

# **Collective Agreement**

Between

**PepsiCo Foods Canada Inc.**

and

Canadian Auto Workers  
**Local 1996**

Begins:

Terminates:  
06/30/2008

00466 (10)

Source:  
Employees:  
Received by:  
Date: 11/22/2006

# TABLE OF CONTENTS

<i><b>SUBJECT</b></i>	<i><b>CLAUSE</b></i>	<i><b>PAGE</b></i>
Acting Coordinator	C2	46
Benefit Approval	33	13
 <b>BENEFIT PLANS</b>		 42
Dental Plans	B-18	44
Group Life	B-21	4s
Illness and Accident	B-16	42
Long Term Disability	B-19	44
Drug and Major Medical Plan	B-17	44
Pension Plan	B-20	4s
Vision Care Plan	B-22	45
Bereavement Pay	B-9	3s
Bulletin Boards	42	21
Check-Off	51	2s
Collaborative Process		3
Continuous Operation		54
Default Schedules		55
Emergency Declaration		55
Coordinators	41	20
Discipline and Discharge	27-30	11
Grievance Committee	13	8
Grievance Procedure	14-19	8-10
Guaranteed Work Plan	B-11	36
Health and Safety	43	21
Holidays		
(Recognized Plant and Parental)	B-6	33
Hours of Work		
(Normally Assigned Hours)		28
Job Opportunity	B-14	39
Job Opportunity (Temporary)	B-14 (2)	40
Job Rates	45,46	23
Jury Duty	B-8	34
Lay-Off	34,37,38,39	15
Leave of Absence	40	17
Letters of Intent		67-85
Letters of Understanding		86-104
Lunch Periods	B-1	29,56
Management (Grievance Procedure)	31-32	12
Mediation/Arbitration	20-26	10
Negotiating Committee	8(a)	5

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00466 (10)

## TABLE OF CONTENTS

<i><b>SUBJECT</b></i>	<i><b>CLAUSE</b></i>	<i><b>PAGE</b></i>
New Jobs	B-15	41
No Strikes or Lockouts	6	5
Overtime Regulations	B-5	30
Payment of Wages	B-10	36
Plant Closure and Effect on Company Benefits	53	25
Probation	33,34	13
Purpose	1	3
Rate Protection	47-49	23
Rates	C-4	46-51
Recall	37-39	15
Recognition	3	4
Relationship	4,5	4
Reporting Allowance	B-3	29
Reservation of Management Rights	7	5
Rest Periods	B-2	29
Safety Shoes	B-12	38
Scope	2	4
Seniority Probationary Employees	33-36	13
Settlement Pay	C-1	46
Shift Bonus	B-7	34
Skilled Trades		
Job Identification	C-3	46
Stewards (Qualifications, etc.)	9-12	7
Student & New Hire Rates	C-5	46
Technological Change	44	22
Termination or Modification	52	25
Time and Attendance	B4	30
Tool Allowance	B-13	38
Transfers -		
Permanent	36(a)	14
Temporary	36(b)	14
Union Accommodation	8(b)	6
Union Security	50	24
Vacation Plan	Sch "D"	24,52
Wage Rates & Job Classifications	C-6	46
Working Hours		56

# COLLECTIVE AGREEMENT

## BETWEEN

PepsiCo Foods Canada Inc., Peterborough, a Company existing under the laws of the Province of Ontario, hereinafter called “the Company”,

of the First Part  
and

THE CANADIAN AUTO WORKERS LOCAL 1996, representing the employees of the Company, hereinafter called “the Union”,

of the Second Part

Whereas the Union has established to the satisfaction of the Company that the majority of the Employees of the Company in the unit hereinafter specified have become members of the Union, and that it is therefore entitled to represent the employees in the hereinafter described unit as the collective bargaining agent.

### Collaborative Process

The Company and the Union recognize that significant change has occurred in the food industry and that co-operative approaches are necessary in dealing with the effects of change in the workplace. The parties further recognize that, in order to secure growth and employment for the Peterborough Plant, we must continue to make improvements in the areas of Labour Relations, Product Quality, Customer Service, Productivity, Health and Safety, and people processes. We agree that costs must be reduced, performance improved and the skill level of our employees enhanced. This will require changes in how the work is done, employee involvement in solving operations problems and the continual upgrading of employee skills. In order to manage these changes, the parties commit to a process of on-going consultation, conflict resolution, and open discussion between management, the Union, and employees. An integral part of these consultations is the opportunity for the Union and employees to participate in decisions related to change as early as possible.

### PURPOSE

1. The general purpose of this Agreement is to establish mutually satisfactory relations between the Company and its employees and to provide machinery for the prompt and equitable disposition of grievances, and to establish and maintain satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this agreement.

## **SCOPE**

2. This agreement applies to all employees of the Company in its Peterborough Plant except: Office Staff, Quality Assurance Inspectors, Laboratory Technicians, Executive Officers, Sales Representatives, Department Managers, Coordinators and any confidential employee or employees who act in a supervisory capacity or who have authority to exercise discipline over employees on behalf of the Company.

The Company will, if requested, supply the Union with a list of employees holding supervisory position and will indicated by appropriate job titles the nature and extent of their authority.

The Company will supply the Union, at the request of the Union but in no event more frequently than every two months, with the following information:

1. Employees who are in the Bargaining Unit regardless of whether or not they paid dues in the month.
2. Employee name, job classification and hourly rate.
3. Employees transferred into or out of the Bargaining Unit.
4. Employees status (i.e.: I&A, LTD and WSIB).
5. Layoff and recalls and the date of occurrence.
6. Name and addresses of new employees.
7. Name and addresses of Peterborough Plant employees on a computer disc.
8. Name and addresses of Peterborough Plant employees to be provided immediately on retirement.

## **RECOGNITION**

3. The Company acknowledges that the employees in the union described above have selected the Union as their sole and exclusive collective bargaining agent, and recognize the Union as such for all employees in the said Union.

## **RELATIONSHIP**

4. The Company agrees that there will be no discrimination, interference, restraint or coercion exercised or practised by the Company or by any of its representatives with respect to any employee because of membership in, or connection with, the Union, and that membership in the Union, by employees who are eligible to join, will not be discouraged.

5. The Union agrees that there will be no intimidation, interference, restraint or coercion exercised or practised upon employees of the Company by any of its members or representatives and that there will be no solicitation for membership, collection of dues or other Union activity on the premises of the Company during an employee's working hours.

## **NO STRIKES OR LOCKOUTS**

6. The Company agrees that it will not cause or direct any lockout of its employees and the Union agrees that there will be no strikes or other collective action which will stop or interfere with production, and that if any such collective action should be taken, the Union will repudiate such an action by its members through a display notice published in the local daily newspaper as soon as possible after the occurrence and it will instruct its members to carry out the provisions of the Agreement and return to work and perform their duties in the usual manner.

## **RESERVATION OF MANAGEMENT RIGHTS**

7. The Union acknowledges that it is the exclusive function of the Company to:
  - (a) Maintain order, discipline and efficiency.
  - (b) Hire, discharge, transfer, promote, demote or discipline employees, provided that a claim of discriminatory promotion, demotion or transfer, or a claim that an employee has been discharged or disciplined without just cause may be the subject of a grievance, and dealt with as hereinafter provided.
  - (c) Generally to manage the industrial enterprise in which the Company is engaged, and without restricting the generality of the foregoing to determine the number and location of plants, the products to be manufactured, method of manufacturing, schedules of production, kinds and locations of machines and tools to be used, processes of manufacturing and assembling, the engineering and designing of its products, and the control of materials and parts to be incorporated in the products produced.

## **NEGOTIATING COMMITTEE**

- 8.(a)The Company acknowledges the right of the Union to appoint or otherwise select a Negotiating Committee of not more than five employees, plus a National Representative for the Union and will recognize and deal with the said Committee with respect to any matter which properly arises from time to time during the term of this Agreement, and the said Committee will co-operate with the Company in the administration of this Agreement. Such

employees in the Negotiating Committee may be appointed or otherwise selected from any area or department within the Plant and there will be no limitation as to how many from one department may be selected.

It is agreed that either the Company or the Union may bring to the process any consultant that might assist the parties by providing information as long as it is pre-arranged by both parties.

It is clearly understood that the Negotiating Committee is a separate entity from the Grievance Committee and will deal only with such matters as are properly the subject of negotiations including proposals for the renewal or modification of this Agreement at the proper time.

The Company will pay the costs of the meeting room for the first 10 Negotiations meetings, and the cost will be split thereafter between the Company and the Union.

The Collective Agreement booklet shall contain both the Company and Union logo.

## **UNION ACCOMMODATION**

- 8.(b) In recognizing the role of the Union President and the Plant Chair, the Company agrees to provide forty (40) hours per week with pay in order that the President and the Plant Chair may attend to Union business. If additional time is required, it will be provided. Time will not be abused.

It is understood that the Company will provide the Union with an office in the Peterborough Plant. Such a facility will be used exclusively for the purpose of union business. The Company will provide a desk, chair, telephone, computer and filing cabinet. Any expenses other than those incurred in the normal functioning of the office such as long distance calls will be the responsibility of the Union.

The Union President, the Plant Chair, the Health and Safety Representative, the Financial Secretary, the Benefits Representative, Union Stewards and the Union executive will not be subject to layoff provided work is available which they are capable of performing.

The Chief Steward will now be referred to as the Plant Chair, and the Assistant Chief Steward will be referred to as the Assistant Plant Chair.

Where possible, the Plant Chair will be scheduled to the day shift.

The Company agrees to pay the Union President and the Plant Chair the same rate as the highest rate in the bargaining unit, exclusive of enhancements.

The Company agrees to pay the equivalent of 2 cents per hour to the C.A.W. educational fund for **all** compensated hours on a quarterly basis.

The Union President will be allowed to participate in new employee orientation sessions.

## **STEWARDS**

9. **The** Company acknowledges the right of the Union to appoint or otherwise select a reasonable number of Stewards to assist employees in presenting their grievances to the representatives of the Company. The number of such Zone Stewards and the zone within which each one is to function is as follows:

<b>Department</b>	<b>Number of Stewards</b>
Hot Cereals	3
Cold Cereals	3
Shipping	2
Maintenance	3
Milling and Elevators	2
Laboratory	1
Ready to Eat	3

In the event that the Union is unable to appoint a Zone Steward from within a department, a temporary Steward may be appointed for a period not exceeding 90 days. The Union will notify the Human Resources Office of the temporary appointment.

## **QUALIFICATION OF STEWARDS, ETC.**

10. The Union agrees that employees shall not be eligible to serve as Officers of the Union until they have been for a least three months immediately preceding nominations, a member in continuous good standing and no employee shall be eligible to serve as Stewards or committee members until after they have served their probationary periods.
11. The Union acknowledges that Stewards, members of Committees and Union officers have regular duties to perform on behalf of the Company and that such persons will not leave their regular duties without obtaining the permission of their supervisor or immediate supervisor, and will give any reasonable explanation which may be requested with respect to their absence.
12. It is clearly understood that Stewards and other Union Officers will not absent themselves from their regular duties unreasonably in order to deal with the grievances of employees, or with other Union business; and that in accordance with this understanding the Company will compensate such employees for time spent in negotiating with the Company, in handling



grievances of employees, at their regular rate of pay and that this does not apply to time spent on such matters outside of regular working hours.

## **GRIEVANCE COMMITTEE**

13. The Grievance Committee shall be composed of the Union President, or in the Union President's absence, the Union Vice-president, the Plant Chair, or in the Plant Chair's absence, the Assistant Plant Chair and the Steward who is representing the employee. The grievor or the Coordinator may be available at all steps of the grievance procedure, at the request of either the Union or the Company.

## **GRIEVANCE PROCEDURES**

14. It is the mutual desire of the parties hereto that grievances of employees shall be adjusted **as** quickly as possible and it is generally understood that an employee has no grievance until the employee has first given his or her Coordinator an opportunity of adjusting the grievance, and if an employee has any opinion or question which the employee wishes to discuss with the Company, the employee shall take the matter up with his or her immediate Coordinator, and the employee will be accompanied by the Zone Steward of choice, when available, if the employee requests such assistance.

The Union and the Company agree that grievances not entered into under the grievance procedure within 10 working days **after** the grounds **of** the grievance occurred, shall not be processed. It is also mutually agreed that when either party decides not to process the grievance further, the party so deciding will advise the other party in writing. **It** is further understood that the above time limit shall not apply in those instances involving an error in an employee pay.

Where an employee is called to a meeting (fact finding) where discipline may result, the employee may be accompanied by the steward of the employee's choice, if the employee requests such assistance.

15. If such grievance is not settled to the satisfaction of the employee concerned within **one** (1) working day or within any longer period which may be mutually agreed upon at the time, the following steps of the grievance procedure may be invoked in order.

### **STEP NO. 1**

16. The Zone Steward or the Plant Chair shall state the grievance of the employee (or employees) in writing and shall deliver a copy to the immediate Coordinator of the employee concerned. **After** such discussion as is necessary the Coordinator **shall** state the decision **or** the refusal to

make a decision in writing with appropriate reasons, and deliver a copy to the Human Resources Manager and to the Zone Steward and the Plant Chair within one (1) working day or a time mutually agreed upon.

## **STEP NO. 2**

17. Within two (2) working days after the Coordinator has delivered a written decision to the Zone Steward and the Plant Chair, the following procedure will be followed:

The grievance shall be considered at a meeting of the Union Grievance Committee and if unresolved, shall be taken up at a meeting between the Zone Steward and the Grievor with the Department Manager and/or the Grievor's Coordinator. The Plant Chair may attend the meeting at his or her own discretion.

If the Grievance is not settled within (2) working days, or within any longer period which may be mutually agreed upon at the time, after the Grievance Committee has met with the Management, then the Grievance shall be taken up at Step No. 3.

In the event that any party fails to comply with the time limits referred in Step No. 1, and Step No. 2, the other party may process the grievance to the next step of the grievance procedure. By mutual understanding the parties may agree to extend the time limits at any step of the grievance procedure.

## **STEP NO. 3**

18. A meeting shall be held between the Grievance Committee and the Plant Manager and/or the Plant Capabilities Leader, Human Resources Manager, and Department Manager.

At this meeting, the National Representative of the Union or his or her nominee may be present if such presence is requested by either the Company or the Union. If the grievance is not settled to the satisfaction of both parties within a period of five (5) working days or within any longer period as may be mutually arranged at the time, then at the request of either party to this agreement the grievance may be referred to:

- i) mediation, if both parties agree; and/or
- ii) arbitration.

All times as set out in the Grievance Procedure, Mediation, and Arbitration may be extended by mutual agreement between the Company and the Union, in writing.

19. If either mediation and /or arbitration is to be invoked, the request for either mediation and /or arbitration must be made in writing within ten (10) working days after the grievance has been dealt with in Step No. 3, after which the party seeking mediation or arbitration shall, within ten working days, contact the mediator or arbitrator, as the case may be, requesting a date for a hearing.

## **MEDIATION/ARBITRATION**

- 20(a) The mediator must be selected by mutual agreement of the Company and the Union. In the event that a mutually acceptable mediator cannot be selected, the grievance will be forwarded to arbitration.
- 20(b) The Company and the Union will bear the expenses of the mediator in equal shares.
- 20(c) Disputes which are carried to the arbitration stage shall normally be heard before a single arbitrator. The parties have expressed confidence in the ability of the under-mentioned persons, and agree that they shall be called to arbitrate on a rotation basis and in order of their listing:

Tim Armstrong  
Rick MacDowell  
**Peter** Barton  
Paula Knopf  
Howard Brown  
Ross Kennedy

If it is not possible to schedule an arbitration date with the arbitrator who is next called to arbitrate within sixty (60) days from the request for a hearing, the parties shall move to the first available arbitrator on the list. The first available date shall be the scheduled date for the hearing. Notwithstanding the foregoing, no arbitrator will be called to resolve more than one grievance in a row. If the order of rotation is bypassed in this manner for a hearing, the parties agree to resume the rotation order, starting with the arbitrator who would have been called but for his unavailability, for the next hearing that may arise.

If none of the arbitrators listed above is available within the 60-day time frame, the parties may choose an alternate arbitrator by mutual agreement.

21. No person may be appointed as an arbitrator who has been involved in an attempt to negotiate or settle the grievance.
22. Each of the parties hereto will bear the expenses of the arbitrator appointed by it, and the parties will jointly bear the expenses of the Chairman of the Arbitration Board, if any.

