



## LABOUR AGREEMENT

Between

KP BUILDING PRODUCTS LTD  
ACTON PLANT

And

UNITED STEEL, PAPER AND FORESTRY, RUBBER,  
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND  
SERVICE WORKERS INTERNATIONAL UNION

(UNITED STEELWORKERS)  
(HEREINAFTER “THE UNITED STEELWORKERS”)

ON BEHALF OF ITS LOCAL 603L

2011-2016

CONTRACT

**00764 (09)**

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## ARTICLE 1 DEFINITIONS

- 1.01 COMPANY – KP Building Products Ltd. with respect to its plants at Halton Hills (Acton), Ontario.”
- 1.02 UNION - United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (United Steelworkers) (Hereinafter “The United Steelworkers”) on behalf of its’ Local 603-L
- 1.03 ABILITY - The word "ability" wherever used in this Agreement means knowledge, skill, training and efficiency as determined by the Company, without additional training, for purposes of said determination.
- 1.04 SENIORITY - The period of time during which the employee has been actively employed in the plant without any of the interruptions, which cause loss of seniority as, specified in Section 13.04.

## ARTICLE 2 VALIDITY OF CLAUSES

- 2.01 Any provision of this Agreement, which may be or may become in conflict with present or future provisions of Federal or Provincial laws, or orders-in Council by same, becomes by that fact null and void without affecting the validity of the remainder of the present Agreement.

## ARTICLE 3 COMPANY RECOGNITION

- 3.01 The Union recognizes that the Company retains all the customary and normal functions of Management except as they are expressly restricted by the terms of the Agreement. This Agreement supersedes and cancels all prior agreements, understandings, and practices, whether verbal or written, express or implied and constitutes the entire agreement between the parties.

## ARTICLE 4 UNION RECOGNITION & JURISDICTION

- 4.01 (a) “The company recognizes the union as the sole and exclusive bargaining agent for all employees at its Acton plant, save and except foremen, persons above the rank of foreman, office, sales, technology, and laboratory employees.”

- (b) Where the masculine pronoun is used herein, it shall mean and include the feminine pronoun where the context so applies.

4.02 The present Agreement applies to all persons with employee status except:

- (a) Foreman and persons above the rank of foreman.
- (b) Office staff.
- (c) Sales staff.
- (d) Technology Department, including Laboratory employees.

4.03 Employees outside the bargaining unit will not perform work normally done by employees within the bargaining unit. However, this Agreement cannot be construed to prohibit them from doing work for purposes of instruction, experimentation or research or in the case of an emergency, to facilitate production, provided a lay-off of bargaining unit employees does not result.

4.04 Any employee who is a member of the Union in good standing shall, as a condition of employment, maintain his membership to the extent of paying membership dues. Any person hired as a new employee and any employee who is hereafter transferred into the Bargaining Unit, shall make application for membership in the Union on the date of employment or transfer and shall, as a condition of employment, maintain his membership in the Union to the extent of paying membership dues.

4.05

- a) The Company agrees that all employees shall become and remain members of the Union as a condition of their continued employment.
- b) The Company shall deduct Union dues including, where applicable, initiation fees and assessments, on a bi-weekly basis, from the wages of each employee covered by this agreement. The amount of dues shall be calculated in accordance with the Union's Constitution.
- c) All dues, initiation fees and assessments shall be remitted to the Union forthwith and in any event no later than 15 days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the International Secretary Treasurer of the United Steelworkers, AFL-CIO-CLC, 1158 Aerowood Drive Mississauga ON, L4W 1Y5 in such form as shall be directed by the Union to the Company along with a completed Dues Remittance Form R-115. A copy of the Dues Remittance Form R-115 will also be sent to the Union office designated by the Area Co-ordinator. "However, the union will provide the company with thirty (30) days' notice of any change to the amount of fees, dues, or assessments to be made or deducted."
- d) The remittance and the R-115 form shall be accompanied by a statement containing the following information:

- i) A list of names of all employees from whom dues were deducted and the amount of dues deducted;
  - ii) A list of the names of all employees from whom no deductions have been made and reason;
  - iii) This information shall be sent to both Union addresses identified in Article 4.05 c) in such form as shall be directed by the Union and Company.
- e) The Union shall indemnify and save the Company harmless against all claims or other forms of liability that may arise out of any actions taken by the Company in compliance with this Article.
- f) The Company, when preparing T-4 slips for the employees, will enter the amount of Union dues paid to the employee during the previous year.
- 4.06 If any employee works less than 40 hours in any month he shall not be required to pay Union dues for that month unless this policy is changed by the constitution of the United Steelworkers.

#### ARTICLE 5 PROBATIONARY PERIOD

- 5.01 All employees shall be on probation for the first 960 normal working hours of their employment accumulated during a nine (9) month period. The exception to the above being maintenance department personnel who will be on probation for the first 1440 normal working hours of their employment accumulated during a nine (9) month period. Probationary employees will become eligible for benefits after the completion of 90 days of active employment.
- 5.02 The Company has the right to terminate an employee on probation without recourse on the part of the Union and any such termination cannot constitute a grievance provided that this right shall not be used for the purpose of discrimination against said employee under the Ontario Human Rights Code or for Union activity.

#### ARTICLE 6 CONTRACTS

- 6.01 The Union recognizes that this Agreement cannot be construed to affect contracts or sub-contracts that the Company may award to have work done, nor limit the Company's right to make such contracts or sub-contracts.

#### ARTICLE 7 OBLIGATIONS

- 7.01 The Union will not engage in Union activities during working hours or hold meetings at any time on the premises of the Company without the permission of

the Plant Manager or his representative.

