

**Agreement Entered Into on This
Fifteenth Day of
September, 1996**

Between Chrysler Canada Ltd.
(Hereinafter referred to as the "Corporation")
and the following Local Unions

**National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)**

444 1090 1285 1459

**and the
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)**

(The said Local Unions and the National
Union being hereinafter referred to
collectively as the "Union.")

(Note: The headings used in this Agreement and
exhibits neither add to nor subtract from
the meaning but are for reference only.)

To Chrysler Canada employees represented by the C.A.W.

When Chrysler Canada opened negotiations with the C.A.W. in July 1996, our objective was to reach an agreement that addressed the safety and morale of our employees without compromising the company's ability to deliver quality products to our customers at a competitive price.

We believe this agreement meets that objective.

The agreement is tangible evidence of the ability of the CAW and Chrysler Canada to work together toward a common goal. It also represents a "threepeat" in the sense that this is the third consecutive agreement negotiated without a strike. As a result, wages and benefits for employees and momentum in the marketplace for the company have continued in an uninterrupted fashion, important not only to each of us individually, but also to our communities.

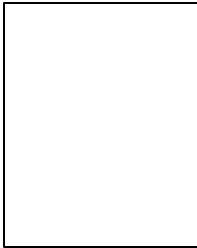
Any labour agreement is only as effective as the ongoing willingness of the parties to jointly address problems as they arise. At Chrysler Canada, we are committed to this process, and we appreciate the efforts of the C.A.W. and each of you in supporting our goal to produce quality cars and trucks that people want to buy, enjoy driving, and want to buy again.

Remember that challenges and obstacles don't just happen every three years. Just as in our family relationships, issues can surface at any time and when they do they must be addressed. The solution has always been for both parties to balance the legitimate needs of employees against the company's need to maintain its competitive position in the marketplace. As you are aware, the competition is fierce and improvements are required just to stay even.

This agreement then, becomes a solid foundation upon which to build. We enter the next period in our history in a sound financial position with fresh and exciting products and a major commitment to spend billions of dollars in the next few years to continue new product development. Together, we can all make a difference as we support the common interests of Chrysler Canada and the C.A.W. – secure, good paying jobs based on delighted customers and inspired people.



Ken Francese
Vice President Human Resources
Chrysler Canada Ltd.



Brothers and Sisters,

In the past, in order to make a living, workers sold the only thing they had that was marketable – their labour. As technology changes our workplaces through increased automation and computerization, corporations now value our input and ideas as well as our labour. We take pride in our work and want to produce quality products in exchange for fair compensation.

In addition to fair compensation, however, we have earned the right to a workplace that treats us with dignity and respect. We exercise that right through our unions, and specifically through collective bargaining.

This collective agreement represents the cumulative achievements of workers and their unions over the past half century. The language in this contract represents much more than the typed print. Stories of collective determination and individual sacrifice, of shared frustrations and proud victories, of friendships made in struggle, of an organization built **by** workers and **for** workers, of a union that defends its members and also plays a leading role in society, the community and trade union history in the making is, in total, what this agreement is all about.

In 1996 bargaining we not only improved wages and benefits, but continued to reduce work time – giving workers back some of their time and opening up jobs for new people – and won a limit on the outsourcing of decent jobs, keeping them in our workplaces and in our communities. These are great victories, but like all working class gains they are partial victories that add to the history established by our predecessors at the bargaining table and are a tribute to the efforts of the C.A.W. Bargaining Committee who worked on your behalf.

While we can take great pride in these victories, we cannot forget that our continued success at the bargaining table rests in our ability to work with the Corporation to satisfy the customer who buys and drives the products of Chrysler Canada.

With continued attention to the customer's requirements, and continued determination to improve life for workers, we can expect to build on this agreement and, I'm sure, add new stories to the history of this document.

In Solidarity,
Ken Lewenza
Chairperson - Chrysler CAW
Master Bargaining Committee

CAW  TCA

CANADA

The numbering system used to identify the subject matter of Production and Maintenance Sections and Letters, and Special Provision Paragraphs and Letters, remains constant throughout the Agreement as follows:

SUBJECT MATTER	NUMBERING SYSTEM
RECOGNITION	1.1, 1.2, etc.
REPRESENTATION	2.1, 2.2, etc.
GRIEVANCE PROCEDURE	3.1, 3.2, etc.
WORK STANDARDS	4.1, 4.2, etc.
SENIORITY	5.1, 5.2, etc.
LAYOFF AND RECALL	6.1, 6.2, etc.
TRANSFER AND PROMOTION	7.1, 7.2, etc.
WORKING HOURS	8.1, 8.2, etc.
WAGES	9.1, 9.2, etc.
BENEFITS	10.1, 10.2, etc.
LEAVE OF ABSENCES	11.1, 11.2, etc.
HOLIDAY PAY	12.1, 12.2, etc.
VACATION, SPA AND PAA	13.1, 13.2, etc.
SKILLED TRADES	14.1, 14.2, etc.
HEALTH AND SAFETY	15.1, 15.2, etc.
TRAINING	16.1, 16.2, etc.
SOURCING AND JOB SECURITY	17.1, 17.2, etc.
GENERAL	18.1, 18.2, etc.

Bracketed numbers have been used to identify Production and Maintenance Sections and Letters while unbracketed numbers have been used to identify Special Provision Paragraphs and Letters.

Agreement

between

CHRYSLER CANADA LTD.



and the

CAW  TCA

CANADA

SEPTEMBER 15, 1996

**PRODUCTION
AND MAINTENANCE**

INDEX OF UNITS

TABLE OF CONTENTS

PURPOSE AND INTENT	2
RECOGNITION.....(1)	
Employees Covered.....(1.1)	3
Schedule "A"	4
Management Rights	6
Excluded Personnel	6
Equal Application of Agreement.....(1.4)	6
Work Place Harassment Policy and Procedure.....(1.5)	7
Memorandum of Understanding Employment Equity.....(1.6)	11
Strikes and Lockouts Prohibited.....(1.7)	18
Requirement of Union Membership	20
Check-Off.....(1.9)	20
Deductions	21
Indemnification.....(1.11)	21
Memorandum of Understanding Union Dues Deduction	21
Optional Premiums / Union Dues Deductions	25
Plant Memoranda of Understanding.....(1.14)	25
Special Provisions Pertaining to Skilled Trades Employees	26
Provisions Pertaining To Apprentices	26
Union Bulletin Boards	26
Withdrawal of Demands and Separability of Provisions	27
Termination and Modification	28
Notice	29

INDEX

	Paragraph/ Letter	Page Number
REPRESENTATION	(2)	
Number of Zones	(2.1)	32
Stewards	(2.2)	35
Plant Shop Committeepersons	(2.3)	36
Skilled Trades Representatives	(2.4)	37
Abuse of the Procedure	(2.5)	38
Conduct of Union Representatives	(2.6)	38
Consultation Conferences	(2.7)	39
Benefit Plans Representatives	(2.8)	40
CAW National Health and Safety		
Co-ordinator.....	(2.9)	44
CAW National Employment Equity		
Co-ordinator.....	(2.10)	46
CAW Ergonomic Co-ordinator.....	(2.11)	47
Additional Health and Safety		
Representative — WAP, Bramalea Assembly and PRTAP	(2.12)	48
Employee Assistance /		
Substance Abuse Representative ...	(2.13)	48
Workers' Compensation		
Representative	(2.14)	51
Overtime Entitlement —		
Union Representatives	(2.15)	53
Overtime / Temporary Layoff Work		
Opportunities (Benefit, Health and Safety, and Substance Abuse Representatives).....	(2.16)	54
Payment of Union Representatives		
During Local Negotiations	(2.17)	55
GRIEVANCE PROCEDURE	(3)	
Time of Answers	(3.1)	57

INDEX

	Paragraph/ Letter	Page Number
Presenting A Grievance	(3.2)	57
Step 1		57
Step 2		58
Step 3		58
Step 4 — National Review and Appeal To Appeal Board.....		59
Membership of the Appeal Board	(3.3)	61
Authority of Appeal Board	(3.4)	61
Time of Appeals	(3.5)	63
Time Limit On Claims.....	(3.6)	64
Time Limit On Claims - Waived	(3.7)	65
Payment of Back Pay Claims	(3.8)	65
Computation of Back Wages	(3.9)	65
Retroactive Adjustments	(3.10)	66
Withdrawal of Cases	(3.11)	66
Finality of Decisions	(3.12)	66
Appeal for Interpretation	(3.13)	67
Law Suits.....	(3.14)	67
Maintenance of Discipline.....	(3.15)	68
Notice of Suspension, Disciplinary Layoff or Discharge	(3.16)	68
Union Representation	(3.17)	68
Appeal of Discharge.....	(3.18)	69
Use of Past Record	(3.19)	69
Grievance Procedure - Flow Chart	(3.20)	69
Reinstated Grievances	(3.21)	72
Grievance Disciplinary Action	(3.22)	73
Application of Section (3.16)	(3.23)	75
Discipline On Standards	(3.24)	75
WORK STANDARDS.....	(4)	
Work Standards	(4.1)	77

INDEX

	Paragraph/ Letter	Page Number
Work Standards — Disputes	(4.2)	85
Work Allocation - Assembly Operations	(4.3)	87
SENIORITY.....	(5)	
Probationary Employees	(5.1)	89
Seniority Lists	(5.2)	90
Loss of Seniority	(5.3)	91
Exceptions to Seniority and Job Opportunity Provisions — Disabled Employees	(5.4)	93
Re-Instatement After Disability.....	(5.5)	93
Shift Preference.....	(5.6)	95
Student Hires - Seniority.....	(5.7)	95
Hiring Practice	(5.8)	95
Preferential Hires	(5.9)	96
Preferential Hires - Plant Closure	(5.10)	97
Rights Under Job & Income Protection	(5.11)	98
Placement of Disabled Employees - Discussions	(5.12)	99
Correctional Services — Temporary Absence Program	(5.13)	100
Statement of Policy No. 1 Able To Satisfactorily Perform	(5.14)	100
LAYOFF AND RECALL	(6)	
Layoff Definitions	(6.1)	102
Notice of Layoff	(6.2)	103
Recall	(6.3)	103
TRANSFER and PROMOTION.....	(7)	
Transfer of Employees Between Plants	(7.1)	104

INDEX

	Paragraph/ Letter	Page Number
Transfer of Operations Between Plants	(7.2)	105
Discontinuance of Operations	(7.3)	106
Transfer Between Plants At Employee Request.....	(7.4)	106
WORKING HOURS	(8)	
Call-In and Call-Back Pay	(8.1)	108
Shift Premium and Hours	(8.2)	108
Overtime Equalization Agreements	(8.3)	108
Time and One-Half.....	(8.4)	109
Double Time.....	(8.5)	109
Seven-Day Operations	(8.6)	109
Seven-Day Operations Premium	(8.7)	111
Overtime Pyramiding Prohibited	(8.8)	111
Lunch Period	(8.9)	111
Payment For Day of Injury.....	(8.10)	111
Workweek Defined	(8.11)	112
Reporting Absences	(8.12)	112
Pay Practices	(8.13)	112
Paid Lunch	(8.14)	118
3rd Shift Operations Sunday Night Start.....	(8.15)	119
Starting Times In Plants	(8.16)	119
Shift Schedule	(8.17)	119
Employment Standards Act	(8.18)	120
Memorandum of Understanding Distribution and Recording of Overtime.....	(8.19)	121
WAGES	(9)	
Wage Increases	(9.1)	128
Cost-Of-Living Allowance	(9.2)	130

INDEX

	Paragraph/ Letter	Page Number
Rates During Agreement	(9.3)	135
Rate Book.....	(9.4)	135
Rates For New Jobs	(9.5)	135
Wage Progression	(9.6)	136
Deposit and Statement Distribution.....	(9.7)	138
Accumulation of Time —		
Higher Classifications	(9.8)	138
Reclassification	(9.9)	140
Wage Progression / COLA Fold-In	(9.10)	140
BENEFITS.....	(10)	
Benefit Exhibits	(10.1)	141
Bereavement Pay.....	(10.2)	141
Jury Duty	(10.3)	142
Leave For Union Business -		
Benefit Level Eligibility	(10.4)	143
Alcoholism and Drug Abuse.....	(10.5)	144
Child Care	(10.6)	146
Legal Services	(10.7)	146
Eligibility To Apply For		
Chrysler Scholarship	(10.8)	147
Employee - Retiree New Vehicle		
Purchase Program	(10.9)	147
Chrysler Product Programs	(10.10)	148
Job Counselling and Placement		
Assistance Program	(10.11)	148
Pension - SIB.....	(10.12)	149
Earnings Limitation	(10.13)	149
Merger of Main CAW and		
Bramalea Pension Plans.....	(10.14)	150
Pension Benefit Reduction	(10.15)	150
E.I. Premium Rebate	(10.16)	151

INDEX

	Paragraph/ Letter	Page Number
Annual Benefits Meeting.....	(10.17)	151
Social Justice Fund	(10.18)	152
Maternity, Parental and Adoption Leaves	(10.19)	154
Resolution of Disputes - Benefit Plans and Pension Agreement.....	(10.20)	154
Memorandum of Understanding Special Contingency Fund.....	(10.21)	155
SCF Exclusion for AWS Operations	(10.22)	157
LEAVE OF ABSENCE	(11)	
Leave For Good Cause	(11.1)	158
Leave For Union Business.....	(11.2)	159
HOLIDAY PAY	(12)	
Holidays Designated	(12.1)	160
Eligibility.....	(12.2)	162
Employees Laid Off or Going On Sick Leave	(12.3)	163
Employees Returning From Layoff or Leave of Absence	(12.4)	163
Holidays Falling On Saturday or Sunday	(12.5)	164
Employees On Leave of Absence For Jury Duty or Vacation.....	(12.6)	164
Holiday Pay - Christmas Holiday Period.....	(12.7)	164
Holiday Pay — Temporary Layoff.....	(12.8)	166
P.A.A. / Absence With Permission and Holiday Pay Eligibility	(12.9)	166
Return To Work On Friday Holiday	(12.10)	167
Holiday Pay While Attending CAW Leadership Training Program.....	(12.11)	167

INDEX

	Paragraph/ Letter	Page Number
Seven-Day Operations	(12.12)	168
Failure To Report For Holiday Work	(12.13)	168
Probationary P & M Employees		
Formerly On Salary	(12.14)	168
T.P.T. Employees - Holiday Pay	(12.15)	169
Holiday Pay & Disciplinary Layoff	(12.16)	169
Christmas Bonus — \$900	(12.17)	170
VACATION / SPA / PAA	(13)	
Schedule and Notice	(13.1)	171
Payment Schedules	(13.2)	171
Eligibility	(13.3)	176
Scheduled Paid Absence (SPA)	(13.4)	177
Administrative Procedures of the SPA Program and PAA	(13.5)	178
Vacation and PAA — Encouragement To Take Time Off	(13.6)	179
Vacation Utilization	(13.7)	180
Vacation Pay Advance	(13.8)	180
Schedule — Vacation Period	(13.9)	181
SKILLED TRADES	(14)	
Skilled Trades Employees	(14.1)	183
Definitions	(14.2)	183
Journeyman / Woman	(14.3)	183
New Hires Skilled Trades		
Classifications	(14.4)	184
List of Skilled Trades Classifications ...	(14.5)	185
Lay-Off / Recall	(14.6)	186
List of Apprenticeable Classifications ..	(14.7)	190
General	(14.8)	197
Temporary Employees In		
Skilled Trades Classifications	(14.9)	203

INDEX

	Paragraph/ Letter	Page Number
Special Procedure — Skilled Trades		
Work Assignment Disputes	(14.10)	205
Skilled Trades — Inverse Seniority		
Long Term Layoffs	(14.11)	206
APPRENTICESHIP AGREEMENT	(14a)	
Provisions Pertaining To Apprentices ..	(14a.1)	206
Purpose	(14a.2)	207
Apprentice Qualifications	(14a.3)	207
Applications	(14a.4)	208
Apprenticeship Agreements	(14a.5)	209
Supervision of Apprentices	(14a.6)	209
Discipline	(14a.7)	209
Resignation	(14a.8)	210
Wages	(14a.9)	210
Tools	(14a.10)	212
Certificate	(14a.11)	213
Seniority	(14a.12)	213
Ratio of Apprentices To		
Journeyman / Women	(14a.13)	215
Local Apprentice Committee	(14a.14)	216
Chrysler - CAW Apprentice		
Committee	(14a.15)	217
Length of Training Program	(14a.16)	218
Prior Training	(14a.17)	219
Shop Schedules	(14a.18)	219
Related Training	(14a.19)	220
Technical Training Facilities	(14a.20)	220
Registration and Duration of		
Apprenticeships	(14a.21)	222
Revision to Appendix I	(14a.22)	222
Apprenticeship Agreement Form	(14a.23)	222

INDEX

	Paragraph/ Letter	Page Number
HEALTH and SAFETY	(15)	
Memorandum of Understanding		
Health and Safety	(15.1)	224
Implementation of Revised Legislation		
in Area of Health and Safety.....	(15.2)	234
Joint National Environmental		
Committee	(15.3)	235
Joint Workplace Environment		
Committees	(15.4)	236
Job Hazard Awareness	(15.5)	238
Protective Clothing and Personal		
Protective Equipment (P.P.E.)	(15.6)	239
Safety Glasses	(15.7)	240
Safety Shoes.....	(15.8)	240
Hands Out of Point of Operation.....	(15.9)	241
Health and Safety — Working Alone	(15.10)	241
New, Rebuilt or Relocated Equipment.....	(15.11)	242
Ergonomics	(15.12)	243
Heat.....	(15.13)	244
Heat Stress Index.....	(15.14)	245
Medical Surveillance Programs	(15.15)	246
Review of Medical Department		
Programs	(15.16)	246
Confidential Medical Information	(15.17)	247
Infectious / Communicable Diseases.....	(15.18)	248
Liquid and Air Supply Systems	(15.19)	248
Noise Abatement Program	(15.20)	249
Chemical Information	(15.21)	249
Chemical Data Link CCOHS.....	(15.22)	251
Records of Breathing Zone Exposure	(15.23)	252
Canadian Health Research.....	(15.24)	252
Preventive Maintenance.....	(15.25)	253

INDEX

	Paragraph/ Letter	Page Number
Health and Safety — Use of Camera....(15.26)		253
Contact Procedure of Health and Safety		
Representative for Work Refusal....(15.27)		254
Official Safety Complaint Form.....(15.28)		255
Minute of Silence.....(15.29)		256
Joint Health and Safety Committees		
Duties and Responsibilities.....(15.30)		256
Joint Statement on Health and Safety		
Work Refusals.....(15.31)		257
Substance Abuse / Drug Testing.....(15.32)		259
Computers.....(15.33)		260
TRAINING.....(16)		
Chrysler - CAW National Training		
Committee.....(16.1)		261
Training Fund - National Training		
Committee.....(16.2)		262
Health and Safety, Environment, Leadership Training and Research Fund.....(16.3)		263
Trainers.....(16.4)		263
Local Training Committee.....(16.5)		266
Local Training Committees - Etobicoke		
Casting and Ajax Trim Plant.....(16.6)		266
Journeyman / Journeywoman / Apprentice Health and Safety Training.....(16.7)		266
Committeeperson / Steward		
Health and Safety Training.....(16.8)		267
Alternate Health and Safety		
Representatives - Training.....(16.9)		268
New Hire Orientation.....(16.10)		269

INDEX

	Paragraph/ Letter	Page Number
New Employee Health & Safety Training.....	(16.11)	270
Health and Safety Certification Training.....	(16.12)	270
CPR and First Aid Training	(16.13)	271
Chemical Hazard Training	(16.14)	272
Lockout / Tagout Program	(16.15)	272
Lift Truck / Vertical Driver Training	(16.16)	273
Janitors / Booth Cleaners	(16.17)	274
CAW Leadership Training Program	(16.18)	274
Employee Assistance / Substance Abuse Representative - Training	(16.19)	276
Tuition Refund	(16.20)	277
JOB SECURITY	(17)	
Job Security and Work Ownership	(17.1)	280
Job Security and Work Ownership - Skilled Trades	(17.2)	283
Job Security and Work Ownership - Information.....	(17.3)	285
Plant Closing Moratorium	(17.4)	285
Supplier Regulations	(17.5)	285
Retirement Allowance Option - Job and Income Protection Plan.....	(17.6)	286
Payments Upon Plant Closure	(17.7)	287
Content	(17.8)	289
New Technology	(17.9)	290
Understanding Re: Permanent Job Losses	(17.10)	291
Restructuring — Job and Income Protection	(17.11)	293

INDEX

	Paragraph/ Letter	Page Number
Skilled Trades — Permanent Job		
Losses	(17.12)	303
Vendor Support	(17.13)	303
Notification — Tooling Outsourcing	(17.14)	304
Job Security and Outside Contracting ..	(17.15)	304
Outside Contractors	(17.16)	305
Maintenance Contracting	(17.17)	307
Consideration and Advance		
Discussions	(17.18)	309
Tool and Die Contracting	(17.19)	309
Tool and Die Contracting in		
General Manufacturing Division, Engine, and Casting Division		
Plants	(17.20)	311
Quality Initiatives	(17.21)	312
Employee — Basic Responsibilities	(17.22)	312
Memorandum of Understanding on		
Plant Closings	(17.23)	313
GENERAL.....	(18)	
Change of Address	(18.1)	316
Supervisors Working.....	(18.2)	316
Employees' Copies of Agreements	(18.3)	317
Supplemental Agreement		
Temporary Part-Time Employees ...	(18.4)	317
Temporary Part Time Program		
- Cancellation	(18.5)	323
T.P.T. To Full Time.....	(18.6)	323

INDEX OF UNITS

Pillette Road Truck Assembly - Local 444

Windsor Assembly - Local 444

Ajax Trim - Local 1090

Bramalea Assembly - Local 1285

Etobicoke Casting - Local 1459

RECOGNITION

PURPOSE AND INTENT

The general purpose of this Agreement is to set forth terms and conditions of employment, and to promote orderly and peaceful labour relations for the mutual interest of the Corporation, the employees and the Union.

The parties recognize that the success of the Corporation and the job security of the employees depends upon the Corporation's success in building a quality product and its ability to sell such product.

To these ends the Corporation and the Union encourage to the fullest degree friendly and cooperative relations between their respective representatives at all levels and among all employees.

RECOGNITION

(1.1) Employees Covered

(a) — Pursuant to and in accordance with all applicable provisions of the Ontario Labour Relations Act, as amended, Chrysler Canada Ltd., herein called the Corporation does hereby recognize the Union as the exclusive representative for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, and other conditions of employment for the term of this Agreement of all employees of the Corporation included in the bargaining units described in Schedule "A".

(b) — This Agreement shall extend automatically to production and maintenance employees at any new plant the Corporation builds that the parties shall agree, or, in the absence of agreement, that the Ontario Labour Relations Board shall determine, constitutes an accretion to the multiple plant bargaining unit this Agreement covers, excluding such employees as the parties agree or the Board decides should be excluded.

(c) — If the Union becomes the representative of employees at a plant that is not a part of such unit, the parties shall determine by negotiation whether this Agreement shall apply, in whole or in part, to such employees.

RECOGNITION

SCHEDULE "A" BARGAINING UNIT DESCRIPTIONS

**referred to in Section (1.1)
of the following Agreement:**

Production and Maintenance

**between
Chrysler Canada Ltd.
and the**

CAW

1996

APPENDIX SCHEDULE "A"

Bargaining Units referred to in Section (1.1) of the Production and Maintenance Agreement between Chrysler Canada Ltd., and the National Automobile, Aerospace and Agricultural Implement Workers Union of Canada (CAW-Canada) and certain of its Local Unions dated September 15, 1996.

1. All hourly-rated employees of Chrysler Canada Ltd. in its Windsor Assembly Plant, except timekeepers, time study men, employees in a supervisory capacity, draftsmen, chemists, metallurgists, laboratory workers, technical employees, office and salaried employees, plant protection men and all employees covered by any other collective agreement with the Corporation.

2. All hourly-rated employees of Chrysler Canada Ltd. in its Grand Marais Road Building and Automotive Research and Development Centre, except timekeepers, time study men, employees in a supervisory capacity, draftsmen, chemists, metallurgists, laboratory workers, technical employees, office and salaried employees, plant

RECOGNITION

protection men and all employees covered by any other collective agreement with the Corporation.

3. All hourly-rated employees of Chrysler Canada Ltd. in its Ajax Trim Plant except engineering personnel, nurses, matrons, timekeepers, time study men, employees in a supervisory capacity, draftsmen, chemists, metallurgists, laboratory workers, technical employees, office and salaried employees, plant protection men and all employees covered by any other collective agreement with the Corporation.

4. All employees of Chrysler Canada Ltd. at its Etobicoke Casting Plant save and except foremen, persons above the rank of foreman, office and sales staff and security guards.

5. All production and maintenance employees at the Pillette Road Truck Assembly Plant, excluding timekeepers, time study men, employees in a supervisory capacity, draftsmen, chemists, metallurgists, laboratory workers, technical employees, office and salaried employees, plant protection men and all employees covered by any other collective bargaining agreement with the Corporation.

6. All hourly-rated production and maintenance employees at the Bramalea Assembly Plant, excluding assistant foremen, persons above the rank of assistant foreman, security personnel, watchmen, first aid staff, chief inspectors and assistant chief inspectors, timekeepers, general office employees, personnel department employees, clerical employees, plant and designing engineers, metallurgists, chemists, designers, draftsmen, detailers and their assistants, time and motion study employees, technical and professional employees and their assistants.

If it is considered that the above descriptions differ from the original Ontario Labour Relations Board certification or the initial agreement between the parties describing the bargaining unit, the Board certification or

RECOGNITION

the initial agreement shall govern. By agreeing to the foregoing descriptions, neither party hereto waives the right to move to amend or clarify any certification, by the Ontario Labour Relations Board.

(1.2) Management Rights

The Corporation has the exclusive right to manage its plants and offices and direct its affairs and working forces, except as limited by the terms of this Agreement and any Memorandums, Letter Agreements or Supplementary Agreements that by their terms modify this Agreement.

(1.3) Excluded Personnel

The Union will not represent anyone in a supervisory capacity or other representatives of management.

(1.4) Equal Application of Agreement

The Corporation and the Union, in their respective fields, have been leaders in adopting and effectuating policies against discrimination because of race, colour, religion, age, sex, national origin, sexual orientation, or disability. The terms and conditions of agreements between the Corporation and the Union always have applied equally to all employees, regardless of such considerations.

In order to assure full knowledge and understanding of the foregoing principle on the part of employees and all agents and representatives of the Corporation and the Union, the parties hereby incorporate the same in this Agreement. Any employee who claims that, in violation of said principle, said employee has been denied rights guaranteed by this Agreement or the Ontario Human Rights Code, may complain as provided in the grievance procedure. Any such claim, when presented in writing,

RECOGNITION

pursuant to Step 1 (d) of the grievance procedure, must contain a full statement of the facts giving rise to the claim and the reasons why the employee believes the employee has been discriminated against.

The grievance and arbitration procedure shall be the exclusive contractual procedure for remedying such claims. The Union agrees that it will encourage members to use the grievance and arbitration procedure with respect to any claim or complaint against the Corporation which may be made the subject of a grievance under the contract.

(1.5) Workplace Harassment

(A) Policy and Procedure

Every employee has the right to work in an environment free of discrimination and harassment. This right includes the responsibility to eliminate harassment in our workplace, either as a participant or as an observer.

This policy and procedure outlines the commitment of Chrysler Canada Ltd. to ensure a harassment-free workplace as required under the Ontario Human Rights Code and will act as a guide to employees in adhering to legal and social guidelines regarding the recognition and prevention of harassment.

This policy exists to underline the seriousness of workplace harassment and to establish that there is no acceptable level of harassment at Chrysler Canada Ltd. Employees who feel that they are being harassed are encouraged to seek protection under this policy.

(B) Workplace Harassment Defined

Harassment is defined as a "course of vexatious comment or conduct that is known or ought reasonably be known to be unwelcome", that denies individual dignity and respect on the basis of the grounds such as: sex, disability, race, colour, sexual orientation or other

RECOGNITION

prohibited grounds. At Chrysler Canada Ltd. all employees are expected to treat others with courtesy and consideration and to discourage harassment.

The workplace is defined as any Company facility and includes areas such as offices, shop floors, restrooms, cafeterias, lockers, conference rooms, and parking lots.

Workplace harassment includes, but is not limited to, the following examples:

- Unwelcome remarks, jokes, innuendoes or taunting about another's body, attire, sex, disability, racial or ethnic background, sexual orientation, etc., which cause awkwardness or embarrassment.
- Displaying visuals of a sexual, racial or otherwise offensive nature such as pornographic pictures, posters, cartoons or simulation of body parts.
- Leering (suggestive staring) or other gestures.
- Unnecessary physical contact such as touching, patting or pinching.
- Sexual solicitation or advance made with implied reprisals if rejected.
- Refusing to work or share facilities with another employee because of the other's sex, disability, sexual orientation, racial, religious or ethnic background.
- Backlash or retaliation for the lodging of a complaint or participation in an investigation.

(C) What Harassment Is Not

Properly discharged supervisory responsibilities including disciplinary action, or conduct that does not interfere with a climate of understanding and respect for the dignity and worth of Chrysler Canada Ltd. employees are not considered harassment. Neither is this policy meant to inhibit free speech or interfere with the normal social relations that are a part of life in this organization.

(D) Filing A Complaint

RECOGNITION

If an employee believes that the employee has been harassed, that employee should:

- Tell the alleged harasser(s) to stop;
- Document the event(s), complete with the time, date, location, names of witnesses and details for each event.

If the harassment does not stop at this point, or if the harassed employee does not feel able to approach the alleged harasser directly, that employee should:

- Immediately report the harassment to the employee's Union Representative and/or Supervisor, or if this is not appropriate, to the local Equity Representative, Personnel Manager, or designate of the Vice President - Human Resources.

(E) The Investigation

In minor cases, the Union may try to resolve a harassment complaint informally without a full investigation when so requested by the complainant. However, the following procedure will apply to all complaints requiring investigation:

The person receiving the complaint will advise the local Personnel Manager, or such higher authority as may be appropriate, who will arrange an interview with the complainant as soon as possible. This interview and the subsequent investigation will be carried out jointly by the Union and the Company. The investigation team, if possible, will be comprised of at least one woman, whenever the complaint is sexual in nature.

The investigation will include interviews of the complainant, the alleged harasser(s) and any witnesses. The Union representative of the employee being interviewed will be present with Union members during the interview. Interview timing and location will recognize the need to maintain confidentiality.

RECOGNITION

The investigation team will inform the complainant promptly as to the results of the investigation and the appropriate actions that have been or will be taken. The complainant will also be encouraged to report any further incidents.

The identity of the complainant, the alleged harasser(s), and the nature of the complaint will be kept confidential and only other persons with a need to know will be informed.

Confidential records of the investigation including interviews, evidence and the outcome of the complaint will be maintained in the office of the Vice President - Human Resources.

(F) Resolution Of The Complaint

If a harassment complaint is proven valid, appropriate corrective action, will be taken against the offending employee.

If, after completion of a thorough investigation, a harassment complaint can neither be proved nor disproved in the view of the investigators, the local Personnel Manager, in consultation with the local Plant Chairperson, will attempt to resolve the conflict in a manner that is agreeable to all parties.

If it is determined that the complaint has no validity, and was, in fact, lodged with malicious intent, the initiator of the complaint may be subject to action under the misconduct rules outlined in the Safety and Conduct Guide.

(G) Right to Refuse

A bargaining unit employee alleging harassment in the workplace is encouraged to use the above procedure to resolve a complaint. However, it is agreed, in principle, that in serious cases or when the safety of an

RECOGNITION

employee is being threatened, it may be necessary for that employee to leave the job.

Furthermore, the parties agree that details with respect to the procedure regarding the ability of employees to leave their jobs as outlined above will be developed by the Master Employment Equity Committee and will be implemented as a part of this procedure following the Union leadership and Management representative training. This procedure was implemented on June 30, 1994.

(H) The Union and Chrysler Canada Ltd. will endeavour to resolve all harassment complaints at the local level. However, if the complaint cannot be satisfactorily resolved locally or is of an extremely serious nature, then other steps may be required including the intervention of the National Union and/or Chrysler Canada Ltd. Staff.

This policy and procedure in no way precludes the complainant's right to seek action under the Ontario Human Rights Code. However, both the Union and Chrysler Canada Ltd. urge employees to use the internal mechanisms as outlined above before seeking alternative recourse.

(I) The Union shall hold harmless Chrysler Canada Ltd. against any liability which may arise by reason of the implementation of a mutually acceptable resolution of a complaint. Where there is a mutually acceptable resolution, the Union agrees that grievances which may be filed as a result of discipline assumed against an individual alleged to have engaged in harassment will not be filed or pursued without concurrence of the National Union Office and written confirmation of such concurrence to the Manager, Labour Relations and Safety.

(1.6) Memorandum of Understanding

RECOGNITION

Employment Equity

This Memorandum of Understanding supplements the Production and Maintenance Agreement between Chrysler Canada Ltd. and the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), and certain of its Local Unions, as follows:

Whereas, the parties affirm the policy of the Company and the CAW as outlined in Sections (1.4) and (1.5) of the Agreement, the Company reaffirmed its commitment to extend equal opportunity for employment to all people despite differences in gender, race, ethnicity or disability.

Whereas, the parties recognize that it is the right of Management to hire, promote and assign qualified candidates subject to the terms and conditions of the Agreement, the parties agree to undertake certain joint activities to further implement these and other nondiscriminatory policies following ratification of this Agreement.

Therefore, it is hereby agreed as followed:

A Local Employment Equity Committee, hereinafter referred to as the Local Committee, has been established at each plant location. The Local Committee consists of two (2) representatives selected by the CAW President from within the existing representation structure and two (2) Plant Management representatives. The Local President will act as an ex-officio member of the Committee. The Local President shall select a woman from among the active membership if there are no women in the existing representation structure.

Women selected by the Local President for this purpose will be excused from regular work assignments when required and will be paid by the Company at their

RECOGNITION

regular straight time rate up to the number of hours listed in the following schedule:

Local	Number of Employment Equity Committee Members	Maximum number of straight time hours paid per week when excused from regular work assignments
Local 444 Windsor Assembly Plant	1	40
Local 1285 Bramalea Assembly Plant	1	40

Ajax Local 1090 and Etobicoke Local 1459 will incorporate Equity matters within their representation structure.

The hours listed above are available Monday and/or Friday. The committee members may be replaced by a Temporary Part-Time Employee if a replacement is required in areas where the TPT Program is in place.

It is recognized that Local Committees will require ongoing assistance and direction. Accordingly, a Master Employment Equity Committee, consisting of two National Union representatives, the CAW Chrysler Master Bargaining Committee Chairperson, the National Employment Equity Coordinator and four Company representatives, has been established. The Master Committee will meet quarterly to review local committee activity.

The local committee shall:

RECOGNITION

- (a) Devote attention to the designated groups.
- (b) Play a role in the development and implementation of the joint Employment Equity Plan. This role could include information gathering, barrier identification, the development of goals and timetables, and other elements of the plan that require local input.
- (c) Develop a communication strategy to educate and update employees on equity issues.
- (d) Conduct harassment complaint investigations as outlined in the workplace harassment policy and procedure.
- (e) Attend the annual three-day meeting designed to update committee members on the latest developments and strategies in the field. The Company will be responsible for wages and meal expenses to a maximum of \$35 per day, if meals are not provided during the three-day meeting. The Union will be responsible for transportation and lodging expenses.

Members of the Local Committees may:

- (a) Participate in community and/or school career awareness programs designed to inform people about potential employment opportunities at Chrysler Canada Ltd.
- (b) Establish and maintain working relationships with local designated group organizations.
- (c) Develop informational communiques to encourage designated group members to apply for technical and skilled positions.
- (d) Identify the type(s) of technical jobs which would require training. Make recommendations to the

RECOGNITION

local parties after considering the availability of community resources.

- (e) Consult with the Master Employment Equity committee and the local apprentice committee to develop and implement a pre-apprenticeship training program for designated group members.

(A) Communication of Workplace Harassment Policy and Procedure

The Company has agreed to review, update and reprint the joint Workplace Harassment Policy and Procedure in the Employee Handbook.

Further, media coverage of the policy and procedure will be incorporated in the equity plan communication strategy.

(B) Union Leadership/ Management Harassment Training

The Company agrees to a three (3) day jointly developed and delivered harassment and human rights program for Union Representatives and designated Management employees, with the content, timing, location(s) and trainers to be determined by the Master Employment Equity Committee. Travel time, if required, is to be included in the three (3) day period.

The Master Employment Equity Committee will update the one (1) day Employment Equity program for the individuals detailed above.

(C) Violence Against Women

The parties recognize that women sometimes face situations of violence or abuse in their personal life that may affect their attendance or performance at work. The parties agree that when there is adequate verification from a recognized professional (i.e. doctor, lawyer, professional counsellor), a woman who is in an abusive or violent personal situation will not be subjected to discipline without giving full consideration to the facts in the case of

RECOGNITION

each individual and the circumstances surrounding the incident otherwise supportive of discipline. This statement of intent is subject to a standard of good faith on the part of the Company, the Union and affected employees, and will not be utilized by the Union or employees to subvert the application of otherwise appropriate disciplinary measures.

(D) Minute of Silence

During these negotiations, the Union requested a minute of silence be observed in the plants covered by this Agreement in memory of women who have died due to acts of violence. The moment of silence will be observed each year on December 6, at 11:00 a.m. or when local plant management determines the observance will have the least impact on plant operations.

Flags will be flown at half staff to mark this occasion.

(E) Women's Advocate

The parties recognize that female employees may sometimes need to discuss with another woman matters such as violence or abuse at home or workplace harassment. They may also need to find out about specialized resources in the community such as counsellors or women's shelters to assist them in dealing with these and other issues.

For this reason the parties agree to recognize that the role of women's advocate in the workplace will be served by the CAW female member of the Local Union Employment Equity Committees, in addition to her other duties relating to employment equity. The trained female Employment Equity Representative will meet with female members as required, discuss problems with them and refer them to the appropriate agency when necessary.

The Company agrees to establish a confidential phone line that female employees can use to contact the female Employment Equity Representatives. As well, the company will provide access to a private office so that

RECOGNITION

confidentiality can be maintained when a female employee is meeting with a female Employment Equity Representative.

The Local Employment Equity Committees will develop appropriate communications to inform female employees about the advocacy role that the female Employment Equity Committee members play.

The Women's Advocates will participate in an annual training program. The two-day training program includes travel and will be held at the end of the Annual three-day Employment Equity Meeting.

The Company will be responsible for wages and meal expenses to a maximum of \$35 per day. The Union will be responsible for transportation and lodging expenses.

(F) Employment Equity Programs

During current negotiations, the Company and the Union reaffirmed their commitment to Employment Equity.

While the parties recognize that there is increasing representation of the four designated groups within the hourly workforce, the Corporation and the Union agreed that they must increase special efforts aimed at achieving a representative number of women, visible minorities, persons with disabilities and aboriginal persons throughout the workforce of Chrysler Canada Ltd.

The parties agreed that a diverse workforce is beneficial and desirable, and that their proactive efforts on employment equity are fundamental to the Company. The parties are committed to jointly develop an Employment Equity Plan on behalf of CAW bargaining units at Chrysler Canada Ltd. by year end 1998. This plan will include the following:

- an up-to-date census
- a workforce analysis and review of employment systems

RECOGNITION

- the identification of systemic barriers to the designated groups
- a review of current recruitment, promotion and training practices
- goals and timetables for hiring the designated groups
- goals and timetables for reducing or eliminating systemic barriers to the designated groups
- accommodation for people with disabilities
- a clear and ongoing commitment to a workplace free of harassment
- identification of positive measures such as work and family measures, skills updating, pre-apprenticeship training, etc. that could help retain and advance the designated groups in the Chrysler workforce.
- an annual review procedure to monitor the progress of the program.

The Company has developed an Employment Equity Plan for the Federal Contractor's Program. Elements of this plan may form the basis for the new Joint Employment Equity Plan when the parties are in agreement.

(G) Women's Committee Understanding

The Women's Committee Chairpersons are seeking an avenue to voice issues of concern. The Company has agreed to provide the Women's Committee Chairperson(s) the opportunity to present issues at Master Employment Equity Committee meetings as they arise. This representation is in no way an effort to increase the Master Committee membership or its scope of responsibility.

RECOGNITION

(1.7) Strikes and Lockouts Prohibited

(a) The Union will not cause or permit its members to cause, nor will any member of the Union take part in any sitdown, stay-in, or slow-down in any plant of the Corporation or any curtailment of work or restriction of or interference with production of the Corporation. The Union will not cause or permit its members to cause nor will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises until all of the grievance procedure outlined herein has been exhausted and not even then unless authorized by the National Executive Board of the CAW and a copy of such authorization has been delivered to the Corporation. In case a strike shall occur this Agreement at the option of the Corporation shall terminate immediately. The Corporation reserves the right to discharge any employee who violates any provision of this Section. Such discharged employee shall have recourse to the grievance procedure. The Corporation will not cause or sanction a lockout until all of the grievance procedure outlined herein has been exhausted.

(b) In the event of the occurrence of a dispute between the Corporation and employees, the Union agrees that it will at all times during the currency of this Agreement take such steps as may be necessary to ensure that employees employed in the power-house and any substation of the Corporation shall be permitted free and unobstructed entrance into and exit from the premises and plants of the Corporation in order that such employees may at all times be enabled to perform the regular duties therein to which they are assigned.

(c) In the event of the occurrence of a dispute between the Corporation and employees, the Union agrees that it will cooperate with the Corporation to ensure that employees required for emergency maintenance

RECOGNITION

repairs to the Corporation's plants will be permitted free and unobstructed entrance into and exit from such plants and that the Corporation's plant protection staff, plant supervision, office staff and personnel and members of the public shall be allowed free and unobstructed entrance into and exit from the Corporation's premises and offices. Provided that if at any time during such dispute the Corporation attempts to put any new employees to work in the Corporation's plants on operations therein performed by employees in the bargaining unit or attempts to employ in such work any members of the plant protection staff or attempts to employ the employees required for such repairs in work other than such repairs, thereupon the Union no longer shall be bound by the provisions of this paragraph.

(1.8) Requirement of Union Membership

(a) Employees covered by this Agreement at the time it becomes effective and who are members of the Union at that time shall be required as a condition of continued employment to continue membership in the Union for the duration of this agreement.

(b) Employees covered by this Agreement who are not members of the Union at the time it becomes effective shall be required as a condition of continued employment to become members of the Union for the duration of this Agreement, on or before the fortieth (40th) day following such effective date.

(c) Employees hired, rehired, reinstated or transferred into a bargaining unit after the effective date of this Agreement and covered by this Agreement shall be required as a condition of continued employment to become members of the Union for the duration of this Agreement, on or before the fortieth (40th) day following the beginning of their employment in the unit.

(d) An employee who shall tender an initiation fee (if not already a member) and the periodic dues uniformly

RECOGNITION

required as a condition of acquiring or retaining membership shall be deemed to meet the conditions of this section.

(e) Employees shall be deemed to be members of the Union within the meaning of this section if they are members and are not more than thirty (30) days in arrears in payment of membership dues.

(1.9) Check-Off

(a) The Corporation will deduct the Union initiation fee from the pay of an employee hired, rehired, reinstated or transferred into the bargaining unit after the effective date of this Agreement. The initiation fee shall not exceed the maximum prescribed by the Constitution of the National Union at the time of the employee's hire, rehire, reinstatement or transfer.

(b) Check-off of Union dues will be compulsory for all employees who come within the unit to which the Agreement applies. It shall continue during the period of the Agreement. The amount to be deducted shall be such sum as may from time to time be assessed by the Union on its members according to its Constitution.

(1.10) Deductions

(a) Deductions shall be made only in the conditions and circumstances relating to the payment of dues laid down by the Constitution and By-laws of the Union, together with the provisions of this Agreement and the provisions of the Memorandum of Understanding (Union Dues Deductions), a supplement to this Agreement.

(b) The deduction on the records of the Corporation shall constitute the sums so deducted as money held by the Corporation in trust for the Local.

(1.11) Indemnification

RECOGNITION

The Union shall indemnify and hold harmless the Corporation against any and all liability which may arise by reason of the deduction by the Corporation of money as Union initiation fee and membership dues from employees' wages, or by the Trustee of money as Union membership dues from employees' Regular Benefits under the Supplemental Unemployment Benefit Plan.

(1.12) Memorandum of Understanding Union Dues Deductions

The Memorandum of Understanding between CHRYSLER CANADA LTD. for its Etobicoke Casting Plant, Ajax Trim Plant, Windsor Assembly Plant, Pillette Road Truck Assembly Plant, and Bramalea Assembly Plant (hereinafter referred to as the "Corporation") and the NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA (CAW-CANADA) for its Local Unions No. 1459, 1090, 1285 and 444 (hereinafter referred to as the "Union") supplements the current Production and Maintenance Agreement.

WHEREAS, the Corporation and the Union wish to set forth certain understandings with respect to the deduction and remittance of Union membership dues (which term, as used herein, shall include, where appropriate, Union initiation fees); NOW THEREFORE, pursuant to Section (1.9) of the above-mentioned Production and Maintenance Agreement, it is hereby agreed as follows:

(A) Time Of Deductions.

(1) The initiation fee will be deducted from the pay of an employee (including Temporary Part-Time Employees as referenced in the Supplemental Agreement, Section VII) at any time within thirty (30) days after the employee becomes a member of the Union as provided in Section

RECOGNITION

(1.8) of the above-mentioned Production and Maintenance Agreement.

(2) Check-Off deductions for Union membership dues will begin in the month in which the employee becomes a member of the Union. Thereafter, in each succeeding month, Union membership dues then due and owing will be deducted in the calendar month.

(B) Pay Periods In Which Deductions Are Made.

Union membership dues for the current calendar month will be deducted from the pay received by the employee for the first pay period falling in the month. If an employee does not have sufficient net earnings in the first pay period falling in the month, a Union membership dues deduction will be made in the next subsequent pay period ending in the month in which the employee has sufficient net earnings to cover such deduction, and not thereafter.

(C) Other Dues Deductions.

If an employee does not have sufficient net earnings in a pay period in a calendar month for the deduction of dues as provided in Paragraph (B) of this Memorandum of Understanding, such dues will be deducted in a later calendar month, provided the employee has sufficient net earnings to cover such deduction, and provided the designated financial officer of the Local Union gives notice in writing to the Hourly Payroll Department or the Plant Personnel Department, specifying the employee, the employee's Social Insurance number, the amount to be deducted and the month or months for which the deductions are to be made. The designated financial officer of the Union may submit a similar notice in writing specifying the employee and the month or months for which it is certified (a) that the employee did not earn forty (40) hours of pay in the specified month but did receive Supplemental Unemployment Benefits equivalent to forty (40) hours pay for that month, and (b) that Union

RECOGNITION

membership dues were due and owing for that month and were not paid. Union membership dues deductions in the amount of one hour's pay as per the Constitution or such other amount as may be established as dues for such employee will be deducted from a subsequent Regular Supplemental Unemployment Benefit cheque issued to such employee for a pay period ending in the month the notice in writing is received, but not thereafter, or at the option of the designated financial officer, will be deducted from the regular pay of such employee in a subsequent pay period ending in the month in which the notice in writing is received, provided the employee has sufficient net earnings to cover such deduction, but not thereafter.

