

COLLECTIVE AGREEMENT

BETWEEN

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

(hereinafter also referred to as "the Company")

-and-

NESTLÉ TRENTON EMPLOYEES' UNION -CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS LOCAL 3022

(hereinafter referred to as "the Union")



EFFECTIVE: November 1, 2006 to October 31, 2009

ARTICLE 1 PURPOSE **OF** AGREEMENT

The purpose of this Agreement is to provide an orderly collective bargaining relationship between the Company and the Union with respect to the Bargaining Unit as defined herein, to secure and promote the prompt disposition of grievances and the efficient operation of the Company business. This agreement shall be regarded as a complete and full statement of the relationship between the Company and the Union with respect to the Bargaining Unit defined herein and the employees concerned.

ARTICLE 2 RECOGNITION

- 2.01 The Company recognizes the Union as the exclusive bargaining agent for all its employees at Trenton, Ontario, save and except forepersons, persons above the rank of forepersons, office and sales staff.
- 2.02 Both the Company and the Union agree that there shall be no discrimination practiced or condoned by either the Company or the Union against any person in regard to employment with the Company or membership in the Union or for any other prohibited ground as defined by the Ontario Human Rights Code (i.e. sex, race, color, creed, religion, national origin, age, and sexual orientation).
- 2.03 The Company and the Union recognize that in times of crisis and the interest of employee wellness, professional assistance maybe required to assist the employee. The Company and Union will discuss these requirements with advice from the employee and Company health care professionals and will provide assistance through the Employee Assistance Program (EAP), Harassment Policy or other means deemed by the health care professional(s). The Company and the Union will maintain strictest confidentiality unless required by law to release information.

ARTICLE 3 UNION SECURITY/EDUCATION FUND

- 3.01 As a condition of employment all employees shall be required to join the Union and pay initiation fees, *if* applicable, and Union dues as set down by the National Union *(CNFIU)* provided that the Company shall not be required to terminate an employee for reason that she was not taken into membership or that her Union Membership was terminated.
- 3.02 Union dues and initiation fees shall be deducted weekly and the Company shall remit the total sum deducted to the Head Office **of CNFIU** before the twenty-fifth (25th) day of the month. New employees will make payment of initiation fees, **if** applicable, upon hire and will commence payment of Union dues on the regular checkoff payroll which follows their completion of one full calendar month of employment.
 - When remittance is made, the Company will provide a list of all employees and the sums which were deducted from each employee.
- 3.03 The Union shall hold the Company harmless with respect to all dues so deducted and remitted, and with respect to any liability which the Company might incur as a result of such deduction and remission.
- 3.04 The Company will furnish each new employee with a copy of the Collective Agreement at time of hire. All employees will be given revised copies of the Collective Agreement after each renewal and the Union will be given sufficient copies to meet its requirements. The cost of producing collective agreements will be shared equally by the parties.

3.05 CNFIU Education Fund

Effective November 1, 2006, the Company agrees to pay one thousand dollars (\$1,000.00) per year into the CNFIU Training and Education Fund. Such monies shall be remitted by the Company to the Union in November of each year.

3.06 Technological Change

When there are changes in technology introduced to the factory that may adversely impact upon employees, the Company will discuss such changes with the Union in advance. The Union will participate in such implementation to ensure that the requirements of employees are taken into account as far as is reasonably practicable.

ARTICLE 4 MISCELLANEOUS

- 4.01 Where the feminine pronoun is used herein, it shall mean and include the masculine pronoun and vice versa.
- 4.02 Labour Management Committee The parties shall form a Labour Management Committee comprised of at least three (3) Union representatives and appropriate representation by management. Efforts will be made to ensure that all shifts are represented. This Committee shall meet monthly or as required subject to the needs of the business being met.
- 4.03 Occupational Health and Safety The Company will comply in a forthright manner with the Occupational Health and Safety Act, its Regulations, Codes of Practice and Guidelines. Both parties will co-operate to the fullest extent reasonably possible toward the prevention of accidents and the promotion of the safety and health of the employees.

The Company shall continue to make provision for the health and safety of its employees at the plant during the hours of their employment, in providing protective devices and equipment and adequate first aid essentials. It is hereby agreed that it shall be the duty of employees to make use of all protective devices and equipment made available by the Company.

The Union Co-chairperson and safety members will be selected by the Union and will be representative of departments within the factory. The position of Union Co-chairperson will be rotated annually between the Union members of the Health and Safety Committee.

The inspections and meetings will take place monthly. Employees shall be paid for actual time spent in attendance at Health & Safety meetings at their regular hourly rate including overtime where applicable.

One member from the Company and one member from the Union will accompany a safety inspector acting under the Occupational Health and Safety Act on any plant inspection.

The Committee shall assist in creating a safe and healthy place to work and shall recommend actions to improve the effectiveness of the Company health and safety program and shall promote and actively participate in the improvements and ensuring compliance with the appropriate laws, regulations, codes of practice and guidelines.

The Joint Health & Safety Committee will develop and communicate Operational Guidelines for Health & Safety at the site by the end of the first quarter in 2007.

The Company shall provide training in first aid and other emergency procedures to ensure coverage on each shift.

4.04 Employees shall be paid for actual time spent in attendance at <u>mandatory</u> Company sponsored training programs, Health & Safety meetings or other meetings at their regular hourly rate including overtime where applicable.

An employee who <u>voluntarily</u> attends Company sponsored training programs or an off-site Company meeting or training when she would otherwise be scheduled to work for the Company shall be paid the wages she would have received during this period computed on the basis of her regular number of straight time hours and the then current rate of pay. Voluntary programs shall include those to which an employee agrees to undertake as a condition of acceptance for a posted job. Paid travel time will be considered on a case by case basis. The Company will continue to provide transportation and pay for meal allowances.

The provisions of Article 4.04 do not apply in the case of trade certification/apprenticeship training programs.

ARTICLE 5 STRIKES AND LOCKOUTS

- 5.01 In view of the orderly procedure established by this Agreement for the settling of disputes and the handling of grievances, the Union agrees that during the lifetime of this Agreement, there will be no strike, picketing, slowdown or stoppage of work, either complete or partial and the Company agrees that there will be no lockout.
- 5.02 The Company shall have the right to discharge or otherwise discipline employees who take part in or instigate any strike, picketing, stoppage or slow down but a claim of unjust discharge or treatment be the subject of a grievance and dealt with as provided in Article 11.
- 5.03 Should the Union claim that a cessation of work constitutes a lockout, it may take the matter up with the Company as provided in Article 9.

ARTICLE 6 BULLETIN BOARDS

6.01 The Company shall provide **a** locked bulletin board in the cafeteria for the exclusive use of the Union Local for posting non-inflammatory notices. A copy of such notices shall be provided to the Human Resources office at the time of posting.

ARTICLE 7 MANAGEMENT RIGHTS

- 7.01 The Union recognizes and acknowledges that the management of the plant and direction of the working force are fixed exclusively in the Company and, without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to:
 - a) Maintain order and efficiency;
 - b) Hire, promote, demote, classify, transfer, suspend and retire employees subject to relevant legislation, and to discipline or discharge any non-probationary employee for the just cause provided that a claim by an employee who has acquired seniority that he has been discharged or disciplined without just cause may be the subject of a grievance and dealt with as hereinafter provided;
 - c) Make, enforce, and alter, from time to time, reasonable rules and regulations to be observed by the employees provided that new rules will first be discussed with the Union;
 - d) Determine the nature and kind of business conducted by the Company, the kinds and locations of plants, equipment and materials to be used, the control of materials and parts, the methods and techniques of work, the content of jobs, the schedules of production, the number of employees to be employed, the extension, limitations, curtailment or cessation of operations or any part thereof.

ARTICLE 8 STEWARDS, UNION COMMITTEE AND SUPERVISORS

It is understood that where the term "Steward" or "Stewards" is referred to in this Collective Agreement, it shall also refer to any member of the Local Union Executive unless otherwise specifically identified.

8.01 Local Union Executive - The Employer acknowledges the right of the Union to appoint or to otherwise select a President, Vice-president, Secretary-Treasurer, Full-Time Director, Part-Time Director and Health & Safety Director ("the Local Union Executive").

Local Union Stewards — The Company agrees to recognize a Union Committee consisting of one (1) Chief Steward and up to a maximum of four (4) stewards selected by the Union. All members of the Union Committee shall be regular employees of the Company and shall have at least six (6) months service with the Company.

The Union Negotiating Committee will consist of no more than five (5) members from the Local Union Executive and/or Local Union Stewards. The Company agrees to deal with the Local Union Executive and Local Union Stewards with respect to any matter which properly arises from time to time during the term of this Agreement.

- 8.02 Local Union Executive, Stewards and Supervisors The Union will inform the Company, in writing, of the names of the Local Union Executive and Local Union Stewards and of any subsequent changes. The Company shall not be asked to recognize any Local Union Executive Member or steward until such notification from the Union has been received. The Company shall supply to the Union a list of employees acting in a supervisory capacity and their job titles.
- 8.03 A steward *or Local Union Executive member* shall not lose straight time pay for time spent in discussions with management about existing grievances provided that:
 - a) She shall first obtain the permission of her Supervisor before leaving her work (which permission shall not be unreasonably withheld);
 - b) This shall not include time spent at Arbitration hearings;
 - c) The Company retains the right to limit such time if it seems excessive;
 - d) A Grievance Committee shall **be** limited to three (3) Union representatives, one of which will be the Chief Steward or his/her designate. In addition, a National Representative of CNFIU may attend any grievance meeting with the Local Union Grievance Committee.

If the presence of additional stewards is required, they will be asked to attend the grievance meeting with priority given to the department specific steward where the grievance originated. In the event of a policy grievance or a grievance affecting more than one department, the meeting will comprised of all stewards.

The Company will pay members of the Negotiation Committee one-half (1/2) of their regular wages for time actually spent in negotiations. The maximum payment for any meeting day shall be four (4) hours at the employee's regular hourly rate or in other words one-half (1/2) of eight (8) hours.

Notwithstanding the above, payment shall not be made for negotiation meetings which are held on weekends or after commencement of conciliation.

- 8.05 Non-bargaining Unit employees shall not be permitted to perform bargaining unit work except in the following situations:
 - i) instructing or training employees and demonstrating the correct use of tools/ equipment;
 - ii) product experimentation and production trials;

- iii) acting to prevent an accident or injury to an employee, assisting for confined space and hot work permits or to prevent product or equipment damage; and
- iv) when regular employees are not available.

ARTICLE 9 POLICY GRIEVANCES

- 9.01 It is understood that the Company may institute a grievance alleging a violation of any contractual obligations undertaken by the Union in writing at Step No. 3 of the grievance procedure, providing that it is presented to the Chief Steward, or her designate, within five (5) working days after the circumstances giving rise to the grievance occurred. Such grievance shall be signed by the Factory Manager or his designate.
- 9.02 The Union may institute a grievance consisting of an allegation of a general misinterpretation or a violation by the Company of this Agreement in writing at Step No. 3 of the grievance procedure providing that it is presented within five (5) working days after the circumstances giving rise to the grievance originated or occurred and provided that it is a matter in regard to which an individual employee could not grieve. Such grievance shall be signed by the Chief Steward and/or Union Representative.