- 7.02 The Union and the Company agree that there shall be no strikes, slowdowns or lockouts during the currency of this Agreement. The purpose of this provision is to prohibit any interruption of production of operations during the life of this Agreement. In the event activity prohibited by this section occurs during the life of this Agreement, the Company shall have the right to discipline or discharge any employee participating in any violation of this section, without recourse, except to establish the fact of the offense.
- 7.03 (a) When a shift begins, each employee is required to be at his place. at the end of the shift, no employee is to leave his place until his replacement has reported to take on the responsibility of the job unless said employee can provide an acceptable reason prior to leaving as to why he cannot remain on the job until his replacement arrives. In this event, all machines will be maintained on a productive basis by the crew on hand. If an employee is required to remain at his place, the foreman will obtain a relief as soon as possible.
- 7.04 (a) Employees covered by this Agreement shall be provided life, disability, and medical benefits as summarized in Appendix "B". The benefits and plans of insurance referred to in Appendix "B" are qualified in their entirety by reference to the underlying policies of insurance. The terms of any contract, statute or regulation in respect thereof by any insurance agency or governmental agency shall be controlling in all matters pertaining to qualification of employees with benefits there under and in all matters pertaining to the existence of and extent of benefits and conditions. The employer's only obligation hereunder is to pay the portion of premiums contracted for, but the employer shall not be considered to be an insurer or surrogate with respect to any benefit or plan referred to herein. Any issue concerning the existence of and extent of benefits, eligibility or entitlement, and coverage, shall not be subject to the grievance procedure and shall not be arbitrable under this agreement. Further, eligibility or entitlement to benefits must be pursued against the insurer in accordance with the underlying policies of insurance and, if necessary, through the civil justice system. However, the employer will provide administrative assistance to employees that encounter difficulty in making claims with the insurance company and will help facilitate dialogue between the employee and the insurance company.
- (b) The benefit plans referred to in Appendix "B" will apply to employees on layoff and leave of absence for thirty (30) days, and will apply to employees on medical and WSIB leave for twenty-four (24) months, whereupon the benefit plans will no longer apply.
- 7.05 Written warning notices and suspensions which are to become part of the employee's record shall be presented to the employee in the presence of the steward or chief steward whenever possible. In the event that neither of the above is available a member of the bargaining unit shall be present.

With the exception of discipline resulting from misconduct involving harassment or discrimination or safety, if there is a period of 2 years or more in which the employee has no discipline (discipline-free period), any discipline which occurred before the discipline-free period will not be considered as a basis for future disciplinary action against the employee.

“No disciplinary action will be taken after fourteen (14) calendar days after the employer became aware of the action, unless the company advises the union in writing that it is necessary to extend this period.”

- 7.06 When an employee is discharged the Company agrees to notify him that he may see his Union Steward or an officer of the Union prior to his leaving the premises if he so requests. It is understood that once the employee leaves the premises he may not return without permission from the Company.
- 7.07 It is agreed that Part XIV, Pregnancy and Parental Leave, of the Employment Standards Act, forms part of this Agreement.
- 7.08 The Company shall comply with the law in dealing with an employee incapacitated either by age, sickness or injury, and no longer capable of performing the employee's regular job, as certified by a doctor approved by the Company.
- 7.09 “The parties agree that it is the exclusive prerogative of the employer to determine and direct the running condition of any production line, including, but not limited to, the speed and temperature of the line. It shall be the responsibility of the operator to physically change the running condition of the line as directed by the employer. However, maintenance personnel may be required from time to time, in conjunction with the operator, to change the settings and/or running condition of any production extruder.
- 7.10 Employees will have the option of contributing to the Union Humanity Fund.
- 7.11 Company Safety Shoe Policy: The Company may pay for Safety Shoe purchase according to the following schedule:  
Maintenance Personnel- Two (2) pair per year on an as needed basis.  
\$130.00/pair  
All Other Personnel - One (1) pair per year \$130.00/pair  
The employer will not pay a Safety Shoe allowance to any probationary employee.
- 7.12 The Company will provide pension benefits as set forth in the ABT CANADA LIMITED PENSION PLAN, JANUARY, 1996, which is fully incorporated herein by reference. The plan, which will include employee and Company contributions, is effective April 1, 1997. Company contributions may be invested in the same investment options as the employee contributions.
- 7.13. Statement of Non-Discrimination, Sexual Harassment and Safety  
(a) Non-Discrimination  
The Company shall not permit and the Union shall not condone



discrimination against any employee based on membership in any protected group. The Company shall not permit and the Union shall not condone any form of harassment, joking remarks or other abusive conduct directed at employees because of membership in any protected group.

(b) Unsafe Conduct

The Company shall not permit and the Union shall not condone unsafe conduct by any employee.

(c) Sexual Harassment

The Company shall not permit and the Union shall not condone sexual harassment because it is intimidating, an abuse of power and unlawful. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature. Sexual harassment can take the forms of:

- i) Sexual conduct that interferes with another person's work performance or creates an intimidating, hostile or offensive work environment.
- ii) Personnel decisions (e.g. promotions, raises, scheduling) made by a supervisor or boss based on the employee's submission to or rejection of sexual advances.
- iii) Submission to a sexual advance used as a condition of keeping or getting a job, whether expressed in explicit or implicit terms.

(d) Reporting Procedure

Any employee who feels subject to discrimination or harassment or unsafe conduct should immediately report it to any of the following individuals: the immediate supervisor, the Plant Manager or an officer of the Company, or the Plant Human Resources Manager. The employee may also report any alleged discrimination or harassment or unsafe conduct to their Union representative. Such reports will be investigated promptly. If the report has merit, disciplinary action will be taken against the offender. Depending on the severity of the misconduct, the disciplinary action could range from a warning to termination.

