COLLECTIVE LABOUR AGREEMENT

Agreed upon in accordance with the Ontario Labour Relations Act

BY AND BETWEEN:

Cavalier Yarn Inc., a body corporation having its head office in St-Laurent, Province of Quebec, with respect to its Long Sault Yarn plant situated at Long Sault, Township of Cornwall, Ontario

Hereinafter called

"THE COMPANY" PARTY OF THE FIRST PART

AND

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION CANADIAN TEXTILE COUNCIL LOCAL 469 T

Hereinafter called

"THE UNION" PARTY OF THE SECOND PART

WITNESSTH:

That in accordance with the right of the employees to bargain and be represented collectively, the parties do hereto agree as follows:

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ARTICLE 1

GENERAL PURPOSE

1.01 THIS AGREEMENT IS ENTERED INTO BY THE PARTIES HERETO IN ORDER TO:

- a) provide for orderly collective bargaining relations between the company, its employees and the union;
- b) promote and maintain an harmonious relationship between the company, its employees and the union;
- c) promote amicable settlements within the jurisdiction of this agreement of all complaints or grievances which may arise hereunder from time to time;
- d) promote the efficient and economical operation of the company.

ARTICLE 2

RECOGNITION

2.01 COLLECTIVE BARGAINING AGENCY

The union having been duly certified under the Ontario Labour Relations Act is recognized by the company as the sole collective bargaining agency for the purposes of the present agreement for all its employees employed at its plant at Long Sault, Ontario, save and except shift leaders, persons above the rank of shift leaders, office and sales staff and persons regularly employed for not more than twenty-four (24) hours per week, the whole in accordance with the certificate of recognition issued by the Ontario Labour Relations Board on December 22, 1965.

2.02 DEFINITIONS

The word "employee" or "employees" wherever used in this agreement shall mean only the employees in the bargaining unit defined above.

2.03 a) **Working day:**

For the purpose of this agreement, the words "working day" means a week day excluding Saturday, Sunday and Holidays mentioned in article 18 and the days on which a department is closed or on which an employee does not have to report for work.

b) Day:

For the purposes of this agreement, the word "day" means a calendar day.

c) Qualification:

For the purposes of this agreement, the word "qualification" means: an employee who has learned the skills of an occupation through regular training following job vacancy, future opening or through bumping rights.

ARTICLE 3

UNION SECURITY

3.01 UNION DUES:

The company agrees to deduct from the wages of an employee, upon receipt of a signed authorization from said employee as per paragraph 3.06 the union dues therein mentioned.

3.02 UNIFORM DEDUCTIONS:

From the wages received by an employee, union dues will be deducted either weekly or monthly as set forth by the union on a uniform basis and the company will remit the amount deducted once per month to the Canadian Office of the United Food and Commercial Workers International Union.

Deductions made during the two (2) weeks which precede the annual two (2) week plant shutdown as well as for the two (2) week period covering the annual shutdown will be remitted to the local President whose receipt therefore will be considered as a discharge to the company of all liabilities for the amount so deducted.

3.03 NO DEDUCTIONS:

The company will not deduct union dues from an employee who does not earn wages in any week when he is absent, either on leave, or due to illness or layoff and the company's only obligation will be to recommence deductions from the first pay period following the employee's return to work.

3.04 DUES CHECK-OFF FOR ALL EMPLOYEES:

Every employee as a condition of employment must sign a dues authorization form as set out in paragraph 3.06 authorizing the company to deduct from his pay an amount equivalent to union dues.

3.05 NOTICE OF RATE SET FOR UNION DUES:

The union agree to notify the company of the uniform rate set for union dues in force at the signature of the present agreement and to communicate to it, at least seven (7) days prior to the date of deduction, any change made to the said dues during the term of the agreement.

3.06 AUTHORIZATION FORM:

FORM "A"

Employee no.

Date

I, the undersigned, hereby authorize Cavalier Yarn Inc. to deduct from my pay either weekly such sum as may be set as weekly union dues or monthly such sum as may be set as monthly union dues by United Food and Commercial Workers International Union, local 469T and to remit same to the Treasurer of said union.

This authorization shall take effect on the sixth day after it has been received by the company.

I recognize that the present authorization may be revoked by me only in accordance with the terms of the Collective Labour Agreement in force between the said company and said union at such time as I may desire to make a revocation.

I hereby renounce in advance to any recourse in damages or otherwise against Cavalier Yarn Inc. for making the above deductions during such period as this authorization may be in force.

Employee

Department

Witness

Address

3.07 INFORMATION TO ACCOMPANY REMITTANCE:

- a) The company will remit monthly to the UFCW-(CUTWA) Canadian Office, Lachine, Québec, a list containing the following information pertaining to its employees:
 - -- The employee numbers and the names of all employees appearing on the payroll at the time of deduction;
 - The weekly amount collected for each employees having authorized such deduction;
 - The names of employees who have not paid the union dues as well as the reason;
 - The names of employees transferred from one department to another and the names of employees whose names might have changed through marriage during the previous month.

A copy of said list will be sent to the President of the local union.

- b) Once per week on Friday, for the previous week, the company will remit to the President of local union complete lists indicating the following information pertaining to its new or laid off employees.
 - 1. Name
 - 2. Department
 - 3. Occupation
 - Date of employment
 Date of layoff and seniority

6. Date of transfer (30 days and more)

3.08 BEREAVEMENT FUND:

The company agrees to deduct from the wages of each employees, in a given week of a calendar year, such week to be determined by the union, the amount of two dollars (\$2.00) to be considered a bereavement fund. The company will remit the global deduction to the attention of local 469T of the United Food and Commercial Workers International Union (U.F.C.W.) whose receipt therefore will be considered as a discharge to the company of all liabilities for the amount so deducted. The above referred to fund will be administered by the union.

3.09 PENSION:

The company agrees to deduct from the wages of an employee, upon receipt of a signed authorization form from said employee, a weekly amount as specified on said authorization form.

Once per month, the company will remit the amount deducted along with the necessary information to a Group Retirement Savings Plan administered by an Insurance Company designated by the union.

3.10 BENEFIT PLAN - UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION:

In each year of the agreement, the company will deduct (0.05) cent per hour worked per employee, to be used by the union toward their Benefit Plan. That cumulated amount will be sent monthly to the United Food and Commercial Workers International Union.

ARTICLE 4

NO DISCRIMINATION, COERCION OR INTIMIDATION

4.01 The company and the union agree to cooperate in continuing to maintain policies and practices which prevent discrimination against any employee or applicant for employment because of race, colour, creed, sex, language, or national origin, and further to cooperate affirmatively in the implementation of any lawful requirements intended to prevent such discrimination.

ARTICLE 5

RESERVATION OF MANAGEMENT FUNCTIONS

5.01 MANAGEMENT'S RIGHTS:

The union acknowledges that it is the exclusive function of the company to manage generally the industrial enterprise in which the company is engaged and without restricting the generality of the foregoing to:

- a) maintain order, discipline and efficiency;
- b) establish, enforce and change rules and regulations concerning the conduct of employees;
- c) the right to decide and apply decisions in matters of selections, hiring, temporary and permanent transfers, promotions, demotions, and layoffs of employees as well as on the matter of requirements of a job, labour standards, qualifications and efficiency;
- the right to decide and apply decisions in matters of dismissals, suspensions or other disciplinary measures, provided that an employee who has been disciplined and believes that he has been so unjustly, may submit a grievance which will be dealt with in accordance with the grievance procedure;
- e) introduce or change machine processes; to make studies of work loads, and to institute changes in the work loads, job assignments, the method of operation, to decide if an employee will be paid by the hour or according to the wage incentive plan, to determine the products to be manufactured, the kinds and locations of machines and tools to be used, the control of materials to be incorporated in the manufactured products;
- f) arrange and schedule work, direct the working force, which rights include the right to classify employees and the right to determine in an object way the identity of the personnel to whom work will be assigned, to change job assignment, methods of operation, to decide on the extension, limitation, curtailment or cessation of operations and all other matters concerning the operations of the company's business.

5.02 EMPLOYEES' RIGHTS:

The company agrees that these functions will be exercised in as a logical manner as possible and not inconsistent with the rights of employees arising out of any provision of this agreement.

ARTICLE 6

NO STRIKES, SLOWDOWNS OR LOCKOUTS

6.01 NO PRODUCTION STOPPAGES:

The union agrees that it or its members shall not cause, aid or abet, or take part, in any strike, slowdown of production stoppage of work, or picketing even peaceful for any cause whatsoever during the lifetime of this agreement.

6.02 NO LOCKOUTS:

The company agrees not to engage in any lockout and to maintain as steady a program of operations as may be consistent with sound business judgment and operating efficiency.

6.03 PRODUCTION STOPPAGES PARTICIPATION:

No employee shall cause or take part in a strike, slowdown of production, stoppage of work or picketing for any cause whatsoever. Should an employee do so, he shall be deemed to have broken this agreement and will be dismissed by the company.

ARTICLE 7

DEPARTMENT STEWARDS AND CHIEF STEWARDS

7.01 DESIGNATION:

The company acknowledges the right of the union to appoint or otherwise select from amongst the employees on each shift, in each department, a representative to be known as a department steward for that department and shift.

The company furthermore acknowledges the right of the union to appoint or otherwise select from amongst the department stewards on each shift, a representative to be known as a chief steward for that shift. A chief steward may also be appointed to represent day-shift workers.

In the event that a chief steward should be absent from work because of excusable circumstances as specified in this agreement, an alternate chief steward may be appointed or otherwise selected from amongst the department stewards on the shift concerned.

The functions of the department stewards or chief stewards will be to assist the employees within their specific jurisdiction in presenting their complaints or grievances to the appropriate company representatives, the whole in accordance with the grievance procedure set out in this agreement. It is understood that any abuse on the part of a department steward or a chief steward in the exercise of their functions will be referred to the union.

7.02 DEPARTMENTS:

For the purposes of this Article 7, the union stewards shall represent exclusively and be selected from amongst the employees of the department indicated hereunder:

- a) Carding
- b) Open End
- c) Maintenance, Yard and Warehouse, Industrial Engineering and Quality Assurance.

7.03 STEWARD LIST:

The union shall notify the company in writing of the names of the department stewards and the department each represents on each shift, together with the names of the chief stewards and the shift each represents and the names or other officers of the local union before the company shall be required to recognize them. The union shall also notify the company promptly when any of the designated stewards or officers cease to represent the union officially and shall supply the names of those submitted therefore.

7.04 TRANSFER OF STEWARD:

Should a union steward be transferred from a department to which he was appointed, he will forthwith cease to be recognized as steward in such department. However, upon official written notification, the steward may, for a period not to exceed thirty (30) days, continue to represent employees from his former department until a replacement is appointed or otherwise selected.

The company will recognize the appointment of a replacement steward immediately upon receiving official written notification of such replacement.

7.05 STEWARDS NOT TO INTERFERE WITH OPERATIONS:

It is understood that stewards and other officers of the union have their regular work to perform on behalf of the company and will spend any such time during working hours as is necessary to service a complaint or a grievance. Stewards will discharge their responsibilities without interfering with the operation of the department and will not leave their work without obtaining the permission of their shift leader which will not be unreasonably withheld. It is agreed, however, that upon notifying the shift leader as to the complaint or as to the grievance being processed, the chief steward shall have the right to go into departments other than his own for the purpose of consulting on complaints or grievance being processed under the terms of articles 9.02, 9.03 of this agreement.

The chief steward upon leaving his department and upon entering any department to service such complaint or grievance will notify his shift leader and the leader of the department involved who will make suitable arrangements for the interviewing of the employee without unreasonable delay. The chief steward will also notify the shift leader upon leaving the department entered and upon resuming his regular work, will report to his own leader.

7.06 COMPENSATION TO STEWARDS:

It is understood that stewards will be compensated at their hourly rate for reasonable time spent during their working hours in servicing complaints or grievances processed under the terms of article 9.02, 9.03, 9.04 or to attend meetings of the grievance committee if selected under the terms of article 8.01 of this agreement.

In order to prevent any extra work to the steward upon his return from his absence, the company, in as much as possible, will replace the steward on his occupation by an employee who is qualified to do the work.

ARTICLE 8

GRIEVANCE COMMITTE

8.01 DESIGNATION:

- a) The union shall designate five (5) representatives from amongst its departmental stewards and union officers which five (5) shall constitute and be the union grievance committee. Any of them may be designated as chairman and spokesman for the committee. It is agreed that the union may have the assistance of the local president of the union and/or an international representative of the union and that such person or persons may attend the grievance committee meetings.
- b) The company will pay for time spent attending grievance meetings to not more than six (6) stewards or officers. It is understood that said payment will be received on the pay day of the week following the one of the occurrence of the meeting.

8.02 MINIMUM SENIORITY

Each of the members must have a minimum of sixty (60) working days in the bargaining unit.

8.03 GRIEVANCE COMMITTEE MEETINGS:

The union grievance committee generally holds a regular monthly meeting with the Human Resources Manager and such other representatives of the company as the latter may designate. The purpose of these meetings is to discuss grievances which have been submitted on the agenda and to also discuss subjects of common interest which have been submitted on the agenda by the representatives of either one of the parties and any pertinent data will be reviewed.

Meetings, other than the regular monthly meeting, in order to discuss grievances will be held within a maximum delay of five (5) working days of the receipt of the request. Minutes of each meeting will be given to all committee members. Answers required by either party on matters other than grievances which were raised on the agenda and discussed at the meeting with the grievance committee shall be given in writing within eight (8) working days following the meeting. Answers required by the company on grievances which were raised on the agenda and discussed at the meeting with the grievance committee shall be given in conformity paragraph 9.04.

8.04 AGENDA:

Within three (3) working days which precede each meeting each of the parties to the present agreement will give in writing to the other party the general order of the questions which it wants discussed at such meetings.

8.05 PARTICULARITY:

Any employee whose grievance has been referred to the grievance committee may attend the grievance committee meeting at the time that his grievance is being discussed. He will be remunerated to attend such meeting at this regular earnings if such meeting is held on his day shift which may involve the union allowing a delay in the grievance procedure until such time as the employee concerned is on the day shift.

If more than one grievance has been submitted on the agenda, the employees concerned may attend in the order that their grievance is being discussed. In the case of a collective grievance, one of the employees concerned may attend the discussion on the grievance.