ARTICLE 10 GRIEVANCE PROCEDURE

- 10.01 The parties of this Agreement are agreed that it is of the utmost importance to adjust complaints and grievances as quickly as possible and at the lowest possible step. The Company will not typically impose discipline if more than three (3) working days have elapsed from the time the Company is made aware of the incident giving rise to the discipline or notifying the Union of pending discipline subject to an investigation. Should there be no Steward available to attend the discipline meeting, the Company will give the Union notice of the impending discipline as soon as possible.
- 10.02 No complaint or grievance shall be considered unless it relates to the interpretation, application, administration or alleged violation of this Agreement or where the circumstances giving rise to it occurred more than five (5) working days before filing of the complaint or grievance.
- 10,03 Complaints and Grievances shall be adjusted and settled as follows:

Step No. 1

The aggrieved employee shall present her complaint verbally to her Supervisor in a meeting specifically intended for this purpose. She shall have the presence of a Steward if she so desires. If a settlement satisfactory to the employee concerned is not reached within five (5) working days, the complaint may be carried forward to Step No. 2 of the Grievance Procedure at any time within five (5) working days thereafter as per Article 10.02.

The parties agree that any settlement reached at this stage of the Grievance Procedure shall be without admission of liability on the part of any party and shall apply only to the case at hand. It is further understood and agreed that any settlement reached at this stage of the Grievance Procedure will not set any precedent and will not be referred to or in any way relied upon by either party in any future cases.

Step No. 2

The aggrieved employee may, with her steward, present the grievance in written form to the Department Manager who shall render his decision in writing within five (5) working days following the presentation of the grievance to him. If a settlement satisfactory to the employee is not reached the grievance may be carried forward to Step No. 3 at any time within five (5) working days after the rendering of the Department Manager's decision.

Step No. 3

The aggrieved employee may submit her grievance in writing to the Plant Manager, or his designate who shall arrange a meeting with the said employee within five (5) working days from the receipt of the grievance at Step No. 3. At this meeting the aggrieved employee may be accompanied by the Grievance Committee and a full-time representative of the Union.

- 10.04 If final settlement of the grievance is not completed within five (5) working days of the meeting referred to at Step No. 2 the grievance may be referred by either party to a Board of Arbitration as provided in Article 12, at any time within thirty (30) days days thereafter, but no later.
- 10.05 Working days shall mean Monday through Friday excluding Paid Holidays
- 10.06 Failure by the Union to observe its time limits will constitute withdrawal of the grievance, while failure of the Company to observe its time limits will result in the granting of said grievance, on a without prejudice basis, provided it properly arises under this section and provided further that the circumstances giving rise to the alleged incident occurred or originated nor more than five (5) days before the filing of the grievance at step one.
- 10.07 Group Complaint or Grievance Where a complaint or grievance affects more than one employee with substantially the same interest they may present the same complaint or grievance and it shall be processed in the same manner as an individual complaint or grievance.

ARTICLE 11 DISCIPLINE CASES

11.01 Where a record of verbal warning or a written warning is placed in the employee's file, the employee will be given two (2) copies with the explanation that one (1) copy is to go to the Union if the employee so desires. The Company will give the Union a copy of any suspension or discharge notice as soon as possible after it has been given to the employee.

Upon receipt of said copies the employee must sign the original copy on their file to indicate that they did in fact receive the copies but not to admit guilt or to agree with the action taken by the Company. Any unjust action may be the subject of a grievance in the case of an employee who has attained seniority.

When the Company advises a seniority employee of a suspension or discharge, a Union Steward shall be present at the meeting as an observer. The absence of a Steward, because of unavailability, shall not prevent the Company from suspending an employee pending investigation.

11.02 In the event of an employee, who has attained seniority, being suspended or discharged from employment and the employee feeling that an injustice has been done, the case may be taken up as a grievance.

The employment of a probationary employee may be terminated at the discretion of the Company.

- 11.03 A claim by an employee who has attained seniority, that she has been unjustly suspended or discharged from her employment shall be treated as a grievance if a written statement of such grievance signed by the employee, is lodged with the Factory Manager within five (5) working days after the employee is notified of her discharge. All preliminary steps of the Grievance Procedure prior to Step No. 2 will be omitted in such case.
- 11.04 Such special grievance may be settled by confirming the Company's action in dismissing the employee, or by reinstating the employee in her former position with full compensation for time lost, or by any other arrangement which is just and equitable in the opinion of the conferring parties or of the Board of Arbitration, as the case may be.

11.05 All disciplinary records of an employee shall be removed from an employee file if she established a clear record for twelve (12) calendar months.

ARTICLE 12 ARBITRATION

- 12.01 Both parties to this Agreement agree that any dispute or grievance concerning the interpretation, application, administration or alleged violation of this Agreement, which has been properly carried through all the steps of the Grievances Procedure outlined in Article 10 above and which has not been settled, will be referred to a Sole Arbitrator at the request of either of the parties hereto.
- 12.02 The party submitting the grievance to arbitration shall advise as to three (3) alternative choices as to a sole arbitrator. The recipient of the notice shall, in reply, agree to one of the proposed arbitrators or advise as to its three (3) alternative choices as to a sole arbitrator. If the parties can agree to a sole arbitrator within twenty (20) days of the notice referring the matter to arbitration, the matter shall be determined by a sole arbitrator and failing such agreement the regular arbitration procedure shall apply.
- 12.03 The decisions of the Sole Arbitrator shall be final and binding on both parties.
- 12.04 The Sole Arbitrator shall not have any power to alter or change any of the provisions of this Agreement or to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement.
- 12.05 The parties will jointly bear the expense of the Arbitrator.
- 12.06 Before any grievance proceeds to arbitration, the parties may, by mutual consent, enlist the services of a mediator who shall meet with the parties to endeavour to resolve the grievances. The time lines outlined in Arbitration Procedure shall be suspended until such time as the mediation process has failed.

ARTICLE 13 SENIORITY

13.01 An employee will be considered probationary for the first ninety (90) working days during an eighteen (18) month period and will have no seniority rights during that period. Her employment may be terminated at any time during such probationary period at the discretion of Management and such termination shall not be subject to the Grievance Procedure. After completion of probation, her seniority shall date back to date of hire upon completion of her probationary period.

The seniority date for an employee who completes the probationary period shall be the date ninety (90) calendar days prior to completion of the probationary period. (Example: Probationary period completed July 1 will result in a Seniority date of April 1). For the purpose of this article, any shift that is over four (4) hours will be considered one day worked.

13.02 There shall be separate seniority lists for full-time and part-time employees.

A revised copy of the seniority lists shall be posted on the appropriate bulletin board and copies sent to the Union office in January and July of each year. The lists shall indicate part-time and full-time employees at the time of preparation in descending order of seniority. If the accuracy of the lists is not challenged within thirty (30) calendar days of posting, the lists shall be deemed to be correct.

Days credited for full-time seniority will be identified on the part-time seniority list and shall be earned when a part-time employee is awarded a temporary full-time posting or for days spent in back-up positions.

13.03 Full-time seniority shall accumulate only while the employee holds a full-time posted position.

In the event that an employee transfers from the full-time to the part-time seniority list, without interruption as in Article 13.06, a record will be kept in her personnel file of her full-time seniority at the time of transfer. Should she subsequently return to a full-time position, she will be credited with the full-time seniority which was previously accumulated.

It is understood that full-time employees who elect part-time work as per Article 14.06 shall accumulate full-time seniority for a period up to their pre-existing full-time seniority or twelve (12) months, whichever is less. Thereafter, part-time seniority is accumulated.

Part-time employees who are the successful candidates for a full-time temporary position will revert back to part-time status once the assignment is completed.

13.04 Part-time seniority shall accumulate only while the employee holds a part-time position.

In the event that an employee transfers from the part-time seniority list to the full-time seniority list, without interruption as in Article 13.06, a record will be kept in her personnel file of her part-time seniority at the time of transfer. Should she subsequently return to a part-time position, she will be credited with the part-time seniority which was previously accumulated.

- 13.05 If the full-time temporary position is not available, employees will be considered full-time and will be placed prior to any part-time employees.
- 13.06 An employee shall accumulate seniority under any of the following conditions:
 - a) While she is at work for the Company, after she has completed her probationary period as set out in Article 13.01.
 - b) During any period when she is prevented from performing her work for the Company by reason of illness or injury for period of time equal to her pre-existing seniority to a maximum of twenty-four (24) months.
 - c) During any absence due to layoff or written leave of absence for a period of time equal to her pre-existing seniority to a maximum of twelve (12) months.
- 13.07 Seniority and employment shall terminate when an employee:
 - a) Voluntarily resigns;
 - b) Is discharged and is not reinstated through the Grievance Procedure or Arbitration:
 - c) Has been absent due to written leave of absence for a time longer than her preexisting seniority to a maximum of twenty-four (24) months. Has been absent due to a lay-off for a time longer than her pre-existing seniority to a maximum of twenty-four (24) months (maximum of twenty-four (24) months for illness or injury);
 - d) Fails to report for work within ten (10) calendar days after being notified by the Company following a lay-off or fails to inform the Company within two (2) working days of recall that she will report for work;
 - e) Fails to return to work promptly upon termination of an authorized leave of absence, or utilizes a leave of absence for purposes other than those for which the leave of absence was granted;
 - f) Has been absent from work more than three (3) consecutive working days without notifying the Company (except for circumstances beyond the employee's control) and providing a reasonable explanation of her absence:

g) In the case of a part-time employee, the employee misses, refuses or cannot be contacted to work a "scheduled" shift assignment without providing a reasonable explanation on three (3) occasions within a three (3) month period.

Where a part-time employee elects not to accept a "call-in" shift assignment, this does not constitute a refusal.

For the purpose of this 13.06 (g) a "scheduled" shift shall mean a shift which is scheduled the day before the employee is required to work.

- 13.08 An employee terminated according to Article 13.07 (c) because of illness or accident may make an application for re-employment provided she is able to resume her former job, the Company shall give her every consideration for re-employment and the parties shall discuss her seniority standing.
- 13.09 In the event that an employee covered by this Agreement should be promoted to a supervisory or confidential position beyond the scope of this Agreement, she shall retain the seniority previously acquired and shall accrue seniority during the period she is in such supervisory or Confidential capacity, up to a maximum of eighteen (18) months.

Should the employee return to the bargaining unit within eighteen (18) months of her promotion, she shall return to the position she previously held with seniority which could result in bumping.

An employee who has been out of the Union for a period greater than eighteen (18) months in a non-union job will have no bumping rights and will lose all bargaining unit seniority

ARTICLE 14 LAYOFF AND RECALL

In the event a layoff is *necessary*, the Employer and the Union agree *to* work *jointly to* minimize any adverse effects *of* any layoff *to* employees.

- 14.01 a) Where an individual's own job is not available for five (5) days or less, the Company will assign the individual other work if such work is available. Further, in determining such assignments, it is the Company's practice to attempt to assign the more senior employees the higher rated of the work which is available where this is practical. ,The application of the above practice is subject always to the following conditions:
 - Employees must be fully qualified and capable of performing any work to which they are assigned.
 - ii) Such reassignments must not result in the displacement of employees in posted jobs. For the purpose of this Article, a Line Associate is not considered a posted job.
 - b) *In* the event *of* a layoff that is anticipated to be six (6) or more working days, affected employees will be allowed to bump posted jobs based on the following factors:
 - full-time seniority in the case of a lay-off involving full-time employees, or part-time seniority in the case of a lay-off involving part-time employees;
 - ii) skill and ability required for the job.