RECOGNITION

(D) Refunds.

In cases where a deduction is made that duplicates a payment that an employee already has made to the Union, or where a deduction is not in conformity with the provisions of the Union Constitution and By-laws, refunds to the employee will be made by the Local Union.

(E) Remittance Of Dues To Financial Officer.

At the end of each week in which deductions are taken, the Corporation shall remit by cheque the total of the deductions to the Union. The Corporation will also furnish to the designated financial officer of the Local Union a list of the names of employees for whom Union membership dues have and have been taken. By the 10th of each following month a list shall be provided to the Local Union of employees for whom dues were deducted and not deducted.

(F) Disputes Concerning Check-Off.

Except as otherwise specifically provided or dealt with, any dispute as to a violation or interpretation of any provision respecting Check-Off shall be matter for the grievance procedure and shall be submitted direct to the Impartial Chairperson.

(G) Limit of Corporation's Liability.

The Corporation shall not be liable to the National Union or its Local by reason of the requirements of the Production and Maintenance Agreement or this Memorandum of Understanding for the remittance or payment of any sum other than that constituting actual deductions made from wages earned by employees or from Regular Supplemental Unemployment Benefits payable to employees.

RECOGNITION

(H) Disputes Concerning Membership.

Any dispute arising as to an employee's membership in the Union shall be reviewed by the Vice-President of Human Resources and the President of the Local Union and if not resolved may be submitted directly to the Impartial Chairperson through the grievance procedure.

Letter (1.13) Optional Premiums/ Union Dues Deductions

During these negotiations there was discussion concerning the deduction of Union dues and Optional/Dependent Group Life Insurance Premiums from the same pay cheque and the financial impact this may have for the employee in certain situations.

It was agreed that Union dues will continue to be deducted from the first pay of the month. Optional and Dependent Group Life Insurance Premium deductions will be taken from the second or subsequent weeks provided there is sufficient earnings.

(1.14) Plant Memoranda of Understanding

(a) Provisions pertaining to matters which are peculiar to a plant because of its physical structure and facilities and, in respect to Ajax Trim Plant, Etobicoke Casting Plant, and Bramalea Assembly Plant only, matters concerning seniority and job opportunity which are in lieu of provisions in this Agreement expressly made inapplicable to any or all of the said plants, shall be negotiated locally in the plants and incorporated into a Plant Memorandum of Understanding.

(b) A Plant Memorandum of Understanding shall be governed by this Agreement, to which it is a supplement.

(c) Plant Memoranda of Understanding shall continue in force concurrent with the term of this Agreement and any extension thereof.

(1.15) Special Provisions Pertaining to Skilled Trades Employees

The provisions of this Agreement apply to employees in the skilled trades, except as specifically modified by the Skilled Trades Section.

(1.16) Provisions Pertaining to Apprentices

The provisions of this Agreement apply to apprentices in the skilled trades, except as specifically modified by the Apprenticeship and Apprentice Standards Section.

(1.17) Union Bulletin Boards

(a) Placing of Bulletin Boards

A bulletin board shall be placed in each district by the Corporation which may be used by the Union for posting notices of the following types:

- (1) — Notices of recreational and social events.
- (2) — Notices of elections.
- (3) — Notices of results of elections.
- (4) — Notices of meetings.

(5) — Notices of General Health and Safety matters that are educational or informational, provided such notices have prior approval for posting by the Union Member of the Local Joint Health and Safety Committee.

(b) Limit on Use of Bulletin Board

The bulletin board shall not be used by the Union for disseminating propaganda of any kind whatsoever; and among other things shall not be used by the Union for posting or distributing pamphlets or political matter of any kind whatsoever, or for advertising.

RECOGNITION

(1.18) Withdrawal of Demands and Separability of Provisions

(a) Withdrawal of Demands

This agreement replaces all previous agreements between the parties.

Prior to and during the negotiation of this agreement, each party made certain proposals to the other. Each party hereto agrees that it has withdrawn all proposals made to the other that are not incorporated in or covered by this agreement, in whole or in part. The withdrawal of those proposals, in whole or in part, is as much a consideration for this agreement as is the incorporation therein of matters agreed on. It is the intention of the parties that this agreement during its term shall cover all arrangements between the parties concerning wages, hours, and conditions of employment that are to be in effect during the term and that nothing shall be added to the agreement or subtracted from it by amendment, supplemental agreement or otherwise.

(b) Separability of Provisions

1. In the event that any of the provisions of this Agreement are or become invalid or unenforceable, the remaining, unaffected provisions shall remain in full force and effect.

2. Should the parties hereafter agree that applicable law makes, or probably makes, any of the provisions of this Agreement or of any of its supplements, memoranda of understanding or letters relating thereto invalid or unenforceable, the parties may agree on a replacement for the affected provision(s). Such replacement provision(s) shall become effective immediately upon agreement, and remain in effect for the duration of the Agreement, without the need for further ratification by the Union membership.

RECOGNITION

(1.19) Termination and Modification

This Agreement shall continue in full force and effect until 11:59 p.m. September 14, 1999, or until the end of the last regularly scheduled shift beginning prior to 11:59 p.m. September 14, 1999, whichever is later.

(a) If either party desires to modify, amend or terminate this Agreement, it shall, sixty (60) days prior to September 14, 1999, give written notice of its intention as provided in Section (1.20). Notice to modify or amend shall set forth the nature of the changes desired. Any amendments that may be agreed upon shall become and be a part of this Agreement without modifying or changing any of the other terms of this Agreement. The giving by either party of such a notice to modify, amend or terminate shall terminate this Agreement at 11:59 p.m. September 14, 1999.

(b) If neither party gives a notice to modify, amend or terminate as provided in Subsection (a), or if each party giving a notice to modify, amend or terminate withdraws such notice prior to 11:59 p.m. September 14, 1999, this Agreement shall continue in effect from year to year thereafter subject to sixty (60) days' written notice by either party to modify, amend or terminate this Agreement as provided herein prior to September 14, of any subsequent year.

(c) On September 17, 1996, Chrysler Canada Ltd. and the National Automobile Aerospace, Transportation, and General Workers Union of Canada (CAW-Canada) agreed on the terms for 36-month agreements terminating on September 14, 1999 (with a strike deadline no earlier than September 21, 1999), pertaining to represented hourly and salaried employees at plants and offices in Windsor, Bramalea, Etobicoke and Ajax, Ontario.

RECOGNITION

(1.20) Notice

Notice shall be in writing and shall be sufficient if sent by mail addressed, if to the Union, to National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), 205 Placer Court, North York-Willowdale, Ontario M2H 3H9 or to such other address as National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) shall furnish to the Corporation, in writing, and if to the Corporation, addressed to Chrysler Canada Ltd., P.O. Box 1621, Windsor, Ontario, N9A 4H6, attention, Secretary, or to such other address as Chrysler Canada Ltd. shall furnish to National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), in writing.

RECOGNITION

NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS
UNION OF CANADA
(CAW-CANADA)

CHRYSLER
CANADA LTD.

NATIONAL UNION

Buzz Hargrove
Jim O'Neil
Sam Gindin
Bob Chernecki
Ron Pellerin
Sym Gill
Cathy Walker
John Bettes
Ted Squire
Rita Lori
Gail Hosack
Brenda McKay

Ken Francese
Phil Bezaire
Jim Dunn
Paul MacKenzie
Jim Thomas
Tom Flanigan
Mike Harwood
Rob Perryman
Paul Carswell
Robert Chesnik
Carol Crocker
Tom Introcaso
Rick McPherson
Rick Pecnik
Steve Rose
Glenn Russette
Shawn Searcy
Ron Sitarz
Mike Spoons
Rick Thrasher
Jay Laramie
Diana Beuglet
Cheryl Jensen
Sue Thomson

LOCAL 444, CAW

Ken Lewenza
Gary Parent
Rick Schneider
Ron Gniposky
Rick Reaume
Percy Rounding
Roger Taylor
Robert Miller
Mike Raymond
Irene Friend
Bruce O'Callaghan
Tom Burton

RECOGNITION

LOCAL, 1090, CAW

John Gatens

Paul Kaus

LOCAL 1285, CAW

Vince Bailey

Steve Glendenning

Dennis Hryhorchuk

Bob Crew

John McVicar

LOCAL 1459, CAW

Mike Holjevac

Mike McCue

REPRESENTATION

REPRESENTATION

(2.1) Number of Zones

(a) It is mutually agreed that the proportional representation which reflects increases and decreases in the work force is a sound and sensible basis of implementing the representation sections of this Agreement.

(b) In each plant of the Corporation covered by the Production and Maintenance Agreement on September 22, 1964, the ratio of Stewards to employees shall not exceed 1 to each 225 and the number of Stewards shall be as set forth in the table below.

Number of Employees On Active Roll	Number of Stewards
1 — 337	1
338 — 563	2
564 — 789	3
790 — 1015	4
1016 — 1241	5
1242 — 1467	6
1468 — 1693	7
1694 — 1919	8
1920 — 2145	9
2146 — 2371	10
2372 — 2597	11
2598 — 2823	12
2824 — 3049	13
3050 — 3275	14
3276 — 3501	15
3502 — 3727	16
3728 — 3953	17
3954 — 4179	18
4180 — 4405	19
4406 — 4631	20
4632 — 4857	21

REPRESENTATION

(c) In each new plant of the Corporation to which the Production and Maintenance Agreement was extended after September 22, 1964, the ratio of Stewards to employees shall not exceed 1 to each 250 and the number of Stewards shall be as set forth in the table below:

Number of Employees On Active Roll	Number of Stewards
1 — 375	1
376 — 626	2
627 — 877	3
878 — 1128	4
1129 — 1375	5
1380 — 1630	6
1631 — 1881	7
1882 — 2132	8
2133 — 2383	9
2384 — 2634	10
2635 — 2885	11
2886 — 3136	12
3137 — 3387	13
3388 — 3638	14
3639 — 3889	15
3890 — 4140	16
4141 — 4391	17
4392 — 4642	18
4643 — 4893	19
4894 — 5144	20

(d) In plants in which the ratio of Stewards to employees exceed the number allowable under Sub-section (b) the number of Stewards will be increased or decreased in the manner set forth in Sub-section (h), provided however; (f) If the number of employees has decreased, the number of Stewards will be reduced according to the ratio, or major fraction thereof, previously determined in accordance with Sub-section (h) (i) so that

REPRESENTATION

the ratio of Stewards to employees after the adjustment does not exceed the ratio previously determined; and (ii) if the number of employees has increased, the number of Stewards will be increased at a ratio of one Steward for each 225 additional employees, or major fraction thereof. In no event, however, shall Stewards be added beyond the number of Stewards active on September 22, 1964 until the ratio in the plant conforms with Sub-section (b).

(e) Any Steward who dies, retires, resigns as a Steward or employee (excluding resignations as a Steward to accept a salaried position with the Corporation), will not be replaced unless and until the ratio of Stewards to employees in that plant conforms with Subsection (b).

(f) Notwithstanding the provisions of Subsections (b) (c) & (d) above, the number of Stewards in plants that are entitled to less than three Stewards according to the appropriate table shall be the larger of the following: (i) the number set forth in the appropriate table, or (ii) a number equal to the number of shifts operating in the plant.

(g) Each Steward shall be assigned to a zone. The departments or parts thereof which will constitute zones in a plant will be determined by mutual agreement between the Plant Management and the Local Union. When a zone consists of more than one department such departments will be physically located adjacent to one another insofar as reasonably practicable.

(h) Redistricting shall be accomplished in the following manner and at the following times: (i) within five (5) working days after the end of the month of April, August and December, the Local Union will be provided with the average number of employees on the active roll in the plant during each such month. This number shall be the basis on which the appropriate number of zones shall be determined; (ii) adjustments, if any, in the number of zones shall be effective with the first pay period in the month following the month (i.e., June, October, February)

REPRESENTATION

in which the number of zones is determined in accordance with (i) above. The rezoning and the determination of the Union representatives shall be accomplished prior to the adjustment date.

(i) The plant may be rezoned in accordance with Subsection (g) above from time to time upon the written request of either the Plant Management or the Local Union. The parties in each plant may agree to establish a flexible zoning plan to pre-determine the zones to be eliminated or added consistent with ratios at various employment levels of the plant.

(j) When unusual circumstances arise and such circumstances result in the number of employees on active roll at the plant that would require an increase or decrease of two (2) or more zones under the applicable table in Subsections (b) (c) or (d) and Subsections (f) and (g) the parties shall make adjustments in the zones concurrent with such changes in accordance with Subsections (b) (c) or (d) whichever is appropriate, and Subsections (f) and (g) of this Agreement. If the parties are unable to reach agreement, the matter shall immediately be referred to Corporate Staff Labour Relations and the National Union for resolution.

(k) When determining the on-roll employment level for representation purposes, apprentices will be included in the employment level count.

(2.2) Stewards

(a) General

(1) In each plant in which the representation structure includes Stewards, employees in a zone shall be represented by one Steward for each shift who shall be a regular employee having seniority and working in the zone.

REPRESENTATION

(2) Stewards will perform their respective duties in a manner which complements quality and operational efficiency at all times.

(3) During overtime periods or weekend work the Steward shall be offered work as long as there is work scheduled in the Steward's zone the Steward can do and any of the Steward's respective constituents are working.

(b) Full Time

It is understood and agreed where Stewards are recognized as full time the Stewards will perform their responsibilities commensurate with the time allocated.

(c) Part Time

Where Stewards function on a part time basis, the Stewards will obtain prior approval of supervision to leave their work to present and investigate grievances. It is understood that this will occur without loss of time or pay. Such approval will be sought only in legitimate circumstances and accommodate a timely release for Union activity discussed above.

(2.3) Plant Shop Committeepersons

(a) The Plant Shop Committee of the Union shall consist of not more than six (6) members, one being the Chairperson, each of whom shall be an employee of the plant having seniority or a regular employee of the plant having seniority who is on leave of absence.

(b) It is understood and agreed that each member of the Plant Shop Committee of the Union who is a regular employee of the plant will perform respective duties in a manner which compliments quality and operational efficiency at all times.

(c) Members of the Plant Shop Committee, except the Plant Chairperson by agreement between the Plant Management and the Plant Shop Committee, will have assigned to them certain districts in the plant.

REPRESENTATION

(d) The Supervisor will grant permission to a Plant Shop Committeeperson to leave work for the purpose of attending regular, special or annual conferences, in addition to work related matters particularly referencing grievances.

(e) The Supervisor will also grant permission to Stewards to communicate by telephone on an unsettled grievance with the Plant Shop Committeeperson assigned to their zones and also will grant permission to a Plant Shop Committeeperson (1) to leave work to confer on grievances with Stewards in the districts of the plant assigned to that Plant Shop Committeeperson when the Plant Shop Committeeperson has been requested to do so by the Steward, and (2) to present grievances to the management representative designated to receive them from the Plant Shop Committeeperson in the district. Plant Shop Committeepersons may perform their regular grievance procedure duties during working hours without loss of time or pay.

(f) During overtime periods or weekend work the Chairperson and the Plant Shop Committeeperson shall be scheduled to work as long as there is work scheduled in the Plant Chairperson's district they can do and any of their respective constituents are working.

(g) On the effective date hereof the number of Plant Shop Committeepersons, including the Chairperson of the Plant Shop Committee in the plants shall be as specified in each plant's respective Special Provisions section:

In each plant the Plant Shop Committeepersons including the Chairperson of the Plant Shop Committee shall be assigned to the first shift.

(2.4) Skilled Trades Representatives

(a) On any shift in a plant where there are fifteen (15) or more employees in skilled trades classifications and

REPRESENTATION

there is no skilled trades Steward, the Local Union may designate in writing a skilled trades employee from among those working on that shift as the Skilled Trades Representative (as distinguished from a Steward) for such employees.

(b) The function of the Skilled Trades Representative shall be limited to dealing with such matters as may arise on the Skilled Trades Representative's shift alleging violation of the Sections Pertaining to Skilled Trades Employees and letters relating thereto.

(c) Except as provided in this section the Skilled Trades Representative shall not be treated as a Steward for any purpose under any Section of the Production and Maintenance Agreement.

(2.5) Abuse of the Procedure

(a) The Management in a plant may present to the Secretary of the Local Union as grievances any abuses of the grievance procedure by the Union, its Stewards, its Plant Shop Committeepersons, its Local Union officers, or other representatives or members of the Union. If the Management is dissatisfied with the disposition of the grievance made by the Local Union, it may take the grievance up with the National Union.

(b) The Union may present to the Labour Relations Supervisor in a plant as grievances any abuses of the grievance procedure by the Management or its representatives. An appeal in accordance with the grievance procedure may be taken by the Union if it is dissatisfied with the Labour Relations Supervisor's decision.

(c) Such grievances by either the Plant Management or the Union shall be presented in writing.

(2.6) Conduct of Union Representatives

REPRESENTATION

Union representatives employed in the plant are subject to the same discipline as any other employee in the plant for violation of shop rules.

(2.7) Consultation Conferences

(a) **Regular** - Regular Conferences will be arranged between the Plant Shop Committee and Plant Management and the Labour Relations Department on an as required basis, but not less than every two months by either party. An agenda on workplace matters, will be provided on the day preceeding the meeting.

(b) **Special** - Special Conferences on workplace matters may be arranged between representatives of the Local Union and Staff Labour Relations or the Plant Manager or designate of the Plant Manager. Upon the request of the Local Union President, the Manager, Labour Relations and Safety will make arrangements for a representative of the National Union to attend said conference.

Arrangements for such conferences will be made in advance with an agenda of the workplace matters to be discussed presented at the time the conference is requested.

Special Conferences shall be confined to those matters included on the agenda.

Union representatives as specified, if working in the Plant shall receive pay from the Corporation at their regular hourly rate for the time spent in such conferences, provided they would otherwise have worked in the Plant during the time spent in such conferences.

(c) **Annual Meeting** - An annual meeting may be convened between the Union and Company to discuss various topics such as:

REPRESENTATION

Current economic conditions and the outlook for the automotive industry and the Company.

Management-Union relations.

Matters of mutual and/or special interest to either party.

The meeting will be chaired by the Vice-President of Human Resources and the National Union President or designate with attendees to include the Local President and Vice-Presidents, Chairpersons as well as National Representatives servicing the Company with corresponding Management Representatives as designated.

(d) **Pay At Conferences** - Members of the Plant Shop Committee attending, said conferences will receive pay at their regular hourly rates, provided they would otherwise have worked in the Plants during such conferences. In the event such conferences mutually extend into overtime hours, each member of the Shop Committee will receive overtime pay at the applicable overtime rate.

Letter (2.8) Benefit Plans Representatives

The National Union CAW, may designate, a Benefit Plans Representative for each Corporation plant of 101 or more employees. The maximum number of hours per week in which each Benefit Plans Representative will be allowed to function shall be determined on the basis of the number of employees in the plant in accordance with the following schedule:

Plant Number of Employees	Hours Per Week
1501 or more	40
1500 to 1201	24

REPRESENTATION

1200 to 601	16
600 to 101	8

Adjustments shall be made twice each calendar year in the maximum number of hours each Benefit Plans Representative will be allowed to function. Adjustments shall be effective (1) the second pay period in May, based on the number of hourly employees on the active roll in the plant on the third Wednesday of the preceding month of April, and (2) the second pay period in November, based on the number of hourly employees on the active roll in the plant on the third Wednesday of the preceding month of October.

1. The Benefit Plans Representative shall be selected by the National Union CAW, from among those hourly employees who have seniority under the Production and Maintenance Agreement and who at the time of selection are at work in the Corporation plant in which the Benefit Plans Representative is to function. The Benefit Plans Representative shall represent all employees at the plant represented by the Local Union from which said Benefit Plans Representative is designated with respect to the Pension Plan, the Insurance Program and the Supplemental Unemployment Benefit Plan.

2. Benefit Plans Representatives shall carry out the duties of Union representatives specified in the Pension Plan, the Insurance Program and the Supplemental Unemployment Benefit Plan. Other Union representatives in the plant in which a Benefit Plans Representative has been designated shall not participate in benefit plan matters except insofar as any one of them has been designated to act as the second member of a local committee pursuant to the Supplemental Unemployment Benefit Plan. Duties of the Benefit Plans Representatives are:

(a) To function in place of the Chairperson of the Plant Shop Committee for the purposes of Article X

REPRESENTATION

Section (3) of the Pension Plan for the plant for which the Chairperson functions.

(b) To function as a member of the Local committee provided in Article (V) Section (2) (b) 7 of the SUB plan.

(c) To discuss with designated representatives of plant management those questions regarding a benefit Plan or Program.

3. The Benefit Plans Representative shall not participate in the grievance procedure and those matters with which such Benefit Plans Representative deals shall not be subject to the grievance procedure but shall be subject to the review procedure specified in the appropriate Plan or Program.

4. A Benefit Plans Representative shall not function as provided herein unless and until the National Union (a) sends written notice to the Corporation of the name of the employee, the plant, department, and (b) until the Corporation advises the plant of the designation and the effective date thereof.

5. A Benefit Plans Representative shall cease to function as provided herein upon receipt of written notice from the National Union to the Corporation. Such notice shall include the same identification information specified in 4 above.

6. Benefit Plans Representatives shall be subject to the following:

(a) When a Benefit Plans Representative is permitted time away from work less than 40 hours a week the designation of the time away from work shall continue to be made by mutual agreement between the Local Union and Plant Management.

(b) The Benefit Plans Representative shall report to the Supervisor concerned at the start of the shift and shall advise the Supervisor when wishing to leave work to handle a benefit plan matter and shall report to the Supervisor when that matter has been disposed of.

REPRESENTATION

(c) If it is necessary for the Benefit Plans Representative to speak to an employee about a benefit plan matter, the Benefit Plans Representative will make prior arrangements with the employee's Supervisor to do so.

(d) The privilege of a Benefit Plans Representative to leave work during regular working hours without loss of pay is subject to the conditions (i) that the time be devoted to the prompt handling of matters, which are proper pursuant to the terms of this letter; (ii) that the privilege not be abused and (iii) that the Benefit Plans Representative will do the work which is assigned at all times except when it is necessary to leave work to handle benefit plan matters.

(e) The Benefit Plans Representative will not be scheduled for Saturday, Sunday, holiday or daily overtime work except as a regular employee in the department and when so scheduled shall not function as a Benefit Plans Representative; provided, however, when more than 50% of the regular hourly work force in a plant of 1501 or more hourly employees are scheduled to work during hours for which they are entitled to receive premium pay under either Section (8.4) or Section (8.5) of the Production and Maintenance Agreement, the Benefit Plans Representative for that plant will also be scheduled to work and to function as a Benefit Plans Representative during such hours.

(f) During a temporary adjustment in a plant of 1501 or more employees the Benefit Plans Representative shall be permitted to perform the functions of the Representative's office when fifty percent (50%) or more of the people on the Benefit Plans Representative's shift are working.

7. The Benefit Plans Representative shall be assigned to the first shift and shall be subject to the provisions of Section (2.6) of the Production and Maintenance Agreement.

REPRESENTATION

The National Union may designate in writing to the Corporation from among seniority employees at work on the first shift at a plant a permanent alternate to function when the Benefit Plans Representative is to be away from the plant for at least a full shift and plant management receives advance written notification of such absence or, if the expected absence is due to Union business, approval from the National Union.

The permanent alternate shall not be deemed to be included among Committeepersons and Officers covered by the applicable Plant Special Provisions.

When replacing the Benefit Plans Representative, the permanent alternate shall be subject to all the provisions applicable to Benefit Plans Representative.

Letter (2.9) CAW National Health and Safety Co-ordinator

Discussions were held concerning the duties and responsibilities of a CAW National Health and Safety Coordinator.

The Coordinator will be appointed by the CAW President and any complaints, should they arise, relative to the Coordinator's performance may be referred to the President's Office.

The Coordinator's role is to promote a policy of problem solving, internal responsibility, and a non-adversarial relationship between the parties.

The National Health and Safety Coordinator may also counsel the Local Health and Safety Committees and make recommendations to improve the performance of the committee in maintaining a safe and healthful working environment. Plant Management will cooperate in this regard and may meet with the Coordinator and the Health and Safety Committee to discuss the recommendations. Additionally, the Coordinator may make recommendations

REPRESENTATION

to develop, improve and guide individual plants in the area of Health and Safety training.

The National Health and Safety Coordinator may visit all plants and offices and access will be provided upon reasonable notice. It is further understood said coordinator may visit the represented Parts Distribution Centers once per year.

The Coordinator, working jointly with the Manager of Health and Safety, will put forth the best efforts to develop a working relationship with members of Management to effectively function in this position.

The Coordinator will be based in the CAW Sub-Regional Office, Windsor, Ontario.

Discussion took place on how the Coordinator could make recommendations to Management to improve existing health and safety policy and procedures in the plant, through training, inspection and audits. In doing so it was understood while Management agreed to accept recommendations in these areas, the final decision to act upon the suggestions remains that of Management and will be based on legislation, practicality and good business decisions.

Finally, it is earnestly hoped by both parties that this innovative approach to improvement and development of existing legislated and negotiated training, leading to a greater sharing of the responsibility of encouraging cooperative relationships in health and safety, will lead to a situation considered satisfactory to both Union and Management.

The parties agreed that the above arrangements, which were originally negotiated in 1987 and the subsequent evolving relationships and expanding responsibilities have worked well for the Company and the Union.

REPRESENTATION

Letter (2.10) CAW National Employment Equity Coordinator

The parties agreed that the position of CAW National Employment Equity Coordinator will be established. The Coordinator will be appointed by the CAW National President.

The Coordinator's role will be to promote a planned, informed and consistent approach to employment equity on behalf of the CAW throughout Chrysler Canada Ltd.

Specifically the Coordinator will work closely with the Master Employment Equity Committee to help develop and implement the joint Employment Equity Plan at Chrysler Canada. The Coordinator will also conduct community outreach and other activities to promote employment equity on behalf of the Master Employment Equity Committee.

The Coordinator will work closely with the Local Employment Equity Committees and make recommendations to assist the committees in promoting equity in the workplace. This may involve advising with community outreach initiatives, assisting with local work to develop and implement the joint Employment Equity Plan, coordinating education and communications efforts, assisting with anti-harassment efforts or with the resolution of difficult complaints.

Workplace Management will cooperate in this regard and may meet with the Coordinator and the Local Employment Equity Committee to discuss recommendations. The Coordinator may visit all plants and offices, and access will be provided upon reasonable notice.

The Coordinator will be based in the CAW Sub-Regional Office in Windsor.

REPRESENTATION

Letter (2.11) CAW Ergonomic Co-Ordinator

Chrysler Canada agrees to establish a CAW Ergonomic Co-ordinator, serving Windsor and Toronto area plants and offices. This is a full-time position assigned to the day shift.

The CAW Ergonomic Co-ordinator will be appointed by the CAW National President, who will advise the Company in writing of the name of the appointee.

The Ergonomic Co-ordinator's role will be to receive, analyze and assess Official Safety Complaint forms submitted by the CAW National Health and Safety Co-ordinator and the Chrysler Canada Manager - Occupational Health and Safety (i.e. the National Committee) that identify problems of an ergonomic nature. This analysis and assessment will assist the Union and the Company to determine the priority of each complaint, in order that Union and Company resources may be effectively applied and that problem resolution may be maximized. The Ergonomic Co-ordinator will assist in resolving disputes that may arise from time to time, using generally recognized and established ergonomic standards.

The Union will promote an ergonomic process that uses advanced knowledge and skills in applied life sciences to recommend improvements to work stations, tools and work methods. It is understood that the implementation of recommendations can occur only after thorough discussion in a joint environment.

The CAW Ergonomic Co-ordinator will work on a pro-active basis to support joint CAW/Chrysler Canada initiatives designed to reduce injuries and related Workers' Compensation costs.

REPRESENTATION

The Ergonomic Co-ordinator will meet on a regular basis with the CAW National Health and Safety Coordinator and the Chrysler Canada Manager - Occupational Health and Safety to discuss issues and initiatives, as well as areas of concern which could be addressed by the National Joint Committee.

Following his/her appointment, meetings will take place to determine the courses required in order for the Ergonomic Co-ordinator to upgrade his or her skills in the field and to function effectively, at a cost not to exceed the normal employee entitlement under the Company's Tuition Refund Program taken in the aggregate over the life of the agreement. Tuition for said courses will be payable by Chrysler upon presentation of an invoice from the instructional institution.

Letter (2.12) Additional Health and Safety Representative — WAP, Bramalea Assembly and PRTAP

On afternoon shifts, a Health and Safety Representative will be added to the Windsor Assembly Plant, Bramalea Assembly Plant and the Pillette Road Truck Assembly Plant.

The parties agreed and understood each Representative would only function when a full vehicle production shift was in operation at the plant serviced.

Letter (2.13) Employee Assistance/ Substance Abuse Representative

(a) Local 444 and Local 1285 may have one full-time Employee Assistance/Substance Abuse Representative who shall be appointed by the President of the National Union.

REPRESENTATION

(b) The President of the National Union shall advise Staff Labour Relations of the Company in writing of the name of the appointed representative. No representative shall function as such until the Company has been so advised.

(c) The functions of the Employee Assistance/Substance Abuse Representative are limited to matters related to substance abuse. The Employee Assistance/Substance Abuse Representative will:

(i) assist in the identification, education, referral and follow-up of employees with problems which impair job performance relating to alcohol and drug dependency or emotional disorders while assuring requisite confidentiality standards are observed;

(ii) act as liaison with appropriate members of line supervision, labour relations, plant medical, other union representatives, diagnosis and referral agencies, and with providers of treatment and medical care;

(iii) assist in evaluating the effectiveness of various programs, plans and services;

(iv) participate in formal employee assistance training or instruction programs, and review and make recommendations to Company representatives concerning program content;

(v) assist in coordinating and implementing various local program applications and related services available under the Employee Assistance/Substance Abuse Plan, including development of local proposals.

(d) The Company recognizes the privilege of an Employee Assistance/Substance Abuse Representative to leave the plant in the course of functioning as such, but the Employee Assistance/Substance Abuse Representative shall notify the designated company representative when leaving and returning to the plant during working hours.

REPRESENTATION

An Employee Assistance/Substance Abuse Representative shall register the time when entering the plant and the time when leaving the plant with at least 8 hours between such times, or get an approval of failure to register such times from the designated company representative. In the absence of evidence that an Employee Assistance/Substance Abuse Representative is abusing this privilege, the approval referred to above shall be given. An Employee Assistance/Substance Abuse Representative shall report to an employee's Supervisor before contacting such employee in pursuance of these duties.

(e) The Employee Assistance/Substance Abuse Representative shall be assigned to the first shift and shall be subject to the provisions of Section (2.6) of the Production and Maintenance Agreement.

(f) The Employee Assistance/Substance Abuse Representative will not be scheduled for Saturday, Sunday, holiday or daily overtime work except as a regular employee in the Employee Assistance/Substance Abuse Representative's department and when so scheduled shall not function as an Employee Assistance/Substance Abuse Representative; provided, however, when more than 50% of the regular hourly work force in a plant of 1501 or more hourly employees are scheduled to work during hours for which they are entitled to receive premium pay under either Section (8.4) or Section (8.5) of the Production and Maintenance Agreement, the Employee Assistance/Substance Abuse Representative for that plant will also be scheduled to work and to function as an Employee Assistance/Substance Abuse Representative.

(g) During a reduction in the work force in a plant of 1501 or more employees the Employee Assistance/Substance Abuse Representative shall be permitted to perform the functions of the office when fifty

REPRESENTATION

percent (50%) or more of the people on the Employee Assistance/Substance Abuse Representative's shift are working.

Letter (2.14) Workers' Compensation Representative

During our recent negotiations the parties discussed at length, the issue of rising claims and costs of employees claiming entitlement for Workers' Compensation benefits. We determined that we could address our mutual concerns, while at the same time providing assistance to the employees by exploring innovative approaches to this rising problem. To that end, the parties agreed a Union appointed Workers' Compensation Benefit Representative shall be allowed up to forty (40) hours away from Company assigned work at Bramalea Assembly Plant, Pillette Road Truck Assembly Plant and Windsor Assembly Plant.

Ajax and Etobicoke will incorporate WCB responsibilities within their representation structure.

A proposed list of duties described in the appendix attached hereto shall be performed by the Workers' Compensation Representative, it being understood that as experience is gained with this joint initiative, such duties may require revision or modification.

To ensure maximum effectiveness, the parties will meet as required to resolve any problems.

APPENDIX WORKERS' COMPENSATION REPRESENTATIVE

Job Description

REPRESENTATION

Works jointly with management Workers' Compensation Representative.

Time of Accident

- interview employee immediately after visiting first aid.
- record detailed information regarding the accident.
- participate in the investigation of the accident:
 - witness
 - supervision
 - review site
- participate in review of information to discuss acceptability of the claim within W.C.B. standards.

Counselling

- provide guidance and advice to employees on required Workers' Compensation matters and dealing with the Workers' Compensation Board.
- as required provide Aetna S&A office with information concerning pending Workers' Compensation claims for employees claiming S&A benefits.

Placement

- using plant placement procedure, assist in placing employees who are fit to do immediate temporary modified work.
- using plant placement procedure, assist in placing employees who have been off work and are fit to return to modified duties.
- follow up with employees who miss work the day following a reported accident. Make every effort to insure they do not become lost time claims by offering modified work.
- monitor and follow-up with temporary placements to insure they are provided additional placement opportunities.
- discuss the employee's ability to do modified work with the attending physician.

REPRESENTATION

Reporting/Recommendations

- monitor accidents by location and type.
- report regularly on developing trends.
- report specific issues to appropriate plant supervision facilities
 - equipment
 - tools
 - parts
- attend and provide appropriate reports at plant safety meetings.
- liaison to provide appropriate information to the plant safety department.

Letter (2.15) Overtime Entitlement - Union Representatives

During the course of negotiations the Corporation raised the issue of undue representation costs during periods of overtime work. Both parties agreed the matter required attention.

The parties therefore agreed as referenced below that notwithstanding the applicable provisions of the Production and Maintenance Agreement as well as the Special Provisions thereunder:

(a) Union representatives would not be entitled to work during overtime or holiday periods when only one of the representatives respective constituents are working.

(b) Union representatives from one shift would not be entitled to work overtime on another shift during the regular hours of scheduled production when the representatives respective constituents are working.

These arrangements were reached in recognition of the principles expressed in the Purpose and Intent of the Production and Maintenance Agreement.

REPRESENTATION

Letter (2.16) Overtime/Temporary Layoff Work Opportunities (Benefit, Health and Safety, and Substance Abuse Representatives)

During negotiations the Union expressed concerns regarding the limited work opportunities that are made available to the Benefit Representatives, Health and Safety Representatives, and Substance Abuse Representatives during overtime and periods of temporary layoff.

The Company indicated that it was mindful of circumstances which could result in work opportunities for such Representatives even though sufficient numbers of employees were not at work to qualify such Representatives in accordance with the provisions of the Collective Agreement. For example, it would be appropriate for the Health and Safety Representative to be offered the opportunity to be at work during the plant rearrangements involving new equipment installations. Similarly, it would be appropriate for the Benefits Representative to be at work during the periods of temporary layoffs or indefinite layoffs involving a significant number of employees to permit him/her to work with plant administrators to ensure the expeditious processing of benefit-related matters, and similarly, it would be appropriate for the Employee Assistance/Substance Abuse Representative to be at work to attend to employee assistance and substance abuse problems.

In response the Company has agreed that where the overtime is required to meet the responsibilities and duties of the full time Benefits Representative, full time Substance Abuse Representative, or full time Health & Safety Representative such Representatives may be retained at work provided they have the prior approval of the Personnel Manager.

Where the respective Representative believes that there is no reasonable justification for the Personnel Manager withholding prior approval, the matter may be

REPRESENTATION

referred to Staff Labour Relations and the CAW National Office.

Letter (2.17) Payment of Union Representatives During Local Negotiations

During the course of current negotiations, the Corporation and the Union had discussions concerning the payment of Union Representatives during Local Negotiations.

This letter is intended to clarify the understandings agreed to during the course of negotiations, pertaining to the payment of such Representatives during such negotiations.

The parties agreed that the following principles would be applicable to the payment of Union Representatives only during the negotiations of the Local Negotiations and would not be used as grounds or basis for claiming that such principles should be extended to other negotiations.

(a) Plant Chairpersons of the Plant Shop Committees would be paid for time spent during Local Negotiations meetings and time spent in Union caucus relevant to such negotiations.

In the event such time would involve overtime hours, and the Plant Shop Chairperson would otherwise be entitled to overtime if said Plant Chairperson had been in the plant, the Corporation agrees to pay overtime up to this entitlement as long as the Plant Chairperson continued in such meetings or caucus.

In the event overtime became available in the plant and the Plant Chairperson was not involved in such meetings and caucus, the Plant Chairperson would be paid for such overtime only for time spent in the plant to the extent of this overtime entitlement.

REPRESENTATION

The Skilled Trades Chairperson would be treated the same as a Plant Chairperson.

(b) The Corporation agreed that alternate Representatives would be recognized only to the extent that additional cost relative to the representation in a given jurisdiction was not incurred. For purposes of example, the Plant Shop Chairperson's alternate and the Committeeperson's alternate would be allowed to function whereas the alternate steward would not be recognized.

(c) The Corporation agreed that Union Representatives on the Local Negotiation Bargaining Committee would not be required to punch their time cards in their respective plants.

The Corporation further agreed that suitable arrangements would be made to administer the recording of hours and payment for such Representatives during the course of Local Negotiations.

(d) The Union agreed that the continuation of such arrangements was contingent upon the mutual satisfaction of the parties and that upon notice to the Union that such procedure had been abused, the Corporation could dissociate itself from such arrangements.

GRIEVANCE PROCEDURE

GRIEVANCE PROCEDURE

(3.1) Time of Answers

The management will answer in writing any grievance presented to it in writing by the Union;

(a) by the Supervisor or other designated representative of management within five (5) working days,

(b) by the Plant Labour Relations Representative within seven (7) working days,

(c) by the Staff Labour Relations Representative or designated representative within seven (7) working days.

These time limits may be extended at any time by agreement between the Corporation and the Union.

(3.2) Presenting a Grievance

A grievance of any employee or a joint grievance of any group of employees shall be presented to the management in the following manner:

Step 1

(a) The employee or one member of a group having a grievance may take the grievance up with the employee's Supervisor, or may ask the Supervisor to send for the Steward without undue delay.

(b) The Steward then takes the grievance up with the Supervisor or other designated representative of the management in the zone.

(c) If the Steward and the Supervisor or other designated representative of management are unable to dispose of the grievance, the Steward then refers it to the Plant Shop Committeeperson for that zone. The Plant Shop Committeeperson then takes the grievance up with the Superintendent or other designated management representative.

GRIEVANCE PROCEDURE

(d) If the grievance is not disposed of and the Steward wishes to pursue it further, the grievance may be reduced to writing and delivered to the Supervisor or other designated representative of management. (Any claim of discrimination when presented in writing, shall contain a full statement of the facts that give rise to the claim and the specific reason or reasons why the employee believes discrimination has occurred.)

(e) If the grievance is not disposed of, the Plant Shop Committeeperson may take the written grievance up with the Superintendent or other designated management representative for the particular district.

Step 2

(a) If the Plant Shop Committeeperson and the Superintendent or other designated representative of management do not dispose of the grievance, then the Plant Shop Committeeperson refers the written grievance to the Plant Shop Committee.

(b) The Plant Shop Committee then delivers a written copy of the grievance to the Plant Labour Relations Representative and thereafter takes the grievance up with the Plant Labour Relations Representative at a scheduled meeting.

Step 3

(a) If the Plant Shop Committee and the Plant Labour Relations Representative are unable to dispose of the grievance, the Plant Shop Committee then refers the grievance to the proper higher officer or officers of the Local Union who may then take the grievance up with a representative of Staff Labour Relations and the Plant Labour Relations Representative after arranging a meeting. Upon request of the President of the Local Union the National President of the Union for the area in which the plant is located, or a regularly designated National Representative of the National President may attend the

GRIEVANCE PROCEDURE

meeting. The Chairperson of the Plant Shop Committee may elect to attend the meeting.

(b) Officers of the Local Union working in the plant and the member of the Plant Shop Committee shall receive pay from the Corporation for time spent in such meetings. If Management agrees to a meeting or the continuation of a meeting during overtime hours, each officer and the member of the Plant Shop Committee shall receive pay from the Corporation at the appropriate overtime rate for the overtime spent in such meeting.

(c) The President of the Local or the designated representative may investigate any grievance appealed to this step of the grievance procedure and, if working in the plant, will receive pay at the regular hourly rate for time spent in such investigation.

(d) If a grievance involves the proper classification of employees or their working conditions, a representative of the National Union may enter the plant during regular working hours, after making proper arrangements with the Manager Staff Labour Relations or the designated representative thereof, in order to inspect the operation involved in the grievance and to decide whether or not to appeal the grievance. A representative of the local plant management may accompany the Union's representative.

Step 4 — National Review and Appeal to Appeal Board

(a) Step 4 — National Review

If the officers of the Local Union and the Staff Labour Relations Representative and designated representative, are unable to dispose of the grievance, the officers of the Local Union then refer the grievance to the National Representative of the Union for the area in which the plant is located. The National Representative will review the grievance. If the grievance is one on which the Appeal Board has power and authority to rule, the National

GRIEVANCE PROCEDURE

Representative may arrange a meeting with the Staff Labour Relations Representative and designated representative, to discuss the grievance. At the request of the National Representative, a Local Union Officer and the Local President's designated representative may attend such meeting. Within ten (10) days of such meeting the Staff Labour Relations Representative or designated representative shall forward to the National Representative a statement of the parties' understanding as to the disposition, if any, of the grievance discussed. In any event, the National Representative shall either dispose of the grievance or if the grievance merits appeal, refer it to the National Union which, if the grievance merits appeal, shall within forty-five (45) days of the appeal of the grievance to Step 4, refer the grievance to the Appeal Board.

For the purpose of this Section, at the Ajax Trim Plant, Local 1090, and the Etobicoke Casting Plant, Local 1459, the President of the Local Union and the Chairperson of the Plant Shop Committee may attend the meeting at the request of the National Representative.

(b) Appeal to Appeal Board

If the National Union refers the matter to the Appeal Board, it shall prepare a record which shall consist of the original written grievance prepared by the Steward and the written answers to the grievance and such other written records as there may be in connection with the matter and forward the same to the Manager of Staff Labour Relations of the Corporation, together with a notice that the answer of the representative with respect to that grievance is not satisfactory to the Union. The matter, if within the power and authority of the Appeal Board as provided in Section (3.5), may then be submitted to the Appeal Board for final disposition, such disposition to be made within thirty (30) days of the submission.

GRIEVANCE PROCEDURE

(3.3) Membership of the Appeal Board

(a) The Appeal Board shall consist of one but not more than two Labour Relations executives of the Corporation and one but not more than two official representatives of the National Union, and an Impartial Chairperson. The Union and Corporation representatives of the Appeal Board shall attempt to settle all grievances properly referred to the Board.

(b) In the event that they are unable to settle the matter, it shall be determined by decision of the Impartial Chairperson and not by majority vote of the Board. The Impartial Chairperson shall have the right, however, to participate in all discussions and meetings of the Appeal Board and shall also have the duty of assisting the parties in resolving particular questions.

(c) The Impartial Chairperson shall have only the functions set forth herein and shall serve for one year from date of appointment provided said Impartial Chairperson continues to be acceptable to both the Union and the Corporation. The fees and approved expenses of the Impartial Chairperson will be paid one-half by the Corporation and one-half by the Union.

(3.4) Authority of Appeal Board

The power and authority of the Appeal Board shall be limited to:

(a) matters involving the correctness of the classification of employees, provided that the absence of a classification from the list of classifications authorized for use at a particular plant by the Corporation shall not preclude the application of that classification at that plant, provided the requested classification is an established hourly classification under this Agreement and provided further the application of the requested classification is proper, based upon the work performed; and

GRIEVANCE PROCEDURE

(b) applying and interpreting the provisions of the Agreement including written memorandum and letters of understanding between the Corporation and the National Union that relate to and supplement the terms of this Agreement except as may otherwise appear in said Agreements.

(c) in proper cases, modifying penalties assessed by the Management in disciplinary discharges and layoffs.

(d) grievances submitted charging a violation of the Corporation's express commitments set forth in Section (1.15) of the Agreement or Section (17.16) (a), Section (17.17) or Section (17.19) of the Skilled Trades Section. The Appeal Board may not determine that any Plant Management decision regarding the letting of a contract for maintenance or construction work or for the in-plant fabrication of tools, dies, jigs, and fixtures or any Plant Management decision to buy tools, dies, or models rather than make them violated the express provisions of Section (1.15) of the Agreement or Section (17.16) (a), Section (17.17) or Section (17.19) of the Skilled Trades Section, unless:

1. the Appeal Board finds that the decision complained of has resulted, or will result, directly in the layoff of journeymen/women or temporary employees in the affected classifications at the plant on layoff, and 2 unless the Appeal Board finds that, in making the disputed decision to contract out the work involved or to buy rather than make, Plant Management did not exercise proper judgment on the basis of the information available at the time the decision was made based on all the considerations set forth in Section (17.18) of the Skilled Trades Section and those set forth in Section (1.15), Section (17.16) (a), Section (17.17) and Section (17.19), referred to above as the case may be. If on the basis of the evidence presented the Appeal Board finds that the management decision complained of did not violate the provisions of said Section (1.15), Section (17.16) (a),

GRIEVANCE PROCEDURE

Section (17.17) or Section (17.19), such determination shall resolve the grievance. If, however, the Appeal Board finds that the Management decision violated any such provision, the Appeal Board shall have authority to issue an award in which the sole remedy shall be limited to providing relief to journeymen/women and temporary employees in the affected skilled trades classifications at the affected plant who either were laid off directly as a result of the Management decision complained of or who were on layoff from the affected skilled trades classifications at the affected plant when Management made the decision complained of.

The Appeal Board shall not have authority to add to or subtract from or to modify any of the terms of the Agreement or to establish or change any wage or rate of pay.

Any case appealed to the Appeal Board on which it has no power to rule shall be referred back to the parties without decision.