## ARTICLE 8 HOURS OF WORK

8.01 (a) Nothing contained in this Agreement in general or in this article in particular, can be construed to indicate that the Company guarantees hours of work per day or days of work per week.

(b) "Employees that work a forty (40) hour week will work five (5) eight (8) \_hour shifts a week."

- (c) "The shift rotation of employees that are to work twelve (12) hour shifts is set out in Appendix "D""
- (d) "Employees shall work either a forty (40) hour week or the twelve (12) hour shift rotation as directed by the employer."

8.02 The Company will advise the President or Vice-President of the Union of changes in hours of work and shifts when possible 72 hours but not less than 48 hours before making them effective.

8.03 (a) Employees that work eight (8) hours shifts will be allowed a twenty (20) minutes eating period and a ten (10) minute eating period. These eating periods will be scheduled so as to maintain production and at a time mutually convenient to the company and employee. No employee will be required to work longer than five (5) consecutive hours without receiving the aforementioned eating periods.

(b) Employees on twelve (12) hour shifts will be allowed two (2) twenty minute eating periods and two (2) ten (10) minute eating periods."

#### ARTICLE 9 OVERTIME RATES & PREMIUM COMPENSATION

- 9.01 (a) Overtime rates shall be paid only to employees who are working additional hours at the request of the Company and shall not be paid for such extra hours which have been exchanged at the request of employees for their own convenience.
- (b) Overtime work shall be divided as equitably as possible among all employees capable of performing the work at the rate the job entails, starting first with the employee currently performing the job.
- (c) An employee may be excused from working overtime provided another qualified employee is available to do the work required.
- (d) There will be no pyramiding of overtime pay, or any other add-on or premium rate of pay.

9.02 (a) "Employees that work forty (40) hours per week on a five (5) day schedule will be paid for all work in excess of forty (40) hours a week at time and one-half (1½)."

(b) Regular hours worked during a regularly scheduled week will be paid at the classified rate.

(c) "Employee's on twelve (12) hour shifts will have their hours of work averaged over successive two (2) week periods for the purpose of calculating overtime. Any hours worked in excess of eighty-four (84) hours in a two (2) week period will be paid at time and one-half (1½). The union will support the employer in any effort to obtain an approval from the Ontario Ministry of Labour to average hours in accordance with this Article."

(d) Employees working on a five (5) day schedule or on non-rotating shifts will be paid overtime compensation at two (2) times their classified rate of pay when they are requested to work between midnight Saturday and midnight Sunday, provided the employee has worked at least forty (40) hours during the preceding five (5) work days in the work week.

(e) An employee who is required to work weekend overtime and who returns to work before eight (8) hours off will receive two (2) hours of additional pay at their classified rate provided the employee completes both shifts.

9.03 It is agreed that when the Company requires a rotating shift employee to change his shift at other than the scheduled rotation time, with less than 16 hours elapsed time between his normal quitting time, and the beginning of his new schedule he will be paid time and one-half his classified rate for all hours worked on the first shift of the new schedule.

9.04 It is agreed that an allowance of \$10.00 will be given to each employee, when called in to work for non scheduled overtime, and who lives over ten (10) miles from the plant.

9.05 Employees working on the second shift will be paid the following shift premium effective with the first payroll period on or after:  
November 2, 2001 \$0.40/hour

9.06 Employees working on the third shift will be paid the following shift premium effective with the first payroll period on or after:  
November 2, 2001 \$0.61/hour

Twelve (12) hour shift employees working on the night shift will be paid the following shift premium:  
November 2, 2001 \$.061/hour

9.07 All employees reporting for scheduled work unless a contrary order from the foreman has been given will receive three (3) hours pay at his classified rate, provided that the causes for no work being available are within the company's control. It is understood that the employee may be supplied with alternate work provided the employee has no job related limitations and is qualified to perform the work that is provided."

9.08 It is agreed that the Company has the right to assign or transfer employees as needed. When making assignments or transfers the employer will determine the shift and classification from which the employee will be transferred.

- (a) If the assignment will be made to a higher rated classification, the most senior employee on shift in the selected classification will be transferred provided the employee has the skill and ability to perform the work. The transferred employee will then be paid the higher rate when occupying the higher rated job.
- (b) If the assignment will be made to a lower rated classification, the most junior employee on shift in the selected classification will be transferred provided the employee has the skill and ability to perform the work. It is agreed that since the transferred employee is being assigned at the convenience of the Company, he will be paid his normal classification rate. This article does not apply when the employee is transferred due to a reduction of the workforce or inability to perform the work.

9.09 In the event an employee is displaced from his regular job as a result of automation, he will be transferred in accordance with Article 15.

9.10 In the event of a death of a member of an employee's family, the Company will grant, upon request a leave of absence for a reasonable time for the purpose of making funeral arrangements or attending the funeral and will pay for such lost time as follows:

- (a) Spouse, common-law spouse, child or stepchild, Father, mother, parent-in-law, brother, sister, grandchild or grandparent, up to a maximum of four (4) days.
- (b) Brothers and sisters of the spouse or common-law spouse, the day of the funeral.
- (c) These allowances will only be granted where circumstances require the employee's absence from work.
- (d) "Employees that work twelve (12) hour shifts will be entitled to forty-eight (48) hours' pay if they are granted four (4) days' bereavement leave, and twelve (12) hours' pay if they are granted one (1) day's bereavement leave. However, such employees will only be granted consecutive work days as bereavement leave."