ARTICLE 9

GRIEVANCE PROCEDURE

9.01 PREAMBLE:

- a) Any employee covered by this agreement who believes that he has cause for complaint concerning the alleged violation or misinterpretation of any of the provisions of this agreement may submit his grievance according to the procedure set forth below.
- b) The word "steward" wherever found in this article means the department steward or the chief steward as defined in article 7 of this agreement.
- c) All grievable matters under the terms of the collective labour agreement will be answered to on an original union grievance form submitted.

9.02 COMPLAINT:

If an employee has a complaint, it will be submitted either personally or through his steward or union officer to the shift leader or the department manager within fifteen (15) days following the occurrence or the awareness of the occurrence of the circumstances giving rise to the complaint.

It is understood that an employee has no grievance until he or his steward has first given his shift leader an opportunity of adjusting his complaint.

If an employee has a complaint he or his steward or union officer has been unable to settle with his shift leader within seven (7) days following its submission to the shift leader, the matter may be taken up as a written grievance in the following manner and sequence of the whole within twenty-two (22) days following the occurrence or the awareness of the occurrence of the circumstances giving rise to the complaint.

For any grievance presented by the union officer the delay will be counted as per the employee's concerned schedule.

9.03 GRIEVANCE - STEP NO. 1:

If an employee has a grievance, it will be reduced in writing and signed by the employee. The employee either personally or through his steward or union officer will then submit the grievance to the shift leader or the department manager within twenty-two (22) days following the occurrence or the awareness of the occurrence of the circumstances giving rise to the complaint, or from the receipt of an official written document.

The employee's shift leader or department manager must within ten (10) days following receipt of the written grievance, submit his decision in writing concerning the grievance to the person who will have submitted the grievance.

For any grievance presented by the union officer the delay will be counted as per the employee's concerned schedule.

9.04 GRIEVANCE - STEP NO. 2:

If the written decision of the shift leader is not deemed satisfactory the union may within seven (7) days following the date of receipt of the shift leader's decision submit the grievance in writing for discussion at a meeting between the union grievance committee and representative of the company. The union grievance committee and representatives of the company shall meet within seven (7) days following the receipt of such a request in order to discuss the grievance.

The Human Resources Manager must, within seven (7) days following the meeting with the union grievance committee, communicate his decision in writing concerning the grievance submitted and discussed.

An international representative of the union may be present at Step No. 2 above.

9.05 COLLECTIVE GRIEVANCE:

Any collective grievance may be submitted by the department or chief steward or union officer concerned to the shift leader or the department manager concerned within the same delay of twenty-two (22) days as spelled out in paragraph 9.03 as long as the said grievance is signed by at least one of the employees involved and/or one of the officers of the union.

For any grievance presented by the union officer the delay will be counted as per the employee's concerned schedule.

9.06 GRIEVANCES IN DISCIPLINARY MATTERS:

A claim by a permanent employee that he has been unjustly disciplined shall be treated as a grievance if a written statement of such grievance is lodged according to paragraph 9.02.

A claim by a permanent employee that he has been unjustly suspended or dismissed shall be treated as a grievance and said grievance may be submitted by the union directly to step 2 of the grievance procedure within ten (10) days of the occurrence of the circumstances giving rise to the grievance. The grievance committee shall meet to discuss said grievance within seven (7) days following the receipt of the grievance. If the employee does not avail himself of the provisions of this paragraph, his case will be subject in all respects to the provisions of paragraph 9.02.

9.07 DECISION BETWEEN COMPANY AND UNION:

- a) All decisions arrived at between the company and the representatives of the union shall be final and binding upon the company, the union and the employee or employees concerned.
- b) It is understood that a copy of the written decision as outlined in paragraph 9.03 shall be submitted to the steward of department and shift concerned.

9.08 REQUEST FOR ARBITRATION:

Failing settlement under the above procedure of any grievance concerning the interpretation or alleged violation of any of the provisions of this agreement, including any questions as to whether a matter is arbitrable and if such grievance does not refer to the application of articles 23 and 24, the union may refer the said grievance to arbitration in the manner hereinafter provided by sending a written notice to the company by registered letter within thirty (30) days following the date of the reception of the written decision of the Human resources manager, following the meeting with the union grievance committee.

9.09 PRESCRIPTION:

If a grievance is not submitted by an employee or through the steward within the delays provided for in the preceding steps, the grievance shall be considered as having been finally and satisfactorily settled.

If the written answer of the company is not submitted within the delays provided for in the preceding steps by either the department manager or the latter's assistant or the Human resources Manager, the grievance shall be deemed to be accepted and finally settled as submitted.

By mutual agreement and for good cause, reasonable extension of time will be given either party in writing at any step of the grievance procedure.

9.10 COPY OF REPLY:

When the company under the provisions of this article submits a reply to an employee, steward or chief steward it will send a copy of same reply to the union.

ARTICLE 10

ARBITRATION

10.01 SOLE ARBITRATOR:

- a) When a written notice for arbitration is received by the company in accordance with the terms of article 9.08, the grievance shall forthwith be submitted to a sole arbitrator to be chosen in rotation amongst the following arbitrators:
 - Michel Piche
 - Claude H. Foisy
 - Jean-Guy Clement
 - Harvey Frumkin
- b) In the event that the designated sole arbitrator cannot meet the parties within a reasonable delay or in the event that the designated sole arbitrator has not yet rendered his decision on a previous grievance, the next arbitrator will be chosen.
- c) In the event that all above mentioned arbitrators are unavailable, the parties will request that the Department of Labour of the Province of Ontario designates an arbitrator.
- d) The parties agree that in cases of dismissal or termination, they will resort to the services of the speedy arbitration program of the Ontario Labour Relation Board when none of the above listed sole arbitrator can hear the case within one month of the application.

10.02 ARBITRATION RESERVATION:

No matter may be submitted to arbitration which has not been properly carried through all previous steps of the grievance procedure.

10.03 DECISION

The decision of the sole arbitrator will be final and binding on the parties to the present agreement and all other employees concerned.

10.04 LIMITATION OF POWER:

The sole arbitrator shall not be authorized to make any decision inconsistent with the provisions of the agreement not to alter, modify or amend any of this agreement.

10.05 FEES AND EXPENSES:

The fees and expenses of the sole arbitrator will be paid on the basis of one-half by the company and one-half by the union.

ARTICLE 11

DISCIPLINE

11.01 DISCIPLINE DEMERIT

The purpose of the demerit system is to replace the days of suspension without pay with demerit points that can accumulate according to the severity or frequency of the offenses. Those offenses could engender one or the other of the following disciplinary measures; verbal warning, written warning with demerit points, summary procedures, extended suspension and dismissal.

11.02 DEMERIT POINTS EQUIVALENCE

The demerit points will be accumulated according to the disciplinary measures and will have the equivalent values as the following:

Disciplinary measures	Demerit Points	Equivalence
Verbal reprimand	0	Verbal Warning
First written reprimand	2	Written Warning
Second written reprimand	3	8 hour suspension without pay
Third written reprimand	4	16 hour suspension without pay
Fourth written reprimand	5	24 hour suspension without pay

11.03 DEMERIT SYSTEM

Once 14 points of demerit have been accumulated, employees will be subject to dismissal. The Company could, prior to dismissing an employee or in the case of a summary procedure, award an exemplary suspension, such suspension will never be less than three (3) days and will be without pay.

One day of suspension is the equivalent of eight (8) hours of work. In the case of such exemplary measures the days of suspension will be consecutive. Every month where an employee has effectively worked will be added to the nine (9) months detailed in the following articles.

A copy of all reprimands that resulted in a loss of demerit points will be sent to the Local Union and to the International Office.

When an employee has reached a total of five (5) demerits, nine (9) demerits, and of fourteen (14) demerits, such employee will be met and advise of the status of his file. The Shift Leader will hold the first meeting, the second meeting will be held by the Production Manager, the Human Resources Manager will join the Production Manager for the third meeting. These meetings will be held in the presence of a Union Steward.

11.04 VERBAL WARNING (NO DEMERIT POINT)

A verbal warning is a note deposited in the employee's file, no copies are distributed. The warning must be pointed out to the employee as soon as possible after the event. The verbal reprimand puts in motion the disciplinary measures. More than one verbal (for different types of offenses) can be handed out, however from the first written reprimand the disciplinary record is progressive.

11.05 FIRST WRITTEN REPRIMAND (TWO (2) DEMERIT POINTS)

Personal reprimand by the Plant Manager, the Production Manager or the Shift Leader where the situation warrants, will be inscribed on the employees record.

Any employee reprimanded and has the reprimand added to their file, may submit their case in accordance with the provisions of the grievance procedures.

11.06 PROGRESSION OF DISCIPLINARY MEASURES.

Additional disciplinary measures, in the event of a second offense, provided such offense occurs within a period of nine (9) months from the date of the first written reprimand, will be subject to the provision of article 11.02. In the case where the period exceeds nine (9) months, such reprimand will be considered as a first offense and the total demerits readjusted accordingly.

Additional disciplinary measures in the event of a third or fourth offense up to including dismissal from the employ of the company provided such third or fourth offense occurs within a period of nine (9) months from the date of the second or third offense, such measure will be subject to the provisions of article 11.02 otherwise for the purpose of this article such third or fourth offense shall be deemed to be a first offense and total demerits readjusted accordingly.

11.07 EXEMPLARY SUSPENSION OR DISMISSAL

The employee, that accumulates a total of fourteen demerit points within a period of nine (9) months from the date of the first written reprimand, is subject to the disposition of article 11.03. He could be given an exemplary suspension or be dismissed from the company's employ.

11.08 SUMMARY PROCEDURES

In the case of a serious offense at work which severely affects the maintenance of discipline amongst the employees, the company may dispense with the above procedure and the employee be dealt with summarily, including dismissal. It is understood that, considering that both parties shall have equal amount of representation, the company will advise the employee's available steward or union representative(s) who will be given the opportunity of being present to discuss the circumstances of the alleged violation and dismissal at the time such action is taken. Any case dealt with summarily by any official of the company of lower rank than that of the Plant Manager will be subject to revision by the Plant Manager.

11.09 FORMS

The company will give a copy of any disciplinary action inscribed on an employee's record to the department steward in presence and at such time a copy is given to the employee concerned also send a copy to the union. Such notice to the employee, steward and union shall be given not later than six (6) days from the circumstances giving rise to the disciplinary action. Should the employee not be available, the notice will be given to a union representative.

11.10 FORBIDDEN PRACTICE:

- 1) The practice by the shift leaders to note personnel records is strictly of the company's and shift leaders' prerogative and will be continued.
- No practice, notes, books or files at the floor level dealing with discipline is official and if any, will cease.
- 3) No union steward, chief steward, union officer will be called to sign any type of verbal reprimand that could be noted in shift leaders' personnel records. Since the union receives copies of all official parts of an employee's file and insofar as discipline is concerned, both parties' practices that tend to create misunderstanding are no longer tolerated.

ARTICLE 12

SENIORITY

12.01 DEFINITION:

For the purposes of this agreement, seniority means the total length of continuous service accumulated with the company by an employee in accordance with the conditions provided hereunder in paragraph 12.02.

12.02 PROBATIONARY PERIOD:

- a) To acquire seniority rights in the meaning of the present agreement, an employee must first complete a probationary period which will consist of 480 hours of work in the bargaining unit within a period of six (6) consecutive calendar months from the date of hiring.
- b) Once the probationary period is completed, seniority rights are acquired and the date of seniority

is established retroactively to the date of hire.

- c) 1a) In the case of any employee transferred outside of the bargaining unit before September 27, 1987, and at his request is transferred back in the bargaining unit after September 27, 1987, he will be credited with his total seniority accumulated while he was out of the bargaining unit and will replace the most Junior employee in his department of origin. He will also remit to the Union a maximum of three years of Union dues prior to his return.
 - 1b) In the case of any employee transferred outside of the bargaining unit before September 27, 1987, and is transferred back into the bargaining unit after September 27, 1987, because of a lay-off, he will be credited with his total seniority accumulated while he was out of the bargaining unit and the provision of article 12.14A will apply. The employee will remit to the Union a maximum of three years of Union dues prior to his return.
 - 1c) In the case of any employee transferred outside of the bargaining unit before September 27, 1987, and is transferred back into the bargaining unit after September 27, 1987, for reason of ill health, he will be credited with his total seniority accumulated while he was out of the bargaining unit and the provision of article 12.10B will apply. The employee will remit to the Union a maximum of three years of Union dues prior to his return.
 - 2. In the case of any employee transferred outside of the bargaining unit after September 27, 1987, and transferred back into the bargaining unit within six (6) months of the date of his transfer, he will be credited with his total seniority including the one accumulated while he was out of the bargaining unit. He will return to the occupation held prior to his transfer and will remit the Union dues for such period spent outside the bargaining unit prior to his return.
 - 3. In the case of any employee transferred outside of the bargaining unit after September 27, 1987, and transferred back into the bargaining unit after six (6) months of the date of his transfer, he will be credited for his total length of seniority accumulated into the bargaining unit, and the time spent out will be credited for a maximum of three (3) years when he will be transferred back to an occupation of the bargaining unit. He will remit prior to his return a maximum of three (3) years of union dues.
 - 4. In the case of any employee transferred outside of the bargaining unit after September 29, 1990 and transferred back into the bargaining unit after 6 months of the date of his transfer, he will not be credited for the time spent outside the bargaining unit. The employee will not remit any of the Union dues.
 - 5 a) Depending of the reasons implied for the employee's return into the bargaining unit of 12.02 c) 3 and 12.02 c) 4, the provisions of 12.02 c) 1a, 1b and 1c will apply in regards to his destination in the bargaining unit.

In the case of any employee working for the company who has accumulated continuous service and is given an opportunity to attend educational or training courses, he will be credited, for seniority purposes, with his total length of continuous service if he should be subsequently transferred into the bargaining unit within six (6) months of completion of said courses. The company will submit to the union the type of courses and its duration.

- b) In the case where an employee is reinstated with the bargaining unit, said employee will remit to the union a sum equal to the amount of union dues for the period spent as authorized under the terms of this paragraph.
- c) Once the training and the evaluation periods are completed, the employee that was trained will return to his/her former occupation if no opening is available.