(3.5) Time of Appeals

(a) Hereafter, a grievance not appealed from an answer at one step of the grievance procedure to the next step of the grievance procedure, shall be considered settled on the basis of the last answer and not subject to further review but shall not prejudice the position of either party with respect to a grievance involving the same issue at another plant. Time limits for appeal shall be as follows:

1. Appeal from an answer given in either Step 1 or 2 of the grievance procedure must be made within five (5) working days after such answer;

2. Appeal from an answer given in Step 3 of the grievance procedure must be made within fifteen (15) working days after such an answer;

GRIEVANCE PROCEDURE

3. Appeal to the Appeal Board must be made within forty-five (45) days from date of appeal to Step 4.

(b) A grievance may be withdrawn without prejudice, and, if so withdrawn, all financial liabilities shall be cancelled. If the grievance is reinstated, the financial liability shall date only from the date of reinstatement. If the grievance is not reinstated within three months from the date of withdrawal, the grievance shall not be reinstated. Where one or more grievances involve a similar issue, those grievances may be withdrawn without prejudice pending the disposition of the appeal of a representative case. In such event the withdrawal without prejudice will not affect financial liability.

(3.6) Time Limit on Claims

(a) No claims, including claims for back wages, by an employee covered by this Agreement, or by the Union, against the Corporation shall be valid for a period prior to the date the grievance was first filed in writing unless the circumstances of the case made it impossible for the employee, or for the Union as the case may be, to know that the employee, or the Union, had grounds for such a claim prior to that date, in which case the claim shall be limited retroactively to a period of thirty (30) days prior to the date the claim was first filed in writing.

(b) Deductions from an employee's wages to recover overpayments made in error will not be made unless the employee is notified in writing prior to the end of the month following the month in which the payment in question was made to the employee. The notice will specify the amount of the overpayment, and deductions to recover such overpayment shall not commence until the pay period following the pay period in which the notice of overpayment was given to the employee.

Letter (3.7) Time Limit on Claims - Waived

GRIEVANCE PROCEDURE

In the past there have been limited situations in which the Corporation and the National Union have mutually agreed that, notwithstanding the provisions of Section (3.6), Time Limit on Claims, equity and fairness dictated that the time limits be waived regarding (a) claims by an employee or by the Union, including claims for back wages, and (b) deductions from an employee's wages to recover overpayments.

This letter will confirm that in such instances of mutual agreement between the Staff Labour Relations Department and the National Union, the limitations set forth in Section (3.6) may continue to be waived in order to provide equitable and fair resolution of such matters.

(3.8) Payment of Back Pay Claims

If the Corporation fails to give an employee work to which the employee's seniority entitles the employee, and a written notice of the employee's claim is filed within ten (10) working days of the time the Corporation first failed to give the employee such work, the Corporation will reimburse the employee for the earnings lost through failure to give the employee such work.

(3.9) Computation of Back Wages

No claim for back wages shall exceed the amount of wages the employee would otherwise have earned at the employee's regular rate less:

(a) any unemployment, compensation or supplemental unemployment benefit the employee may have received, in which case the Corporation will pay to the appropriate federal agency the amount of the unemployment compensation the employee received in order to restore the employee's entitlements for unemployment compensation benefits, provided the

GRIEVANCE PROCEDURE

employee authorizes such payment if authorization is required; also, the employee's entitlement for supplemental unemployment benefit will be restored in accordance with the Supplemental Unemployment Benefit Plan; and

(b) compensation for personal services that the employee was not receiving when the employee last worked for the Corporation. However, wages for total hours worked each week in other employment in excess of the total number of hours the employee would have worked for the Corporation during each corresponding week of the period covered by the claim, shall not be deducted.

The Appeal Board shall have authority in its discretion to deduct such further amount as it may deem fair.

(3.10) Retroactive Adjustments

No decision of an Appeal Board or of the Management in one case shall create a basis for retroactive adjustment in any other case.

(3.11) Withdrawal of Cases

After a case on which an Appeal Board is empowered to rule hereunder has been referred to the Appeal Board, the case may not be withdrawn by either party except by mutual consent.

(3.12) Finality of Decisions

There shall be no appeal from any Appeal Board's decision. Each such decision shall be final and binding on the Union and its members, the employee or employees involved, and the Corporation. The Union will discourage any attempt of its members, and will not encourage or cooperate with any of its members in any

GRIEVANCE PROCEDURE

appeal to any Court or Labour Board from a decision of an Appeal Board.

(3.13) Appeal for Interpretation

Any issue involving the interpretation and/or the application of any term of this Agreement may be initiated by either party directly with the other party. Upon failure of the parties to agree with respect to the correct interpretation or application of the Agreement to the issue, it may then be appealed directly to the Appeal Board as provided in Section (3.2) Step 4.

(3.14) Law Suits

Any grievance that either (a) is not processed or (b) is disposed of in accordance with this Grievance Procedure shall be considered settled, and such settlement shall be final and binding upon the Corporation, the employee or employees involved, the Union and its members.

Except with respect to the right to present an individual grievance as expressly set forth in Section (3.2) Step 2 (a), the Union shall, in the redress of alleged violations by the Corporation of this Agreement or any local or other agreement supplementary hereto, be the exclusive representative of employees or groups of employees covered by this Agreement, and only the Union shall have the right to assert and press against the Corporation in any judicial or adjudicatory proceeding any claim or action asserting a violation of the Agreement.

No employee or former employee shall have any right of action under this Agreement on the basis of or by reason of any claim that the Union or any Union officer or representative has acted or failed to act relative to presentation, prosecution or settlement of any grievance or other matter as to which the Union or any Union

GRIEVANCE PROCEDURE

representative has authority or discretion to act or not to act under the terms of this Agreement.

(3.15) Maintenance of Discipline

It is agreed that the maintenance of discipline for just cause is essential to the satisfactory operation of the plant.

(3.16) Notice of Suspension, Disciplinary Layoff or Discharge

The plant management agrees promptly upon the suspension, disciplinary layoff or discharge of an employee including a probationary employee to notify in writing the employee and the Steward or Plant Shop Committeeperson in the district of the suspension, disciplinary layoff or discharge, and the reason therefor. Such notice will be provided at a reasonable time where practicable prior to the end of the shift and will advise the employee that the employee has the right to request union representation.

If such an employee is absent from the plant at the time the action is taken, or where it was not practicable to provide written notice prior to leaving the plant, management will send to the employee's last known address notice of suspension, disciplinary layoff or discharge and notice that the employee has the right to request representation.

(3.17) Union Representation

The employee may ask to discuss the suspension, disciplinary layoff or discharge with either the Steward or Plant Shop Committeeperson for the district. The management will designate an office where the employee may do so before the employee is required to leave the plant. Upon request, the employee's Supervisor or other

GRIEVANCE PROCEDURE

designated representative of management will discuss the suspension, disciplinary layoff or discharge with the employee and the Steward or the Plant Shop Committeeperson. In proper cases, exceptions shall be made.

(3.18) Appeal of Discharge

Should a discharged employee or the Union representative and the Plant Shop Committee consider the discharge to be improper, a complaint shall be presented in writing through the Shop Committee to the designated Labour Relations Representative within forty-eight (48) hours of the discharge. The Management of the plant will review the discharge and give its answer within seventy-two (72) hours after receiving the complaint. The Management of each plant is authorized to settle such matters. If the decision is not satisfactory to the Union, the matter shall be referred to Step 2 of the grievance procedure within five (5) working days after the Management gives its answer to the Union.

(3.19) Use of Past Record

In imposing any discipline on a current charge, Management will not take into account any prior infractions which occurred more than one (1) year previously nor impose discipline on an employee for falsification of the employee's employment application after a period of one (1) year from the employee's date of hire.

Letter (3.20) Grievance Procedure - Flow Chart

Both parties to the Production and Maintenance Agreement signed today acknowledge the desirability of ensuring prompt and fair resolution of employee grievances. The parties also acknowledge the importance

GRIEVANCE PROCEDURE

of the requirements set forth in Sections (3.16) Notice of Suspension, Disciplinary Layoff or Discharge and (3.17) Union Representation. The attached flow chart illustrates the proper sequence of procedural steps to be used in processing employee grievances.

The Corporation assures the Union that it is interested in seeing that all grievances receive prompt and objective consideration on their merits. The Union assures the Corporation that it will make a sincere and determined effort to keep the procedure free of unmeritorious grievances.

Also, during our recent contract negotiations the Corporation pointed out that Special Conferences, as provided for in Section (2.7)(b), are in some instances being used to circumvent The Grievance Procedure. Such action hinders the expeditious handling of grievances. The parties agree Section (2.7)(b) was not intended to provide the means for circumvention and abuse of the Grievance Procedure and will put forth their best efforts to eliminate any such abuse.

To further assist in expediting the handling of a grievance, it is understood if a grievance has not been resolved in Step 2 or Step 3 of the grievance procedure within forty-five (45) days after its appeal from the previous Step, unless held over by mutual agreement between the parties for further discussion, the representative of Management at that Step may answer the grievance in writing without a meeting.

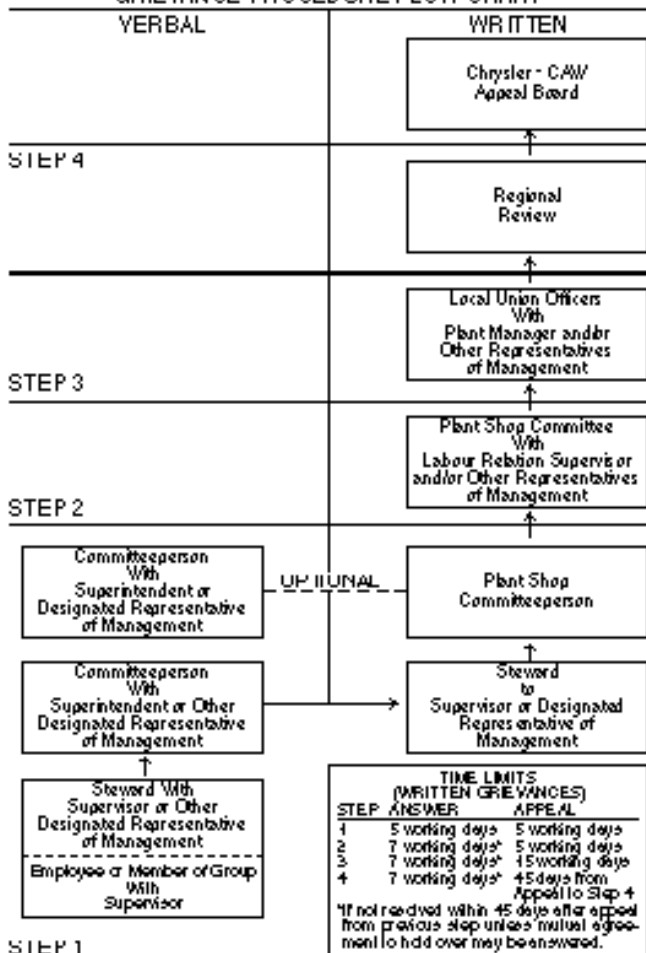
The parties also discussed problems created as a result of the submission of written grievances containing insufficient information. It is agreed that each grievance submitted in writing shall set forth in reasonable detail the date and nature of the grievance, identity of the employee or employees involved by name, seniority date, classification or location, insofar as diligent effort will allow, and the provisions of the applicable agreement, if

GRIEVANCE PROCEDURE

any, that the Union claims the Corporation has violated. Management's answers will set forth facts taken into account in answering the grievance.

GRIEVANCE PROCEDURE

GRIEVANCE PROCEDURE FLOW CHART



GRIEVANCE PROCEDURE

Letter (3.21) Reinstated Grievances

During negotiations of the Production and Maintenance Agreement, the parties acknowledged the desirability of ensuring prompt, fair and final resolution of employee grievances. The parties also recognized that the maintenance of a stable, effective and dependable grievance procedure is necessary to implement the foregoing principle to which they both subscribe. Accordingly, the parties view any attempt to reinstate a grievance properly disposed of as contrary to the purpose for which the grievance procedure was established and violative of the fundamental principles of collective bargaining.

However, in those instances where the National Union (CAW-Canada), by either its (i) Executive Board, (ii) Public Review Board or (iii) Constitutional Convention Appeals Committee has reviewed the disposition of a grievance and found that such disposition was improperly effected by the Union or a Union representative involved, the National Union may inform the Manager Staff Labour Relations in writing that such grievance is reinstated in the grievance procedure at the step at which the original disposition of the grievance occurred.

It is agreed, however, that the Corporation will not be liable for any claims for damages, including back pay claims, arising out of the grievance that either (i) are already barred under the provisions of the aforementioned Agreement at the time of the reinstatement of the grievance or (ii) that relate to the period between the time of the original disposition and the time of the reinstatement as provided herein. It is further agreed that the reinstatement of any such grievance shall be conditioned upon the prior agreement of the Union and the employee or employees involved that none of them will thereafter pursue such claims for damages against the

GRIEVANCE PROCEDURE

Corporation in the grievance procedure, or in any court or before any Federal, provincial, or municipal agency.

Notwithstanding the foregoing, a decision of the Impartial Chairperson of the Appeal Board or any other arbitrator on any grievance shall continue to be final and binding on the Union and its members, the employee or employees involved and the Corporation and such grievance shall not be subject to reinstatement.

This letter is not to be construed as modifying in any way either the rights or obligations of the parties under the terms of the aforementioned Agreement except as specifically limited herein, and does not affect sections thereof that cancel financial liability or limit the payment or retroactivity of any claim, including claims for back wages, or that provide for the final and binding nature of any Appeal Board decisions or other grievance resolutions.

It is understood this letter agreement and the Corporation's obligations to reinstate grievances as provided herein can be terminated by either party upon thirty (30) days notice in writing to the other.

Letter (3.22) Grievance Disciplinary Action

In response to your demand made during the current negotiations, we have agreed that during discussions as early as Step 2 of the grievance procedure of grievances over discipline, discharge and other terminations from employment, each party will present a statement of position reciting facts then known on which it relies, and a copy of a document or statement on which the party relies to support its position.

In the case of a document covering, or statement by, an employee who is not the grievant, the party relying on it may excise, block out, or otherwise remove, information on it that is not relevant or that would disclose the identity of the person who made the statement or concerning whom the document refers.

GRIEVANCE PROCEDURE

In cases where a prior disciplinary record is involved, the Corporation may present a written summary of the grievant's disciplinary record.

The statement of position and other statements and documents that a party has provided the other shall become part of the grievance file and may be referred to in subsequent steps of the grievance procedure, including the Appeal Board.

The failure or refusal of the Union to present a full oral explanation of its position shall relieve the Corporation from presenting any statement or document on which it relies. The failure or refusal of a party to make available to the other a copy of a document or statement which it has in its possession and on which the party relies shall preclude the party from using it before the Appeal Board.

The Corporation expressed its concern that its providing to Local Union representatives involved in processing grievances copies of employee statements and corporate documents relating to employees may lead to abuses unless the statements and documents (i) are used solely in connection with the proper processing of a grievance, (ii) are otherwise kept confidential, and (iii) are not in any way used by any member of the bargaining unit to attempt to harass or intimidate an employee giving a statement or providing a document. The Union assured the Corporation that it will instruct its Local and National Representatives of these restrictions on the use of such material and the need to maintain confidentiality. The Union further represents that if a copy of a statement or document provided it in accordance with this Letter Agreement is used by its representatives or those under their control for any purpose other than the proper processing of a grievance or is publicized outside of the grievance procedure, the Corporation would be relieved of

GRIEVANCE PROCEDURE

any obligation under this Letter Agreement at the plant where the abuse occurred.

Letter (3.23) Application of Section (3.16)

This is to confirm our understanding concerning the application of Section (3.16) Notice of Suspension, Disciplinary Layoff or Discharge of the Production and Maintenance Agreement as it relates to employees who are terminated for inability to perform assigned work.

When an employee, including a probationary employee, is terminated for inability to perform assigned work, plant management will provide written notice pursuant to Section (3.16).

Letter (3.24) Discipline On Standards

In Appeal Board Case No. 1664 the Impartial Chairman said that "the mere presence of proof of failure to meet a rate of production requires the Chairman to approve the propriety of discipline unless, by some means other than a showing of non-compliance with Sections (46)-(48) (now Section (44)) it is established that the fault did not lie with the employee." Nevertheless, the undersigned agree that the provisions of Section (44) (c) of the National Production and Maintenance Agreement dated November 2, 1961, give the Appeal Board power and authority to determine the propriety of the penalty imposed by management in disciplinary discharges and layoffs for violation of Section (59), Work Standards, of said Agreement, and that the mere presence of proof of an employee's failure to meet a disputed work standard does not require the Appeal Board or the Chairman to approve the propriety of the discipline assessed to an employee.

GRIEVANCE PROCEDURE

The disposition of any such case shall be on the merits but shall not involve the propriety of any disputed work standard or work load assignment performed by the grievant or grievants.

In any such determination, the Appeal Board will take into consideration any relevant facts occurring prior and subsequent to the time the penalty in question was imposed.

This letter shall not be construed to limit or otherwise impair any right Section (2) reserves to the Corporation, including the right to establish and maintain work standards or rates of production and to discipline employees.

WORK STANDARDS

(4.1) Work Standards

(a) Establishing Work Standards

1. When the Corporation establishes work standards, by whatever method it may select, it shall do so on the basis of fairness and equity in that such standards shall be based on the reasonable working capacities of normal experienced employees working at a normal pace to produce quality work in the manner that the Company prescribes.

2. When a work standard is established and is not disputed, or is disputed and settled, such standard shall remain unchanged and not subject to dispute unless and until the operation is changed as a result of change in method, layout, tools, equipment, materials or product design. When a change is made in a work standard for any of the above reasons, only the elements of the operations that are affected by such change will be adjusted.

The Corporation agrees it is desirable to establish work standards on a new operation as early as is feasible. Where a standard is not established, the Steward, upon request, will be given management's reasons for not establishing the standard.

When a standard is not established, an employee, who is following the prescribed method and using the tools provided in the proper manner and performing at a normal pace, will not be disciplined for failure to obtain an expected amount of production.

When imposing discipline for failure to follow a prescribed method or for failure to use the tools provided in a proper manner, an employee will be informed in writing in what respect the employee failed to follow the

WORK STANDARDS

method or use the tools. Upon request, the Steward will also be given the reason.

3. When a work study is to be made for the purpose of establishing a standard, advance notice will be given to any normal experienced employee to be studied and to the employee's Steward. When a work standard is established, notice will be given to the employee and to said Steward advising them of the established work standard. When a study is made for purposes other than establishing a standard, the purpose of the study will be made known to a Union representative if so requested.

4. Circumstances affecting the time of performance of a particular job that were not taken into account in establishing a work standard are known as non-standard conditions. When such non-standard conditions exist and are brought to the attention of management, the employee concerned shall be advised of the rate of production at which said employee will be required to perform the job under such non-standard conditions.

(b) Relief Time and Other Allowances

1. All employees on a regular eight-hour shift shall have a relief period or periods not exceeding in the aggregate twelve (12) minutes before lunch and twelve (12) minutes after lunch. Such relief periods represent five per cent of the shift time or three (3) minutes per hour. The amount of such relief time shall be modified accordingly for a shift other than a regular eight-hour shift. This shall not be deemed to affect the environmental relief allowance now included in the work standard of certain operations nor the allowance applicable to certain other operations as expressly set forth in letters from the Corporation to the Union.

Such relief time, except in emergencies, shall not be provided during the first hour of the shift or the first hour after the lunch period, or during such other periods, not

WORK STANDARDS

exceeding in the aggregate two (2) hours per shift, as may be mutually satisfactory in the local plants.

2. When a time study is made, the employee's performance will be rated as to normal at the time such study is made. In addition to the regular relief allowance, allowances will be made for such elements as standard tool changes, material handling, and fatigue where these are a factor.

(c) Special Provisions Regarding Breakdowns, Ratio of Body Types, and Controlling Operations.

1. An employee will not be required to make up a loss in production on the employee's operation solely as a result of machine or equipment breakdown or shortage of stock or other conditions if the condition is beyond the employee's control, but the employee may be directed while the condition exists, to perform other work or, if the condition exists during a period when the employee may be required to do so, to take regular relief time.

2. Work assignments on conveyor lines will be made in accordance with line speeds and available work space and the expected normal ratio of body types, optional equipment or other product types. When it is necessary to adjust the normal scheduled ratio of body types including optional equipment or other product types on conveyor lines and more or less work is required because of the change in mix, compensating adjustments in work assignment, manpower, spacing of units, line speed or any combination thereof will be made. Arrangements will be made locally to establish procedures which will provide advance knowledge of mix changes that require compensating adjustments so that such adjustments will be made in a timely manner. On conveyor line operations, management will designate specific off-line operations from which employees will be made available to compensate for such mix changes

WORK STANDARDS

when one of the compensating adjustments selected is an increase in employees. The compensating adjustments will be made known to the affected employee in the employee's ordinary work area in time to accommodate the mix change. Upon request, Management will advise the Union of the arrangements made. If the time required to perform the elements of work assigned to an employee does not equal the available time of the employee's work station, additional elements of work may be assigned to the employee, not to exceed the available time of the employee's work station. If work assignments on such lines are changed, the Supervisor will advise the employee what elements have been added to or removed from the operation.

3. On some press, machine or conveyor lines the operations are limited by the controlling operation on the line with the result that on such lines either the time required to perform the elements of work assigned to an employee is less than the employee's available time or the rate of production required of an employee is less than standard. In such circumstances the employee will be advised of the standard and available time for the operation whether or not the employee is required to produce to the standard. When the work standard on the controlling operation is adjusted, the other operations that were so limited will be adjusted accordingly within their standards.

(d) Dispute Procedure

1. If an employee or group of employees believes that any paragraph or paragraphs of this Work Standards Section has been violated, and the employee (or they) is aggrieved as the result thereof, the employee, or a designated member of the group, may take the matter up with the Supervisor, or ask the Supervisor to send for their Steward. On request the Supervisor will obtain for the

WORK STANDARDS

Steward in writing an elemental breakdown of the operation in question. Such elemental breakdown shall consist of all the elements of the operation in the order of their performance with the time for each element and the total time for the operation as these appear on the study or supporting data. On conveyor assembly lines each elemental breakdown will reflect the scheduled rate of production and available time, either by the hour or the day as requested.

The best efforts of the employee, the Supervisor concerned and the Steward shall be directed toward settling the matter. Among other things, it shall be determined that the employee's work method, the job layout, the tools and equipment are those on which the standard is based. Machine cycle times, feeds and speeds, stock locations and line speed are among other items that should be checked to determine that these are as contemplated in the standard.

By receiving the elemental breakdown and other information regarding an operation, the Union will not thereby waive its right later to dispute the time values of the elements of the operation.

2. (i) If after the above procedure is followed the matter is not resolved, a written grievance may be filed with the Supervisor, signed by the aggrieved employee or aggrieved employees. The Supervisor shall reply to the grievance within two (2) regular working days. If the grievance is not disposed of, it may within two (2) regular working days of the Supervisor's reply be appealed by the Chairperson of the Plant Shop Committee to the next step by giving written notice to the Labour Relations Department.

(ii) Following receipt of the Supervisor's reply and prior to the special meeting held pursuant to Paragraph 3 below, the Local Union Time Study Person will be permitted to make a study of the job in dispute.

WORK STANDARDS

This study shall not be deemed to be in substitution for the National Union Industrial Engineer giving technical assistance as provided in Paragraph 3 below.

(iii) The Local Union Time Study Person shall be an employee having seniority in a plant of the Corporation, who is trained and qualified by the National Union as a Time Study Person. The Union may designate in writing to the Corporation from among seniority employees at work in the plant a permanent alternate Local Union Time Study Person who is trained and qualified by the Union as a Time Study Person to function when the Local Union Time Study Person is to be away from the plant for at least a full shift and plant management receives advance notification of such absence.

The Time Study Person, during regular working hours of the Time Study Person, may perform the duties as herein set forth subject to the provisions of Section (2.3) (b), (c), (d) and (e) and notwithstanding seniority status, shall in the event of a layoff be retained at work as long as there is a job scheduled in the plant in which the Time Study Person is employed which the Time Study Person is able to do and shall be recalled to work after a layoff as soon as there is a job in either the Windsor Assembly Plant or the Pillette Road Truck Assembly Plant the Time Study Person is able to do.

3. Within five (5) regular working days of the receipt of the appeal to the Labour Relations Department, the grievance will be considered at a special step of the grievance procedure by three representatives of the Union, including the Steward, Plant Shop Committeeperson and Chairperson of the Plant Shop Committee and three representatives of management, at least one of whom shall be a member of higher supervision.

After the written grievance has been answered by the Supervisor, all of the data supporting the standard shall

WORK STANDARDS

be made available to the appropriate Plant Shop Committeeperson or to the National Union's Industrial Engineer upon request, without undue delay.

If the Chairperson of the Plant Shop Committee so requests, the Corporation will make a new study of the operation promptly by the time study method, using a normal experienced operator on the job. The time limits for the meeting in this step of the procedure shall be extended by the time required to make the study and the study shall be made available to the participants in this step of the procedure. Also, should the National Union through the Labour Relations Department request an Industrial Engineer from the Corporation and an Industrial Engineer from the National Union to give their technical assistance in resolving the grievance the time limits for the holding of this meeting shall be extended by the time required. In this event, the Industrial Engineers shall give their prompt attention to the matter. In the presence of a Local Union representative or representatives they will compare and exchange their studies and computations without undue delay to determine the areas of difference, if any, in order to expedite resolving the grievance. The National Union and the Labour Relations Department will arrange for the participation of the Union's Industrial Engineer.

The requirements of this procedure for the making available of elemental breakdowns, back-up data, for the taking of a new time study by the Corporation at the request of the Chairperson of the Plant Shop Committee, and for the participation of the Union's Industrial Engineer shall apply only to grievances alleging that the aggrieved employee cannot perform the work required in the time allowed because the standard was not established in conformity with Section (4.1) (a) (1) hereof.

4. Within two (2) regular working days of the special step meeting, higher supervision will give a written

WORK STANDARDS

answer. If the grievance is not settled at this step, it may within five (5) regular working days from the date of the written answer be referred to the Special Arbitrator. The Special Arbitrator shall consider the grievance and render a decision within two (2) weeks of receipt of such referral.

The Special Arbitrator shall be selected either by mutual agreement of the parties or, failing such agreement, by the Minister of Labour for Ontario. Payment of the Special Arbitrator's fees and expenses shall be shared equally by the parties. The Special Arbitrator shall be a qualified industrial engineer.

5. In considering a grievance so referred the Special Arbitrator shall have authority only to rule on whether any paragraph or paragraphs to this section have been violated, including Paragraph (a) 1, and on the correctness of any and all facts that are in dispute in the grievance. However, the Special Arbitrator shall not have authority to alter or establish a standard on any operation. The ruling of the Special Arbitrator shall be binding on both parties.

6. The Union and the Corporation shall stipulate in advance of the hearing which matters are in dispute and the Special Arbitrator shall make a determination only with respect to those matters. The parties shall make available to the Special Arbitrator at the hearing any data pertinent to the operation which the Special Arbitrator may request, or which the parties may desire to present.

7. The Special Arbitrator shall observe the performance of the operation in dispute and when requested by either party the Special Arbitrator shall make a time study of the operation, using a normal experienced operator on the job. If the parties cannot agree on the

WORK STANDARDS

normal experienced operator to be studied, the Special Arbitrator shall make the selection.

8. In submitting a ruling, the Special Arbitrator shall also submit to both parties copies of all the facts of the study and computations thereto.

9. If pursuant to the above the Special Arbitrator rules that Paragraph (a) 1, has been violated, the Corporation will be obligated to establish a new standard within two (2) regular working days following receipt of such ruling.

10. If the Union considers the new standard unsatisfactory, it may file a grievance concerning the standard and such grievance will be reviewed by the parties within two (2) regular working days. If the grievance is not resolved at this meeting, the Corporation will give its written reply to the grievance within two (2) regular working days thereafter.

Within two (2) regular working days after receipt of the written answer, the Union may appeal the grievance to the Special Arbitrator and in such event the Special Arbitrator will hold a hearing within one (1) week and review the action taken by the Corporation. The Special Arbitrator will not take an additional time study but shall determine within three (3) regular working days after the hearing whether the new standard is also in violation of Paragraph (a) 1.

11. The Arbitration procedure outlined herein shall be subject to the laws of the Province of Ontario and any regulations or decisions thereunder having the force of law.

Letter (4.2) Work Standards - Disputes

In making employee assignments in its plants, management makes a sincere effort to assign work to employees in such a manner that they may perform it in

WORK STANDARDS

the time and space required by using the prescribed method, tools and materials and by working at a normal pace.

It is recognized, however, that disputes may arise regarding such assignments. Section (4.1) of the Agreement provides an orderly method of resolving such disputes. In implementing the provisions of Section (4.1) in its plants, the following points confirm the understandings reached in our recent meetings on the subject:

1. The Local Union Time Study Representative may attend meetings to discuss disputed work assignments, in the Windsor area only.

2. Providing the number of requests is not unreasonable, Elemental Breakdowns will be promptly furnished the Union upon request. It is understood that if it is necessary to time study an operation prior to furnishing the Elemental Breakdown, a slight delay may result.

3. When an Elemental Breakdown has been requested, employees on the disputed operation, if a work standard has not been established, will not be disciplined in connection with the dispute until the Union has been furnished the Elemental Breakdown. Once a standard has been established and the Union has been furnished the Elemental Breakdown, employees may be disciplined for failure to obtain the standard notwithstanding the fact the standard may be in dispute.

It is agreed that the foregoing understandings are made in a good faith effort by the parties to resolve employee assignment disputes on a timely and equitable basis. If experience indicates that this end is not being served, the understandings may be terminated by either party upon two (2) weeks notice.

WORK STANDARDS

Letter (4.3) Work Allocation - Assembly Operations

During negotiations, the parties discussed the subject of work allocations in the Windsor Assembly, Pillette Road Truck Assembly and Bramalea Assembly Plants.

The Company emphasized the numerous factors that influence its ability to make unchangeable work allocations early in the model run in its vehicle assembly plants, among which include the overmanning that sometimes occurs early in the model, in connection with launching and the normal difficulties associated with the production of new models, the engineering changes which occur throughout the model run, the frequent variations in body mix and option scheduling rates, the continual changes in processing and tooling, and the persistent efforts which the Company makes to achieve a satisfactory level of manpower efficiency and workload balance.

The Company also appreciates the interest which employees in vehicle assembly plants have in securing a reasonably certain level of work assignment at some point in time in the model run. Bearing this in mind, the factors noted above are particularly critical in assembly plants in the model years in which there is a new or major change to the car or truck lines, and somewhat less critical where the vehicle lines receive minor changes. In either case, these changes are not unimportant.

In addition, the Company expressed its objective to be fully competitive in the industry and marketplace, and its coinciding inclination to approach this matter cautiously.

As such, the Company assured, in negotiations, that beginning 10 working days, after the first new model

WORK STANDARDS

vehicle reaches the end of the Final Assembly line, and by the end of 100 calendar days following thereafter, exclusive of the plant vacation shutdown period, suitable employee work allocations will have been made and will remain unchanged for the balance of that year's model run, excepting if a change in work allocation is occasioned by changes in line speed, schedule mix, option installation rates, tooling, processing, engineering or design specifications, methods or layouts. This arrangement applies only in those circumstances where minor changes are made to the respective models at either the Windsor Assembly, or the Pillette Road Truck Assembly or Bramalea Assembly Plants. Where major changes are contemplated in any one or all of its models at these assembly plants, extensions to the 100 calendar day time period will be necessary to accomplish its work allocation objectives, at which time the matter will be explained to the respective in-plant CAW Committee. Implementation of this arrangement at the Bramalea Assembly Plant will be effective with 1996 model year production and apply to direct labour operations only.

This arrangement does not constitute any kind of acknowledgement that the workload or work allocation as of the time it becomes unchanged will represent a full workload, nor does it include any assurance or implication that the work allocation in the succeeding model year will remain unchanged regardless of the degree of vehicle change.

SENIORITY

(5.1) Probationary Employees

(a) New employees of the plant shall be considered as probationary employees for the first ninety (90) days of their employment except as provided in subsection (b) below. The ninety days' probationary period shall be accumulated within not more than one (1) year unless the employee is on the active roll, vacation, or temporary layoff wherein the probationary accumulation period will continue. After employees have finished the probationary period, they shall be entered on the seniority list of their department or division and shall rank for seniority from the day ninety (90) days prior to the day they completed the probationary period.

(b) There shall be no seniority among probationary employees.

(c) The Union shall represent probationary employees for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment as set forth in Section (1.1) of this Agreement. Any claim made by a probationary employee that a layoff or discharge is not for cause, or discriminatory under Sec. (1.4), may be taken up as a grievance; provided, however, that the employee shall be deemed to have continued to be on probation, and therefore the Corporation shall not be held to the same standards as in the case of seniority employees. The Appeal Board shall have jurisdiction over such cases. A probationary employee who is discharged and later reinstated shall not be deemed to have served any part of the probationary period between the date of the probationary employee's discharge and the probationary employee's reinstatement.

(d) Probationary employees that are temporarily separated during their probationary period for plant

SENIORITY

temporary layoff or plant vacation shutdown and are subsequently reinstated, shall be required to complete their probationary period, and upon doing so shall have a seniority date which includes the time separated for the above stated periods, plus (90) days.

(e) Where a probationary employee's performance is unsatisfactory, the Supervisor will review the employee's performance with the Steward or Committeeperson.

(5.2) Seniority Lists

(a) Employees' names shall appear on the relevant seniority lists (by classification, department and plant) in the order of their respective date of hiring or in the case of an employee placed on the seniority lists after ninety (90) calendar days' intermittent employment within any period of twelve (12) consecutive months, in the order of the date ninety (90) calendar days prior to the employee attaining seniority.

(b) Seniority lists for each department shall be maintained at all times by the Corporation and shall be made available to Stewards and Plant Shop Committeepersons for inspection to the extent reasonably necessary for any Steward or Plant Shop Committeeperson to ascertain the seniority status of an employee within said jurisdiction.

(c) The Corporation shall post revised seniority lists as required for each department each three months and copies of same shall be supplied to each Plant Shop Committeeperson. The lists so supplied shall include the names of seniority employees then on layoff.

Plant seniority lists shall be compiled each six (6) months and shall be supplied to the respective Chairperson of the Plant Shop Committees.

(5.3) Loss of Seniority

SENIORITY

(a) An employee shall lose seniority for the following reasons only:

1. The employee quits.
2. The employee is discharged and the discharge is not reversed through the grievance procedure.
3. If the employee is absent for five (5) regular working days without advising the Corporation's Employment Department giving satisfactory reasons.
4. If the employee fails to return to work within five (5) regular working days after notification to do so to the employee's address on record with the Corporation unless the employee furnishes satisfactory reasons for such failure.
5. If the employee is not called upon to perform work for the Corporation for a period of sixty (60) consecutive months or for a period equal to the employee's seniority at the date when the employee last performed work for the Corporation, whichever shall be the greater.
6. If the employee receives a permanent total disability benefit under a group life insurance policy held by the Corporation. If such employee recovers and either (a) the employee's permanent total disability benefit is discontinued or (b) the employee's permanent total disability benefit has been fully paid, the employee's seniority, including that which the employee otherwise would have acquired during the period of said disability, shall be restored. Provided, however, if the period of the employee's disability was for a period longer than the seniority the employee had on the date the employee was

SENIORITY

approved for a permanent total disability benefit the employee shall upon the restoration of seniority as provided above be given seniority equal to the amount of the seniority the employee had on the date such permanent total disability benefit was approved. However, as to an employee who received such benefit prior to the date of this Agreement, the employee's seniority will continue to accumulate and, should the employee recover, the employee's total accumulated seniority will be credited.

7. The employee retires or receives a pension under the Pension Plan of this Agreement. If the employee receives a pension for permanent total disability and recovers and the pension is discontinued, the employee's seniority including that which the employee otherwise would have acquired during the period of disability, shall be restored, provided, however, if the period of the employee's disability retirement was for a period longer than the seniority the employee had on the date said pension for permanent total disability began, the employee shall, upon the discontinuance of permanent total disability pension, be given seniority equal to the amount of seniority the employee had on the date such pension began.

8. The employee accepts a Separation Payment under the Supplemental Unemployment Benefit Plan incorporated in this Agreement in which event the employee's seniority shall be broken at any and all plants and locations of the Corporation as of the date the employee's application for the Separation Payment was received by the Corporation.

(b) In the event an employee loses seniority under Section (5.3) as a result of imprisonment for up to one (1) year in connection with an offence arising out of the operation of a motor vehicle, the employee's incarceration

SENIORITY

shall be considered a proper exception under the provisions governing loss of seniority and the employee's seniority shall be reinstated.

(5.4) Exceptions to Seniority and Job Opportunity Provisions — Disabled Employees

In the event of an employee suffering a disability which would prevent the employee from carrying out normal duties the Corporation and the Union may make exceptions to the seniority and job opportunity provisions of this Agreement in favour of such employee. When exceptions are made pursuant to this Section involving an employee that is recognized by the Corporation and the Union to be an unusual placement problem, the parties may further agree that such employee may not be displaced under the Layoff and Recall paragraphs of the applicable Plant Special Provisions or under Paragraph (6.2) of the Special Provisions Pertaining to Windsor Area Plants, nor may such employee exercise any job opportunity claim to any other job unless mutually agreed by the Corporation and the Union. However, if in the event of a layoff the seniority of the employee placed under this Section does not entitle the employee to remain at work, the employee shall be laid off accordingly and the employee shall be called back according to seniority provided the employee has the ability to satisfactorily perform the work to be done.

(5.5) Reinstatement After Disability

(a) When an employee's absence from work is due solely to disability resulting from sickness or injury and due proof of the disability is given to the plant the employee will be returned to work in accordance with seniority and these rules as nearly as may be as if the employee had not suffered disability, provided the

SENIORITY

employee passes the required medical examination. If the disposition made as the result of any such medical examination is not satisfactory, the employee may ask to discuss the matter at the plant with the Steward or Committeeperson, and Management will so arrange it. If a grievance on the matter is submitted, it may be referred to Step 3 of the grievance procedure. The Local Union may then take the grievance up with the Plant Manager, or the designated representative. In proper cases, the parties may select an independent physician to resolve the conflicting medical findings of the employee's personal physician and the plant physician with respect to determining the employee's ability to perform the duties of the available work to which the employee would be entitled by seniority. The selection of an independent physician by the Plant Management and the Local Union will be made within seven (7) working days from the date the matter was referred to the Plant Manager or the Plant Manager's designated representative. Costs will be paid by the Plant. If the report of the independent physician places work restrictions or limitations on the employee equal to or greater than those previously placed on the employee by the plant physician, there shall be no retroactive pay. If the report or decision, places work restrictions or limitations on the employee which are less than those previously placed on the employee by the plant physician, retroactive pay, if any, shall be limited to the period beginning two (2) weeks prior to the day of the final examination by the independent physician and shall be calculated as provided in Section (3.9).

The decision of the independent physician shall be final and binding on the Corporation, the employee involved and the Union.

(b) If an employee claims the employee is unable to perform the duties of the available work to which the employee would be entitled by seniority and Management

SENIORITY

disputes such claim, the issue shall be submitted to an independent physician, provided consultation between the employee's personal physician and the plant physician or physicians acting for the Corporation does not resolve the conflicting medical findings. The independent physician shall be selected by the Local Union and the Plant Management within seven (7) working days from the date the dispute arose. The employee shall submit to a physical examination by the independent physician who shall submit a written report of medical findings and conclusions. Costs of such examination shall be paid by the Plant. The decision of the independent physician shall be final and binding on the Corporation, the employee involved and the Union.

(5.6) Shift Preference

Provisions pertaining to shift preference shall be negotiated locally in the plants. Any such agreements must have sufficient flexibility to give full protection to efficiency of operations at all times.

Letter (5.7) Student Hires - Seniority

The Corporation agrees that student hires will not be required to serve a double probationary period provided the permanent employment follows the period of student employment without interruption. Accumulation of seniority will be as provided under the Section dealing with being placed on the seniority lists after ninety (90) calendar days intermittent employment within any period of twelve (12) consecutive months.

Letter (5.8) Hiring Practice

In hiring new production and maintenance employees it will be our practice to give serious consideration to the

SENIORITY

employment applications of qualified persons who have lost their seniority by reason of layoffs at plants of the Corporation.

Letter (5.9) Preferential Hires

During the recently concluded negotiations, the Union expressed great concern regarding seniority employees who are indefinitely laid off as a result of a permanent discontinuance of operations or other reduction in force without reasonable likelihood of recall.

The Corporation stated it shared the Union's concern and advised the Union that during the term of the Agreement such employees may apply for preferential hiring opportunities at other Company plants covered by the Production and Maintenance Agreement during the term of the new agreement.

Seniority employees who wish to apply shall file application for placement within six (6) months of layoff at their local Employment Office. Exceptions will be reviewed by the Manager, Labour Relations and Safety upon request of the National Union.

Such employees shall be given preference for placement in seniority order, available work permitting, or if none is available, the opportunity to displace probationary employees on jobs for which they are qualified in other plants covered by the P&M Agreement.

Any employee hired pursuant to this provision shall enter the new plant with date of entry seniority and shall not while so employed be subject to recall to the plant from which said employee was laid off. When permanently laid off from such new plant the employee shall elect to (a) retain seniority in the new plant, or (b) return to the former plant with full accumulated seniority, in which case the employee's seniority at all other plants shall terminate. Any employee who upon layoff fails or refuses to make the

SENIORITY

election set forth above shall be deemed to have elected to retain seniority in the plant from which the employee was last laid off.

An employee accepting work under the provisions of this letter shall retain rights accrued for purposes of holiday pay, payment in lieu of vacation, pensions, insurance, and the Supplemental Unemployment Benefit Plan.

It is understood that the separation of an employee from the new plant for a reason other than ability to perform the assigned work shall result in the termination of the employee's seniority at all plants.

Employees who refuse an initial offer to work pursuant to these preferential placement arrangements shall be ineligible for further coverage under these provisions except for a onetime opportunity to reapply within thirty (30) days following a six-month period after the offer.

The preferential hiring arrangements covered by this letter contain potentially complex administrative implications and there may be times the Corporation may not be able to fully conform with these provisions. Accordingly, the Corporation shall not be liable for any back pay on any claims arising from the administration of this letter.

Letter (5.10) Preferential Hires - Plant Closure

During the negotiations, in conjunction with discussions regarding the Job and Income Security Program, the parties discussed the application of the preferential placement guidelines contained in Letter (5.9).

SENIORITY

The parties agree that in circumstances involving a plant closure exceptions will be made to the arrangements specified in the Preferential Hires Letter (5.9) such that employees who transfer to another location will receive an adjusted seniority date at the new location which will be the date that notice of closure was given to the Union. Employees would be canvassed for Preferential Hire considerations and offered the opportunity to exercise hiring rights at any plant covered by the Production and Maintenance Agreement. As job opportunities occur at a receiving plant, employees will be contacted in seniority order and offered employment. Employment offers may be made prior to the actual plant closing. If an employee declines the employment opportunity, such employee shall be removed from the list for that plant after which the employee shall become eligible for normal preferential hire rights as specified in the Preferential Hires Letter. Such employees, when transferred to an opening at the new location, may displace employees hired at that location after the date the notice of closure was provided to the Union.

Letter (5.11) Rights Under Job & Income Protection

During the recently concluded negotiations the Union expressed concern regarding seniority employees who are laid off as a result of an action described in Letter (17.11) - Restructuring - Job and Income Protection who secure employment through the Preferential Hire opportunities at another corporate facility and within five years of the original layoff date are again indefinitely laid off without expectation of recall.

The Corporation agrees that under these circumstances the employee will be given the option to remain on layoff from the last facility where they were employed or to exercise their rights under Letter (17.11),

SENIORITY

Job and Income Protection available to them at the time of the original layoff.

SENIORITY

Letter (5.12) Placement of Disabled Employees - Discussions

During these negotiations the Union and the Company initiated discussions intended to provide disabled employees the opportunity to be placed on jobs consistent with their medical restrictions or to modify jobs to accommodate the employee's disability. Discussion also focused on the treatment of certain disabled employees who are rehabilitated by the Workers' Compensation Board for other employment.

However there was insufficient time for the parties to address all the issues associated with this matter.

Therefore the parties agree to resume these discussions within 60 days of the ratification of this Agreement.

These discussions will involve the President, CAW Local 444, the CAW Plant Chairpersons of the Windsor/Pillette complex and appropriate Management representatives. These discussions will include among other items, the following topics:

- a trial aimed at modifying jobs to accommodate disabled employees. Since this may involve the moving of elements among jobs all attendant contractual and operational circumstances will be reviewed;
- an evaluation of the special placement process in terms of identifying additional opportunities for accommodation;

The parties recognize these discussions are consistent with the provision of P&M sections (5.3) Loss of Seniority and (5.4) Exceptions to Seniority and Job opportunity Provisions - Disabled Employees.

**Letter (5.13) Correctional Services —
Temporary Absence Program**

In the course of current negotiations the Corporation and the Union had discussions concerning the loss of seniority by employees who had been approved by the Ministry of Correctional Services for release from jail under a Temporary Absence Work Release permit.

This letter is intended to clarify the understanding, agreed to during the course of negotiations, pertaining to such employees.

The Corporation agrees that in the situation in which the Ministry is prepared to release an employee from jail to attend work, the Corporation will not decline to participate in such a Temporary Absence Program provided the employee's seniority would not otherwise be lost.

**(5.14) Statement Of Policy No. 1
Able To Satisfactorily Perform**

The purpose of this phrase is tied in with seniority to assure the Corporation of a satisfactory performance just as seniority is designed to give an employee an equitable degree of security. The Corporation does feel that a reasonable application of this phrase throughout the Collective Bargaining Agreement would involve careful consideration of the following basic principles:

- (a) The complexity and nature of the job.
- (b) The experience of the employee on the type of work involved.

SENIORITY

(c) The amount of instruction and/or break-in required.

(d) The length of time that the employee would be working at the job involved.

In applying these principles generally, this would mean that the shorter the period of time an employee would be assigned to a particular job (e.g., overtime, short-term layoff) the less time the Corporation could be expected to spend on instruction or break-in even to the extent that present ability could be a requirement. Likewise, the longer period of time (in indefinite layoff or job opportunity situations) the longer time the Corporation could be expected to spend, up to reasonable limits, on instruction and/or break-in. Members of supervision in making such decisions should give thorough consideration to the ability of the employees.

It would mean that as jobs increase in complexity, etc., the greater the experience on the type of work involved would be required in order to be able to satisfactorily perform.

In its application, particularly in indefinite layoff and job opportunity situations, it would be advantageous to the employee and the Corporation and it would help to eliminate problems if employees would place on record with the Corporation by supplemental application for employment, qualifications which they did not make known at the time of hire or which they have since acquired so that the Corporation would be in at least as good a position to qualify applicants in these situations as it is in assessing the qualification of new hires.

LAYOFF AND RECALL

(6.1) Layoff Definitions

The term "layoff" when used in this Agreement means a reduction in the working force that begins upon the completion of the last scheduled day of work for the employee, and includes the following definitions:

(a) Temporary Layoff

A temporary layoff means a reduction in the working force for a definite period of time for any reason not set forth in Subsections (c) and (d) below.