23. No matter may be submitted to arbitration which has not been properly carried through all previous steps of the grievance procedure.
24. 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.
- 24.A When a grievance which affects an employee's pay is settled, the settlement may be made retroactive for a period as agreed to by the conferring parties or by a majority decision of a Board of Arbitration, but in no case will the settlement be made retroactive for a period greater than **two** months prior to the last date on which the grievance was presented in writing to the Company.
25. The proceedings **of** the Arbitration Board will be expedited by the parties hereto, and the decision of the majority of such Board will be final and binding upon the parties hereto.
26. At any stage of the grievance procedure including arbitration, the conferring parties may have the assistance of the employee or employees concerned and any necessary witnesses, and all reasonable arrangements will **be** made to permit the conferring parties to have access to the Plant to view disputed operations and to confer with the necessary witnesses.

## **DISCIPLINE AND DISCHARGE**

27. The Union acknowledges that probationary employees may **be** discharged for reasons less serious than would justify dismissal of a regular employee.

No employee on the seniority list shall be disciplined or discharged without just cause.

Any employee on the seniority list is entitled, prior to the imposition of suspension or discharge, to be notified at a meeting with management, of the reasons for considering such action. The employee shall be accompanied by the Zone Steward of the employee's choice, when available, if the employee requests such assistance. If the employee makes such a request, the Zone Steward shall be advised in advance by management of the time and place of the meeting.

Employees shall be notified in writing of the grounds for suspension or discharge. The Plant Chair and **Zone** Steward shall receive copies within one (1) working day of the action.

**The** employer shall provide the employee, the Plant Chair and the Zone Steward with copies of any written warnings affecting the employee.

Any reply by the employee shall become part of the employee's record. It is understood that upon an employees request the employee shall be granted the opportunity to personally view the employee's disciplinary record.

28. A claim by an employee on the seniority list that the employee has been unjustly discharged from employment shall be treated as a grievance if a written statement is lodged with the Human Resources Manager within ten (10) working days after the employee ceases to work for the Company. Further action on this matter will commence at Step No. 2 of the Grievance Procedure.
29. Such special grievances may be settled by any arrangement which is just and equitable in the opinion of the conferring parties. If the Union and the Company fail to resolve the grievance and the matter proceeds to an arbitrator, an employee who so is reinstated shall receive full compensation including all benefits and wages (including premiums) provided it is consistent with the arbitrator's decision.
30. When an employee has been dismissed without notice, the employee shall have the right to interview his or her Steward for a reasonable period of time before leaving the Plant premises.

Records of discipline shall be removed from the employee's file and shall not be used against the employee for any purpose, after 18 months have expired from the date the discipline was taken.

Prior to the dismissal of an employee on the seniority list the Company will meet with the Union to provide rationale for their decision.

## MANAGEMENT

31. It is understood that the Management may bring forward at any meeting held with the Union Grievance Committee any complaint with respect to the conduct of the Union, its Officers, or Stewards; and that if such complaint by Management is not settled to the mutual satisfaction of the conferring parties, it may be treated as a grievance and may be referred to arbitration in the same way as the grievance of an employee.
32. During the term of this Agreement, meetings of the Union Executive with Management shall be held whenever the Union Committee submits an agenda of the business to be transacted and give 24 hours notice of the meeting.

In an effort to improve communications, find solutions to business conditions within the Peterborough Plant, build a long-term relationship with the Union, and deal with grievances, meetings will be scheduled on

a timely basis with the Union President, Plant Chair, Plant Manager and designate.

The purpose of the meetings will be to deal with business issues which will affect Plant operations.

## **SENIORITY PROBATIONARY EMPLOYEES**

33. An employee will be considered on probation until the employee has worked 360 hours. At that time the employee will be approved as a regular employee. Approval for benefit purposes will commence the first of the month following the completion of 360 hours worked.

34. (a) New employees shall have no seniority during the first 30 days worked. However, after working thirty (30) days employees will be placed on the Plant-wide seniority lists and such seniority shall date from the date of their employment. Seniority is defined as the length of continuous service in the Peterborough Plant.

(b) An employee with seniority may apply Plant-wide seniority when there is a reduction in the working force so long as it does not prevent the Company from maintaining a working force of employees who are qualified to do the work which is available. With the exception of Maintenance Department jobs, it is understood in the event a senior employee who is subject to layoff does not have the necessary skills to perform the remaining work within the framework of the collective agreement, the Company will provide a thirty (30) day period in order that the senior employee may receive training for the work remaining. Work remaining may include work in any department.

(c) An approved employee shall not be laid off prior to a Probationary employee unless such probationary employee possesses a Skilled Trade and is a permanent employee of the Maintenance department.

(d) The Company reserves the right to decide the work assignment of employees who exercise section (b) Clause 34.

(e) The Company shall prepare and submit to the Plant Chair and the Recording Secretary of the Union, revised copies of the Plant-wide seniority lists quarterly each year, and one will be posted on the main Bulletin Board.

(f) New Employees hired on the same day will be selected for seniority by lottery. Selection of the lottery will take place with both the Union and Company present.

35. The seniority provisions of this Agreement shall not apply to students specifically hired as summer help. Such employees, when hired shall be required to acknowledge their temporary status by signing a form provided for this purpose by the Company.

If an employee originally hired as summer help should at a later date desire to become a permanent employee, the Company reserves the right to accept or reject the employee's application at that time. If the Company agrees to allow such an employee to convert to permanent status, the employee's seniority shall date from the time his or her status is changed.

36. (a) A permanent transfer is when an employee is transferred to another job or receives a job under Clause B14 Job Opportunity and there is no intention of returning the employee to the former job. Employees affected will be so notified, and will remain on their permanent jobs unless their jobs are eliminated or by provision of Clause B15 or Clause 36(b) or by discharge from the Company.
- (b) In case of temporary transfer for less than 30 working days, seniority need not be followed. At the time such a temporary transfer is affected the Coordinator will indicate to the employee involved the expected duration of the transfer. However, if a junior employee can be found with the skills and ability to take the transfer, the senior employee will be given the option to accept or decline the temporary transfer. For the purpose of this article a temporary transfer is defined as a week or more in duration. An employee so transferred will return to his or her regular job on completion of the period indicated if the employee so desires.

In the event that line personnel with the necessary skills are needed at a line that is down, the Company intends to leave line personnel at the downed line, by seniority, provided that the skills of those line personnel are not needed elsewhere in the Plant. It is understood that the employees can be placed in the labour pool after all labour pool employees have been utilized in Grade One jobs.

36. (c) Temporary Training Assignment

On an as-needed basis, the Company and the Union agree to review the requirements for training using the following parameters:

1. The specific training need will be communicated to the posted employees within the applicable area,
2. All employees holding seniority within the applicable area will be given the opportunity to volunteer for the training. The volunteer with the most seniority will be given the opportunity, provided that employee is capable of being qualified to perform the job.

3. Each business unit at its discretion may set limits on the number of training opportunities that any employee will be granted in a calendar year.

4. If a suitable volunteer is not available, the Company will assign the junior person from the applicable area, provided that employee is capable of being qualified.

5. If the junior person is not suitable, the Union will assist the Company to find a candidate who meets the identified need.

## LAYOFF AND RECALL

37. Where it is necessary to increase the working force of the employees, seniority will be the guiding factor so long as it does not prevent the Company from securing a working force of employees who are qualified and willing to do the work which is available.

In the event of the lay-off or recall of an employee with **less** than one year's seniority the Company may, if the difference in seniority is twelve (12) days or **less**, lay-off or recall without following the seniority list.

In the event of production cutbacks that result in temporary layoff the following steps will be initiated:

1. A meeting will take place immediately with the union to discuss employees and jobs affected. At this meeting the parties will determine the best course of action to reduce the number of employees through layoff. Alternate work assignments, (A. W. A.), may be implemented to include but not restricted to training, temporary postings or special leaves. This intent in no way should restrict the Company from scheduling its' regular business, i.e. an A. W. A. if qualified would fill a needed position in the event of absenteeism, vacation or other extenuating circumstances.

2. The Company will abide by the following formula in order that the number of employees leaving the workforce on such a layoff is reduced for a period of up to two months:

If one (1) to twenty (**20**) employees are on layoff, four (**4**) positions in the Plant will be designated A.W.A. These four (4) positions will be the four (4) most junior employees remaining.

If twenty-one (21) to forty employees (40) are on layoff, six (**6**) positions in the Plant will be designated A.W.A. These six (6) positions will be the six (6) most junior employees remaining.



If forty-one (41) or more employees **are** on layoff, eight (8) positions in the Plant will be designated A.W.A. These eight (8) positions will be the eight (8) most junior employees remaining.

38. The Company will not be obliged to follow the seniority **rules** when notifying employees of a lay-off of two (2) working days or **less** duration.

The Company will endeavour to minimize the scheduling of a lay-off under this clause whenever practical. This provision shall be used in the event of an emergency or in the case of scheduled area or total Plant shutdowns, but shall not be used for the purposes of scheduling short work weeks of over two (2) consecutive weeks. If extended short work weeks **are** necessary, lay-off will be made in accordance with Clause 34(b).

- 39.(a) Probationary employees who are laid off will be retained on the Company Seniority List for a period of three (3) months.

For the purpose of layoff and recall only, a regular employee who is laid off shall retain recall rights for a period equal to the seniority attained at the time of layoff or two(2) years, whichever is greater. While on layoff, all regular employees will continue to accumulate seniority for a maximum of one (1) year with no **loss** of past seniority. The accumulation of one year's seniority is for the purpose of pension, vacation and benefit service requirements. An employee who is eligible for recall will retain their seniority date for purposes of job opportunity, layoff and recall purposes only. Unless employees report to work within 7 working days after being requested to do so, they will forfeit their claim to re-employment at the Company's discretion. Employees so requested to return to work must notify the Company within two (2) working days **of** receiving such notice, whether they intend to return or not. All employees must keep the Company informed as to their current address and telephone number. Notice of recall will be considered received when the Company communicates such notice by registered mail to the last known address of the employee. In instances where the Company communicates such notice, but is unable to contact the employee or receives no reply from the employee, confirmation that notice has been given will be supplied in writing to the Plant Chair and the Recording Secretary.

(b) In lay-offs other than those concerned under Clause 38 the Company will provide the Plant Chair and Recording Secretary with the names of those employees to be laid off within two (2) days prior to a lay-off and will provide the names **of** those recalled on the day of recall.

(c) Any employee while working for the Company, who is away three (3) consecutive days and fails to report their absence during that period without satisfactory explanation will be subject to discipline up to and including possible termination.

(d) An approved employee subject to lay-off shall receive regular Company paid benefits for two (2) months following lay-off. When the first day of a month occurs during the last work week of an approved employee subject to lay-off, such employee shall receive Company paid benefits **for only** the balance of that month plus one (1) additional month. Approved laid-off employees may purchase Company paid benefits for a period of up to one (1) year after lay-off.

## **LEAVE OF ABSENCE**

### 40. Special Leave of Absence

The Company may grant leaves of absence without pay to any approved employee for legitimate personal reasons and any person who is absent with permission shall accumulate seniority during such leave, up to a period of six months, except elsewhere provided. Where a leave of absence is granted for a period greater than six (6) months, the employee shall not continue to accumulate seniority after six (6) months from the date the leave commences, they shall, however, retain the seniority accumulated to that date for the duration of their leave. All requests for leaves of absence must be made in writing and replied to in writing.

Employees on special leave of absence, except as provided in (a), (b) or (g) below, who take other employment, or who utilize such leave of absence to seek other employment, or who fail to report on the conclusion of such leave of absence, may be subject to discipline up to and including possible termination from the Company.

Employees on special leave of absence are responsible for the full cost of any benefit plans to which they subscribe and must make arrangements with the Payroll Department for premiums prior to departing on such leave of absence.

#### (a) Leave of Absence for Union Business

Subject to the contingencies of Company business, approved employees, not exceeding two from any one department and not more than five in total from the Plant at any one time, upon three weeks notice, shall be granted a leave of absence without pay for a specified maximum period for the purpose of attending to Union business. It is generally understood the amount of leave granted is the amount of leave to be taken. However, in unusual circumstances, upon thirty days notice to the Company, an employee who wishes to return to work prior to the end of the leave granted may do so. Such returning employee, provided that the employee can satisfactorily perform the required work, will be placed on the job previously held, subject to the employee's seniority. Application for the extension or renewal of a leave of absence may be made in the normal manner.

It is explicitly understood that, subject to (b) below, the above leave does not apply to election activities. Leave of absence of two days or **less** under this clause will require three working days notice. In the case of extenuating circumstances, the Company may waive the three day notice in granting a leave of absence of two days or **less**.

An employee who is granted a leave of absence for Union business will, receive wage and benefit coverage from the Company. The Company will then submit to the Union on a monthly basis expenses incurred for the period of the leave and will be reimbursed no later than one week after the bill has been submitted.

(b) Leave of Absence for Public Office

An approved employee who has been officially nominated as a candidate for a Municipal, Provincial or Federal Public Office will, upon three (3) weeks notice, be granted a leave of absence without pay and without loss of seniority for campaign purposes for a period of no longer than the official prescribed campaign period.

Any approved employee elected to a Municipal, Provincial or Federal Public Office, which requires the full time services of the employee, will, upon three (3) weeks notice, be granted a leave of absence without pay and without **loss** of seniority for the **term** of office to which the employee is elected.

(c) Leave of Absence for Sickness or Injury

An employee exercising their right under this clause must provide two weeks notice of their desire to return to work and must satisfy the Company Physician that they are capable of returning to work. In the case of an employee whose period of sickness or injury exceeds the time limits of this clause, the Company will consider the medical condition of the employee as it may relate to their employment with the Company and may at its discretion reinstate the employee. An employee who is away from work on a leave of absence for sickness or injury will continue to accumulate seniority.

(d) Maternity Leave of Absence

To be eligible for maternity leave of absence an employee with at least 13 weeks **service** preceding the estimated date of delivery, will present to the Occupational Health **Nurse** a certificate by a legally qualified medical practitioner stating the date upon which delivery is expected to occur.

The Company will grant a leave of absence up to 17 weeks immediately

preceding the expected date of delivery and until the date of delivery, or after the expected date of delivery.

Where an employee's health and safety are endangered because of her physical condition and/or her job requirements, the pre-natal and/or post-natal leave of absence may be altered after receiving the written opinion of a legally qualified medical practitioner. Such employee who has her pre-natal and/or post-natal leave of absence extended **due** to complications arising from the pregnancy, may qualify for benefits as defined under the Illness and Accident Plan.

The employee shall produce, when so requested by the Company, a certificate of her physical condition in respect to her safety and health as referred to above and any employee who complies with the above procedure shall be reinstated and given credit for seniority accumulated during her leave. The Company will require two weeks notice prior to the employee's pre-birth leave of absence, of her desire to return to work, in order to reinstate the employee.

An employee on an authorized unpaid maternity leave of absence shall continue to receive her existing benefit coverage paid by the Company during the term of her maternity leave of absence.

**(e) Parental Leave of Absence**

The Company will grant up to 22 weeks unpaid parental leave following the birth of a child or the coming of an adopted child into a parent's custody, care and control for the first time. Both parents are eligible to take 22 weeks.

For a natural mother, parental leave commences when pregnancy leave ends or when the baby first comes into her custody, care and control.

For fathers and adoptive parents, parental leave must commence within 35 weeks after the birth or after the child first comes into the custody, care and control of a parent.

Employees must give two weeks written notice prior to the commencement of the leave and the same before the date leave is to end.

Seniority shall accumulate during such leave. An employee on an authorized parental leave shall continue to receive existing benefits coverage paid by the Company.

(f) Paternal and Adoption Leave

An approved employee whose wife gives birth to a child or an approved employee who legally adopts a child shall receive, as time off, the day of birth or the day the child is brought home or the day the adopted child is officially placed in the home. Where such a day falls on a day where the employee is both regularly scheduled and available **for work**, the employee shall be compensated for the employee's regularly scheduled **hours** pay at the employee's regular straight time base rate for the day.

(g) Sabbaticals

Where business conditions permit the Company agrees to provide unpaid sabbatical leaves under the following conditions:

Must be approved by Plant Management.

For a period of 6 months and not to exceed 1 year, exceptions to this timeline must be jointly agreed upon.