The employee will, furthermore, be given the opportunity to be transferred to and from the bargaining unit for the purpose of replacement of non-unionized. During such transfers no union dues will be paid and the employee's seniority will not be broken. The Union dues will be reimbursed on completion of these periods.

The employee involved in the preceding paragraph that will be transferred to a nonunionized will see his/her seniority broken on the date of the transfer.

- d) An employee who is under a probationary period cannot present a grievance concerning his dismissal, transfer or demotion based on the evaluation by the company of his capacity to meet quality and quantity of work, his learning abilities and his adaptability to the group. However, unless otherwise specified, this employee enjoys the other rights and privileges provided in the present agreement.
- e) The company will advise an employee of the completion of his probationary period when it occurs.

12.03 TIME LOST:

Time lost in excess of twelve (12) months in the case of layoff and in excess of twenty four (24) months in

the event of sickness or accident will not be counted in computing an employee's seniority; however, in cases covered by the Workers' Compensation Act time lost during the period of compensation will be counted.

The provision of this paragraph do not apply to probationary employees where time lost for any reason will not be counted in determining the completion of the probationary period.

12.04 LOSS OF SENIORITY:

An employee shall lose all seniority and his employment shall be terminated if he:

- 1. voluntarily quits the employ of the company, and has had a twenty four hour grace period where a Union executive has consulted with the concerned employee.
- 2. is discharged for just cause and the discharge is not reversed through the grievance procedure;
- 3. fails for no acceptable reason within seven (7) days pursuant to notification sent by registered mail by the company to report to work following a layoff or to advise the company of his intention to report to work pursuant to the said notification;
- 4. has been laid off for a period of time equivalent to the length of his seniority at the time he was laid off up to a maximum of twenty-four (24) months, the whole subject to sub-paragraph (3) above;
- 5. is absent due to sickness or an accident of more than twenty-four months. If an employee advises the company at the end of said twenty-four (24) months period and once every six (6) months thereafter of his intention to return to work, his seniority will not be broken. The employee must advise the company by registered mail and the company shall supply the local president with a copy of said notification. These provisions do not apply in Workers' Compensation cases and seniority will not be broken during the period of compensation.

12.05 APPLICATION FOR SENIORITY:

Seniority rules are applied firstly to the employees of the department concerned before looking elsewhere in the plant.

12.06 DEFINITION OF VACANCY:

For purposes of this article 12 a vacancy results either from the normal turnover of personnel, such as retirement, resignation, death, promotion, dismissal, demotion for causes or transfer of employees to jobs not covered by this bargaining unit or from an increase in the number of employees required on an occupation. The above does not imply that particular job vacancies must necessarily be filled. However, particular job vacancies which remain in operation will be filled in accordance with article 12.

12.07 POSTING OF JOB VACANCIES:

In the case of job vacancies, the following procedure will apply;

- a) The company will post the job vacancy shift concerned and assignment number for a period of one hundred and twenty (120) hours in the plant canteen.
- b) a)1 The employees who are interested in a promotion will offer their candidacy and shift preference by signing their name on the form posted to this effect. However, an individual employee with a physical disability and/or handicap may also offer his/her candidacy for an occupation at an equivalent or lower contractual wage rated job by signing his name on the form posted to this effect.
 - b)1 It is understood that one lateral change will be allowed per posting or series of related postings of job vacancies for the following occupations. Scourer------ Trucker

For employees who were trained under provision of article 12.08 paragraph 3, 4 and 5, they will be allowed such lateral change only after having occupied permanently the job for which they have been trained.

- b)2 Employees absent during the posting period provided in paragraph 12.07 (a) will be requested to call the company to inquire job vacancies and future openings available. Employees absent who are interested will offer their candidacies by signing their names on the form posted or if they are prevented to do so, a union representative will sign the name of said employee after being advised by the company.
- b)3 It is understood that the company agrees to consider all day occupations, regardless of rate, as a promotion unless it is on the same occupation which will be considered as in 12.09 a) a shift preference.
- b)4 Should an employee be bumped off his/her occupation, he/she retains the right to return to that occupation through 12.07 j) on job posting, seniority prevailing
- b)5 All posting shall be filled in the following sequence: Future opening if any in order of posting, qualified employee 12.07 j), promotion including lateral move.

- c) The job vacancy will be offered to the employees who have offered their candidacy according to plant wide seniority.
- d) A copy of all postings concerning job vacancies will be submitted to the union within one week following the selection of the successful applicant.
- e) If none of the employees who have offered their candidacy are qualified to perform the occupation concerned, the company must select someone from other than the candidates who have so applied and who have completed ten (10) years of service providing the person is qualified as per 12.08.
- f) It is agreed that the company may temporarily fill the job vacancy during the posting period without restriction.
- g) The employees who have bid for the job vacancy as described in subparagraph (b) above are the only ones who may later file a grievance.
- h) An employee who has thus been granted a transfer to an occupation at an equivalent or lower contractual wage rated job will not be permitted to bid to his former occupation during the following six (6) months, and on an equivalent or lower contractual rated job for any future job vacancy during the ensuing nine (9) months.
- i) The company will post the name of the successful applicant to any job vacancy for a period of one hundred and twenty (120) hours in the plant canteen. The company will advise the successful applicant to any job vacancy within one (1) week from the expiry date of the job posting period, and will place him on the occupation in question within a maximum delay of fifteen (15) days except where such an appointment would disrupt normal production flow and/or needs and the requirements of quality.

Should such successful applicant to a vacancy or future opening wish to return to his former occupation, he must so advise the shift leader or the latter's assistant after one day of active training in the same department or two (2) days in an other department. It is understood, however, that the disposition of this present paragraph can only be invoked twice by a same employee during a calendar year.

It is understood that active training will take place when a replacement is available through the posting procedure. The employee to be transferred will be paid under the provision of training rates past practice.

The training period will be determined by the occupation, during which the employee will receive his hourly rate of previous occupation up to the objective rate of the job he will be trained on. Furthermore, the instructor will receive in addition to his regular hourly earnings ten percent (10%) of his regular hourly earnings. At the end of the period, the employee will receive the full hourly rate of his new occupation and the allowance of 10% to the instructor will be stopped.

In the event that the company decides that the employee is fully qualified before the end of his training period, he will then receive the full hourly rate of his new occupation and the allowance of 10% to the instructor will be stopped.

If for no reason beyond the control of the employee, the transfer to the new occupation is delayed, the employee will be paid the full rate of the new occupation the week following the equivalent training period plus 15 day delay.

- j) In the choice of the person to occupy the job vacancy seniority shall prevail among the employees who have offered their candidacy providing they are qualified to perform the occupation for which they are a candidate as outlined in paragraph 12.08 below.
- k) If an employee is absent for more than six (6) months due to a permanent or partial disability or to a long-term certified illness, his job will be posted permanently as outlined in the paragraph 12.07, excluding employees off on Workers' Compensation.

If in any case, such employee is returning to work, he/she will return to his/her occupation, original shift and assignment. If the occupation no longer exist, he/she will replace the employee with the least seniority on any occupation within the department or any occupation within the plant, providing said employee has the seniority to do so.

I) TRAINING:

It is agreed that experiences acquired by employees before resigning from the company will not, when rehired, be placed in a preferential position with respect to job vacancies or training. Only in cases where training has been offered and employees have not applied will the rehired employees be shown preference for vacancies.

In the habitual way of planning the assignment for learners, regular employees will be affected on a rotation basis. Temporary transfers to cover short term absences will be, whenever possible, made on a rotation basis amongst employees in comparable conditions.

It is understood that training can be made on temporary vacant assignments not requiring to be covered under other provisions of the collective labour agreement.

It is also understood that when adversary conditions to production are existing the union will cooperate in seeking for volunteers. This letter of understanding cannot deal with specific cases and both parties will cooperate in order to avoid unnecessary hardship to the employees, the union and/or the company.

Whenever possible, employees will be trained on the specific assignments they have bid for and there will be no cross transfer of employees on similar assignments.

12.08 JOB VACANCIES:

The following factors will be considered in evaluating an employee's skill, competence and ability related to the performance of the work for which he is a candidate.

- 1. Physical requirements of the occupation and physical qualifications of the candidate.
- 2. Results of aptitude tests.

Tests will have to be successfully passed for the following occupations:

- 1) MAINTENANCE Maintenance Mechanic
- 2) CARD ROOM Card Room Fixer Head Card Grinder Overhauler Card Setter and Fixer
- 3) OPEN END Technician PMP Fixer

I) G-10

I) G-10

I) G-10

III) Welding testIV) Electrical test

II) Bennett Mechanical Comprehension test

II) Bennett Mechanical Comprehension test

II) Bennett Mechanical Comprehension test

- III) Schlafhorst Course
- 4) QUALITY ASSURANCE Quality Assurance Tester
 5) OPEN END Inspector/Packer & Expeditor Training coordinator
 1) G-10 II) Arithmetic test
 5) OPEN END Inspector/Packer & Expeditor Training coordinator
 1) Vision test for control every 2 years.
 1) Typing skills II) Computer knowledge III) Photography background

The passing mark will be 70%.

An employee who fails a test on his first attempt will be eligible for re-testing after a period of six (6) months from the date of the posting.

An employee who fails a test for a second time will be eligible for re-testing, in all the subjects, after a waiting period of one (1) year form the date of posting except for the electricity welding and arithmetic tests where the employee must upgrade himself in that specific field as the failed test and obtain a certificate from a recognized institution. The certificate will be acknowledged as a passed test.

Where it will be necessary to mark a welding test with regards to the weld quality, an impartial judge will be used. The judge's decision will be final.

6) Instrument Technician II) Technical written test

Promotion from one class to the next will require a written technical test.

From Junior 2 to Junior 1 From Junior 1 to Senior 2 From Senior 2 to Senior 1

The first test can be written six (6) months after the date of hire. If successfully passed, the next test level can be written every six (6) months.

The company will schedule a test within two weeks of a request and the employee's progression will be

retroactive to the date of the request of the test if successfully passed.

An employee who fails a test will be eligible for re-testing after a waiting period of one year from the day of the last test.

- 3. Successful participation in training courses for the occupation for which he is a candidate. These training courses may take the form of theoretical course "on the job" training in the department or in the Training Center.
- 4. Licenses where required.
- 5. For jobs involving the handling of a crew the ability to direct people shall also be considered.
- 6. Past performance on lower paid occupation and general employee record for the last 9 month period, except for sick leave or workers' compensation case.

It is understood that some of these above-mentioned factors will have more relative importance than others depending on the occupation which is vacant.

Should the company decide to give training courses to its employees, training for future openings will be posted as an occupation without assignment and shift. The posting and selection will be done according to the provisions of articles 12.07 and 12.08, regardless of the department.

When the training is completed, the employee will return to his or her former occupation.

When the occupation for which the employee was trained becomes open, it will be posted to allow preference of assignment and shift to take place. Then, the employee that was trained will be required to take the opening. If more than one employee were trained in advance, seniority shall prevail with the least senior employee being required to accept the opening, regardless of the department.

Employees will be allowed to hold one future opening at a time.

UTILITY WORKER DEFINITION

The employee working as utility worker is chosen on a posting in accordance with the collective labour agreement. Because of production needs or manpower shortages he may be called to do any job in his department which rate is equal or lower than that of his specified occupation.

SPECIFIED OCCUPATION FOR UTILITY WORKERS:

Open end - Utility Open End Technician

Lateral movement from Utility Open End Technician to Open End Technician is permitted, seniority prevailing.

METHOD OF PAYMENT:

The objective rate of the utility worker will be twenty five cents (0.25) more than the highest objective rate he will be called to work on.

The utility worker will always be paid that rate when working on measured direct occupation, article 24.00 will apply.

When working overtime, the utility worker will be coded and paid according to the rate of the occupation on which he works overtime.

ADMINISTRATIVE PROCEDURES:

Each utility job will be posted in accordance to article 12.07 of the collective labour agreement.

Utility workers will be required to work on other shifts for a minimum of two working days provided they are notified two days in advance. For any period less than two working days, changes of shifts will be made on a voluntary basis only.

When overtime is required, utility worker will be allowed to work overtime on his specified occupation in accordance with article 28 of the collective labour agreement.

When using utility worker, article 28.07 will be taken into account. If two assignments on the same occupation are to be covered by the use of overtime and a utility worker, the overtime will be offered to the senior man working on these assignments on the outgoing shift.

Article 12.09 of the collective labour agreement does not apply to utility worker.

PLANT PRODUCTION UTILITY: DEFINITION:

The Production Utility is a utility worker who can work in both production departments on several production jobs (excluding mechanical occupations).

METHOD OF PAYMENT:

The objective rate of the production utility will be sixty-five cents (0.65) more than the highest objective rate he will be called to work on.

SELECTION:

The production utility is chosen on a posting according to plant seniority.

SENIORITY:

Once selected the worker will maintain his seniority in his department of origin.

APPLICATION:

Production Utilities will be required to work on alternate shifts for a minimum of two (2) working days provided they are notified twenty-four hours in advance. For any period less than two (2) working days, changes of shifts will be made on a voluntary basis only.

12.09 PREFERENCE OF ASSIGNMENT AND/OR SHIFT:

- a) When a vacancy occurs on an occupation on a particular shift, the most senior employee on that occupation, including those on part assignment, will have the preference of shift and/or assignment. A maximum of three (3) changes will be granted upon written request on the job posting sheet. In the event of conflicts between employees concerned in the application of this paragraph, seniority shall prevail. The preference as described above will be granted to the employees currently working on the occupation concerned prior to filling the job vacancy.
- b) The parties agree that in no other circumstances will there be a preference of assignment among the employees currently working on the same occupation.

12.10 PERMANENT TRANSFERS:

a) A permanent transfer is a permanent assignment of an employee to a job vacancy in another occupation or department at the same wage rate.

In the case of permanent transfers, the same provisions will apply as outlined in paragraphs 12.07 and 12.08 before hiring a new employee. An employee will carry his seniority with him upon being transferred permanently (i.e. for more than thirty (30) days) to a different department. Until then he retains and accumulates his seniority in his previous department. It is understood and agreed that an employee on the seniority list is not obliged to accept a permanent transfer.