It is understood that where the qualifications referred to in factor (ii) above are relatively equal, factor (i) will govern.

14.02 In the event **of** a layoff **of** six **(6)** days or more, affected employees will be laid off in the reverse order **of** seniority and **t**he foregoing layoff formula will be applied by groups in the

following sequences provided the remaining work force has the skill and ability required to perform the available work:

In the Case of Full-time Employees

- i) Probationary employees (new hire)
- ii) Seniority employees

In the Case of Part-time Employees

- i) Students
- ii) Probationary employees (new hire)
- iii) Seniority employees

It is understood that no temporary or casual workers will be utilized in the workplace while any regular employee is on lay-off provided that the regular employees are qualified to do the work in question.

- 14.03 When increasing the work force after a layoff, employees will be recalled in order of seniority provided that the resulting work force has the required skill and ability to perform the available work.
- 14.04 **A** full-time employee shall acquire the right to bump employees with less plant seniority from other jobs only when her regular job is permanently eliminated. In such event the bumping procedure shall be as follows:
 - The Company will endeavor to place the employee in a position at a rate of pay equal to that of her previous position;
 - ii) Where it proves impossible to find a replacement position in 14.04(i) the full-time employee shall be allowed to displace the most junior employee from any job in any classification which is at a level equal to or lower than that of the eliminated position provided that in the opinion of the Company she has the required skill and ability to do the job.

Displacement into a higher classification shall be allowed in accordance with the terms of this article but in circumstances where senior employees would otherwise be laid off outside of seniority.

- 14.05 In the evaluation of skill and ability as referred to in Articles 14.01, 14.02, 14.03, 14.04 and 14.09, the Company shall be the judge, provided however, if an employee believes that proper consideration of her skill and ability has not been given, she may file a grievance under Article 10.
- 14.06 (a) In the event of a lay-off affecting full-time employees, the employees so affected shall have the option of:
 - i) accepting transfer to part-time status; or
 - ii) being placed on lay-off status

In either case, such employees will be subject to recall to full-time employment as per Article 14.03.

(b) Employees who elect a transfer to part-time status as per Article 14.06 (a) (i) will be employed on a day to day basis prior to any remaining part-time employees to perform such scheduled or call-in work as arises prior to their recall to full-time work.

Such work will be allocated to these transferred employees on a rotational basis.

- (c) After twenty-four **(24)** months employees will revert back to part-time status and will lose their full-time recall rights.
- 14.07 The Company shall notify an employee of her recall to work by telephoning the last number on record with the Company. Where the Company is unable to contact the employee by telephone, recall notice will be sent by registered mail to the last address on record with the Company. The employee is solely responsible for their proper address and telephone number being on record with the Company.

The notification shall state the job to which the employee is to be recalled and the date and time at which the employee shall report to work.

It is the sole responsibility of the employee to notify the Company of her intention to return to work within three (3) working days of receiving her notice of recall and return to work within ten (10) working days after receiving recall notice.

Employees who fail to return to work within ten (10) days will forfeit their right to recall.

- 14.08 The Company will advise the Union as early as possible of any layoff which is expected to continue for more than five (5) working days.
- 14.09 For the purpose of layoff and recall of more than five (5) days, the *Local* Union Executive, Chief Steward and Stewards shall have preferential seniority provided they have the skill and ability required to perform the available work.
- 14.10 The Company shall give notice of termination according to the Employment Standards Act.

ARTICLE 15 SHIFT ASSIGNMENT

15.01 a) Full-time employees will be permitted to transfer to a preferred shift if entitled by seniority and provided the resulting work force has the skill and ability required to perform the work on each respective shift.

There shall be three (3) shift elections and start time (where applicable) opportunities each year. In advance of the specified election dates, the Company will canvass full-time employees to determine if any wish to transfer from one shift to another.

A full-time employee who posts on to a new job may, once having passed the trial period, have at that time an opportunity to bump a more junior full-time employee in the same job on a preferred shift provided the resulting work force has the skill and ability required to perform the work on each respective shift. If this opportunity is not taken, she must wait for the next shift election opportunity.

- b) Where it becomes necessary to re-schedule full-time employees working shifts, the Company will attempt to meet its requirements by canvassing employees on a voluntary basis. Where operational requirements dictate the re-scheduling of employee shift assignments during the four (4) month period to which a given canvassing applies, the Company will first re-schedule volunteers provided they have the required skill and ability. Where this proves impossible the Company will reschedule employees in the reverse order of their seniority provided that the resulting work force has the skill and ability required to perform the work on each respective shift. It is however understood that the expectation is the company may require that the employee will follow their work on the shift that they are assigned.
- c) Where it has been necessary, under 15.01(a) or 15.01(b) to schedule a senior employee to a shift which is against her preference, that employee shall have the option of transferring to her preferred shift by replacing a more junior employee when the junior employee has become fully qualified on the job.

- d) The parties agree that clauses 15.01 (a) and 15.01 (b) shall not apply in the case of maintenance staff, quality control and sanitation personnel. It is further agreed that the Company will maintain its present practices with respect to shift assignment and rescheduling for these employees
- 15.02 Work will be allocated to the part-time work force on a full rotational basis. The order of employees on the scheduling rotation list, shall be the same as that on the part-time seniority list. Management reserves the right to use part-time employees out of seniority where they have the physical requirements necessary to perform the available work.

When increasing the part-time work force with new employees, in the interest of proper training, the Company reserves the right to place those employees on to the part-time rotation list out of seniority in a staggered manner for work scheduling only for a maximum of thirty (30) calendar days per employee.

In the event part-time employees hold back-up **postings**, it is understood that they will be assigned the work as it becomes available versus only being assigned work according to the standard part-time rotation.

15.03 Part-time employees will be responsible for checking the posted work schedule for subsequent days prior to leaving the factory after completion of their shift. Where such posted schedule(s) indicates that the employee is scheduled to work on a subsequent day(s) they will be deemed to have been notified of a regular shift assignment.

If a part-time employee will not be working prior to her next shift assignment, she will contact the factory office by 3:00 p.m. to determine if she is scheduled to work the subsequent day.

If the factory office has not been contacted, the employee will be contacted at the last telephone number which the employee has provided. If the factory office is unable to contact the employee at such number the shift shall be considered a "refusal" for the purposes of Article 13.07 (g).

- 15.04 The Company agrees that on or before Friday of each week, it will post a tentative production schedule for the subsequent week. The parties further recognize that due to the nature of the plant's operations, this production schedule is subject to ongoing modification.
- 15.05 Shift Premium: Effective November 2006, a shift premium of fifty (\$0.50) cents per hour will be paid for any shift commencing between 12:00 noon and 8:00 p.m. A shift premium of seventy (\$0.70) cents per hour will be paid for any shift commencing between 8:00 p.m. and 4:00 a.m.

ARTICLE 16 JOB POSTING

16.01 a) Vacancies, new positions or temporary full-time assignments shall be posted for a period of seven (7) calendar days. The posting shall stipulate the classification, rate, shift (if required), and department concerned to allow existing employees to apply before new employees are hired.

Employees applying for a vacancy must submit the provided application, to Human Resources within the seven (7) calendar day posting period, failing which, their bid will not be considered. Employees who apply may withdraw their application, in writing, at any time within the posting period without consequence. The provisions of 16.03 shall be applied to an employee who is awarded the position but declines the job.

Temporary full-time as referred in this section shall not exceed a period of fifty-two **(52)** weeks, however, this period may be extended due to unforeseen circumstances upon mutual agreement of the parties.

- b) In the event that job vacancies result from an initial job posting which are anticipated, the Company will post the second and third job opening resulting from the initial job opening for a period of seven (7) calendar days. In the event that subsequent vacancies occur, criteria for selection shall be seniority, skill and ability on the basis laid out in Article 16.05 (b).
- c) If after completing their trial/training period an employee is bumped from their posted job due to lack of work and that job subsequently becomes available within twelve (12) months, they will be given the opportunity to return to their former job. In the event two (2) or more people were displaced from the same job, the most senior employee will have first option to return.

Employees who return to their former job in this manner will be subject to the complete entitlement periods specified in Article 16 02 to be calculated from their date of return to the job.

- 16.02 Employees will not be eligible to bid during their trial/training period or after successfully completing their trial/training period for a minimum period of:
 - eight (8) months where the available job is at a wage level above that of the job currently held by the employee;
 - ii) ten (10) months where the available job is at a wage level equal to or below that of the job currently held by the employee.
- 16.03 Employees shall not be required to reestablish their eligibility under the following conditions;
 - j) Employees return within the fifteen (15) day trial/training period, as provided in 16.07, and the Company agrees she was unable to perform the job;
 - ii) Employee is removed by the Company as provided in 16.07.

An employee electing to return to her previous position during her trial/training period shall be limited to two (2) postings in a rolling calendar year, after which she will be ineligible to post for one (1) year.

- 16.04 A new job or vacancy shall not be advertised outside the Company for the first **seven (7)** days following its posting inside.
- 16.05 a) **Jobs** deemed to require a minimum base knowledge and skill as a prerequisite will require employee's knowledge to be evaluated. The Union agrees to allow written testing of skills and ability for the following departments:

QA

Technical Development Departmental Clerks

If the tests for the above jobs should change α for newly created positions the Company will discuss with the Union **Steward(s)**, the testing required to objectively measure the employee's skill and ability as it relates to the job requirements.

In the event that the Union does not agree to the revised or new testing, the matter shall be subject to Article 10. The Company may fill the position on a temporary basis until the grievance procedure is complete.

b) All applications received will be considered within seven (7) calendar days of the end of the posting procedure. The Company shall fill the posting only after considering the seniority, skill and ability of the applicants. Where the skill and ability of two (2) or more applicants are relatively equal, seniority shall govern.

- c) In considering applicants for a full-time job, preference shall go to full-time applicants first before part-time applicants are considered.
- 16.06 When a position is filled by means of the job posting procedure, the name of the successful applicant shall be posted.
- 16.07 All job postings shall be removed from the bulletin board immediately at the end of the period for posting as per Article 16.01 (a). The Chief Steward shall receive a copy of the posting at the time of the posting and shall also receive a copy of the names of successful applicants.
- 16.08 There will be a thirty (30) working day trial/training for all jobs at twenty-five cents per hour below the job rate of the employee's previous job rate whichever is higher. In cases of employees posting down to a new position the new position rate will apply during the trial/training period. The most difficult/physical responsibilities will be trained during the first fifteen (15) day trial/training period.

During the first fifteen (15) working day trial/training period for all jobs, if the employee feels she is unable to perform the duties of the vacancy to which she posted, the employee will be returned to her former job and rate of pay, as will any other employee in the bargaining unit who was promoted or transferred by reason of such placing. During the thirty (30)day trial/training period, if the employee proves unsatisfactory the employee will be returned to her former job and rate of pay, as will any other employee in the bargaining unit who was promoted or transferred by reason of such placing.

The training/ trial period, if mutually agreed, maybe extended by the company and union. Notwithstanding the trialitraining period, it is understood that the employee will have seniority rights to their newly posted job.

A lay-off of five (5) days or less will result in the employee bumping back into her previous posted position or the part-time rotation pool, whichever is applicable.

