*\*\* NOTE THESE RATES DO NOT REFLECT FUTURE  
 COLA FOLD-INS\*\*\*

EFFECTIVE MAY 1, 2009

JOB GRADE	AFTER 60	6 MONTHS	9 MONTHS	12 MONTHS
-----------	----------	----------	----------	-----------

	WORKING DAYS			
1	624.69	864.42		
2	635.76	877.10		
3	645.60	890.63		
4	658.71	897.60	906.21	
5	675.09	905.39	923.00	
6	682.88	913.99	932.84	944.71
7	691.49	923.83	943.49	970.54

LEAD RATE - 31 CENTS/HOUR

\*\*\*NOTE THESE RATES DO NOT REFLECT FUTURE COLA FOLD-INS.

EFFECTIVE MAY 1, 2010

Job Grade	After 60 Working Days	6 Months	9 Months	12 Months
1	643.44	883.17		
2	654.51	895.85		
3	664.35	909.38		
4	677.46	916.35	924.96	
5	693.84	924.14	941.75	
6	701.63	932.74	951.59	963.46
7	710.24	942.58	962.24	989.29

LEAD RATE - 31 CENTS/HOUR

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

RULES AND REGULATIONS GOVERNING THE OPERATION OF 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 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 content or requirements. Changes in a job description alone are not adequate to warrant re-grading 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 the change 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 the Union are unable to reach agreement on the job description or job grading of a job 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) Any 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 1<sup>st</sup> to April 30".

Amount of payout will be folded into wages effective May 1<sup>st</sup> 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 "A" 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 UNDER THE PLAN**

For retirements on or after January 1, 2001, the minimum Retirement Allowance payable to a Member shall be equal to thirty (\$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 percent 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 five (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 of the percentage formula, which ever 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 1<sup>st</sup>, 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 representatives this 21<sup>st</sup> day of June 2007.

FOR THE COMPANY:

Jeff Smith  
Chris Macdonald  
Aaron Matthews  
Dan Solan  
Larry Ruffner  
Bob Clifford

FOR THE UNION:

Rob Milkins  
Robert Crawford  
Glenn Dunn  
Perry Sabelli  
Dan Bachynski  
Mark Stasso  
Archie Cervini  
Robin Matteis  
Brian McCarthur

May 26, 2007

Mr. Rob Milkins  
President, Local 459  
United Food & Commercial Workers  
261 Erie Street South  
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 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 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% U.I.C.

7. Eligibility for benefits is one year seniority prior to the claim for weekly indemnity which qualifies the employee to apply for the long term disability insurance plan.

8. Employees receiving long term total disability insurance benefits will have normal pension benefits accumulated during the period of long term disability insurance plan.

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 Worker's Compensation will be deducted from the long term disability payments.

(c) The employee must agree to perform any work that is available in order to qualify for the long term disability provisions.

Yours truly,

Dan Solan  
Manager, Human Resources  
H.J Heinz Company of Canada Ltd.

May 26, 2007

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

Dear Mr. Milkins:

As discussed during negotiations when the day before Christmas and the day before New Year's Day fall 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,

Dan Solan  
Manager, Human Resources  
H. J. Heinz Company of Canada Ltd.

May 26, 2007

Mr. Rob Milkins  
President, Local 459  
United Food & Commercial Workers  
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,

Dan Solan  
Manager, Human Resources  
H. J. Heinz Company of Canada Ltd.

May 26, 2007

Mr. Rob 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,  
Dan Solan  
Manager, Human Resources  
H. J. Heinz Company Ltd.