- b) Following unsuccessful efforts to improve an employee's performance, the Company may wish to demote an employee for incompetency. Such employee will be given preference, according to his seniority, to fill an occupation which he has previously fulfilled satisfactorily in the same department or if he has not previously fulfilled this occupation, he is qualified to do the work. This, however does not preclude the right of the employee who is so demoted from lodging a grievance on the basis that his demotion was unjustified.
- c) When an employee wishes to be demoted for reason of illhealth or unwilling to perform, his job will be posted as per Article 12.07 and said employee will fill the last opening in the series of posting that were required to fill his job. If no job is available, he/she will be subject to layoff.

In the event that such employee cannot be retained at work according with the provisions of the preceding paragraph, the union may submit such case to the company for which a mutual agreement can be reached before the lay off.

12.11 TEMPORARY TRANSFERS:

A temporary transfer is a temporary assignment of an employee at the request of the company to a temporary job vacancy in another occupation at a higher wage rate, at a lower wage rate or at an equivalent wage rate.

Temporary transfers will be offered on the basis of seniority with the least senior employee who is qualified to perform the occupation in question, being required to accept the transfer.

The company will not use a series of temporary appointments outside the job posting procedures to enable an employee to accumulate experience in order to place him in preferential position in the event of permanent vacancy.

Temporary transfers shall be effected for a maximum period of thirty (30) days except for one of the

following reasons in which case the given movements will not exceed twelve (12) months:

- a) to replace one or more employees who are taking their annual vacation;
- b) to replace an employee absent as a result of an industrial accident or illness, or non-industrial accident or an employee absent on maternity leave;
- c) to replace a transferred employee, who at the request of the company is working for another plant of Cavalier Yarn Inc., or for another company affiliated to or supplying materials or services to the company;
- d) to fill a job because the company has temporarily increased certain labour requirements to meet a special situation;
- e) to replace an employee who is receiving special training or preparation for a supervisory or technical position, or to replace an employee transferred as a result of the transfer of another employee who is receiving the said special training or preparation;
- f) to replace an employee absent on a special approved leave;
- g) to replace employees acting as instructors;

The company shall have the right to transfer employees on a temporary basis to fill temporary job vacancies as described in the preceding paragraph. Employees who are thus transferred will be remunerated according to the provisions of paragraph 21.05.

12.12 MODIFIED TEMPORARY TRANSFER:

The company agrees to use the modified temporary transfer before using the temporary transfer as outlined in article 12.11.

This modified temporary transfer will consist of offering temporary assignment on a given shift to employees performing the same occupation on the basis of seniority. This procedure will be limited to one transfer per posted occurrence.

These temporary assignment will be created by the reasons outlined in article 12.11 paragraph b) to g).

This agreement will apply to all occupations that are performed on both shifts and days schedules.

This type of transfer will be limited to one per temporary assignment.

The modified temporary transfer will be used in the case of paragraph b) of article 12.11 only when it will be confirmed that it will last more than one (1) week.

When an employee accepts a modified temporary transfer, he will not be permitted later to change his decision.

When an employee is on a modified temporary transfer for the reasons outlined in paragraph b) to g) at the end of such transfer he will be permitted to continue on another modified temporary transfer if this one is to last more than two (2) weeks after the end of his actual modified temporary transfer.

An employee on a modified temporary transfer will be paid his regular hourly rate for each hour so worked. The least senior employee will be obliged to accept such transfer.

12.13 LAYOFFS - ONE (1) COMPLETE SHIFT OR LESS:

In the event that it becomes necessary to reduce the number of employees on an occupation in a department for one (1) complete shift of less, the employees on the occupation and shift concerned will be laid off in the reverse order of seniority according to the seniority list established in paragraph 12.18. It is understood that employees so laid off will not have the right to displace other employees on other shifts or other occupations.

The utility workers will be considered on the occupation they are performing that day, for the application of the previous paragraph.

12.14 LAYOFFS - MORE THAN ONE (1) COMPLETE SHIFT:

a) 1) In the event that it becomes necessary to reduce the number of employees on an occupation in a department for more than one (1) complete shift to five (5) complete

shifts, the employee on the occupation with the least seniority according to the seniority list established in paragraph 12.18 will be subject to said lay off. The employee subject to said layoff will have a right to replace a probationary employee or an employee with the least seniority on an occupation in his department which he has previously fulfilled satisfactorily or on an equivalent or lower rated occupation in his department provided that he is qualified to perform the work.

Notwithstanding any of the foregoing, no employee qualified under 12.08 shall be affected by layoff out of the order of his seniority for an aggregate period of more than five (5) days of work within the company calendar quarters.

a) 2) If the Company decides to operate part of the plant for no more than three (3) days, twice in the first year of the agreement and four (4) days, twice in the subsequent years, the shift employees normally scheduled to work these days will have the preference to work on their own shift and occupation. The employees so laid off will not have the right to displace other employees on other shifts or other occupations.

The above days will never be week-end days and all employees will be affected in rotation. The day crew will not be affected.

- b) 1) In the event that it becomes necessary to reduce the number of employees on an occupation in a department for more than five (5) complete shifts, the employee on the occupation with the least seniority, according to the seniority list establish in paragraph 12.18 will be subject to a layoff. The employee subject to said layoff will have the right to replace another employee in accordance with the provisions of paragraph 12.14 (a).
- b) 2) If the employee subject to said layoff cannot replace another employee according to the provisions of paragraph 12.14 (a), he will have the right to replace a probationary employee or if none, the employee with the least seniority on an equivalent or lower rated occupation in the department provided that he is qualified to perform the work with a maximum delay of eighty (80) hours of work and provided that it is recognized that said occupation can be accomplished within the same period. These occupations are: Waste Control Attendant, Card Room Trucker, Open End Operator, Scourer, Motorized Can Hauler.
- b) 3) If the employee subject to said layoff cannot be retained at work in the department according with the provisions of the preceding paragraphs, he will then have the right to replace a probationary employee or an employee with the least seniority on an occupation which he has previously fulfilled satisfactorily or on an equivalent or lower ranked occupation in another department of the plant provided that he is qualified to perform the work within a maximum delay of eighty (80) hours of work and provided that it is recognized that said occupation can be accomplished within that same delay.
- b) 4) It is understood that the provisions of the paragraphs 2 and/or 3 hereabove can only be invoked once by an employee concerned on the occasion of each lay off and will only be applied to employees with one (1) year seniority or more.
- b) 5) In the application of 12.14 b) 2) and b) 3), the company will grant up to 2 days of voluntary work training.
- b) 6) In the event that such employee cannot be retained at work according with the provisions of the preceding paragraph, the union may submit such case to the company for which a mutual agreement could be reached before the lay off.
- c) When the company has decided to make a technological change or to automate by replacing or renovating existing machinery or equipment which result in one or more employees being subject to be laid off from their occupation as a result of such a change being made on the machinery or equipment which they were operating or on which they were working, said employee shall replace another employee according to paragraphs 2 and/or 3 first. If said employees cannot be retained at work, then they shall have the right to replace the least senior in the plant and the company shall provide full training.
- d) It is understood that when an employee prevail himself of the provisions of article 12.14, his total seniority, regardless of his move, is immediately transferred. However, said employee remains subject to the provisions and conditions of article 15.02 if he did not bid and obtain a job vacancy during his displacement period.

e) MAJOR LAYOFFS.

In the case of a massive layoff where a large portion of the work force is involved, the procedure set-up in 12.14 will apply. Where employees with 15 years of service or more have not been able to maintain employment, the employee will have the right to replace the most junior employee of the plant provided such employee qualifies under 12.08 and the Company will provide full training (excluding job requiring 12 weeks of training).

When the laid off employees return to work, this employee will return to his/her job whether or not the training is completed. On the next occurrence, he/she will return and complete his/her training and return to his/her former occupation when the layoff terminates. In the following layoffs the employee will have acquired the qualification to replace the junior employee and will be able to use the acquired qualification under 12.07j) for job posting.

f) UTILITY WORKERS

The utility workers will be subject to layoffs when employees bumping them will have bee trained for one half of the total training period of the utility workers or 18 weeks.

12.15 RECALLS TO WORK:

The following procedure will apply in recalling employees to work following a layoff:

- a) Laid off employees will be recalled to work in the reverse order from layoffs in their respective departments and on the occupation which they held prior to the layoff.
- b) Laid off employees who are recalled to work in their respective departments to an equivalent or higher-rated occupation than the one they performed prior to their layoff will be so recalled according to the provisions of paragraph 12.08. Laid off employees who are recalled to work in their respective departments to a lower-rated occupation than the one they performed prior to their layoff will be so recalled in the reverse order from layoffs provided they are qualified to do perform the work with a maximum delay of eight (80) hours of work and provided that it is recognized that said occupation can be accomplished within the same period. These occupations are identified under 12.14 b)2) and the provision of 12.14 b)4) and 12.14 b)5) will apply. Training will be given to laid off employees if the only other alternative would be hiring new employees.

Laid off employees who recalled to work to a different department than the one in which they were working prior to the lay off will be so recalled according to the provisions of paragraph 12.08. Employees are under no obligation to accept a recall to a new department. However, if the employee accepts such a recall, his seniority will be transferred after he has been in his new department for a total of thirty (30) days and will cease to apply in his former department. New employees will not be hired until all laid off employees have been so recalled.

12.16 NOTICE OF CHANGE OF ADDRESS:

It is the duty of employees to notify the company promptly of any change of address. If an employee fails to do this, the company will not be responsible for failure of a notice to reach such employee and could result in employee being inconvenienced and/or reprimanded.

12.17 COMPENSATION:

If it is established that the seniority rights of an employee have not been respected, the arbitration board will have the right to determine compensation to be paid by the company, if any, up to the amount of earnings lost and change the seniority date of the employee, if necessary.

12.18 SENIORITY LISTS:

A list of seniority standings will be posted in each department showing the names of each employee in that department together with his length of continuous service with the plant in accordance with paragraph 12.01. This list will be revised every three (3) months. Copies of these posted lists shall be forwarded without delay to the union. After such posting, each such list shall become final with respect to the employees designated therein, except as to any employee who disputes under the grievance procedure the accuracy of his seniority date or the seniority date of any other employee of his department designated therein within thirty (30) working days after the list is posted. In any event, such grievance cannot dispute the accuracy of any previous final list. The accuracy of the seniority lists may be subject to revision at any time where such inaccuracy occurs as a result of a typographical error. The date of posting will be indicated on the seniority lists. New employees starting on the same day will appear on the seniority list in alphabetical order, using the name at hiring.

12.19 OCCUPATIONS NOT COVERED BY AGREEMENT:

Appointments to occupations not covered by this agreement shall not be subject to the terms of this article 12.

ARTICLE 13

OUTSIDE UNION ACTIVITIES

13.01 LENGHT OF LIBERATION:

Upon one week's advance written notice, an authorized senior union officer, departmental steward or other member designated by the union, will be granted a leave of absence up to but not to exceed thirty (30) working days per year. The total of such absences for all senior union officers, for departmental

stewards or other members designated by the union shall not exceed sixty-five (65) working days per year. Such leave of absence shall be granted for official union business such as conventions, conferences, educational meetings or courses sponsored by the union.

13.02 MAXIMUM MEMBERS LIBERATED

There must not be more than a total of three (3) union officers, department stewards or other members designated by the union from the same department absent from work at the same time to participate in union activities as outlined in paragraph 13.01.

13.03 PAYMENT:

Time spent on any absence permitted under the provisions of this article shall not be paid for by the company.

ARTICLE 14

BULLETIN BOARDS

14.01 USE OF BOARDS

The union shall be accorded the use of notice boards situated at appropriate places throughout the plant upon which to post notices of meetings of the union. All such union notices shall be properly authenticated and will only indicate the date, time and place such local meetings of the union are to take place.

The union shall have the right to post all correspondence which is of general interest to the membership such as: Literature from U.I.C., Workers' Compensation, O.H.I.P., Provincial and Federal Departments of Labour.

All other notices that may be of special nature shall be submitted to the company's personnel department for approval before being posted.

ARTICLE 15 ADDITIONAL SHIFT AND REDUCTION OF SHIFTS

15.01 ADDITIONAL SHIFT:

Whenever the need arises to organize an additional shift in any one department, the shift or the shifts already in force in this department will function normally, that is to say, that the employees on the shift or shifts will have the privilege to work their normal working week, except in cases where it would be impossible to do otherwise.

15.02 RE-ORGANIZING:

It is understood that when a partial or complete shift is again re-organized, the original employees on this shift who may have been transferred to another shift or transferred or demoted to another occupation within the same or another department will return to the re-organized shift, occupation, and assignment with their total seniority, provided that happens within a period of one (1) year following their transfer or demotion.

It is understood that if this partial or complete shift is re-organized after one (1) year following their transfer or demotion said original employees on this shift will have the option of returning on said re-organized partial or complete shift.

ARTICLE 16

HOURS OF WORK

16.01 STANDARD WORK DAY AND WORK WEEK

SCHEDULE "A"

Employees on six day operation schedule:

For each occupation enumerated on the schedule wages, the standard work day shall be eight (8) hours

per day and the standard work week will start at 00h01 Monday and may be scheduled through Saturday inclusively.

According to the company's decision, the plants, any department or section of a department may operate with one, two or three following shifts with continuous operations.

First shift:	08h00 to 16h00
Second shift:	16h00 to 24h00
Third shift:	00h01 to 08h00

It is understood, however, that nothing in this agreement shall be construed or interpreted to be a guarantee by the company of a specified number of hours of work per day or days of work per week. However, if a reduction in production or any other factor necessitates the elimination of one shift, the first and second shifts shall be retained. In the event two shifts are eliminated then the first shift shall be retained. This however does not preclude the company's prerogative to reduce the complement of employees on any one shift.

If there is more than one shift in operation on any occupation, the employees will rotate every week.

Where schedule "A" is in place, the Instrument Technician and Quality Assurance Testers will be on callins, on week-ends, on rotation, for urgent work to be done that would stop the normal production flow and cause open-end stoppages.

For the 48 hour call-in period, a premium of \$1.00 per hour will be paid. Hours worked at management request, during this period, will be paid as follows: a) time spent to perform the work, or b) on a voluntary basis, work can be assigned for one half a shift.

Once the system is put in application, it will be maintained for the duration of the contract.