No more than once in a career.

No more than five (5) approved leaves at one time.

Selection on a first come first serve basis.

Seniority accumulated over the leave and benefits paid by employee.

(h) Compassionate Care (Family Medical Leave)

An employee may request to have up to twelve (12) weeks leave of absence without pay to provide care or support to a family member with a critical or life threatening medical condition. Documentation will be required. A family member is defined as spouse, child, or parent, as well as the spouse's child, the spouse's parents, the employee's grandparents or the employee's siblings.

## GENERAL PROVISIONS

### 41. Coordinators

Non-bargaining unit employees of the Peterborough Plant will not transfer into the bargaining unit.

Any employee hereafter permanently transferred to a supervisory or other position which is excluded from coverage of this agreement shall upon such transfer, lose all seniority rights in the bargaining unit on the day in which such transfer becomes effective.

No Coordinator or personnel above the rank of Coordinator will undertake to do any work which is normally done by an hourly paid employee, except:

- (a) Instruction of new employees or employees assigned to new jobs.
- (b) When qualified hourly workers are not readily available.
- (c) In an emergency.

## **BULLETIN BOARDS**

42. The Company will provide bulletin boards in mutually satisfactory locations throughout the Plant for the convenience of posting notices of Union activities. Two bulletin boards for the exclusive **use** of the Union will be installed in a mutually agreed location, in a non production area. All such notices must **be** signed by the proper officer of the Union and submitted to the Human **Resources** Manager **or** their authorized representative for approval and posting.

## **HEALTH AND SAFETY**

43. The Company will make reasonable provisions for the safety and health of the employees during their hours of employment as outlined in the Ontario Occupational Health and Safety Act.

“Changes to the Workers’ Compensation Act, Bill 162, in conjunction with the Human Rights Act, set up a mechanism for the return to work of employees who have been disabled through illness or accident, whether work related or otherwise.

The Company agrees to establish a Modified Work Committee to be comprised of 3 Union and 3 Management representatives. The mandate of the Modified Work Committee will be to facilitate the above mentioned return to **work** process. This will be accomplished through one or a combination of modifications of the employee’s regular job, same department - different job, different department - different job, composite job, project work or level entry jobs. The #5 Elevator will be identified as a level entry job.”

Failing the above process, at the request of the Company or the Union, representatives of both parties will meet to evaluate job opportunities for modified work when a job posting becomes available through attrition, an employee posting out of a job, or through the creation **of** a new job.

The Company and Union are committed to improving Health and Safety in the workplace and the outside environment. Certified Chairpersons head the Joint Health and Safety Committees. Qualified backups will be identified and **serve** on the Joint Committees. **The** Joint Chairs from the Company and Union shall attend LAMA meetings as required, when Health and Safety is to be discussed as part of the agenda.

Employees will be provided with the adequate training to perform their work assignment in a safe manner, responsible to their fellow workers, the Plant infrastructure and the environment surrounding the Peterborough Plant. The Joint Health and Safety Committee shall investigate and determine training programs in support of Environmental and Health & Safety responsibilities. (e.g. fire hazards, hands in machinery, lockout, confidentiality, etc.)

Recognizing the need for time to administer Health and Safety duties, the Company will provide to the Union Joint Chairperson sufficient time for administering their safety responsibilities upon approval from Management. In emergency situations time as required will be granted immediately, when requested. Time as required will not be abused.

## **TECHNOLOGICAL CHANGE**

44. In the event of the installation of new equipment that will result in the reduction of the working force the Company will, before the installation of such equipment, meet with the Union and provide them with data regarding the proposed installation, number and classification of employees likely to be affected by the change.

The Union acknowledges that in no way does the foregoing impede the right of the Company to make technological changes and that such changes may be made at the sole discretion of the Company.

The parties agree that with the introduction of new techniques and technologies, it is important that advance planning occurs to anticipate skills, needs and training required.

It is agreed that the workers affected by the introduction of new techniques and technologies should have every opportunity to apply themselves to the new skills and the new techniques and technologies.

The Company will assume the cost of on-the-job training to provide bargaining unit employees who have the basic knowledge and ability to be trained, the opportunity to keep current with new methods, tools, machines and new technology affecting their work and job security.

The Company will normally notify the union, ninety (90) days in advance of any introduction in new technology and will notify the union in advance of the introduction of new techniques so as to give the affected bargaining unit employees, (who has the basic knowledge and ability to be trained), the opportunity to become acquainted with the new skill needs so that the employee will be available to perform the work needed.

Senior employees who have the basic knowledge and ability to be trained will **be** given preference under this clause”.

**In** the event **an** employee **is** permanently transferred **to** a lower rated job as a result of Technological Change such an employee will continue to receive their regular job rate until such time as a new job posting is accepted.

## **HOURS AND OTHER WORKING CONDITIONS**

- A Schedule “B” and appendix thereto “**re**: Supplement Agreement” respecting the hours of work, recognized Plant holidays, overtime conditions and rates and certain other working conditions or **rules** governing the same.

## **JOB RATES**

45. Employees shall be paid the applicable job rate provided for in Schedule “C” - Schedule of Rates, for jobs they perform when they become qualified.

Employees working on a higher rated job for 4 hours or more in a day/shift shall be paid the higher rate for all hours worked in that day or shift.

46. “Qualified” as used above shall mean ability to perform the job without instruction or assistance.

## **RATE PROTECTION**

47. Rate Protection is designed to protect an employee’s “regular rate” in the event that the employee is transferred to a lower rated job for reasons other than demotion or at the employee’s request. **The** “regular rate” is established when an employee is permanently transferred to a job as defined in Clause 36(a) of this agreement and has become qualified for the job as defined in Clause 46.

Provided the above conditions are met, an employee transferred to a lower rated job shall maintain their regular job rate for a period of 30 working days.

48. No subsequent transfer of **less** than five (**5**) working days (return in excess of four (4) hours is return for a day) shall interrupt or renew the 30 working day rate protection.
49. If a transfer to a lower rated job is made at the request of the employee, the employee shall receive the lower rate immediately.



## VACATION PLAN

- A Schedule “D” **“re: Supplement Agreement”** for the vacation privileges of employees and the conditions upon which the same are granted.

## UNION SECURITY

50. (a) The Company agrees that it shall be a condition of employment that any employee who, at the date of this agreement, was a member of the Union in good standing, or who becomes a member **after** that date, shall maintain such membership during the term of this agreement.

(b) Any employee to whom Clause (a) of this article applies may resign from membership in the Union between June 15 and July 1, 2005 both dates inclusive, and their employment shall not thereby be affected.

Such employees, however, will be required to continue to pay union dues for the duration of this Agreement.

Employees in the bargaining unit, who at any time have been members of The Canadian Auto Workers, Local 1996 shall be required to pay union dues for the duration of this Agreement. However, such employees shall not be required to become members of the Union in order to remain in the employment of the Company.

(c) New employees hired subsequent to the signing of this Agreement and remaining in the employment of the Company shall, sign an authorization to check off union dues and such check-off shall continue in effect **for** the duration of the Agreement. However, such new employees shall not be required to become members of the Union in order to remain in the employment of the Company.

(d) No employee shall be subject to any penalties against their application for membership or for reinstatement as a member in the Union except as may be provided in the Constitution and Bylaws of **the** Union; and no coercion or intimidation of any kind shall be practised **to** compel or influence an employee to join the Union nor shall any discrimination of any kind whatever be practised or permitted with respect to employees who are or who become members of the Union.

(e) If an employee asserts that they have been unfairly deprived of membership in the Union, such assertion **shall** constitute a grievance and shall be dealt with according to the Grievance Procedure established by this agreement.

(f) Employees who are recalled and return to work after lay-off shall automatically pay union dues for the current month in which they are recalled, provided they had previously been in the employ of the Company **and** were subject to Union dues.

(g) An information form shall be supplied by the Union to be distributed to new employees by the Company.

### **CHECK OFF**

51. On receipt of instructions in writing from any employee forwarded through the Secretary of the Union, the Company agrees to deduct the regular weekly Union dues from an employee's pay, and to remit the total sum of the amounts so deducted together with a list of all employees from whom such deductions have been made throughout to the Financial Secretary of the Union on a weekly basis.

### **TERMINATION OR MODIFICATION**

52. The Agreement shall continue in effect until the 30th day of June 2008 and unless either party gives notice in writing to the party that amendments are required, or that the party intends terminating the Agreement, then it shall continue in effect until the 30th day of June 2009 and so on from year to year thereafter.

Notice that amendments are required, or that either party intends to terminate the Agreement, must be given at least thirty (30) days prior to the 30th day of June 2008, or at least thirty (30) days prior to the expiration of any annual period thereafter.

The parties hereto agree to meet for the purpose of negotiations within ten (10) days after the giving of such notice, and if, as a result of such negotiations, the parties fail to negotiate a new agreement or modification of the present agreement prior to the 30th day of June 2008 following the date of such notice, then this Agreement shall remain in force under the provisions of the Ontario Labour Relations Act.

### **PLANT CLOSURE and its EFFECT on COMPANY BENEFITS**

53. The Company shall advise the Union as soon as possible of a total Plant Closure. Such notice shall be in writing and indicate the reason for the action.

The Union and the Company will meet immediately to discuss the contemplated shutdown with a view to providing a process to assist employees so affected.

In the event of Plant closure, the employee may elect to take their severance in the form of a lump sum cash payment or as a continuation of regular weekly wages; not to exceed the number of weeks of severance entitlement; fifty-two (52) weeks; or re-employment; whichever comes first.

**a) If Severance is taken as a Lump Sum**

If the employee elects to receive severance as a lump sum, the employee will receive an additional eight percent (8%) in lieu of Company benefits.

**b) If Severance is taken as a Regular Weekly Wage Continuance**

If the employee elects to receive severance as a continuation of regular weekly wages, benefits will be treated as follows during the period of wage continuation:

1) In accordance with the terms of the master contracts of the Company's group benefit plans, the following benefits will remain in force:

- Healthcare
- Dentalcare
- Visioncare
- Group Life Insurance (Basic and Dependent Life Only).

2) In accordance with the terms of the master contract for Group Life Insurance, Optional Life will remain in force if the employee continues to maintain the required premium.

3) In accordance with the terms of the Hourly Pension Plan, credited service will continue to accrue.

4) Notwithstanding the foregoing, and in accordance with the terms of the master contract for Long-Term Disability Insurance, Long-Term Disability benefits will remain in force as long as the employee continues to maintain the required premium and, in all events, for a period not to exceed 8 weeks.

If the employee elects to receive the severance as a weekly wage continuation, but later obtains employment or voluntarily decides to elect the lump sum option, the employee will receive the balance of outstanding wage continuation payments as a lump sum, with an additional 8% in lieu of Company benefits on the balance.

## **DEPARTMENT REALIGNMENT**

**54.** For the purpose of the Collective Agreement, "departments" will be defined as:

1. RTE Department
  - Chewy
  - Harvest
  - Puffed
  - Cold Cereal
  - RTE
2. Hot Cereal Department
  - Baking Mix/AJ
  - IQO
  - SQO
3. Mill Department
4. Shipping Department
5. Lab Department
6. Maintenance Department

#### **ACT OF GOD**

55. If an event beyond the reasonable control of the Company, including an Act of God, requires the Plant to immediately cease operations, those employees in the building will be paid for all hours worked **or** reporting pay, whichever is greater.

The Company, acting responsibly, will communicate its intention to immediately cease operations to **the** community through no **less** than two (2) local radio stations. In addition, the Company will ensure appropriate communication of its intentions on the Time and Attendance phone line.

It is the responsibility of the employees to listen to the Company's messages posted on the Time and Attendance line. In the event that an employee inadvertently attends work prior to any message being posted that Plant operations will cease, the employee will be paid reporting pay. All employees that attend work after the posting of such a message will not be paid.

In the event of a Plant-specific situation, the Collective Agreement reporting pay language will apply.

**SCHEDULE "B"**  
**HOURS OF WORK, OVERTIME REGULATIONS,**  
**SHIFT BONUS, GENERAL WORKING CONDITION, ETC.**

**NORMALLY ASSIGNED HOURS:**

**The** normal hours of work shall be forty (40) hours per week, consisting of five (5) eight (8) hour days, Monday through Friday inclusive. The foregoing shall not be construed as a guarantee of a minimum number of hours or as a limit on the Company to schedule hours in excess of the normal work day or the normal work **week**.

**The** Company agrees to post normal starting and quitting times for each department or sections within a department not later than 2:00 p.m. Thursday of the previous week. Except in the event of unforeseen circumstances an employee's shift as posted shall remain constant throughout the week.

The first shift will start between the hours of 10:00 p.m. and 12:00 a.m. **The** second shift shall start between the hours of 6:00 a.m. and 8:00 a.m. The third shift will start between the hours of 2:00 p.m. and 4:00 p.m. The appropriate shift bonus will apply.

The Stationery Engineers' twelve (12) hour shift shall **be** recognized exclusive of the normal hours of work and the overtime provisions pertaining to payment over eight (8) hours. Bereavement Pay, Jury **Duty** and Illness and Accident shall accommodate the twelve (12) hours shift.

Notwithstanding any other provisions of this Agreement dealing with modified work schedules and normal overtime regulations, when the normal hours of work including attainable scheduled overtime do not enable the Company to meet production requirements, the Company with the Union and those employees affected will consult to determine a work schedule that may enable the Company to meet those production requirements.

Shift Continuation - It is understood and agreed that when the Plant **is** not in operation for a shut down or other similar event, the current shift rotation will continue through the non-operational period.

For Daylight Savings time adjustment, all employees will be paid according to actual hours worked. In the spring, an employee will work eleven (11) hours and will receive eleven (11) hours pay. In the fall, thirteen (13) actual hours worked will receive thirteen (13) hours pay – the thirteenth hour will be at the applicable overtime rate.

## **B1 LUNCH PERIODS**

Employees working on shifts for which unpaid lunch periods are scheduled will be allowed time for lunch without pay. Such employees shall be notified of the time of their lunch period when they are notified of their assigned shift.

On shifts where unpaid lunch periods are not possible or practical, employees will be allowed thirty (30) minutes for lunch with pay. The foregoing shall be inclusive of that period of time from when an employee leaves his or her work station until the employee returns to same.

It is understood that lunch periods may be staggered in order to maintain continuous production. However, no employee shall be required to take a lunch period earlier than three (3) hours after the employee's shift starts, or later than five (5) hours after the start of the shift. Employees working a continuously scheduled two (2) or three (3) shift operation will be entitled to a paid lunch period until such time that they are scheduled to a second week, day shift operation where it is possible and practical to receive an unpaid lunch period. At that time an unpaid lunch period will be scheduled.

Lunching and smoking will be confined to times and areas designated by the Coordinator.

## **B2 REST PERIODS**

The Company will grant a rest period of ten (10) minutes in the first half and ten (10) minutes in the second half of each shift, the period to be allotted at the discretion of the Coordinator.

## **B3 REPORTING ALLOWANCE**

An employee who reports for work at their normal time, unless otherwise notified, shall be provided with at least four (4) hours work at the employee's correct rate of pay. If no suitable work is available the employee shall be paid one-half ( $\frac{1}{2}$ ) the number of hours normally assigned on that shift or day. In case of forced shutdown or employee work stoppage, the same does not apply.

The foregoing shall not apply in respect to any employee returning from vacation who fails to ascertain from the work schedules posted on department bulletin boards as to which shift the employee is to report to work.

The Company will continue its present practice of trying to notify all employees as to when to return to work.

## **B4 TIME AND ATTENDANCE**

Employees are expected to report for work and be at their work assignments on time. When an employee is unable to report for work, the employee will notify his or her Coordinator at least one-half (½) hour before the employee's starting time, or as soon as possible before the employee's starting time. The company realizes extenuating circumstances may occur that result in an employee not being able to report for work at the start of their scheduled shift. In such case the employee should notify their Coordinator as soon as possible.

Employees will card in at the booking terminal using their own card only. If an employee is one (1) or two (2) minutes late, no deduction is made. From three (3) to fifteen (15) minutes late a full fifteen (15) minutes is deducted, and thereafter in a similar way by fifteen (15) minute periods.

Note: Penalties will be levied against the total of regular assigned hours or from the total of overtime hours according to the period in which the lateness occurred, i.e. employees who are late during regular assigned hours shall not suffer penalties by way of deductions from overtime hours worked.