- 16.09 The **trial/training** period for seniority employees for all jobs is the lesser of twenty (20) working days on the job, at **25** cents per hour below the job rate or the employee's previous job rate whichever is higher. In cases of employees posting down to a new position, the new position rate will apply during the **trial/training** period.
- 16.10 Nothing shall prevent the Company from filling the vacancy at its discretion during the posting process.
- 16.11 Where none of the applicants has the required skill and/or ability the Company may hire from outside.

16.12 Temporary Transfers

A temporary transfer for the convenience of the Company is one which is initiated by the Company in employing personnel to meet work priorities or emergencies and could be to a maximum of thirty (30) working days. Temporary transfers need not be posted.

An employee transferred for a temporary period from one job to another for the convenience of the Company shall receive her regular rate of pay or the rate of pay for the temporary job, whichever is greater.

If the temporary transfer or back-up assignment (as per Article 16.13) is for less than one week, the employee filling the opening will continue to follow the scheduled work for that position for the remainder of the week. If the opening is more than one week, the employee filling the opening will follow the shift preference their seniority allows in the second and subsequent weeks.

16.13 Back-up positions exist to provide trained employees in case incumbents in key jobs are absent or for temporary excess workloads for a maximum of thirty (30) consecutive working days at

any one time, except where the back-up assignment results from an absence due to illness, accident, leave of absence or vacation. A back-up position is not a job posting. As such, by being given a back-up position an employee does not give up their regular posting. Full-time associates will be considered for a back-up position when the back-up position is of a higher group classification. In this instance, a subsequent back-up position would be required to fill the vacated full-time position during absence of the incumbent to their back-up role. This vacancy would be advertised with only part-time associates considered and selected.

Management reserves the right to restrict an employee to one back-up position and when it is foreseen that the employee may not be available for the back-up assignment on a regular basis. Management will consider the most qualified employee first when selecting from a volunteer list. However, where qualifications are relatively equal, the most senior employee will be selected.

The Company's discretion to **fill** back-up positions shall not be exercised in a manner that is arbitrary, discriminatory, or in bad faith and will not be used to avoid creating bona fide full-time jobs.

The Company agrees to advise the Union if it becomes necessary to continue a back-up position for more than thirty (30) days.

16.14 a) Team Leaders - The Company will decide when and where Team Leaders will be required for the efficient operation of the factory. When required, the Company will appoint such Team Leaders giving due consideration to required leadership ability, job knowledge and seniority.

All applicants responding to a Team Leader advertisement will be interviewed and reasons for refusal given in writing to any applicant more senior than the applicant chosen.

The job posting provisions of this Agreement shall not apply to the appointment of Team Leaders or the filling of Team Leader vacancies.

b) A Team Leader assists in directing the work of employees while continuing to perform her other regular job duties as defined by the Company on an ongoing basis. In the course of her assignment as a Team Leader, she may also be required to perform work regularly done by the employees she leads.

A Team Leader shall not assume any of the employee relations supervisory responsibilities that properly belong to forepersons or other management staff such as reprimanding or disciplining employees. This does not preclude a Team Leader from advising an employee that she is violating a work rule.

c) Team Leaders deemed unsuccessful or Team Leaders who desire to relinquish their responsibilities shall be returned to the position that they held prior to the assignment. In the event their senority will not allow them to return to their previous position the lay-off language will apply.

All Team Leaders will have the option to accept overtime in accordance with Article 17 of the collective agreement at the applicable rate.

ARTICLE 17 HOURS OF WORK AND OVERTIME

17.01 The following sections and paragraphs are intended to define the normal hours or work and shall not be construed as a guarantee of hours of work per day or per week, or of days of work per week and shall be in conformity with applicable Employment Standards legislation.

- 17.02 a) The regular work week for full-time employees shall consist of forty (40) hours and the regular work day shall consist of eight (8) hours.
 - b) The regular work week shall be Monday through Friday (including shift starting Friday evening) except for those persons who have been hired or agreed to a work week which includes Saturday.

Notwithstanding the above paragraph of this 17.02 (b) a set up, wet/dry prep, or maintenance shift commencing on or after 2200 hours on a Sunday shall be considered a Monday shift.

17.03 The Company may require employees to perform overtime work in excess of their regularly assigned hours.

Overtime will be paid as follows:

- (a) One and one-half (1 ½) times the employee's regular basic hourly rate for:
 - i) all hours worked in excess of eight (8) hours on a normal work day;
 - ii) the sixth shift of the employee's work week;
 - iii) all hours worked on a Saturday unless it is part of the employee's fifth shift within her work week.
- (b) Double time (2 x) the employee's regular basic hourly rate for:
 - i) the seventh shift of the employee's work week;
 - ii) all hours worked on a Sunday except as indicated under 17.02 (b);
 - iii) all hours worked on a paid holiday.

The above overtime will apply provided the employee works her full assigned work week except where the employee notifies the Company as long in advance as possible and at least prior to the commencement of the shift and provides a reasonable explanation for her absence.

The Company will post <u>scheduled</u> overtime requirements as soon as they are known and will make efforts to post *daily* overtime requirements as soon **as** they are known.

- 17.04 To avoid pyramiding or duplication, any overtime hours which are compensated at overtime rates under any provision shall not be counted further for any purpose in determining overtime liability under the same or any other provision.
- 17.05 It is understood that DAILY overtime shall typically be done by the qualified employees who normally perform the work on the shift in respect of which overtime is required. The Company shall give notice of DAILY overtime as far in advance as possible. If the overtime resulted from the absence of an employee, senior volunteers on the shift will be canvassed, including call back of senior qualified employees as required.

It is further agreed that employees may be excused from DAILY overtime if they have a valid reason and if the Company is able to obtain a work force which is qualified to perform the overtime work.

- 17.06 Where there is a requirement for DAILY overtime, the work shall be assigned in the following manner:
 - i) The employees who normally perform the work will be canvassed to do the work and the senior volunteers will do the work:

- i) If (i) above fails to provide the required overtime work the junior full-time employees normally performing the work shall be obliged to do the work;
- Unforeseen overtime may be assigned to the qualified employee on site before being offered to employees who normally perform the work who are off site.

For the purposes of Article 17.06, unforeseen overtime will mean work that becomes available unexpectedly and does not allow the Company sufficient time to implement the normal practice for offering daily overtime in accordance with 17.05.

- 17.07 Where there is a requirement for WEEKEND overtime, the work shall be assigned in the following manner:
 - i) The employees who normally perform the work will be canvassed (volunteer list) to do the work and the senior volunteers who possess the skill and ability will do the work, as judged by the Company. If there is a requirement for line associate overtime work, this will be offered to all factory associates, as this is not a posted position.
 - ii) In the event that insufficient employees are obtained for overtime in a particular job posting the opportunity for overtime work within a job posting shall be offered to and equalized among employees normally engaged on the work (INCLUDES DESIGNATED BACK-UPS). Employees required to work through overtime equalization will be scheduled according to shift preference, seniority and skill and ability. Overtime shifts worked by such employees shall be recorded for the purpose of equalization on their overtime record.
 - iii) To ensure the health and well being of all associates, the maximum number of Saturday or Sunday overtime worked will be three (3) consecutive weeks. In the event of Saturday and Sunday shifts required, the associate can work both days for one (1) consecutive weekend. The parties agree that the overtime equalization will be reviewed on an annual basis to ensure the limits above allow the necessary coverage for the production demands.
 - iv) When an employee is absent from work (W.I., WSIB, L.O.A. and vacation) equalization opportunities will be maintained and charged as though the employee was present.
 - v) When an employee transfers to another job posting, she will be charged with the average number of shifts within that job posting, and his/her opportunity for overtime will be based on this average.
 - vii) Overtime records will be brought up to date and posted weekly in a consistent manner outside the production office and maintenance shop. Overtime following a regular shift or callin will not form part of the associates overtime equalization totals.
 - viii) Any errors in overtime allocation will be adjusted on the employee record and the next available opportunity will be allocated as per their corrected shift(s). If there is not a subsequent opportunity for overtime within five (5) weeks, the error will be paid out. The purpose of the five (5) week tolerance is to allow for correction of mistakes and is not to allow for intentional overtime by-pass.
 - viii) Overtime equalization does not give an employee the right to double shifts or cause the overtime shift to be split. Employees who indicate they wish to work overtime will be assigned to their posted position and shift. However, when their posted job and shift is unavailable due to a lack of work, they will be assigned to their alternate shift preference by seniority and skill and ability. It is recognized that for the purpose of overtime equalization, employees may be asked to work on any of the shifts; however, where possible, employees who indicate they wish to work overtime, will be assigned to their normal shift.

- ix) The overtime equalization will start January 1 and end December 31 of each year. At December 31, all employees overtime will be zeroed out.
- 17.08 When an employee reports for work on a regularly scheduled working day and upon her arrival at the plant finds no work is available for her, unless she has been notified at least one (1) hour prior to the start of the shift not to report, she shall be paid four (4) hours or more at her regular hourly rate. If she is offered other work for which she is physically fit, for four (4) hours or more at her regular hourly rate, and she refuses such work, she shall not be eligible to receive the four (4) hours' reporting pay provided for above.

The provisions of this section shall not apply if the failure of the Company to provide work is due to fire, flood, power or equipment failure, labour dispute, or other interference with Company operations beyond the reasonable control of the Company.

17.09 Where an employee's scheduled starting time is changed but the employee is not notified of the change prior to reporting to work, the employee shall be treated as if her shift was to commence at the time she considered she was to report to work.

Posting of a work schedule prior to an employee's departure from the plant shall be deemed notification of shift starting time for the following day(s) as will telephone or personal contact.

- 17.10 Where a line breaks down or line production is completed prior to the end of an eight (8) hour shift, the senior volunteers from that line shall have the option of going home or remaining at work to perform any work which the Company determines to be available provided they have the skill and ability and also provided that no other employees are displaced from their jobs.
- 17.11 Call-Back Where an employee is called back to work after having left the premises she will be given a guaranteed minimum pay equal to four (4) hours at time and one-half the straight time hourly rate for such call-back. If the call-back is within four (4) hours of the commencement of her scheduled shift, she will be paid at the rate of time and one-half for all hours prior to the commencement of the shift, provided she works her scheduled shift unless no additional costs would be incurred by leaving the shift early.
- 17.12 Scheduled Overtime An employee scheduled to check the plant or equipment on a weekend day or holiday shall be guaranteed a minimum of four (4) hours pay at his/her regular hourly rate or overtime at the applicable rate for the hours actually worked, whichever is greater.
- 17.13 Two (2) twenty (20) minute paid breaks shall be given in each shift. Employees shall be ready to commence work promptly at the end of the break. Such breaks shall be in lieu of other coffee or lunch breaks. In case of daily overtime in excess of one (1) hour a ten (10) minute break will be scheduled at the start of the overtime period. If the overtime is anticipated to be in excess of 2 and one half hours, the employee will be granted a 20 minute break period. It is agreed that approved missed breaks shall be paid at straight time and must be authorized in advance by the supervisor on shift.