SCHEDULE "B"

Employees on seven-day operation schedule:

If the level of production so dictates, the company may operate the plant, any department or section of a department, seven days per week. Under this type of operating schedule there will be a total of four shifts with continuous operations on each shift. The schedule of regular daily hours of work and days of work per week will be so arranged in order that employees will work five (5) days per week and eight (8) hours per day during three weeks out of four and during one week out of every four weeks, employees will work six (6) days and eight (8) hours per day. At the end of their respective work week, employees will be off work for a total of either forty-eight (48), seventy-two (72) or ninety-six (96) consecutive hours. The said schedule of regular working days per week for employees will be posted in each department and explained to each employee at the time of his hiring. The shift hours will be as follows:

First shift08h00 to 16h00Second shift16h00 to 24h00Third shift00h01 to 08h00

SCHEDULE "C"

The schedule of regular daily hours of work and days of work per week will be so arranged in order that employees will work 4 days of 12 hours one week and 3 days of 12 hours the next.

The day hours 08:00 A.M. to 08:00 P.M. shift will work such schedule for two (2) weeks running then rotate and work shift hours 08:00 P.M. to 08:00 A.M. for two (2) weeks running.

At the end of the complete schedule, 28 days, each of the 4 shifts will have had 14 days of work and 14 days of rest, 2 week ends of work and 2 week ends off.

Day hours:	08:00 A.M. to 08:00 P.M.
Night hours:	08:00 P.M. to 08:00 A.M.

Saturday hours:

The Saturday hours will be from 08:00 A.M. Saturday to 08:00 A.M. Sunday.

Sunday hours:

The Sunday hours will be from 8 A.M. Sunday to 8 A.M. Monday.

Work Week:

The work week will end on Sunday 08:00 A.M.

Voting:

For voting in federal, provincial, municipal and other elections as designated by Statute, the day crew employees will replace the shift employees on duty and they will be given the opportunity to vote.

Meal arrangements:

There will be no interruption of the machines for the meals but proper time will be allowed for same. Every employee shall be provided with an eating period of twenty (20) minutes. No employee will be required to work more than four and one-half (4 1/2) consecutive hours without an eating period except in the event that an employee is scheduled to work for four and one-half (4 1/2) consecutive hours or less, in which case a twenty (20) minute eating period will not be provided.

Due to the fact that winders cannot operate unattended, the company will shut down these machines for the taking of lunch breaks in the case of winder tenders. It is understood, however that if replacement personnel is provided the above-mentioned machines will not be shut down for lunch breaks.

Change of schedule:

The company will advise the union and the employees two (2) months prior to changing schedule if it is partial and three (3) months if it covers the whole operation.

16.02 VOLUNTARY ADDITIONAL HOURS:

Nothing hereinabove recited shall preclude the company's right to have certain shifts or parts of such shifts work longer voluntary additional hours than those hereinabove specified, providing that the stipulations of article 17 covering overtime rates of pay are observed.

16.03 SHIFT PREMIUMS:

Employees will receive a premium of thirteen (13) cents for each hour worked between 16h00 and 24h00.

Employees will receive a premium of twenty one (21) cents for each hours worked between 00h01 and 08h00.

A balance premium will be paid to employees working 12 hours shift of 25 cents for each hour worked between 08:00 P.M. to 08:00 A.M.

16.04 CHANGES IN HOURS OF WORK:

The working hours may be modified in order to comply with special requirements. It is understood that during the term of this agreement any changes under this paragraph will only be made after agreement with the union.

16.05 NO GUARANTEE OF WORKING HOURS AND/OR WAGES:

The purpose of this article 16 is to determine the regular working hours: it shall not be construed as providing annual, weekly or daily guaranteed wages or hours of work.

16.06 SPECIAL WORK:

The company agrees to offer as much as possible special work which cannot be done by outside contractors to its regular employees.

Because the tasks have to be done in a limited period, the company reserves the right to choose the persons it deems fit to do the job on the basis of seniority. The hourly rate of pay for that type of work will be the one of the Yard and Warehouse Labourer.

Considering that this type of work will have to be done during the spare time of the employee's working schedule, the company will have the right at any time to stop this practice if we feel that prejudices are being made to the work and/or working schedule of the employee.

ARTICLE 17

OVERTIME

17.01 OVERTIME PREMIUM:

All employees covered by terms of this agreement shall be entitled for all hours worked in excess of the regular daily hours referred to in article 16.01 to receive a premium of 50% in addition to their regular hourly rate.

ARTICLE 18

HOLIDAYS

18.01 PAID HOLIDAYS AND ELIGIBILITY:

Except in the cases mentioned in article 19, no work will be performed on the following days which will be recognized as paid holidays:

New Year's Day January 2nd Easter Sunday* (To be observed on Friday for day workers) Easter Monday Victoria Day Canada Day (To be observed on the day declared by the Federal Government). Civic Holiday Labour Day Thanksgiving Day December 24th Christmas Day Boxing Day One floater * (To be observed on Holy Saturday when plant operating a six (6) day week).

It is understood that all statutory holidays will be observed from 08:00 A.M. the day of the holiday until 08:00 A.M. the following day except for January 2nd when the plant will re-open at 08:00 P.M. The company agrees not to schedule work after 18h00 on New Year's Eve in as much as production needs do not change to the extent of making this impossible.

Floater to be taken at employee's discretion, upon a seven (7) calendar day notice to his supervisor and approval according to the needs of production, and vacation past practice.

The whole provided that the employees have worked their full shift on the declared day of work following each of the said holidays, except in the case where the employee was prevented from working these declared days of work because of duly certified illness, or death in his immediate family (husband, wife, common-law spouse, child, father, mother, brother, sister, father-in-law, mother-in-law, sister-in-law, brother-in-law, step father, step mother, son-in-law, daughter-in-law, grandparents, grandchild) or suspension under article 11 or if the employee had permission from the company to be excused from work on these two days of work provided he had effectively worked during one of the four (4) weeks preceding the week in which the holiday occurs.

If an employee has not worked the declared days of work previous to and following the holiday for reasons of being laid off, he will be entitled to the paid holiday provided he has effectively worked during one of the two (2) weeks preceding the week in which the holiday occurs.

18.02 METHOD OF PAYMENT FOR HOLIDAY:

- a) Every employee who fulfills the conditions outlined in paragraph 18.01 will receive for such paid holidays his regular hourly rate, on the basis of his normal daily hours.
- b) In the case of consecutive holidays, if an employee is absent the previous and following declared days of work, he loses payment of two (2) holidays. If he is absent the previous or following declared days of work he will lose payment of the closest holiday to the day of absence.
- c) If a paid statutory holiday falls on Saturday or a Sunday and is observed on these days, the rate of pay for said holidays will include normal weekend premiums for the hours that the employees concerned were scheduled to work.
- d) Any holiday or holidays mentioned in the present collective labour agreement occurring during an employee's vacation will entitle the employee to add additional corresponding day(s) to their vacation.
- e) The employees working 12 hours shifts will receive 12 hours pay for such holiday providing their shifts are scheduled to work or 4 hours pay when their shifts are resting.

Payments will be made at the regular hourly rate at straight time except for provision of article 18.02 e).

18.03 BEREAVEMENT PAY:

- a) In the event of death of the spouse or *common law spouse, the company agrees to grant a paid leave of absence of four (4) days, three (3) days in the case of workers from schedule "C".
- b) In the event of death in the employees immediate family (father, mother, step father, step mother, son-in-law, daughter-in-law, child, brother, sister, father-in-law, mother-in-law, brother-in-law, sister-in-law), the company grants a paid leave of absence of three (3) days, two (2) in the case of workers on schedule "C".
- c) In the event of death of the grandparent or grandchild the company grants a one (1) day paid leave of absence.

The four (4) or three (3) days will be given on the day of the funeral and the day(s) immediately preceding it. The one (1) day for grandparents and grandchild will be given on the day of the funeral.

The company agrees that one of the allowed day(s) be kept aside for a later date burial. It is understood that any of the days that falls on a paid holiday or during any vacation week, will be excluded.

*Employees will be requested to confirm the legitimacy of their relation to those members or their relation to those members or their immediate family.

18.04 STATUTORY HOLIDAY OPERATION:

If the company decides to operate the plant or part of the plant on a paid statutory holiday on a voluntary basis, the shift employees normally scheduled the day of that holiday will have preference to work on their shift, occupation and assignment.

Employees from the other shifts will be called upon to complete the organized shift if need be. Selection will be made by occupation and seniority.

Employees coming of their night shift the morning of the holiday will not be permitted to work the day shift of such holiday.

Employees scheduled to work the morning following the holiday will not be permitted to work the night shift of the holiday.

18.05 MANDATORY WORK ON STATUTORY HOLIDAYS

Except for the day shift employees, work will be scheduled on four (4) Statutory Holidays, two (2) days for each shift, and will be remunerated at the overtime rate.

The replacement time off will be moved to between Christmas and New Year and will be paid according to 18.02 e) no later than the General vacation fortnight of the following year. Payment will be done as per the employee's schedule on the original holidays.

If the Company wants to schedule work in this period, such work will be offered on a voluntary basis and will be paid at straight time.

To be eligible to the replacement holiday pay, a worker must have been in the company's employ on the mandatory worked statutory holiday.

In the case of employees affected for more than two days because of being on Temporary Transfer or replacing through Future Opening, such employee will have the choice of either get the replacement time off with pay transferred to Christmas or get a replacement holiday with pay scheduled as per the Floater clause (18.01).

18.06 MANDATORY WORK ON STATUTORY HOLIDAYS: INSTRUMENT TECHNICIANS

The call-in procedures for Instrument Technicians specified at article 16.01 Standard Work Day and Work Week Schedule "A" will also apply for the four (4) Statutory Holidays specified at article 18.05 Mandatory Work on Statutory Holidays.

The Instrument Technician on duty for the week-end will also provide coverage on the Statutory Holidays.

The Instrument Technician will receive the Statutory pay and will also receive a replacement Holiday. In all cases, pay will be at regular time.

Coverage for the replacement Statutory Holiday will be made through the floater procedures in accord with article 18.01.

ARTICLE 19

SCHEDULE "C"

SUPPLEMENTARY TIME ON SUNDAYS AND HOLIDAYS

19.01 WEEK-END & HOLIDAY PREMIUM:

a) For all employees on the payroll list at the date of signature, September 28, 1990, the 50% week end premium for each individual occupation will be frozen at the 1989 contractual wage rate.

The new rates for the Card Room Fixer, Head Maintenance Services, Drawing Operator and Motorized Can Hauler will be considered as 1989 wage rates.

- b) Employees hired after the signature of the agreement will not be eligible for the 50% week end premium.
- c) For all the employees that were hired before September 28, 1990, working on schedule "C", the 50% Saturday premium is integrated into the hourly rates

d) All the overtime hours worked on schedule "C", with the exception of Saturday, will be paid at the integrated hourly rate. The Saturday overtime will be paid at the non-integrated hourly rate.

19.02 CHRISTMAS & NEW YEAR PREMIUM

For any hours worked on Christmas or New Year's the premium will be 50%

19.03 DAY OF REST PREMIUM:

A premium of 50% will be paid to all employees for all hours worked on their scheduled days of rest according to the schedule of working hours in force for a given week.

19.04 OVERTIME PREMIUM:

- a) Employees who work in excess of the regular daily hours referred to in article 16.01 will receive daily overtime premium referred to in article 17.01 over and above the premium provided for in paragraph 19.01, 19.02, 19.03.
- b) It is understood that under no circumstances the hours for which an employee is receiving a premium under the provisions of article 17 and 19 will be counted in computing the excess hours worked over and above the standard weekly schedule of work provided in article 16.

ARTICLE 20

ANNUAL VACATIONS WITH PAY

20.01 VACATION ENTITLEMENT:

The company agrees to grant two (2) weeks continuous vacation to its employees.

Any employee with five (5) year's continuous service with the company is entitled to a third week of vacation.

Any employee with fifteen (15) year's continuous service with the company is entitled to a fourth week of vacation.

Any employee with 25 years of continuous service with the company is entitled to a fifth week of vacation in the 2nd year of the agreement.

The company will notify the union and the employees as of March 1st of its actual dates of closure for vacation purposes.

The company must advise the union and the employees between January 1st and February 15th each year of its intention of either closing the plant for a two-week period between June 30th and Labour Day for the annual vacation or operate the plant all year long and to schedule the vacations throughout the year.

If the company decides to operate the plant all year long, it must advise the union and the employees between January 1st and February 15th each year. The company will then prepare a plan which will establish the manner to proceed. The vacations will be scheduled throughout the whole year. The vacations will be scheduled as far as possible to coincide with the wishes expressed by the employees taking into consideration the needs of production.

Generally speaking, the employees having more continuous service will have preference over an employee with less continuous service as to the choice of his annual vacations. We will also take the means to suit the married employees who work at the plant and who wish to take their vacations together.

However, an employee who wishes to take his third and fourth vacations consecutive to the annual vacation period, will have to choose whether he will take such weeks before or after the plant vacations.

In order to prepare the vacation schedule and plan, each employee must indicate before March 30th each year his choice for each additional week vacation he is entitled to. The company will post before April 30th the vacation schedule for each employee. The vacation reference year for taking additional week vacation will be from January 1st until the following December 31st.

The vacation pay will be calculated once per year in the month of July. However, any employee who takes a week vacation will receive when leaving the equivalent of one week's pay. If he takes two weeks' vacation, he will receive the equivalent of two weeks' pay when leaving. All the adjustments would be made in the month of July. Any employee who takes his vacations after the month of July will have already received all of his vacation pay unless he wishes that the company keeps his money until he takes his vacation.

20.02 VACATION COMPUTATION:

The total amount of vacation pay due each employee shall be based on his length of continuous service with the company, and shall be computed in accordance with the "Computation of Vacation Pay Table" set out below.

COMPUTATION OF VACATION PAY TABLE

Length of employee's continuous service with the company computed as of June 30th prior to the "General Vacation Fortnight".

EFFECTIVE SEPTEMBER, 1994

Less than one (1) year, rate of vacation pay

4.5% of the employee's total earnings for work performed for the company during the twelve (12) months preceding the last pay period but three (3) prior to the commencement of the "General Vacation Fortnight" referred to in paragraph 20.01 of this article.