Failure to card in or out will be penalized fifteen (15) minutes pay for each missed booking. If the arrival booking is missed then the employee must card in and out upon departure.

Carding out early without approval of Coordinator will be penalized fifteen (15) minutes pay.

Overtime worked must be approved by the Coordinator and initialled by the Coordinator on the Time and Attendance report.

Employees on shift work will remain on their assigned jobs until properly relieved or until the end of their regular shift.

## **B5 OVERTIME REGULATIONS**

1. The Company may choose to re-assign an employee currently working within the Plant prior to the assignment of overtime.

In addition, between 11pm on Sunday and 11pm on Friday, the Company may re-assign an employee from either the 5x8 or 7x24 labour pool and/or an employee who is no longer required to **work** on his or her assignment, regardless of the employee's schedule within the Plant.

When overtime is required, it shall be paid at the rate of one and one half (1½) times the regular straight time rate, and it will be offered in the following manner:

- a. for all hours in excess of eight (8) hours in one day **or** shift as defined in Clause 3.
  - b. for **all** hours outside the normally scheduled hours of work provided the employee completes his regular shift except **as** provided by Clause 4.
  - c. for all hours in a re-scheduled shift (as defined in Schedule “B” - midnights, days or afternoons) which have been changed at Company request with **less** than sixteen (16) hours notice.
  - d. no overtime or premium payments will be computed twice on the same hours worked, but the highest single premium shall apply.
  - e. for all hours worked on Saturday except as provided by Clause 2.
2. Overtime shall be paid at a rate of double time the regular straight time for all work in excess of twelve (12) hours within the period of a day as defined in Clause 3, and for all hours worked on Sunday.

An employee who is working on a Saturday and who has completed eight (8) consecutive hours worked shall be paid at a rate of double time the regular straight time rate for all work performed over the first eight (8) hours.

3. A day, when mentioned in the Agreement, is understood to be the 24-hour period, beginning at either 10:00 p.m., 11:00 p.m. **or** 12:00 midnight, depending upon what schedule of shifts the employee is working on. It is also further understood when an employee is required to split an eight (8) hour shift the hours worked on the second shift shall be paid at overtime rates.

When overtime is required, the Company will **offer** it in the following manner:

- (a) First, to employees scheduled to and working on the job;
- (b) Secondly, to employees working on the job;
- (c) Thirdly, to the qualified employees who relieve on the job as part of the relief schedule;
- (d) Next, when practical, to employees posted to the job but not working on the job at that time;
- (e) To other department employees qualified to do the work;



- (f) To other employees in the Plant who are qualified to do the work. When seeking employees to perform overtime work, the Company will make every reasonable effort to fairly distribute overtime amongst qualified employees who are willing to do the work. When there are multiple incumbents the Company will ask the senior employee first, and rotate through all the remaining incumbents, following in seniority, until all employees have been given an opportunity at overtime. The amount of overtime scheduled for any employee will be held within the limits of Company policy (a maximum total of twelve (12) consecutive hours worked including straight time) where reasonable and practical. Only in the event that no alternative qualified employee is readily available will the Company require the incumbent or temporarily assigned employee to work the overtime.

If an error is made in a daily, weekly or weekend overtime assignment and the employee brings the error to the coordinator's attention and the error is not corrected, adjustment of the error will be made by payment to the employee. The employee must possess the incumbency and qualifications to perform the job in question, and must notify the coordinator of the error before the beginning of the overtime assignment.

In those events where overtime assignment errors are discovered after the fact, the Company will endeavor to resolve this matter, investigate and take corrective action to ensure this does not become the norm.

4. If an employee is off work due to illness or authorized absence other than at the employee's **request** in a shift, that time that the employee would otherwise have worked will be counted as time worked for the purpose of calculating their eight (8) hours for the day in which the lost time occurred.
5. The Company will notify employees who may be required to work scheduled overtime on Saturdays and/or Sundays not later than Thursday of the week in which the overtime is required. In the event of unforeseen overtime on Saturday and/or Sunday becoming necessary, the Company agrees to notify employees who may be required to work, as soon as possible.
6. An employee required to work on any Recognized Plant Holiday, as provided for in Clause B6 shall be compensated for such work at the rate of time and one-half ( $\frac{1}{2}$ ) his regular rate of pay in addition to the eight (8) hours Recognized Plant Holiday pay.
7. An employee working two (2) hours of overtime following their regular eight (8) hour shift will receive a paid lunch period on addition they shall be paid for their normally scheduled lunch periods during the employee's regular eight (8) hour shift.

8. Employees called out to do a special job shall be paid one and one-half (1½) times for hours worked (not **less** than an amount equal to four (4) hours at regular rate). In cases where the work extends into the employee's regular shift, pay will revert to straight time for **those** hours worked on the employee's regular shift, subject to applicable provisions of the paragraphs above. Note: A call-out for a special job is one requiring skills not available and may involve more than one emergency repair.

## **B6 RECOGNIZED PLANT HOLIDAYS**

**The** Plant holidays recognized by the Union and the Company are as follows:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
August Civic Holiday	<b>4</b> Floating Holidays

In the first year of the contract the floating holidays will be:  
December 28<sup>th</sup> and December 29<sup>th</sup>, 2005

In the second year of the contract the four floating holidays will be:  
May 19<sup>th</sup>, December 27<sup>th</sup>, December 28<sup>th</sup> and **December 29<sup>th</sup>, 2006**

In the third year of the contract the floating holidays will be:  
December 24<sup>th</sup>, December 27<sup>th</sup>, December 28<sup>th</sup>, and December 31<sup>st</sup>, 2007 and  
May 16<sup>th</sup> and **June 30<sup>th</sup>, 2008**

Stationary Engineers working on Christmas Day or New Years Day will be paid at double time for all hours worked.

Each employee shall, for each of these recognized Plant Holidays, be paid for eight (8) hours at the employee's straight time base rate provided

- (a) the employee has over 30 days of service.
- (b) The employee has completed his or her regularly assigned shift immediately prior to, and immediately following such holiday or has an authorized leave of absence immediately prior to, or immediately following such holidays.
- (c) An employee may further qualify for holiday pay if:
  - (1) the absence from the employee's regularly assigned shift before and/or after the holiday was due to death in **the** immediate family

**Note:** Immediate family includes Mother, Father, Wife, Husband, Child or Step Child, Brother, Sister, Father-in-Law, Mother-in-Law, Sister-in-Law, Brother-in-Law, Grandfather, Grandmother, Niece or Nephew, Step-Mother, or Step-Father, Son-in-Law, Daughter-in-Law, Grandchildren and Grandparents-in-Law.

- (2) the employee worked some time in the week previous to or following the holiday and the absence from their regularly assigned shift before and/or after the holiday resulted from the employee being hospitalized or personally ill and is able to furnish proof of the illness in the form of a Doctor's Certificate. It is understood that in no case will an employee be paid both Illness and Accident benefit and holiday pay for the same day. However, such an employee will not receive less than an amount equivalent to their holiday pay.
- (3) the employee reports for the regularly assigned shift before or after the holiday but fails to complete it because the employee is sent home by Management due to illness. An employee required to work on any such recognized Plant Holiday shall be compensated for such work at the rate of time and one half the employee's rate of pay in addition to the eight (8) hours recognized Plant Holiday pay.

## **B7 SHIFT BONUS**

It is agreed that the shift premiums set out below will be paid in respect of hours worked during the first shift or third shift. However, for an employee to qualify for the premium in a shift other than the employee's regularly scheduled shift, the employee must work at least one (1) hour in the other shift.

	1 <sup>st</sup> Shift	3 <sup>rd</sup> Shift
1 <sup>st</sup> year	.90	.67
2 <sup>nd</sup> year	.98	.72
3 <sup>rd</sup> year	1.04	.77

## **B8 JURY DUTY**

When an employee is called by the Crown to serve on a jury or is subpoenaed as a witness the Company shall pay the difference between the fee received from the crown and the employee's regular daily rate excluding shift or other premiums up to 8 hours per day with a maximum of 40 hours per week provided:

- (a) the employee furnishes proof of service
- (b) provides the Company with at least 48 hours notice of when the employee is to report
- (c) returns to work **if** called and not kept
- (d) such duty falls on a regularly scheduled work day the employee would have worked.

It is expressly understood that false claims for jury duty pay may result in disciplinary action up to and including possible termination from the Company. Employee shall mean an approved regular full time employee of the Company.

## **B9 BEREAVEMENT PAY**

An employee absent from work solely due to a death in their immediate family during periods when the employee is both scheduled and available for work, may receive three (3) days pay for lost time during the period between the death and three (3) calendar days following the funeral for the purpose of attending the funeral, travel to and from same, or time required for making funeral arrangements. In the event of the death of the employee's spouse or child or step-child the employee may receive five (5) days pay for the time lost during the period between the death and five (5) calendar days following the funeral for purposes previously outlined. In the event of the death of an employee's mother or father, the employee may receive a fourth day's leave with pay to attend to business affairs arising from the bereavement. This leave must be taken within 30 days following the funeral. Payment shall be made on the following basis:

Such employee will be paid their straight time basic rate excluding shift or other premiums, for the scheduled hours they normally would have worked during such leave. Employees who are on scheduled vacation at the time of the death of a family member will **be** able to extend their vacation the number of allotted bereavement days with pay.

Immediate relative in respect to the foregoing shall mean an employee's mother, father, brother, sister, step-parent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandchild, brother-in-law, sister-in-law and grandparents. Employees shall mean an approved, regular full-time employee of the Company. It is further understood that a leave of absence of **one** day with pay may be granted to an employee for the purpose of attending the funeral of their grandparents-in-law, niece and nephew.

In the case of a step-parent's death, one three (3) day leave will be permitted for an employee's stepmother, and another three (3) day leave will be permitted for an employee's stepfather. In the event of the death of another step-parent, the bereavement leave reverts to the one-day leave of absence with pay.

## **B10 PAYMENT OF WAGES**

Wages shall be paid by direct deposit every Thursday at an employee's designated banking institution.

Employees on the day shift to receive their pay stubs Thursday forenoon. Employees on the afternoon shift to receive their pay stubs Wednesday evening. Pay stubs to be given to employees on the first shift before the end of their shift Thursday morning.

Vacation pay will be paid in advance to employees who request it nine (9) days in advance of commencement of vacation.

A normal payroll week shall be from 10:00 p.m. Saturday or 11:00 p.m. Saturday or 12:00 midnight Saturday (depending upon the schedule of shifts the employee is working) to the corresponding time the following Saturday.

Payment will be for the week ending the previous Saturday,

## **B11 GUARANTEED WORK PLAN**

The Guaranteed Work Plan shall continue in effect until June 30, 2005, except that in the event of failure to operate the Plant or any department thereof due to a work stoppage, it shall be suspended during the period of such stoppage. Those returning to work after the stoppage will not be eligible for inclusion under the Guaranteed Work Plan until the month following their return.

1. The Guaranteed Work Plan applies to all approved hourly employees actively on the payroll, guaranteeing a definite number of hours or work per month.
2. Eligible Employees -All present approved employees shall be entitled to the benefits of this plan. Approval for benefits under the Guaranteed Work Plan will commence the first of the month following the completion of three hundred and sixty (360) hours worked.
3. Hours Guaranteed While Actively on Payroll -The Company guarantees eligible employees, while they are actively on the payroll, one hundred and fifty (150) hours of work in each month, for which they will be paid their full hourly rate or base rate. This is approximately eighty-five percent (85%) of the present base time of forty (40) hours per week.

#### 4. Information Concerning the Operation of the Plant

##### a. Time of Payment

Guaranteed time will be calculated once a month and will be included in the pay for the **last** pay period of each month.

##### b. Work Requirements

In order that an approved employee may be eligible for the benefits of the plan, they must work at least some part of the month for which the guarantee is being applied.

In the case of an employee who returns from layoff anytime in the week in which the 15th of the month falls or anytime after the 15th of the month, the Guaranteed Work Plan shall not apply to the month in which they return. However, such an employee shall be guaranteed eighty-five percent (85%) of the normal working hours remaining in that month based on a forty (40)-hour week.

An employee working in a month in which **he** is eligible for Guaranteed Time may be allowed to complete the full week at the end of the month, although the last day of the month may occur before the end of that week without renewing his claim for Guaranteed Time.

##### c. Absence

If any approved employee is absent from their work for personal reasons, sickness or otherwise, or by reason of accident, the guaranteed time will be reduced by the number of hours of such absence.

##### d. Discontinuation of Payments

For the purposes of this plan, as for all other Company benefits, any employee who is not recalled for work within the period of retention on the seniority lists as governed by the labour agreement and dating from the date of their lay-off, or who, upon demand fails to re-enter the employ of the Company, shall not be eligible for benefits under this plan. Should they later be recalled or return to work, the employee shall be treated as a new employee and therefore must fulfil again the requirements noted in Section 2. The same shall apply should an employee obtain full time employment elsewhere.

No further payments under this plan will be made to employees who leave the employ of the Company voluntarily, who are discharged for cause, or who are laid off because of the destruction of the Plant or accident thereto, or to it's machinery, or because of the failure to operate the Plant, or any department thereof, due to a work stoppage, or because of the permanent closing of a Plant or department.

**e. Transfer of Employees**

The Company policy of transferring employees from one department to another under the terms of the contract will not be changed by this plan. If an employee does not accept the work resulting from such transfers, they may be denied the benefits of this plan.

**f. Vacations and Holidays**

An approved employee on vacation or on a Recognized Plant Holiday will be considered as being on the Guaranteed work basis, which shall include their vacation or holiday time.

## **B12 PROTECTIVE FOOTWEAR**

The Company agrees to provide a safety shoe subsidy to approved employees in the amount of ninety-five dollars (\$95.00) per calendar years 2006 and 2007, and in the amount of one hundred and twenty dollars (\$120.00) per calendar year 2008. For tax remittance purposes, the Company will also provide to those employees on an annual basis a copy of the Protective Footwear Policy and Canada Customs and Revenue Agency T2200/T777 forms.

Approved employees may purchase more than one pair of safety shoes during the calendar year but in no case shall the subsidy exceed \$95.00 in the first year. In the second year, annual credits from the first year in whole or in part, can be accumulated into the second year to a maximum of \$190.00. In the third year, a subsidy of \$120 per year will be provided and any credits accumulated from the second year will be available to a maximum of \$215.00.

## **B13 TOOL ALLOWANCE**

Each approved Maintenance Tradesperson in or above Maintenance Grade Two will receive a small tools allowance for the purchase and maintenance of tools required for Plant Maintenance. The allowance is in the amount of two hundred and forty dollars (\$240) per year during the term of this Collective Agreement, to accumulate to a maximum total of \$720.00 during over the 3-year term of the Collective Agreement. Tool allowances are taxable and subject to the statutory deductions.

If this Collective Agreement terminates, or if the tradesperson leaves the Company for any reason (including, without limitation, retirement, resignation, termination), the Tradesperson may purchase the tools in the employee's possession from the Company for one dollar (\$1).

## **B14(1) JOB OPPORTUNITY**

The parties recognize that any employee desirous of advancing to a more preferable job has the opportunity of doing so.

Permanent jobs that need to be filled shall be posted on the job posting bulletin board of the Plant for a period of fourteen (14) days, and the decision by the applicant on whether to accept the position will be made at the interview. A permanent job is one which needs to be filled for more than thirty (30) working days. Openings that have to be filled for more than thirty (30) working days as a result of illness, vacation and leave of absence need not be posted.

For Weekly Scheduling, workers with no job ownership shall first fill all unskilled labour jobs (Grade One) before displaced workers with job ownership. It is understood that displaced workers with job ownership must have the necessary skills to perform the labour requirements in jobs above Grade One to displace labour pool employees.

In the event that an employee who holds a posted job is laid off for more than four months the Company will, if requested by either the Company or the Union, post the job provided there is a business need. The incumbent will retain their posting until there is a successful applicant.

An employee may be the successful applicant of a job posting to a Grade 6 or higher grade job once in any one (1) year period, and once in a six (6) month period in respect of all other job postings. The applicable time period will commence on the date of acceptance of a job posting. In the event a new job (defined in Article B15) is posted, the time period required to remain in such posted position shall be waived.

The positions of First Miller, and all Maintenance Jobs with the exception of Maintenance Grade II shall not be posted and will be considered progression jobs. All Package Persons and General Labour jobs shall not be posted.