17.14 a) Shift Scheduling for Stationary Engineers

This article is to vary certain terms of the current Collective Agreement between Nestlé Canada Inc., Trenton Foodservice Facility, hereinafter called the "Company" and Nestlé Trenton Employees' Union – Canadian National Federation of Independent Unions, Local 3022, hereinafter called the "Union". With the exception of specific variations set forth in this Article, all other conditions and terms of the Collective Agreement shall remain in force and effect.

b) Purpose

The purpose of this agreement is to enable the Company to operate the power and refrigeration plants on a twelve (12) hour shift schedule and to provide some assurance to

crew members of their scheduled days off. This schedule may be discontinued in any area by the Company when:

- i) there are adverse effects on the service of the plants to the factory;
- ii) inability to provide a workable staffing schedule; or
- iii) where the Company wishes to do so for other reasons which are neither unreasonable or arbitrary.

c) Schedule and Rotation

Such a schedule shall normally consist of six different positions, with each employee occupying one position for a period of four weeks. Four Operator positions will be scheduled as twelve (12) hour shifts and two Maintenance positions as eight (8) hour shifts. Each employee will rotate equally through all positions on the shift schedule.

d) Wage Payment

A regular forty (40) hour work week will be paid at the applicable rate of pay for a fully completed week as per the schedule. Any scheduled hours missed which do not qualify for pay as per the Collective Agreement will be deducted from the forty hours each week.

All hours worked over twelve (12) on the Operator's twelve (12) hour shift will be compensated at time plus one half (1 $\frac{1}{2}$) the regular hourly rate and paid each week.

All hours worked over eight (8) on the Maintenance eight (8) hour shift will be compensated at time plus one half and paid each week.

Every two weeks any hours worked over eighty (80) in the preceding two weeks which have not already been paid at premium rate will be paid for at time plus one-half $(1 \frac{1}{2})$.

e) Relief Assignments

The Company reserves the right to alter an employee's normally scheduled assignment at any time to accommodate the relief of absent employees. The employee whose schedule is so altered will be paid according to the conditions laid out for the shift they have been transferred to.

At such times when such a shift transfer causes the employee to work less than the planned eighty (80) hours per two week schedule the employee shall be given the option to make up the difference in hours during the same two week schedule. Such time will be paid at straight time rate, and will be scheduled at mutual convenience of the employee and the supervisor.

f) Scheduled Holidays

This agreement is not intended to provide any additional pay, or paid time away from work. Therefore, with reference to Article 19.02 (c) of the Collective Agreement, holiday pay will be given to the two Operating Engineers at double time for actual hours worked plus either eight (8) hours holiday pay or one eight (8) hour day in lieu of holiday pay. Notwithstanding the above, the four (4) floater holidays in 19.02 (c) may be scheduled any time during the year subject to the Chief Engineer's approval and with at least two (2) weeks notice.

g) Shift Premium

Employees scheduled on the twelve (12) hour shifts will not be paid shift premium in the usual manner. Both the applicable second shift premium and third shift premium (\$.50/hr. and \$.70/hr.) respectively and subsequent increases as per Article 15.05 will be paid to the employee who works the midnight twelve (12) hour shift. Whereas the Company would normally pay eight hours second shift premium to one employee and eight hours third shift premium to another, an equal amount of money will be paid to one employee.

For example:

8 hr. x \$\$0 = \$4.00 8 hr. x \$.70 = \$5.60

\$9.60 Paid to midnight 12 hr. shift employee per shift.

The Company reserves the right to alter this system without financial disadvantage to either party if it proves unmanageable.

h) Probationary Period for New Employees

Completed twelve (12) hour shifts will be recognized as one and one-half (1-1/2) days toward the calculation for probationary period.

i) Maintenance Shift

It is at the Company's discretion to schedule the eight (8) hour Maintenance shift employees on scheduled holidays or beyond eighty (80) hours for a two week period.

j) Work Performed on Scheduled Days Off

Where an employee is requested to work on a scheduled day off, the employee shall be guaranteed a minimum of four (4) hours pay at his/her straight hourly rate or overtime at time plus one-half, unless on Sunday which is at double time whichever is greater.

k) Vacation Scheduling and Payment

Weeks of vacation are scheduled in 7-day blocks as per the shift schedule. There is no allowance for extra work when vacation is taken during scheduled weeks of less than forty (40) hours. However, if during the eighty (80) hour block in the schedule a person takes one week vacation and also works a regularly scheduled forty-eight (48) hour week it will be compensated for as forty-four (44) hours straight time and four (4) hours at time plus one-half.

Reporting of Absence

The Union agrees that for such a shift schedule to succeed, employees reporting their absence must fully comply with notification requirements laid out in the *Operating Engineers Act.*

17.15 The Company shall allow a minimum of eight (8) hours off work for employees before they can be scheduled or called in on a shift.

ARTICLE 18 VACATIONS WITH PAY

- 18.01 All employees who have been employed by the Company for less than six (6) months prior to May 1st in any year shall receive, in lieu of vacation, an amount equal to four percent (4%) of their earnings up to the 1st of May in that year.
- 18.02 Any employee who has more than six (6) months service with the Company by December 31st in that year shall be entitled to one (1) week's vacation and shall be paid as vacation pay, four percent (4%) of her total earnings accrued up to and including May 1st.
- 18.03 Any employee who has more than one year's service with the Company by December 31st in that year shall be entitled to two (2) weeks' vacation and shall be paid as vacation pay, four percent (4%) of her earnings for the twelve (12) months preceding May 1st of the current year.

- 18.04 An employee who has more than five (5) years' service with the Company by December 31st in that year shall be entitled to three (3) weeks' vacation and shall be paid as vacation pay, six per cent (6%) of her earnings for the twelve (12) months preceding May 1st of the current year.
- 18.05 An employee who has more than ten (10) years' service with the Company by December 31st in that year shall be entitled to four (4) weeks' vacation and shall be paid as vacation pay, eight percent (8%) of her earnings for the twelve (12) months preceding May 1st of the current year.
- 18.06 An employee who has more than nineteen (19) years' service with the Company by December 31st in that year shall be entitled to five (5) weeks' vacation and shall be paid as vacation pay, ten percent (10%) of her earnings for the twelve (12) months preceding May 1st of the current year.
 - Effective November 1st, 2008 an employee who has more than (18) years' service with the Company by December 31st in that year will be entitled **to** five **(5)** weeks' vacation and shall be paid as vacation pay, ten percent (10%) of her earnings for the twelve (12) months preceding May 1st of the current year.
- 18.07 An employee who has more than twenty-eight (28) years' service with the Company by December 31st in that year shall be entitled to six (6) weeks' vacation and shall be paid as vacation pay, twelve percent (12%) of her earnings for the twelve (12) months preceding May 1st of the current year.
- 18.08 Vacation with pay will be by separate cheques distributed prior to the vacation and all normal deductions will be made.
- 18.09 "Service" as used in this Article means total time of active employment without any interruption by one of the occurrences in Article 13.06.
- 18.10 The term "earnings" as used in this Article 18 shall include payment for all time actually worked (wages, overtime premiums, shift differentials) and "temporary" disability benefits received under the Workers' Compensation and Weekly Indemnity plans but shall not include vacation pay received during the previous calendar year.
- 18.11 Where an employee is disabled due to illness or injury during their vacation or any portion thereof, the employee shall be considered on sick leave for such period of disability and the employee's vacation shall be rescheduled at a later date.
 - An employee shall not be entitled to payment of vacation pay and weekly indemnity benefits for the same period.
- 18.12 The Company may require employees to take their vacation during a plant shutdown provided such shutdown is during the summer school vacation period. The above is not applicable for those employed as millwrights, electricians and stationary engineers. Where there are competing requests, seniority shall govern provided the request is made at least two (2) weeks in advance.
 - During a plant shutdown for vacation, one (1) engineer may be allowed to take his vacation if the opportunity arises. Seniority shall govern in the event of competing requests provided the requests are made at least two (2) weeks in advance.
- 18.13 An employee who leaves the employ of the Company before becoming entitled to a vacation as provided in this article shall receive, in lieu thereof, the amount provided for under the Employment Standards Act and Regulations issued thereunder.
- 18.14 The Company will post a Vacation Schedule indicating the shutdown period by February 15th of that year for the maintenance employees. Maintenance employees must indicate their vacation preference by March 15th, in order that seniority can be considered in scheduling their time off. Employees will be limited in requesting two (2) consecutive weeks during the summer school vacation period. There will be no bumping permitted once the vacation schedule has been posted. The approved vacation schedule will be posted on or before April 15th.

Vacation requests which are submitted after March 15th but prior to September 15th will be handled on a "first come - first serve" basis and employees will be expected to submit their request at least two (2) weeks in advance of their desired vacation start date, wherever possible. Any vacation remaining and not scheduled after September 15th will be assigned by the Company. Operational requirements will be considered in reviewing these requests.

18.15 Employees with three (3) or more weeks of vacation may take no more than five (5) days individually and all remaining vacation must be taken in one (1) week blocks, provided it does not interfere with normal operational requirements.

ARTICLE 19 PAID HOLIDAYS

19.01 The following holidays shall be observed as paid holidays:

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

Boxing Day

and four (4) floater holidays established after discussion with the Union and where possible to be taken during the Christmas period.

If a new employee starts after the month of January, their floater days will be earned on a prorata basis for the year.

- 19.02 Full-time employees who have completed their probationary period or three (3) months service, whichever comes first and who are off work due to observance of one of the above named holidays will receive eight (8) hours pay for such holidays worked subject to the following conditions:
 - a) To be eligible for holiday pay an employee must work his last full scheduled work day immediately preceding such holiday, and his first full scheduled work day immediately following such holiday, unless absent with permission of the Company or because of proven illness;
 - b) An employee who is eligible for a holiday in accordance with the above conditions, and who performs work on any of the said paid holidays shall be entitled to receive pay at **double time (2x)** for the work performed on such holiday, in addition to his holiday pay; or to receive pay at **double time (2)** for the work performed on such holiday plus a day off, with pay, at a time mutually agreed to by the employee and Management.
 - c) An employee entitled to payment under the sickness accident plan and entitled to a paid holiday shall receive holiday pay in an amount equal to the difference between eight (8) hours pay and the sickness and accident benefit received.
 - d) An employee on vacation when a holiday is observed will receive an extra day vacation with pay.
- 19.03 In the event that a layoff commences on the day immediately following a paid holiday, a full-time employee otherwise qualified for the holiday pay shall not be disentitled thereto solely because of the day on which the layoff commenced.
- 19.04 In lieu of payment for statutory holidays, part-time employees shall receive an additional seven percent (7%) added to their gross wages each week.

ARTICLE 20 LEAVE OF ABSENCE

- 20.01 a) The Company may grant leave of absence without pay if an employee requests it in writing at least two (2) weeks before the start of the requested leave provided the leave is for good reason and does not unreasonably interfere with the efficient operation of the plant and does not require the Company to hire new employees or work overtime. The time period may be waived in the event of an emergency. The Company shall provide an answer to the request for leave within five (5) working days of receipt of the request.
 - b) Employees with more than two (2) weeks vacation shall take vacation prior to the Company granting a leave of absence which is greater than one week, except in the case of emergency.