(b) Indefinite Layoff

An indefinite layoff means a reduction in the working force for an unknown or indefinite duration for any reason not set forth in Subsections (c) and (d) below.

(c) Temporary Adjustment

A temporary adjustment means a reduction in the working force necessitated by unplanned occurrences which require partial or full curtailment of operations and over which Management has no control. Such occurrences are usually for a limited duration and are caused for example by parts or material shortages, machinery or equipment failures, temporary tooling or production difficulties, labour disputes, emergencies, or acts of God.

(d) Model Change or Inventory Layoff

A model change or inventory layoff means a reduction in the working force for either or both of these reasons, the duration of which may or may not be known.

LAYOFF AND RECALL

(6.2) Notice of Layoff

(a) On request by the Union the Corporation will advise them of circumstances causing layoffs, type of layoff applicable, probable duration, and other relevant information.

(b) When reasonably possible the Corporation will give twenty-four (24) hours' notice of layoff to employees.

(6.3) Recall

It is understood that the Corporation will endeavour to notify employees affected in accordance with seniority. Such notification shall be in accordance with past practice of the Corporation. It is further understood that any variation, not exceeding two (2) days, in the time of giving of notice, shall be considered to be notice given in accordance with seniority.

TRANSFER AND PROMOTION

(7.1) Transfer of Employees Between Plants

(a) An employee who is transferred by the Corporation from one plant to another plant of the Corporation shall rank for seniority as of the employee's date of entry in the other plant, except as provided in Section (7.2) referring to the transfer of operations or departments from one plant to another plant of the Corporation. If the necessity to transfer arises from the need for the special skills or abilities of employees, the Corporation shall, prior to transferring employees, canvass the qualified employees in the department from which the transfer will be made and shall give preference to the senior qualified employee, if any, who volunteers for such assignment. An employee transferring pursuant hereto shall retain seniority in the plant from which transfer occurred and shall be returned to the former plant when the employee's services are no longer required at the new plant, at which time the employee's seniority at the new plant shall be terminated.

(b) If, for other reasons, an employee is transferred at the employee's own request from one plant to another plant of the Corporation, the employee shall retain seniority in the plant from which the transfer occurred for a period of twelve (12) months from the date the employee last worked in the plant and shall rank for seniority as of the employee's date of entry in the other plant. Further, an active employee who makes application and subsequently returns to his/her plant of origin shall have seniority rights in the other plant terminated.

(c) An employee transferring under this Section (7.1) shall retain any rights accrued for purposes of holiday pay,

TRANSFER AND PROMOTION

payment in lieu of vacations, pensions, insurance and the Supplemental Unemployment Benefit Plan.

(7.2) Transfer of Operations Between Plants

(a) When operations or departments are transferred from one plant to another existing plant of the Corporation, employees on indefinite layoff as the result of the transfer, up to the number needed in the receiving plant to perform the transferred operations, may, if they so desire, be transferred to the other plant with their full seniority provided they are able to do the work. Employees indefinitely laid off within thirty (30) days of the completion of such a transfer or as a result of the transfer shall also be given the opportunity to transfer subject to the conditions contained herein.

When operations or departments are transferred from one plant to a new plant, employees engaged on such operations or employed in such departments, up to the number needed in the receiving plant to perform the transferred operations, may, if they so desire, be transferred to the new plant and if the new plant is represented by the Union, with their full seniority.

(b) At the request of the National Union, the Corporation will negotiate the advisability of transferring employees in related service departments who are affected by the transfer up to the number needed in the receiving plant. Employees who elect to transfer and are transferred shall carry their full seniority to the new plant.

(c) If operations are concurrently transferred between two or more plants, the number of employees to be transferred from one plant shall be offset against the number to be transferred to that plant and only the difference, if any, shall be transferred as provided in (a) above and (b) above.

TRANSFER AND PROMOTION

(7.3) Discontinuance of Operations

When operations or departments are discontinued, employees affected will be given other work in the plant which they can do and without change of ranking for seniority.

Work will be made available in the following order:

- (a) Open jobs.
- (b) Jobs of probationary employees.
- (c) Jobs of lesser seniority employees.

Letter (7.4) Transfer Between Plants at Employee Request

With reference to requests for transfer under P&M Section (7.1) (b) employees with one (1) or more years seniority, desirous of a transfer, will make application at the Personnel Department of the plant to which they wish to be transferred.

Such employees shall be given preference for placement on available work for which they are qualified in cases where the Plant Chairperson of the employee's current plant has been served with Notice of Permanent Job Loss as outlined in the Job and Income Security provisions of the Collective Agreement.

The parties agree that requests for transfers as outlined above will be subordinate to and not take precedence over applications submitted under Letters (5.9) and (5.10) of the Production and Maintenance Agreement.

The parties further agree employees who have applications on file under Section (7.1) (b) will be made

TRANSFER AND PROMOTION

available to the plant to which they have applied provided such action does not impact plant operational efficiency in either plant. In no case will the number of employees made available to such other plants exceed the number of jobs estimated to be lost as outlined in the Notice of Permanent Job Loss referred to above.

Employees transferred under this letter agreement will have all other applications for transfer under P&M Section (7.1) (b) cancelled as of the date of their transfer. Further, an employee upon being transferred shall not be eligible to apply for further transfer for a period of twelve (12) months from the date of transfer unless the employee is indefinitely laid off at which point eligibility to make application will resume.

The number of employees transferred pursuant to this arrangement will offset the permanent job loss referenced in the Notice of Permanent Job Loss for purposes of Letters (17.10), (17.11) and (17.12).

WORKING HOURS

(8.1) Call-in and Call-back Pay

An employee reporting to work on the Supervisor's or management's instructions but for whom no work at the employee's regular job is available will be offered at least four (4) hours employment at some other work at the employee's regular hourly rate. This provision shall not apply when the lack of work is due to a labour dispute, fire, flood or other cause beyond the control of the management.

(8.2) Shift Premium and Hours

(a) Employees regularly employed on the second or third shift shall receive in addition to their regular pay for the pay period five (5) per cent and ten (10) per cent, respectively, additional compensation.

(b) The first shift is any shift that regularly starts on or after 4:00 a.m. but before 11:00 a.m. The second shift is any shift that regularly starts on or after 11:00 a.m. but before 7:00 p.m. The third shift is any shift that regularly starts on or after 7:00 p.m. but before 4:00 a.m.

(8.3) Overtime Equalization Agreements

The Local Unions and Local Plant Managements may negotiate local agreements for the purpose of equalizing overtime hours or overtime opportunities in the same department and classification and on the same shift. The foregoing provision will not interfere with any mutually satisfactory local practices now in effect that are inconsistent therewith.

WORKING HOURS

(8.4) Time and One-Half

Time and one-half will be paid as follows, except as provided in Section (8.6):

(a) For time worked in excess of eight (8) hours in any continuous twenty-four (24) hour period, beginning with the starting time of the employee's shift.

(b) For time worked on Saturday, except when a shift starts on Friday and continues into Saturday; provided, that hours in excess of eight (8) per day or forty (40) per week on such shift will be paid at time and one-half.

(8.5) Double Time

Double time will be paid as follows, except as provided in Section (8.6):

(a) For time worked on the calendar Sunday.

(b) For the time worked on the calendar holidays designated in Section (12.1).

(8.6) Seven-Day Operations

Employees working on what are normally classified as seven-day operations will not be paid overtime or premium pay in accordance with Sections (8.4) and (8.5) above, but will be paid as follows:

(a) Time and one-half for hours worked in excess of eight (8) hours in any continuous twenty-four (24) hour period beginning with the starting time of the employee's shift or in excess of forty (40) hours per week.

(b) Time and one-half for time worked on the sixth (6th) day of the employee's scheduled workweek.

WORKING HOURS

(c) Double time for time worked on the seventh (7th) consecutive scheduled day whether or not the seven consecutive scheduled days fall in the same workweek.

With respect to certain interpretations of Sub Section (c), when an employee is scheduled to work a full shift on each of two consecutive calendar days, a twenty-four hour break between the end of the employee's scheduled shift on the first such day and the beginning of the employee's next scheduled shift on the following day will not be considered a break in consecutive scheduled days of work. For purposes of this interpretation, the scheduled shift for third shift employees shall be considered to fall on the calendar day of which the shift ends.

(d) For the purposes of Subsections (b) and (c), a holiday specified in Section (12.1) for which an employee receives holiday pay or on which the employee performs work will be considered as a day worked. Notwithstanding the provisions of Section (8.8), a holiday counted in determining an employee's eligibility for payment pursuant to Subsection (b) may also be counted in determining the same employee's eligibility for payment pursuant to Subsection (c).

(e) Double time and one-half for time worked on any days on which any of the designated holidays is observed unless the holiday falls on one of the employee's regularly scheduled days off in which event the employee, in addition to holiday pay under Section (12.12), will be paid double time for time worked.

(f) Time and one-quarter for time worked on a Sunday that is not compensable at a higher overtime rate under any other provision of this Agreement.

WORKING HOURS

(8.7) Seven-Day Operations Premium

Employees who work on operations covered by Section (8.6) shall receive twenty cents (20¢) per hour above their base rate for time worked. This premium shall be included in computing payment in lieu of vacation, vacation with pay, paid absence allowance, holiday pay, Bereavement Pay, Jury Duty Pay, and any overtime or premium pay.

(8.8) Overtime Pyramiding Prohibited

The allowance of overtime or premium pay (other than shift premium) for any hour or part of an hour excludes that hour from consideration for overtime or premium pay on any other basis, thus eliminating any pyramiding of overtime or premium payments.

(8.9) Lunch Period

(a) When on full-time three-shift per day operations the time from the beginning of the shift to the end of it does not exceed eight hours, the employees shall work 7-3/4 hours on each shift and shall have a lunch period of one-quarter hour and shall receive eight hours pay.

(b) It is understood that this arrangement does not apply to shifts on which the employees work eight hours and have in addition a period for lunch, or to shifts on which by reason of reduction of hours for reasons other than the lunch period, there is time for a lunch period.

(8.10) Payment for Day of Injury

(a) An employee who receives Workers' Compensation will be paid by the Corporation for the balance of the shift on which the injury occurred.

WORKING HOURS

(b) An employee who is injured on the job will be paid for the balance of the shift on which the employee has been sent home or to an outside hospital or outside doctor by a medical officer of the Company or other member of management authorized to do so, because of such injury.

(c) An employee who is injured at work and who, during the employee's shift is sent to a hospital for emergency treatment by a medical officer of the Company or other member of management authorized to do so will be paid at the appropriate rate for such time as is approved by the Company medical officer. Any time paid for will not exceed two (2) hours beyond the end of the employee's regular work shift.

(8.11) Workweek Defined

The regularly scheduled workweek starts at 12:01 a.m., Monday, and ends 168 hours thereafter, except for those employees on third shift operations starting Sunday night in which case their regularly scheduled workweek starts with the beginning of their shift Sunday night and ends 168 hours thereafter.

(8.12) Reporting Absences

A toll-free number will be provided by each plant which will permit an employee to verify the fact that the employee has notified the Corporation by telephone of an inability to report for work.

Letter (8.13) Pay Practices

In the negotiations of the Production and Maintenance Agreement between Chrysler Canada Ltd. and the CAW dated today certain interpretations were developed. The

WORKING HOURS

Corporation's interpretation of the applicable sections of the Agreement will be as follows:

1. Saturday work. Section (8.4) provides:

"Time and one-half will be paid as follows, except as provided in Section (8.6):

"(b) For time worked on Saturday, except when a shift starts on Friday and continues into Saturday; provided that hours in excess of eight (8) per day or forty (40) per week on such shift will be paid at time and one-half."

In interpreting Section (8.4) (b), it is understood that employees who work a shift on Saturday or Friday into Saturday that normally would be their sixth day worked but have not yet worked five (5) straight time shifts in the workweek due to an absence during the workweek will receive time and one-half for the hours worked on Saturday. This interpretation is intended to cover the third shift Sunday Night Start employee who works a sixth scheduled shift, and the first or second shift employee in the situation covered by Appeal Board Case No. 3855.

2. Saturday following a holiday. Except as specified in Paragraph 1 above, employees whose shift begins on Friday and who work into a Saturday do not receive time and one-half for work on Saturday. A holiday falling during a workweek has no effect on the payment of premium for Saturday work.

3. Work into a new workweek. The workweek is defined in Section (8.11).

"The regularly scheduled workweek starts at 12:01 a.m., Monday, and ends 168 hours thereafter, except those employees on third shift operations starting Sunday night in which case their regularly scheduled workweek starts with the beginning of their shift Sunday night and ends 168 hours thereafter." It is understood that this includes those employees on seven-day operations.

Accordingly, (i) a third shift employee who begins a shift on Sunday and works into Monday will receive double

WORKING HOURS

time for hours worked on Sunday and straight time for the hours worked on Monday; (ii) a second shift employee who works a shift that starts Sunday and continues into Monday will be paid double time for hours worked on Sunday and time and one-half for hours worked on Monday, provided such hours on Monday are in excess of 40 straight-time hours worked during the week in which the Sunday falls. If such hours on Monday are not in excess of 40, such hours will be paid at straight time until the employee accumulates 40 straight-time hours, and then hours in excess of 40 will be paid at time and one-half. If Monday is a holiday, such hours will be paid at double time.

The above paragraph does not apply to employees on seven-day operations.

The chart attached to this letter illustrates the interpretations set forth above.

4. Seven-Day Operations. Section (8.6) of the Agreement now provides:

"Employees working on what are normally classified as seven-day operations will not be paid overtime or premium pay in accordance with Sections (8.4) and (8.5) above, but will be paid as follows:

"(a) Time and one-half for hours worked in excess of eight (8) hours in any continuous twenty-four (24) hour period beginning with the starting time of the employee's shift or in excess of forty (40) hours per week.

"(b) Time and one-half for time worked on the sixth (6th) day of the employee's scheduled workweek.

"(c) Double time for time worked on the seventh (7th) consecutive scheduled day whether or not the seven consecutive scheduled days fall in the same workweek.

"(d) For the purposes of Subsections (b) and (c), a holiday specified in Section (12.1) for which an employee receives holiday pay or on which the employee performs work will be considered as a day worked. Notwithstanding the provisions of Section (8.8), a holiday

WORKING HOURS

counted in determining an employee's eligibility for payment pursuant to Subsection (b) may also be counted in determining the same employee's eligibility for payment pursuant to Subsection (c).

"(e) Double time and one-half for time worked on any of the days on which any of the designated full holidays is observed unless the holiday falls on one of the employee's regularly scheduled days off in which event the employee, in addition to holiday pay under Section (12.12), will be paid double time for time worked.

"(f) Time and one-quarter for time worked on a Sunday that is not compensable at a higher overtime rate under any other provision of this Agreement."

An employee who performs maintenance duties in the powerhouse and who is normally scheduled to work Monday through Friday, and an employee, who is assigned to attend or maintain an auxiliary equipment installation that operates in conjunction with five-day operations, shall not be deemed to be working on an operation covered by Section (8.6).

5. The provisions of Sections (8.4) and (8.5) shall not preclude mutually satisfactory local arrangements to the effect that when an employee is transferred to a different shift as the result of a reduction in the working force the employee's previous twenty-four (24) hour period shall terminate for purposes of computing overtime, and the shift to which the employee is transferred shall be regarded as the beginning of a new twenty-four (24) hour period. This provision shall not require a change in any existing local arrangement on this matter.

6. Section (8.2), Shift Premium and Hours, provides:

"(a) Employees regularly employed on the second or third shift shall receive in addition to their regular pay for the pay period five (5) per cent and ten (10) per cent, respectively, additional compensation.

"(b) The first shift is any shift that regularly starts on or after 4:00 a.m. but before 11:00 a.m. The second

WORKING HOURS

shift is any shift that regularly starts on or after 11:00 a.m. but before 7:00 p.m. The third shift is any shift that regularly starts on or after 7:00 p.m. but before 4:00 a.m."

Hourly employees who are scheduled to work and work a shift other than their regularly scheduled shift, will receive the premium provided in Section (8.2).

For example, an employee is normally scheduled to work 7:00 a.m. to 3:30 p.m. On Friday the employee is scheduled to work and works a shift from 3:30 p.m. to 12:00 midnight. The employee will receive second shift premium for those hours on Friday.

First shift employees who are scheduled to work and who do work additional hours in advance of their regular shift starting time will receive the shift premium applicable to their advanced starting time for all hours worked on such shift.

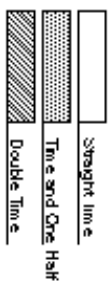
For example, a first shift employee is normally scheduled to work 7:00 a.m. to 3:30 p.m. On Friday the employee is scheduled to work and works a shift from 3:00 a.m. to 3:30 p.m. The employee will receive third shift premium for those hours on Friday.

7. These interpretations shall be effective with the effective date of the Production and Maintenance Agreement dated today and shall apply during the term of said Agreement.

WORKING HOURS

**PAYMENT FOR TIME WORKED ON HOLIDAYS, SATURDAYS, OR SUNDAYS
EXAMPLE: NORMAL HOLIDAY**

	Sun.	Mon.	Tues.	Holiday Wed.	Thurs.	Fri.	Sat.	Sun.
(Sunday Nite Start) Third Shift								
First Shift								
Second Shift								
(Overlapping) Second Shift								
(Monday Nite Start) Third Shift								



WORKING HOURS

Letter (8.14) Paid Lunch

This will confirm our understanding that in applying Section (8.9) (b) of the Production and Maintenance Agreement, the Corporation intends to do the following:

When production employees are assigned full time on a regular basis to all three shifts in a production department and the number of production employees on the least populated shift exceeds 50% of the number of employees on the most populated shift in that production department, all the production employees in that department shall be scheduled to work 7 3/4 hours on each shift and shall have a lunch period of one-quarter hour and shall receive eight (8) hours pay.

It is understood that this arrangement does not apply to repair departments in assembly plants or employees in nonproductive or indirect labour departments such as inspection, material, maintenance, janitors, etc., except for those employees assigned exclusively on a full-time and regular basis to the production department working 7 3/4 hours, in which case the non-productive or indirect employees will also be scheduled to work 7 3/4 hours and a one-quarter hour lunch period.

This application is not intended to interfere with any local agreement in effect or to limit management's right to apply the provision of Section (8.9) (a) under any circumstances.

If it is necessary to deviate from this application at any plant, the local union will be advised of the reasons and should any disputes arise as to the application of this Agreement and cannot be resolved at the local level, it will be immediately referred to the National Union and Chrysler Canada Ltd. for resolution.

WORKING HOURS

Letter (8.15) 3rd Shift Operations Sunday Night Start

During negotiations leading to the new collective bargaining agreement signed today, the parties discussed the feasibility of converting all third shift operations to a Sunday night start.

The parties recognize that in certain plants it is essential that third shift operations continue to start the work week on Monday night due to operating requirements.

Under certain conditions which are acceptable to both the Local Union and the Management of a particular plant, arrangements may be made whereby third shift operations which start on Monday night may, by mutual agreement, be changed to start on Sunday night subject to the approval of the National Union and the Staff Labour Relations Department of the Corporation.

Letter (8.16) Starting Times in Plants

In the negotiations leading to the current collective bargaining agreement, the Union acknowledged that business considerations in the Corporation Plants often require a change of shift starting times.

It is the policy of the Corporation to advise the Union of the need to change shift starting times prior to implementing such change as well as to advise the Union of the reasons for such change.

Letter (8.17) Shift Schedule

The Corporation reserves the right to change the current shift schedules where circumstances so warrant. Such changes will be discussed with the Union prior to implementation.

Letter (8.18) Employment Standards Act

During the current negotiations the Union expressed concern about the possibility of future legislative changes negatively impacting existing employment standards as set forth in the Employment Standards Act (Ontario) June 5, 1995. During the negotiation process the parties acknowledged their reliance on this legislation as forming a basis for past practices in respect of employment standards not otherwise specifically covered by the collective agreement. As an outgrowth of these discussions, the parties came to the following agreement.

A. The rights, benefits, terms or conditions of employment as set out as employment standards in the Employment Standards Act, and Regulations made thereunder, as they existed on June 5, 1995, as the same relates to the Union, the Corporation and/or its employees, shall be minimum requirements incorporated within this collective agreement; however, where this collective agreement provides higher remuneration in money or a greater right, benefit, term or condition of employment in favour of an employee(s) with respect to a particular standard, this collective agreement shall prevail.

A violation of the rights, benefits, terms or conditions of employment as set out as employment standards in the Employment Standards Act and Regulations made thereunder, as they existed on June, 5, 1995, as the same relates to the Union, the Corporation and/or its employees, may be subject to the grievance procedure of this collective agreement or may be prosecuted and enforced through the procedural mechanisms offered by the Employment Standards Act and Regulations thereunder, as they exist from time to time, but not both.

B. During the 1996 negotiations, the union expressed the concern that the provincial Government has and would

WORKING HOURS

amend the Employment Standards Act and or Regulations in a manner adverse to the interests of the Union and Chrysler bargaining unit employees. It was agreed that the parties shall meet within thirty (30) days after the introduction of a Bill amending the ESA to the legislature to discuss the proposed Bill. The parties agree that the Union and/or Chrysler bargaining unit employees shall not be disadvantaged in any way by any amendments to the ESA or regulations thereunder made by the provincial Government. It is agreed that for example, if any part of the collective agreement or past practice of the parties provides a greater right, benefit, term or condition of employment than the amendment to a particular employment standard (such as an amendment to the 8 + 48 hours of work rule), then the collective agreement or past practices shall prevail and apply. The parties agree that a difference between them relating to the application, alleged violation or interpretation of the above provisions may be subject to the grievance procedure under this collective agreement.

(8.19) Memorandum of Understanding Distribution and Recording of Overtime

Memorandum of Understanding between Chrysler Canada Ltd. (hereinafter referred to as the "Corporation") and the National Union, CAW, and its Local Unions No. 444 and 1090 (hereinafter referred to as the "Union").

In view of the desire of the parties to establish a procedure for the distribution and recording of overtime applicable to existing conditions, it is agreed that the following procedure be established.

This procedure in no way takes the place of, or takes away from, Paragraph 8.1 Special Provisions Pertaining to Windsor Area Plants or Paragraph 8.1 Special Provisions Pertaining to Ajax Trim Plant in the case of other than skilled trades. It establishes the mechanics only for the

WORKING HOURS

distributing and recording of overtime under present conditions.

Because of the limited number of departments presently operating on more than one shift, and owing to the present absence of groups, and in view of the desire of the parties to establish a procedure for the distribution and recording of overtime applicable to existing conditions, it is agreed that for the time being the following procedure will not contain any reference to group or shift. However, it is further agreed that when, in the opinion of the Corporation, the situation warrants reference in the procedure to group and/or shift such reference shall be read into the procedure as if set out in full therein consistent with Paragraphs 8.1 or 8.1 in the above Special Provisions.

Definition

1. For the purposes of distributing and recording overtime work: "Overtime" shall mean time worked over eight (8) hours within any period of twenty-four (24) consecutive hours, Monday through Friday; time worked on Saturdays, Sundays and paid holidays excepting that, where overtime pay is paid for time worked within a regular eight (8) hour day such time shall not be considered overtime for the purposes of this Memorandum.

Notice

2. The Union recognizes that the Corporation's operations do not generally permit twenty-four (24) hours' notice of overtime to be given. The Corporation will, however, endeavour to give to the employees affected such notice of overtime work whenever it can be reasonably done. Where such notice can be reasonably given in advance, the Supervisor will also notify the relevant Steward of the overtime work to be done and the

WORKING HOURS

employees involved. Where such notice cannot be reasonably given in advance the Supervisor will provide this information to the Steward as soon as it can reasonably be done thereafter.

Distribution

Other Than Skilled Trades

3. (a) Overtime will be evenly distributed when reasonably possible among the employees in the same department.

(b) The Supervisor after thoroughly considering the employees' ability shall offer the work to the employees having the least amount of recorded overtime hours in the department provided such employees are able to satisfactorily perform the work to be done.

(c) In choosing from among the employees of a department having an equal amount of recorded overtime then those with the greatest seniority able to satisfactorily perform the work to be done shall be given the overtime.

Skilled Trades

(d) Overtime will be evenly distributed when reasonably possible among the employees in the same classification in the department. In the event an employee voluntarily misses a turn at such overtime, the employee shall be considered as having worked that turn insofar as distribution is concerned.

(e) The Supervisor after thoroughly considering the employees' ability shall offer the work to the employees having the least amount of recorded overtime hours in the same classification in the department provided such employees are able to satisfactorily perform the work to be done.

(f) In choosing from among the employees in a classification in a department having an equal amount of recorded overtime then those with the greatest seniority

WORKING HOURS

able to satisfactorily perform the work to be done shall be given the overtime.

(g) An employee who attains temporary employee status after September 15, 1982, will not participate in the overtime in any classification until such overtime has been made available to all journeymen/women or permanent employees in that classification on the shift during which the overtime is to be worked in the case of week-day overtime, or until such overtime has been made available to all journeymen/women or permanent employees in the classification in the department in the case of overtime for Saturday, Sunday, or one of those holidays designated in P & M Section (12.1).

Students

(h) Students will not be offered overtime until all employees in the department have been canvassed. Ability to satisfactorily perform and, in the case of midweek overtime, shifts will prevail.

Records

4. (a) The overtime records shall be kept on the basis of overtime hours paid rather than for overtime hours worked.

Example: An employee who works for eight (8) hours on Saturday at the rate of time and one half will be recorded with twelve (12) hours, and an employee who works eight (8) hours on Sunday at the double time rate will be recorded with sixteen (16) hours, and further an employee who works eight (8) hours on a paid holiday will be recorded with sixteen (16) hours.

(b) The overtime records shall be made available to the employee, the employee's Steward and the employee's Plant Shop Committeeperson for inspection to the extent reasonably necessary for such employee, Steward, or Plant Shop Committeeperson, to ascertain the overtime status of such employee.

WORKING HOURS

(c) The departmental overtime records shall be posted in each department, and will be up-dated weekly.

Records — When Adjusted

Notice

5. (a) Any employee who is given notice of overtime work while at work and who refused the overtime shall, for the purposes of the record, be charged as having worked.

(b) Any employee who is given notice of overtime work while not at work and who refuses the overtime, shall, for the purposes of the record, not be charged as having worked. If such employee accepts the work assignment and fails to report the employee will be charged as having worked.

(c) In the event the Corporation in its endeavours is unsuccessful in giving notice, the employee shall not be charged in the record. Such attempt by the Corporation shall fulfill its obligation towards the employee insofar as this turn at overtime is concerned.

Entering a Department

(d) An employee other than skilled trades on returning to work after an absence of thirty (30) days or more for any reason except vacation shall [except as hereinafter provided in Subsection (g)] have recorded against the employee's name in the overtime records the number of hours which is equal to the greater of (i) the average number of overtime hours of the department or (ii) the number of hours charged against the employee immediately prior to the commencement of the absence.

An employee other than skilled trades on entering a department by being hired or transferred shall [except as hereinafter provided in Subsection (g)] have recorded against the employee's name in the overtime records the average number of overtime hours of the department.

The average number of overtime hours is to be computed weekly. The overtime hours of Union

WORKING HOURS

Representatives will not be used or recorded in computing the average overtime hours for any department. When an employee ceases to be a Union Representative said employee shall assume the average number of overtime hours of the employee's department and participate in overtime distribution in the regular manner.

(e) A skilled trades employee on returning to work after an absence of thirty (30) days or more for any reason except vacation shall [except as hereinafter provided in Subsection (g)] have recorded against the skilled trades employee's name in the overtime records the number of hours which is equal to the greater of (i) the average number of overtime hours of the classification or (ii) the number of hours charged against the skilled trades employee's name immediately prior to the commencement of the absence.

A skilled trades employee on entering a classification in a department by being hired or transferred shall [except as hereinafter provided in Subsection (g)] have recorded against the skilled trades employee's name in the overtime records the average number of overtime hours of the classification.

The average number of overtime hours is to be computed weekly. The overtime hours of Union Representatives will not be used or recorded in computing the average overtime hours for any classification. When an employee ceases to be a Union Representative said employee shall assume the average number of overtime hours of the employee's classification and participate in overtime distribution in the regular manner.

Employees Offered Overtime

(f) Any employee offered overtime in any department shall have such overtime charged to the employee's record.

WORKING HOURS

Temporary Layoff

(g) An employee returning to the department after a temporary layoff regardless of its duration will retain the same number of recorded overtime hours that said employee had at the time the layoff commenced.

Model Change

(h) In the case of other than skilled trades only the overtime records will be suspended for each department as each department completes its work on the old model. From this point up until the point the Corporation converts the recall for the new model from a departmental basis to a plantwide seniority basis, interim overtime records will be instituted and overtime will be distributed according to the same general principles as are outlined in this Memorandum. With the conversion to plant-wide seniority, the interim records shall cease and the suspended overtime records will be revived and shall form the basis for future distribution of overtime in the department.

Whole Department Scheduled

(i) In the case of other than skilled trades where the same amount of overtime is scheduled or made available for all employees in a department on the same day, no entries need to be made in the record because the standing of the employees would not be altered.

(j) In the case of skilled trades where the same amount of overtime is scheduled or made available for all employees in a classification in a department on the same day, no entries need be made in the record because the standing of the employees would not be altered.

Augmentation

6. When it is necessary to augment from another department for overtime purposes it is understood that the Corporation will endeavour, where reasonably possible, to use those employees from that other department who

WORKING HOURS

have the least number of recorded overtime hours, provided they can satisfactorily perform the work to be done.

WAGES

(9.1) Wage Increases

(a) Effective the beginning of the pay period commencing on or after receipt of notice of ratification each employee covered by this Agreement shall receive an increase in straight time hourly wage rate (exclusive of cost-of-living allowance, and shift premium, seven-day operations premium, and any other premiums), in accordance with the following Table I:

TABLE I

Straight Time Hourly Wage Rate	Wage Increase
Less than \$20.75	41¢ per hour
20.75 -- 21.24	42¢ per hour
21.25 -- 21.74	43¢ per hour
22.25 -- 22.74	44¢ per hour
22.75 -- 23.24	45¢ per hour
23.25 -- 23.74.....	46¢ per hour
23.75 -- 24.24	47¢ per hour
24.25 -- 24.74	48¢ per hour
24.75 -- 25.24	49¢ per hour
25.25 -- 25.74	50¢ per hour
25.75 -- 26.24	51¢ per hour
26.25 -- 26.74	52¢ per hour
26.75 -- 27.24	54¢ per hour

The increase in base rates provided for in this Subsection will be added to the full base hourly rate for each classification.

(b) Effective the beginning of the pay period commencing on or after receipt of notice of ratification and after the application of the general wage increase

WAGES

provided in Section (a) above, a Special Increase for Skilled Trades of twenty cents (20¢) will be added to the full base hourly rate for each skilled trades classification.

(c) Improvement Factor. The improvement factor provided herein recognizes the principle that a continuing improvement in the standard of living of employees depends upon technological progress, better tools, methods, processes and equipment and a cooperative attitude on the part of all parties in such progress. It further recognizes the principle that to produce more with the same amount of human effort is a sound economic and social objective. Accordingly, effective September 15, 1997 each employee covered by this Agreement shall receive an improvement factor increase in straight time hourly wage rate (exclusive of cost-of-living allowance, and shift premium, seven-day operations premium, and any other premiums), in accordance with the following Table II:

TABLE II

Straight Time Hourly Wage Rate	Wage Increase
Less than \$21.75	43¢ per hour
21.75 -- 22.24	44¢ per hour
22.25 -- 22.74	45¢ per hour
22.75 -- 23.24	46¢ per hour
23.25 -- 23.74	47¢ per hour
23.75 -- 24.24	48¢ per hour
24.25 -- 24.74	49¢ per hour
24.75 -- 25.24	50¢ per hour
25.25 -- 25.74	51¢ per hour
25.75 -- 26.24	52¢ per hour
26.25 -- 26.74	53¢ per hour
26.75 -- 27.24	54¢ per hour
27.25 -- 27.74	55¢ per hour
27.75 -- 28.24	56¢ per hour

WAGES

The increase in base rates provided for in this Subsection will be added to the full base hourly rate for each classification.

(d) Improvement Factor. Effective September 21, 1998, each employee covered by this Agreement shall receive an improvement factor increase in straight time hourly wage rate (exclusive of cost-of-living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following Table III:

TABLE III

Straight Time Hourly Wage Rate	Wage Increase
Less than \$22.25	44¢ per hour
22.25 -- 22.74	45¢ per hour
22.75 -- 23.24	46¢ per hour
23.25 -- 23.74	47¢ per hour
23.75 -- 24.24	48¢ per hour
24.25 -- 24.74	49¢ per hour
24.75 -- 25.24	50¢ per hour
25.25 -- 25.74	51¢ per hour
25.75 -- 26.24	52¢ per hour
26.25 -- 26.74	53¢ per hour
26.75 -- 27.24	54¢ per hour
27.25 -- 27.74	55¢ per hour
27.75 -- 28.24	56¢ per hour
28.25 -- 28.74	57¢ per hour
28.75 -- 29.24	58¢ per hour

(9.2) Cost-of-Living Allowance

All employees covered by this Agreement shall be subject to the following cost-of-living allowance formula

WAGES

determining the cost-of-living allowance as set forth below:

(a) Effective with the adjustment scheduled for December 2, 1996, the cost-of-living allowance will be determined in accordance with changes in the Consumer Price Index published by Statistics Canada (1986 = 100).

(b) Effective December 2, 1996 and thereafter during the period of this Agreement, adjustments in the cost-of-living allowance shall be made on the following dates and in each case, shall be based on the following Consumer Price Indexes:

Effective at Beginning of First Pay Period Commencing on or After:	Based on Three-Month Average of the Consumer Price Indexes for:
Dec. 1, 1996	Aug., Sept., Oct., 1996
Mar. 1, 1997	Nov., Dec., 1996, Jan., 1997
June 1, 1997	Feb., Mar., Apr., 1997
Sept. 1, 1997	May, June, July, 1997
Dec. 1, 1997	Aug., Sept., Oct., 1997
Mar. 1, 1998	Nov., Dec. 1997, Jan., 1998
June 1, 1998	Feb., Mar., Apr., 1998
Sept. 1, 1998	May, June, July, 1998
Dec. 1, 1998	Aug., Sept., Oct., 1998
Mar. 1, 1999	Nov., Dec., 1998, Jan., 1999
June 1, 1999	Feb., Mar., Apr., 1999

In determining the three-month average of the Indexes for a specified period, the computed average shall be rounded to the nearest 0.1 Index Point.

In no event will a decline in the three-month average Consumer Price Index below 135.2 (1986=100 Base) provide the basis for a reduction in the wage scale by job classification.

(c) 1. Effective the beginning of the pay period commencing on or after receipt of notice of ratification but

WAGES

after the application of the wage increases provided in Section (9.1), sixty-three cents (63¢) shall be deducted from the sixty-eight cents (68¢) cost-of-living allowance in effect immediately prior to that date and shall be added to the full base rate for each classification.

2. The amount of the cost-of-living allowance effective the beginning of the pay period commencing on or after receipt of notice of ratification and ending December 1, 1996 shall be five cents (5¢) per hour.

3. For the period December 1, 1996 to August 31, 1997 the allowance shall be determined in accordance with the following table:

Three-Month Average Consumer Price Index	Cost-of-Living Allowance
135.2 or less	None
135.3	1¢ per hour
135.4	3¢ per hour
135.5	4¢ per hour
135.6	5¢ per hour
135.7	6¢ per hour
135.8	7¢ per hour
135.9	9¢ per hour
136.0	10¢ per hour
136.1	11¢ per hour
136.2	13¢ per hour

And so forth with one cent (1¢) adjustment for each .073 change in the average Index.

For the period September 1, 1997 to August 31, 1998 there will be a one cent (1¢) adjustment for each .070 change in the average index. For the period September 1,

WAGES

1998 to August 31, 1999 there will be a one cent (1¢) adjustment for each .067 change in the average index.

(d) The amount of any cost-of-living allowance in effect at the time shall be included in computing overtime premium, shift premium, holiday payments, call-in pay, vacation payments, paid absence allowance payments, jury duty pay and bereavement pay.

(e) In the event that Statistics Canada does not issue the appropriate Consumer Price Indexes on or before the beginning of one of the pay periods referred to in Subsection (b), any adjustment in the allowance required by such appropriate indexes shall be effective at the beginning of the first pay period after receipt of the Index.

(f) No adjustments, retroactive or otherwise, shall be made due to any revision that may later be made in the published figures used in the calculation of the Consumer Price Index, as applicable for any month on the basis of which the allowance has been determined.

(g) The continuance of the cost-of-living allowance shall be contingent upon the availability of the monthly Consumer Price Index referred to in Subsection (a) published by Statistics Canada calculated on the same basis as the Index for August, 1993, unless otherwise agreed upon by the parties.

(h) The cost-of-living allowance payable under the provisions of this Section shall be included in an employee's weekly pay cheque.

(i) Pay adjustments made in a cost-of-living allowance period applicable to any previous cost-of-living allowance period will include the allowance applicable during the period to which the adjustments relate.

WAGES

(j) In applying the provisions of Section (9.2) of the agreement the Corporation shall prepare a notification letter to the Union setting forth the Consumer Price Index for each of the three months that form the basis for an adjustment, and the average of those three months, rounded to the nearest 0.1 index point using the Engineering Method of Rounding described in Section (9.2), subsection (k). This letter will be prepared and sent to the Union after publication of the appropriate Consumer Price Indexes for the third month used for each adjustment period in accordance with Section (9.2), subsection (b) of the agreement.

If the Union claims that the Corporation's calculations in any particular instance were not made in accordance with the terms of Section (9.2), it may refer the matter to the Appeal Board.

(k) The Engineering Method of Rounding shall apply to the determination of the three-month average of this Consumer Price Index:

(i) - if the leftmost of the digits discarded is less than 5, the preceding digit is not affected. For example, when rounding to four digits, 130.646 becomes 130.6.

(ii) - if the leftmost of the digits discarded is greater than 5, or is 5 followed by digits, not all of which are zero, the preceding digit is increased by one. For example, when rounding to four digits 130.557 becomes 130.6.

(iii) - if the leftmost of the digits discarded is 5, followed by zero, the preceding digit is increased by one if it is odd and remains unchanged if it is even. The number is thus rounded in such a manner that the last digit retained is even. For example, when rounding to four digits, 130.5500 becomes 130.6 and 130.6500 becomes 130.6.

(9.3) Rates During Agreement

During the term of this Agreement, the base hourly rate for each classification covered by this Agreement will be as described in the Corporation rate classification book referred to in Section (9.4) below.

(9.4) Rate Book

The Corporation will furnish to the National Union a copy of the rate classification book of the Corporation for classifications represented by the Union. The Corporation will also furnish to the National Union for distribution to the Local Unions applicable rate books for classifications at each plant where employees are covered by the terms of this Agreement. The rate classification books are to be treated in confidence and kept at the office of the National Union and the Local Unions.

(9.5) Rates for New Jobs

(a) When a new job is placed in production and cannot be properly placed in an existing classification, the Corporation will set up a new classification and a rate of pay for that job. A written notice of the classification, rate of pay, and effective date of the classification and rate of pay will be given to the National Union.

(b) If the National Union disagrees with the new classification or the rate of pay, the National Union may notify the Corporation, and the National Union and the Corporation shall thereafter negotiate the protested classifications or rate of pay. If a rate of pay is negotiated that is higher than the rate established by the Corporation, the negotiated rate shall be applied retroactively not more than 30 days from the date of settlement.

(c) If the National Union does not notify the Corporation, as provided in Subsection (b), the

WAGES

classification and rate of pay shall be deemed to be satisfactory to the National Union and there shall be no appeal thereafter.

(9.6) Wage Progression

(a) (1) A new employee hired on or after the effective date of this Agreement shall be hired at a rate equal to eighty-five percent (85%) of the full base rate of the job classification.

(2) At the expiration of two hundred and seventy (270) days of employment, such employee shall receive an increase to ninety-two and one-half percent (92.5%) of the full base rate of the job classification.

(3) At the expiration of five hundred and forty-five (545) days of employment, such employee shall be paid the full base rate of the job classification.

(b) An employee will receive credit for seven days for each pay period during which the employee works except that credit will not be given for any days the employee is on layoff. Credit will not be given for any pay period during which for any reason, the employee does not work except that an employee disabled from work by compensable injury or legal occupational disease shall accrue credit toward pay periods worked and in the case of the pay period in which the full week of the Christmas Holidays fall, provided the employee would otherwise have been scheduled to work. Further, an employee will be given progression credit of either one or two weeks of the vacation shutdown period provided the employee earns at least 40 or 80 hours of vacation and paid absence allowance entitlement respectively. Each increase shall be effective at the beginning of the first pay period following the completion of the required number of days of employment.

(c) A laid-off seniority employee hired in a job classification other than skilled trades, shall receive a base rate, upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff. Such employee shall continue to be covered by the rate progression provisions in effect during the period of previous employment. Upon such re-employment, the credited rate progression period of the employee's prior period of employment shall be applied toward the employee's rate progression to the maximum rate of the job classification.

(d) A probationary employee in a non-skilled trades classification separated due to a reduction in force and who is reinstated at a time which will permit accumulation of ninety (90) days of employment within one (1) year of the date of layoff as a probationary employee or a seniority employee in a non-skilled trades classification whose seniority was broken pursuant to Section (5.3)(a)5 and is rehired shall continue progression to the full base rate of the job classification from the same relative position in the rate range the employee had attained prior to layoff.

(e) Employees disabled by sickness or injury covered by the Workers' Compensation Act shall accrue credit towards weeks of employment worked for the purpose of determining their entitlement to the next wage progression rate.

(f) The foregoing Subsections (9.6)(a), (9.6)(b), (9.6)(c) and (9.6)(d) shall not apply to skilled trades classifications.

(9.7) Deposit and Statement Distribution

WAGES

(a) The Corporation agrees to furnish each local Union on a monthly basis a list of employees who have unclaimed pay.

(b) It is the intent of Management to continue to retain the pay statements of those employees who are absent on their regular pay day until Monday noon of the following week.

(c) The Company will arrange for an adjustment which will be paid the same day where the shortage equals the equivalent of eight (8) hours or more pay. A pay shortage of 7.9 hours which occurs solely because an employee failed to ring will be included in this procedure. Separate pay rates for skilled and non-skilled employees will be used in determining the adjustment. In the case of those paid Thursday afternoon, the adjustment payment will be made available on Friday.

Letter (9.8) Accumulation of Time — Higher Classifications

The Corporation's practices on accumulating time on higher classifications are as follows:

(a) It is recognized that under certain circumstances it is necessary for employees to be regularly assigned to do work that falls within two or more hourly classifications with different rates of pay. The employee so assigned will be classified on the higher classification provided the employee spends 50% or more of the employee's time on the work of the higher classification. In such cases no reduction in rate will be made for the time worked on the lower classification.

WAGES

- (b) An employee assigned, whether temporarily or on a regular and recurring basis, to a job with a higher classification for one or more hours of a shift shall be paid at the rate of the higher classification for all hours worked on that shift. The Corporation has instructed its supervisors to maintain accurate records of time accumulated on higher classifications, and to process for payment any accumulation of such time on a pay period basis. Whenever requested to do so by an employee and, in any event, before submitting the request for payment of accumulated time, the Supervisor will show to the employee the copy of the Hourly Rate Adjustment Notice retained by the Supervisor and permit the employee to copy any information from it.

An employee assigned, whether temporarily or on a regular and recurring basis, to a job with a higher classification for less than one hour on a shift shall receive the rate of the lower classification for all hours worked on that shift.

- (c) A seniority employee assigned, whether temporarily or on a regular and recurring basis, to a job with a higher classification who receives the rate of a higher classification shall be paid the full base rate of the higher classification.
- (d) This letter regarding accumulation of time will not be applicable to local plant agreements regarding division of overtime covering classifications paying different rates, or to the assignment of Union representatives where such assignment is made for representation.

WAGES

Letter (9.9) Reclassification

Where an employee has held a particular hourly classification and rate while performing the same job for a period of one (1) or more years, and Management determines that the classification is improper for the job in question, Management may reclassify the job to the appropriate hourly classification, but the employee's rate of pay while assigned or reassigned to that job will not be changed. The proper classification and rate of pay shall apply to any future employee on the job so reclassified. This shall not preclude the Union from protesting the propriety of such reclassifications through the grievance procedure.

Letter (9.10) Wage Progression/COLA Fold-In

For the purposes of administering the new hire provisions of the new Collective Agreement, it was agreed that employees hired prior to the effective date of the new Agreement who are governed by the provisions of Section (9.6) shall have the calculation of their base rate determined on the basis of 85% or 92.5%, as the case may be, of the maximum base rate under the current Agreement, except that the cost-of-living allowance fold-in effective the beginning of the pay period commencing on or after the receipt of notice of ratification will not be subject to the reduction to 85% or 92.5%, as the case may be, but shall be transferred to base rate without reduction.

BENEFITS

(10.1) Benefit Exhibits

The following agreements are incorporated and made a part of this agreement:

Exhibit A. Supplemental Unemployment Benefit Plan.

Exhibit B. Income Maintenance Benefit Plan and Voluntary Termination of Employment Plan

Exhibit C. The Life and Disability Insurance Program

Exhibit D. Relocation Allowance Plan

Exhibit F. Legal Services Plan

Exhibit G. The Health Care Program

(10.2) Bereavement Pay

(a) When death occurs in the employee's immediate family, a seniority employee, on request, will be excused, and after making written application therefor, receive payment for the number of normally scheduled eight (8) hour days of work as indicated below including scheduled Saturdays (exclusive of overtime premium) but excluding non scheduled Saturdays, Sundays and holidays, or, in the case of seven-day operations, excluding regular off days and holidays) within the ten (10) calendar day period immediately following the date of death, provided the employee attends the funeral.

3 Days • stepparent or grandparent, parent, stepparent or grandparent of current spouse, stepchild, grandchild, stepbrother, stepsister, half-brother, half-sister, son-in-law or daughter-in-law.

4 Days • spouse, parent, child, sister or brother.

(b) The employee shall receive Bereavement Pay for the first three (3), or four (4) if applicable, consecutive full

BENEFITS

working days on which the employee is absent during the period established in Subsection (a).

(c) An employee who returns to work on or after the date of the funeral will not be eligible for Bereavement Pay for any subsequent absence in connection with that bereavement.

(d) Payment shall be made at the employee's straight time hourly rate on the last day worked exclusive of overtime premiums but inclusive of shift and seven-day operations premium and the amount of any cost-of-living allowance then in effect. Time thus paid will not be counted as hours worked for purposes of overtime.

(e) In the event the body of a member of an employee's immediate family is not buried in continental North America solely because the cause of death has physically destroyed the body, or the body is donated to an accredited North American hospital or medical center for research purposes, the requirement that the employee attend the funeral will be waived.