The positions of Package Line Utility, Manufacturing Utility and Milling Utility will be posted when vacancies arise; however, to fill these positions, skill, ability, reliability, adaptability, efficiency, initiative, conduct and physical fitness of the employees shall be the governing factors and, where these things are equal, Plant-wide seniority will be the governing factor. On an overall assessment of these qualifications, a junior employee must be better qualified to be selected over the senior employee.

The position of Permanent Floor Leader will be posted when vacancies arise; however, to fill this position, skill, ability, reliability, adaptability,



efficiency, initiative, conduct and physical fitness of the employees shall be the governing factors. In the event a junior employee is selected over **one** or more senior employees, the more senior employees may request, in order of seniority, the right to demonstrate ability in the position of Permanent Floor Leader for a period of one month each. Any senior employee unable to demonstrate ability for the position during this period will be returned to the employee's previous posted position. If no more senior employee is able to demonstrate ability for this position, the junior will be the successful applicant.

The parties agree in the basic principle that seniority and performance will be the key considerations when considering opportunities for advancement. In cases of promotion, demotion, upgrading or transfers of employees, the skill, ability, reliability, performance and conduct shall be the governing factors and where these are equal, Plant-wide seniority will be the governing factor.

Interviews with candidates for job postings will be conducted on the basis of Plant seniority.

The successful bidder's name for each job posting will be posted on the bulletin board.

The successful bidder will be placed in the new posting no later than thirty (30) business days of acceptance. In the event that an employee cannot be placed in the job within thirty (30) business days because of extenuating circumstances, then beginning on day 31, the employee will **be** paid the new job rate if greater than the employee's prior job rate. If extenuating circumstances exist (for example, prolonged training requirements, major business growth, etc.), the Company will meet with the Union to establish a revised posting date.

The Plant Chair will receive a copy of a list of employees in Job Classifications, to **be** revised and sent out every six month, commencing in January of each year.

All permanent jobs that need to be posted will adhere to the provisions of **B14(1)**.

## **B14(2) TEMPORARY JOB OPPORTUNITY**

All job vacancies which need to be filled on a temporary basis shall be posted as per the normal posting process. Successful applicants will receive the rate of pay of the temporary job posting for the specified time the temporary job exists. The successful applicant will return to their permanent job at the conclusion of the temporary job posting.

During the period that the employee is performing the temporary job, the successful applicant's permanent job will be filled by an employee from the labour pool.

If the temporary position is no longer required, the temporarily posted employee will return to their permanent job.

If it becomes necessary to extend the original time period specified in the temporary job posting, the position will first be offered to the temporary incumbent.

An employee may not post to a temporary posting until the employee has had a full-time posting for the minimum period required under the Collective Agreement.

If an employee is on a temporary posting, that employee may post to a job posting at any time. If, while on a temporary posting, an employee takes a job posting, the Company's intent is to place the employee in the new job as soon as possible, taking into consideration the Company's business needs and temporary posting situation. **Once** the employee has been placed in the new job, the Company will post that employee's vacant temporary job, if required.

If a 2<sup>nd</sup> or 3<sup>rd</sup> shift goes down to a one shift or two shifts, the temporary posted employee returns to their old posting or, if the temporary posted employee has no job ownership, that employee will return to the labour pool. The employee working on the temporary job becomes the incumbent **for** overtime purposes **as** per clause B5 of the Collective Agreement.

## **B15 NEW & EXISTING JOBS**

1. New jobs will mean only permanent jobs. A permanent job will be one that lasts for more than thirty (30) working days. After thirty (30) working days, the Company will establish a rate and advise the Union in writing. If there is a disagreement in the rate set, the Union will notify the Company in writing within ten (10) working days from the date they receive written notice from the Company that the rate is set. Otherwise, the matter will be considered settled. If the Company fails to notify the Union within thirty (30) working days of the creation of a new job, the Union reserves the right to serve notice of their disagreement under this clause.
2. Either the Company's negotiating committee or the Union's negotiating committee may submit to one another a request for rate increases for existing jobs that have been significantly and substantially altered. The receiving committee will evaluate any rate increase request. If accepted, a rate increase will be retroactive to the date that the request was submitted to the receiving committee.

3. If the Company and the Union cannot agree on a rate for a new job or on a rate increase for an existing job, the matter will be presented to a mutually acceptable arbitrator, whose decision will be binding.

## **WELFARE AND BENEFIT PLANS**

The Company shall establish the plans set out in this Agreement. The Company is responsible for the administration and application of such plans. Details of the plans are outlined in booklets, as amended and each employee will be provided with copies. A joint Company/Union benefit committee shall be established.

### **B16 ILLNESS AND ACCIDENT PLAN**

The Company's Illness and Accident Plan will continue in force for the life of this Agreement, with benefits amounting to seventy-five percent (75%) of an employee's regular base rate times forty (40) hours for approved employees who qualify under the plan for the periods that follow. Your maximum benefit in any consecutive twelve (12) month period will depend upon your length of service.

Years of Service	Maximum Benefit
3 mos. to 5 years	13 weeks
more than 5 years but less than 10 years	20 weeks
more than 10 years	26 weeks

Benefit under this Plan will be fully integrated with those payable under the Employment Insurance Act (E.I.). The Company paid portion of the plan will be paid for the first four weeks prior to integration with the Employment Insurance Sick Benefit. During the period an eligible employee is on the E.I. Plan he or she shall receive a co-ordinated benefit comprised of E.I. Sick Pay and Supplementary Unemployment Benefit totalling seventy-five percent (75%) of an employee's regular rate times forty (40) hours. The regulations governing the Plan shall prevail."

This plan is subject to approval under the Employment Insurance Commission legislation.

The Company will provide a loan of four hundred dollars (\$400.00) per week, to a maximum of four thousand dollars (\$4000.00) in any 12-month period, to any employee who:

- has qualified for the Company Illness and Accident Plan; AND
- has applied for EI Sick Benefits; BUT
- has not yet received EI Sick benefits.

To obtain the loan, the employee must sign the Company's loan form acknowledging the employee's commitment to repay the loan by the earlier of receipt of EI Sick Benefits or return to work. In addition, the employee must provide to the Plant nurse medical proof of disability, including copies of medical reports submitted along with the EI Sick Benefits application. If the loan application process has been completed, the loan can be available as early as the first day of the commencement of the EI Sick Benefits.

If, for any reason, the employee is unable to repay the loan in full by the time the employee returns to work on a full-time basis, the Company shall have the right to deduct the amount due from wages payable to the employee, including vacation, termination or severance pay, until the loan is repaid. Repayment from wages shall be established at a rate of \$100 per week.

Should your approved claim under the Illness and Accident Plan, exceed fifteen (15) working days, your three (3) day waiting period will be waived.

### I&A/Modified Work Program

The Company believes that work is rehabilitative and therefore believes in a Modified Work Program. It is well documented that modified work contributes to a faster and more harmonious work reintegration.

Therefore, it is the Company's intent to provide modified work for all employees who are capable and able to perform such work. The Parties will determine, in conjunction with the employee's physician, the employee's suitability to participate in the Modified Work Program.

Failure to participate in the Modified Work Program will result in **loss** of Illness & Accident benefits and potential disciplinary action.

### **Illness & Accident Plan**

Clause B16 of this Collective Agreement shall apply with the following exceptions:

- the waiting period shall be two (2) consecutive twelve (12) hour days (24 hours). Therefore an employee's benefit payment begins on the third scheduled work day missed.
- Benefits under this plan will be paid at seventy-five percent (75%) of an employee's regular base rate times the scheduled number of hours for a maximum of four (4) weeks.
- Should an employee's approved claim under the Illness and Accident Plan exceed 120 missed scheduled hours, the two (2) day waiting period will be waived.
- If an employee attempts to return to his or her scheduled shift but cannot stay for that complete shift due to illness, that day will be counted as one day of the 24-hour waiting period.

## **B17 DRUG AND MAJOR MEDICAL PLAN**

The Company agree to pay the full premium cost of the Ontario Hospital Insurance (Standard Ward) Plan for all eligible approved regular employees who join the plan and their dependants.

The Company agrees to pay the full premium cost of the Quaker Group Health Plan for all eligible approved regular employees who join the plan and their dependants. The Quaker Group Health Plan includes benefits under the Quaker Major Medical Plan and such benefits as are in effect October 1, 1969 under the Ontario Health Insurance Plan.

The Company will cap coverage **for** dispensing fees at ten dollars and fifty cents (\$10.50) per drug.

Orthotics will be covered to a maximum of \$500.

Physiotherapy will be covered to a maximum of \$500.

## **B18 DENTAL PLAN**

Dental coverage **for** active employees will be as follows:

Effective November 1, 2005, dental plan coverage will be provided for all eligible approved regular employees and their dependants according to the 2005 Ontario Dental Association Fee Schedule.

Effective November 1, 2006, dental plan coverage will **be** provided for all eligible approved regular employees and their dependants according to the 2006 Ontario Dental Association Fee Schedule.

Effective November 1, 2007, dental plan coverage will be provided for all eligible approved regular employees and their dependants according to the 2007 Ontario Dental Association Fee Schedule.

Orthodontia will be covered to a lifetime maximum of \$2,350 per child.

## **B19 LONG TERM DISABILITY**

The Company's Long Term Disability Plan will remain in force for the life of this agreement, for all eligible approved regular employees, the cost of which will be borne by the employee.

Effective February 21, 1980 the Company will guarantee the payment of Ontario Health Insurance and Health care Benefits Plan premiums on behalf of employees who are out on Long Term Disability benefits.

The Company will notify the Union on the cancellation of an employee's LTD benefits.

Details of the plan are outlined in a booklet provided by the Company.

## **B20 PENSION PLAN**

The Company Pension Plan for hourly employees shall be in effect and will be governed in text as filed with the Pension Commission of Ontario.

## **B21 GROUP LIFE INSURANCE**

The Company shall provide a Group Life Insurance Plan for all eligible approved regular employees. Details of the Plan are outlined in a booklet provided by the Company.

## **B22 VISION CARE PLAN**

A Vision Care Plan will be in effect for all eligible approved regular employees and their dependants. Details of the Plan will be provided by the Company.

Visioncare for active employees provides protection for the cost of eyeglasses or contact lenses, as well as visioncare services rendered or prescribed by an ophthalmologist or optometrist. The 24-month \$250 maximum per person coverage includes:

- a. lenses and frames;
- b. contact lenses; and
- c. a single visit per person to an ophthalmologist or optometrist within any 2-year period, with maximum coverage of \$50 per visit.

## **B23 HEARING TEST**

Major Medical expenses coverage for active employees now includes the cost of a single hearing test per person in any 4-year period, if performed by a registered audiologist and to a maximum of \$100 per test.

## SCHEDULE "C" SCHEDULE OF RATES

### **C1 intentionally Deleted**

### **C2 ACTING COORDINATOR**

After **June 30, 1998** the Company will no longer use Acting Coordinators.

### **C3 SKILLED TRADES -JOB IDENTIFICATION**

The wage rates of those employees employed in the area shall be governed by the Company's policy entitled "Maintenance Job Identification 1995" as amended to date.

### **C4 WAGERATES**

July 1, **2005**: 1.0% increase

July **1,2006**: 1.5% increase

July 1,2007: 2.0% increase

### **C5 STUDENT AND NEW HIRE RATES:**

All starting rates shall be \$5.00 below the established rate of the job, with the exception of maintenance trades. The rate shall be increased on the employee's anniversary date by **\$1.25** each year over a period of three and one-half (**3.5**) years until the job rate is reached. The final year of the new hire rate will be **\$1.25** lower than the job rate for one-half a year.

Students hired specifically as Summer Help are to receive a rate of six dollars (\$6.00) per hour below the rate of Grade **One** (1). It is agreed that the provisions of this Collective Agreement apply to Summer Help with exceptions as noted in the Summer Help hiring policy. Clause C6 Wage Rates Job Classification

### **C6 WAGE RATES JOB CLASSIFICATION**

Utility Person shall receive the highest rate in his group.

**WAGE RATES JOB CLASSIFICATION**

	<b>Effective July 1/05</b>	<b>Effective July 1/06</b>	<b>Effective July 1/07</b>
<b>GRADE ONE</b>	<b>\$24.48</b>	<b>\$24.85</b>	<b>\$25.35</b>
Cold Cereal Cleaner			
Milling Cleaner			
General Labourer			
Lab Helper			
Line 21 Person			
Package Person			
Line 16 Person			
Line 5 Person			
L24 Person			
<b>GRADE TWO</b>	<b>\$24.70</b>	<b>\$25.07</b>	<b>\$25.57</b>
Line 15 Person			
# 4 Elevator Operator			
# 5 Elevator Operator			
Pre-Sweet Tank Person			
Batching Plant Tank Person			
Service and Relief - Shipping			
Janitor & Relief			
Pallet Station			
Hot Cereal Cleaner			
Cold Cereal Cleaner 7th/8th Floor			
Janitor			
Muffets Person			
Maintenance Cleaner			
RTE Cleaner			
<b>GRADE THREE</b>	<b>\$24.88</b>	<b>\$25.25</b>	<b>\$25.76</b>
Fruit Job			
Line 22 Edson Operator			
Reclaim Operator			
Barline Assistant			
Baler Operator			
HPE Belt Inspector			
Ingredient Handler/Relief			



	<b>Effective July 1/05</b>	<b>Effective July 1/06</b>	<b>Effective July 1/07</b>
<b>GRADE FOUR</b>	\$25.19	\$25.57	\$26.08
Slitter Operator			
Pre-Sweet Inspector			
Bar Line Premixer			
Line 16 Blender Operator			
Distributor			
Line 7 Assistant Operator			
Harvest Crunch Pre-Mixers			
Line 6/9 Assistant Operator			
Bulk Packer			
Line 16 Assistant Operator			
Line 11 Assistant Operator			
Line 22 Assistant Operator			
Line 4 Assistant Operator			
Bran Sterilizer			
Oat Tank Person			
Line 21 Assistant Operator			
I.Q.O. Relief			
Service & Relief Hot Cereals			
Line 30 2 <sup>nd</sup> Assistant Operator			
Milling/Elevator Cleaner			
Line 5 Assistant Operator			
Line 24 Relief Operator			
Line 24 Assistant Operator			
LPE Belt Inspector			
Barline Focke Operator			
<b>GRADE FIVE</b>	\$25.51	\$25.89	\$26.41
Premix Plant Relief			
Line 30 1 <sup>st</sup> Assistant Operator			
Baking Mix Relief			
Muffet Cooker			
Line 5 Operator			
Line 7 Operator			
Muffet Packer Operator			
Supply Person			
Weigh Person			
Line 4 Operator			
Line 21 Operator			
Syrup Tender Harvest Crunch			
Bar Line Wrapper Operator Relief			
Line 16 Operator			

	<b>Effective July 1/05</b>	<b>Effective July 1/06</b>	<b>Effective July 1/07</b>
<b>GRADE FIVE (con't)</b>	\$25.51	\$25.89	\$26.41
I.Q.O. Pre-Mixer			
Bar Line Syrup Tender			
Bakeshop Inspector			
Lab Inspector			
Jones Machine Operator - Muffets			
Barline Cleaner			
L31 2 <sup>nd</sup> Assistant Operator			
L24 Operator			
L23 Cartoner/Case Operator			
L23 Premix Operator			
L22 Cartoner/Case Operator			
L22 Premix Operator			
Premixer			
AJ Support			
<b>GRADE SIX</b>	\$25.65	\$26.03	\$26.55
Line 17 Assistant Operator			
Line 11 Operator			
Line 6/9 Operator			
Muffet Machine Operator			
Bulk Unloader			
Bar/Slabline Operator			
Cold Cereal/Barline Support Person			
HPE Syrup Tender			
L31 1 <sup>st</sup> Assistant Operator			
L23 Relief Operator			
L22 1 <sup>st</sup> Assistant Operator			
L22 Relief Operator			
<b>GRADE SEVEN</b>	\$25.94	\$26.33	\$26.86
AJ System Operator			
Bulk Loader			
Checker			
Mill Grinding Operator			
Line 30 Operator			
L23 Operator			
L22 Operator			
Line 17 Operator			
Gun Operator			
Bar Line Wrapper Operator			