20.02 Union Leave

- a) Leave of absence to attend Union conventions and conferences may be granted to not more than three (3) employees at any one time except for Union Training Seminars, in which case a maximum of five (5) employees may be granted Union leave. The Company may permit additional employees to attend Union Training Seminars subject to operational requirements. Requests shall not be unreasonably denied. Application for such leave of absence shall be made by the Union in writing at least two (2) weeks prior to the requested leave.
- b) Time spent on Union business shall be paid by the Company and billed to the Union for any loss of wages and benefits.
- 20.03 <u>Full-time Union Leave</u> Upon application by the Union, in writing, the Company will grant leave of absence, without pay, to an employee elected or appointed to full-time Union position. It is understood that not more than one (1) employee in the bargaining unit may be on such leave at the same time. Seniority and service shall accumulate during the full term of such leave.
- 20.04 a) Political Leave Upon written request, an employee shall be granted sufficient time off from work without pay to:
 - i) Campaign for election to a Municipal. Provincial or Federal office: or
 - ii) **To** fulfill the responsibilities of an elected Municipal office:
 - provided that in either case, such time off can be scheduled **so** as not to unreasonably interfere with the efficient operation of the plant and does not require the Company to hire new employees or work overtime.
 - b) An employee who is elected to a Federal or Provincial office shall be given every consideration for re-employment upon completion of her term of office and the parties shall discuss her seniority standing.
- 20.05 <u>Maternity/Parental Leave</u> The Company shall grant Maternity/Parental leave in accordance with the *Employment Standards Act.*
- 20.06 <u>Adoption Leave</u> The Company shall grant adoption leave in accordance with the *Employment Standards Act* upon receipt of supportive documentation from the employee.
- 20.07 Jury Duty An employee required to serve on a jury or subpoenaed as a Crown witness during a period when she would otherwise be scheduled to work for the Company shall be paid the wages she would have received during this period computed on the basis of her regular number of straight time hours and the then current rate of pay. Such employee will notify the Company of the requirement to attend the Court and shall furnish adequate proof of the amount of pay (exclusive of expense allowances) received which shall be deducted from his next pay cheque. The Company will not require the employee to work any other than her regularly scheduled hours while on jury duty, or Crown witness, but may require an employee excused from jury duty or Crown Witness to complete the balance of her regular shift, where reasonable.

- 20.08 a) Bereavement Leave In the event of the death of a member of an employee's family, the employee, provided she has completed her probationary period, will be granted a leave of absence for a reasonable time and will be reimbursed for time necessarily lost from work up to a maximum of three (3) working days for the purposes of making funeral arrangements or attending the funeral. The term "a member of the employee's family" means: brother, sister, son-in-law, daughter-in-law, grandparents, grandchildren, step-parents, step-children and legal quardian.
 - b) In the event of the death of an employee's spouse, child, mother, father, mother-in-law, father-in-law the employee will be granted five (5) working days typically commencing the day after the afore mentioned person's decease. The employee will be reimbursed for days lost from work, including weekends which fall during the five (5) day leave period. Additional leave of absence without pay for a reasonable period of time may also be granted.
 - c) Up to one (1) day at straight time hourly rate may be paid if an employee loses working time on a regularly scheduled working day to attend or make arrangements for the funeral of a sister-in-law, brother-in-law or grandparents-in-law.
 - d) When an employee is unable to, due to distance of travel, attend a funeral of a member of their family as defined in Article 20.08 (a) and (b), they shall be entitled to leave for mourning on the day of the funeral without loss of pay.
 - e) Requests for time off to travel to a funeral or act as a pallbearer will be treated on a discretionary basis by the Company.
 - f) For the purpose of this Article 20.08 bereavement leave in respect of a spouse or referenced relations shall include a person with whom the employee has cohabited in a husband and wife or same sex relationship which is recognized as such in the community for a minimum period of nine (9) months.
 - g) Requests to split bereavement leave due to delayed burial, later internment arrangements, or memorials will be considered by the Company on a case by case basis.
- 20.09 Sick Leave An employee's reinstatement after sick leave of three (3) days or more will be conditional on her supplying a certificate to Human Resources from a physician that she is fully recovered from the sickness which caused her absence. Up to (5) such medical certificates for unexcused absences will be reimbursed by the Company.

A certificate may also by required in cases of suspected abuse of sick leave or when the Company feels food safety may be at risk.

ARTICLE 21 ALCOHOLISM AND DRUG ADDICTION

21.01 If either the Union or the Company identifies an employee who is addicted to alcohol or drugs, the parties agree to cooperate in assisting the employee to obtain treatment and rehabilitation provided the addiction is made known to the Company and acknowledged by the individual involved prior to a discharge notice and is a first time addiction.

An employee will be entitled to Weekly Indemnity Benefits during a period of addiction rehabilitation provided she is under the continuing supervision of a qualified professional and is undergoing active treatment at a hospital or recognized treatment centre which prevents her from working.

ARTICLE 22 WORKERS' COMPENSATION

- 22.01 a) Where an employee is absent due to illness or injury which is compensable by Workers' Compensation the following shall apply:
 - (i) The employee will not be eligible for paid holidays or any other benefits of this Agreement, except where specified otherwise, during any absence covered by Workers' Compensation;
 - (ii) Provided that the employee returns to work within two (2) years of the date of illness or injury, time spent on Workers' Compensation shall be considered as time worked for the purpose of calculating the current year's vacation entitlement under the terms of this Agreement.
 - (iii) An employee who loses work because of a compensable injury shall be paid for the balance of her normal straight time shift during which the injury occurred.
 - b) Where an employee who has sustained a compensable injury is, in the opinion of a physician, medically able to perform only restricted types of work and where there is such work available without significant reduction in plant efficiency, the Company may allow the injured employee to displace the junior employee performing such work.

ARTICLE 23 CLASSIFICATION OF NEW JOBS

In the event the Company introduces a new job which is not currently classified under Schedule "A of this agreement, the Union Committee shall be advised. The Company will, at its discretion, establish a temporary classification for such work at a level not lower than the current base labour rate.

If, after a forty-five **(45)** day period, the Union disputes the rate initially established, a written appeal may be lodged with the Plant Manager which specifies the reasons for disputing the rate. Such appeal will be lodged within ten **(10)** working days following completion of the forty-five **(45)** day period.

Failing satisfactory resolution of the appeal within a period of ten (10) working days, the matter will be referred to the third step of the grievance procedure. Where the initial job rate is changed, either as a result of consultation or arbitration, the change will be retroactive to the date of the job's introduction.

To assist the Union in its evaluation of the job rate, a Committee Member and or Union Representative will be permitted to observe the work in progress for a period of up to two (2) hours.

ARTICLE 24 FULL-TIME EMPLOYEES BENEFIT PLANS

24.01 The Company will arrange to provide full-time seniority employees with the following benefits subject to the conditions of enrollment, entitlement, deductibles and co-insurance contained in the contract of insurance between the company and the insurer as of December 5, 1995.

Clarity Note: The Company agrees to continue the existing practice with respect to resetting the \$10,000.00 maximum for drugs as required for life of this collective agreement.

(i) Life Insurance - The Company will pay the full cost of \$35,000 Life Insurance with an additional \$35,000 of Accidental Death and Dismemberment coverage.

Effective November 1, 2006 full-time employees may purchase additional life insurance coverage up to \$25,000 at their own expense. The cost of this additional coverage will be paid by the employee.

- (ii) Supplementary Health Care The Company to pay the full cost of this coverage. Benefits to include prescription drugs and semi-private hospital coverage. The Company will continue to provide a drug card for eligible employees.
- (iii) Health Practitioners The Company will provide chiropractor, physiotherapy and certified massage therapy coverage up to \$300.00 each per year effective November 1, 2006. (benefit follows each calendar year)
- (iv) Dental Plan Dental benefits will be revised annually to reflect the previous years ODA schedule. The Company will continue to provide an orthodontics program for children only with a \$1,000 lifetime maximum per child.
- (v) The Company agrees to continue to provide major restorative, crowns, caps, and dentures in accordance with the terms of the existing benefit plan.
- (vi) Sickness and Accident Insurance The Company will pay the full cost of this coverage.

The Plan will provide benefits as follows:

- weekly benefit to be two-thirds (2/3) of weekly earnings up to current E.I. maximum benefit
- maximum benefit duration of 52 weeks
- Company to retain E.I. premium rebate to assist with funding of benefit plans.
- (vii) Vision Care Effective November 1, 2006, the Company will provide coverage for vision care (including eye examinations and laser eye surgery) up to a maximum of \$300.00 every 24 months for each individual covered by the benefit plan (i.e. full-time employees, employees spouse and dependent children).
- 24.02 The Company shall pay 100% of OHIP premiums for seniority full-time employees.
- 24.03 a) In the case of lay-off employee's payments for Group Life Insurance, the Dental Plan and the Drug Plan shall be paid for **two (2)** months following the month in which the lay-off occurs.
 - b) Where an employee is absent due to illness or injury and is in receipt of benefits under the Sickness and Accident Plan or temporary total disability benefits under the Workers' Compensation Act, the Company shall continue its normal premium payments for the month in which the absence commences and for as long as benefits continue for a maximum of up to twenty-four (24) months thereafter.
 - c) Where a seniority employee is granted maternity or parental leave the Company shall pay 100% of the expenses of the following benefits for the term of the leave(s) outlined in the Employment Standards Act of Ontario.
 - OHIP
 - Dental
 - Supplementary Health Care
 - · Life Insurance
- 24.04 The Company agrees to maintain the Pension Plan for Designated Hourly Employees of Nestlé Canada Inc. Employees have the option of retiring early at age fifty-five (55) with ten (10) years service completed.
- 24.05 For the life of this collective agreement, the Company agrees to pay for an extended health care pian and dental plan up until age sixty-five (65) at the prevailing premium rate for employees between the ages of 60 and 65 who elect to retire early and who have at least ten (10) years of seniority.

- 24.06 The Company agrees to the continuation of the following miscellaneous benefits.
 - Meal allowance at the rate of \$6.50 after four (4) hours overtime for employees who have not been notified before commencing work on the shift that overtime is required.
 - ii) The Company will provide and launder work clothing.
 - Effective November 1, 2006, the Company will pay 100% of the purchase of safety shoes to a maximum of \$150.00 per year. The subsidy for replacement shoes will be made where the employee provides evidence that new shoes are required and proof of purchase.
 - In the case of those maintenance employees who are required to maintain a tool set, the Company will make reimbursement for replacement of worn out or broken tool set items. Upgrade of new tools will be reimbursed to a maximum total of \$400.00 effective November 1, 2006; \$425.00 effective November 1, 2007; and \$450.00 effective November 1, 2008. Annual reimbursement will be paid in full at the beginning of each year for eligible employees.
 - v) The Company will reimburse stationary engineers for the cost for renewing certificates to a maximum of \$80 per year effective January 1, 2000. The Company will pay **75%** of the Electrician ticket effective January **1, 2002.** Effective January **1, 2005,** the Company will reimburse the stationary engineers and electricians **100%** for renewing their certificates.
- 24.07 Benefit Booklets- The Company will ensure that benefits booklet are provided to employees as soon as practicably possible reflecting the improvements to the benefit plans for employees.
- 24.08 In the event the Company requires a Doctor's sick leave certificate or letter from an employee, the Company shall pay the full cost of the Doctor's charges for the sick leave certificate or letter.