(f) In the event an employee is granted a leave of absence because of the illness of a member of the employee's immediate family and such family member dies within the first fourteen (14) calendar days of the leave, the requirement that the employee otherwise would have been scheduled to work will be waived.

(10.3) Jury Duty

Any employee with seniority who is called to and reports to jury duty (including Coroner's Juries and duty required in connection with the Ontario Public Institution Inspection Act) shall be paid an amount equal to the employee's straight time hourly rate, exclusive of shift,

BENEFITS

overtime, and any other premiums, on the last day worked multiplied by eight (8) or the number of hours less than eight (8) that the employee otherwise would have been scheduled to work for the Corporation on the day for which the payment is to be made less the daily jury duty fee (not including travel allowances or reimbursement of expenses) paid the employee by the court in which the employee serves.

In order to receive payment under this Section, an employee must give the Corporation prior notice that the employee has been summoned for jury duty and must furnish satisfactory evidence that jury duty was performed on the days for which such payment is claimed. Any employee who is called to and reports for an interview or an examination to qualify for selection to a jury shall be considered to have performed jury duty and shall qualify for jury duty pay if otherwise eligible as provided herein.

An otherwise eligible hourly employee who reports for jury duty service in accordance with the direction of the court and who is released by the court early in the day, is not required to return to work on that day to be eligible for jury duty pay for the day.

This Section (10.3) is not applicable to an employee who, without being summoned, volunteers for jury duty.

Letter (10.4) Leave for Union Business - Benefit Level Eligibility

During the course of negotiations the Union expressed concern about the disparity with respect to the benefit level eligibility of those full time Local Union officers granted a leave for Union Business. After reviewing the matter, the Corporation agreed that those employees, of a plant within the Production and Maintenance Agreement, who have been granted a Leave for Union Business to hold the position of a full-time Local Union Officer will be deemed to hold the higher rated of

BENEFITS

the last regularly held classification or classification No. 5629 - Electrician.

Letter (10.5) Alcoholism and Drug Abuse

During negotiations the parties reaffirmed their continuing conviction that it is important to provide assistance to employees afflicted with alcohol and drug dependence and to find ways to motivate them to recognize their problem and seek treatment where appropriate. Accordingly, the parties have expressed their mutual wish to continue their progress toward the common goal of achieving an effective alcohol and drug abuse program at Chrysler-CAW locations.

While the current Chrysler-CAW program has continued to develop and mature, it has become apparent that the most successful local programs are those that have enjoyed the full support of the respective plant managements and Local Unions. That support has led to different approaches to similar problems at the various locations. Difficulties of implementation that exist at one location may not exist at others. Solutions, in part at least, therefore, have to be tailor-made for the location. For example, the proximity or availability of approved treatment facilities, the suitability of places utilized for employee contact, and the prior existence of a union or government-sponsored program are all factors bearing on the success of an alcohol and drug abuse program at the local level.

The foregoing leads us to conclude that our joint endeavor should be to continue to assist local programs in developing methods that will more effectively encourage afflicted employees to seek assistance under the program and that will convince them of the privacy and confidentiality of such assistance. To this end, the National Alcoholism and Drug Abuse Committee, pursuant to the principles and guidelines previously

BENEFITS

established, will (i) analyze those causes that inhibit and those that foster employee utilization of the program at each location, (ii) establish procedures for the confidential maintenance at each location of records of employees using the program, and (iii) communicate to all locations, when appropriate, those techniques that have proved successful at one or more locations, (iv) coordinate and oversee a pilot training program for certification of the Employee Assistance/Substance Abuse Representative and develop an evaluation procedure to measure improved performance as a result of the training, (v) recommend and coordinate an in-plant awareness campaign on substance abuse information handouts, posters, etc., and (vi) initiate a four (4) hour drug/alcohol awareness training for union representatives and supervisors conducted by the inplant Employee Assistance/Substance Abuse Representative.

Representation on the National Committee shall be two (2) Management and two (2) Union members and shall meet twice each year. The National Committee will also continue to periodically review local programs to assist local management and local shop committees concerned with alcohol and drug abuse problems who believe they are experiencing difficulty in attaining program effectiveness.

Our experience under this program thus far shows that an effective company-wide program requires the full cooperation of management and Union alike. The joint efforts necessary to provide assistance to afflicted employees may, however, be complicated by many factors such as multi-shift operations, plant location and population, in-plant facility available for employee contact, plant layout, and the need for privacy. We mutually endorse reasonable and practical resolution to these problems where they exist.

Finally, the success that already has been achieved under the program indicates the commitment that both

BENEFITS

Chrysler and the CAW have toward helping employees with problems of alcohol and drug dependence. We will continue to monitor and assist with local program activities to assure the continued success and improvement of this Chrysler-CAW program.

Letter (10.6) Child Care

During negotiations the parties discussed the subject of Child Care for CAW represented employees covered by the Agreements.

The parties agreed that arrangements may be made to finance the program by using available funds from the Special Contingency Fund up to 4.5 cents (\$.045) per straight time hour worked during the term of the Agreement.

The parties further agreed that the specific child care related uses of such funds will be mutually agreed upon by the Company and the Union.

Letter (10.7) Legal Services

The Union has requested in negotiations that the Corporation continue to provide additional financing of the Legal Services Plan in the event that the current financing arrangement is insufficient.

Notwithstanding item (c) of the appropriate Memorandum of Understanding covering Special Contingency Fund (SCF), the parties agree that for any month that regular Corporation contributions to the Legal Services Plan are insufficient to pay benefits, any shortfall will be provided from the accrual in the SCF, to the extent available. An equal amount will be deducted from the accrued balance in the applicable SCF.

In the event there is a conflict between the use of the accrual in the SCF to support SUB or Legal Services benefits, the parties agree that available funds, exclusive

BENEFITS

of the additional \$150,000 designated for the exclusive use for Bramalea Legal Services benefits will be used first to support SUB benefits.

In addition, if sufficient funds are available, the Company and Union have the option of utilizing 4½¢ per straight time hour worked per year to finance a Child Care Program.

Letter (10.8) Eligibility to Apply for Chrysler Scholarship

During the current negotiations the parties discussed the eligibility for the children of Chrysler Canada employees on CAW Union leaves of absence to make application to the Chrysler Scholarship Program.

The Company agreed that their children will be eligible to apply for such scholarships.

Letter (10.9) Employee-Retiree New Vehicle Purchase Program

This will confirm my advice to you that Chrysler intends to continue the Chrysler Employee-Retiree New Vehicle Purchase Program for employees with at least ninety (90) days of continuous service, employees on approved leaves of absence, retirees under a Chrysler-CAW Pension Plan, surviving spouses of eligible employees-retirees, and dependents of eligible employees-retirees living at the same address, as well as non-dependent sons and daughters of eligible employees-retirees.

Under the present program, the dealer, selected by the employee, will bill the employee at the Special Employees' Price.

In continuing to make the New Vehicle Purchase Program available, it is understood and agreed that the Corporation may at any time modify, change or

BENEFITS

discontinue the Program and it shall have no obligation to bargain concerning its decision to do so. The Union will be advised in advance of any such action. It is further agreed that the institution of this Program shall not constitute a precedent for future negotiations on this subject.

We appreciate the efforts of the CAW to encourage employees to purchase Chrysler products.

Letter (10.10) Chrysler Product Programs

During recent contract negotiations the Union expressed an interest in developing greater employee participation in the use of Company products. We advised you that there are a number of various programs currently in effect allowing for discounts of Chrysler products for our hourly employees and retirees from the hourly roll. The following programs are available to such employees at this time.

- a. New Vehicle Purchase Program
- b. Chrysler Owned Used Vehicles

In the event the Corporation introduces any new discount plan that is applicable to general salaried personnel for new or used products, it will be our intention to develop uniform eligibility rules that will be applicable to hourly personnel.

Letter (10.11) Job Counselling and Placement Assistance Program

Re: Employees permanently laid off as a result of plant closing:

During these negotiations the parties discussed the job counselling and job placement assistance needs of employees permanently laid off as a result of a Plant Closing. These discussions resulted in the parties acknowledging their mutual responsibilities to assist

BENEFITS

such employees in their efforts to secure suitable alternate employment. Accordingly, it was agreed that in those instances, if any, where employees are permanently laid off as a result of a Plant closing the parties will jointly develop, in co-operation with applicable Federal and, or, Provincial agencies a program designed to help them secure alternate employment.

In the event of plant closure the Company agrees to the establishment of an equipped in-plant Action Centre to be staffed by the full time union coordinator. The in-plant Coordinator will be appointed by the Local Chairperson from the in-plant representation.

The joint adjustment committee after receiving three (3) days of training will function to (a) seek government financial assistance (b) conduct individual one (1) hour needs assessments (c) direct employees to the appropriate government agency as determined by the needs assessment.

Near the end of employment, employees will be offered eight (8) hours of counselling/training.

Letter (10.12) Pension - SIB

The surviving spouses of employees who elect to take a lump sum pension payment in accordance with the Ontario Pension Benefits Act, are eligible for a residual monthly pension benefit and would otherwise meet the eligibility requirements for Transition and/or Bridge Benefits under the Group Life and Disability Insurance Program, will be given the option to choose which benefit to receive. Such surviving spouses who choose to receive benefits under the Insurance Program will become eligible again to receive the pension benefit following the exhaustion of eligibility for insurance benefits.

Letter (10.13) Earnings Limitation

BENEFITS

During these negotiations the parties agreed to continue the 30 and out earnings limitation at a level equal to the greater of \$18,000 or 50% of the Yearly Maximum Pensionable Earnings established under the Canada Pension Plan.

Letter (10.14) Merger of Main CAW and Bramalea Pension Plans

During these negotiations the parties agreed to postpone the merger of the main CAW and Bramalea non-contributory pension plans until such time as the merger did not create any additional legal or financial liabilities for the Corporation. The Corporation and the Union shall determine a mutually agreed upon date for such merger.

The merger will be subject to the provisions of the letter signed by both parties dated October 25, 1990 which proposed such merger. The merger will also be subject to approval by the Pension Commission of Ontario and Revenue Canada.

Letter (10.15) Pension Benefit Reduction

The parties agree that if any employee's or surviving spouse's total pension benefit is reduced because of the application of Section 3 of Article IV ("Maximum allowable lifetime pension for employees retiring after December 31, 1991") or of Section 5 of Article VII ("Maximum allowable supplementary pension for employees retiring after December 31, 1991"), then the Corporation agrees to pay to such employee or surviving spouse in one lump sum payment the Actuarial Equivalent of the amount of the required reductions. The payment could be treated as a retiring allowance and rolled tax free into a Registered Retirement Savings Plan (RRSP), subject to Revenue Canada regulations.

The determination of the Actuarial Equivalent of the reductions shall be made at the time the employee's seniority ceases (or at the earliest of the date of death or age 65 for an employee who is occupationally disabled as defined in Section (1)(c) or Article V) using the calculation basis specified in the Canadian Institute of Actuaries Recommendations for the Computation of Transfer Values from Registered Pension Plans (effective September 1, 1993).

Letter (10.16) E. I. Premium Rebate

This will confirm our understanding first reached during the 1990 negotiations concerning the sharing of the Employment Insurance premium reduction allowed employers with qualified wage loss replacement plans.

The parties recognize that the Employment Insurance premium reduction may be passed on to employees as a group either in the form of a cash rebate or in the form of employee benefits.

It was agreed that effective with the first pay period ending in January 1991, and continuing through the term of this Agreement, the Corporation will cease sharing the premium reduction with employees in the form of a cash rebate and will instead apply the employee's share of the Employment Insurance premium reduction to improvements in current benefits or to provide new benefits.

Letter (10.17) Annual Benefits Meeting

This will extend our understanding reached during the 1990 negotiations concerning an annual benefits meeting for Union and Company Benefit Representatives.

It was agreed that the meeting will be mainly for educational purposes to improve the knowledge and proficiency of the Benefit Representatives.

BENEFITS

Topics to be covered will include, but will not be limited to, new legislation and new or updated procedures as they affect the negotiated benefits.

The National Union will be given the opportunity to review the agenda, and make necessary recommendations, as well as attend and participate in the proceedings.

In this connection, the Company has agreed to provide pay for lost time (eight hours base pay rate plus COLA) to Union Benefit Representatives who attend the annual meeting. The employee who has been designated as the regular replacement for the Union Benefit Representative may be activated for the day the Benefit Representative attends the annual benefit meeting.

Letter (10.18) Social Justice Fund

1. During the current negotiations, the parties discussed the continuation of the Social Justice Fund. The purpose of this fund is to provide financial assistance to such entities as food banks, registered Canadian charities, and international relief measures to assist the innocent victims of droughts, famines and other dislocations.

Subject to the following conditions, the Company will make quarterly contributions to the Social Justice Fund equal to one cent (1¢) for each straight time hour worked in the preceding thirteen (13) week period.

Hours Worked	Payment Date
09/30/96 - 12/29/96	01/31/97
12/30/96 - 03/30/97	04/30/97
03/31/97 - 06/29/97	07/31/97
06/30/97 - 09/28/97	10/31/97
09/29/97 - 12/28/97	01/30/98
12/29/97 - 03/29/98	04/30/98
03/30/97 - 06/28/98	07/31/98
06/29/98 - 09/27/98	10/30/98

BENEFITS

09/28/98 - 12/27/98	01/29/99
12/28/98 - 03/28/99	04/30/99
03/29/99 - 06/27/99	07/30/99
06/28/99 - 09/26/99	10/29/99

The Company will make these quarterly payments provided that:

(a) the Union operates the fund as a non-profit corporation under the Canada Corporations Act, and ensures that all necessary steps are taken to maintain the corporation in proper legal standing and that all requirements of the Act are met;

(b) the Union operates the non-profit corporation as a registered charity under the Income Tax Act of Canada and maintains the registration in good standing;

(c) the Union obtains and maintains a favourable Income Tax Ruling from the federal Department of National Revenue that all contributions which the Company makes to the non-profit corporation are tax deductible;

(d) at all times, the objects, by-laws and resolutions of this non-profit corporation limit it to making only the following types of financial contributions:

(i) contributions to other Canadian charities that are registered under the Income Tax Act,

(ii) contributions to international relief efforts that are considered reasonable and which do not hinder the non-profit corporation's ability to maintain its status as a registered charity, in good standing under the Income Tax Act;

(iii) contributions to any Canadian or international non-partisan relief efforts to which other Canadian registered charities are also making financial contributions.

It is agreed by the parties that the Company will pay each quarterly contribution as set forth above, as long as the requirements of points (a) to (d) above continue to be met by the Union.

BENEFITS

2. In addition, the Company has also agreed to contribute \$100,000 per year to the CAW Local 444 Social Justice Fund during the term of the Agreement. These payments will be contingent upon compliance to (1)(a), (1)(c) and (1)(d) of this letter.

Letter (10.19) Maternity, Parental and Adoption Leaves

During the course of negotiations the parties discussed the Union's proposal to pay maternity, parental and adoption leaves from a Supplemental Unemployment Benefit (SUB) Fund as a top-up to Employment Insurance Benefits. Given that there was insufficient time for the parties to address all the issues associated with this matter, the parties agreed to resume discussion within 90 days after the ratification of this Agreement.

It is the Company's intent to establish a new maternity leave allowance which will provide seniority employees with up to 16 weeks of benefits at 75% of Weekly Straight Time Pay less Employment Insurance benefits. In addition, it is the Company's intent to establish new parental and adoption leave allowances which will provide seniority employees with 10 weeks of benefits, or for duration of the leave, if shorter, at 65% of Weekly Straight Time Pay less Employment Insurance Benefits.

It is the intent of the Company to implement this new procedure no later than April 1, 1997.

The parties agree that the adoption leave allowance will be at 75% of Weekly Straight Time Pay less Employment Insurance benefits for up to 16 weeks if Employment Insurance adoption leave benefits are modified to equate with maternity leave benefits.

Letter (10.20) Resolution of Disputes - Benefits Plans and Pension Agreement

No matter respecting the provisions of the plans or agreements referenced in P&M Agreement Section (10.1)

BENEFITS

S.U.B.P., Income Maintenance/Voluntary Termination, Insurance, Relocation Allowance, Legal Services and Health Care, or the Pension Agreement between Chrysler Canada Ltd. and the CAW, shall be subject to the grievance procedure established under this agreement, and in the event of a conflict between the provisions of the benefit plans or agreements so listed and this collective agreement, the provisions of the listed benefit plans or agreements shall prevail.

(10.21) Memorandum of Understanding Special Contingency Fund

The Company and Union agree that:

- (a) The Special Contingency (SC) Fund will be continued during the term of this Collective Agreement.
- (b) Such SC Fund will equal an accrual by the Company of \$2.35 per overtime hour worked by all covered employees in excess of five percent (5%) of straight time hours worked by such covered employees for all pay periods commencing after the effective date of this Agreement.
- (c) During the term of this Collective Agreement, the SC Fund will be utilized only in support of the following plans and programs: (i) the Supplemental Unemployment Benefit (SUB) Plan, (ii) the Legal Services Plan, (iii) Child Care programs, (iv) the C.A.W. Leadership Training Program (P.E.L.), (v) research, leadership and development activities of the Union, and (vi) programs covered under the National Training Committee Letter (16.1). At any point in time the Special Contingency Fund Balance shall be equal to the cumulative accrual calculated in Section (b) above, less the cumulative utilization calculated in this Section (c). The cumulative accrual

BENEFITS

and utilization shall include balances carried forward from prior Agreements.

- (d) The use of the SC Fund for SUB funding will be determined solely by the amount of the Credit Unit Cancellation Base (CUCB) as determined from time to time under the SUB Plan for the purpose of determining the cancellation rate of Credit Units on the payment of Regular Benefits under the SUB Plan. In the event that such CUCB amount otherwise would fall below the applicable amount that would require an increased Credit Unit cancellation rate from 3.33 to 5 Units for Employees with 1 but less than 5 Years of Continuous Service the Corporation will make weekly contributions to the SUB Fund from the balance of the SC Fund. Such additional contribution amount from the SC Fund would be an amount that, together with the amount of regular Corporation contributions to the SUB Fund that week, would be sufficient to pay all SUB Benefits then due and payable and still keep such CUCB from falling below the amount requiring the increased cancellation rate described above. At any time the balance of the SC Fund is exhausted, the regular provisions of the SUB Plan would apply.
- (e) Funding for the above mentioned plans and programs will be determined as follows:
 - i) funding for SUB purposes will be made available pursuant to Section (d). above,
 - ii) funding for the Legal Services Plan and Child Care programs will be made available pursuant to the provisions of Letters (10.7) and (10.6),
 - iii) funding for the C.A.W. Leadership Training Program (P.E.L.) will be provided in the amount of \$0.02 per hour worked,
 - iv) funding for research, leadership and development activities of the Union will be

BENEFITS

- provided in the amount of \$0.03 per hour worked,
- v) funding for programs and activities of the National Training Committee will be provided pursuant to Letter (16.1).
- (f) The parties agree that in the event that the SC Fund Balance is insufficient to provide funding for the above mentioned plans and programs as required in Section (e), the amount of required funding in excess of the SC Fund Balance will be recovered as an offset against future SC accruals.
- (g) As of the end of this Collective Agreement period, the parties would negotiate the usage of any balance then remaining in the Special Contingency Fund.

Letter (10.22) SCF Exclusion for AWS Operations

During the course of current negotiations, the parties discussed the exclusion of overtime penalties for a plant that implements an AWS schedule. Consequently, it was agreed that a formula be developed to determine the overtime penalty that will be excluded, as follows:

On the first day of the month following the commencement of an Alternate Work Schedule (AWS) the Special Contingency Fund (SCF) accrual will be adjusted based on the following steps:

- Step 1: The affected plant's monthly SCF excess hours will be calculated for each of the immediately preceding 12 months.
- Step 2: A monthly average excess hours will be determined for the affected plant.
- Step 3: For each full month of AWS operation, a plant specific excess hour amount will be calculated.

BENEFITS

Step 4: For months in which the excess hours calculated in Step 3 exceeds the average penalty calculated in Step 2, the P&M SCF accrual will be reduced by the difference between the amount calculated in Steps 2 and 3 multiplied by the current SCF penalty.

LEAVE OF ABSENCE

LEAVE OF ABSENCE

(11.1) Leave for Good Cause

(a) Leaves of absence for reasonable periods not to exceed one (1) year will be granted without loss of seniority for good cause, such as personal illness or accident, death or serious illness in the immediate family, pregnancy, adoption, jury duty, military reserve training and elective or appointive public office, and such leaves may be extended for like cause.

(b) A leave of absence may be granted for a period not to exceed one hundred twenty (120) days if required for the purpose of travelling to a foreign country.

(c) A leave of absence for a period not to exceed one (1) year without loss of seniority will be granted an employee with one (1) or more years of seniority in order to attend a recognized college, university or trade or technical school full time, provided the course of instruction is related to the employee's employment opportunities with the Corporation. A request for a leave of absence to attend primary or high school will be regarded as being within the intent of this Subsection (c) and the schooling will be regarded as being related to the employee's employment opportunities with the Corporation. Before receiving the leave, or an extension thereof, the employee shall submit to the Corporation satisfactory evidence that the college, university or school has accepted the employee as a student and, on the expiration of each semester or other school term, shall submit proof of attendance during such term. Such leaves may be extended for additional periods not to exceed one (1) year each.

LEAVE OF ABSENCE

(d) A leave of absence without loss of seniority for a period not to exceed one (1) year will be granted an employee who is elected or appointed to a full time position with a credit union chartered by a provincial or the federal government to service primarily Chrysler employees. Such a leave may be extended for additional periods not to exceed one (1) year each.

(e) It is understood that leaves of absence granted under this Section (11.1) shall be granted only where the requirements of the plant permit and replacement employees are available.

(11.2) Leave for Union Business

(a) An employee who is (i) appointed, selected or elected to work for a Local Union, or (ii) appointed or elected to a position on the Staff of the National Union, or (iii) appointed, selected, or elected by the Union to the Staff of the Canadian Labour Congress, or to the Staff of a Provincial, County, City or Regional C.L.C. Council, or Ontario Federation of Labour, shall at the written request of the Union receive temporary leaves of absence for periods not to exceed three (3) years or the term of office, whichever is shorter.

(b) An employee appointed to a position identified as one of a labour member of a government agency shall at the written request of the Union receive a leave of absence for a period of not more than three (3) years.

(c) A leave of absence may be granted an employee for other union activities upon the written request of the National Union to the Manager of Labour Relations of the Corporation.

(d) Upon return from any such leave of absence, the employee shall be re-employed at work generally similar to that which the employee did last prior to the leave of

LEAVE OF ABSENCE

absence and with seniority accumulated throughout said leave of absence.

HOLIDAY PAY

HOLIDAY PAY

(12.1) Holidays Designated

The holidays are designated as:

October 14, 1996	Thanksgiving Day
November 11, 1996	Remembrance Day*
December 23, 1996)	
December 24, 1996)	
December 25, 1996)	
December 26, 1996)	Christmas
December 27, 1996)	Holiday
December 30, 1996)	Period
December 31, 1996)	
January 1, 1997)	
March 28, 1997	Good Friday
March 31, 1997	Monday after Easter
May 16, 1997	Friday before Victoria Day
May 19, 1997	Victoria Day
July 4, 1997	Canada Day
August 29, 1997	Friday before Labour Day
September 1, 1997	Labour Day
October 13, 1997	Thanksgiving Day
November 10, 1997	Remembrance Day*
December 24, 1997)	
December 25, 1997)	
December 26, 1997)	Christmas
December 29, 1997)	Holiday
December 30, 1997)	Period
December 31, 1997)	
January 1, 1998)	
January 2, 1998)	
April 10, 1998	Good Friday
April 13, 1998	Monday after Easter
May 15, 1998	Friday before Victoria Day
May 18, 1998	Victoria Day
July 3, 1998	Canada Day

HOLIDAY PAY

September 4, 1998	Friday before Labour Day
September 7, 1998	Labour Day
October 12, 1998	Thanksgiving Day
November 9, 1998	Remembrance Day*
December 24, 1998)	
December 25, 1998)	
December 28, 1998)	
December 29, 1998)	Christmas
December 30, 1998)	Holiday
December 31, 1998)	Period
January 1, 1999)	
April 2, 1999	Good Friday
April 5, 1999	Monday after Easter
May 21, 1999	Friday before Victoria Day
May 24, 1999	Victoria Day
July 2, 1999	Canada Day
September 3, 1999	Friday before Labour Day
September 6, 1999	Labour Day

* Bramalea employees will not observe the November 11, 1996, November 10, 1997, November 9, 1998 holidays but instead will observe the October 11, 1996, October 10, 1997 and October 9, 1998 holidays.

When a holiday defined in Section (12.1) occurs in a week of a plant's scheduled vacation shutdown, holiday pay for eligible employees will not be paid. Each employee will be canvassed and a mutually satisfactory alternative date will be determined for each employee to take time off with pay. Arrangements will be made to pay eligible employees the holiday pay to which they are entitled at that time.

In the event that a province or subdivision thereof either by law or declaration having the force of law requires a plant closing in observance of a holiday: (i) which is not a designated holiday in this Section, such provincial or local holiday shall be observed by the

HOLIDAY PAY

affected plant in lieu of whichever one of the holidays designated herein the parties to the Agreement shall select; or (ii) on a date other than the date specified herein for such holiday, the holiday shall be observed by the affected plant on the date the plant is required to close in lieu of the date specified herein.

(12.2) Eligibility

An employee will be paid for eight hours at the employee's regular straight time hourly rate inclusive of shift premium, but exclusive of overtime premium for the designated holidays provided the employee meets all of the following eligibility rules unless otherwise provided herein:

(a) the employee has seniority as of the date of the holiday,

(b) the employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday, and

(c) the employee must have worked the last scheduled working day prior to and the next scheduled working day after such holiday within the scheduled workweek. An employee excused by management from work on the last scheduled working day prior to or on the next scheduled working day after such holiday within the scheduled workweek, but not both, shall be deemed to have met the requirements of this Paragraph (c); except that in the case of holidays which fall in the holiday period starting December 23 through the following January 1 the employee must have worked the last scheduled working day prior to, and the next scheduled working day after, such holiday period, regardless of the workweek in which the scheduled working days fall.

HOLIDAY PAY

(d) Employees will be called in to work only in emergencies on the following days which are not paid holidays under this Agreement:

Saturday, December 28, 1996

Sunday, December 29, 1996

Saturday, December 27, 1997

Sunday, December 28, 1997

Saturday, December 26, 1998

Sunday, December 27, 1998

Employees shall not be disqualified for holiday pay, if otherwise eligible for such pay, if they decline a work assignment on one or more of the above days.

The foregoing provisions shall not apply to employees assigned to (1) seven-day operations; (2) third shift Sunday night start operations; and (3) a shift which starts on Friday and continues into Saturday.

(12.3) Employees Laid Off or Going on Sick Leave

Seniority employees who have been laid off in a reduction of force or who have gone on sick leave during the workweek prior to or during the week in which the holiday falls, shall receive pay for such holiday, except that an employee on sick leave and in receipt of Workers' Compensation benefits for such holiday shall not qualify for the holiday.

(12.4) Employees Returning From Layoff or Leave of Absence

When an eligible employee is on layoff or on approved leave of absence and returns to work following the holiday but during the week in which the holiday fell, the employee shall be eligible for pay for that holiday.

HOLIDAY PAY

(12.5) Holidays Falling on Saturday or Sunday

(a) When a holiday falls on Saturday or Sunday, eligible employees shall receive holiday pay provided they qualify under Subsection (c) of Section (12.2).

(b) When any of the holidays designated in Section (12.1) falls on Sunday and the day following is observed as a holiday by the Provincial or the Federal Government, such day shall be paid as the holiday.

(12.6) Employees on Leave of Absence for Jury Duty or Vacation

When any of the holidays designated in Section (12.1) falls within an approved leave of absence for vacation under the established vacation plan and the employee's absence from work is attributable to such absence, the employee shall receive pay for such holiday.

When any of the holidays designated in Section (12.1) falls within the employee's approved leave of absence for jury duty and the employee's absence from work that day is attributable to the employee's serving on jury duty, the employee shall receive pay for such holiday and retain the daily jury duty fee paid the employee by the court in which the employee serves.

(12.7) Holiday Pay - Christmas Holiday Period

(a) A seniority employee who requests and is granted a vacation leave of absence which includes the last scheduled working day prior to a Christmas Holiday Period and who also requests and is granted a vacation leave of absence which includes the first scheduled working day after such Christmas Holiday Period, shall, if

HOLIDAY PAY

otherwise eligible, receive pay for the holidays which fall in such Christmas Holiday Period.

(b) A seniority employee excused by said employee's Supervisor from work on the last scheduled working day prior to or on the next scheduled working day after a Christmas Holiday Period, or both, shall, if otherwise eligible, receive pay for the holidays which fall in that Christmas Holiday Period.

(c) A seniority employee on sick leave of absence who is released by said employee's doctor to return to work during a Christmas Holiday Period, shall, if otherwise eligible, receive pay for the holidays in the Christmas Holiday Period falling on and after the date the employee notifies the plant of the employee's availability for work and, provided further, that the employee presents satisfactory medical evidence of the employee's availability to work on such day upon the employee's return to work.

(d) A seniority employee on a personal leave of absence which expires during a Christmas Holiday Period, shall, if otherwise eligible, receive pay for the holidays in the Christmas Holiday Period which fall (1) on or after the expiration date of such leave or (2) on and after the date the employee notifies the employee's plant of the employee's availability for work, whichever is later.

(e) A seniority employee absent without excuse on either the last scheduled working day prior to or the next scheduled working day after a Christmas Holiday Period shall be ineligible for pay for two (2) of the holidays in the Christmas Holiday Period, but shall, if otherwise eligible, receive pay for the remaining holidays in the Christmas Holiday Period.

HOLIDAY PAY

(12.8) Holiday Pay — Temporary Layoff

A seniority employee who is temporarily or indefinitely laid off during the fourth work week prior to a week in which one or more of the holidays in the Christmas holiday period falls, and who worked the employee's last scheduled working day prior to such layoff, shall, if otherwise eligible, receive pay for the holidays falling during such Christmas holiday period. A seniority employee who is laid off during the fifth, sixth or seventh work week prior to a week in which one or more of the holidays in the Christmas holiday period falls and who worked the employee's last scheduled working day prior to such layoff shall, if otherwise eligible, receive pay for one-half of the holidays falling during such Christmas holiday period. An employee temporarily laid off shall receive pay for such holidays following the employee's return to work from such layoff. An employee indefinitely laid off shall receive pay for such holidays on the second payday following the Christmas holiday period.

(12.9) P.A.A./Absence with Permission and Holiday Pay Eligibility

(a) An employee who requests and is granted Paid Absence Allowance for the balance of a week in which a regular paid holiday falls will be deemed to meet the requirements of Section (12.2) of the Agreement. This will apply only where the employee has sufficient Paid Absence Allowance available to blank out the entire week except for the holiday.

In the circumstance where an employee does not have sufficient P.A.A. to blank out the week of the holiday the employee will be deemed to satisfy the requirements of this Section if the employee is granted a minimum of twenty-four (24) hours P.A.A. which together with excused

HOLIDAY PAY

absence does enable the employee to blank out the week of the holiday.

(b) A seniority employee who requests and is granted Absence with Permission (AP) will be deemed to meet the requirements of Section (12.2) of the Agreement provided all of the following:

- (i) the employee must be excused by management for all of the scheduled working days in the week in which the holiday is scheduled.
- (ii) the week prior to and the week following such holiday must be scheduled work weeks,
- (iii) the employee must have worked the last scheduled working day in the week prior to and the first scheduled working day in the week following such holiday.

(12.10) Return to Work on Friday Holiday

Under the normal holiday pay and sickness and accident benefit rules an employee on sick leave who is cleared on Thursday by the employee's doctor and the Company medical officer as able to return to work on a Friday holiday may not qualify for either holiday pay or sickness and accident benefits. Such an employee will be deemed to qualify for holiday pay if otherwise eligible.

(12.11) Holiday Pay While Attending CAW Leadership Training Program

When a designated holiday as provided in Section (12.1) occurs during an approved leave of absence for attendance in the CAW Leadership Training Program, the employee will qualify for holiday pay.

HOLIDAY PAY

(12.12) Seven-Day Operations

Employees working on operations which are normally classified as seven-day operations shall receive holiday pay in the event the holiday falls on one of their regularly scheduled days off and they meet the other eligibility requirements of this procedure for paid holiday time; provided, however, that if such employees work on a holiday which falls on their scheduled day of work when such employees are scheduled to work on a holiday and do work, they shall not receive holiday pay under this procedure but shall be paid for time worked in accordance with Section (8.6).

(12.13) Failure to Report for Holiday Work

An employee who may be requested to work on a holiday and who accepts such holiday work assignment and then fails to report for and perform such work, without reasonable cause, shall not receive holiday pay.

Letter (12.14) Probationary P & M Employees Formerly On Salary

In the past the Union has expressed its concern regarding long service salaried employees of the Corporation who do not qualify for holiday pay after being hired into an hourly Production and Maintenance bargaining unit because they had not acquired seniority in such unit on the date of the holiday.

In the event such situation should occur, a Representative of the National Union may discuss the matter with the Manager of Labour Relations of Chrysler Canada Ltd.

HOLIDAY PAY

Letter (12.15) T.P.T. Employees - Holiday Pay

During these negotiations the parties have discussed the eligibility of temporary part-time employees for holiday pay.

The Company has indicated that should the Union identify specific cases where a TPT can show a history of being scheduled to work on a particular day on which a holiday has fallen but has not qualified for holiday pay because the employee did not work the required day in the previous workweek, the Company would review these cases with a view to providing payment.

The Company and the Union have agreed to meet during the course of the new Agreement to review the holiday qualifications provisions of the TPT program.

Also, with respect to the holidays in the Christmas holiday week, a TPT employee will be deemed to have met the requirement of working within the scheduled workweek if said TPT employee works the employee's next scheduled working day in the workweek following the Christmas holiday week.

Letter (12.16) Holiday Pay & Disciplinary Layoff

During the current negotiations, the parties discussed the situation where the duration of an impending disciplinary layoff would encompass or abut a specified holiday. It was mutually recognized that a wide variety of local practices exist on whether loss of holiday pay is appropriately included in the layoff penalty.

To insure uniformity between plant locations in the administration of discipline in such situations, the Company advised the Union that, as a matter of policy as of the effective date of the new Agreement, loss of holiday

HOLIDAY PAY

pay would not be included as part of disciplinary layoff penalty assessed.

Letter (12.17) Christmas Bonus — \$900.

During these negotiations it was agreed by the Company and the Union that employees who are eligible for payment-in-lieu of vacation in accordance with the provisions of Section (13.2) will receive a special payment of \$900.00 on the last regular pay deposit prior to the Christmas Holiday Period each year of this Agreement provided they are on the roll as of the first Sunday in December of each year.

Employees who qualify for only a portion of their payment-in-lieu of vacation under Section (13.2) will receive the same proportion of this payment.

Employees not on the active roll of the Company on the first Sunday in December but who are subsequently reinstated to the active roll during the current vacation year will be paid the special payment either at the time they take their vacation or at the end of the vacation year.

VACATION, SPA AND PAA

VACATION, SPA and PAA

(13.1) Schedule and Notice

It is agreed that the vacation shall be granted within the months of July and/or August and notice of the vacation period shall be posted not later than March 15th in each year for all plants covered under this agreement with the exclusion of Ajax Trim and Etobicoke Casting and prior to that date the parties will discuss whether the vacation period for such a year shall be one (1) week or two (2) weeks.

(13.2) Payment Schedules

(a) On June 30 of each year the Corporation will establish basic payment in lieu of vacation with pay and provide a paid absence allowance to eligible hourly employees who have worked for at least 26 pay periods in the vacation eligibility year (the year including the pay period in which May 31 occurs and the preceding 51 pay periods) as follows:

Basic Payment Seniority on June 30 of the Vacation Eligibility Year	Paid in Lieu of Vacation With Pay	Absence Allow- ance
1 but less than 2 years	40 hours	36 hours
2 but less than 3 years	40 hours	44 hours
3 but less than 5 years	40 hours	52 hours
5 but less than 10 years	80 hours	52 hours
10 but less than 15 years	100 hours	52 hours
15 but less than 20 years	120 hours	52 hours
20 years or more	160 hours	52 hours

VACATION, SPA and PAA

The number of hours of the basic payment in lieu of vacation with pay and paid absence allowance to which an eligible employee shall be entitled shall be based on the employee's seniority on June 30 of the vacation eligibility year and the number of pay periods during which the employee worked during the eligibility year.

(b) An eligible employee shall be entitled to a percentage of the above basic payment in lieu of vacation with pay and of the above paid absence allowance as follows:

Pay Periods Worked in the Vacation Eligibility Year	Percentage of Payment
26 or more	100%
25	96%
24	92%
23	88%
22	84%
21	80%
20	76%
19	73%
18	69%
17	65%
16	61%
15	57%
14	53%
13	50%

(c) A seniority employee with less than one (1) year of seniority on June 30 of the vacation eligibility year who has worked for at least 26 pay periods in the vacation

VACATION, SPA AND PAA

eligibility year will be eligible for a forty (40) hour basic payment in lieu of vacation with pay.

A seniority employee who has worked at least 13 but less than 26 pay periods shall be entitled to a basic payment in lieu of vacation with pay according to the following table:

Pay Periods Worked in the Vacation Eligibility Year	Percentage of Payment
26	100%
25	96%
24	92%
23	88%
22	84%
21	80%
20	76%
19	73%
18	69%
17	65%
16	61%
15	57%
14	53%
13	50%

(d) 1. The above basic payments in lieu of vacation with pay shall be computed at the employee's straight time hourly rate effective the beginning of the first pay period beginning on or after June 1 (or if off the active hourly payroll, at the rate for the last day worked) of each year during the term of this Agreement exclusive of overtime premium, but including shift and seven-day operations premiums plus the then current Cost-of-Living Allowance.

2. Employees who are otherwise eligible will receive shift premium for payment in lieu of vacation hours

VACATION, SPA and PAA

based on the proportion of the total time worked to that which is worked on the second and third shift during the vacation eligibility year.

3. Basic payment in lieu of vacation with pay entitlement shall be paid to eligible employees in June of each year, provided, however, that an employee may elect to be paid all or part of the employee's basic payment in lieu of vacation with pay at the time the employee takes vacation leave of absence, computed as set forth above, by indicating this election on the employee's vacation request form.

4. Payments from an employee's Paid Absence Allowance because of absence or because of termination of the employee's employment by death, retirement or otherwise, shall be computed at the employee's straight time hourly rate on the employee's last day worked exclusive of overtime premium, but including shift and seven-day operations premiums and the amount of any cost-of-living allowance then in effect.

5. Payment of the unused portion of the Paid Absence Allowance shall be computed in the same manner and at the same time as the employee's basic payment in lieu of vacation with pay for the next vacation year.

(e) 1. An employee may use the hours credited to the employee's Paid Absence Allowance in units of no less than one-half (1/2) day periods for: excused absence because of illness when not receiving Sickness and Accident Insurance; or absence that the employee's supervisor has excused because of personal business; or as payment for a vacation leave of absence. A request for Paid Absence Allowance by an eligible employee made subsequent to such absence will be approved for payment, but such payment shall not make such absence an excused absence or preclude the Management from

VACATION, SPA AND PAA

considering such absence as the basis, in whole or in part, for disciplinary action.

2. Any portion of an employee's Paid Absence Allowance that the employee does not use in the form of paid absences during the vacation payment year (the pay period following the pay period in which May 31 occurs and the next 51 pay periods) will be paid to the employee (computed pursuant to Subsection (d), at the time the Corporation makes its payment in lieu of vacation with pay in the following payment year. An employee permanently separated or promoted to a salaried classification shall receive any remaining unused Paid Absence Allowance within thirty (30) days after the Corporation receives notification of the employee's separation or promotion.

(f) An employee disabled from work by compensable injury or legal occupational disease shall accrue credit toward pay periods worked for pay periods the employee would otherwise have been scheduled to work during the period of compensable disability provided such employee works at least one pay period in the eligibility year.

(g) An employee who receives pay for one or more of the designated holidays which fall in work weeks commencing December 23, 1996, or December 22, 1997 or December 21, 1998, shall receive credit for a pay period worked for purpose of computation of entitlement under Section (13.2), Payment Schedules.

(h) Employees who submit a written request for payment of deferred Paid Absence Allowance at least one week in advance of the requested payment date will receive payment of the full amount of the employee's remaining Paid Absence Allowance.

(13.3) Eligibility

VACATION, SPA and PAA

(a) An employee will be considered eligible for payments under Section (13.2) if the employee has worked for the Corporation for at least 13 pay periods in the vacation eligibility year and:

1. is on the active hourly payroll on June 30 of the vacation eligibility year. If the employee has been promoted to a salaried classification subsequent to June 30 of the vacation eligibility year but prior to the established date for distribution of basic payment in lieu of vacation cheques, the employee may be granted a vacation under the appropriate salaried vacation plan rather than the hourly basic payment in lieu of vacation with pay;

or

2. is not on the active hourly payroll on June 30 of the vacation eligibility year because of sickness or injury, layoff, or leave of absence.

(b) A salaried employee transferred to an hourly job or laid off from a salaried position and reinstated to an hourly job, who is otherwise eligible, shall receive payments under Section (13.2) based on the employee's Corporation service and the total number of pay periods worked in the vacation eligibility year, less any payment previously received for a salaried vacation earned in the current and/or preceding calendar year.

(c) 1. Employees who prior to June 30 of the vacation eligibility year have died or have retired under the Pension Plan or were automatically retired at age sixty-five (65), or their estates, or estates of deceased retired employees shall receive basic payments under Section (13.2) that the employees were otherwise eligible to receive, computed as set forth in Subsection (c) 2. below; provided, however, that an employee who retires or is retired under the

VACATION, SPA AND PAA

provisions of the Pension Plan and who, but for retirement, would have at least one year's seniority as of June 30 of the vacation eligibility year but who has not worked in at least thirteen (13) pay periods in the vacation eligibility year shall receive for each of the pay periods the employee worked during such year one twenty-sixth (1/26) of the maximum basic payments to which the employee's seniority as of June 30 of the vacation eligibility year would otherwise have entitled the employee under Section (13.2), computed as set forth below.

2. The basic payments set forth in Subsection (c) 1. above shall be computed at the employee's straight time hourly rate exclusive of overtime premium but including shift and seven-day operations premium and the amount of cost-of-living allowance in effect on the last day worked.

(13.4) Scheduled Paid Absence (SPA)

- (a) SPA weeks will be scheduled in five SPA periods as follows:

<u>SPA Eligibility Date</u>	<u>SPA PERIOD</u>
October 7, 1996	January 6, 1997-June 29, 1997
June 2, 1997	September 1, 1997 - March 8, 1998
December 8, 1997	March 9, 1998 - November 1, 1998
August 3, 1998	November 2, 1998 - May 9, 1999
February 8, 1999	May 10, 1999 - December 26, 1999

(b) Employees having at least one (1) year of seniority on the SPA eligibility date and having worked in the SPA eligibility period (i.e. the pay period in which the SPA eligibility date falls and the preceding 25 weeks) will become eligible for forty (40) hours of SPA to be scheduled in the corresponding SPA period. Payment will include applicable shift premium.

VACATION, SPA and PAA

(c) SPA weeks will be scheduled by random computer program, excluding the month of July and August and any pay period with three or more Christmas holidays.

(d) In the event a designated holiday falls within an employees SPA week the employee will receive the applicable holiday pay in addition to the forty (40) hours SPA pay.

(e) Employees will not be eligible for overtime during the work week as defined in Section (8.11) of the P&M Agreement in which their SPA is scheduled.

(f) If an employee is laid off either temporary or indefinite when the employee's SPA week occurs, the employee's hours will revert to PAA. Scheduling and payment will be in accordance with the provisions of Section (13.2) of the P&M Agreement.

(g) An employee receiving Workers' Compensation and/or S&A benefits during a SPA week shall have entitlement added to their Paid Absence Allowance hours to be used in accordance with Section (13.2) of the Production and Maintenance Agreement.

(h) There shall be no trading or switching of SPA designated weeks.

Letter (13.5) Administrative Procedures of the SPA Program & PAA

The parties have met and agreed to the following interpretations:

(a) The Company and the Union are mindful of and do not desire to impact the efficiency of the operations which must be protected at all times. Accordingly, notwithstanding the provisions of paragraph (h) of Section (13.4), in the event that there are significant employee

VACATION, SPA AND PAA

transfers into or out of a department which because of the scheduled SPA time would adversely impact the operations, the Personnel Manager and the Shop Chairperson will modify the designated weeks off in order to protect skill levels and quality.

(b) Any discipline assessed which would be scheduled during the SPA weeks shall not otherwise disqualify the employee for payment of the day in which the discipline was scheduled. As an example, if an employee was assessed a three (3) day disciplinary layoff, scheduled to be on Friday, Monday and Tuesday ... and Monday and Tuesday were days the employee was designated off as SPA week, the discipline would reflect a three (3) day disciplinary layoff, however the employee would receive SPA payments for those two (2) days.

(c) Notwithstanding the provisions of paragraph (g) of Section (13.4), the Company and Union agree that should at any time the Company demonstrate a significant increase in the number of employees on WCB and/or S&A status during their SPA weeks the parties will endeavor to determine the underlying causes for such increase.

If the underlying causes have not been identified and corrective action has not been taken prior to the commencement of the next SPA scheduling period the Company reserves the right to disqualify from SPA entitlement employees in receipt of WCB or S&A during their SPA week.

Letter (13.6) Vacation and PAA

— Encouragement to Take Time Off

During the current negotiations, the parties discussed the Payment in Lieu of Vacation and Paid Absence Allowance Plan and its purpose of providing employees with paid time away from work during the course of the year.

VACATION, SPA and PAA

While the parties recognize that circumstances may arise that prevent full utilization of such paid time off, they agreed that employees should be encouraged to take their vacation time, rather than pay in lieu. In this regard, the Company agreed that it would conduct its business in a manner consistent with such encouragement.

Letter (13.7) Vacation Utilization

During recent negotiations considerable attention was given to the use of vacation entitlement by employees as outlined in the collective agreement. In particular, the Union clearly outlined its position on time away from work and the Company for its part outlined its need for programs that minimize operational complexity and administrative burden.

Consistent with these discussions, the parties further agreed to the principle of full utilization of vacation.

As a result, alternatives for achieving the principle of full utilization of vacation will be discussed and studied by the parties during the term of this agreement.

Letter (13.8) Vacation Pay Advance

During recent negotiations, the Company and the Union had discussions regarding the practice of providing employees with the ability of receiving their vacation pay once full entitlement has been earned.

The Company agrees that once full entitlement has been earned, the employees may submit a Vacation Pay Request after January 1st of the vacation year which will generate a pay for full entitlement under the Payment in lieu of Vacation Plan, less two weeks, as soon as practicable after the request is made. This provision is not

VACATION, SPA AND PAA

applicable to skilled trades since these employees may receive full payment with no reduction of the two weeks as they are required to work the scheduled shutdown.