	<b>Effective July 1/05</b>	<b>Effective July 1/06</b>	<b>Effective July 1/07</b>
<b>GRADE EIGHT</b>	\$26.43	\$26.83	\$27.37
1st <b>Floor</b> Operator			
Batching Plant Operator			
RTE Premix Plant Operator			
LPE Sheeting Table Operator			
L31 Operator			
Palletizer/Fork Truck Operator			
<b>GRADE NINE</b>	\$27.06	\$27.47	\$28.02
High <b>Pressure</b> Extruder Operator			
Low Pressure Extruder Operator			
<b>GRADE TEN</b>	\$28.76	\$29.19	\$29.77
<b>UTILITY</b>			
RTE Utility	\$27.06	\$27.47	\$28.02
Manufacturing Utility	\$25.65	\$26.03	\$26.55
Package Line Utility Operator	\$25.65	\$26.03	\$26.55
Milling Utility	\$28.76	\$29.19	\$29.77
Elevator Utility	\$26.43	\$26.83	\$27.37
Shipping Utility	\$26.43	\$26.83	\$27.37
Harvest Utility	\$25.65	\$26.03	\$26.55
Hot Cereal Manufacturing Utility	\$26.63	\$27.03	\$27.57
Hot Cereal Utility	\$25.94	\$26.33	\$26.86
<b>Roll</b> Cleaning Utility	\$28.76	\$29.19	\$29.77
Shipping GUI Operator	\$26.63	\$27.03	\$27.57
<b>FLOOR LEADER</b>			
20¢ above highest rate in group			
<b>MILLERS RATE</b>			
2nd Miller	\$26.84	\$27.24	\$27.78
1st Miller	\$27.06	\$27.47	\$28.02
<b>FLAKING ROLLS SYSTEM</b>			
<b>Roll</b> Person	\$28.76	\$29.19	\$29.77

	<b>Effective July 1/05</b>	<b>Effective July 1/06</b>	<b>Effective July 1/07</b>
<b>MAINTENANCE</b>			
Maintenance I	\$24.48	\$24.85	\$25.35
Maintenance II	\$24.88	\$25.25	\$25.76
Maintenance III	\$25.51	\$25.89	\$26.41
Maintenance IV	\$25.94	\$26.33	\$26.86
Maintenance V	\$27.17	\$27.58	\$28.13
Maintenance VI	\$27.79	\$28.21	\$28.77
Maintenance VII	\$29.48	\$29.92	\$30.52
Maintenance VIII	\$30.01	\$30.46	\$31.07
Electrical Support Person (exclusive of enhancement)			
<b>BOILER ROOM</b>			
Maintenance VIII	\$30.01	\$30.46	\$31.07
Chief Engineer	\$32.23	\$32.71	\$33.36

**SCHEDULE "D"**  
**VACATION PRIVILEGES OF EMPLOYEES**  
**AND THE CONDITIONS UPON WHICH SAME ARE GRANTED**

1. Annual vacation privileges **for** employees shall be allotted on the basis of the following schedule

a. Employees **are** not entitled to vacation in their year of hire

b. Employees are entitled **to** two weeks' vacation in the year following hire if they have completed one **full** year's service by August 31<sup>st</sup> of that year. Completing one full year's service requires that the employee has not been off the payroll at any one time more than thirty **(30)** consecutive days, Sundays and holidays included, during the entire period while accumulating this credit for service.

Employees who have not completed one full year's service by August 31<sup>st</sup> of the year following hire shall not be entitled to vacation time but shall instead **be** entitled to vacation credit established in the Ontario Employment Standards Act (which is 4% as of the date of this Agreement).

c. Employees who in any year will have accumulated seniority of five **(5)** years or more shall receive three **(3)** weeks vacation.

d. Employees who in any year will have accumulated seniority of ten (10) years or more shall receive four **(4)** weeks vacation.

e. Employees who in any year will have accumulated seniority of eighteen (18) years or **more** shall receive five **(5)** weeks vacation.

f. Employees who in any year have accumulated seniority of twenty-six (26) years or more shall receive six (6) weeks vacation.

2. Employees who have accumulated 18 years of service or more and are eligible for five **(5)** or more weeks of vacation may elect to take one week of their vacation one day at a time. Scheduling of vacation days shall be arranged between the employee and his co-ordinator and shall **be** subject to business conditions. For administrative purposes the following will apply: Individual vacation days are not eligible for carryover into the next calendar year.
3. An employee who is eligible for vacation shall be paid vacation pay at 2% of the employee's previous year's earnings for each week of vacation, **or** forty **(40)** times the employee's regular hourly rate for each week, whichever is the greater.

4. If an employee voluntarily quits or is discharged from service for cause, the employee shall receive only such vacation credits as shall be determined by the Employment Standards Act.
5. Vacations may be given at any time during the year subject to the demands of business. However, each department should make a sincere effort to grant vacations at the time wanted by the employees, giving the longest service employee preference.
6. If a recognized plant holiday, as per Clause B6, falls during an employee vacation, the employee shall be entitled to a day off in lieu of the recognized plant holiday. The Company and the employee will mutually agree to timing of the lieu day. However, the employee must give the Company at least two (2) weeks' notice of the employee's proposed lieu day.
7. An employee who has completed five (5) years service and is eligible for three (3) weeks vacation or more may hold one (1) weeks vacation credit over, to be taken some time in the first four months of the following year.
8. Time spent on sick benefits, Long Term Disability Benefits, Workmen's Compensation Board benefits and any other approved Leave of Absence, shall be considered to be equivalent of time spent in service in fulfilling the active employment requirements.
9. Every year, the Company and the Union will meet to establish Plant shutdown vacation guidelines for the following calendar year. The Company will post the vacation guidelines for any year by no later than November 1 of the previous year.

## SCHEDULE "E"

### SUPPLEMENTAL AGREEMENT ON CONTINUOUS OPERATION SCHEDULES

between

PepsiCo Foods Canada Inc., PETERBOROUGH

and

LOCAL 1996-CANADIAN AUTO WORKERS (CANADA)

#### Continuous Operation

The Company and the Union have negotiated an agreement that will support Continuous Operations (i.e., 7x24 scheduling). This will address flexibility and capacity requirements of the North American cereals business, and shall position our Plant for future production and growth possibilities.

The Company and the Union will form a joint task force which will work with a 24/7 Strategies Group or another mutually agreed upon external party to develop and execute the Continuous Operation schedule. Together, the task force and the 24/7 Strategies Group will develop and implement a process for developing and selecting the Continuous Operation schedule which best meets both Company and employee needs. These needs will be defined at the outset of the development process by the parties involved and approved by the LAMA committee. The evaluation of proposed schedule options will include solicited input from members of the Union by means of a survey or other voting method. The Continuous Operation schedule option receiving a majority vote will be presented to LAMA for final approval.

The default schedule shall define the Continuous Operation schedule.

Where there is a conflict between any provision of this Supplemental Agreement and any provision of the Collective Agreement, this Supplemental Agreement shall apply. Subject to the foregoing, all terms of the Collective Agreement shall apply.

# Default Schedule

## Agreement

Notwithstanding any other provisions in this Collective Agreement, the Company may introduce a Continuous Operation schedule for any manufacturing system, packaging line or support service, as per business needs.

## In /Out Notification

- Prior to implementing a Continuous Operation schedule in any manufacturing system, packaging line or support service, the Company will notify the Union thirty (30) calendar days in advance that the Continuous Operation will be implemented.
- Before ending a Continuous Operation schedule and returning to the 5x8 production, the Company will provide the Union thirty (30) calendar days in advance with the business need and inform the Union that the Continuous Operation schedule will end.
- The Company shall give fifteen (15) days' notice to any labour pool employee who is to be moved into or out of the 7/24 continuous operations schedule.

## Emergency Declaration

It is understood that extenuating circumstances resulting from an emergency (act of god, terrorism, bomb threats, fire, flood, explosion, etc.) may lead to partial or complete shut down of an area or department while on the Continuous Operation schedule. In such a circumstance, the Continuous Operation schedule for that area will be stopped without notification identified above. If required, the Continuous Operation schedule will resume upon reparation of the impacted areas. For the purposes of calculating Overtime Premium Pay (page 69), scheduled hours that are not worked solely due to the extenuating circumstances described above will be counted as regular "hours worked".





## Pay Schedule

On the Continuous Operation schedule, an employee will receive the following pay for all regularly scheduled shifts:

### **SHORT WEEK:**

- Thirty-six (36) hours at the regular straight time rate of pay for the thirty-six (36) scheduled hours in the short week.

### **LONG WEEK:**

- Forty (40) hours at the regular straight time rate of pay for all regularly scheduled hours worked in the long week.
- Eight (8) hours at one and one half times (1.5x) the regular straight time rate of pay for the last eight (8) scheduled hours worked in the long week.
- An employee will not be disadvantaged for any overtime hours for approved absences. "Approved absences" do not include unexcused absences or sick time.

## Overtime Premium Pay

Overtime shall be paid at the rate of one and one half times the regular straight time rate for:

- all hours worked in excess of 36 hours/week in the short week
- all hours worked in excess of 40 hours/week in the long week
- all hours worked outside of the employee's regular scheduled shift
- all work performed on recognized Plant holidays

Overtime shall be paid at the rate of double time the regular straight time rate as set out in Clause B5 paragraph 2, with the exception that the definitions of Saturday and Sunday are as set out below:

- for the purposes of overtime pay calculation in this Continuous Operation schedule, "Saturday" is defined as the 24 hour period beginning at 11 pm on Friday and "Sunday" is defined as the 24 hour period beginning at 11 pm on Saturday.

## Overtime Scheduling

The Company may choose to re-assign an employee currently working within the Plant prior to the assignment of overtime.

In addition, between 11pm on Sunday and 11pm on Friday, the Company may re-assign an employee from either the **5x8** or **7x24** labour pool and/or an employee who is no longer required to work on his or her assignment, regardless of the employee's schedule within the Plant. However when overtime is required, the Company will offer it in the following manner:

- 1) First, to the position incumbents on the opposite shift;
- 2) Second, to the qualified employees on the opposite shift who relieve on the job as part of the relief schedule;
- 3) Third, to employees posted on the job, but not working on the job at that time;
- 4) Fourth, to other employees in the department qualified to do the work;
- 5) Fifth, to other employees in the Plant who are qualified to do the work.

Scheduled vacation which is less than or equal to two weeks in length will first be filled by incumbents on the off shift of the Continuous Operations schedule. If no such incumbent is available, the Company may choose to re-assign an employee currently working within the Plant to fill the vacancy.

In the case of a scheduled absence of any length of time, including day-at-a-time vacation, if the Company, acting reasonably, determines that it is not necessary to fill the absence (i.e. because a line is not running, a line is on preventative maintenance, there is ongoing heat sterilization in the area), the Company will not be required to fill the scheduled absence.

### **Continuous Operation Shift Bonus**

	7am-7pm Shift	7pm-7am Shift
1 <sup>st</sup> Year	.65	.97
2 <sup>nd</sup> Year	.70	1.05
3 <sup>rd</sup> Year	.75	1.10

## **Vacation**

- Employees scheduled on the Continuous Operation schedule will receive vacation privileges as per Schedule “D” of this Collective Agreement. This means that vacation time and credit will be administered and paid such that each week of vacation will coincide with the respective scheduled work week. The employee will be paid vacation pay at two percent (2%) of the employee’s previous year’s earnings for each week of vacation, or forty (40) times the employee’s base hourly rate for each week, whichever is greater.
- For the purposes of one-day-at-a-time vacation on the Continuous Operation schedule, employees may elect to take forty (40) hours as one-day-at-a-time vacation. The employee must take this vacation time in full twelve (12) hour days, one-day-at-a-time. In the event that an employee has less than twelve (12) hours remaining in their one-day-at-a-time entitlement, they will work with their coordinator to identify an agreed-upon time to take those remaining hours of vacation.
- Vacations may be given at any time during the year subject to demands of the business. However, each department should make a sincere effort to grant vacations at the time wanted by the employees. Longest service employees will be given preference, provided they have adhered to agreed upon guidelines.
- For the purposes of calculating Overtime Premium Pay (page 69), hours spent on vacation will be counted as regular “hours worked”.

## **Recognized Plant Holidays**

- If a recognized Plant holiday, as per Clause B6, is a scheduled day off for a Continuous Operation employee, the employee shall be paid for twelve (12) hours at the straight time base rate in accordance with the conditions in Clause B6.
- If a recognized Plant holiday, as per Clause B6, falls during an employee’s vacation, the employee shall be entitled to a day off in lieu of the recognized Plant holiday. The Company and the employee will mutually agree to timing of the lieu day. However, the employee must give the Company at least two (2) weeks notice of the employee’s proposed lieu day. Coverage for personnel lieu day shifts will be scheduled at the Company’s discretion.
- An employee required to work on any recognized Plant holiday as provided for in Clause B6, shall be compensated for such work at the rate of one and a half times (1.5x) the straight time base rate of pay in addition to twelve (12) hours Recognized Plant Holiday pay.
- If a recognized Plant holiday, as per Clause B6, is a scheduled work day for a Continuous Operation employee, however the Plant is closed on this day, he shall be paid for twelve (12) hours at the straight time base

rate, in order that the employee is not disadvantaged.

- When the Company assigns an alternate day for a recognized Plant holiday, an employee on a continuous schedule will be compensated for the original holiday, not the alternate date.
- By December 31, the Company will provide the Union with notice of all recognized Plant holidays for the next calendar year.

### **Bereavement Pay**

- Clause B9 of this Collective Agreement shall apply such that employees working on the Continuous Operation schedule will receive the same number of calendar days as employees on the **5x8** schedule. For the purposes of calculating Overtime Premium Pay (page 69), scheduled hours spent on Bereavement Pay will be counted as regular “hours worked”.

### **Job Opportunity for 4th Crew (Default Schedule)**

- In order to **ensure** the implementation of the Continuous Operation program, the Company and Union agree to work together to develop job opportunity **rules** to replace Clause B14 of this Collective Agreement for the Continuous Operation schedule (default schedule).
- These **rules** will build on the principle that the 4th crew will be posted as a permanent posting.
- When the Continuous Operation schedule finishes and the crews return to a **5x8** schedule, the most senior employees will fill the required shifts on the **5x8** schedule. The junior employees will maintain their postings but since their jobs are not running, they will become part of the labour pool.
- When the Plant or individual lines are not in operation because of a shutdown or other similar event, the shift rotation will continue through the non-operational period and the crews will be slotted into the rotation that is in place when the Plant **or** lines start up again. The only exception to this is that, for one-person crews, the senior employee will have his or her choice of shift upon startup of the Plant or line.
- When the Company reduces shifts in either a **5X8** rotation or a 7x24 rotation, the Company will remove the junior employee at each position from the shift rotation.
- When the Company increases shifts in a **7x24** rotation, the junior employees will return to their posted crews.

## Trading Shifts **or** Days

- Employees who wish to trade shifts **or** days with another employee must have appropriate rest period between shifts **as** determined by the Company, and in any event, cannot work more than thirteen (**13**) hours /day.
- **All** trades must be approved by the employee's coordinator.
- Trades can only occur between employees on the Continuous Operation schedule.
- A trade must be cost neutral, therefore cannot result in any added cost to the Company.

## Schedule **Trades**

An employee working a 36 hour week may trade schedules with an employee working a 48 hour week, and vice versa, provided:

- All schedule trades will be subject to the terms and conditions of the trading shifts provisions contained in the Collective Agreement.
- Schedule trade agreements are for a minimum of six months;
- Employees must be within the same classification;
- The trade is cost neutral and does not result in any added cost to the Company; and
- All benefits will be based on monthly base earnings, and prior to any schedule trade agreement, the impacted employees will be required to sign appropriate documentation that articulates the terms and conditions and potential personal benefit impact.

## Jury Duty

For employees on the Continuous Operation schedule, all guidelines will be applied as outlined in Clause B8 of this Collective Agreement, except that regularly scheduled work days may be comprised of up to twelve (12) hours /day and a maximum of forty-eight (48) regularly scheduled hours per week may apply. For the **purposes** of calculating Overtime Premium Pay (page 69), scheduled hours spent on Jury Duty will be counted as regular "hours worked".

## Heat Sterilization /Fumigations

- Heat sterilization will be required on occasions throughout the calendar year.
- Employees scheduled on the Continuous Operation schedule at a time when a heat run is required will not be disadvantaged; alternative work will be provided.
- The Company will make every effort to schedule fumigations around the Continuous Operation schedule.