One (1) year or over but less than three (3) years	
Three (3) years or over but less than five (5) years	
Five (5) years or over but less than eight (8) years	
Eight (8) years or over but less than twelve (12) years	
Twelve (12) years or over but less than fifteen (15) years7.5%	
Fifteen (15) years or over but less than twenty (20) years	
Twenty (20) years or over but less than twenty-five (25) years10%	
Twenty-five (25) years or over11%	

20.03 VACATION PAY REFERENCE DATE:

- a) The number of years of continuous service used in reckoning the rate of vacation pay to which an employee is entitled shall be computed as of June 30th prior to the "General Vacation Fortnight".
- b) Vacation pay will be distributed to each employee on Thursday preceding the "General Vacation Fortnight". However, if an employee is absent from work on their last schedule shift without authorization he will receive, the subsequent year, their vacation pay on the last hour of his last shift.
- c) The company agrees to offer the work to be performed during the plant shutdown or holidays to its regular employees before hiring students.

Because the tasks have to be done in a limited period, the company reserves the right to choose the persons it deems fit to do the job on the basis of seniority. The hourly rate of pay for that type of work will be the one of the Yard and Warehouse Labourer.

Tradesmen only:

A maximum of one (1) employee of each trade will be allowed to take their annual vacation during the two (2) weeks of the plant annual shutdown.

All other tradesmen will be required to work during such shutdown whenever required by the company and will be permitted to take their own vacation at any time during the calendar year in accordance with the vacation past practice.

20.04 SEVERANCE PAY:

Any employee who leaves the company's service before the "General Vacation Fortnight" will receive on leaving as severance pay, a percentage of his earnings since the last date of the preceding vacation period computed in accordance with his years of service according to the "Computation of Vacation Pay Table" set forth above.

20.05 VACATION WEEK:

Vacations will be given on a calendar week basis from Sunday to Saturday.

20.06 VACATION PAYS:

Vacation pays will be remitted by checks instead of direct deposit to all employees and will be available for vacation advance or withheld as per vacation allocation.

VACATION ADVANCES: 20.07

When taking a vacation week, employees will receive a vacation pay advance to comply with The Employment Insurance Regulations.

ARTICLE 21

WAGES

21.01 SCHEDULE OF WAGES:

Except in the case of a new or modified occupation, the contractual wage rates are those which appear on the attached schedule of wages.

21.02 PROBATIONARY PERIOD:

Notwithstanding the dispositions of paragraph 21.01 above it is understood and agreed that the a) Company has the right to hire new employees and to pay them during four hundred and eighty (480) hours probationary period up to twenty four (24) months after hired, according to the following schedule. From 0 to six (6) months

From seven (7) to twelve (12) months From thirteen (13) to eighteen (18) months From nineteen (19) to twenty fourth (24) months At twenty four (24) months

- = 75% of the contractual wage rate
- = 80& of the contractual wage rate.
- = 85% of the contractual wage rate = 95% of the contractual wage rate
- = 100% of the contractual wage rate.
- An employee who, during the course of his probationary period, works on a measured or b) unmeasured hourly paid occupation shall receive the hourly rate of said occupation as soon as he is able to satisfy all the requirements of such occupation.

21.03 PAY DAY:

Payment of the wages will be made by direct deposit every week and pay stubs will be distributed as soon as received

21.04 INFORMATION CONCERNING VALUES:

Values for direct measured hourly paid occupation will be posted in each department so that they may be referred to by the employees.

21.05 TEMPORARY CHANGE OF OCCUPATION:

Any employee temporarily transferred at the request of the company to any occupation other than his regular occupation must receive the hourly rate of the occupation to which he is transferred or of his regular occupation, whichever is the highest.

21.06 NO WORK NOTICE ALLOWANCE:

- An employee who has not previously received notice by the end of his preceding shift that his a) services are not required and who reports to work for his regular work at the usual time, will be assigned available work for one half (1/2) of his regular shift for which he shall receive an amount equivalent to one half (1/2) of his total regular pay for one shift.
- If, however, no work is assigned to this employee, such employee shall be paid for a minimum of b) half (1/2) a shift of his regular hourly rate except if on his arrival at the plant it is not possible to assign his regular work due to reasons beyond the control of the company.
- An employee who is called back to work after leaving the company's property to perform work c) outside his regular shift hours can be assigned to do four (4) hours of such available work as the company may assign for which he shall be paid at the rate of time and one-half his regular pay for all hours worked for a minimum of four (4) hours.

The reasons which are deemed beyond the control of the company are as follows and exclude

snowstorms:

- a) Fire
- b) Ontario Hydro power failure
- c) Labour dispute at plant
- d) Wars, riots, insurrections, revolutions
- e) Refusal of employees to do their regular work or to perform work as directed
- f) Floods
- g) Explosions
- h) Lack of public utility services or insufficient services from same
- i) Major failure, when normal maintenance coverage is not provided.

21.07 WAITING TIME:

If, at the company's request, an employee is retained at the plant for work and if the company cannot furnish him work, the employee shall have the right to be paid his regular rate for the time he was retained. The employee will receive an amount equivalent of two (2) hours subject to the conditions provided in article 17.01.

However, an employee who is temporarily transferred at the company's request according to the provisions of paragraph 21.05 shall be remunerated according to the provisions contained in paragraph 21.05.

21.08 PAY FOR JURY SERVICE:

An employee who is required for jury service will be paid, for each day of such service, the difference between either his regular hourly rate for the number of hours he normally works on his regular shift, and the payment he received for jury service. The employee will present proof of service and the amount of pay received or to be received.

The calculations of his pay will be figured on the basis of the employee's pay for a complete normal period of work for the shift to which he belongs during the last week in which he did such work before he was called to jury service. The provisions enumerated above will also apply to witness pay in cases where it may not otherwise be retrievable.

This article will not apply where an employee voluntarily seeks jury services.

ARTICLE 22

INSURANCE

22.01 COVERAGE

The company agrees to insure the employees in accordance with the general plan discussed and agreed to with the Union. This plan will be administered by recognized insurance companies and or associations. Each employee is entitled to a copy of the insurance booklet. The following schedule of insurance will be provided.

a)	Basic Life Insurance All employees (under 65 years of age)	\$20,000
b)	Accidental Death and Dismemberment all employees (under 65 years of age)	\$20,000
c)	Dependent Life Insurance Married Status employees Spouse Child	\$ 5,000 \$ 3,000

d) Short term disability insurance

(Weekly indemnity benefit)

- 57% of average weekly earnings.*
- Maximum weekly benefit \$425.00
- First two (2) weeks of coverage by the Insurance Company
- The next fifteen (15) weeks covered by Unemployment.
- The other nine (9) weeks covered by the Insurance Co.
- Benefit will be payable up to a maximum of 26 weeks.
- Payment commence:
- a) The first day in the event of accident of hospitalization for "out-patient" services as defined in the master policy.
- b) The fifth calendar day in the event of disability due to sickness or pregnancy.

- e) Long Term Disability insurance
 - 60% of average monthly earnings*
 - Maximum benefit \$3,000.00 per month.
 - Payments commence following a six (6) months waiting period.
- f) Hospital Insurance

All employees and dependents semi-private coverage

g) Major Medical Expense Insurance (For employees and dependents)

-Deductible-\$50.00 (single) or \$100.00 (family) per calendar year.

-Coinsurance-80% of the first \$1,000 of eligible expenses each calendar year plus 100% of amounts in excess of first \$1,000.00.

-Unlimited maximum.

h) During the term of the collective labour agreement, the union may request that the existing insurance benefits be increased of that new benefits be added to the insurance plan, or of another insurance plan. The company agrees to accept these changes provided that its contribution to the group insurance plan will not be increased by reason of these changes.

It is agreed that the company will provide the union with copies of existing benefits costs and policy coverage. Upon reasonable notice from the union, the company will seek quotations from other companies and make these quotations available to the union as well as the current experience factor.

* Definition of earnings:

The average weekly and/or monthly earnings include all basic salary plus overtime, bonus or other premiums that the employee receives over a 12 months period. the average weekly and/or monthly earnings are recalculated once yearly on the "Reference date" June 30 th and remain fixed for insurance purposes for 12 months.

22.02 ENTITLEMENT

An employee shall not become entitled to the benefits of the above plan unless he has three (3) months continuous service with the company. Dependent definition is stated in the master insurance policy and may vary according to each benefit. (Refer to the insurance booklet).

The above schedule of insurance will be continued in force provided that 75% of the total number of eligible employees have signed an insurance authorization.

22.03 COST SHARING

The company agrees to pay a 50% of the monthly premium for each employee covered under the insurance plan. The employee will pay the other 50%.

The company also agrees that any future increase/decrease in premiums based on the experience only will be shared on a 50/50 basis by the employee and the company.

Any request made by the employees for additional benefits during the present agreement, the total additional cost will be fully absorbed by the employees.

ARTICLE 23

PRODUCTIVITY

23.01 SUBMISSION OF CHANGES:

- a) During the course of the present agreement all changes concerning tasks, work assignments, rates or changes in the regular duties of an hourly-paid occupation or changes from an hourly-rated occupation or vice versa and the establishment of new rates therefore shall be submitted by the company to the union.
- b) The plant manager, upon request, at any time after the commencement of a change referred to in paragraphs 23.02, 23.03 and 23.04 at any time after a written request for a revision of element time values has been submitted under paragraph 23.05, and until such time as the change is accepted or the written request for revision is settled or a decision of the sole arbitrator is rendered, shall grant the union permission to delegate a representative to observe the effects of the said changes and/or to carry out appropriate tests himself for the purpose of verification provided the said representative does not hinder the proper functioning of the department.

TIME STUDIES:

An employee scheduled to be time studied during a given shift will be notified of the company's intention to make the study at least one-half (1/2) hour prior to the end of his preceding shift.

The company will not be forced to advise employee in such a case as:

- 1) Absenteeism on the assignment to be checked.
- 2) Special urgent checks required by the plant manager or his assistant if the employee has already left the plant.
- 3) If the employee on the assignment to be checked is transferred to another assignment or occupation.
- 4) When an assignment is stopped or will be stopped by a lack of material.

The company will not be forced to advise, if not possible, when the study is to take place on the first day of his shift schedule.

23.02 NOTICE OF CHANGE:

If a change contemplated by the company concerning a measured direct hourly occupation has to do with the revision of a measured work element or the addition of a measured work element not already established or the complete elimination of a measured work element, the company must, at least one (1) working week prior to the application of that change, advise the union in writing of the nature of the change.

If the change applies to a measured direct hourly occupation and affects the existing standard time value by twenty percent (20%) or more, a period of adaptation will be applied.

The period of adaptation will have a maximum duration of four (4) weeks. During this period, the employees concerned will work under the new conditions.

When the change has been put into effect by the company, and the union does not agree with such change, a review will be made by a representative of the plant's industrial engineering department and the representative of the union. Such review will include an inspection of the job specification and summary data which formed the basis for the change. If such review does not settle the grievance, the union may refer the said change to the sole arbitrator mentioned below for his decision.

Only the work elements changed and calculations affected by the change will be subject to review by the sole arbitrator. If no request is made in writing by the union to submit such change to the sole arbitrator within forty-five (45) days after the date it was put into effect, the change shall be deemed to be accepted.

23.03 INTRODUCTION OF NEW EQUIPMENT OR JOB:

If a change contemplated by the company concerning a measured direct hourly occupation has to do with a revision of a measured work element or the addition of a measured work element or the complete elimination of a measured work element because of the installation of different machinery or if an hourly or measured direct element is introduced because of the installation of different machinery or if a non-measured hourly occupation is to be placed by the company on measured direct hourly or if a new occupation is introduced, the company must, at least two (2) working weeks prior to the application of such change, advise the union in writing of the nature of the change. On the date that such changes take place it will be considered as under a trial period, the conditions of which are defined in paragraph 23.06 and the following paragraphs.

23.04 SETTLEMENT PROCEDURES:

All changes made by the company concerning measured direct hourly occupations other than those referred to in paragraphs 23.02 and 23.03 are to be settled, if grievances arise, by the following procedure:

Step one:

A review of the grievance is to be made by an industrial engineering representative of the company and a representative of the union. Such review will include an inspection of the job specification and test data which form the basis for the change. The representative of the union may also by arrangement with the industrial engineering representative of the company visit the premises where the grievance arose. Notice of the nature of such change will be given to the union in writing.

If no grievance is made as a result of any change referred to in this paragraph within twenty (20) working days after the change is to be put into effect, the change shall be deemed to be accepted.

Step two:

If the review provided in step one above does not provide an immediate solution to the grievance, joint tests will be made by an industrial engineering representative of the company and a representative of the union to settle the grievance on the change concerned.

Any joint tests shall be of the same nature and to the same extent as the tests upon which the change was originally based. The extent of the joint test called for may be varied by the parties by mutual agreement.

If the results of the joint tests made by the company and the union are such as not to affect the standard time valued by plus or minus 4% or less, no change is to be made in the standard time value.

If the results of the said joint tests affect the standard time value by greater than plus or minus 4% the standard time value will be so revised and put into effect.

If the results of the said joint tests call for an increase in the standard time value by greater than 4% retroactivity is to be paid back to the date of the change if the resulting assignment exceeds the accepted maximum level.

If the parties, after having completed the joint tests in this Step two, and after having studied their findings cannot agree on the results of the said joint tests, the union may refer the said change to the sole arbitrator mentioned below.

Step three:

The sole arbitrator shall review the change made by the company and shall make tests of the same nature and to the same extent as the tests upon which the change was originally based.

If the results of the test made by the sole arbitrator are such as not to affect the standard time value by plus or minus 4% or less, no change is to be made in the standard time value.

If the results of the test made by the sole arbitrator affect the standard time value by greater than plus or minus 4%, the standard time value will be so revised an put into effect.

If the results of the tests made by the sole arbitrator call for an increase in the standard time value by greater than 4%, retroactivity is to be paid back to the date of the change if the resulting assignment exceeds the accepted maximum level.

It is recognized that due to their nature, changes referred to in this paragraph 23.04, may be frequent and continuing revisions of such changes to reflect modifications in conditions may be called for at any time.