Letter (13.9) Schedule — Vacation Period

In the negotiations leading to this collective agreement, the Company advised the Union of its plans to schedule vacation periods of one week in duration at plants operating an Alternative Work Schedule, as outlined in Production and Maintenance Agreement Section (13.1) Schedule and Notice.

Management informed the Union that the high demand for its products was the underlying reason for this decision, and, as a result of extensive discussion on the issue, plans were established to provide employees, wherever possible, with two consecutive weeks of vacation, notwithstanding a one week vacation period.

When a vacation period of one week in duration is scheduled for a plant operating an Alternative Work Schedule:

- the plant will operate on two shifts only during the week preceding the vacation shutdown.
- the plant will operate on two shifts only during the week following the vacation shut down.
- at management's discretion, an additional thirty (30) minutes production will be scheduled each day to maximize production.
- summer students will be used, to the extent possible, to support requests for vacation leaves outside of the weeks immediately preceding and following the vacation shutdown.

VACATION, SPA and PAA

In scheduling vacation shutdowns of one week in duration, management will advise the Union as soon as practicable, to enable employees to formalize vacation plans, but in any case, by no later than March 15. The Union will give due consideration to the use of TPT employees to facilitate vacation leaves of absence.

Issues arising from the vacation scheduling format outlined above may be raised by the Union for review and disposition.

SKILLED TRADES

(14.1) Skilled Trades Employees

The following Special Provisions Pertaining to Skilled Trades Employees (hereinafter referred to as the Skilled Trades Agreement) supplement the provisions of the Production and Maintenance Agreement applicable to skilled trades employees.

(14.2) Definitions

When used in this Agreement:

(a) The term "Journeyman/woman" means an employee in a skilled trades classification who has acquired the right to exercise seniority in one or more of such classifications, as hereinafter provided.

(b) The term "Temporary Employee" means an employee who has not acquired the right to exercise seniority in any of the skilled trades classifications.

(c) The term "Apprenticeable Skilled Trades Classification" means a classification in a trade which is apprenticed in one or more Chrysler plants covered by the Agreement.

(d) The term "Apprentice" means an employee duly registered and entered in a recognized training program for a skilled trade in one or more Chrysler plants covered by the Agreement.

(14.3) Journeyman/woman

Upon completion of the Chrysler Apprentice Training Course, an apprentice shall immediately become a journeyman/woman and shall be given a seniority date as set forth in Section (14a.12) Seniority, Apprenticeship and Apprentice Standards.

SKILLED TRADES

(14.4) New Hires Skilled Trades Classifications

(a) The qualifications of an employee hired to work in the skilled trades classifications shall be carefully ascertained at the time of hiring. The employee's experience must be in work of the kind performed at Chrysler in the employee's classification and the employee must be fully qualified to do the work of one or more of these classifications.

(b) As a new hire an employee must prove (i) the employee has worked in the trade at least eight (8) years, or (ii) has satisfactorily completed a bonafide apprentice training course with similar standards to the Chrysler Apprentice Training Program.

(c) It is understood that for the purpose of qualifying for journeyman/woman status, an employee may present as evidence a journeyman/woman card properly issued to said employee by the International Union, UAW, or the National Union, CAW.

(d) An employee hired to work in the skilled trades classifications who (1) has satisfactorily completed the Chrysler Apprentice Training Course or an apprentice course of hours and related training comparable to Chrysler's course, or (2) has accumulated eight (8) years' experience in the classification in which the employee is hired, shall, upon completion of the probationary period, be entered on the seniority list as a journeyman/woman. It is incumbent on the employee to present these claims and proofs of qualification for journeyman/woman status at the time the employee is hired.

(e) The Union and the Corporation will review the prior experience and qualifications of an employee hired, transferred or promoted into the skilled trades classifications prior to hire, transfer or promotion. A list of new hires will be supplied weekly to the Skilled Trades Chairperson in Windsor, or the Skilled Trades

SKILLED TRADES

Committeeperson in Ajax , Bramalea or Etobicoke, as the case may be.

(14.5) List of Skilled Trades Classifications

Class. No.	Classification
5257	Trimmer — Experimental
5350	Inspector — Layout & Sample Check
5365	Layout — Metal & Wood
5380	Tool Maker — Tool & Gauge Inspection
5426	Leader — Skilled @ .60 Over Class Led
5520	Grinder — Cutter
5530	Grinder — Tool Room
5556	Machine Oper. — Tool, Die & Maintenance
5617	Carpenter
5629	Electrician
5638	Machine Repair
5645	Mechanic — Engineering — Experimental
5658	Millwright
5668	Painter & Glazier — Maintenance
5677	Painter — Transportation Equipment
5680	Pipefitter — Plumber
5715	Repairer — Furnace
5719	Mechanic — Gas & Electric Jitney
5735	Recording — Instrument Maint. & Repair
5739	Repairer — Sewing Machine
5754	Repairer — Trailer
5759	Mechanic — Truck Tractor
5777	Sheet Metal Worker
5905	Boiler Operator
5927	Engineer — Steam
5942	Sewage Disposal Plant Operator
6120	Die Maker — Die Cast
6165	Tool Maker
6175	Tool Maker — Jig & Fixture Builder
6242	Welder — High Pressure
6250	Welder — Maintenance
6270	Welder — Tool & Die

SKILLED TRADES

7600	Carpenter / Painter / Glazier
7610	Millwright
7620	Motor Mechanic
7630	Welder
7640	Tool & Machine Technician
7650	Compressor Operator - Stationary Engineer
7660	Electrician

For the purpose of this Section, Leader classifications shall be regarded as being the same as the classification led.

The Corporation and the National Union may from time to time, agree to amend, delete, add to, or otherwise modify the foregoing List of Classifications.

(14.6) Lay-Off / Recall

Where there is a decrease or increase in the skilled trades the applicable procedure set out below shall be followed.

(a) In the event of a seasonal layoff for model change, skilled trades employees shall be laid off, retained or recalled to work on the basis of their seniority in their classification within the department or on the basis of their seniority in their trade group within the department as the case may be, provided, however, they are able to satisfactorily perform the work to be done. During such layoff, classification or trade group seniority within the department shall continue to be the basis upon which employees are laid off, retained or recalled until such time as the layoff has been converted to a plantwide basis. At such time and thereafter skilled trades employees shall be retained in or recalled to the plant in accordance with their seniority in their classification or trade group within the plant, provided, however, they are able to satisfactorily perform the work to be done.

SKILLED TRADES

(b) Temporary Adjustment

In the case of temporary adjustments due to material short-ages, machinery breakdowns, power failure, fire, flood or similar causes, or due to temporary reduction of production in some departments only, layoffs shall take place as follows: for the first two days including the day of the layoff; the Corporation may reduce the shift within the department according to the seniority of the employees within their classification or trade group on that shift, provided the employees to be retained are able to satisfactorily perform the work to be done, or if the Corporation so elects, for the balance of the shift and one day the Corporation may retain the employees on the shift who normally perform the work to be done (the senior employee being given preference in cases where more than one normal operator performs the work). Thereafter the reduction in the working force for each department so affected shall be adjusted and proceed according to the relative seniority of the employees in the department within their classification or trade group provided that the employees to be retained are able and willing to satisfactorily perform the work to be done. Recall to work following such a layoff shall be by department seniority within their classification or trade group provided the employee is able to satisfactorily perform the work to be done. The Corporation shall convert such layoff and recall from a departmental basis to a plant-wide seniority basis within fourteen (14) calendar days (unless otherwise mutually agreed) so that employees are thereafter, retained in or recalled to the plant in accordance with their classification or trade group seniority within the plant, provided however, they are able to satisfactorily perform the work to be done.

(c) Temporary Layoffs

When there is a temporary layoff that is a reduction in force for a definite period of time which is not

SKILLED TRADES

a temporary adjustment or seasonal layoff for model change, employees within their classification or trade group within the department will be laid off as follows:

1. Probationary employees will be laid off.
2. Employees with less than one year of seniority within their classification or trade group will be laid off according to seniority.
3. Employees with one year or more of seniority within their classification or trade group will be laid off in the inverse or descending order of their seniority with the most senior employee being laid off first. They will be advised of the expected duration of the layoff and their scheduled return date. However, such employees may elect to remain at work and if able to perform the available work will be permitted to do so in the same seniority order up to the number of employees required. The arrangement described above must result in maintaining an experienced, qualified work force capable of assuring the uninterrupted and efficient operation of the plant.
4. If the expected duration of the temporary layoff is subsequently extended to a later but definite date, employees laid off pursuant to Subsection (c) 3 above will be afforded the option of returning to work on the date originally scheduled or remaining on layoff for the duration of the extended period. An employee who elects to return on the original scheduled date will displace the junior employee within their classification or trade group in the department.
5. (i) If it becomes necessary to recall employees laid off under Subsection (c) 3 above prior to the date originally planned, they will be recalled in the ascending order of their seniority within their classification or trade group with the most junior such employee in each department being recalled first.

SKILLED TRADES

(ii) If, after employees are temporarily laid off under Subsection (c) 3, it is determined in a department or group of departments that the temporary layoff will be extended for an indefinite period of time, the work force in the department or group of departments including those employees on temporary layoff will be adjusted within ten (10) working days in accordance with (d) below.

6. If the duration of a temporary layoff is expected to exceed ten (10) working days, the Local Union will be so notified. In a temporary layoff of such expected duration, the Local Union may request the Management to waive the Temporary Layoff provisions set forth in this Section (c) and Management will reduce the working force according to the layoff provisions as set forth in Section (d) below. Such requests shall be made in writing within twenty-four (24) hours of the time the Union is notified of the layoff.

7. The inverse seniority provisions as set forth in Section (14.6) (c) Temporary Layoffs, shall apply to employees on skilled trades classifications. For purposes of clarification, classification shall be deemed to mean skilled trades classification.

8. It is understood that past practices with respect to Section (14.6) (a), (b) and (c) of the above provisions shall remain unchanged at the Etobicoke Casting Plant.

(d) Plant Layoff or Departmental Reduction due to Permanent Discontinuance of Operations, etc. and Recall.

In the event of a layoff or a departmental reduction due to the permanent discontinuance of a specific operation or department or due to an indefinite reduction in production or work to be performed, skilled trades employees shall be retained or recalled to work on the basis of their seniority in their classification within the plant or on the basis of their seniority in the trade group within the plant as the case may be, provided, however, they are able to satisfactorily perform the work to be done.

SKILLED TRADES

(14.7) List of Apprenticeable Classifications

Appendix I, which includes a list of the current approved Apprenticeable Skilled Trades and Schedules of Work Processes for certain of these classifications, has been agreed upon and signed by the parties hereto. The Corporation and the National Union, by agreement, may modify, add to or otherwise revise said Lists and Schedules.

APPENDIX I

The Corporation and the Union have agreed to the following:

- A — List of Apprenticeable Classifications,
- B — List of Non-Apprenticeable Classifications, and
- C — Schedule of Work Processes for Apprenticeable Classifications.

These supplement the Production and Maintenance Agreement between Chrysler Canada Ltd. and the National Automobile, Aerospace Transportation and General Workers Union of Canada, CAW.

A **LIST OF APPRENTICEABLE TRADES**

Class. No.	Classification
5365	Layout — Metal & Wood
5380	Tool Maker — Tool & Gauge Inspection
5556	Machine Operator — Tool, Die Maintenance
5629	Electrician
5638	Machine Repair
5658	Millwright
5680	Pipefitter — Plumber

SKILLED TRADES

5719	Mechanic — Gas & Electric Jitney
5759	Mechanic — Truck Tractor
5777	Sheet Metal Worker
6120	Die Maker — Die Cast
6165	Tool Maker
6175	Tool Maker — Jig & Fixture Builder

B

LIST OF NON-APPRENTICEABLE TRADES

<u>Class. No.</u>	<u>Classification</u>
5257	Trimmer — Experimental
5350	Inspector — Layout & Sample Check
5520	Grinder — Cutter
5530	Grinder — Tool Room
5617	Carpenter
5645	Mechanic — Engineering — Experimental
5668	Painter & Glazier — Maintenance
5677	Painter — Transportation Equipment
5715	Repairer — Furnace
5735	Recording — Instrument Maintenance & Repair
5739	Repairer — Sewing Machine
5754	Repairer — Trailer
5905	Boiler Operator
5927	Engineer — Steam
5942	Sewage Disposal Plant Operator
6242	Welder — High Pressure
6250	Welder — Maintenance
6270	Welder — Tool & Die

SKILLED TRADES

C **SCHEDULE OF WORK PROCESSES FOR** **CERTAIN APPRENTICEABLE TRADES**

<u>Electrical</u>	<u>Hours</u>
Electrical Construction.....	900
Building Maintenance	600
(Doors, Heaters, Lighting)	
Electrical Maintenance.....	1,400
(Bench Work, Trouble-Shooting Machinery)	
Electronic Controls	1,600
(PLC, Solid State, Computers Robotics)	
Electrical Maintenance of CO ² Welders	320
Welder Maintenance	1,600
(Spot Welders, Robot Welders)	
Batteries	160
Conveyor Systems.....	370
Health and Safety.....	40
Related Classroom Training.....	594
Engineering Department.....	<u>320</u>
TOTAL HOURS	7,904

<u>Machine Repair</u>	<u>Hours</u>
Lathe	400
Shaper, Planer	200
Milling Machine.....	400
Grinder	100
Hydraulics	1,200
Pneumatics	950
Air Tools.....	950
Bench and Floor and P.M.	2,280
Robotics	470
Health and Safety.....	40
Related Classroom Training.....	594
Engineering Department.....	<u>320</u>
TOTAL HOURS	7,904

SKILLED TRADES

<u>Mechanic - Gas and Electric</u>	<u>Hours</u>
Electric Systems	2,000
- primary and secondary circuit trouble shooting	
- electronic controls, electrical instrumentation	
Preventive Maintenance.....	1,400
- general motor repair and tune up	
Transmissions	1,100
- repair and adjustment and installation of automatic transmissions, standard transmission, torque convertors and differential assemblies	
Steering	1,150
- drive axle and brake adjustment, repair and adjustment	
Lifts	1,150
- repair, adjustments and installation of lifts, winches and hydraulic pumps and motors	
Lubrication	224
- repair, adjustment or replacement of starters, governors and ready power units	
Propane	246
Health and Safety.....	40
Related Classroom Training.....	<u>594</u>
TOTAL HOURS	7,904

SKILLED TRADES

<u>Millwright</u>	<u>Hours</u>
Dismantling	1,400
- moving and erecting machinery	
Fabricating	1,400
- installing, repairing, rebuilding pulleys and conveyors	
Installing	1,312
- repairing and rebuilding conveyor drives, speed reducers and reduction boxes	
Floor Layout	1,370
Preventive Maintenance	646
- on equipment, conveyors and hoists	
Installation of electric motors and pumps	800
Hydraulics - basic training	40
Health and Safety	40
Related Classroom Training	576
Engineering Department	<u>320</u>
TOTAL HOURS	7,904

<u>Mechanic - Truck and Tractor</u>	<u>Hours</u>
Motors - Diesel	2,000
- Gasoline	800
Drive Train	1,610
Suspension Systems	500
Steering	610
Brakes	650
Optional (tune-up and testing equipment, lubrication, electrical systems, etc.)	1,100
Health and Safety	40
Related Classroom Training	<u>594</u>
TOTAL HOURS	7,904

SKILLED TRADES

<u>Pipefitting</u>	<u>Hours</u>
Building Maintenance (heating and cooling systems, air compressors, sprinklers)	1,340
Repair valves, pumps, air hoists balancers)	1,400
Process Piping (includes construction)	1,340
Plumbing	400
Spot Welder Maintenance	400
Pneumatics	1,200
Refrigeration - Maintenance equipment relating to automotive A/C, paint cooling, etc.	400
Robotics	470
Health and Safety	40
Related Classroom Training	594
Engineering Department	<u>320</u>
TOTAL HOURS	7,904

<u>Toolmaker - Jig and Fixture</u>	<u>Hours</u>
Shaper	110
Planer	300
Lathe	1,200
Milling Machine	1,000
Grinding	650
Bench	3,000
Lucas, boring mill and radial drill press	250
Bullard, special gear and hardening	400
Hydraulics - basic training	40
Health and Safety	40
Related Classroom Training	576
Engineering Department	<u>338</u>
TOTAL HOURS	7,904

SKILLED TRADES

<u>Tool Making</u>	<u>Hours</u>
Shaper	600
Planer.....	240
Lathe	1,000
Milling Machine.....	1,000
Grinding.....	625
Bench	2,785
Lucas, boring mill and radial drill press	250
Optional (Bullard, Special Gear and Hardening).....	788
Health and Safety.....	40
Related Classroom Training.....	576
TOTAL HOURS	7,904

<u>Die Making - Die Cast</u>	<u>Hours</u>
Die Tryout.....	658
Shaper/Planer	300
Lathe	650
Milling Machine.....	900
Grinding (I.D., O.D., and surface).....	600
Bench	2,270
Cutter Grind.....	40
Optional Equipment (Lucas, Keller, Boring Mill,..... Radial Drill Press, Jig Bore & Jig Grinder)	750
Layout Inspection (Set-Up Casting, Take Print and Check all Dimensions)	120
Health and Safety.....	40
Related Classroom Training.....	576
TOTAL HOURS	7,904

SKILLED TRADES

<u>Sheet Metal and Tinsmith</u>	<u>Hours</u>
Layout: Field sketching and.....	1,200
development of patterns	
Fabrication: Transfer of patterns, cutting, forming.....	2,300
and assembling; use of hand and power tools, soldering and riveting, repair and new work	
Installation: Hand tools and power tools;	2,838
repair and new work	
Layout, assemble and install safety guards	950
Health and Safety.....	40
Related Classroom Training.....	<u>576</u>
TOTAL HOURS	7,904

(14.8) General

(a) Seniority Lists

The seniority list of the department shall show opposite the name of each Journeyman/woman employee each classification in which the employee may exercise seniority in the department and, where feasible, in the plant.

(b) Skilled Trades Seniority Groups and Work Practices

It is understood that past practices with respect to skilled trades seniority groups in the Windsor Car Assembly Plant and Grand Marais Road Building shall remain unchanged.

In addition, skilled trades seniority groups and work practices shall remain unchanged at all other plants.

(c) Work Opportunity on Non-Skilled Work

A Journeyman/woman shall not exercise seniority in a non-skilled classification.

A laid-off Journeyman/woman may be hired as a new employee on an open job in a non-skilled

SKILLED TRADES

classification. When recalled to employment in the skilled trades, the Journeyman/woman shall return and the seniority acquired as a non-skilled employee shall terminate.

(d) An employee in a Production classification may file in the Employment Department a single application for work in a skilled trades classification or trade group. To be considered, the application must be accompanied by proof that the employee is a journeyman/woman with experience in the work of the kind performed at Chrysler in the employee's classification. When a vacancy occurs in a skilled trades classification or trade group in a plant other than the employee's own, which is to be filled by a new hire, consideration will be given to such applications. The vacancy created in Production by the transfer of an employee pursuant to the provisions of this application procedure shall be filled in accordance with the job posting paragraphs of the appropriate Plant Special Provisions. On the written request of the Union, but not more often than two (2) times in a calendar year, notices will be posted in the plant to advise qualified employees that they may submit such application in writing.

(e) Seniority of a Qualified Journeyman/woman Entering a Skilled Trades Classification

Consistent with the intent of the Agreement, a non-skilled trades employee covered by this agreement who is a qualified journeyman/woman, and who enters a skilled trades classification, shall have seniority as of the date of entry into such skilled trades classification. For the purpose of this paragraph "date of entry" means the date on which the notice of vacancy is posted plant-wide.

(f) In the event that a qualified journeyman/woman having seniority in a production classification accepts work in a skilled trades classification or trade group and

SKILLED TRADES

within ninety (90) days thereafter is laid off or disqualified by reason of inability to perform the work in said classification, the employee shall be returned to production with the seniority date the employee had immediately prior to transfer into the skilled trades classification or trade group.

(g) Replacement of Tools

The Company shall, where reasonably practical, continue its past practice regarding the replacement of worn, stolen, broken and lost tools provided the employee's carelessness or abuse has not caused the problem.

The Company agrees to use its best endeavours to speed up the replacement of tools under this sub-section.

(h) Testing of Welders

The Corporation will arrange testing of high-pressure welders consistent with governmental regulation.

(i) Foul Weather Gear

The Company agrees that it will make available where required foul weather gear for those employees required to perform their duties in winter or inclement weather.

(j) Canadian Skilled Trades Council Dues

The Corporation will deduct from the pay of an employee hired, rehired, reinstated or transferred to a skilled trades classification the sum of an amount equal to one-half (1/2) hours pay as dues for the Canadian Skilled Trades Council. Such deductions will be made from the same pay period as the deduction of the Union initiation fee, and thereafter, on an annual basis, from the second pay period in January. Further, from a list supplied

SKILLED TRADES

by the Union, dues will be deducted from the pay of employees who were not deducted in January and be remitted to the appropriate Local Union together with a list of the employees so deducted in conjunction with regular membership dues.

The Union shall Indemnify and hold harmless the Corporation against any and all liability which may arise by reason of the check-off by the Corporation of the Canadian Skilled Trades Council dues in accordance with this Agreement.

(k) Apprentices

Matters pertaining to apprentices in training to become journeymen/women are contained in a Supplemental Agreement.

(l) Wage Rate Application

A journeyman/woman working in a skilled trades classification in which the journeyman/woman has acquired the right to exercise seniority shall receive the maximum rate of that classification.

(m) Painting of Floor Lines

Skilled Trades painters will, upon ratification of the Agreement, be assigned to paint floor lines as required.

(n) Purchase of New Equipment

During the course of the 1990 negotiations the parties discussed the propriety of purchasing new equipment at the Corporation's plants. Management advised that when necessary, obsolete equipment will be replaced and new equipment will be purchased, both on a progressive basis.

(o) In-Plant Training

SKILLED TRADES

In response to your inquiry, Chrysler Canada Ltd. conducts training in electronics, hydraulics, mathematics, etc., from time to time in plants where there is an apparent need to perform work for which the employees' past experience and training in their trades has been inadequate. Chrysler is cognizant of the continuing need for such training arising from the introduction of new tools, equipment, procedures and processes and plans to continue to conduct training to an increasing extent to meet such needs.

(p) Training Bonus Temporary Layoff

Notwithstanding the provisions of Section (14a.19), Related Training Apprentices, with respect to affected employees while on temporary layoff, it is agreed that effective October 29, 1979 a temporarily laid off apprentice, journeyman/woman or temporary employee in the skilled trades will be paid a training bonus in recognition of satisfactory completion of any related training courses required pursuant to the Sections Pertaining to Skilled Trades Employees, or such other courses that may be designated by the Corporation such as the Industrial Electronics Training Program, for each week the employee attends class while on temporary layoff as specified below.

An employee earns the training bonus by attending the specified training courses while on temporary layoff and satisfactorily completing the applicable training courses in which the employee was enrolled at the time of temporary layoff.

The amount of each week's bonus is calculated by multiplying the employee's straight-time hourly rate on the last day worked exclusive of shift and overtime premiums but including cost-of-living allowance then in effect by:

(1) The number of hours, not to exceed four (4), the employee attends class during a week for which an

SKILLED TRADES

employee receives a Supplemental Unemployment Benefit; or

(2) The actual number of hours the employee attends class during a week for which an employee does not receive a Supplemental Unemployment Benefit.

The total training bonus will be an amount equal to the sum of the training bonus for each week the employee may earn it. It will be paid to the employee within a reasonable period of time after the employee has been recalled and reported back to work or within a reasonable period of time after the employee has satisfactorily completed the applicable training courses, whichever is later.

Section (14a.19) Apprentices will continue to be applied as in the past with respect to affected employees while on the active roll.

(q) Metric Tools

During negotiations of the Collective Bargaining Agreement dated today, the parties discussed the subject of conversion to the metric system and its effect on certain employee owned tools.

During these discussions the Corporation indicated its intention to make available during the transition period necessary metric tools and calibrated measuring instruments to skilled trades employees when required in the performance of their work. Such tools will be available in the tool cribs and charged out to skilled trades employees when they have need for them.

This policy does not preclude the use of conversion tables or any other alternate means of changing to the metric system in place of utilizing such tools or calibrated measuring instruments, nor does it alter the present requirement that skilled trades employees provide their own tools necessary to perform their duties, except as provided in the second paragraph hereof.

SKILLED TRADES

(r) Training New Technology, Methods or Processes

In addition to the familiarization normally provided when they are assigned different types of work, skilled trades employees will be provided the necessary training due to the introduction of new technology, methods or processes, as it affects their classifications.

(s) Annual Fee for Special Licenses

The Company will pay, upon satisfactory proof, the annual fee for special licenses required by the Company which are over and above the basic trade licenses required.

(14.9) Temporary Employees in Skilled Trades Classifications

(a) The parties recognize that it is more desirable to secure journeymen/women by hiring and by training through established apprentice training programs, and while these sources are the preferred means of securing qualified journeymen/women, they do not at all times meet the needs of the Corporation. Until such time as the preferred sources meet the Corporation's needs, it will be necessary to transfer and promote employees into skilled trades classifications who do not, at the time of transfer or promotion, have the experience and qualifications of a journeyman/woman but have worked in an appropriate skilled trade.

(b) Temporary employees shall be listed by classification in the order of their transfer or promotion into the department on a list of temporary skilled trades employees and shall be laid off, or returned to their regular departments, and returned or recalled to their skilled trades classification in the departments according to their position on the list of temporary employees. At

SKILLED TRADES

such time as it is determined that a temporary employee is unable to perform satisfactorily the work required in the skilled trade classification, the temporary employee shall be so advised and the temporary employee's name shall be removed from the list of temporary employees. While in the status of a temporary employee, the employee shall retain and accumulate seniority in the employee's regular department. Temporary employees shall not be retained or recalled in line with their position on the list of temporary employees if they are unable to perform satisfactorily the work that is available.

(c) A temporary employee in the skilled trades transferred or promoted after the effective date of this Agreement shall be paid in accordance with the following provisions. The employee shall be paid a starting rate equal to nine percent (9%) less than the minimum rate of the classification and shall receive an increase equal to one and one half percent (1-1/2%) of the minimum rate of the classification on the completion of six (6), twelve (12), eighteen (18), twenty-four (24) and thirty (30) months served in the classification. Upon the completion of thirty-six (36) months served in the classification, the employee shall be paid the minimum rate of the classification. These increases shall be effective the beginning of the first pay period following the completion of each of the specified six (6) month periods served in the classification. Temporary employees shall not receive a rate above the mid-point of the rate range of their classifications.

(d) In the event the Company is unable to fill vacancies from either within the plant or by hiring, the matter may be reviewed with the Union.

(e) During model change or major plant rearrangement, production employees may be temporarily

SKILLED TRADES

assigned to assist skilled trades employees. Such production employees will not be listed as temporary employees in the skilled trades department and will not be credited with skilled trades seniority for any purpose. Rather, they shall retain and accumulate seniority in their production department. If such a production employee is later promoted or transferred to the same skilled trades classification which the production employee was temporarily assigned to assist the production employee shall receive credit for the time worked while so assigned for the purpose of acquiring the right to exercise seniority in that skilled trades classification.

(14.10) Special Procedure — Skilled Trades Work Assignment Disputes

(a) The skilled trades representative in a plant may request the Plant Labour Relations Supervisor to arrange a special conference to hear the Union's views concerning the work assignments of skilled trades employees.

(b) Attendance at such special conference will be limited to the skilled trades representatives of the plant. A representative of the Local Union may attend. Plant Labour Relations and a senior representative of Manufacturing Engineering will also attend. A Staff Labour Relations Representative may also attend.

(c) A written disposition will be made available on resolved issues.

(d) If the matter is not satisfactorily resolved and the matter involves the appropriateness of work assignments of employees in skilled trades classifications, the Union may reduce the matter to writing in the form of a grievance and present the grievance to the Labour Relations Supervisor. Within five (5) days after receiving the

SKILLED TRADES

grievance, a written answer will be given setting forth Management's position with respect to the disputed work involved.

(e) The Local Union may, within ten (10) days after receiving such answer, forward the grievance together with Management's answer to the National Union. If in its judgement the matter warrants appeal, the National Union may within twenty (20) days after receiving the grievance and answer, appeal the matter to the Manager of Hourly Labour Relations by requesting a special meeting.

(f) Such meeting will be attended by the skilled trades representatives involved, a representative of the Local Union and a representative of the National Union. The Plant Personnel Manager and the Manager of Manufacturing Engineering, or their designated representatives will also attend.

(g) If they are unable to satisfactorily resolve the matter within one (1) month of the date of the special meeting, the grievance may be appealed to the Appeal Board, as provided in Section (3.2) Step 4.

Letter (14.11) Skilled Trades — Inverse Seniority Long Term Layoffs

During negotiations the parties discussed the application of inverse seniority by trade and plant for temporary layoffs. The parties agree to extend these arrangements to longer periods of layoff, by mutual agreement.

APPRENTICESHIP AGREEMENT

(14a.1) Provisions Pertaining to Apprentices

SKILLED TRADES

The following provisions relating to Apprenticeship and Apprentice Standards supplement the provisions of the Production and Maintenance Agreement applicable to apprentices. The following Sections of the Production and Maintenance Agreement shall not apply to apprentices; (5.6), (7.2), and (11.2).

(14a.2) Purpose

The purpose of the apprentice program is to train individuals in such skilled trades as may be desirable. The object of this training is to provide Chrysler Canada Ltd. with skilled journey-men/women who are thoroughly versed in methods used in its plants, and provide training for individuals in their chosen trade.

(14a.3) Apprentice Qualifications

Apprentices shall be selected for this training course in accordance with the Uniform Apprenticeship Application and Selection Procedure and:

(a) Shall be at least age eighteen (18).

(b) All applicants must meet the regular employment requirements of all hourly employees determined by the Corporation including the physical requirements for the applicable trade and satisfactorily pass the Uniform Apprenticeship Application and Selection Procedure tests given by the Personnel Department. In the event the qualifications of applicants are equal in all other respects, preference shall be given applicants who are seniority employees of the Corporation. The minimum educational requirement shall be Grade XII or its equivalent.

(c) Selection of Apprentices under the Program shall be made from qualified applicants in accordance with the

SKILLED TRADES

Uniform Apprenticeship Application and Selection Procedure on the basis of qualifications alone and without regard to race, religion, colour, national origin, sexual orientation, or other prohibited grounds.

(d) Candidates successful in attaining 150 points in the Chrysler Corporation written Apprenticeship Test will be considered as having passed the test.

(e) At Bramalea, this procedure will continue until all candidates that were placed on the selection list have been exhausted, or 24 months have elapsed since the previous Program Entry Briefing and Chrysler Personnel written test, whichever occurs first.

(f) The acceptance or rejection of applications for apprenticeship shall be governed by the standards established herein and shall not be subject to review through the grievance procedure.

(14a.4) Applications

Applications for apprenticeship training shall be received by the Hourly Employment Department from individuals who wish to prepare for their future as skilled journeymen/women through apprenticeship training. A copy of all applications for apprenticeship shall be sent to the Chrysler-CAW Apprenticeship Committee.

At Bramalea (i) Notice of Apprenticeship Program Entry Briefing Meeting and Pre-Test will be posted on the Company's bulletin boards for 10 working days, and prior notice of such postings will be given to the Plant Joint Apprenticeship Committee.

(ii) Applications for apprenticeship will be accepted by the Plant Hourly Employment Office from seniority employees (employees within the Bargaining Unit) who consider themselves eligible under this program of training.

SKILLED TRADES

(iii) A numbered application blank will be filled out and each applicant will sign a register noting that an application has been received and filed.

SKILLED TRADES

(14a.5) Apprenticeship Agreements

Apprentices shall be entered into the program by separate apprenticeship agreements between the apprentice, the Corporation and the Chrysler-CAW Apprentice Committee. A copy of each Apprenticeship Agreement will be furnished to the Corporation and to the Chrysler-CAW Apprentice Committee. Each Apprenticeship Agreement will be registered with the Ontario Ministry of Skills Development Apprenticeship Branch.

(14a.6) Supervision of Apprentices

Apprentices shall be under the direction of the Human Resources Department. Qualified personnel shall be charged with responsibility of coordinating the apprenticeship program so that a systematic procedure will be followed throughout the training period. In plants in which apprentices are employed the Corporation will designate an Apprentice Coordinator who will supervise the apprentice program in the plant.

(14a.7) Discipline

(a) An apprentice may be disciplined for such causes as inability to learn, unsatisfactory work, inability to perform or other causes related to the apprenticeship. An apprentice may be placed on probation or the apprenticeship may be cancelled or terminated and the apprentice dismissed for such causes. Any disciplinary layoff given an apprentice or any cancellation or termination of an apprentice's apprenticeship for causes related to the apprentice's apprenticeship may be reviewed as specified in Sections (14a.14) and (14a.15) of this Supplemental Agreement.

SKILLED TRADES

(b) At Bramalea: The first three months or 500 hours, whichever occurs first, of employment in the Apprenticeship Program shall be considered a grace period during which time the apprentice must demonstrate to the satisfaction of the Apprentice Coordinator and the Plant Joint Apprenticeship Committee that the apprentice is making acceptable progress in shop assignments. During this time, the apprentice, if a seniority transferee, will be returned to the apprentice's previous department as per Section (14a.12), if the apprentice elects to do so during the grace period.

(14a.8) Resignation

The apprentice shall have the right to terminate participation in the apprenticeship at any time upon three days' notice in writing to the Hourly Employment Department and to the Chrysler-CAW Apprentice Committee.

(14a.9) Wages

(a) Apprentices in each of the trades covered by these standards shall be paid a progressively increasing schedule of wages as follows:

1st 1000 hours not less than 65% of the skilled trades person's basic wage rate plus COLA

2nd 1000 hours not less than 70% of the skilled trades person's basic wage rate plus COLA

3rd 1000 hours not less than 75% of the skilled trades person's basic wage rate plus COLA

4th 1000 hours not less than 80% of the skilled trades person's basic wage rate plus COLA

5th 1000 hours not less than 85% of the skilled trades person's basic wage rate plus COLA

6th 1000 hours not less than 90% of the skilled trades person's basic wage rate plus COLA

SKILLED TRADES

7th 1000 hours not less than 95% of the skilled trades person's basic wage rate plus COLA

8th 1000 hours not less than 95% of the skilled trades person's basic wage rate plus COLA

(b) The Company agrees to pay for, on behalf of apprentices covered by this agreement, books, registration fees and/or tuition required in connection with related training under the apprentice program if such costs are not covered by the Registration Agency.

(c) If the apprentice is laid off, the apprentice may elect to continue school classes. Tuition and book cost will be paid upon recall and evidence of successful completion and receipt of payment of such expenses.

(d) The apprentice shall also receive the applicable percentage of the annual improvement factor and the full amount of all cost-of-living increases that are accorded all plant employees.

(e) The Company will provide apprentices with one of the following subsidies while attending Basic, Intermediate or Advanced Trade Courses of the Ontario Ministry of Colleges and Universities:

(i) To a married apprentice with two or more dependents, the difference between employee's straight time 40 hours pay and the Government training allowance.

(ii) To a married apprentice with one dependent the difference between the employee's straight time 40 hours pay and the Government training allowance.

(iii) To a single apprentice the difference between employee's straight time 40 hours pay and the Government training allowance.

(f) Apprentices who are given credit for previous experience shall be paid upon signing the apprenticeship

SKILLED TRADES

agreement, the wage rate for the period to which such credit advances them.

(g) Bargaining Unit employees whose starting rate or credit level under the Apprenticeship Program would place them at less than their present rate, will remain at their present rate (without future A.I.F. increases) until normal advancement within the Apprenticeship Program places them at a higher rate.

(h) When an apprentice has successfully completed the required 8000 hours of training established by these apprenticeship standards, the apprentice is to receive the maximum rate paid to skilled trades persons in the trade in which the apprentice has served the apprenticeship after approval of the completion of training by the Plant Joint Apprenticeship Committee. Further increases above the starting rate shall be in accordance with the time schedule contained in Schedule "B" in the Collective Bargaining Agreement.

(14a.10) Tools

With expanding technology and new technological advances, the need exists for enhanced training materials, manuals and tools. In keeping with this as soon as practicable after being placed in the apprentice program an apprentice will receive a tool allowance of \$150.00 and a like amount at the end period of each 1000 hours of apprentice training in recognition of the cost of these tools.

Apprentices presently in the program and apprentices who enter the apprenticeship with evaluated credit for prior experience and training shall receive a tool allowance thereafter in accordance with the above payment schedule.

SKILLED TRADES

(14a.11) Certificate

Upon the satisfactory completion of the term of apprenticeship the Chrysler-CAW Apprentice Committee shall recommend to the Ontario Ministry of Skills Development Apprenticeship Branch that a certificate signifying the satisfactory completion of the term of apprenticeship be issued to the apprentice.

(14a.12) Seniority

Upon satisfactory completion of the term of apprenticeship, the graduate apprentice shall immediately become a journeyman/woman and shall be given a seniority date which shall reflect six (6) months seniority for each 1000 hours in the Schedule of Working Processes in the graduate apprentice's trade, but in no event shall a graduate apprentice be given a seniority date earlier than the date set forth in the Apprentice Agreement as the date the graduate apprentice's apprenticeship began. Apprentices indentured subsequent to October 20, 1985 who, through no fault of their own, are delayed in commencing their apprenticeship, shall be given a starting date identical to their original assigned date.

Time spent during the apprenticeship on approved leave of absence, vacation leave, jury duty, annual military encampments as well as excused paid absence allowance days, bereavement days, layoffs of a temporary nature and holidays for which the employee has received pay from the Corporation will also be credited toward seniority upon graduation.

If it is necessary to curtail the number of apprentices in a given trade, the reduction shall be made on the basis of the last hired being the first released, so that the required ratio of apprentices to journeyman/woman is maintained.

SKILLED TRADES

An apprentice whose apprenticeship is interrupted for a continuous period of layoff equal to the apprentice's seniority or time spent in the apprentice program at the time of such layoff, whichever is longer, shall lose status as an apprentice.

An employee having seniority in the plant who enters the apprentice training program as provided in Section (14a.3) (b) shall, during the period of this apprenticeship retain and accumulate seniority and if laid off or dismissed from or terminates participation in the apprentice training program, the employee shall be returned to the employee's former department in the plant according to the employee's seniority in it.

The application of the following paragraphs (a) and (b) of this Section (14a.12) will be limited to plants in the Windsor area:

(a) An apprentice whose apprenticeship in one plant is interrupted by an indefinite period of unemployment from the apprenticeship program will be re-employed in another plant of the Corporation in the area participating in this apprentice program before new apprentices are hired in the apprentice's trade in such other plant, and there continue the apprenticeship to its completion. The apprentice's ranking among apprentices in the new plant shall be the apprentice's date of hiring into the apprentice program.

(b) An apprentice, upon the achievement of journeyman/woman status, will be placed by the Hourly Employment Department in accordance with the following procedure:

1. An apprentice will be placed on the open permanent job, defined in Paragraph (7.3) of the Special Provisions Pertaining to Windsor Area Plants, not subject to a base plant claim, represented by the oldest active plant-wide posting as recorded by the Hourly Employment Department.

SKILLED TRADES

2. Under unusual circumstances and after discussions have been held between members of the Hourly Labour Relations Department and Hourly Employment Department Staffs and the Windsor Area Skilled Trades Chairperson, the foregoing may be deviated from. Such deviation will only be considered when the immediate operating requirements of one of the plants would be adversely affected by not placing the graduating apprentice at that plant.

3. In the event that there is not an open permanent job available at the time of an apprentice's graduation, the graduating apprentice shall displace the employee with the least seniority in the trade or trade group, seniority permitting.

Letter (14a.13) Ratio of Apprentices to Journeymen/women

The ratio of apprentices in training in a trade shall not be more than one (1) apprentice to eight (8) journeymen/women unless otherwise approved by the Chrysler-CAW Apprentice Committee.

When a reduction in force occurs in a trade where apprentices are employed, apprentices first shall be laid off until the ratio of apprentices to journeymen/women shall be one (1) to eight (8). Thereafter, apprentices shall be laid off proportionately to retain such ratio, provided, however, that a minimum of one (1) apprentice may be retained in each trade.

At Ajax, Bramalea, & Etobicoke, in the event that a reduction in force occurs where apprentices are employed, the parties agree to a plan that will reduce the ratio below one (1) to eight (8) for laying off apprentices in a particular trade.

When an increase in force occurs in a trade where apprentices were employed, apprentices shall be recalled at the ratio of one (1) to eight (8) before a new employee

SKILLED TRADES

who possesses the qualifications of a journeyman/woman is hired.

In the event the Corporation plans to build or acquire a new plant or facility the Chrysler-CAW Apprentice Committee may agree to increase the ratio of apprentices to journeymen/women in any trade in order to meet the anticipated demand for skilled tradespersons in such plant, provided, however, that it may not so increase the ratio of apprentices in any plant in which journeymen/women in the trade are laid off for lack of work.

(14a.14) Local Apprentice Committee

(a) In those plants where apprentices subject to this Agreement are employed, there shall be a Local Apprentice Committee composed of an Apprentice Representative who shall be a journeyman/woman in an apprenticeable skilled trades classification appointed by the Union and an Apprentice Coordinator appointed by the Corporation. The functions and duties of the Local Apprentice Committee shall be as follows:

1. To confer with new apprentices for the purpose of acquainting the apprentice with the role of the Corporation, the Union and the Chrysler-CAW Apprentice Committee in the Apprentice Program and to ascertain that the apprentice understands the status and obligations as an apprentice.

2. To review every thirty (30) days and, where necessary, on a more frequent basis the training and progress and work schedule of individual apprentices.

3. To confer on problems raised by apprentices.

4. To confer with apprentices where it appears that the apprentice is failing to perform the obligation as an apprentice. The Local Apprentice Committee may limit the hours of overtime work of an apprentice where

SKILLED TRADES

excessive work schedules interfere with the apprentice's related training.

5. To make recommendations to the Chrysler-CAW Apprentice Committee with respect to the disciplinary layoff of an apprentice or the cancellation or termination of an apprentice's apprenticeship for causes related to the apprenticeship.

6. To discuss the application of the terms of this Supplemental Agreement and matters connected with the continued improvement of the Apprentice Program.

(b) Any situation which may arise that cannot be satisfactorily resolved by the Local Apprentice Committee shall be referred to the Chrysler-CAW Apprentice Committee.

(14a.15) Chrysler-CAW Apprentice Committee

(a) A Chrysler-CAW Apprentice Committee shall be established of three (3) members appointed by the Union and three (3) members appointed by the Corporation.

(b) The duties of the Chrysler-CAW Apprentice Committee shall be as follows:

1. To adopt procedures for the timely and orderly conduct of its business.

2. To establish a Uniform Apprentice Application and Selection Procedure, including apprenticeship tests, interview form, and criteria for the evaluation of seniority and prior training. Exceptions to the Uniform Apprentice Application and Selection Procedure may be made by the Chrysler-CAW Apprentice Committee for qualified applicants who possess unusual qualifications.

3. To evaluate and select apprentices to be placed on course from qualified applicants.

SKILLED TRADES

4. To deal with matters concerning the application of the terms of this Supplemental Agreement.

5. To study the effects of the employment of apprentices on the employment of journeymen/women in the trades involved and other matters that may involve the training of apprentices by journeymen/women in the shop.

6. To receive regular and special reports regarding apprentice training, including the number and distribution of apprentices.

7. To approve the issuance of certificates of graduation.

8. To review and endeavor to resolve cases involving the disciplinary layoff of an apprentice or the cancellation or termination of an apprentice's apprenticeship for causes related to this apprenticeship.

9. To take appropriate action on a matter referred to the Committee by a Local Apprentice Committee pursuant to Section (14a.14) of this Supplemental Agreement.

10. To discuss and recommend changes in the Schedule of Work Processes, including the related training, of the Apprentice Program and to recommend such schedules for future trades. The Corporation and the National Union may adopt and agree to such recommendations.

11. To issue periodic reports to the parties hereto on the operation of the program and to discuss and recommend changes in this Supplemental Agreement which may be negotiated at the proper time.

(c) Matters not resolved by the Committee may be referred to the Impartial Chairperson.

(14a.16) Length of Training Program

SKILLED TRADES

(a) Apprentice courses are set forth in Section (14a.18), Shop Schedules. The number of hours required for graduation varies somewhat between different trades. Satisfactory completion of the related training courses and of the total number of hours specified for each trade shall be required for graduation.

(b) All overtime actually worked during any term period shall be counted as hours worked and applied against the period total.

(14a.17) Prior Training

An apprentice who (1) has had prior training in a recognized apprentice training program, or (2) a Chrysler seniority employee who desires to enter the apprentice training program, or (3) an apprentice who, has had military service will have such training and experience evaluated in accordance with the standards established by the Chrysler-CAW Apprentice Committee.

(14a.18) Shop Schedules

The apprentice shall serve through a series of operations as indicated in the shop schedule. This Schedule, which is included in Section (14.7) Appendix (1), is set up as a guide and if apprentices are employed in a trade for which a schedule of work processes is specifically set forth in the aforementioned Appendix, the schedule of work processes shall be adhered to unless local conditions and/or progress of the apprentice requires rearrangement in which case the Chrysler-CAW Apprentice Committee may make such rearrangement. The Corporation and the National Union may agree to revise Section (14.7) Appendix (1) or agree to Schedules of Work Processes for other classifications.

(14a.19) Related Training

The Corporation shall provide the required related training set forth in the Schedule of Work Processes during the apprenticeship. Apprentices shall be paid at their regular hourly or salary rates for actual school attendance, except for repeated courses, provided, however, the total number of class hours for which an apprentice shall be compensated shall not exceed the required number of hours required in the Schedule of Work Processes.

Time spent in actual school attendance by apprentices who enter into Apprenticeship Agreements on or after the effective date of this Agreement shall not be subject to overtime or premium pay under Sections (8.4) and (8.5) of the Production and Maintenance Agreement and corresponding sections of other agreements, and such time shall not be considered as time worked in computing overtime or premium pay as defined in such sections or as work performed for the Corporation under the SUB Plan.

(14a.20) Technical Training Facilities

The management may, if it so desires, use the facilities of the Technical Training Department in giving to apprentices under this Agreement the classroom work provided in Section (14.7) C — Schedule of Work Processes. Journeymen/women in the following classifications shall be counted in determining the number of apprentices in a given department who will be in training in a particular trade:

SKILLED TRADES

Tool Making
Toolmaker Leader
Toolmaker
Toolmaker — Tool and Gauge Inspector
Layout — Metal and Wood
Machine Operator — Tool, Die & Maintenance
Grinder — Tool Room
Die Maker — Die Cast
Machine Operator — Tool, Die & Maintenance
Grinder — Tool Room
Electrical
Electrician Leader
Electrician
Millwright
Millwright Leader
Millwright
Pipefitter — Plumber
Pipefitter Leader
Pipefitter
Sheet Metal and Tinsmith
Sheet Metal Worker Leader
Sheet Metal Worker
Machine Repair
Machine Repair Leader
Machine Repair
Machine Operator — Tool, Die & Maintenance
Grinder — Tool Room
Toolmaking — Jig & Fixture Building
Tool Maker — Jig and Fixture Builder — Leader
Tool Maker — Jig and Fixture Builder
Machine Operator — Tool, Die & Maintenance
Grinder — Tool Room Metal Pattern Making
Machine Operator — Tool, Die & Maintenance

(14a.21) Registration and Duration of Apprenticeships

The National Apprenticeship Committee will review what steps are necessary to register and establish the hours necessary to qualify as Electrician Const/Maint. Any other trades so affected will be reviewed on the same basis.