## Restrictions

No overtime or premium will be computed twice on the same hours worked, but the highest single premium shall apply.

## Job Opportunity

All 7x24 job opportunities will be posted by crew, if applicable.

Prior to posting a 7X24 opportunity, the Company will permit an employee working in the same posting on a different crew to switch into the vacant position. Seniority will govern if more than one employee requests the crew switch.

## Alternate **Work** Schedules

The Company and the Union have negotiated this addendum to Schedule "E" to provide for alternate work schedules. The terms and conditions of Schedule "E" will govern these new work schedules, except to the extent noted below.

Pursuant to the Collective Agreement, the Company may implement 7x24 work schedules in defined circumstances. For a variety of reasons, including (a) production requirements, (b) the Company's need to remain competitive, efficient and effective, and (c) employees' work life balance and need for a consistent schedule, the Company is prepared to **use 7x24 work** schedules in a more flexible manner. In those cases where an alternate schedule will meet Company needs, the parties will discuss at LAMA both the Company's proposal and any Union proposals, subject to the following conditions:

1. a minimum of 8 hours per day and a maximum of 12 per day, with at least 12 hours rest between shifts;

2. the alternate schedule will not result in any added cost to the Company;
3. all benefits will be based on monthly base earnings and, prior to any alternate schedule agreement, the impacted employee will be required to sign appropriate documentation that articulates the terms and conditions and potential personal benefit impact.

**If** no agreement can be reached, the default ~~7x24~~ schedule will apply.



## Default Continuous Operation Schedule - 2-2-3

### ROTATING SHIFTS (every 2 or 3 day):

Crew	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Crew I	7am 7pm	7am 7pm	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm
Crew II	7pm 7am	7pm 7am	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am
Crew III	7am 7pm	7am 7pm	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm
Crew IV	7pm 7am	7pm 7am	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am

### ROTATING SHIFTS (every 2 weeks):

Crew	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Crew I	7am 7pm	7am 7pm	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm
Crew II	7pm 7am	7pm 7am	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am
Crew III	7am 7pm	7am 7pm	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm
Crew IV	7pm 7am	7pm 7am	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am	-	-	7am 7pm	7am 7pm	-	-	7pm 7am	7pm 7am

## Hours of Work & Remuneration for Default 2.2.3 Schedule (Rotating or Fixed Schedule)

base on the sample schedules:

	<b>Week #1</b>	<b>Week #2</b>	<b>Week #3</b>	<b>Week #4</b>
<b>rew 1</b>	Days Worked=4 4 x 12 hour shifts  Hours Worked=48 first 40 hours @ straight time remaining 8 hours @ 1.5x  Days Off=3	Days Worked=3 3 x 12 hour shifts  Hours Worked=36 36 hours @ straight time  Days Off=4	Days Worked=4 4 x 12 hour shifts  Hours Worked=48 first 40 hours @ straight time remaining 8 hours @ 1.5x  Days Off=3	Days Worked=3 3 x 12 hour shifts  Hours Worked=36 36 hours @ straight time  Days Off=4
<b>rew 1</b>	Days Worked=4 4 x 12 hour shifts  Hours Worked=48 first 40 hours @ straight time remaining 8 hours @ 1.5x  Days Off=3	Days Worked=3 3 x 12 hour shifts  Hours Worked=36 36 hours @ straight time  Days Off=4	Days Worked=4 4 x 12 hour shifts  Hours Worked=48 first 40 hours @ straight time remaining 8 hours @ 1.5x  Days Off=3	Days Worked=3 3 x 12 hour shifts  Hours Worked=36 36 hours @ straight time  Days Off=4
<b>rew 1</b>	Days Worked=3 3 x 12 hour shifts  Hours Worked=36 36 hours @ straight time  Days Off=4	Days Worked=4 4 x 12 hour shifts  Hours Worked=48 first 40 hours @ straight time remaining 8 hours @ 1.5x  Days Off=3	Days Worked=3 3 x 12 hour shifts  Hours Worked=36 36 hours @ straight time  Days Off=4	Days Worked=4 4 x 12 hour shifts  Hours Worked=48 first 40 hours @ straight time remaining 8 hours @ 1.5x  Days Off=3
<b>rew 1</b>	Days Worked=3 3 x 12 hour shifts  Hours Worked=36 36 hours @ straight time  Days Off=4	Days Worked=4 4 x 12 hour shifts  Hours Worked=48 first 40 hours @ straight time remaining 8 hours @ 1.5x  Days Off=3	Days Worked=3 3 x 12 hour shifts  Hours Worked=36 36 hours @ straight time  Days Off=4	Days Worked=4 4 x 12 hour shifts  Hours Worked=48 first 40 hours @ straight time remaining 8 hours @ 1.5x  Days Off=3

## Schedule “F”

### TRAINING OPPORTUNITIES

It is understood that training is a component of each employee’s job responsibilities to the Company.

In the spirit of collaboration, the Company and the Union agree that training has a positive effect on productivity and quality of products, provides opportunities for employees to expand their knowledge, and provides employees with a sense of accomplishment.

The Joint Health & Safety Committee will participate in defining site-specific job training requirements.

#### Selection Criteria

The Company understands and respects seniority. It is the intent of the Company to offer training opportunities to employees who wish to expand their skills. The Company also recognizes the scope of skills that a senior employee is able to offer across a broad number of assignments. The Company will adhere to the temporary training transfer language contained in this Collective Agreement.

#### Existing Job Training

Employees will receive training in a timely manner that allows them to safely work in their current positions. Employees will also receive training that the parties determine will assist them in the effective operation of equipment and the administration of their duties.

#### Job Training for Other Positions

To ensure flexibility in the operation of the Plant, and to ensure that the Company is fully utilizing each employee’s skill and abilities, the Company and the Union agree to review the requirements for training on an ongoing basis as per Section 36 (c) of the collective agreement. Each such assignment will consist of on the job training with a fully qualified employee.

## LETTERS OF INTENT

1. **Re: Hold Over** of One Week's Vacation
2. Re: Job Opportunity
3. Re: Severance Pay
4. Re: Technological Change
5. Re: Long Term Disability
6. **Re: Changes to Existing Jobs and New Jobs**
7. Re: Maintenance Job Identification
8. **Re: Bridge Retirement Plan**
9. Re: Parental Leave
10. Re: Summer Student Hiring
11. **Re: Flaking Rolls System (Roll Man)**
12. Re: Maintenance Contracting Out
13. Re: Units Versus Departments

Letters of Intent to be considered as part of the Collective Agreement.

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto **Workers** Local 1996

Dear Mr. Madill:

RE: HOLD OVER OF ONE WEEKS VACATION INTO THE  
FOLLOWING YEAR

It **is** understood that an employee who elects to hold one weeks vacation over to be taken some time in the first **four** months **of the** following year, may because of sickness or extenuating circumstances, delay taking his or her one week vacation until the first week immediately following his or her return.

Yours ~~truly~~,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
president.  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

RE: THE ADMINISTRATION OF CLAUSE B14 JOB OPPORTUNITY

“If the Company decides not to appoint the applicant with the most seniority to the posted position, before **the** decision **is** announced the Company will meet with the Union and outline their reasons for making the decision.

If agreement is reached at this time that the applicant is unsuitable, the Company will then consider the next senior applicant and so on until the final decision is made.”

Yours **truly**,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

SEVERANCE PAY POLICY

PepsiCo Foods Canada Inc.'s Severance Pay Policy is intended to provide a form of financial alleviation for approved employees who have their employment terminated due to the closing of the Plant or the permanent closure of a section **of** the Plant.

It is intended that the provisions of the Severance Pay Policy shall be inclusive of any severance required by law. However, payments under the Severance Pay Policy are not intended to include payment in lieu of notice as required under the Employment Standards Act.

**An** employee whose job is terminated due to the aforementioned reasons may elect to remain on the Plant Seniority List for possible recall in accordance with the applicable recall provisions **of** the Collective Agreement. In this event, the company will withhold any applicable payment of Severance Pay during the temporary lay-off period and into the indefinite lay-off period until such time as the employee **requests** payment.

**An** employee receiving Severance Pay shall receive vacation pay as prescribed under the Employment Standards Act.

It is understood that when and if such payment is made it will constitute a complete break in service for the employee and he/she shall forego any and all claims and/or recall rights with PepsiCo Foods Canada Inc. It is understood that payment will be calculated at the employee's regular rate excluding shift and/or other premiums, at the time the reduction occurred.

Severance Pay will be paid to eligible employees in accordance with the following:

\* 1 - 10 years  
(and pro rated months)                      1 wks. pay per year of service to 10 yrs.

-2-

PLUS \* 10 + years                      2 wks. pay for each year of service  
over 10 years

Severance Pay shall be paid to a maximum of 52 weeks.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT



Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian **Auto** Workers Local 1996

Dear Mr. Madill:

TECHNOLOGICAL CHANGE

In the event of Technological Change as defined in Clause 44 of the Collective Agreement the Company will, along with complying with the provisions of this clause, provide employees with the following information:

- the nature of the change
- the proposed time frame in which the Company proposed the change
- the approximate number, classification and location of employees likely to be effected by the change
- information regarding the new and changed jobs that will be available on completion of the Technological Change

It is also the intent of the Company where new or greater skills are required, because of Technological Change that the Company will provide the necessary training for those employees so affected.

It is further agreed that any employee losing their posted job through technological change, and are still in the employ of the Company will have the right to return to the discontinued job immediately, seniority prevailing, if the job is reinstated.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

**CanadianAuto Workers Local 1996**

Attention: Mr. Steve Madill  
President,  
Canadian Auto **Workers** Local 1996

Dear Mr. Madill:

RE: LONG TERM DISABILITY

Further to our understanding concerning those employees on Long Term Disability, I am writing to confirm our existing policy of continuing those benefits that they **are** now receiving.

Such benefits will be retained as long as the employee remains on Long Term Disability.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

**R E CHANGES TO EXISTING JOBS AND NEW JOBS**

In keeping with the spirit of both Pay Equity legislation and internal equity, it is **our** intention to endeavour **to** determine job classification by a system of job evaluation.

Only new or substantially altered existing jobs will be eligible for job evaluation.

If a job is deemed eligible for evaluation, it will be evaluated by a joint union/management committee using a point factor system as used for Pay Equity **purposes.**

This **letter** will not alter the recourse available to the Union in clause B 15 New Jobs, but will provide method of evaluating new jobs.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

RE: MAINTENANCE JOB IDENTIFICATION.1995

The following identifies wage rates and provides a brief description of employee qualifications necessary to attain a specific grade level.

Maintenance I

- any routine job within the maintenance department requiring little or no skill;

Maintenance II

- employee in progress of acquiring skill or knowledge in the building trades;
- a starting apprentice;

Maintenance III

- employee with the basic knowledge of construction trades;
- apprentice 1st anniversary date

Maintenance IV

- employee competent in all building trades;
- works with minimum direction from supervisor;
- apprentice 2nd anniversary date

Maintenance V

- employee in the building trades who demonstrates a high level of ability;
- newly hired skilled tradesman possessing an Ontario Certificate of Qualification;
- apprentice who has completed the course, but has no certificate
- certified technician **or** technologist

Maintenance VI

- certified skilled tradesman completing probation
- apprentice completing required course work and fulfilling time requirements under the contract of Apprenticeship

Maintenance VII

- certified skilled tradesman completing three months in Maintenance Grade VI
- Maintenance Stationary Engineer
- Stationary Engineer 2nd Class

Maintenance VIII

- fully certified electrician
- enhanced mechanic

### **APPRENTICESHIP PROGRAMME**

**The** following will be a supplement to the Skilled Trades - Job Identification:

1. The Company shall post a notice of vacant positions in the apprenticeship programme on all bulletin boards. The notice shall be posted for a period not **less** than five **(5)** working days.
2. A committee comprised of two management and two Union members will review all applications received and select appropriate candidates for testing.
3. The candidates selected from each review shall be required to write a G.A.T.B. Test and the candidate receiving the highest score on the Test shall be offered the position.

### **SKILLS PROGRAM**

The Company reserves the right to limit the number of employees who will be compensated for certain courses with all requests for course credential recognition to be approved by the Company prior to course commencement.

It is also recognized that Maintenance employees holding a second certified trade, recognized technologist or technician diploma in an area beneficial to the Company will be compensated based on the following schedule:

- technologist \$ 0.60 above job rate
- technician \$ 0.45 above job rate
- second ticket \$ 0.30 above job rate

Academic courses required to satisfy the above listed programs will be determined by a Joint Union/Management Maintenance Skilled Trades Committee.

It is agreed that a senior mechanical or electrical journeyman will not be laid off prior to a junior technician or technologist.

**Yours truly,**

Gary Haystead  
Plant Capabilities Leader  
**PETERBOROUGH PLANT**

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

BRIDGE RETIREMENT PLAN

Any full-time hourly employee at the Peterborough Plant who is between the age of 55 and 65 and who elects early retirement shall be entitled to receive Bridge Retirement payments in accordance with the earnings chart set out below, except that an employee shall not be entitled to receive Bridge Retirement payments while that employee is in receipt of LTD benefits.

Age	Earnings Per Month
55-60	\$325 per month to age 60
60-65	\$450 per month to age 65

These payments will commence coincident with the employee's early retirement and will terminate on the 1<sup>st</sup> day of the month following the employee's 65<sup>th</sup> birthday, unless the employee's birthday falls on the 1<sup>st</sup> of the month, in which case the payments will terminate on the employee's 65th birthday.

Bridge Retirement payments will be in addition to the pension benefits payable under the Retirement Plan for hourly employees.

It is understood that eligibility under the terms of this Early Bridge Retirement Plan will terminate coincident with the termination of the current Collective Agreement.

A joint survivor option bridge payment of \$195 (60% of \$325) per month shall be provided to the spouse of an employee who retires between the age of 55 and 60, in the event of the retiree's death. The payments to the spouse will continue until the retiree would have reached the age of 65.

A joint survivor option bridge payment of \$270 (60% of \$450) per month shall be provided to the spouse of an employee who retires between the age of 60 and 65, in the event of the retiree's death. The payments to the spouse will continue until the retiree would have reached the age of 65.

**It is further understood that this plan will not apply in the event of a Plant closure but bridge payments being paid to employees will continue until the employee reaches age 65.**

Yours truly,

**Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT**



Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

RE: PARENTAL LEAVE

The agreement to change pertaining to Parental Leave will be contained in this letter.

The Company will grant up to 22 weeks unpaid parental leave following the birth of a child or the coming of an adopted child into a parent's custody, care and control for the first time. Both parents are eligible to take 22 weeks.

For a natural mother, father and adoptive parent, the parental leave must be completed prior to one year from the date of the birth of the child or after the baby first comes into the custody, care and control of the parent.

Employee must give two weeks written notice prior to the commencement of the leave and the same before the date leave is to end.

Seniority shall accumulate during such leave. An employee on an authorized parental leave shall continue to receive existing benefits coverage paid by the Company.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local **1996**

Dear Mr. Madill:

RE: SUMMER STUDENT HIRING

A Joint Company-Union Committee has been established to review the criteria for hiring summer students for Plant hourly positions. The Committee recognizes the high cost of post-secondary school education and wishes to help defray these costs for the sons and daughters of PepsiCo Foods Canada Inc. employees.

In the event all regular employees have returned from layoff and the Company has a need to hire students, the following process shall apply:

- college or university students who are attending school or who have made application to attend school may apply
- sons and daughters of Plant employees will be given first preference
- as a minimum age requirement, students must have turned 18 sometime in the current calendar year
- jobs will be available between Victoria Day and Labour Day
- preference will be given to one student per family
- students will be hired for one summer only, however in the event **all** first time qualified students have been hired, the Company will next consider qualified students who have worked previous summers
- wages shall be \$6.00 below the rate of grade 1
- benefits shall be paid per Employees Standards Act
- recognized Plant Holidays will be paid

- applications (resumes) to be submitted to Human Resources Department no later than April 30, of the current calendar year
- the Committee will review applications and qualified candidates shall **be** randomly selected by lottery as jobs become available

**Yours** truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

**Canadian Auto Workers Local 1996**

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

RE: FLAKING ROLLS SYSTEM (Roll Person)

The parties agree to add a new wage rate job classification entitled Flaking Rolls System and to place the "Roll Person" position in that classification.