ARTICLE 25 PART-TIME EMPLOYEES BENEFIT PLANS

- 25.01 The Company will continue to provide part-time seniority employees with Life Insurance coverage of \$19,000.00, subject to the conditions of enrollment and entitlement contained in the contract between the Company and the carrier as of December 1, 1985.
 - Life Insurance for employees assigned disability premium waiver is established and frozen at the level of insurance that was in effect at time of disability.
- 25.02 Drug Plan The Company will pay the full cost of the premium of drug coverage for part-time seniority employees.
- 25.03 Drug Card Effective November 1st, 2006, the Company will provide a Drug Card to parttime employees with at least five (5) years seniority.
- 25.04 Dental Plan Dental benefits will be provided to part-time employees who agree to pay 50% of the premiums at the prevailing rates.
- 25.05 Part-time seniority employees whose level of earnings exceeded thirty percent (30%) of the yearly Maximum Pensionable Earnings during the previous calendar year shall be permitted to participate in the Pension Plan for Designated Hourly Employees of Nestlé Canada Inc. effective January, 1986.
- 25.06 Vision Care Effective November 2007, the Company will provide vision care to a maximum of \$150.00 every 24 months (including eye examinations and laser surgery) for part-time employees (individual only) with five (5) or more years seniority.

ARTICLE 26 FACTORY CLOSURE

a) In the event of the complete and permanent closure of all the Company's production lines at its factory in Trenton, an employee who does not accept transfer in or to another Nestlé factory in the province of Ontario and is released from employment as a result thereof, shall be entitled to severance pay based on the following:

Service	Severance
Less than 5 years	1 week's pay for each
	completed year of service.
5 years but less than	1.25 weeks' pay for each
10	completed year of service.
10 years but less	1.50 weeks' pay for each
than 25 years	completed year of service.
25 years plus	2 weeks' pay for each
	completed year of service.

- b) Incomplete years of service shall be prorated to the nearest month.
- c) Each week of severance pay for full-time employees shall be calculated by multiplying the employee's regular straight time hourly rate at the time of termination by 40. Severance pay for part-time employees shall be based on the average number of hours worked per week based on the previous twelve months prior to ratification or termination.
- 26.02 Severance payments shall not be made:
 - a) To employees who are discharged for just cause;
 - b) To employees who voluntarily resign;
 - c) To employees who are retired on pension;
 - d) In the event of closing due to Acts of God, war, disaster, or any other reason of similar nature and beyond the control *of* the Company.
- 26.03 In order to qualify for severance pay, employees shall continue to work in a satisfactory manner as long as required.
- 26.04 The weeks of severance allowance plus earned vacation will not exceed the number of weeks remaining to the employee's normal retirement date.
- 26.05 Severance payable under this section shall be deemed to include any severance pay as may be required under any Ontario legislation.
- 26.06 Benefit coverage will be continued for six (6) months after the last day worked.

ARTICLE 27 TERMINATION

27.01 This Agreement shall become effective November **1** 2006 and continue in full force and effect until October 31, 2009 and from year to year thereafter unless written notice of intention to terminate or amend this Agreement is given by either party to the other not more than ninety (90) days and not less than thirty (30) days before the date of its termination.

Signed at Trenton, Ontario this 20th Day of December, 2006.

FOR THE UNION	FOR THE COMPANY
Ann Waller	Michael Strong
Grant Blanchard	Chuck Baker
Scott Connors	Alastair Macdonald
Lisa Parsons	-
Terry Gunter	-
Anna Reid	

	November 1, 2006	November 1, 2007	November 1, 2008
Group 1 STATIONARY ENGINEER ELECTRICIAN/TECHNICIAN MILLWRIGHT	25.96	26.46	26.96
Group 1B Q.A. DOCUMENT WRITER T.D. TECHNICAL WRITER MAINTENANCE STOCK CONTROLLER WAREHOUSE CLERK PRODUCTION CLERK	19.58	20.08	20.58
Group 2A EQUIPMENT PREPARATION DND SETUP (EPSU)	19.60	20.10	20.60
Group 2 FROZEN CULINARY TECHNICIAN TD PROJECT TECHNICIAN TD SHELF STABLE TECHNICIAN TD LAB TECHNICIAN TD LAB TECHNICIAN MACHINE OPERATOR - DRY MACHINE OPERATOR - FROZEN MATERIAL HANDLER - DRY MIX MICROBIOLOGY TECHNICIAN Q.C. TECHNICIAN Q.C. PANELIST SENIOR PREPARATION OPERATOR PREPARATION OPERATOR SHIPPER RECEIVER STOCK CONTROLLER JANITOR	19.08	19.58	20.08
Group 3 LINE ASSOCIATE	18.07	18.57	10:01

NOTES

- 1. Probationary employees will be paid at 25 cents per hour below the job rate until successfully completing the probationary period.
- 2. A summer student rate of 1.00 dollar per hour below the lowest job rate in effect.
- 3. Where Team Leaders are appointed by the Company, they will receive \$1.50 per hour over the highest group they lead or over Group 2 whichever is greater pending the redefined job description agreement.
- **4.** Area Specific Trainers will receive \$1.00 per hour training premium above their posting rate when training.
- 5. With respect to Maintenance classification incumbents at various levels carry the qualifications required in the following trade areas:

STATIONARY ENGINEER

Must have a current 3rd Class Ontario Stationary Engineer's Certificate.

ELECTRICIAN/TECHNICIAN

Must have a current Ontario Electrician Construction and Maintenance Certificate of Qualification.

Plus - Industrial Electronic training at an accredited training center or proof of work related training in the Industrial Electronic field.

MILLWRIGHT

Ontario Industrial Millwright Mechanic Certificate with Industrial experience or Food related experience.

STATIONARY/MILLWRIGHTS/ELECTRICIANS

Dual Certification - Must have one current certification and the Company will provide an apprentice program to obtain the second, where required.

LETTER OF UNDERSTANDING #1

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLE TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: DETERMINATION OF TIME FOR WAGE PAYMENT

Pursuant to Article 17 of the parties' agreement it is hereby agreed that the following system will apply for determination of the time to which an employee is entitled to payment.

- 1. An employee's "start time" will be their actual shift start time or in the event the employee is late their actual start time.
- 2. An employee's "finish time" will be the guarter hour to which their actual finishing time is rounded.

Actual time will be rounded down to the nearest quarter hour if the employee has worked less than seven minutes in that quarter hour.

Actual time will be rounded up to the nearest quarter hour if the employee has worked seven or more minutes in that quarter hour.

- 3. Employees will receive payment at the applicable rate for time worked and paid rest periods which fall between their "start" and "finish" times.
- 4. For purposes of clarity the following examples indicate how time for pay entitlement is to be determined:

CLOCK IN <u>TIME</u>	"START TIME	CLOCK OUT <u>TIME</u>	"FINISH" <u>TIME</u>	TIME FOR PAY ENTITLEMENT DETERMINATION
6:53 6:59 6:59 7:03 7:00 7:00	7:00 7:00 7:00 7:00 7:03 7:00 7:00	2:52 3:06 3:07 3:21 3:00 4:06 4:07	3:00 3:00 3:15 3:15 3:00 4:00 4:15	8 hours 8 hours 15 mins 8 hours 15 mins 7 hours 57 mins 9 hours 9 hours 15 mins

NOTE: In the above examples the shift start time is 7:00 and two (2) paid rest periods are assumed.

SIGNED AT TRENTON, ONTARIO THIS 20TH DAY OF DECEMBER 2006.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING #2

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLE TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: TIGER

Employees shall participate in the Employee Bonus Plan for the life of this agreement as follows:

- a) The parties agree on the importance of recognizing employees for success at the factory. The TIGER bonus program will include the following measurement tools:
 - percent of standards produced;
 - quality;
 - safety;
 - · costs; and
 - any other relevant measurement tool(s).

Effective 2007, the TIGER bonus payment will pay out up to 5% of eligible earnings if measurement criteria are achieved and may stretch to 7. 5% if measurement criteria are exceeded. That is, the program must make money before it can pay out.

- b) Eligible earnings shall be defined as the employee's hourly wage rate as at the year-end multiplied **by** the number of hours she worked during the calendar year in question. Hours worked shall include Vacation and Statutory Holidays, but shall exclude W.I. and W.S.I.B.
- c) It is anticipated that the bonus earned for each year shall be paid out in February of the subsequent year.
- d) TIGER Bonus shall be excluded from earnings for the purpose of calculating vacation pay under Article 18 of the Collective Agreement.

SIGNED AT TRENTON, ONTA	ARIO THIS 20 TH DAY OF DECEMBER 2006.	
FOR THE UNION	FOR THE COMPANY	

LETTER OF UNDERSTANDING #3

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION- CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: SHIFT ARRANGEMENTS - MAINTENANCE STAFF

Introduction

The following provisions of this Letter of Understanding are intended to provide for the orderly rotation and assignment of maintenance staff shifts.

Shift Assignment

- 1. Once a mutually agreed upon shift schedule has been determined as outlined under this letter of agreement any modifications would be made through majority rule voted by entire team.
- 2. Maintenance shift schedules will be based on either a one week 40 regular hour total or a two week 80 regular hour total period. (i.e. a combination of 80 hours worked in 2 weeks)
- 3. Maintenance management will establish and post maintenance shift assignment schedule prior to the beginning of each quarter. Otherwise the existing posted schedule rotation will continue.
- 4. Unless otherwise mutually agreed, maintenance staff would remain in their normal position of rotation within the established maintenance shift assignment schedule or as per Maintenance relief assignment language with overtime as in Overtime #1 below.
- 5. Where operational requirements dictate, the Company may change an employee's shift assignment. This may occur as an example from result of sickness of a skilled trade's member or training requirements during the same period or a change in the department.
- 6. The Company may revert to a conventional standard week schedule during designated shutdown period and Christmas break period.
- 7. Employees trading shifts must both be in agreement and have the permission of their supervisor in advance, in writing.
- 8. Nothing in this letter shall be interpreted as restricting the Company's right to adjust the number of maintenance staff in a classification or the number that are assigned to a particular shift.

Probationary Employees

- 1. To aid with training and familiarization, an employee's shift assignment during their trial/probationary period will be at the discretion of management.
- 2. Upon completion of their probationary/trial period, employees will assume the same position in the shift rotation as that of the employee they replaced. At the discretion of management, additions to the maintenance staff may result in the creation of a new shift rotation/ arrangement.

Overtime

- 1. Overtime will be paid for all hours outside of the established shift schedule <u>lover 80 scheduled hours</u> <u>in a 2-week rotation week as per on shift assignment # 2)</u>. All other applicable rates will apply as per Article 17.03.
- 2. When there is a requirement for weekend maintenance production overtime the person who normally performs the work at the end of the week on the shift in respect of which the overtime is required will be given first opportunity to perform the work. If that individual declines the work, then it will be issued as per Article 17.07.
- Maintenance work overtime will be issued by seniority. If insufficient volunteers are found then as per Article 17.07

Shift Premiums

- 1. All shift premiums will be paid at an equalized rate to those individuals working a modified workweek.
- 2. All those employees working a standard work week (as defined in Article 17.02) will receive shift premiums as per Article 15.05.

Maintenance Relief Assignments

- 1. When an employee fills in for a scheduled skilled trade's shift (i.e. illness, bereavement etc.) during mid-week, all applicable wage rates in 17.03 will apply. Employees shall be permitted to complete there regularly established work week.
- 2. If the employee is covering an employee's regularly established work week (i.e. illness, bereavement, vacation etc.) then they will be required to fulfill the hours of that work schedule. If this assumed shift is less than 40 regular hours than they will be given the opportunity to make up the difference.
- 3. Selection for relief assignment will be done through canvassing for volunteers by availability and then seniority. If the above does not provide the required coverage, then selection will be done by availability and reverse seniority.