23.05 ABSENCE OF CHANGE:

- a) If no change is introduced by the company but if the opinion of the union a change has occurred of the type covered in paragraph 23.04, in case of an unsettled complaint, a grievance may be submitted for settlement, including arbitration if necessary, in accordance with the terms of paragraph 23.04.
- b) If no change is introduced by the company of the type covered in paragraph 23.02 and 23.03 but if in the opinion of the union a time of one or several elements of a standard time value requires modification, the following procedure will apply.
 - 1. When one or more element times of a standard time value which have not been previously submitted to the sole arbitrator from the date of the last acceptance by the union, it may request a revision in the said standard time value. If one or more element times of a standard time value have been arbitrated this will not preclude the balance of the element times of the said standard time value not arbitrated, from the application of this paragraph. If one or more element times of a standard time value have been previously submitted to the sole arbitrator, but if in the opinion of the union a change has occurred which had not been covered by the decision of the sole arbitrator (or submitted as a change by the company) and which in their opinion affects the standard time value such contention may be submitted by the union to the sole arbitrator for his decision. In such a case the burden of proof falls on the union.
 - 2. Within forty-five (45) days from the written request of the union for a revision of element time valued, both parties will meet to attempt to finally settle the request. Failing a mutually satisfactory settlement, the request for revision by the union may referred to arbitration according to the dispositions of paragraph 23.11. When such a request is made for arbitration, then all the element times for a standard time value except such element times as have been previously arbitrated shall be referred to the sole arbitrator for decision. If within the said delay of forty-five (45) days, the union does not submit its request for revision to arbitration, the said request for revision will be deemed to have been abandoned.
 - 3. Following a request for arbitration made by the union, according to paragraph 1 if the arbitrator finds a difference from the standard time value in effect of 4% or more, then and

only then shall the arbitrator decide that a change in the standard time value be put into effect in accordance with his observations. If the results of the review made by the arbitrator call for an increase in the standard time value by greater than 4% which increases the assignment over the accepted maximum level, retroactivity is to be paid back to the date of the union's request for revision.

4. For all requests for revisions which are raised during the first three (3) months following the signature of the collective labour agreement, the retroactivity, if any, will be limited to a four (4) week period following the date the request for revisions was submitted.

23.06 TRIAL PERIOD:

Following the date that the changes referred to in paragraph 23.03 above take place, a trial period of thirty (30) days will follow.

23.07 WORKING CONDITION:

During the trial period of thirty (30) days, the employees concerned will work under the new conditions.

23.08 RESULTS REVIEW:

At any time during the trail period the company and the union will meet to review the results obtained during the trial period and will try to agree on the change.

23.09 ARBITRATION NOTICE:

Prior to the end of the sixth (6th) week following the completion of the trial period, if there is no agreement on the change, the union must notify the company and the sole arbitrator (referred to in paragraph 23.11 hereafter) thereof in writing by registered mail and the change will be referred to the sole arbitrator for his decision. The parties may refer the change to the sole arbitrator prior to the completion of the trial period by mutual consent.

If such a notice is not sent during the said trial period or prior to the end of the sixth (6th) week following the completion of the trial period by the union and if no notice is sent by the company within the same period of its intention to abandon the proposed change, the said change will be considered as final and accepted by both parties.

23.10 ARBITRATOR DELAY:

In cases where the change is submitted to the sole arbitrator, the sole arbitrator must render his decision within eight (8) additional working weeks from the date a change was submitted to him. In any event the change will remain in force until the final decision of the sole arbitrator has been rendered.

23.11 ARBITRATOR, DEFINITION:

The sole arbitrator for the purposes of this article and the duration of this agreement will be an industrial engineer to be chosen by mutual agreement of the parties.

23.12 ARBITRATOR IMPARTIALNESS

The sole arbitrator must before starting each arbitration make a sworn declaration stating that he has no pecuniary interest in the question, that he is not personally associated with or interested in a firm or company that manufactures textiles and that he is not by reason of his business affairs or any other circumstances influenced or prejudiced in favor of either employees or employers.

23.13 ARBITRATION COST:

Each of the parties to this agreement will bear its own expenses of arbitration. The fees and expenses of the sole arbitrator will be paid for on the basis of one-half by the company and one-half by the union.

23.14 ARBITRATION GUIDELINES:

- a) All grievances arising out of articles 23 and 24 shall be submitted to the sole arbitrator for decision. In any case, the decision of the sole arbitrator must be within the framework of the company's work measured plan and wage payment methods and further the sole arbitrator shall not have the power to amend, alter or modify the terms of this agreement.
- b) For the purposes of articles 23 and 24 of the collective labour agreement, one of the following firms will act as arbitrator as called upon:

Woods Gordon & Co. - Charron, Bourgetel et Ass. Enr. - Leatham Simpson.

23.15 DECISION:

The decision of the sole arbitrator will be final and binding on the union and the company and all employees or groups concerned. Insofar as wages are concerned the decision will be retroactive to the commencement of the trial period should the sole arbitrator so decide and the amount of retroactive adjustments, if any, shall be determined by the said sole arbitrator.

23.16 CHANGE EXPLANATION:

When the company advises the union of a change in task under paragraph 23.03, it will give to the union all pertinent information and all necessary explanations concerning such change or new occupation.

23.17 DOCUMENTATION:

Upon request, the company will, at the commencement of a trial period, make available to a designated representative of the union for examination the job specification data referring to the establishment of the task which has been placed on such trial period. It is understood and agreed that such job specification data is a confidential company document and is to be returned to the company within a reasonable delay and is not to be retained beyond the conclusion of such trial period.

23.18 ARBITRATION PARAMETERS:

Grievances arising from changes in measured or unmeasured hourly-paid occupations or a regular assigned increase in the scheduled volume of work of such an hourly-paid occupation may also be submitted to the sole arbitrator for decision within forty-five (45) days following the occurrence of the circumstances giving rise to the grievance or knowledge of same, as the case may be.

In this case, however, the sole arbitrator shall determine whether or not the changed occupation or a regularly assigned increase in the scheduled volume of work of such an hourly-paid occupation requires more than a normal daily work performance.

The sole arbitrator shall decide the content of a normal daily work performance and the company will modify the content of the occupation accordingly. A normal daily work performance may be defined as the average amount of work a qualified employee working at a normal pace (as defined in article 24) under standard conditions, can produce over a day.

23.19 CHANGES TO THE STANDARD TIME VALUE:

It is understood that all changes which affect the standard time value will be taken into account in the standard time value for the occupation.

23.20 MEASURED DIRECT RATE CHANGES:

Changes in measured direct rates shall be handled in accordance with the provisions of this article wherever applicable.

ARTICLE 24

WAGE PAYMENT METHODS

24.01 MEASURED DIRECT HOURLY PAYMENT:

- a) Measured direct hourly occupations are to be paid on the "objective hourly rates" appearing on the rate lists for measured direct hourly occupations annexed to this agreement, except the employees under probationary period. (paragraph 21.02 of the collective agreement).
- b) Measurement is based on the execution of each element of work at a reference pace under usual and normal operation conditions. The reference pace is defined as "walking three miles per hour over smooth level ground without load".

An employee on measured work with a one hundred percent (100%) work assignment, including allowances for rest and personal needs (varying from 10% to 25% of work time), normally exceeds the reference pace described above by 25%.

- c) The measured direct hourly rates are calculated so that a one hundred percent (100%) work assignment will be equal to the objective rate.
- d) Some occupations previously paid as measured direct hourly occupations may be reclassified by the company as measured hourly paid occupations, and paid according to provision in paragraphs 24.02.

Also, some occupations previously paid as measured hourly paid or as unmeasured occupations may be reclassified by the company as measured direct hourly occupations, and paid according to 24.01 (a) above.

In either case, the company will submit to the union the data pertinent to such changes at least two weeks prior to the change, and will meet with the union representatives on request to explain the change.

24.02 MEASURED HOURLY PAID OCCUPATIONS:

a) Measured hourly-paid occupations are to be paid hourly rates appearing on the rate lists for measured hourly-paid occupations annexed to this agreement, except the employees under probationary period (paragraph 21.02 of the collective agreement), and except otherwise provided in paragraph 24.03 below.

The occupations mentioned in paragraph 24.01 (d) above reclassified from measured direct hourly to measured hourly paid, are also to be paid on this same basis.

Some previously unmeasured occupations, which may be judged measurable by the company, are also to be paid on this same basis, when they have been measured and accordingly reassigned.

b) The employees on measured hourly occupations are to be given around one hundred percent (100%) work assignments as described in preceding paragraph 24.01 (b).

24.03 WORK ASSIGNMENT:

a) Experienced employees on measured occupations, shall be given around one hundred percent (100%) work assignments, as defined in the preceding paragraph 24.01 (b).

It is understood that, in the case of employees on measured direct hourly occupations, there is no obligation on the company to offer such a work assignment, when the assignment is not available or where the employee is not capable or willing of handling such an assignment.

b) An individual employee with a physical handicap may request a work assignment lower than one hundred percent (100%) on a measured occupation. The company will consider each such request individually.

If the request is reasonable and the employee is on a measured direct hourly occupation, he will be given a work assignment between 90% and 100%, as near as possible to his request and on his regular occupation if practical, and he will be paid according to this assignment.

If the employee is on a measured hourly paid occupation and his request is reasonable, he will be given a work assignment between 80% and 100% as near as possible to his request and on his regular occupation and if practical, and he will be paid according to his assignment.

At certain processes, due to the number of productive units, isolation of equipment, etc., it may be impossible or impractical to implement a reduced work assignment for an employee without reducing the volume of production to the next process. Also an employee may not be capable of handling a work assignment between 90% and 100% on a measured direct hourly occupation. In such case an occupational transfer for the employee will be considered in line with article 12.10 (Permanent transfers).

Such requests for a reduction in work assignments are limited to one per year for each employee and to one per occupation per month. If more than one employee is affected the senior employee shall be selected.

c) In the case of an employee on a measured occupation, who in the opinion of the company, is not capable or willing of handling a 100% work assignment, the same conditions as in paragraph 24.03 (b) above for a reduced assignment or transfer will apply. However, before proceeding in this manner, the company will advise the union giving the reasons for the contemplated change.

24.04 COMBINED OCCUPATION:

An employee who works concurrently on more than one measured occupation, - known as a combined occupation - on any shift will be paid for the entire shift that day at the rate of the highest paid occupation performed by him if he works at least one hour on that occupation.

24.05 MEASURED TIME VALUES:

The measured time value is expressed in minutes and is the time required to perform an operation at a pace and with allowances for rest and personal needs as defined in paragraph 24.01 (b) under standard conditions.

The measured time values will not be changed except if a change in the conditions result in an increase or a decrease in the work content, or if in the opinion of both parties an error has been made that would require an adjustment.

Checks are made to make sure that conditions are maintained in conformity with those used to calculate a

measured time value.

24.06 INFORMATION:

A copy of the job specification in force will be made available in the department.

ARTICLE 25

SAFETY

25.01 SAFETY STATEMENT:

The company shall make reasonable provisions for the safety of its employees during working hours.

25.02 UNION COOPERATION IN SAFETY:

The union agrees that it will cooperate in the enforcement of all safety rules and regulations.

25.03 SAFETY SHOES:

The company will pay a maximum of \$70.00 for one pair of safety shoes per employee per year.

25.04 ACCIDENT CLAIM CONTESTED:

It is understood that both parties agrees to exchange copy or all correspondence including form 0007, in cases pertaining to a Workers' Compensation claim contested or appealed.

ARTICLE 26

NOTICES

26.01 OFFICIAL NOTICES:

Except where otherwise provided, any notice which either party desires to give to the other, shall be given by prepaid mail as follows:

To The company:

Cavalier Yarn Inc. Long Sault Yarn Plant R. R. No. 1 Long Sault, Ontario K0C 1P0 c/o Human Resources Manager

- To The union: United Food and Commercial Workers International Union Canadian Textile Council 655, 32nd Avenue, Suite 300 Lachine, Québec H8T 3G6
- To The local union: United Food and Commercial Workers International Union Local 469 T P. O. Box 337 Cornwall, Ontario K6H 5U3 c/o Local President

26.02 REFERENCE DATE:

Any notice given under this agreement shall be deemed given and received as of the business day following the date of mailing.

26.03 ABSENTEEISM NOTICE:

If an employee finds that he is unable to report for work for any reason whatsoever, it is his duty to so advise the company as well as for his expecting date of return to work, the whole, before the start of his working shift unless he has been prevented from doing so due to extraneous circumstances.

In the case that the expecting date of return to work is unknown or changed, it is the duty of the employee to so advise the company at least on the working day preceding the one of his return to work.

ARTICLE 27

WORK PERFORMED BY MANAGEMENT PERSONNEL

27.01 CONDITION FOR WORK:

The parties agree that management personnel such as the shift leaders and those above the rank of shift leaders shall not perform any work which is covered under the classification found in the attached schedule of wages except in the case of research work deemed necessary by the company, production of samples, directly instructing or training of employees when it is question of experimental work, in the case where action is needed to correct a situation that presents immediate of future danger to employees or equipment and which cannot be handled by regular bargaining unit employees at such time or when no employees from the bargaining unit are available on regular or overtime to perform work required to maintain the flow of production.

ARTICLE 28

DEPARTMENTAL OVERTIME PROCEDURE

28.01 OUT-GOING SHIFT OCCUPATION & ASSIGNMENT:

If the company is informed one-half (1/2) hour beforehand that an employee will be absent from work and/or if the company requires that work be performed over and above an employee's normal work day as specified in article 16, such work will be offered to the employees who are currently working on the occupation and assignment on the out-going shift.

28.02 OUT-GOING SHIFT NAME IN O/T BOOK:

If the employees concerned in the preceding paragraph refuse to perform overtime work, the work will be offered to the most senior qualified employees on the same occupation of the outgoing shift and whose names appear in the overtime book. If said employees should refuse, the work will be offered to the other most senior qualified employees of the outgoing shift in said department whose names appear in the overtime book.

28.03 REPORTING TO SHIFT LEADER:

If the company is not informed one-half (1/2) hour beforehand that work as defined in article 28.01 above is required, such work will be offered to those employees as specified in articles 28.01 and 28.02 above who report to the foreman just prior to leaving the company's premises.

28.04 OVERTIME BOOK PROCEDURE:

An overtime book indicating the names of employees willing to perform work over and above their normal work day as specified article 16 will be kept in each department by management. Such book will indicate the preference of the employees. An employee must inscribe his name in the overtime book on a daily basis during the first seven (7) hours of his shift and such inscription will so bind the employee to work overtime on said day, if required. However, an employee who is scheduled to be off for one or more days may inscribe his name in advance for those days. When an employee whose name appears in the book refuses to perform overtime he will sign to that effect in the overtime book at the request of the foreman. If such refusal follows a telephone call, the foreman will inscribe the date and hour of such refusal.