9.11 An employee who is required to serve on a jury, shall be paid the difference between the amount paid for such service and his current hourly rate for the time lost from his regularly scheduled work shift by reason of such service subject to the following provisions:

- (a) Employees must notify their supervisor within twenty-four (24) hours after receipt of notice of selection for jury duty
- (b) Any employee called for jury duty, and who is temporarily excused from attendance at court must report for work if four (4) hours or more of time remains to be worked in his shift. For employees on 12-hour shift, where it

reads four (4), change to six (6).

- (c) Employees selected for jury duty who are on other than the day shift shall be assigned to the day shift for those days they are required to serve as jurors.
  - (d) In order to be eligible for such payments, the employees must furnish a written statement from the appropriate public official showing the date and time served and the amount of pay received.
- 9.12 The Company agrees to give a meal allowance of \$11.00 to employees who are required to work two (2) hours past their normal quitting time, and to employees called in at least two (2) hours prior to their normal starting time, unless they are given time off to go home for a meal, or were notified on the previous day that such overtime or call in was scheduled.
- 9.13 "When a paid holiday recognized by this Agreement occurs on an employee's scheduled work day during the employee's scheduled work week, the number of paid holiday hours for that holiday shall be considered as hours worked for the purposes of computing overtime. When an employee is pre-approved to take time off on a scheduled work day, the time the employee would have been scheduled to work will be considered for the purpose of determining the employee's overtime entitlement."

#### ARTICLE 10 VACATIONS

- 10.01 The vacation period is from January 1st through December 31st.
- 10.02 Employees are required to have vacation requests submitted by March 1<sup>st</sup>. Any unscheduled vacation requests submitted thereafter will be taken from the weeks available.
- 10.03 Employees must take their vacation time during the calendar year in which they become eligible for such vacation, and cannot carry over any such eligible vacation time unless otherwise required by law. Vacation periods cannot be accumulated.
- 10.04 After the posting of the vacation schedule no change will be considered unless the request by the employee is made twenty-one (21) days in advance of the proposed new dates and then only if arrangements can be made with other employees.
- 10.05 Additional time off requested will be treated as a requested leave of absence and will be granted by the Human Resource Manager only if satisfactory arrangements can be made with the employee's immediate supervisor and if granted will be without pay. All such requests will be submitted and replied to on the form provided.
- 10.06 Employees with the most plant seniority in the department concerned will be given first consideration in the allotment of time for vacations. The Department

Head will arrange the times of vacation as is most convenient for the employees and the Company; the Company will consider that employees prefer vacations in July and August, but operations cannot be interfered with because of vacation preferences. Eligible employees who request more than two (2) consecutive week's vacation will be granted their requests provided the production will not be unduly affected.

10.07 When a paid recognized holiday falls within an employee's vacation it will be paid for in accordance with section 11.02, in addition to his vacation pay but extra time off will be allowed only if requested prior to employees proceeding on vacation and will be without pay. Permission will not be unreasonably withheld.

10.08 Employees will receive payment for vacation at the time vacation is taken.

10.09 (a) Length of vacation is established by the plant seniority of the employee concerned as of January 1 each calendar year and will be granted as follows:

i)	More that one (1) year but less than three (3) years' plant seniority	Two weeks
ii)	Three years or more plant seniority	Three weeks
iii)	Eight years or more plant seniority	Four weeks
iv)	Sixteen years or more plant seniority	Five weeks*

\*Employees who, as of the effective date of this Agreement, are receiving more than 5 weeks vacation benefit will be red circled, and will not receive a reduction in vacation benefits.

(b) New employees will earn one (1) vacation day for each completed month of service to a maximum of ten (10) vacation days, but will only be entitled to take such leave once they have completed one (1) year of service."

(c) One week = 40 hours of vacation entitlement, to start following days of rest.

10.10 Vacation pay will be calculated as a percentage of the gross wages earned during the preceding calendar year (including vacation pay) as follows:

Two weeks	4%
Three weeks	6%
Four weeks	8%
Five weeks	10%*

Vacation calculation will be paid as follows:

Total vacation pay owing will be divided by total vacation hours entitlement to arrive at an hourly rate of pay. The hourly rate of pay calculated will be used when employees take their vacation.

\*Employees who, as of the effective date of this Agreement, are receiving vacation pay calculated on a percentage greater than 10% will be red circled, and will not receive a reduction in the percentage used to calculate vacation pay under this section.

10.11

“Employees will be paid all outstanding vacation pay in accordance with the Ontario *Employment Standards Act* upon separation from employment.”

- 10.12 (a) In the event of a shutdown of the plant or a department, all employees, unless otherwise notified, must take their vacations during this period. The Company shall not be unreasonable in providing advance notice of shutdown.
- (b) The Company will post the employees vacation schedule not later than April 1st of the vacation year.

#### ARTICLE 11 RECOGNIZED HOLIDAYS

11.01 The Company shall post the holiday dates no later than April 1st.

11.02 The Company recognizes the following Holidays as holidays with pay and each employee shall receive eight (8) hours at his classified rate subject to the conditions outlined in Section 11. 03:

New Year's Day  
Family Day  
Good Friday  
Victoria Day  
Canada Day  
Civic Day  
Labour Day  
Thanksgiving Day  
Christmas Day  
Boxing Day  
1 Floater, scheduled as approved by the Company

11.03 To be eligible for holiday pay as authorized in Section 11.02 above, the employee:

- (a) “must complete his probationary period to be eligible for the floating holiday or the Civic Holiday.”
- (b) Each employee will receive a regular day's pay provided he has worked

on the last scheduled working day prior to the holiday and the first scheduled working day after the holiday. This requirement shall not operate to deprive the employee of payment for the holidays if he is absent because of illness, the illness being certified by a doctor.