(14a.22) Revision to Appendix I

Appendix I, Section (14.7), Apprenticeship and Apprenticeship Standards will be revised by the Chrysler-CAW National Apprentice Committee following the conclusion of negotiations.

Such revision will (a) list the Canadian Apprenticeable and non-Apprenticeable Skilled Trades classifications, as provided in Section (14.5) List of Skilled Trades Classifications, and (b) detail the Schedule of Work Processes for these Apprenticeable and non-Apprenticeable Skilled Trades Classifications.

(14a.23) Apprenticeship Agreement Form

This Agreement, made in triplicate, thisdate of 19 between Chrysler Canada Ltd., the Chrysler-CAW Apprentice Committee established under the terms of the Chrysler-CAW Agreement, and residing at.....hereinafter referred to as the Apprentice:

WITNESSETH:

Chrysler Canada Ltd.

SKILLED TRADES

agrees to engage.....as an apprentice to learn the trade of.....in accordance with the terms of the Supplemental Agreement Apprenticeship and Apprentice Standards as set forth in the Chrysler-CAW Agreement.

The apprentice agrees to diligently perform the work of this trade and the related training and to be governed by the terms of the Supplemental Agreement-Apprenticeship and Apprentice Standards; to conform to and obey the rules and regulations of Chrysler Canada Ltd. and to keep all trade and business secrets of Chrysler Canada Ltd.

The term of apprenticeship, and the processes, methods, or plans to be taught shall be as set forth or referred to in the Supplemental Agreement-Apprenticeship and Apprentice Standards which, by this reference, are made a part of this Apprenticeship Agreement.

IN WITNESS WHEREOF: The parties have caused this Agreement to be signed.

Chrysler-CAW
Apprentice Committee
National Union, (CAW)

Chrysler-CAW
Apprentice Committee
Chrysler Canada Ltd.

Apprentice

HEALTH AND SAFETY

(15.1) MEMORANDUM OF UNDERSTANDING HEALTH AND SAFETY

This Memorandum of Understanding supplements the Production and Maintenance Agreement between Chrysler Canada Ltd. and the National Automobile, Transportation and General Workers Union of Canada (CAW-Canada), and certain of its Local Unions, as follows:

WHEREAS, no subject is of greater concern to the Corporation and the Union than the physical well-being of employees in Chrysler's plants, and in our recent negotiations no subject received or deserved a higher priority than promoting safe and healthy working conditions in the plants; and

WHEREAS, the parties agree that an on-going program, in which both will participate and cooperate, will aid in achieving this objective,

NOW, THEREFORE, it is hereby agreed as follows:

A Local Joint Committee on Health and Safety, hereinafter referred to as the Local Committee, will be established in each plant, consisting of two (2) certified representatives appointed by the Plant Management and two (2) certified representatives appointed by the President of the Local Union. The two members from the Union will be the two Health and Safety Representatives in those locations which have two Full time Health and Safety Representatives. In those locations which have one Full time representative, the second member of the committee will be the alternate Health and Safety Representative. The President of the National Union, CAW shall advise the Corporate Labour Relations Staff in writing of the names of these appointees and the plant in which each is assigned. No Union member of a Local Committee shall function as such until the Corporation is

HEALTH AND SAFETY

so advised. The Union members will receive training as outlined hereinafter, without cost to said Union member. The Local Committee shall:

Meet at least once each month or may meet weekly at a mutually agreeable time and place to review health and safety conditions within the plant and make recommendations in this regard as they deem necessary or desirable. A summary list of items discussed shall be provided to the Union members of the Local Committee.

The Health and Safety Representative in carrying out his duties will follow the direction of the Local Union Officers and the Plant Chairperson and shall:

(a) Make weekly systematic inspections of the plant, as provided hereinafter, to assure that there is a safe, healthy and sanitary working environment in each plant.

(b) Accompany Governmental Health and Safety inspectors and National Union Health and Safety professionals on plant inspection tours. Also accompany Corporate Health and Safety professionals on regular surveys at the plant and surveys requested by the Union. Advance arrangements should be made to permit participation in such surveys.

(c) Be notified in advance, whenever possible, of health and safety inspections by Government or private agency officials or by consultants retained by the Corporation, and be afforded an opportunity, to provide any pertinent information to such officials or consultants.

The Local Committee shall:

(a) Receive copy of employer's report to W.C.B. (Form 7) of all accidents or work related illness cases that require medical attention as prescribed by legislation, review/receive upon request results of the plant safety investigation of such accidents and make any necessary or desirable recommendations. Investigate work related

HEALTH AND SAFETY

fatalities and serious accidents. When such events occur during the 2nd or 3rd shift, the Management will notify the Union Health and Safety Representative and the National Coordinator, inform the Union member of the facts, and arrange upon request, for the Union Health and Safety Representative and the National Coordinator to enter the plant and investigate such events.

(b) Receive a copy of the plant's report on injury and illness data and the plant's employee hours worked and the frequency and severity rates for the pertinent period.

The Union Health and Safety Representative shall:

(a) Review, recommend, and participate in local safety education and information programs.

(b) Where necessary, measure noise, humidity, and air flow with approved direct reading equipment provided by the Corporation as set forth hereinafter. The Union Health and Safety Representative shall also use, or observe the use of appropriate industrial hygiene and safety testing equipment as required.

In the event the Union Health and Safety Representative is absent for one (1) day or more, the member may be replaced by an employee who has been designated as the regular replacement by the Local Union with the concurrence of the National Joint Committee on Health and Safety, provided, where possible, the Union Health and Safety Representative has given local Management advance written notification of the expected absence of the regular Union Health and Safety Representative. As soon as practical following the effective date of this Agreement, the Local Union shall provide to the Corporation the names of the employees who have been designated by the Local Union as regular replacements.

It is understood that the Union Health and Safety Representative on each Local Committee who does not

HEALTH AND SAFETY

qualify to perform these functions forty (40) hours per week has a regular job to perform and that the Union Health and Safety Representative will advise the Supervisor concerned on each occasion when it is necessary for the Union member to leave the Union member's regular job in order to function as a member of the Local Committee. The Union Health and Safety Representative on the Local Committee shall be permitted to meet in the regular meeting of the Plant Shop Committee and, at the request of the Local Union President, attend Special Conferences during the portion of such meeting or conference when health and safety issues or grievances thereon are discussed. Furthermore, the Union Health and Safety Representatives shall be permitted to meet locally with the National Co-ordinator twice per year. It is understood that these meetings will be of no cost to the Company and the National Co-ordinator shall provide either the plant personnel manager or direct supervisor with reasonable advance written notification of such meetings.

It is understood that the Union Health and Safety Representative on each Local Committee will be paid only for such time spent in performing these functions as occurs during the time when the Union Health and Safety Representative is otherwise scheduled to work except as provided by legislation.

Each plant will make available to such Union Health and Safety Representative a place in an office where the Union Health and Safety Representative can write reports or review health and safety material. In addition, the Union Health and Safety Representative will be provided a computer/printer and a lockable filing cabinet or drawer to keep health and safety material.

The Union Health and Safety Representative shall be scheduled to function for overtime, during plant layoffs, model change or a plant rearrangement when 75 or more of the employees on the Health and Safety

HEALTH AND SAFETY

Representative's shift including outside contractors and vendors are working.

The privilege of the Union Health and Safety Representative of a Local Committee to perform these duties during regular working hours is subject to the conditions (i) that the time be devoted to the prompt handling of matters which are proper pursuant to the terms of the Memorandum or existing legislation and the privilege shall not be abused (ii) that if it is necessary for a Union Health and Safety Representative of a Local Committee to speak to an employee about a health and safety matter the Union Health and Safety Representative shall make prior arrangements with the employee's Supervisor to do so unless authorized by legislation.

The Union Health and Safety Representative shall be assigned to the first shift in plants which have one full time representative. In plants with more than one full time representative, each representative shall be assigned to a specific shift and he/she shall follow the normal shift rotation.

A National Joint Committee on Health and Safety will be established, consisting of two (2) representatives of the National Union appointed by the President, National Union, CAW and two (2) representatives of the Corporation appointed by the Vice-President of Human Resources of the Corporation, herein referred to as the National Committee. Each party will appoint at least one (1) member who has professional training in industrial hygiene or safety. This Committee shall:

(a) Meet at least quarterly at mutually agreeable times and places. Minutes will be prepared for each meeting and a copy given to the National Union members.

(b) Receive the Corporation's safety and health programs and make necessary or desirable recommendations.

HEALTH AND SAFETY

(c) Develop and recommend to the Corporation an appropriate annual training program to be established for Union members of the Local Committees.

(d) Develop and recommend to the Corporation guidelines for employee training and education.

(e) Review and analyze federal, provincial or local standards or regulations which affect the health and safety programs within the Corporation.

(f) Review problems concerning serious or unusual situations affecting plant health and safety and make necessary or desirable recommendations.

(g) Receive, review and analyze the injury and illness data for all plants with corresponding employee hours worked and frequency and severity rates with a view to giving guidance to said committees.

(h) Receive and deal with matters referred to them by Local Committees.

The Corporation recognizes its obligation to provide as safe and healthy a working environment for employees as it reasonably can and both parties agree to use their best efforts, jointly, to achieve that end. Responsibility for health and safety matters remains, however, with the Corporation.

The Corporation agrees to:

(a) Provide the necessary or required personal protective equipment, devices and clothing at no cost to employees.

(b) Provide equipment and training for measuring noise, humidity, temperature and air flow which will be available for use by the Local Committees. Requests for chemical, physical and biological exposure monitoring will be reviewed with an Industrial Hygienist. Sampling may be conducted by the Industrial Hygienist or by a member of the Joint Health and Safety Committee under the direction of the Industrial Hygienist when deemed appropriate. Proper arrangements shall be made to permit the Union

HEALTH AND SAFETY

Health and Safety Representative of the Local Committee to use the safety and industrial hygiene equipment available to the Management members of the Local Committee and in which the members of the Local Committee have received training.

(c) Provide 40 hours annual training for members of the Local Committees, the Company agrees to pay for lost time, registration where necessary, lodging and transportation. The Union will be responsible for meal and other expenses. Also provide appropriate education and training in health and safety for all employees. In addition to initial instruction, members of the Local Committees will receive specialized training appropriate to the nature of the work performed in their plants. The National Union Health and Safety Department will be provided the opportunity to review and participate in such training or instruction programs and make necessary and desirable recommendations.

(d) Permit the Union Health and Safety Representative of the Local to participate in and observe Management measurement or sampling of the occupational environment, including breathing zone samples, the results and recommendations of which will be given to the Union members of the Local Committee, in writing, and the results will be posted as prescribed by legislation. The Local Committee will take appropriate steps to inform all employees affected. Where corrective action is required the Union members of the Local Committee will be informed of measures to be taken. Results of all breathing zone and appropriate area air samples will be entered in the employee's medical records. Such results shall be provided upon request to the employee or the employee's authorized agent as prescribed by legislation.

(e) Provide in writing to the Union members of the Local Committees and on request, the National Committee any process of biological, chemical or physical

HEALTH AND SAFETY

agents or combination of such agents used or intended to be used in the work place, including those in use by outside contractors, and the manner of use including:

(1) the ingredients considered hazardous in keeping with federal and provincial legislation thereof stating their full chemical name or names.

(2) the composition stated in percentage ranges as legislated where appropriate and the properties thereof.

(3) the toxicological effect thereof.

(4) the effect of exposure thereto whether by contact, inhalation or ingestion.

(5) the protective measures used or to be used in respect thereof.

(6) the emergency measures used or to be used, including a description of the remedies and antidotes to deal with exposure in respect thereof.

(7) the effect of the use, handling and disposal thereof.

When a need arises that "Full Chemical Information" on a product is required, every effort will be made to obtain such information. The information received will be shared with the Local Committee for purposes of hazard assessment and shall be protected as legislated.

Provide written notification to the Local Health and Safety Committee of any ongoing changes in the make-up of chemical products used in the plant.

(f) Provide competent staff and medical facilities adequate to implement its obligation as outlined in (g) below.

(g) Provide to employees who are exposed to potentially harmful agents or toxic materials, at no cost to them, those medical services, physical examinations and other appropriate tests including audiometric examinations, at a frequency and extent necessary to determine whether the health of such employees is being adversely affected. Also, to provide the specific tests

HEALTH AND SAFETY

required for employees in jobs with special physical requirements.

The Plant Doctor will be available to discuss privately with an individual employee the medical results of tests performed by the Company.

(h) Arrange for regular surveys of each plant by the Corporation's Industrial Health and Safety Staff and provide special surveys at the request of either a plant management or the National Union. Such survey reports and recommendations will be provided to the National Union, the National Health and Safety Committee and to the Union members of the Local Committee. The Union Health and Safety Representative of the Local Committee shall be allowed to accompany health and safety specialists whenever hired by the Corporation to perform the functions normally performed by the Corporation's Industrial Health and Safety Staff. Such specialists' reports and recommendations will be provided to the National Union, the National Health and Safety Committee and to the Union members of the Local Committee.

(i) Provide access, upon reasonable notice, to all Corporation plants and locations to health and safety representatives of the National Union. Reports on such surveys will be provided to the Corporation.

(j) Provide to the Union members of the Local Committee and to the National Committee prompt notification of fatalities and serious accidents. Upon making proper arrangements, immediate investigation may be made of such events by the National Union's health and safety professionals upon request.

Management shall also advise H&S Committees and the National H&S Coordinator of fatalities and critical injuries occurring in Chrysler U.S. facilities within 2 days of Chrysler Canada being notified. Additional information will also be distributed in writing as received.

HEALTH AND SAFETY

(k) Provide monthly to the National Coordinator a summary of the Accident Frequency and Severity reports for each location.

The Union agrees to maintain in a confidential manner any statistical data or proprietary information supplied to it under the terms of this Memorandum of Understanding.

On the first shift once per week the Steward or Committeeperson in each district of each plant will conduct an audit of his/her district to determine whether safe, healthy and sanitary conditions are being maintained. The Union Representative shall report to the supervisor of the area any conditions which he/she believes to be in need of correction. Once the supervisor is made aware of the concern, he/she shall conduct an investigation. Where he/she agrees that a hazard exists which requires immediate corrective action, he/she will take the appropriate steps to remove the hazard. Where the parties involved agree that immediate action is not required and where additional assistance is necessary, the Official Safety Complaint Form procedure shall be initiated. All concerns and the disposition of said concerns shall be documented and retained by the Union Representative and the Supervisor involved with copies provided to the Local Committee. It is expected that the union representative and the supervisor will continue to communicate with each other on all matters in this regard until the final disposition has been achieved. Those matters not resolved may be referred to the Local Committee for disposition. All matters not resolved by the Local Committee shall be placed on an agenda of a special meeting between the plant Shop Committee and the plant Personnel Manager or his/her designated alternate. Those situations deemed to be urgent by a member of the Local Committee can be referred directly to the National Committee.

HEALTH AND SAFETY

This procedure shall not preclude the filing of a health and safety grievance at Step 1 of the Grievance Procedure. The primary responsibility of resolving differences involving health and safety matters remains with the plant supervision and the local Union representatives.

Grievances arising under these provisions shall not be in the jurisdiction of the Appeal Board.

Nothing herein shall be construed to restrict any employee's rights under Parts 5 and 6 (S.43 to 50 inclusive) of the Occupational Health and Safety Act, in effect on the date of this Agreement.

In addition the Company agrees that its duties and responsibilities under Part 2 (S.8 to 11 inclusive) and Parts 3, 4 and 7 of the Act shall be minimum standards incorporated under this agreement.

Letter (15.2) Implementation of Revised Legislation In the Area of Health and Safety

During the current negotiations the Union raised with the Corporation its concern regarding possible future changes to the Occupational Health and Safety Act and Regulations.

Amendments were made to the Memorandum of Understanding, Health and Safety, to address those concerns.

Notwithstanding this agreement, the parties understand that should changes to the legislation and/or the Ontario Ministry of Labour's support for the subject legislation change to render inoperative the rights expressed in the Memorandum, a mechanism will have to be determined to maintain the functional dimension of these rights.

Consequently, upon such time as the Union or the Company has a reasonable concern that legislation could be passed which so affects the employee's right to refuse unsafe work, the National Joint Health and Safety

HEALTH AND SAFETY

Committee shall meet within 10 days' notice of a written request to meet. The parties will make a good faith effort to arrive at a fair and workable solution to the problem in a forthright and expeditious manner. In this regard, the National Committee will be assisted and supported by the Chairperson of the Chrysler Council for the CAW and the Manager, Labour Relations and Safety, Chrysler Canada.

It was further agreed that any changes to the Regulations would also be reviewed by the above mentioned parties in order to assess the impact on employee health and safety. The parties agreed that the regulations in effect on the date of this agreement would be considered a minimum standard.

Letter (15.3) Joint National Environmental Committee

During these negotiations the Company demonstrated its concern for the environment by outlining the programs and policies which are in place in the plants and offices.

As well, the CAW has become deeply involved in environmental issues, at both the National and local levels.

Therefore, it is agreed that to demonstrate this joint interest a National Environmental Committee will be established by the parties. The committee will consist of two people, the National Health & Safety Co-ordinator and a Representative designated by the President of the National Union for the CAW and two people, the Manager of Health & Safety and Manager of Environment representing Chrysler Canada.

The National Committee shall:

- Meet 3 times annually at mutually agreeable times and place to review and discuss issues involving the environment, recycling and energy conservation which pertain to Chrysler Canada employees.

HEALTH AND SAFETY

- Develop and issue a joint statement regarding the environment, recycling and energy conservation pertaining to Chrysler Canada employees.
- Discuss and make recommendations regarding possible future programs for the plants and offices concerning the environment, recycling and energy conservation.
- Promote and support ongoing programs in the plants and offices relating to the environment, recycling and
- Receive and discuss appropriate issues referred to them by the plants and offices.
- Develop and issue educational materials to employees and their families concerning the environment, recycling and energy conservation.
- Discuss other duties and responsibilities of this Joint Environmental Committee at its regular meetings as jointly agreed on.
- Be agreed by the parties that this committee and its functions will not be adversarial and its clear purpose is to promote environmental awareness of all Chrysler Canada workers.
- Be agreed by the parties that environmental issues and statistics pertaining to Chrysler Canada discussed at this committee are to be held confidential if so requested by any member.

One year after the formation of this committee the parties must agree to continue its operation.

Letter (15.4) Joint Workplace Environment Committees

During these negotiations the Company demonstrated its concern for the environment by outlining

HEALTH AND SAFETY

the programs and policies which are in place in the plants.

As well, the CAW has become deeply involved in environmental issues, at both the National and local levels.

Therefore, it is agreed that to demonstrate this joint interest, Joint Workplace Environment Committees will be established by the parties at the assembly plants. The committee will consist of two representatives selected by the Union and two representatives selected by the Company. The CAW Environmental Representative will be allowed to function for up to 16 hours per month. The other CAW member of this committee would be allowed time to attend meetings of the Joint Workplace Environment Committee.

Specifically, the Joint Workplace Environment Committee members will:

- Meet 4 times per year at a mutually agreeable time and place to review and discuss issues involving the environment, recycling and energy conservation which pertain to Chrysler Canada employees.
- Discuss and make recommendations regarding possible future programs for the plants concerning the environment, recycling and energy conservation in consultation with the Joint National Environment Committee.
- Promote and support ongoing programs in the plants relating to the environment.
- Receive and discuss appropriate issues referred to them by the employees or the Company.
- Develop and issue educational materials to employees and their families concerning the environment, recycling and energy conservation.

HEALTH AND SAFETY

The Union agrees to hold confidential any proprietary information supplied to it under the terms of this Collective Agreement.

The Company and the Union agree that it is beneficial to share information with respect to plant environmental activities with other Chrysler Canada plants.

In this regard the Company and the Union agree that the Company Health and Safety Manager and the National Health and Safety Co-ordinator will meet annually with the Joint Workplace Environment Committees from each Assembly plant to discuss environmental activities. It is hoped that this innovative approach will increase environmental awareness within Chrysler Canada.

Letter (15.5) Job Hazard Awareness

During negotiations the parties discussed the Company's method of providing to the employees information regarding the hazards associated with their particular job.

The procedure known as Job Hazard Analysis is recognized by Management and Union alike as the best way of providing and recording the employee's understanding of job hazards.

Such instruction meets the Supervisors duty as legislated and should be presented before starting the job.

The parties also discussed the Company's program with respect to periodic safety talks with employees. These talks which are usually conducted by members of plant supervision serve the purpose of reminding the employees of the importance of safe work practices and encourages awareness to potential hazards in the workplace. Both parties share the view that conditions, equipment and processes differ by plant and that safety

HEALTH AND SAFETY

talks must of necessity be handled on a plant-by-plant basis.

The parties are aware that many individual plants have developed safety talk procedures which are effective in their design and manner of presentation and which in some cases, make use of recording and other mechanical devices. The review of these programs is a proper subject for discussion by the National Committee so that this information may be communicated to other Chrysler Plants for their evaluation.

Further, the parties agreed that the content of safety talks and method of delivery will be addressed by the Local Health and Safety Committees and that they may develop and recommend specific materials for inclusion in the program.

Letter (15.6) Protective Clothing and Personal Protective Equipment (P.P.E.)

In the course of the current negotiations between Chrysler Canada Ltd. and the CAW, we have advised you that it is the policy of the Corporation to issue protective clothing and P.P.E. at no cost on the basis of the need for such clothing and P.P.E. on a particular job.

In making the determination of the need for protective clothing and P.P.E. consideration must be given to factors such as safety and job requirements.

Management informed the Union that it would be contrary to Corporation policy for its supervisors to indiscriminately and capriciously withdraw protective clothing and P.P.E. which had been issued in accordance with the principles outlined above. The Corporation's policy is that protective clothing and P.P.E. may only be withdrawn with the discontinuance of an operation for which it had been issued or where the conditions for which the protective clothing and P.P.E. was issued no longer pertains or where the issuance or retention is no longer consistent with the basic policy statement outlined above.

Where appropriate the Supervisor must properly instruct the worker on use, fit, care and storage of P.P.E.

Each location may develop a program to provide to employees external appliances, i.e. wrist, elbow or knee braces when the need is recognized by either the company doctor or by the employee's physician and approved by the company doctor. It should be recognized that these appliances are not a permanent solution to the problem.

When such a device is prescribed the Doctor will advise the plant to review the operation for possible ergonomic improvement, through the Joint Health and Safety Committee and plant Ergonomist.

HEALTH AND SAFETY

Complaints arising in connection with the administration of the foregoing should be taken up with the supervisor, and, if unresolved, with the Labour Relations Supervisor.

Letter (15.7) Safety Glasses

The Corporation will provide prescription safety glasses to seniority employees and temporary part-time employees working on a job or in an area where eye protection is a company requirement provided the employee furnishes a prescription from the employee's own doctor or optometrist. It is understood that invisible line bi-focal and tri-focal lenses are included in this program. The Corporation will replace such glasses if damaged by a cause attributable to the employment or if the employee presents a new and different prescription from the doctor or optometrist. The Corporation will establish the standards and specifications for the frames and lenses and will select the manufacturing source.

The parties agreed a wider selection of frames and colours would be desirable.

It was agreed, after negotiations, effort would be made to increase the available frame selection within the limitations of our safety approval and competitive purchasing policies.

Further the parties agree that a 100% Eye Safety Program is desirable in certain plants and areas and the Union will support such programs where they are warranted for safety reasons.

Letter (15.8) Safety Shoes

During the recent negotiations the parties discussed a subsidy towards the purchase of safety shoes. The Company agreed to pay seniority employees actively at work up to eighty-five dollars towards the purchase of

HEALTH AND SAFETY

safety footwear from Company-approved sources, not more often than once each year, through the Payroll Deduction Program. It is understood that if the shoes are purchased for less than eighty-five dollars, the amount paid by the Company will be the actual cost of the shoes. An employee who elects to purchase safety footwear in accordance with this understanding will be required to wear such footwear on the job.

It is understood by the parties that employees hired by the Company as vacation replacements, more commonly referred to by the parties as "summer students" and T.P.T.'s, will not be entitled to participate in this program.

Letter (15.9) Hands Out of Point of Operation

During negotiations the parties discussed the Corporation's policy with respect to eliminating the danger resulting from the necessity of employees exposing their hands to the dies in a power press or similar equipment.

The ultimate objective of the Corporation is to eliminate through engineering and process development the need for operators to expose their hands. Where the need continues to exist, appropriate safeguards are employed, such as hand tools, brake monitors, safety blocks, sensing devices, lockout procedures, mechanical interlocks, guarding, and dual operator controls.

To further enhance protection, when process or engineering changes are planned the Health & Safety Representatives will be consulted and may make recommendations to management for improvement.

Letter (15.10) Health & Safety — Working Alone

During the negotiations leading to the current collective bargaining agreement the parties discussed the Corporation's policy with respect to the assignment of employees to work in isolated areas. Each local Health

HEALTH AND SAFETY

and Safety Committee shall assess the work activities in their plant to determine those specific work activities they consider hazardous for working alone and shall make recommendations to local Management for consideration. It is the policy of the Corporation that when such assignments are recognized as potentially hazardous, appropriate precautions are taken. Such precautions include providing air sampling and ventilation when necessary, necessary protective equipment, a reliable communication system, appropriate personnel surveillance arrangements, training and, as required, adequate support personnel. This will not change or restrict any mutually satisfactory local practice.

The National Committee, in consultation with the Local Committees, will develop guidelines for implementing Working Alone procedures at the local levels.

Letter (15.11) New, Rebuilt or Relocated Equipment

During current negotiations the parties discussed the Union's concern regarding the timely installation of necessary safety measures on new, rebuilt or relocated equipment.

The Company shares the Union's concern and assured the Union that it will give priority to such necessary measures on new and relocated equipment where these measures are required to protect the health and safety of employees. Furthermore, where practicable, management representatives will review with local Health and Safety Committees, plans for major process, equipment and layout changes.

Proper guarding will be in place and adequate training will be provided to the operator to protect the operator's safety.

It is Company policy to encourage the active participation of members of the Local Committee in the

HEALTH AND SAFETY

health and safety review and approval process of machinery and equipment at the manufacturer's location where practicable, and in the plant prior to start up with a view to providing constructive recommendations to Management.

The Company will continue its present purchasing policy in regards to sound emissions from new and rebuilt equipment and processes as described in the manufacturing standard, "Sound Level Specification for Industrial Machinery and Equipment".

For most equipment the sound emissions shall not exceed 80dB(A) average sound level (L(avg)) at a distance of one (1) meter from the perimeter of the machine or at any operator's position.

Letter (15.12) Ergonomics

During the current negotiations the parties discussed the value of the application of Ergonomics in the Chrysler plants.

The Company assured the Union that it is committed to efforts, where feasible, to improve the interface of employees with the workplace. Accordingly, each Plant Manager will designate an Industrial Engineer, or another qualified member of Management, to have responsibilities for Ergonomics. In carrying out job station design at introduction of new process or procedure or the changing of job assignments all Industrial Engineers shall use an Ergonomics check list. The check list will be explained to the JHSC before its launch when they may make recommendations. The check list may in the future be computerized. The Local Health and Safety Committees will address Ergonomic concerns on a continuing basis with this plant Management designate.

In 1990 the Local Health and Safety Committees received 40 hours of ergonomic training with a view to raising committee awareness to ergonomic problems.

HEALTH AND SAFETY

When new Health and Safety Representatives are appointed or elected the National Committee will make arrangements for their training internally.

It is intended the Local Joint Health and Safety Committees will address ergonomic needs on a priority basis and work progressively toward improving workplace/employee interface. When an ergonomic concern is beyond the scope of the parties and requires further expertise, a consultant may be hired to evaluate the problem. When the parties agree upon ergonomic solutions, they will be implemented on a priority basis.

In addition, where New Technology is to be introduced into a plant, the Joint Health and Safety Committee will be given the opportunity to review the technological changes and to make recommendations with respect to Ergonomic concerns.

It was agreed that the Company would conduct a needs assessment for ergonomic training for industrial engineers to be shared with the National Safety Co-ordinator. Furthermore, it was agreed to include the Union Time Study Representative in ergonomic training programs provided to industrial engineers.

Letter (15.13) Heat

In our recent negotiations the parties mutually recognized the desirability of an orderly procedure for accommodating employee requests to be excused from work during periods of excessively hot weather.

During such periods it is the Corporation's general procedure to honour the requests of individual employees to be excused from work up to the number that can be spared.

When the number of employees requesting permission to be excused would, if granted, affect the efficiency of the operations, the Corporation is prepared to give full and complete consideration to a written request

HEALTH AND SAFETY

by the Union to the Plant Superintendent to suspend or shorten the scheduled hours of work.

In making its decision management will give due regard to the requirements of the plant, the existing conditions in the plant and the desires of employees. Consistent with the maintenance of efficient plant operations, every effort will be made to excuse employees in a reasonable time as replacements become available.

In our discussions today, we agreed that it would be useful for representatives of the Corporation and Union including the National Health and Safety Co-ordinator and Health and Safety Representatives to meet on or before May 15 in each year to discuss the implementation of the matters raised in this letter with a view toward maintaining normal operating schedules during periods of excessively hot weather.

During excessively hot weather, Plant Management may provide Electrolyte Replacement drinks to those employees affected.

Letter (15.14) Heat Stress Index

During current negotiations Heat Stress conditions for individuals and groups were discussed.

It was agreed that Plant Management will meet with the Plant Committee and Local Joint Health and Safety Committee to discuss ways of reducing Heat Stress as well as monitoring and communications.

The Heat Stress Index recommended by ACGIH and adopted by the Ministry of Labour is calculated using readings which include temperature, humidity, radiant heat and air flow and are compared with established allowable levels of Heat Stress which take into account work intensity and relief time.

When Heat Stress conditions prevail, the Local Joint Health and Safety Committee shall receive training and

HEALTH AND SAFETY

will monitor temperature and humidity and inform Management and Union of their findings.

Affected workers will be informed of such findings and appropriate relief measures including those developed by the Chrysler Medical Department will be employed.

Prior to conditions exceeding the ACGIH Index for Heat Stress, Plant Management and the Health and Safety Committee will meet with the Plant Committees and discuss options available to Management in the event conditions worsen.

Letter (15.15) Medical Surveillance Programs

During the current negotiations the Union expressed a desire to be informed when safety related medical surveillance programs are being conducted at Chrysler locations. The Company stated to the Union that at the request of the National Health and Safety Committee the Plant Doctor will meet with and inform the Local Health and Safety Committee of these programs.

In addition, the Company Medical Director may attend National Committee meetings when specific discussion items are raised in advance by the Union.

It was further agreed immediately after negotiations the National Health and Safety Committee will meet with Company Medical Director with a view of establishing an internal mortality tracking procedure within the Medical Surveillance Program.

Letter (15.16) Review of Medical Department Programs

During current negotiations the Union requested the opportunity to review Medical Department programs at Chrysler Canada plants.

This letter will confirm that the Company is prepared to arrange for the Company Medical Director to meet with

HEALTH AND SAFETY

the National Health and Safety Committee, at a mutually agreeable time, to review Company medical programs and policies. This review is limited to matters of non accessibility of medical records, medical department organization, compliance with Designated Substances Regulations, medical programs and policies, or other mutually agreed to issues submitted in advance of such meeting by members of the National Health and Safety Committee.

Further, the Company will provide one copy of the Corporate Occupational Health Services Manual to the CAW National Health and Safety Coordinator with the clear understanding it is for the internal use of the National Coordinator relating to Medical Department Program Review. The Manual provided will remain the property of the Corporation and shall not be reproduced, published or distributed.

Letter (15.17) Confidential Medical Information

During the current negotiations the parties discussed the confidentiality and disclosure provisions of the Health Disciplines Act (Ontario).

The Company will instruct its medical department to review this matter with the National Health and Safety Committee at an early date with the objective of developing an understanding of the requirements of the Act.

It is understood that the Company's medical department will provide, upon request, and as prescribed by legislation and interpreted by the College of Physicians and Surgeons of Ontario to each employee or the employee's authorized agent, the results of any examination or treatment performed by the Company's medical department.

HEALTH AND SAFETY

It is understood that the Union is not automatically an authorized agent as described in the Health Disciplines Act (Ontario).

Letter (15.18) Infectious/Communicable Diseases

During the current negotiations the parties discussed the role of the Corporate Medical Department, the National Joint Committee on Health and Safety and Local Health and Safety Committees in relation to infectious/communicable diseases in the workplace.

Management informed the Union that it will instruct the Medical Department to review this matter with the National Health and Safety Committee at an early date with the objective of developing acceptable procedures on notification, communication, education and medical review at all locations.

Letter (15.19) Liquid and Air Supply Systems

During current negotiations the Company agreed that, within six (6) months of the signing of this Agreement, it will provide to the National Health & Safety Committee the following information:

- An inventory of all liquid and air supply systems.
- An Inspection/Preventive Maintenance Program for each system.
- Microbiological Programs for each system that include full chemical formulation for all compound used and usage records.
- A medical review program for each location.
- Emergency procedures for each location.

HEALTH AND SAFETY

The foregoing to be implemented in full consideration with local Joint Health & Safety Committees.

HEALTH AND SAFETY

Letter (15.20) Noise Abatement Program

During the current negotiations, the parties discussed various aspects of noise abatement in the Company's plants.

It is evident that the problem of noise varies in kind and intensity in each plant. Thus, it is not feasible to establish a specific noise abatement program generally applicable throughout all the Company's facilities.

It was also agreed that a Noise Committee comprised of Union/Management members will oversee noise abatement across the plant. This committee will also make any recommendations to senior management, on a priority basis, of those areas deemed to be over the legislated requirements, and assist in the plans to undertake progressive improvements.

Management also agreed that a consultant may be engaged for purposes of assisting in the determination of recommended improvements.

The parties further agreed to conduct audiometric tests annually for those employees who work, on a regular basis, in areas where noise exceeds 85 dBA. Further, permanent records of noise will be maintained at each plant location.

Letter (15.21) Chemical Information

During the current negotiations the parties discussed the need to have information on all hazardous chemicals before they enter the plant.

Toxic Use Control

The Company supports the principle of toxic use reduction through its policy and programs. Materials and processes shall be formulated to eliminate wherever feasible, constituents that are considered potentially hazardous or that could possibly harm the environment or

HEALTH AND SAFETY

health of the customer or employee or adversely affect the occupational safety of an employee.

Metal Working Fluids

During these negotiations, the parties discussed employee exposures to Metal Working Fluids. It was acknowledged that over the past decade the Corporation has made significant strides in improving the overall workplace environment within its facilities. Moreover, it should be noted that employee exposures to metal working fluids are consistently below the Ministry of Labour prescribed limits.

Chrysler's internal engineering target is to contain coolant mist exposure to a level of 1.0 mg/m³ (milligrams per cubic meter of air) of total particulate for new equipment in machining operations.

This level will insure that employee exposures to Metal Working Fluids will continue to remain within prescribed standards.

The Company agrees to make a good faith effort to reduce exposures to Metal Working Fluids to an average level of 1.0mg/m³ when measured in the aggregate for the overall plant environment.

Hazardous Material Permit System

The Company assured the Union that it intends, by means of its Hazardous Material Permit System to evaluate hazardous materials before introducing them into the workplace. This program includes hazardous materials which a contractor would use on our premises and to which company employees would be exposed. The Company will continue its efforts in this regard and the Hazardous Materials Committee will review local procedures for approval of all hazardous materials coming into the plant.

Hazardous Communication Sheets

Additionally, the Company agreed that the management and union members of the Local Health and

HEALTH AND SAFETY

Safety Committee will be members of the Local Plant Hazardous Materials Control Committee, and that a copy of the local Hazard Communication Sheet Binder would be supplied to the Union member of the Local Health and Safety Committees for their use.

Binders will be updated promptly after receipt of revisions by Plant Management.

It is understood that use of these binders and the contents therein, and any other information provided, shall be limited to the purpose of evaluating a process, job or hazard and shall not be reproduced, published and/or distributed for any other purpose. In providing Hazard Communication Sheets, the Company agreed to provide information regarding chemicals, as listed in the Regulation Respecting Control of Exposure to Biological or Chemical Agents and the WHMIS list of controlled substances along with percentage ranges according to WHMIS by November 30, 1987. Furthermore, where there is a specific concern regarding a hazardous material, the Local Health and Safety Committee will be provided with additional pertinent information.

Letter (15.22) Chemical Data Link CCOHS

During the current negotiations, the parties discussed the desirability of accessing the on-line information systems of the Canadian Centre For Occupational Health and Safety and making this information available to Local Joint Health and Safety Committees.

Management informed the Union that it would, at an early date, complete the necessary arrangements with CCOHS to use this system at all plant locations. It also informed the Union that it would co-operate with the Union in conducting on site training for Local Joint Health and Safety Committee members and that as early as possible, as suitable terminals become available, arrangements

HEALTH AND SAFETY

will be made to make them accessible to Local Joint Health and Safety members.

The company agrees to purchase CD ROM players for the Health and Safety Reps.' Computers. The company further agreed to provide an annual subscription to the "NIOSH TIC" and "CHEM SOURCE" info disks from CCOHS.

Letter (15.23) Records of Breathing Zone Exposure

During the current negotiations the Company assured the Union that results of all breathing zone samples taken in our Canadian plants be entered in/on the employee's medical file.

Further where it has been established by a nurse or doctor because of a visit to first aid that an employee has had an exposure to a workplace chemical or process emission, the nurse or doctor shall enter the part number of the chemical and/or the chemical name on the employee's medical file.

Letter (15.24) Canadian Health Research

During the current negotiations the parties devoted considerable attention to the subject of occupational health within groups of Chrysler employees represented by the CAW.

The Company recognizes that there is value in health research and will pursue jointly with the CAW, proposals for occupational health and engineering control research studies by reputable institutes and/or universities. It was understood that such research would be funded by other than Company sources.

Such proposals should be directed to the National Health and Safety Committee.

During the current negotiations the Company agreed to provide the CAW National Health & Safety

HEALTH AND SAFETY

Representative with copies of completed Occupational Health & Safety Research Products conducted by the Corporation in its U.S. facilities.

Letter (15.25) Preventive Maintenance

During the current negotiations, the Company and the Union discussed problems associated with maintaining a safe working environment. The Company assured the Union of its continued recognition of the value of a sound Preventive Maintenance Program and the need to maintain, with priority, the high safety standards established for machinery and equipment.

The Supervisor in each work area continues to be responsible for assuring proper preventive maintenance and follow-up to provide a safe work environment. In addition, in order to assure that the implementation of safety-related maintenance work is followed up promptly, local Management will advise the Local Health and Safety Committee of the individual/ individuals who have the responsibility of prioritizing maintenance work assignments in relation to safety matters.

Letter (15.26) Health and Safety — Use of Camera

During the current negotiations, it was agreed that one camera will be provided to the union members of the Local Committee so it can be used as an aid in conducting joint investigations and inspections where special circumstances dictate the need, such as where photographs are necessary to enable the Local Joint Committee to adequately explain or describe serious safety or health problems to responsible plant management. The union members of the Local Committee may also use the camera to photograph health and safety items that are being referred to the National Joint Committee on Health and Safety.

HEALTH AND SAFETY

It is understood that all photographs will be jointly reviewed at the earliest opportunity. Such photographs shall remain the property of the Corporation and shall be for the internal use of the Local and National Joint Committees only and shall not be reproduced, published or distributed.

In those plants in which a video camera is available the Local Joint Committee on Health and Safety will be permitted its use as an aid in conducting joint investigations and inspections where special circumstances dictate the need, such as where a video camera is needed to photograph health and safety items that are being referred to the National Joint Committee on Health and Safety.

Upon request, the Union member of the Local Joint Committee on Health and Safety will be provided with a copy of video tape which relates to health and safety matters in the plant. Such video tapes shall remain the property of the Corporation and shall be for the internal use of the Local and National Joint Committees only and shall not be reproduced, published or distributed.

Letter (15.27) Contact Procedure of Health & Safety Representative for Work Refusal

In the event of a work refusal under the Occupational Health and Safety Act occurring on the same shift as the regular Health and Safety Representative, it will be our procedure to call the Health and Safety Representative.

Where a work refusal occurs on an off shift, the Health and Safety Representative will be notified by calling said Health and Safety Representative at a telephone number which is listed with Management for that purpose. If the Health and Safety Representative cannot be reached we will endeavour to contact the designated replacement provided said designated replacement too has submitted a telephone number to Management.

HEALTH AND SAFETY

Should we be unable to reach the regular Health and Safety Representative, or the designated replacement, we will contact the Steward for the area who, from our experience, is usually present when a work refusal occurs.

Letter (15.28) Official Safety Complaint Form

At recent negotiations, the parties agreed where worker concerns for Health and Safety are raised with a Supervisor, an Official Safety Complaint Form:

(a) Will be completed by the Supervisor when made aware of the problem.

(b) The Supervisor will retain a copy of the Complaint form and supply a copy to the employee who raised the complaint and to his/her Area Manager. The Area Manager/Superintendent must log and file all forms in the Division Safety Complaint Log Book.

(c) The remainder of the form will then be sent to the Company Safety Co-ordinator.

(d) The Company Safety Co-ordinator will log and track the Complaint form by number.

(e) The Company Safety Co-ordinator will distribute copies of the form to the service function requested and the Union.

(f) It is the Supervisor's responsibility to follow-up advising the worker of progress toward resolution of the Complaint.

(g) When the Complaint is resolved to the satisfaction of the Area Manager/Superintendent, the Supervisor must send a copy of the form to the Safety Department for completion of the log entry.

HEALTH AND SAFETY

(h) The Official Safety Complaint Form will be recognized by Maintenance, Manufacturing, Engineering and other service divisions as requiring TOP PRIORITY.

(i) Matters not resolved by this procedure after all steps have been followed may be placed on an agenda and presented by the Health and Safety Committee to the Manufacturing Engineering Manager/General Superintendent Maintenance or equivalent.

Letter (15.29) Minute of Silence

During the course of these negotiations the Union requested a minute of silence be observed in the plants covered by this Agreement in memory of those persons who have died in industrial accidents. Such moment of silence will be observed each year on April 28, at 11:00 a.m. or at such time as determined by local plant management which will have the least impact on plant operations.

To mark the observance flags will be lowered to half staff.

Letter (15.30) Joint Health & Safety Committees Duties and Responsibilities

During the current negotiations the parties discussed the desirability of further enhancing the effectiveness of the plant Joint Health and Safety Committees.

The importance of a high profile, non adversarial, Joint management of the plant Health and Safety programs to safeguard workers Health and Safety was recognized.

It is agreed the National Health and Safety Coordinator and the Manager of Occupational Health and Safety will meet shortly after negotiations to clarify the Joint duties and responsibilities of the committees in each

HEALTH AND SAFETY

plant and present these at the earliest opportunity at the Annual Joint Health and Safety Committee Training.

Recognized Committee duties and responsibilities, when shared, will further improve Committee relationships, promote growth of the committees success through making each committeeperson responsible for formal investigation, analysis, reporting and recommending improvements, in areas such as Accident Control, Hazard Recognition and Removal, Legislation Compliance, Corporate Health and Safety Policy and Program Compliance.

Through greater participation improved communication and greater responsibility for Health and Safety Committees Chrysler and the CAW will be better equipped to jointly meet the challenge of Health and Safety in the future.

Letter (15.31) Joint Statement on Health and Safety Work Refusals

During the current negotiations the Company and the Union reaffirmed their commitment to provide a safe and healthy workplace for employees. The parties agreed that practical solutions to health and safety concerns are best achieved by responding to such concerns in a prompt and cooperative manner. Further, the Company committed that the rights offered to employees by the Occupational Health and Safety Act as it exists with the effective date of this agreement would remain intact as outlined in the Memorandum of Understanding, Health and Safety, notwithstanding legislative changes that may alter these fundamental rights.

The Company recognizes that the workers' right to refuse to work is clearly defined in provincial health and safety legislation as it read on the effective date of this Agreement and is an integral part of employee rights in the workplace.

HEALTH AND SAFETY

However, the parties recognize the importance of resolving health and safety concerns before they become work refusals and without loss of production. Within this context, the parties focused their discussion during negotiations on methods and means by which health and safety issues and concerns could be addressed in a mutually satisfactory manner such that employee health and safety work refusals could be significantly reduced in number.

During these discussion, the parties focused on the Official Safety Complaint Form and the process outlined in Letter (15.28) Official Safety Complaint Form of this agreement, as the foundation for effective efforts in this regard. The use of this process was deemed to be of particular value in addressing the ergonomic concerns of employees, where the hazard is not imminent but of significant concern to the employee, the Union and the Company agreed that forthright efforts must be put into place to alleviate the problem(s) identified by the employee.

The Company expressed its concern over employee health and safety work refusals where Supervisors have no prior knowledge of such concerns or dangers. The parties acknowledged that in these cases it is detrimental to Company and Union efforts to protect the health and safety of workers. In addition, production lost during such refusals has a negative impact on the Company's competitive position and the job security of employees. Consequently, both parties re-affirmed their commitment to effectively implement the process outlined in Letter (15.28) Official Safety Complaint Form. Following negotiations, the National Joint Health and Safety Committee will work with each Local Joint Health and Safety Committee to determine and resolve local problems associated with the effective application of the Official Safety Complaint process. In this regard the

HEALTH AND SAFETY

National Committee will be assisted and supported by the Chairperson of the Chrysler Council for the CAW and the Manager, Labour Relations and Safety, Chrysler Canada.

Letter (15.32) Substance Abuse/Drug Testing

During negotiations, the Company and the Union had comprehensive discussions regarding the issue of employee substance abuse. In this regard, the parties agreed that the consumption of certain drugs and/or alcohol may impair an employee's health and endanger his/her safety, or that of fellow employees and the public at large. As worker health and safety are of paramount concern to the Company and the Union, the parties are committed to improving the well-being of employees and maintaining a safe workplace through the effective implementation of the Employee Assistance and Substance Abuse Program.

During these negotiations, the parties also discussed at length the issue of mandatory drug and alcohol testing in the workplace. In recent years, this issue has been the subject of considerable public debate and a number of legal cases in various jurisdictions. The parties agreed that the debate and case law in this area is still evolving and it is yet unclear whether such testing will be unconditionally supported by the courts.