Logbook

- 1. Each maintenance employee will enter a report in the maintenance shift log at the end of their shift indicating situations and work activities relevant to the next shift.
- 2. Employees will review the log at the start of their shift.
- 3. Where a verbal shift end report is required, this will also be provided to those reporting by those completing their shift.

Leave of Absence

Vacation

- 1. Upon returning from vacation, illness, and other forms of authorized leave, employees will resume their respective position in the established schedule rotation.
- 2. A vacation block is considered to be an individuals regularly established work week.
- 3. If an employee requests a single vacation day as per Article 18.15 of their scheduled work week, they would be compensated for a day's vacation entitlement. If the employees week is less than their established week total hours, then they will be given the opportunity to make up the difference at regular time pay.

Personal Paid Holidays

1. If they are required to work the scheduled PPH days as per the annual holiday schedule, they will be compensated at a rate of double time. In order to allow time off during the Christmas break period,

- each skilled tradesman can request one of the four PPH days off. A maximum of 2 skilled trades people per day. (i.e. 1 electrician, 1 millwright).
- 2. PPH requests which are submitted after March 15th but prior to September 15th will be handled on a "first come first serve" basis and employees will be expected to submit their request at least two weeks in advance of their desired PPH date. Any PPH days remaining and not scheduled after September 15th will be assigned by the Company. Operational requirements will be considered in reviewing these requests. As per 18.14 & 8.05.
- 3. If they are not required to work and have used their PPH days they will not be compensated for those days. They may utilize vacations days if remaining.

Statutory Holidays

- 1. Employees scheduled to work on a statutory holiday but not required to work will be paid according to their regularly scheduled week.
- 2. Employees required to work on a statutory holiday will be compensated as per Article 19.02.
- 3. Statutory holidays not falling on a scheduled shift follow Engineers' Article 17.14 (9

Weekly Indemnity

- 1. The weekly indemnity-waiting period as it pertains to disability resulting from sickness shall be: 8 hour shift-3days; 10 hour shift-2days; 12 hour shift-2days of lost time.
- 2. Payments shall be based as per the current program.

Bereavement

Will be paid according to the employee's regular shift schedule as per Article 20.08

Training

- On-site or local area training if within a reasonable travel time (30min) employees will be required return to work and complete their scheduled shift. To be confirmed by their supervisor and agreed prior to the course
- All training outside of the local area (beyond 30min) will be paid according to their scheduled
- 3. All hours during training will be paid according to Article 4.04.

SIGNED AT TRENTON, ONTA	ARIO THIS 20 TH DAY OF DECEMBER 2006.
FOR THE UNION	FOR THE COMPANY

RE: MAINTENANCE SHIFT SCHEDULE

BETWEEN:

NESTLE CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: SHIFT ARRANGEMENTS - MAINTENANCE STAFF

Notwithstanding LETTER OF UNDERSTANDING # 3, the Company may introduce a four (4) month trial conventional shift arrangement. The objective of this trial period is to provide the parties with an opportunity to assess whether such a schedule provides better maintenance coverage for the factory.

The parties recognize that there are many challenges associated with optimal scheduling in the department and agree to work together.

The parties agree to adopt the conventional eight (8) hour schedule only when it is demonstrated that such schedule provides better maintenance coverage. If it does not, the parties agree to revert back to the existing ten (10) hour shift arrangement.

SIGNED AT TRENTON, ONTARIO THIS 20 th DAY OF DECEMBER 2006.			
FOR THE UNION	FOR THE COMPANY		

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: MAINTENANCE STANDBY

As agreed, the following practice will be maintained in the case of maintenance personnel when they are assigned weekend "standby" and scheduled overtime:

- 1. On the sixth scheduled day of work, the employee will be paid the greater of six (6) times his regular straight time hourly rate or overtime at the applicable rate for the hours actually worked.
- 2. On the seventh scheduled day of work, the employee will be paid the greater of eight (8) times his regular straight time hourly rate or overtime at the applicable rate for the hours actually worked
- 3. For the purpose of clarity, this arrangement recognizes the "standby" obligation of these personnel as well as their scheduled overtime duties. In view of this additional responsibility, Article 17.11 is not directly applicable. Should they be relieved of the standby obligation, then Article 17.12 would become applicable.

SIGNED AT TRENTON, ONTA	RIO THIS 20 TH OF DECEMBER 2006.	
FOR THE UNION	FOR THE COMPANY	

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: APPRENTICESHIP PROGRAM

If the Company institutes an apprenticeship program during the life of the collective agreement the following will apply.

Selection by the Company will not be based on seniority, but on the following criteria:

- 1. Sufficient academic qualifications;
- 2. Review of employee's work record and attendance;
- 3. Successfully pass the necessary tests, by a third party, to determine the aptitude for the considered trade: and
- 4. Interview results.

The full term of the apprenticeship program shall be four (4) years from the time of being accepted as an apprentice and the rate increases ordinarily granted during this period shall be as outlined.

TIME IN ROLE	COMPENSATION
0-1 year	\$2.00 less full rate
1 year	\$1.50 less full rate
2 years	\$1.00 less full rate
3 years	\$0.50 less full rate

At the end of the training period, providing that the apprentice can satisfactorily perform the journey-person's duties in the classification in which she has been trained and successfully receives their ticket, the apprentice will receive the full journeyperson's rate. Employees who have achieved a certain number of credits or previous experience shall be paid the wage rate for the period in which such credit advances him. Skilled trades currently holding a certificate will not be eligible unless the maintenance coverage in the plant is sufficient to meet the production demands.

Performance will be reviewed during the apprenticeship program and poor performers will be returned to their previous position, if applicable.

When an employee has successfully completed an apprenticeship, he shall have his seniority recognized in the maintenance department equal to the time in the maintenance department. In the event of a lay-off, when holding a journeyman's ticket, bumping will be completed as per Article 14. In the event of a lay-off during the apprenticeship, the apprentice will revert back to her plant seniority for bumping, outside of the maintenance department.

SIGNED AT TRENTON, ONTARIO	THIS 20" DAY OF DECEMBER 2006.	
FOR THE UNION	FOR THE COMPANY	

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: IMPLEMENTATION OF ALTERNATIVE SHIFT SCHEDULES

Notwithstanding Article 17.02 and 17.03, an alternative shift schedule may be introduced at the discretion of the Company where production requirements require a seven (7) day production schedule for not less than four (4) weeks. The decision will be driven by volume, and capacity to produce the volume in order to maintain a competitive advantage. If introduced, the alternative shift schedule will apply only to employees within the affected area of operation including the necessary support groups. Before the implementation of the alternative shift schedule, the Company will advise the Union three (3) weeks in advance wherever practicable.

A work week shall be between 0001 hours Monday to 2400 hours Sunday. Full-time seniority employees would be scheduled for one hundred and sixty (160) hours of available work over a four (4) week period and consistent with Article 17.01 it cannot be construed as a guarantee. Under the alternative shift schedule work week, Saturday and Sunday will be viewed as normal working days not subject to overtime payment, but an employee will receive time and one-half for the sixth day and double time for the seventh day they work in a work week.

Should the Company determine that it is necessary to implement Alternative Shift Schedules based on operational requirements, the Union will participate in the implementation and formulation of the alternative shift schedules to ensure that the requirements of employees are taken into account as far as is reasonably practicable.

SIGNED AT TRENTON, ONTARIO THIS 20 TH DAY OF DECEMBER 2006.			
FOR THE UNION	FOR THE COMPANY		

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: WEEKLY INDEMNITY ADVANCE

Pursuant to Article 24.01 (iv) of the parties agreement, it is hereby agreed that the following system will apply for an initial cash advance to start the Weekly Indemnity (W.I.) claim:

- 1. An advance will be initiated by the Company **two** (2) weeks after the Company has received an accurate completed form from the employee if the W.I. cheque has not been received.
- 2. The employee shall reimburse the Company for all payments they received from the Company upon immediate receipt of the W.I. cheque from the carrier.
- 3. If a W.I. claim is denied by the insurance carrier, the employee will reimburse the Company through payroll deduction. If an employee leaves the employ of the Company before reimbursing the W.I. cash advance, the money will be deducted from monies owing including wages and vacation pay.

SIGNED AT TRENTON, ONTARIO TH	IS 20 ¹⁸ DAY OF DECEMBER 2006.	
FOR THE UNION	FOR THE COMPANY	

BETWEEN:

[to be confirmed for renewal]

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: WORKFORCE COMPOSITION

The parties recognize that it is in their common interest to ensure that the Company is guaranteed the work force necessary to meet its operational requirements. It is further agreed that this is best achieved by maintaining the following practices:

- 1. Protecting the employment security of full-time employees to the extent possible given demand for the Company's products; and
- 2. Maintaining an adequate supplementary work force of part-time workers to meet fluctuating labour needs which vary daily according to the variety and output of product which is required.

In keeping with the above, it is agreed that the provisions of the collective agreement which provide for the separate lay-off of part-time and full-time employees are not intended to result in an increase of part-time employees at the expense of full-time positions.

Accordingly, the Company will endeavour to maintain, to the extent possible and practical, the approximate current proportion of "production employees" which is made up of full-time employees versus part-time employees.

For the purpose of this letter "production employees" shall mean employees both full-time and part-time who are directly involved in manufacturing as opposed to service categories such as skilled maintenance, sanitation personnel, or truck drivers.

IGNED AT TRENTON, ONTARIO THIS 20 TH DAY OF DECEMBER 2006.
OR THE UNION FOR THE COMPANY
lote: As of December 3rd, 1983 the ratio of full-time to part-time production employees was 1:1.4

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: EMPLOYMENT STABILITY

The Company will endeavour to provide the required waiting period for part-time employees for their El claims without compromising the efficiency and the demand requirements of the operation.

SIGNED AT TRENTON, ONTARIO THIS 20 TH OF DECEMBER 2006.			
FOR THE UNION	FOR THE COMPANY		

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: EMPLOYEE RECREATION FUND

- 1. The Company agrees to provide deductions from the pay cheques of those employees' who voluntarily join the Employee Recreation Fund.
- 2. A Recreation Committee shall consist of two (2) bargaining unit employees, one (1) management employee and one (1) clerical employee selected by each group and this Committee shall be responsible for the monies accumulated in the Employee Recreation Fund Account.
- 3. The Company shall provide a statement of the amount of monies in the Fund to the Recreation Committee every six (6) months or upon request.

SIGNED AT TRENTON, ONTARIO THIS 20 TH DAY OF DECEMBER 2006.			
FOR THE UNION	FOR THE COMPANY		

BETWEEN:

NESTLÉ CANADA INC. TRENTON FOODSERVICE PLANT

-and-

NESTLÉ TRENTON EMPLOYEES' UNION - CANADIAN NATIONAL FEDERATION OF INDEPENDENT UNIONS, LOCAL 3022

RE: PENSION PLAN AND BENEFITS ADVICE

The Company agrees to prepare and distribute copies of the Benefits Booklets as soon as possible following ratification of this agreement in accordance with Article 24.07.

As soon as possible following distribution of the benefits booklets, the Company will arrange for a pension and benefits specialist to meet with employees to discuss the terms of the benefit plan, explain the pension plan and offer individual financial advice with respect to the Company pension plan.

SIGNED AT TRENTON, ONTARIO THI	S 20 TH DAY OF DECEMBER 2006.
FOR THE UNION	FOR THE COMPANY

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