- 11.04 Employees who have worked on a recognized holiday may request an alternate day off without pay. Employees shall be entitled to postpone the taking of this day off with other such days, which the employee may then take off together without pay, at a time mutually convenient to the employee and the Company. "Such days off must be taken within six months of the holiday, or else they will be lost."
- 11.05 For 12 hour shift employees, unless otherwise required by law:
- (a) recognized holidays are from 8:00 a.m. of the day set to 8:00 a.m. of the following day;
  - (b) When the plant is running on a holiday,
    - (i) Eligible employees that are not scheduled to work will receive eight (8) hours holiday pay, and
    - (ii) Eligible employees that work the holiday will receive twelve (12) hours holiday pay, and will be paid time and a half for all hours worked.
  - (c) When the plant is not running on a holiday,
    - (i) Eligible employees that would not have been scheduled to work will receive eight (8) hours holiday pay, and
    - (ii) Eligible employees that would otherwise have been scheduled to work will receive twelve (12) hours holiday pay.
- 11.06 Employees on leave of absence due to certified illness will be paid in accordance with the Benefits provided by the Temporary Disability Plan.

## ARTICLE 12 CLASSIFICATIONS AND RATES

- 12.01 The classifications and rates of pay set out in Appendix "A" will remain in effect for the term of this collective agreement.
- 12.02 If a job is substantially changed or a new job created the evaluation of such jobs will be made jointly by the Company and the Union within three months of the job being filled. The rate of pay negotiated shall be retroactive to the date of establishment of the changed or new job, will be incorporated in this Agreement, and will be binding upon both parties.
- 12.03 Learner - is any employee who is being trained for any position who has not had pertinent experience in the particular job involved. In such cases, learners in the warehouses person or general labour classifications will be paid \$0.15 per hour less for three (3) months and learners in all other classifications will be paid \$0.15 per hour less for the first three (3) months and \$0.10 per hour less for the second three (3) months, below the job rate of the position for which he is being trained for.



## ARTICLE 13 SENIORITY

- 13.01 A person will not acquire seniority until he has completed his probationary period.
- 13.02 Upon completion of the probationary period, a person's seniority shall be accumulated from his date of hiring.
- 13.03 Seniority shall be accumulated on a plant basis.
- 13.04 Seniority and employment shall terminate for any one of the following reasons:"
- a) If an employee voluntarily quits, or is discharged for just cause.
  - b) If an employee fails to report to work following the termination of an authorized leave of absence, unless granted further leave of absence by the Company, or unless the employee can give a valid reason, acceptable to the Company, which acceptance shall not be unreasonably withheld, for not reporting for work on the specified day.
  - c) If an employee on lay-off fails to report for recall within five days of being notified by courier or registered mail to report.
  - d) If an employee with five (5) or less years of service is laid off for twelve (12)months or if an employee with more than five (5)years of service is laid off for twenty-four (24)months.
  - e) If an employee is absent without notice for three (3) or more consecutive days.
  - f) If the employee has been absent from work for any reason other than layoff for twenty-four (24) months, unless the employee can provide a medical certification that establishes the employee is likely to return to the employee's regular duties within a reasonable period.
- 13.05 "Any person whose seniority has been broken shall upon being rehired be considered a new employee."
- 13.06 For the purposes of this article and article 14, the plant will be considered as having the following departments:

Maintenance  
Production

## ARTICLE 14 PROMOTIONS

- 14.01 a) Appointments to staff positions are not subject to this Agreement and an employee so appointed shall be excluded from the coverage of this Agreement but will retain his seniority for nine (9) months after such appointment.
- b) A person returned by management to the bargaining unit within this nine (9) month period will be returned to his former job without loss of seniority.
- c) With respect to temporary assignments to staff positions outside the bargaining unit, made at the discretion of the Company, the employee shall continue to accumulate seniority. An employee so assigned will be paid \$1.00 per hour minimum above his classified rate. The Company will inform the Union of the rate of pay. Upon termination of the temporary assignment the employee shall be returned to his former position.
- 14.02 An employee may return or be returned to his former job according to Section 16.06 (a).

## ARTICLE 15 LAY-OFFS

- 15.01 Lay-off means a reduction in the workforce by the employer.
- 15.02 "The employer will implement the following procedure when laying off bargaining unit employees:
- a.) Employees in the affected classifications will be laid off in order of seniority; following which,
  - b.) Employees laid off from their classifications will be entitled to bump a less senior employee provided the employee has the skill and ability to perform the work."
  - c.) When the employer implements a layoff, an employee may volunteer to be laid off, in which case the employer may accept or reject the employee's offer in the employer's sole discretion.
- 15.03 In the case of individual lay-off the Company will give a minimum of forty (40) working hours notice which includes the day of notification, in advance of the effective date, except when the lay-off is due to fire, storm, floods, power or major mechanical failures.
- 15.04 In the event that a lay-off affects employees in receipt of worker's compensation (W.S.I.B.) or on leave of absence, such employees will be notified by courier or registered mail that they have been laid off.
- 15.05 Following a lay-off: the hiring of former employees who still retain their seniority will be in the reverse order of their having been laid off: subject to their ability to do the work required.

15.06 Any Bargaining Committee member is not to be excluded from performing his or her duties pertaining to the Union by reason of lay-off: if the lay-off is less than ninety (90) consecutive working days and provided the person is not working elsewhere. The President of the Local Union shall have one (1) day more seniority than the most junior employee to be laid-off.

#### ARTICLE 16 JOB POSTING

- 16.01 a) Job vacancies or newly created jobs that are within the bargaining unit and that will be of more than six (6) month's duration, will be posted immediately for six (6) calendar days on the notice board. Whenever the Company implements a shift change involving the creation of additional shifts, the Company will post job vacancies resulting from such shift change. Employees absent from work during the posting period will be required to notify the Company, in writing, of their interest in any job posting.
- b) This section shall not be applied for more than two subsequent moves required as a result of the selection of an applicant.
- c) Temporary vacancies occurring due to customer demand and/or vacation replacement of absent employees will not be posted. The Company may hire and use relief employees during the period April 1 through October 10, who shall not acquire or accumulate seniority, and no relief employees shall remain as a relief employee after October 10.