28.05 LONG TERM ABSENTEEISM:

For foreseeable extended periods of absenteeism a schedule for replacement will be arranged amongst employees willing to commit themselves to this schedule. Priority will be given to employees working on the assignment and occupation concerned.

28.06 RIGHTS TO GRIEVANCE:

The employees who have inscribed their names in the overtime book and/or those who come under paragraph 28.01 are the only one who may later file a grievance for time lost if they feel the overtime procedure has not been followed.

If during the grievance procedure, it is demonstrated that there has been an error on the employee to perform the overtime, the following procedure will be applied as a settlement.

All grievances will be settled by remedy-in-kind within ten (10) working days following the grievance settlement. The employee will be offered the possibility of working the equivalent of the time lost at the hourly rate he/she was entitled to. In doing so, the company must assure itself that the rights of others are not infringed upon.

28.07 NO OBLIGATION TO OVERTIME:

The above mentioned, however does not imply that the company must schedule work at overtime rates of pay if it can do otherwise.

28.08 MAXIMUM O/T HOURS:

No employee will be permitted to work in excess of 16 consecutive hours.

28.09 TRADESMEN SPECIFICS:

It is understood that tradesmen that have begun a task on regular scheduled hours will be required to complete the task when completion of work cannot be delayed.

28.10 EMERGENCY OR ERECTION WORK:

- a) Emergency work is defined as elements of work not regularly or normally scheduled that has to be done on an uninterrupted manner. When overtime is required to complete such work, it will be offered to the employees assigned to this type of work on the outgoing shift.
- b) Erection work is defined as workload assigned which will result in adding a new piece of equipment or upgrading existing pieces of equipment. When overtime is required, the employee assigned such work will be offered such overtime.

ARTICLE 29

LONG SAULT HOURLY EMPLOYEES PENSION PLAN

29.00 MEMBERSHIP:

Employees on the seniority list as of January 21, 1988 became members and employees hired after January 21, 1988 became members on the first day of the month coincident with completion of 2 years of continuous service.

PENSION CONTRIBUTIONS:

Company contributions (required)

An amount of 2% of the employee's gross earnings* will be credited to the employee by the company and deposited in his name.

Employee contribution (voluntary)

The employee will have the option to contribute 2%, 4% or 6% of his gross earnings*. The employee can elect to start and stop contributing between October 15 and November 15 of each year and this election will remain in effect from January 1 until December 31.

The employee can also elect to contribute a lump sum payment by units of \$100 up to the permissible amount according to the income tax law.

*Gross earnings: salary, overtime, bonus and vacation.

Vesting:

After the employee has completed two (2) years of service in the plan, he will become 100% vested in the employer portion of the funds, which have been credited to him.

Retirement/Termination of employment:

If the employee leaves the company he is entitled to the following:

- a) If he has less than 2 years contributions:
- Your contributions and interests* must be transferred into a R.R.S.P. or cashed in.
- b) If the employee has more than 2 years contributions:
- Your contributions and interests* must be transferred into a locked-in R.R.S.P. or used to purchase a lifetime annuity.

*Interests should be paid according to the law.

ARTICLE 30

DURATION AND MODIFICATION OF AGREEMENT

30.01 DURATION:

This agreement shall be considered as coming into force on the date of its signature and shall continue in effect until and including September 22, 2001, and shall be renewed automatically thereafter for annual periods of one year each unless either party notifies the other in writing not less than sixty (60) days not more than one hundred and twenty (120) days prior to the expiration date, that it desires to amend or terminate the agreement.

30.02 MODIFICATIONS:

Negotiations shall begin within fifteen (15) days following notifications for amendments in the preceding paragraph.

30.03 SIGNATURES:

IN WITNESS WHEREOF the parties hereto have executed twelve (12) counterparts hereof at Cornwall, Ontario, as of the 28th day of May 1997.

CAVALIER YARN INC.

Per: Jacques Hamel	
Per: Gérard Leboeuf	
Per: Gaston Morneau	
Per: Stephen Jackson	

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION LOCAL 469T

Per:	Pierre-Jean Olivier
Per:	Ibert Sayyeau
Per:	ernand Piquette
Per:	Betty Cote
Per:	Robert Jacques

LIST OF CONTRACTUAL OR OBJECTIVE RATES

"A"

TRADESMEN

OCCUPATIONS	EFFECTIVE DATES					Sunday Premium
	09/22/96	09/21/97	09/27/98	09/26/99	09/24/00	Rate 1989
MAINTENANCE						
Head Maintenance Services	16.97	17.05	17.14	17.40	17.66	7.030
Maintenance Mechanic Class A	16.37	16.45	16.53	16.78	17.03	6.780
Maintenance Mechanic Class B	16.23	16.31	16.39	16.64	16.89	6.725
Maintenance Mechanic Class C	15.98	16.06	16.14	16.38	16.63	6.620
Maintenance Mechanic Class D	15.91	15.99	16.07	16.31	16.56	6.590
Instrument Technician Senior 1	18.76	18.85	18.95	19.23	19.52	7.790
Instrument Technician Senior 2	17.90	17.99	18.08	18.35	18.63	7.415
Instrument Technician Jr. 1	16.14	16.22	16.30	16.55	16.79	6.685
Instrument Technician Jr. 2	15.81	15.89	15.97	16.21	16.45	6.550
Electrical Technician 1st class	17.53	17.62	17.71	17.97	18.24	7.265
Electrical Technician 2nd class	16.46	16.54	16.63	16.87	17.13	6.820
Electrical Technician Apprentice 2nd year	16.14	16.22	16.30	16.55	16.79	6.670
Electrical Technician Apprentice 1st year	15.81	15.89	15.97	16.21	16.45	6.550

"B"

UNMEASURED HOURLY PAID OCCUPATIONS

YARD AND WAREHOUSE						
Waste Control Attendant	11.76	11.82	11.88	12.06	12.24	4.930
Yard & Warehouse Labourer	11.64	11.70	11.76	11.93	12.11	4.825
QUALITY ASSURANCE						
Quality Assurance Tester	12.21	12.27	12.33	12.52	12.71	5.055

"C"

MEASURED HOURLY PAID OCCUPATIONS

OCCUPATIONS	EFFECTIVE DATES				Sunday	
	09/22/96	09/21/97	09/27/98	09/26/99	09/24/00	Premium Rate 1989
CARD ROOM						
Head Card Grinder	14.65	14.72	14.80	15.02	15.24	6.070
Overhauler	14.64	14.71	14.79	15.01	15.23	6.065
Fixer	14.55	14.62	14.70	14.92	15.14	6.025
Card Setter and Fixer	14.40	14.47	14.54	14.76	14.98	5.965
Trucker	12.02	12.08	12.14	12.32	12.51	4.980
OPEN END						
Open End Technician	14.72	14.79	14.87	15.09	15.32	6.100
Fixer (P.M.P.)	14.64	14.71	14.79	15.01	15.23	6.065
Inspector Packer	12.58	12.64	12.71	12.90	13.09	5.210
Expeditor	12.63	12.69	12.76	12.95	13.14	5.190
Trucker	12.02	12.08	12.14	12.32	12.51	4.980
Scourer	12.02	12.08	12.14	12.32	12.51	4.980
Motorized Can Hauler	12.13	12.19	12.25	12.44	12.62	5.025
Training Coordinator	13.67	13.74	13.81	14.01	14.22	

"D"

DIRECT MEASURED HOURLY PAID OCCUPATIONS

CARD ROOM						
Card Feeding System Operator	12.94	13.00	13.07	13.27	13.46	5.365
Card Tender	12.79	12.85	12.92	13.11	13.31	5.345
Drawing Operator	12.98	13.04	13.11	13.31	13.51	5.375
OPEN END						
Winder Tender	12.58	12.64	12.71	12.90	13.09	5.210
Open End Operator	12.53	12.59	12.66	12.85	13.04	5.190

LIST OF CONTRACTUAL OR OBJECTIVE INTEGRATED RATES

"A"

TRADESMEN

OCCUPATIONS	EFFECTIVE DATES					Sunday Premium
	09/22/96	09/21/97	09/27/98	09/26/99	09/24/00	Rate 1989
MAINTENANCE						
Head Maintenance Services	17.97	18.06	18.15	18.42	18.70	7.030
Maintenance Mechanic Class A	17.34	17.43	17.51	17.78	18.04	6.780
Maintenance Mechanic Class B	17.19	17.28	17.36	17.62	17.89	6.725
Maintenance Mechanic Class C	16.93	17.01	17.10	17.36	17.62	6.620
Maintenance Mechanic Class D	16.85	16.93	17.02	17.27	17.53	6.590
Instrument Technician Senior 1	19.87	19.97	20.07	20.37	20.68	7.790
Instrument Technician Senior 2	18.96	19.05	19.15	19.44	19.73	7.415
Instrument Technician Jr. 1	17.10	17.19	17.27	17.53	17.79	6.685
Instrument Technician Jr. 2	16.75	16.83	16.92	17.17	17.43	6.550
Electrical Technician 1st class	18.57	18.66	18.76	19.04	19.32	7.265
Electrical Technician 2nd class	17.43	17.52	17.60	17.87	18.14	6.820
Electrical Technician Apprentice 2nd year	17.09	17.18	17.26	17.52	17.78	6.670
Electrical Technician Apprentice 1st year	16.75	16.83	16.92	17.17	17.43	6.550

"B"

UNMEASURED HOURLY PAID OCCUPATIONS

YARD AND WAREHOUSE						
Waste Control Attendant	12.46	12.52	12.58	12.77	12.97	4.930
Yard & Warehouse Labourer	12.33	12.39	12.45	12.64	12.83	4.825
QUALITY ASSURANCE						
Quality Assurance Tester	12.93	12.99	13.06	13.26	13.45	5.055

"C"

MEASURED HOURLY PAID OCCUPATIONS

OCCUPATIONS	EFFECTIVE DATES					Sunday
	09/22/96	09/21/97	09/27/98	09/26/99	09/24/00	Premium Rate 1989
CARD ROOM						
Head Card Grinder	15.52	15.60	15.68	15.91	16.15	6.070
Overhauler	15.51	15.59	15.67	15.90	16.14	6.065
Fixer	15.41	15.49	15.56	15.80	16.03	6.025
Card Setter and Fixer	15.25	15.33	15.40	15.63	15.87	5.965
Trucker	12.73	12.79	12.86	13.05	13.25	4.980
OPEN END						
Open End Technician	15.59	15.67	15.75	15.98	16.22	6.100
Fixer (P.M.P.)	15.51	15.59	15.67	15.90	16.14	6.065
Inspector Packer	13.32	13.39	13.45	13.66	13.86	5.210
Expeditor	13.37	13.44	13.50	13.71	13.91	5.190
Trucker	12.73	12.79	12.86	13.05	13.25	4.980
Scourer	12.73	12.79	12.86	13.05	13.25	4.980
Motorized Can Hauler	12.85	12.91	12.98	13.17	13.37	5.025
Training Coordinator	13.67	13.74	13.81	14.01	14.22	

"D"

DIRECT MEASURED HOURLY PAID OCCUPATIONS

CARD ROOM						
Card Feeding System Operator	13.71	13.78	13.85	14.06	14.27	5.365
Card Tender	13.55	13.62	13.69	13.89	14.10	5.345
Drawing Operator	13.75	13.82	13.89	14.10	14.31	5.375
OPEN END						
Winder Tender	13.32	13.39	13.45	13.66	13.86	5.210
Open End Operator	13.27	13.34	13.40	13.60	13.81	5.190

GENERAL LETTER OF AGREEMENT

BETWEEN

CAVALIER YARN INC.

AND

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONA UNION LOCAL 469T

PREAMBLE:

This confirms our agreement on the various matters at the time of signing of the new collective labour agreement between the United Food and Commercial Workers International Union and Cavalier Yarn Inc. with respects to its Long Sault Yarn plant, located at Long Sault, Township of Cornwall, Ontario. These various matters which are agreed to as well as the collective labour agreement will remain in force from the date of signature up to and including September 22, 2001

02 LAYOFFS ON ONE (1) SHIFT OR LESS:

In the case of layoffs on one (1) shift or less decided by the company, the following procedure will apply:

Layoffs will be done on the 08h00 to 16h00 to 16h00 to 24h00 shifts. Layoffs will be done four (4) hours at a time or less therefore not affecting one shift or more than four (4) hours in one day. In the future, and as much as possible, shutdown will be done during the week days so as not to affect weekend premium of the employees.

IN WITNESS WHEREOF the parties hereto have executed twelve (12) counterparts hereof at Cornwall, Ontario as of the 28th day of May 1997.

AGREED AND ACCEPTED:

CAVALIER YARN INC.	
Per: Jacques Hamel	
Per: Gérard Leboeuf	
Per: Gaston Morneau	
Per: Stephen Jackson	

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIOANL UNION LOCAL 469T

Per: Pierre-Jean Olivier_	
Per: Albert Sayyeau	
Per: Fernand Piquette	
Per: Betty Cote	
Per: Robert Jacques	

SPECIAL LETTER OF AGREEMENT

BETWEEN

CAVALIER YARN INC.

AND

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION

LOCAL 469T

This confirms our agreement on the various following matters at the time of signing of the new collective labour agreement between the United Food and Commercial Workers International Union and Cavalier Yarn Inc., with respect to its Long Sault Yarn plant, located at Long Sault, Township of Cornwall, Ontario. These various matters which are agreed to will remain in force from the date of signature or ratification up to and including September 22, 2001.

WAGES:

The new agreement wage rates will be as follows:

September 22, 1996	\$200
September 21, 1997	0.5%
September 27, 1998	0.5%
September 26, 1999	1.5%
September 24, 2000	1.5%

IN WITNESS WHEREOF of the parties hereto have executed twelve (12) counterparts hereof at Cornwall, Ontario as of the 28th day of May 1997.

AGREED AND ACCEPTED:

CAVALIER YARN INC.

Per: Jacques Hamel	
Per: Gérard Leboeuf	
Per: Gaston Morneau	
Per: Stephen Jackson	

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION LOCAL 469T

Per: Pierre-Jean Olivier	
Per: Albert Sayyeau	
Per: Fernand Piquette	
Per: Betty Cote	
Per: Robert Jacques	