The parties agree that posted employees in that position will receive a rate of \$20.13 effective October 28, 1996, a rate of \$20.53 effective November 1, 1996 and increases consistent with the collective agreement thereafter.

The parties agree that this settlement is without prejudice and will not be a precedent in their ongoing relationship. In addition the parties agree that this settlement shall not be utilized for any pay equity or internal equity purposes in the future.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

RE: MAINTENANCE CONTRACTING OUT

When any of the Maintenance Employees are on layoff, the Company agrees that the work of the particular laid off trade shall be performed within the Bargaining Unit except in cases of:

(a) Short completion time requirements and the immediate unavailability of **the** required Tradesmen on staff for the work to be performed,

**or**

(b) Unavailability of space or the required equipment,

or

(c) Short duration jobs for which it is not practicable to recall the appropriate Tradesmen.

The Company agrees to notify the Union in advance and to provide an explanation **of** the sub-contracting of the work of the particular trade when that trade is on layoff.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

RE: UNITS versus DEPARTMENTS

The Company and Union have established guidelines that help clarify the administration of overtime as it concerns units versus departments.

This understanding pertains to assigning overtime as per clause B5, section 3, article (e) and comes into effect after compliance with articles (a) to (d). Article (e) states overtime will be offered “to other department employees qualified to do the work”.

There are two areas of concern. If articles (a) to (d) have been exhausted, and the nature of the overtime work requires a qualified employee, the Company will ask other qualified employees on the line involved, and then in the department, on a seniority basis to perform the work available. The Company will identify **those** qualified employees in the department and will update a list **of** those qualified to do specific jobs on a weekly basis.

Secondly, when overtime is available that does not require specific job skills (i.e.: product rework, testing, etc.) it is understood that employees working on the particular line involved will be offered the overtime on a seniority basis. Failing that, the coordinator will rotate, on a seniority basis, through a list of available employees in the department. Available means those employees who are working on shift at the time the overtime is determined.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

## LETTERS OF UNDERSTANDING

1. Re: Union Benefit Representative
2. Re: Job Security
3. Re: Overtime Allocation by Leadhands
4. Re: Intentionally Deleted
5. Re: President's and Plant Chair's Designate
6. Re: Women's Advocate
7. Re: CAW Subsidy
8. Re: Health & Safety CO-Chair-Premium
9. Re: Domestic Violence
10. Re: Intentionally Deleted
11. Re: 2% Vacation Pay Notice
12. Re: Christmas Scheduling
13. Re: Probationary Employee Discipline Meetings
14. Re: Postings
15. Re: Voluntary Severance Packages (VSP's)
16. Re: VSP's
17. Re: Apprenticeship Program
18. Re: Reasonable & Customary

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

**RE: LETTER OF UNDERSTANDING**  
**UNION BENEFIT REPRESENTATIVE**

In recognizing the **role of** the appointed benefit representative, the Company agrees to provide time as required up to twenty (20) hours per week with pay in order that the Benefit Representative may attend to benefit work.

Scheduling of time needed for benefit work shall be arranged between the Benefit Representative and his or her respective Coordinator. If additional time is required, the Benefit Representative will seek approval from the Human Resource Manager.

Time as required will not be abused.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT



Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

RE: LETTER OF UNDERSTANDING  
JOB SECURITY

PRODUCTION LINE MOVE

While it is the intent of the Company to retain all existing production lines at the Peterborough Plant, the Company retains its' exclusive rights to manage the enterprise and make decisions affecting the business. However in the event a production line is transferred out of the Peterborough Plant the following steps will be initiated:

1. A meeting will take place immediately with the union to discuss the jobs affected.
2. A buyout will be offered, the number of buyouts will be equal to the number of permanently eliminated positions, beginning with the most senior employees who are eligible for retirement. The buyout amount would be equal to one week's pay for each year of service to a 20-year max.
3. Employees affected by the permanent reduction of jobs will have wage rate protection. In the event an employee posts to another job, the employee shall retain a rate higher or at least equal to the rate of the job lost.

Employees affected by the permanent reduction of jobs will be offered training opportunities for the purposes of performing other jobs in the Plant.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President,  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

RE: LETTER OF UNDERSTANDING  
OVERTIME ALLOCATION BY LEADHANDS

From time to time, the Company may require that a Lead Hand/Floor Leader allocate overtime following the procedures set out in the Collective Agreement. If there is an error in the assignment of overtime by the Lead Hand/Floor Leader, the Company will take the responsibility to remedy the error by paying armchair overtime.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President  
Canadian Auto Workers Local 1996

Dear Mr. Madill:

**RE: PRESIDENT'S AND PLANT CHAIR'S DESIGNATE  
LETTER OF UNDERSTANDING**

When the Union President is absent due to vacation, bereavement, Company-recognized Leave, illness & accident, or long-term disability, the Company will recognize the Union Vice-president, or designate, and will provide such person with sixteen (16) hours per week with pay at the President's rate for the purpose of attending to Union Business.

When the Plant Chair is absent due to vacation, bereavement, Company-recognized leave, illness and accident, or long-term disability, the Company will recognize the Assistant Plant Chair or designate, and will provide such person with sixteen (16) hours per week at the Plant Chair's rate with pay for the purpose of attending to Union business.

If additional time is required it may be provided. Time will not be abused.

In cases of long **term** absences, the Vice-president or designate will **be as per** clause 8(b), paragraphs 1 & 2.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President  
Canadian Auto Workers Local 1996

RE: WOMEN'S ADVOCATE  
LETTER OF UNDERSTANDING

Dear Mr. Madill:

The parties recognize that women in our workforce **may** have special needs for information or services relating to women's issues in the workplace (such as workplace discrimination or harassment). The parties recognize that women's advocate in the workplace shall be selected by the Union. The women's advocate will be responsible for representing these special needs at the Labour Management meetings where appropriate.

The women's advocate will not leave her normal work duties without obtaining permission from **her** Coordinator.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President  
Canadian **A**uto Workers Local 1996

RE: CAW LEGAL SERVICES PLAN SUBSIDY  
LETTER OF UNDERSTANDING

Dear Mr. Madill:

CAW Legal Services Plan Subsidy

Changes will continue to occur at the Peterborough Plant during the term of this contract that may require significant legal advice, including the continued implementation of continuous operation and the early retirement options included in this Collective Agreement. In recognition of these changes, the Company agrees to pay the following subsidies for the benefit of the CAW Legal Services Plan:

August 12,2005:	\$50,000
January 13, 2006:	\$100,000
January 12,2007:	\$100,000
January 12,2008:	\$50,000

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President  
Canadian Auto Workers Local 1996

RE: HEALTH & SAFETY CO-CHAIR - PREMIUM

Dear Mr. Madill:

LETTER OF UNDERSTANDING

The Company and Union agree that excellence in Health and Safety requires co-operation and the joint leadership of the Health and Safety Committee.

In recognition of the important leadership and training contributions of the Union Health & Safety Co-chair, the company agrees to pay the Union Health & Safety Co-chair a twenty (20) cent /hour premium.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President  
Canadian Auto Workers Local 1996

RE: DOMESTIC VIOLENCE

Dear Mr. Madill:

LETTER OF UNDERSTANDING

The Company and the Union recognize that individuals, particularly women, sometimes face situations of violence or abuse in their personal life that may affect their attendance or performance at work. The parties agree that an employee who has moved into a government-licensed shelter for abuse or violence and who is able to provide adequate written verification from the shelter and a recognized professional (doctor, lawyer, professional counsellor), may be excused from work for **up to five (5)** consecutive days, giving consideration in each case to the employee's individual circumstances. An employee who is granted such leave will receive 75% of regular earnings or, if the employee is receiving benefits under any other program (for example, I&A), such lesser amount so that the employee's total earnings and benefits equal 75% of regular earnings.

This understanding is subject to a standard of good faith on the part of the Company, the Union and the affected employee, and will not be utilized by the Union or employees to subvert the application of otherwise appropriate disciplinary measures or leave programs.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President  
Canadian Auto Workers Local 1996

**RE:** 2% Vacation Pay Notification

Dear Mr. Madill:

**LETTER OF UNDERSTANDING**

The Company has provided notice to the Union that the Company will pay the 2% vacation accrual referenced in Schedule D, paragraph 2 on a calendar basis instead of from June to July.

- For 2005 and each subsequent year, the Company will pay the applicable amount for eligible employees based on earnings from each calendar year in January of the following year.

January payments will be made in time for employees to put the payments into RRSPs, should they choose to do so.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT



Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President  
Canadian Auto Workers Local 1996

**RE:** Christmas Scheduling

Dear Mr. Madill:

**LETTER OF UNDERSTANDING**

Normally the Plant will shut down over Christmas for general Plant maintenance. **In** extenuating circumstances, it may be necessary to keep the Plant open, in which case the Company will notify the Union with as much lead time as possible so that the crews can make necessary schedule adjustments.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President  
Canadian Auto Workers Local 1996

**RE:** Probationary Employee Disciplinary Meetings

Dear Mr. Madill:

**LETTER OF UNDERSTANDING**

The Company agrees to allow the Plant Chair to attend disciplinary meetings regarding probationary employees. The Union acknowledges and accepts that the grant of this right does not in any way affect or amend the seniority, discipline, discharge, grievance or arbitration provisions of the Collective Agreement.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto **Workers** Local 1996

Attention: Mr. Steve Madill  
President  
Canadian Auto **Workers** Local 1996

**RE:** Postings

Dear Mr. Madill:

**LETTER OF UNDERSTANDING**

The parties confirm that, notwithstanding past practice in respect of dual postings (postings shared by **5x8** and 7x24 employees), the Company and the Union wish to revert to the provisions of the Collective Agreement that require that permanent postings shall be open to all eligible employees.

Yours truly,

Gary Haystead  
Plant Capabilities Leader  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill  
President

**Re: Voluntary Severance Packages (VSP's)**

Dear Mr. Madill:

LETTER OF UNDERSTANDING

The Company and the Union agree that job security is valued by both parties, and that the Peterborough Plant must be successful in order for the employees to attain job security. Success for the Peterborough Plant is defined as the Plant being the most efficient and the most competitive operation in the PepsiCo foods supply chain system, because efficiency and competitiveness will determine whether products will be produced at the Peterborough Plant. It is also understood and agreed that, in order for the Plant to be successful and for employees to be more secure in their employment, all employees must be actively involved in productivity improvement initiatives and activities throughout the Plant.

Employees' active participation in productivity improvement initiatives and activities should result in more efficient operations and, therefore, in fluctuating employment needs. Therefore, the Company may provide employees with access to voluntary severance packages, subject to the conditions outlined below. The main purpose of the VSP is to provide an incentive to retire with financial assistance to employees who wish to change their employment status, and to create opportunities to remain actively employed and continually involved to remaining employees. The Company may, in its total discretion, offer VSP's during the term of the current Collective Agreement if the involvement of employees in productivity improvement initiatives and activities leads to excess capacity.

The Company:

- a) in its sole discretion, will determine the number of VSP's offered, if any, and the date that they are offered;
- b) will offer VSP's only to employees who have completed 5 years of continuous service and, among those employees, by level of seniority within the Bargaining Unit;
- c) will pay VSP's as lump sums in the amount of one thousand two hundred dollars (\$1200) per year of completed service, subject to a maximum VSP of forty thousand dollars (\$40,000), and a minimum VSP of ten thousand dollars (\$10,000);

- d) will determine the last day worked/paid for employees who are offered and accept **VSP's**;
- e) intends to pay **VSP's** so that they qualify as retiring allowances, if applicable;
- f) will not **offer VSP's** in situations involving normal cyclical fluctuations, temporary assignments or performance issues;
- g) will not offer **VSP's** to employees who are subject to lay-off as per the collective agreement; and
- h) will retain its right **to** permanently lay-off employees if excess capacity results from productivity improvement initiatives or activities, or when the Company otherwise determines.

By electing a **VSP**, the employee will enter into a release in favour of the Company, will forfeit all seniority and recall rights contained in this Collective Agreement and will voluntarily terminate his/her employment with the Company.

**Yours** truly,

Norm Quesnel  
Senior **HR** Manager  
**PETERBOROUGH PLANT**

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill, President

Re: **VSP's**

Dear Mr. Madill:

LETTER OF UNDERSTANDING

Within the period of this Collective Agreement but not thereafter, the Company has agreed to offer 28 Voluntary Severance Packages to eligible employees in accordance with Letter of Understanding #15. The election must be made on the forms provided by the Company.

The Company will offer a minimum of 10 VSP's between October 1, 2005 and March 31, 2006 (first round). Between October 1, 2006 and March 31, 2007 (second round), the Company will offer the remaining VSP's. In addition, any VSP's that were offered but not taken in the first round will be carried over and offered in the second round. The dates of the offers may be changed with the agreement of both parties.

The election forms will include release language that **is** intended only to avoid any extraneous or additional Company liability beyond what is provided in Letter of Understanding #15 and the current Collective Agreement.

Yours truly,

Norm Quesnel  
Senior HR Manager  
PETERBOROUGH PLANT

Canadian Auto Workers Local 1996

Attention: Mr. Steve Madill, President

Re: Apprenticeship Program

Dear Mr. Madill:

### LETTER OF UNDERSTANDING

It is understood and agreed that by utilizing apprenticeships within the Plant, the Plant can be more competitive and able to attract and retain skilled trade employees. An apprenticeship program also allows the transition of knowledge from journeyman trades people to employees utilizing peer on peer training as skill development. Therefore, the Company and Union agree to the following apprenticeship program.

#### Joint Committee

Effective upon ratification of this Collective Agreement, the Company and the Union will establish a joint committee composed of a representative from each trade and an equal number of management representatives. The purpose of this committee will be to review projected skills gaps by analyzing the current demographics to ensure that proper maintenance skills are maintained at the Plant. The committee will also consider the application of the apprenticeship program to existing shop trades employees by December 31, 2005.

The committee will review such factors on a semi annual basis. The Committee will be empowered to provide recommendations to the Plant Manager with respect to:

- number of apprenticeships required; and
- skill level of the apprentice.

The decision to post an apprenticeship opportunity and the required skill level will be at the discretion of the Plant Manager. The Company agrees to post one apprenticeship during the term of this collective agreement.

#### Internal Posting Selection Criteria

1. The Company shall post a notice of vacant positions in the apprenticeship programme on all bulletin boards. The notice shall be posted for a period not less than ten (10) working days. The posting shall include the minimum qualification required by the Ministry of Training that meet the apprenticeship designation requirements determined by the Company.

2. **The committee will review all applications received and select appropriate candidates for testing.**
3. **The candidates selected from each review shall be required to write a G.A.T.B. Test and or equivalent test, as determined by the committee, and the candidate receiving the highest score on the Test shall be offered the position. If candidates' scores are equal, seniority shall be the governing factor.**

**Yours truly,**

**Norm Quesnel  
Senior HR Manager  
PETERBOROUGH PLANT**



Canadian Auto **Workers** Local 1996

Attention: Mr. Steve Madill, President

**Re:-Reasonable & Customary**

Dear Mr. Madill:

LETTER OF UNDERSTANDING

The Company **agrees** to meet annually with major medical benefits carrier and the Union to discuss the Union's issues regarding what are "reasonable and customary" charges.

Yours truly,

Norm Quesnel  
Senior HR Manager  
PETERBOROUGH PLANT

**Memorandum of Agreement in respect to changes in the Collective Agreement**

between

**PepsiCo Foods Canada Inc.**

and

**The Canadian Auto Workers Local 1996**

The following is a list of mutually agreed-upon changes to the Collective Agreement that terminates on June 30, 2005. These changes result from current negotiations between the above-mentioned parties, and will be incorporated into a new collective agreement that comes into force July 1, 2005 and terminates on June 30, 2008.

The signatures to this agreement agree to unanimously recommend its contents to their respective principals for their ratification.

This agreement settles all matters in dispute between the parties and will constitute the complete terms of a new collective agreement upon ratification.

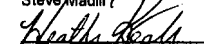
All of which is agreed this 30<sup>th</sup> day of June, 2005.


For the Union

  
Jerry Diaz


  
Terry Nunin

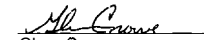
  
Steve Madill

  
Heather Keating


  
Billy Graham

  
Terry Rombough


  
Pat Partridge

  
Glenn Crowe

For the Company

  
Gord Watkins

  
Diane Richard

  
Maryjo Willis

  
Gady Haystead

  
Norm Quessel

106