Should any of the relief employees be hired as a regular employee on a full time basis, the actual time worked as a relief employee shall be credited, if necessary, towards the completion of their probationary period. Relief employees will be laid off prior to probationary employees.

- d) The employer will post temporary vacancies resulting from disability or personal leaves of absence that the employer knows will last for at least three (3) months. The employee that fills the temporary vacancy will return to his previous job when the incumbent returns to work. If the incumbent advises the employer that he will not be returning to work the position will be posted as a permanent vacancy.”
- 16.02 All applicants for the posted jobs, provided their applications are received by the Company within the stipulated six (6) calendar days, will be advised and the unsuccessful applicants informed why their applications were not accepted.
- 16.03 The Company has the right to fill any vacancy if no applications are received from qualified employees.
- 16.04 All jobs posted will state the job to be filled, a brief description of the job, the qualifications required and the rate of pay.

- 16.05 Ability and seniority shall be the factors considered in determining the most suitable applicant. Seniority shall be the determining factor in selection of the applicant if the ability of two or more employees is relatively equal. Evaluations of Operator 'B'(s) to qualify for Operator 'A' will be conducted twice annually.
- 16.06 a) If the job proves unsatisfactory to the selected applicant within thirty (30) days, or if the applicant proves unsatisfactory to the Company within six (6) months, he may return or be returned to his original job without loss of any seniority. The employee may not apply to the same position during the next eighteen-(18) months.
- b) Anyone else affected by (a) will be returned to his original job.
- c) Should the applicant return to his previous job, within thirty (30) days of posting, other applicants from the same posting may be considered and appointed.
- 16.07 Successful applicants on job postings shall be ineligible for a minimum of six (6) months to apply for open positions that are at the same or lower classification than their newly awarded position.
- 16.08 Promotion means a transfer to a job classification, which carries a higher rate of pay or higher wage range.

#### ARTICLE 17 GRIEVANCE PROCEDURE

- 17.01 Nothing in this Agreement shall be deemed to take away the right of any employee to discuss any of his personal grievances with a representative of the Company.
- 17.02 If any differences concerning the interpretation, application, operation, or any alleged violation of the express provisions of this Agreement arises or any questions as to whether any difference is arbitrable arises between the parties or persons bound by this Agreement or on whose behalf it was entered into, the representatives of the Company and of the Union shall meet and endeavour to resolve the difference in the following manner and sequence. Union grievance committee members will be paid straight time wages while in attendance at scheduled grievance meetings.
- Step 1 Discussion shall take place between the grievor, who shall be accompanied by his steward and his immediate supervisor.
- Step 2 Discussions between the grievor, his Union Steward, Chief Steward, his immediate supervisor, and the Human Resource Manager or their designees. The grievance at this stage shall be submitted in writing, signed by the grievor, and an executive of the Union within seven (7) calendar days of the date of the occurrence which gave rise to the grievance, and must state the matter at issue, the facts relied upon, including events, dates and persons

involved, and precisely in what respect the Agreement has allegedly been violated or misinterpreted by reference to the specific clause or clauses relied upon. The notice shall also state the nature of relief or remedy sought. The Company shall issue a written reply at this step.

- Step 3 Discussion between the Union Grievance Committee, Production Manager, Assistant Production Manager, the Human Resource Manager, and the Plant Manager, or their designees, shall be held within four (4) calendar days, excluding statutory holidays and the weekend days of Saturday and Sunday, of the step 2 written reply. A representative of the United Steelworkers may attend. The grievor may attend on the invitation of either party. Should a grievance be initiated by either the Company or the Union with respect to the application or interpretation of this Agreement, the procedure will start at this step. The Plant Manager shall issue to the President of the Union a written reply to the formal written grievance within forty-eight (48) hours of the discussion held in Step 3. For any of the above Steps, after the grievance has been initiated, the time element may be waived by mutual agreement of both parties. Agreement to waive must be in writing and signed by both parties.

- 17.03 a) The authority of the Arbitrator is limited to the interpretation of the express provisions of this Agreement and the arbitrator cannot amend, delete, or add any clause to the express Agreement as signed, or substitute the Arbitrator's judgment for that of the Company, or overrule a decision of the Company unless the Company's judgment or decision is contrary to the express provisions of this Agreement. The Union acknowledges that the Company retains all rights not otherwise abrogated under the express terms of this Agreement as generalized in the Management Rights Clause, sub section 3.01. If the grievance concerns these rights which are not otherwise limited by the express terms of this Agreement, the grievance shall not be arbitrable, unless otherwise required by sub section 48 (12) (j) of the Ontario Labour Relations Act.
- b) Where a difference arises between the parties relating to the interpretation, application or administration of the express provisions of this Agreement including any question as to whether a matter is arbitrable, or where an allegation is made that the express terms of this Agreement has been violated, either of the parties may, within 25 days from the date of the Step 3 written reply, notify the other party in writing of its desire to submit the difference or allegation to arbitration. A single arbitrator will be selected in rotation from the following arbitrators: Martin Teplitsky, Mary Lou Tims, Greg Brandt and Gail Brent, within thirty (30) days of notification of the intent to arbitrate.
- If the arbitrator so selected cannot hear the case, within sixty (60) calendar days the parties may select the next arbitrator on the list, and if that arbitrator cannot hear the case, within the sixty (60) calendar days continue through the

list of arbitrators, in the same manner. In the event none of the arbitrators on the list can hear the case, or the parties cannot agree on a list of arbitrators, the parties will attempt to agree on a single arbitrator to hear the case.

The Arbitrator shall hear and determine the difference or allegation and shall issue a decision and the decision shall be final and binding upon the parties and upon all employees affected by it.

Any grievance referred to arbitration more than twenty-five (25) calendar days after the Step 3 written reply shall be deemed inarbitrable. However, the parties may agree to extend this twenty-five (25) calendar day deadline, but must do so by written agreement.

- c) No person shall be selected as an arbitrator who has been directly involved in attempts to negotiate or settle the grievance.
- d) In determining any grievance arising out of a claim of discharge or suspension, the Arbitrator may, notwithstanding anything to the contrary herein contained, dispose of the grievance by affirming the Company's actions and dismissing the grievance, by setting aside the disciplinary action imposed and restoring the grievor to his former position with or without compensation, or by substituting a lesser penalty for the discharge or suspension.
- e) Either party may proceed through the expedited arbitration process of the Ontario Labour Relations Act, (currently Section 49).

17.04 The Union and the Company shall each pay one half of the remuneration and expenses of the Arbitrator, and any other expenses that have been mutually agreed may be incurred by the Arbitrator to assist in arriving at a decision. Any other expenses shall be borne by the Party which incurs them.

17.05 The Company shall have the right to make, change and enforce work rules. A violation of the Company's work rules shall be grounds for discipline, up to and including discharge. The Grievance procedure may be invoked if a person believes he has been unjustly disciplined, discharged, or suspended.

17.06 The manner in which any grievance is settled will never be construed as establishing a policy for either the Company or the Union.

17.07 It is understood that the Company's representatives may call a special meeting of the Union Grievance Committee to present any complaint or grievance with respect to the conduct of the Union, its officers, committee-men, or with respect to the conduct of the employees generally or individually and that if such complaint or grievance is not settled to the mutual satisfaction of the conferring parties, it may be referred to arbitration in the same way as a grievance by any employee. It is understood that the Company will give the Union three working days notice of such a meeting.

Any grievance not processed in conformity with this Article 17 shall be deemed to be abandoned and all rights of recourse shall be at an end. However, changes

may be made in Section 17.02 by mutual agreement between the parties.

#### ARTICLE 18 UNION COMMITTEE

- 18.01 a) The company will recognize a Union Grievance Committee of not more than three (3) employees who will be known as Union Officers or Stewards elected or appointed by the Union. It is understood that all employees serving on this Committee will, as far as is practical, have one or more years plant seniority.
- b) It is understood the Union Stewards and other Union Officers will not absent themselves from their regular duties unreasonably in order to deal with the grievances of employees or with other Union business, and will at all times obtain permission from their immediate supervisors before leaving their place of work. Permission will not be unreasonably withheld.
- 18.02 The Company will recognize a Union Negotiating Committee composed of not more than five employees. The Committee will meet with representatives of the Company during the second week of each month.
- 18.03 The Union will advise the Company in writing of the names of all Union Officers and Stewards.
- 18.04 Employees elected or appointed by the Union to serve on those Committees with the exception of the Union President, shall where possible work in a different section or shift of the plant.

In the event two or more employees are elected while on the same shift in the same section then such employees will be assigned to different shifts, wherever practical.

For purpose of this Article, Sections of the Plant are as follows:

Maintenance  
Services  
Production

#### ARTICLE 19 HEALTH AND SAFETY

- 19.01 "The company and union agree to set up a Joint Health and Safety Committee of four (4) members including the Plant Manager, or his designate, and a member of the Executive Committee. The company and union will each select two (2) members of the Committee. Each member of the Committee shall serve on the Committee for the duration of the collective agreement."
- 19.02 Employees will immediately report any unsafe conditions and/or injuries to their foreman in the presence of a witness. If a safety hazard cannot be immediately corrected, the foreman will submit the necessary work order. The Joint Health

and Safety Committee will review any outstanding work orders at its next monthly meeting and recommend their disposition to management.

- 19.03 Any situation or conditions reported to be unsafe shall be dealt with by the Joint Health and Safety Committee at the Joint Health and Safety Committee meetings if not rectified before that date.
- 19.04 It is agreed that the Union may make recommendations through their representatives on the Joint Health and Safety Committee regarding the health and safety of the employees.
- 19.05 In accordance with prevailing plant policy and at no cost to the employee, the Company shall provide safety devices and other equipment necessary to protect the employees' health and safety while at work.
- 19.06 A representative of the Union of the Joint Health and Safety Committee shall be permitted to accompany the government factory inspector on all his tours of the Plant.
- 19.07 Employees must comply with any and all health, safety and environmental rules throughout the plant at all time.

#### ARTICLE 20 NOTICE BOARDS

- 20.01 The Company will provide for a bulletin board in the maintenance department, production department and the employee entrance.

The Union will not post any notice or circular on these boards until it has been approved by the Plant Manager or his authorized representative.

#### ARTICLE 21 LEAVE OF ABSENCE

- 21.01 Seniority shall accumulate when an employee is absent by reason of illness, occupational or non-occupational accident for 12 months if he has less than 3 years of plant seniority, for 18 months if he has 3 but less than 8 years plant seniority and for 24 months if he has 8 or more years of plant seniority.
- 21.02 a) An employee may request a leave of absence, without pay, for personal reasons, which request is subject to written approval by the Company, and the granting or denial of a leave of absence is without precedent or prejudice.
- b) If an employee requests and is granted a leave of absence for up to three (3) months, on his return he will be reinstated in his former position.
- 21.03 Employees will have the right to request leave of absence without pay to attend to Union business. Up to five (5) employees, but not more than one (1) from a department, and no more than one per shift and one per classification in the Production department with the exception of the Union President, may make



such request for each function and such absence will not exceed two weeks duration. Not more than three of such requests need be granted during an agreement year. Seniority shall accumulate during such absence.

## ARTICLE 22 DURATION OF AGREEMENT

22.01 “(a) This Agreement is effective from November 1, 2011 to October 31, 2016, and thereafter from year to year unless written notice is given by either party not more than 90 days prior to October 31, 2016, if they desire to negotiate a new agreement.

“(b) Appendix “A” will become effective upon ratification of this agreement.”

Signed this 8<sup>th</sup> day of December, 2011.

ON BEHALF OF:  
KP Building Products

UNITED STEELWORKERS Local 603-L

\_\_\_\_\_  
Dennis Jean  
VP Manufacturing

\_\_\_\_\_  
Dennis Williamson  
Union Negotiator

\_\_\_\_\_  
Brenda MacDonald  
HR Manager

\_\_\_\_\_  
Don Weaver  
President Local 603L

\_\_\_\_\_  
Sid Barens  
Vice President

\_\_\_\_\_  
Jamie Campbell  
Recording Secretary

\_\_\_\_\_  
Marc Vanden Akker  
Treasurer

\_\_\_\_\_  
Todd Warford  
Financial secretary

## APPENDIX "A"

CLASSIFICATIONS	RATE UPON RATIFICATION	PROBATION RATE	
Machinist A	\$28.53	Less \$0.20	
Machinist B	19.95	Less \$0.20	
Electrician	28.53	Less \$0.20	
Millwright A	27.48	Less \$0.20	
Millwright B	19.95	Less \$0.20	
QC Inspector	19.34	Less \$0.55	
Operator A or Compounder	19.34	Less \$0.55	
Operator B or Grinder	18.54	Less \$0.55	
Shipping/Receiving Lead Hand	18.21	Less \$0.55	
Online Packer	15.50	Less \$0.55	
General Labour	14.50	Less \$0.55	
Warehouse Person	14.00	Less \$0.55	
Relief	75% of rate		
Language changes throughout contract			

B1. Employees appointed by the Company to the position of Lead Hand shall be paid a minimum premium, based on the following schedule, effective with the first payroll period on or after:

November 1, 2000

\$1.00/hour

B2. Employees hired as "Relief Employees" may be hired at a rate which is not less than 75% of the applicable job rate and the relief employees shall be advanced to a rate which is not less than 85% of the applicable job rate in the second year of their return employment, and to the applicable job rate not later than the third year of their return employment, and to provide further that relief employees shall

not be entitled to receive any of the fringe benefits available to employees under the terms of this Agreement.

|  
B3

Employees classified as Electrician, Machinist "A, or Millwright "A" must possess a valid certificate of qualification for their respective trade.

Effective the first pay period following the ratification, the above rates of pay will be increased by 2%.

Effective the first pay period following November 1 2012, the above rates of pay will be increased by a further 2%.

Effective the first pay period following November 1 2013, the above rates of pay will be increased by a further 2.25%.

Effective the first pay period following November 1 2014, the above rates of pay will be increased by a further 2%.

Effective the first pay period following November 1 2015, the above rates of pay will be increased by a further 2%.

## APPENDIX "B" SUMMARY of BENEFITS

As of the date this collective agreement is ratified, the benefit plan in effect under the preceding collective agreement will be replaced with the KP Milton Basic Coverage plan presented to the union on December 8, 2011. Premium cost sharing under the new plan will be as follows:

- Basic life: 100% employer funded
- Optional life: 100% employee paid
- AD&D: 100% employee paid
- STD: 100% employer paid
- LTD: 100% employee paid
- Health care: 80% employer and 20% employee
- Dental: 80% employer and 20% employee

Premium costs are subject to change by the insurer

## APPENDIX C – SEVERANCE LANGUAGE

In the event of a partial or total closure of the Acton Plant resulting in permanent layoffs, employees affected will be entitled to a severance payment equal to one week per completed year of service up to a maximum of 26 weeks

Employees entitled to severance pay under this section shall have the option to terminate their employment and recall rights and accept severance pay either (a) at the time of layoff or b) at the point seniority retention expires.

This severance payment includes any and all monies owed to the employee as per the Employment Standards Act or any other requirement at law.

Letter of Understanding -- Online Packer,  
General Labour, and Warehouse Person

“The four employees that were on lay off on February 27, 2009 and were subsequently recalled to the Online Packer or General Labour classification will have their rates of pay adjusted to the “Rate Upon Ratification” rate that applied to their classification under the preceding collective agreement. This adjustment will become effective once the current collective agreement is ratified. These employees will also be entitled to receive the general wage increases applicable to other bargaining unit employees.”

“Employees in the Online Packer, General Labour, and Warehouse Person Classifications that had their wages red circled under the preceding collective agreement will also be entitled to receive the general wage increases applicable to other bargaining unit employees.”

## Letter of Understanding – Articles 7:04(b) and 13:04 (f)

During negotiations for the current collective agreement the parties inserted articles 7:04 (b) and 13:04 (f). The addition of these articles will not affect the employees that were on LTD on December 8, 2011.

## APPENDIX “D”

Schedule for 12 hour shift rotation															
	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
Week One and Two -- Days	2	3	3	2	2	3	3	3	1	1	3	3	1	1	
Week One and Two -- Nights	1	4	4	1	1	4	4	4	2	2	4	4	2	2	
Week Three and Four -- Days	1	4	4	1	1	4	4	4	2	2	4	4	2	2	
Week Three and Four -- Nights	2	3	3	2	2	3	3	3	1	1	3	3	1	1	