Some governments have also introduced mandatory drug and alcohol testing laws for specific job functions. These laws recognize the concerns of a number of these legislators regarding the adverse effects of substance abuse on families, the workplace and the general public.

The parties acknowledged that as the public gains a broader understanding of the costs and dangers associated with substance abuse, other governments may also introduce such laws and apply them more broadly.

HEALTH AND SAFETY

Prior to any introduction of such legislation in Canada, the Company will not introduce drug testing into the workplace.

Letter (15.33) Computers

During recent negotiations the parties discussed the needs of Union Health and Safety Representatives with regard to improving communications and tracking of information.

The Company will provide a computer complete with appropriate software for use by the Plant Union and Health and Safety Representative(s). Training on the use of the computers will be provided as soon as possible after placement of the computers.

The Union assured the Company, Health and Safety Representatives would share in the work of the Health and Safety Department by producing standing reports and Health and Safety minutes. Further it was agreed the Health and Safety Representative will use the computer to track plant Health and Safety Audits as prescribed.

The computers are Company property and as such will be subject to software content audits

TRAINING

Letter (16.1) Chrysler-CAW National Training Committee

During the current negotiations, the Company and the Union indicated their mutual interest in advancing the learning of employees through education and training. The parties agreed that employee training has positive effects on product quality and productivity and should provide opportunities for employees to expand their knowledge and improve their sense of accomplishment.

The parties indicated that many aspects of employee education and training require the cooperation and commitment of both the Company and the Union.

Accordingly, the parties have agreed to establish the Chrysler-CAW National Training Committee consisting of five representatives of the National Union and five representatives of the Corporation, to be appointed respectively by the CAW President of the National Union and the Vice President, Human Resources, of the Corporation. The members of this Committee shall include at least one person who is familiar with the training needs and related problems of employees in each of the following areas (i) office and clerical employees (ii) engineering employees (iii) skilled trades employees, but excluding apprentices covered by the Supplemental Agreement relating to apprentices, and (iv) all production and maintenance employees.

The Chrysler-CAW National Training Committee shall have responsibility for investigating, developing and implementing:

- (a) New and/or expanded training programs that will be in the best interest of both the employees and the Corporation;
- (b) Standards for the implementation of the various programs;

TRAINING

- (c) Methods and techniques for selecting candidates for training on the basis of aptitude, interest and other qualifications; and
- (d) The instructional methods to be used in such training programs.

In addition, the Chrysler-CAW National Training Committee may conduct other activities that will support employees in the advancement of their learning.

Each Local Union shall (i) encourage its members to enroll and to continue to participate in training programs; (ii) counsel and advise them on the availability of training programs and as to the appropriateness for them of the various programs, having in mind their experience, aptitudes, education and other qualifications; (iii) advise the Chrysler-CAW National Training Committee as to the needs among its members for training programs.

During these negotiations, the parties discussed the following programs, among others, for Chrysler-CAW National Committee follow-up:

- MIPP or other ergonomics training programs
- Anti-harassment
- Skills Upgrading in Technology for Women Production Workers
- New Hire Orientation
- Substance Abuse

Letter (16.2) Training Fund - National Training Committee

During the current negotiations the parties focused on the importance of training and the role played by the National Training Committee. In reaffirming its commitment to training, the parties agreed to establish a Training Fund as a means of funding the development and implementation of employee skills and training activities. The Fund will come under the direction of the National Training Committee.

TRAINING

In this regard it was agreed the Company will make available up to a maximum \$7,414,554 (representing the value of up to 16 hours training per active employee as of the effective date of this agreement) for use by the National Training Committee over the term of this collective agreement to fund the development and implementation of training programs approved by the committee. In addition, the Company agrees to make available to the N.T.C. up to a maximum of \$500,000 to be used for start-up costs associated with administration and program development. All monies will be recovered from the Special Contingency Fund.

The Fund will provide for training program development costs, trainers (including wages, benefits, and other expenses incurred with the development and implementation of training programs), program material costs, employee travel costs, ongoing administrative costs and labour costs associated with employees attending approved training.

Letter (16.3) Health and Safety, Environment, Leadership Training and Research Fund

During the current negotiations, the Company agreed to provide funds to the Union in support of health and safety, environment, leadership training and research activities. Accordingly, the parties agreed that arrangements will be made to finance these activities by using available funds from the Special Contingency Fund in an amount of up to 3.0 cents (\$0.03) per hour worked during the term of this Agreement.

Letter (16.4) Trainers

During negotiations the parties discussed in detail Chrysler/CAW training programs, their merit and effectiveness in terms of educating the workforce. Part of

TRAINING

the discussion centered around qualified trainers, coordinators and their responsibilities.

Given the need to utilize resources in the most efficient manner, the Company agrees to provide the following for training activities at Windsor Assembly, Pillette Road Truck Assembly and Bramalea Assembly Plants.

Coordinators	- National	1
	- Windsor Assembly Plant	1
	- Pillette Road Truck Assembly Plant	1
Trainers	- Windsor Assembly Plant	8
	- Pillette Road Truck Assembly Plant	4
	- Bramalea Assembly Plant	2

Duties of Coordinators will be coordination, development and tracking of procedures relative to training in addition to training of other Chrysler instructors where required.

Notwithstanding the fact that the Trainers noted above will be utilized first for training, the Company and Union recognize there may be occasions when training cannot occur. Commensurate with this available time the Trainers will be responsible for the following as directed through the respective plant Coordinators who report to the Training and Communication Supervisor:

- Launch Assist** • Investigation and Feedback of launch and quality related concerns to enhance the delivery of training programs related to quality.
- Health & Safety** • Develop 5 minute Safety Talks
- Coordinate Annual Health & Safety Week Activities
- Noise Survey assist where required

TRAINING

- Lockout and WHMIS Reviews (Employee Training Retention)
 - Workplace Label Verification (i.e. Solvent & Secondary Containers and drums)
 - Track Employee Training and Report Preparation
 - Annual Chemical Inventory Adjustment Review
- Communication**
- Postings, Bulletin Board Notices, Newspaper Distribution, Broadband system input
 - Daily Information Compilation for Class preparation (i.e. previous days quality statistics, production numbers and key events)
- Community**
- Grass Roots activities including Plant Tours and Company Awareness

It should also be noted that the Trainers will be responsible to instruct all training modules and may be required to augment other Chrysler facilities to instruct where applicable.

In the event the amount of training at either facility is reduced to a point where trainers are redundant, the Company will meet with the Union to determine the necessary training requirements.

Finally the Company and the Union mutually agree that the activities contained above will be completed in a timely and efficient manner and the Trainers and Coordinators will not be required to perform anything that may lead to a grievance under the current Production and Maintenance Agreement.

TRAINING

Letter (16.5) Local Training Committee

The Company agreed to establish a local training committee (LTC) in those locations where plant size dictated a need.

The LTC will consist of the present Plant Training Coordinator and a Management employee appointed by the local Plant Personnel Manager.

The committee will function on an as-needed basis and will:

- meet as required
- review existing training and development programs
- track employee training
- coordinate in-plant training programs
- develop in conjunction with National Training Committee programs as required
- promote employee participation

Letter (16.6) Local Training Committees - Etobicoke Casting and Ajax Trim Plant

During current negotiations the parties discussed the value of a forum to address skilled trades training as it pertains to the Etobicoke Casting and Ajax Trim Plants. Prior to commencing training courses the Company will discuss, with the Skilled Trades Committeeperson or designate, the nature of the program, the trades and the employees who will participate in the class.

Letter (16.7) Journeyman/Journeywoman/Apprentice Health & Safety Training

During the current negotiations, the parties discussed health and safety training for Skilled Trades Journeyman/women and Apprentices. The importance of

TRAINING

proper training in such matters was acknowledged and the parties agreed that adequate safety training would be provided.

The value of the present training programs (i.e. job hazard analysis, 5-minute safety talks and safety procedures) were recognized and the Company agreed to place emphasis on improving their presentation.

It was agreed that consistent with the needs of each plant, up to 40 hours of Health and Safety training will be provided to each new journeyman/woman as soon as reasonably practicable after employment.

It was further agreed that consistent with the needs of each plant, up to 80 hours of Health & Safety training will be provided to each Apprentice. The method of providing this safety training will be jointly established locally and will be reviewed by the Local Joint Apprenticeship Committee and the Local Health and Safety Committee.

The National Health and Safety Committee will provide guidance to the Local Health and Safety Committees to ensure that the nature and quality of the content of the training and the method of providing the training meets the intent of this letter.

Letter (16.8) Committeeperson/Steward Health and Safety Training

During the recent negotiations the parties discussed the health & safety training needs for plant shop committeepersons and stewards.

The parties agreed that every plant will undertake a safety training program in order to assist the committeepersons and stewards to be even more effective in maintaining safe and healthy conditions in the committeeperson's and steward's areas.

The 40-hour Journeyman/woman Health & Safety Training Program will be offered to the committeepersons and stewards who have not previously received the

TRAINING

training as well as all pertinent health and safety training programs presented to hourly personnel in their areas.

In addition, the parties agreed that the National Health & Safety Committee shall develop a training program for Stewards which will not exceed 24 hours and which may be presented in increments of up to 8 hours as determined at the national level. The training will include Company health and safety procedures, legislation, ergonomics and procedures to address worker safety concerns and ways to reduce work refusals. The local health & safety committee will co-ordinate the training.

It is further understood that the committee persons' and the stewards' alternates would be allowed to function during regular production shifts.

In the event the Health & Safety Representative of the local committee attended or participated in the training, time spent would not be considered as part of the allowance under the Collective Agreement if applicable.

Letter (16.9) Alternate Health and Safety Representatives - Training

At recent negotiations Health and Safety Representative alternates were discussed.

In order to aid the Health and Safety alternate to function with confidence and with a knowledge of legislative requirements and hazard awareness, the parties agreed that Health and Safety alternates would receive the 40-hour Journeyman/woman Health and Safety Training course.

Where the Health and Safety alternate is a regular member of the Joint Health and Safety Committee, he/she would be entitled to receive Joint Health and Safety Committee training.

Letter (16.10) New Hire Orientation

The Corporation and the National Union, CAW agree to implement a joint orientation program for hourly employees.

The orientation program will be implemented in all plants and locations of the Corporation where the number of new hourly employees being hired warrants such a program.

The orientation will be conducted prior to the enrollment of a prospective employee except when the number of new hires makes administering the program impractical or unduly burdensome for the representatives of the parties hereinafter described or would delay the commencement of operations for which the new employees are hired. The orientation will consist of information presented in accordance with guidelines established by the Corporation and the National Union, CAW. The information will acquaint the employee with work areas, and inform individuals of the benefits, opportunities and responsibilities they will have as employees of the Corporation and as members of the Union. The program shall be conducted, in part, by a representative of the Plant Personnel Department and, in part, by an elected or appointed Local Union representative, officer or Benefit Representative designated by the National Union whose other duties at the time of election, appointment or designation shall already permit said individual, if said individual is working on the job, to take time away from work without loss of pay. The orientation shall be conducted during normal plant working hours at times and places determined by Local Plant Management.

In the event that either party believes the program does not meet the provisions of this letter, notification may be given; if by the Union to the Corporate Labour Relations Staff, or if by the Corporation to the National Union, CAW.

TRAINING

The program will not be subject to the grievance procedure and may be terminated at any plant by either the National Union or the Corporation, upon written notice to the other party.

Letter (16.11) New Employee Health & Safety Training

During the current negotiations the Company and the Union discussed Health and Safety training for new employees. The parties agreed that such training will include, but not be limited to, the employee's rights and duties under provincial legislation and the role of the Local Joint Health and Safety Committee.

Recognizing that each plant may utilize independent means to achieve appropriate safety orientation, the Local Health and Safety Committee may make recommendations regarding content and presentation.

When classroom training is presented, a CAW instructor shall participate.

New employees will be paid at the appropriate rate.

Letter (16.12) Health and Safety Certification Training

During the current negotiations the parties agreed, that given the existing training structure and developing training policy at Chrysler, certification training using the Workplace Health and Safety Agency Core Certification Training Program will be given to the full Joint Health and Safety Committees at all locations.

CAW/Chrysler instructors who have been certified by the Worker Health and Safety Centre, will conduct one training session in the Windsor area and one training session in the Toronto area to accommodate the Joint Health and Safety Committee members from all Chrysler locations.

TRAINING

When further certification training is necessary due to a change in the committee, the new Joint Health and Safety Committee member will be trained locally.

The Company agreed to provide Core Certification Training to the alternate Union Health and Safety Representatives at the Bramalea Assembly (2), Pillette Road Assembly (2) and Windsor Assembly (3) plants once during the term of this agreement. It is understood that this training would be conducted locally.

Letter (16.13) CPR & First Aid Training

During the current negotiations, the parties discussed the value of CPR and first aid training as a precaution against emergencies that may arise in the plants during both production and maintenance hours.

In order that trained workers may be present under such emergencies, the Company agreed to pay tuition costs for interested employees to a maximum of one hourly rated employee in twenty-five. In addition to this number, Committeepersons and Stewards may attend.

It was understood that trainees would attend special courses on their own time.

Further, the parties agreed that the content of the first aid and CPR training will be addressed by the National Joint Health and Safety Committee and that they may develop and recommend specific materials for inclusion in the program.

In addition, due to the nature of the work performed by plant electricians, the Company agreed to provide CPR training for electricians on a voluntary basis. Tuition costs and lost wages will be paid for by the Company. It understood that electricians who take this training will be expected to perform rescue operations including CPR in the event of an electrical emergency.

TRAINING

Letter (16.14) Chemical Hazard Training

During the course of negotiations the parties agreed that chemical hazard training would be provided to those employees who have not yet been trained.

It was also agreed:

- (a) the program is a joint effort
- (b) training information was jointly established
- (c) classroom training is used at each location
- (d) Training Time - 8 hours of basic training plus pertinent hazardous material modules of 30 to 45 minutes each.

Letter (16.15) Lockout/Tagout Program

During the current negotiations, the parties discussed the Corporation's Safety Mandatory Instruction SMI 107 - "Procedure for Neutralizing and Locking Out Energy Sources for Machinery Equipment and Facility Services." and specific plant lock-out procedures. It is recognized by both parties that an effective lockout/tagout program can only be implemented at the plant level. In order to remain effective, all lockout programs must be reviewed, updated and re-emphasized whenever new machinery and equipment is introduced.

It was agreed a formal Lock-Out Training Program will be jointly developed at the National Level which will be an 8 hour program.

The Corporation will instruct the management of each plant to review the plant's specific lockout procedures program with the Local Joint Committee on Health and Safety and a member of the plant Shop Committee. It is understood that the Local Health and Safety Committee may discuss the procedures with plant management and develop them further to meet legislative requirements. There shall be an effective lockout/tagout program in each plant and any and all employees required to work on

machinery, equipment or systems where lockout is required shall receive training in accordance with the program.

It is understood the formal Lock-Out Training Program will prepare users of the procedure for generic lock-out application. For complex equipment, employees will receive specific lockout procedure instructions from their supervisor or training by a person mutually agreed upon by the Company and the Union. Further, users of plant lock-out procedures will receive one hour refresher instruction annually.

Letter (16.16) Lift Truck/Vertalift Driver Training

During the current negotiations the parties discussed the value of formal Lift Truck Driver Training.

It was agreed the Training will be jointly approved at the national level and will be conducted in both classroom and practical settings.

The training is considered suitable for delivery by Management and CAW Instructors.

Vertalift (Zoom Boom/Scissor Lift) Training is also desirable. It is recognized, equipment varies from location to location and the training is best developed locally. The training will also be conducted in both classroom and practical settings.

This training will become a part of the Licencing procedure in each plant.

Recognition is given for Lift Truck training recently conducted by Management and CAW plant trainers in some plants and a refresher course will be specially designed to ensure all drivers are competent under the licencing procedure.

The refresher course will be structured so that each driver will have had the equivalent of 8 hours training.

TRAINING

Those employees who will be included are those Material Handlers, Maintenance Workers and Janitors normally assigned to Lift Truck or Verticalift driving.

The combined program will be developed to suit the needs of specific groups and shall in no case exceed 8 hours in duration.

Letter (16.17) Janitors/Booth Cleaners

During the current negotiations the parties discussed the value of Basic Health and Safety Training for Janitors/Booth Cleaners.

It was agreed all Janitors/Booth Cleaners receive 40 hours Health and Safety Training.

The training may be divided into 8 hour modules and presented on a regular basis throughout the life of the agreement.

Training was developed nationally in cooperation with the local Health and Safety Committees and contained both generic and Plant specific training.

The National Health and Safety Committee will continue to provide guidance to ensure the nature and quality of content and method of presentation meets the intent of this letter.

Letter (16.18) CAW Leadership Training Program

During these negotiations the parties have discussed the labour education program developed by the Union for the purpose of upgrading the skills which employees utilize in all aspects of trade union functions and the matter of Company financial support of this program. This program, entitled the CAW Leadership Training Program, has received contributions from the Company since September of 1983.

In recognition, therefore, of the contributions this program can make to the improvement of the

TRAINING

Union/Management relationship and toward a more effective administration of the Collective Agreement, the Company agrees as hereinafter set forth to make a grant to the CAW Leadership Training Program (P.E.L. Trust).

Past Company contributions to the Leadership Training Program (P.E.L.) Trust have been deductible. Providing that such amounts shall continue to be deductible, the Company will make quarterly contributions to the P.E.L. Trust, equal to five cents (\$.05) for each hour worked in the preceding thirteen (13) week period. Two cents (\$.02) of such quarterly contributions will be made available from the Special Contingency Fund pursuant to the provisions of the Memorandum of Understanding Special Contingency Fund. The contributions will be payable on the following dates:

Hours Worked	Payment Date
09/30/96 - 12/29/96	01/31/97
12/30/96 - 03/30/97	04/30/97
03/31/97 - 06/29/97	07/31/97
06/30/97 - 09/28/97	10/31/97
09/29/97 - 12/28/97	01/30/98
12/29/97 - 03/29/98	04/30/98
03/30/97 - 06/28/98	07/31/98
06/29/98 - 09/27/98	10/30/98
09/28/98 - 12/27/98	01/29/99
12/28/98 - 03/28/99	04/30/99
03/29/99 - 06/27/99	07/30/99
06/28/99 - 09/26/99	10/29/99

The Union will cooperate fully in providing the Company with all documents regarding the CAW Leadership Training Program (P.E.L. Trust) as it may require in order to maintain the aforementioned Income Tax Ruling received from Revenue Canada, and related to the deductibility of amounts paid by the Company to the P.E.L. Trust.

TRAINING

It is understood and agreed that the portion of the P.E.L. Trust Fund represented by the Company's contributions will be used solely and exclusively to provide paid educational leaves and related benefits for employees of the Company who attend sessions of the labour education program as described by the Union during these negotiations. Annually the Union will provide the Company with an audited statement prepared by an independent public accounting firm certifying that all expenditures made from the P.E.L. Trust Fund were made in accordance with the intent and purposes of the Trust Deed dated July 3, 1979, establishing the P.E.L. Trust.

An educational leave of absence for participation in the Union's program will be granted by the Company in accordance with Section (11.2) of the Production and Maintenance Agreement (and similar sections of other agreements which incorporate this program) to seniority employees designated by the President of the National Union to the Vice-President - Human Resources for the Company on four (4) weeks' advance written notice specifying the employee's name and dates of requested absence, provided no such absence will result in any loss of efficiency or disruption of operations at the Company's plants.

Employees granted such leaves will be excused from work without pay for up to twenty (20) days of class time, plus travel time where necessary, said leaves of absence to be intermittent over a twelve (12) month period from the first day of leave during the term of the applicable collective bargaining agreement.

Letter (16.19) Employee Assistance/ Substance Abuse Representative - Training

At negotiations the parties discussed the value of enhancing the skills of the Employee

TRAINING

Assistance/Substance Abuse Representatives. In this regard the Company agreed to allow the (6) six Substance Abuse Representatives to participate in the Union proposed Addiction Training Program. This proposed Training will consist of 275 hours of formal class room education sponsored by McMaster University and the Addiction Research Foundation and 12 days of Supervised Practical Skills Training (SPST).

The Company agrees to pay tuition costs, text books, lost time and travel expenses as required in accordance with policy on reimbursable expenses.

This agreement is contingent upon full participation of other companies within the automotive sector.

The Union agrees to approach government agencies to seek funding to subsidize the cost of the program as well as to investigate the feasibility of having the program conducted in two locations to minimize costs. The Supervised Practical Skills Training (SPST) related to counselling will be conducted locally.

This program will be subject to the evaluation procedure developed by the National Employee Assistance/Substance Abuse Committee in terms of improved performance as a result of the training.

Letter (16.20) Tuition Refund

The Corporation offers and administers a tuition refund program under which employees will, under such terms and conditions as the Corporation may from time to time establish, receive a tuition refund not to exceed \$1,500 a calendar year (\$2,000 for the calendar year for approved courses taken at an accredited college or university) upon completion of an approved job-related course at an approved educational or training institution during non-working hours while on the active rolls of the Company. Any refund made to an eligible employee will relate to the calendar year of completion of the courses.

TRAINING

The following programs are considered job related and will be approved when the needs cannot be met within the Corporation:

(a) Courses which update employees in the technology of their trade or occupation and courses directed toward qualifying an employee as an apprentice in the skilled trades.

(b) Courses which relate to the next job in the logical development of an employee's career.

(c) Courses which prepare an employee for openings that are expected to occur in the future and for which a sufficient number of qualified employees are not available.

(d) Courses taken to complete the requirements for a grammar school certificate or high school diploma.

(e) Any literacy courses or courses in fundamental reading and mathematics. These include courses usually designed to teach sixth grade competency in reading, writing and numerical skills.

(f) Courses that are part of the regular curriculum of an accredited educational institution taken for degree credit leading to an Associate Degree or Bachelor's Degree in Labour Studies.

(g) Courses in industrial hygiene or safety related courses taken at approved educational institutions by the appointed Union member of a Local Committee on Health and Safety.

(h) Any required or pertinent elective courses taken in a degree-seeking program in a field related to the employee's job or appropriate to the employee's career in Chrysler Canada Ltd.

TRAINING

The tuition refund, for courses which must be taken in the United States solely because they are not available in Canada, will be paid in United States currency.

In addition to the above, employees appointed as full-time Benefit Plans or Health and Safety Representatives who wish to enroll in courses of instruction relating to benefit plans or health and safety at approved educational institutions shall be eligible to apply for tuition refund for such courses subject to the terms and conditions of the Company's Tuition Refund Program.

In addition to the above, an employee who is laid off due to a plant closing, and, at the time of such layoff, had five (5) or more years of seniority, may utilize the Tuition Refund Program for the purposes of vocational training to qualify for any available or potential employment opportunities. This expanded tuition refund eligibility shall not exceed \$1,500 (\$2,000 for courses at an accredited college or university) and the employee must apply for such refund within twenty-four (24) months from the effective date of layoff.

The Impartial Chairperson shall have no jurisdiction over any matter involving the establishment, administration or terms and provisions of such a tuition refund program.

JOB SECURITY

Letter (17.1) Job Security and Work Ownership

Over the years, the company and the union have regularly addressed worker concerns over income and job security. Recognizing that employment levels will fluctuate with changes in the marketplace, the parties have negotiated programs to provide workers and their families with a measure of income security unparalleled in Canadian industry. Further, recognizing that longer term employment levels will be affected by in-plant changes in technology and the in-plant organization of work, the parties have negotiated programs to encourage attrition and thereby prevent or limit potential layoffs.

During the 1990 round of bargaining, a milestone agreement on Job and Income Protection was reached by Chrysler and the CAW, which was intended to limit and prevent layoffs. The agreement established a workable procedure to deal with the extensive structural change in evidence in the industry at that time, and, which clearly has continued to date.

In 1996 negotiations the company and the union focused on the impact of outsourcing decisions and their impact on individual workers, their families and their communities.

We reviewed our plans with the Union for each operation within Chrysler Canada.

- The Windsor Assembly Plant operates on an A.W.S. schedule due in large part to the continued and extraordinary success of our line of minivans, and provided the product market remains strong, this arrangement is expected to continue throughout the life of this agreement,
- A major expansion has recently been announced for the Etobicoke Casting Plant as a result of the company's technical partnership with a world

JOB SECURITY

class piston manufacturer that promises to solidify the plant's status as an important producer of piston and die cast parts.

- A major investment to upgrade the AB-Van is in progress which calls for an important re-styling of the vehicle and significant upgrades to the manufacturing process at the Pillette Road Truck Plant. This change is expected to properly position the product against upgraded entries from our North American competition in this market segment. The union raised a concern about this plant not being used to its full capability, and the company committed to examine options for additional product lines to be produced at this plant in the future.
- Bramalea Assembly is in the midst of a significant plant expansion as it prepares for the launch of the 1998 model year "LH" line of vehicles. As you know, the Memorandum of Understanding signed by the parties on March 9, 1995 provided for the implementation of tag relief in July, 1996. An Alternative Work Schedule is also a possibility.
- In May of this year, Chrysler Canada and the University of Windsor announced a major research and development effort, representing a significant investment for the company's Canadian operations. Of equal importance, the Automotive Research and Development Centre, enhances the reputation of Chrysler Canada and the CAW as partners in a progressive enterprise, committed to the Canadian economy.
- The workforce of the Ajax Trim Plant has established its reputation as a quality producer of automotive trim products. It operates at a competitive disadvantage in comparison to other soft trim manufacturers paying labour rates

JOB SECURITY

significantly lower than those featured in this agreement. In an effort to address this disadvantage the Union was advised of the corporation's research in the area of replacement work for the plant — work of value commensurate with the plant's overall wage and benefit package.

- The special circumstances of CAW represented Office, Clerical and Engineering employees were also reviewed in terms of the major role technology has and will continue to play in redefining the role of the salaried employee. We have advised you of our intentions regarding these employees in a separate memorandum in the OC&E agreement.
- In the case of Security Unit employees, we advised you we will not reduce employment levels, as a result of outsourcing during the term of this agreement.

Of critical importance to the Union was the concept of “work ownership”, defined as protection against the outsourcing of work which has been performed on a historical basis in a quality and efficient manner at reasonable cost. From a CAW perspective, work ownership was described as a principle intended to be consistent with on-going changes in the workplace.

In keeping with this concept, Chrysler Canada advised the union that it will not outsource any major operations during the life of this agreement. More specifically, the only outsourcing planned at the Assembly Plants for the 1997 through 1999 model years will take place during the 1998 model year the Pillette Road Truck Assembly Plant and the Bramalea Assembly Plant where outsourcing actions are expected to affect 17 to 60 jobs respectively. These jobs will be replaced through new model year product complexity and model mix considerations. In the case of Ajax Trim and Etobicoke

JOB SECURITY

Casting, employment levels will not be reduced as a result of outsourcing actions during the term of this agreement. (The individual components of specific product actions will be communicated locally.) The Company commits there will be no reduction in community¹ employment levels as a result of outsourcing during the term of this agreement.

The parties agree this commitment should serve to alleviate the real sense of insecurity prevalent among workers in today's business setting. With this new sense of security, the parties believe workers may apply themselves to pursuits that are in the best interest of themselves, the company, the Union, and their communities.

¹For the purposes of this agreement, "community" is defined as the Windsor area - referring to the Windsor Assembly Plant and the Pillette Truck Assembly Plant - and separately for communities within which the Bramalea Assembly Plant, the Etobicoke Casting Plant and the Ajax Trim Plant are located.

Letter (17.2) Job Security and Work Ownership - Skilled Trades

In 1996, the Company and the Union focused on the impact of contracting decisions and their impact on individual workers, their families and their communities. The Company and the Union have regularly addressed Skilled Trades concerns over income and job security. Recognizing that employment levels will fluctuate with changes in the marketplace, the parties have negotiated language to provide workers and their families with a measure of income security unparalleled in Canadian history. Further, recognizing that longer term employment levels will be affected by in-plant changes in technology and in-plant organization of work, the parties negotiated

JOB SECURITY

the Job Security and Work Ownership agreement during this set of negotiations.

Within this context, the Company confirms the understandings reached during the 1996 negotiations regarding Skilled Trades concerns over work ownership.

Primary among these understandings is the Company's commitment that there will be no reduction of skilled trades employees as a result of outside contracting throughout the life of this agreement.

More specifically:

(a) Planning

Plant management shall meet semi-annually to review with CAW Skilled Trades representatives projected work loads regarding the installation, construction, maintenance, repair, service, and warranty work of existing or new equipment, facilities, and the fabrication of tools, dies, jigs, patterns and fixtures.

(b) Information

Advance notice of outside contract activities will be provided, in situations other than emergencies, at least 10 days in advance to permit meaningful discussion and a careful analysis of the company's workforce capabilities in connection with the subject work. This written notice will provide the Union with all available information on the nature of the work, including plans and the number of trades persons required to perform the work.

(c) Layoff - Recall

When Skilled Trades employees are on layoff in a classification, the nature of which they customarily perform, and consideration is being given to outside contracting said work, Chrysler trades employees will be given first priority for the work, before letting the contract provided that they can perform the available work.

(d) Full utilization

It is the policy of the Company to fully utilize its own employees in maintenance skilled trades classifications in the performance of maintenance and

JOB SECURITY

construction work, consistent with local scheduling practices of each facility.

The parties agree this commitment should serve to alleviate the real sense of insecurity prevalent among workers in today's business setting. With this new sense of security, the parties believe skilled tradespersons may apply themselves to pursuits that are in the best interest of themselves, the Company, the Union, and their communities.

Letter (17.3) Job Security and Work Ownership - Information

During the term of the Agreement Chrysler Canada will advise the National Union on a bi-annual basis of announced outsourcing actions planned for units covered by this agreement. Information concerning replacement work will be similarly provided.

Letter (17.4) Plant Closing Moratorium

As a result of deep concern about job security in our negotiations and the many discussions which took place over it, this will confirm that during the term of the new Collective Bargaining Agreement, until September 14, 1999, the Company will not close or sell any plant, in whole or in part, covered by this Collective Agreement.

It is understood that conditions may arise that are beyond the control of the Company, e.g., act of God, catastrophic circumstances, or significant economic decline concerning the subject. Should these conditions occur, the Company will discuss such conditions with the National Union.

Letter (17.5) Supplier Regulations

JOB SECURITY

Chrysler attributes much of its success — its high quality and competitively priced products and productive workplaces — to the outstanding efforts of all of its employees and to the effective working relationship between the CAW and Chrysler.

During these negotiations, the parties discussed the importance of responsible supplier-labour relationships and its impact on the long term development of the Company's supplier base. Issues relating to cost, quality, delivery capability, technological leadership, sectoral and company specific requirements and effective, progressive supplier labour relations are all important matters when consideration is given to awarding contracts to suppliers.

Moreover, it is recognized that successful, high quality, productive workplaces need to be built on a foundation of responsible labour management relations, appropriate labour standards, effective local working relations and the shared objective of producing a high quality, competitively priced product. In its sourcing and supplier development strategies, the Company places a high priority on its supplier community sharing these objectives.

In developing supplier relationships, the following considerations will apply:

- The Company expects suppliers to have responsible labour relations.
- The Company believes that while the decision to join a union is an individual one, it is a decision that must be made without company intimidation, interference or risk of reprisal.
- The Union may, from time to time, raise concerns about the relationship with certain suppliers. The Company commits to taking these concerns seriously.

Letter (17.6) Retirement Allowance Option - Job & Income Protection Plan

During the current negotiations the parties discussed methods of providing retirement incentives to employees retirement eligible under the Regular or Special Early Retirement provisions of the Non-Contributory Pension Plan, on the date of a plant closing or permanent job loss as identified under Letter (17.11) - Restructuring - Job and Income Protection.

Accordingly, any employee who is retirement eligible under the provisions of Letter (17.11) on the date of the closure or permanent job loss, will be given the option of taking a Retirement Allowance of \$42,500.

The parties agreed that receipt of the Retirement Allowance is in-lieu of any SUB entitlement that may have been provided under the provisions of Letter (17.11) and the SUB Plan.

Acceptance of this option will result in the immediate retirement of the employee.

All payments made under the terms of this Agreement will be recoverable from future SUB contributions on a dollar-for-dollar basis for all pay periods in which SUB contributions exceed the total amount of Regular Benefits paid and the Percentage Relationship of Fund Assets to Maximum Funding is greater than 40%.

Letter (17.7) Payments Upon Plant Closure

During the current negotiations the parties agreed that upon a stand alone plant closure as defined in Letter (17.11) of the Collective Bargaining Agreement, pre retirement income maintenance program (PRIMP) benefits will be payable to eligible employees based on the following terms and conditions:

(a) Eligible employees are those employees at the affected plant:

JOB SECURITY

(i) who are between age 50 and 55 with at least 10 years of credited service at the date of the plant closure and are not eligible for Regular Early Retirement; or

(ii) who are at least age 48.1 but under age 50, with at least 9.1 years of credited service at the date of plant closure, who are placed on layoff and who then attain age 50 with at least 10 years of credited service.

(b) Eligible employees will receive monthly PRIMP benefits equal to (a) the sum of the basic and supplementary benefit rates in effect under the provisions of the applicable pension plan at date of commencement of PRIMP benefits, multiplied by (b) the employee's credited service at the date of plant closure or, if later, the date at which the employee attains age 50 with at least 10 years of credited service;

(c) Unless otherwise elected by both the employee and the surviving spouse (as defined in the applicable pension plan), PRIMP payments will be reduced by 5% of the amount calculated in (b) above, excluding any supplementary benefit amount, in order to provide PRIMP benefits to the surviving spouse, in an amount equal to 60% of the portion of the employee's PRIMP benefit which is based upon the basic benefit amount, after the application of the 5% reduction. In the event the employee's spouse predeceases the employee, the employee's unreduced PRIMP benefit will be payable, upon notification of the death of the spouse.

PRIMP benefits will be payable until the first date at which the employee is, (or would have been eligible in the event of the death of the employee), eligible for either Special Early or Regular Early retirement;

(d) On each October 1 following their commencement, PRIMP benefits will be recomputed in accordance with PCOLA adjustments applicable to employees retired under the pension plan on or after October 1, 1993.

JOB SECURITY

(e) Employees or surviving spouses in receipt of PRIMP benefits would be eligible for Special Early retirement benefits from the applicable pension plan at age 55 (or at the date the employee would have attained age 55, in the case of a surviving spouse), at which time the calculation of the pension payable will be based on the employee's credited service and benefit rates at the time of plant closure or, if later, the date at which the employee attains or would have attained age 50, adjusted for PCOLA;

(f) Employees whose Special Early retirement benefits are reduced due to the application of Revenue Canada regulations with respect to maximum pension limitations, will receive upon commencement of the employee's pension, a lump sum payment equal to the Actuarial Equivalent of the reduction in the employee's monthly pension benefit.

(g) Employees and surviving spouses will be eligible for continued health care and group insurance coverage when in receipt of PRIMP benefits.

(h) The Maximum Corporate Liability under the Income Maintenance Benefit Plan, Exhibit B to the Collective Bargaining Agreement, will be reduced by the amount of any PRIMP benefits paid to eligible employees.

(i) Employees age 50 but not yet age 55 who are eligible for PRIMP benefits at the date of plant closure will also be eligible for the lump sum retirement allowance pursuant to Letter (17.11).

Letter (17.8) Content

During the course of negotiations the Company and the Union held extensive discussions concerning the business and social consequences appendant to the issue of marketplace accessibility, content and sourcing within the context of a global automobile industry.

JOB SECURITY

Consistent with our mutual desire to utilize the full range of employees' abilities to contribute to these objectives, the Company agrees to work with the Union in the exploration of measures to maintain employment opportunities equivalent to those now encompassed by the total of all plants covered by the Production and Maintenance Agreement. This would include, where feasible, replacement of jobs lost by outsourcing.

In addition, Chrysler Canada Ltd. joins the CAW in supporting the principle that manufacturers who participate in the Canadian market should provide jobs, pay taxes and support the economy of the market in which they sell. As you know, Chrysler Corporation has for decades based its operations throughout North America on this very principle. We believe that, over the long run, no alternative policy can prevail if there is to be fairness and balance among the major trading nations of the world. As evidence of its commitment to these principles, the Company's Canadian value added gross purchases in 1992 exceeded seventy-five percent (75%) of its gross Canadian sales. Given the scope of its current operations in Canada, the Company affirms its expectation these principles will be maintained.

Chrysler Canada Ltd. commits to support acceptance of this principle, so that foreign producers will be encouraged to make their fair contribution to actions that will restore jobs to Canadian automotive and parts manufacturing workers.

It is believed that the principles expressed in this letter will contribute significantly to our co-operatively working together to provide employees in Canada with improved job security.

Letter (17.9) New Technology

It is recognized that the principle set forth in Section (9.1), paragraph (c) of the Production and Maintenance

JOB SECURITY

Agreement dated today, will continue to create changes in the scope and work content of job classifications of represented employees. When the Corporation anticipates that a technological improvement it is making in its tools, methods, processes, equipment or materials may have a major impact on the work performed by Union represented employees, the Corporation will, as early as practicable, so advise the National Union, and at that time describe the location and nature of such technological changes and the extent to which they may affect the work performed by represented employees at the plant or plants involved.

The Corporation and the Union may submit to the National Training Committee their recommendations for any training programs intended to assist present employees to perform work within the bargaining unit which is new or changed as a result of technological improvement.

In the event the National Union Representative considers it appropriate, he may arrange a meeting with the Manager of Labour Relations of the Corporation to discuss the impact of such technological changes and any proposed responses to such changes.

Any problems not resolved in such discussions may be submitted to the grievance procedure or to the deliberations of the National Training Committee, or to any other procedure on which the parties may agree.

Letter (17.10) Understanding Re: Permanent Job Losses

During negotiations the parties discussed the extensive structural change that has already, and will continue to take place, in the North American automotive industry. Our discussions focused on two key aspects of this complicated issue: the need to maintain each Chrysler Canada Ltd. location as a productive

JOB SECURITY

manufacturer of world class quality products in the North American automotive market and to ensure that Chrysler Canada Ltd. employees, who contribute to the success of the Corporation, have their jobs and incomes protected as restructuring actions are taken. In addition, we have recognized the importance of the parties at both the local and national level continuing an ongoing dialogue about all the aspects of the business to ensure that the important goals are achieved.

With these objectives in mind, we have agreed that the understanding listed below will govern the parties in the event that restructuring or productivity-related actions may result in permanent job losses. These permanent job losses are those occasioned by specific actions taken by the Corporation. For example, outsourcing, the introduction of new technology, sale of part of the Corporation, and consolidation of operations would be actions contemplated by this understanding. The understanding would not apply to normal cyclical fluctuations in demand or the reduction of employees on "temporary" assignments. It is also understood that this program does not replace the ongoing discussions which continually take place at the local level regarding production standards and manpower requirements.

(a) Where such permanent loss of jobs is considered, one year notice will be provided to the Union in the case of plant closure and six months notice will be provided to the Union in the case of a potential permanent job loss related to a restructuring as referred above. The information supplied to the Union will include the number of employees who could potentially be impacted and the rationale for the decision. It is understood that the information will be used for discussions between the parties and the workforce, and will be considered confidential. The Union will have the opportunity to make proposals which could alter or modify the decision.

JOB SECURITY

(b) During the course of these discussions, the objectives of the parties will be the retention of the jobs in question. To that end, the parties will discuss opportunities to retain or replace the jobs which are being discontinued. The Union will have thirty days from the date of notice to make proposals which could make it feasible to retain or replace the jobs in question.

(c) If job losses become unavoidable and management decides to reduce the size of the workforce, every effort will be made to use attrition to manage the required reductions. The use of attrition is the subject of a separate letter between the parties.

Letter (17.11) Restructuring — Job and Income Protection

During negotiations, in a separate letter between the parties, we described the process that would be followed in the event that restructuring actions may result in permanent job losses. In that letter we agreed that the objective of the parties will be the retention of the jobs in question. We also agreed that if job losses become unavoidable, every effort will be made to use attrition to manage the required reductions.

The instant letter describes the process that will be implemented, and the benefit entitlements that will be provided to employees under three separate scenarios: (1) closure of stand-alone plants, (2) closure of a plant(s) at a multi-plant site, and (3) restructuring actions resulting in permanent job losses at any plant. The scenarios are detailed below as follows:

PLANT CLOSING

Stand-Alone Plants

As closure approaches and operations begin to wind down, employees who (1) are any age and have 28.1 or

JOB SECURITY

more years of Credited Service; (2) are age 54 or older but less than age 60 and within two years would have sufficient combined years of age and Credited Service to equal 85 or more; and (3) are age 60 or older but less than age 65 and have ten or more years of Credited Service or are age 61 or older but less than age 65 and have 9.1 but less than 10 years of Credited Service, will be contacted regarding retirement under the Regular Early Retirement provisions of the applicable Non-Contributory Pension Plan and, if eligible, for Regular Early Retirement, may retire immediately and receive the retirement allowance described in Letter (17.6), Retirement Allowance Option - Job and Income Protection Plan. Employees who are age 55 or older but less than age 65 and who have ten or more years of Credited Service (including any such employees who are also eligible for Regular Early Retirement) will be offered Special Early Retirement commencing on or before the announced closing date and be eligible to receive the retirement allowance described in Letter (17.6) upon retirement. Employees who are age 50 or older but less than age 55 and who have 10 or more years of credited service at the date of closure and are not eligible for Regular Early Retirement will be offered benefits under the Pre-Retirement Income Maintenance Program (PRIMP) and be eligible to receive the retirement allowance described in Letter (17.6) upon commencement of PRIMP benefits.

At time of closure, remaining employees, including eligible employees who declined to elect immediate Regular Early Retirement or who declined the offer of Special Early Retirement or PRIMP will be placed on layoff. All such employees with 5 or more years of Seniority, except those who meet the age and service requirements for Regular or Special Early Retirement or PRIMP will be eligible to apply immediately upon layoff for a lump sum payment under the Voluntary Termination of Employment Plan (VTEP). Any laid off employee who elects not to apply

JOB SECURITY

immediately for VTEP or who is ineligible for VTEP because the employee has less than 5 years of Seniority at layoff or because the employee meets, at the date of layoff, the age and Credited Service requirements for Regular or Special Early Retirement or PRIMP will:

- be eligible for Regular Benefits under the Supplemental Unemployment Benefit (SUB) Plan provided the employee has at least one year of Seniority as of the employee's last day worked prior to layoff;
- be offered employment at other Corporation facilities in accordance with the parties' understanding on preferential placement; and
- provided the employee had 5 or more years of Seniority as of the employee's last day worked prior to layoff and does not meet the age and Credited Service requirements for Regular Early Retirement upon exhausting the employee's eligibility for Regular SUBenefits and did not meet the age and Credited Service requirements for Special Early Retirement or PRIMP at time of layoff, be eligible for IMP Benefits under the Income Maintenance Benefit Plan.

An employee with 5 or more years of Seniority who elects not to apply for VTEP at time of layoff will be eligible to make subsequent application for such a payment, reduced by the sum of any IMP Benefits the employee had received while on layoff prior to ultimately making application for VTEP, provided that the employee does not meet the age and Credited Service requirements for Regular Early Retirement at the time application is made and did not meet the age and Credited Service requirements for Special Early Retirement or PRIMP at time of layoff and provided further that such application is filed within the maximum time limits set forth in the Voluntary Termination of Employment Plan.

JOB SECURITY

Multi-Plant Sites

On a site-wide basis, separately for skilled trades and non-skilled employees and for skilled employees, by trade, before closing layoffs are effected, the number of employees in the workforce will be reduced by:

(1) Laying off employees with hire or rehire dates on or after the date closing was announced;

(2) Offering the opportunity to employees at any age who have 28.1 or more years of Credited Service to:

(a) retire immediately, if eligible for Regular Early Retirement, and receive the retirement allowance described in Letter (17.6); or

(b) if not eligible to retire, or if option 2(a) not chosen, to be placed on layoff, with eligibility for Regular SUBenefits;

(3) Offering the opportunity to employees (excluding those who also may be in (2) above) who are age 54 or older but less than age 65 and who within two years would have sufficient combined years of age and Credited Service to equal 85 or more to:

(a) retire immediately, if eligible for Regular Early Retirement, and receive the retirement allowance described in Letter (17.6); or

(b) if not eligible to retire, or if option 3(a) not chosen, to be placed on layoff, with eligibility for Regular SUBenefits;

(4) Offering Special Early Retirement to employees (including those who also may be in (2) or (3) above but excluding those in 2(a) or 3(a) who are age 55 or more but less than age 65 and who have 10 or more years of Credited Service and be eligible to receive the retirement allowance described in Letter (17.6) upon retirement;

(5) Offering the opportunity to be placed on layoff, with eligibility for Regular SUBenefits, to employees who are age 60 or older but less than age 65 and have 10 more years of Credited Service or are age 61 or older but

JOB SECURITY

less than age 65 and have 9.1 but less than 10 years of Credited Service; and

(6) Offering employees who have 5 or more years of Seniority (excluding those in (2), (3), (4) and (5) above) an opportunity to apply for VTEP.

If the total number of employees who accept an offer under (2), (3), (4), (5) or (6) above exceeds the number of jobs that will be permanently lost due to the closing, individual elections will be effected in Seniority order until the resulting number of separations equals the expected job loss.

At time of closure, the reduction in force provisions of the Collective Bargaining Agreement will be implemented. An employee with 5 or more years of Seniority who is laid off as a result of the reduction in force and who at time of layoff does not meet the age and Credited Service requirements for Regular or Special Early Retirement will be eligible to apply immediately upon layoff for a lump sum payment under VTEP. Any laid off employee who elects not to apply immediately for VTEP or who is ineligible for VTEP because the employee has less than 5 years of Seniority at layoff or because the employee meets the age and Credited Service requirements for Regular or Special Early Retirement will:

- be eligible for Regular Benefits under the SUB Plan;
- be offered employment at other Corporation facilities in accordance with the parties' understanding on preferential placement or be eligible for recall to work at a plant in the same unit, whichever may occur first; and
- provided the employee had 5 or more years of Seniority as of the employee's last day worked prior to layoff and does not meet the age and Credited Service requirement for Regular Early Retirement upon exhausting the employee's eligibility for Regular SUBenefits and did not

JOB SECURITY

meet the age and Credited Service requirements for Special Early Retirement at time of layoff, be eligible for IMP Benefits under the Income Maintenance Benefit Plan.

An employee with 5 or more years of Seniority who elects not to apply for VTEP at time of layoff will be eligible to make subsequent application for such a payment, reduced by the sum of any IMP Benefits the employee had received while on layoff prior to ultimately making application for VTEP, provided that the employee does not meet the age and Credited Service requirements for Regular Early Retirement at the time application is made and did not meet the age and Credited Service requirements for Special Early Retirement at the time of layoff and provided further that such application is filed within the maximum time limits set forth in the Voluntary Termination of Employment Plan.

PERMANENT JOB LOSS

In the event management decides that workforce reductions resulting in permanent job loss as a consequence of restructuring actions cannot be accomplished in a timely and efficient manner through normal attrition, the following steps will be taken, separately for skilled trades and non-skilled employees and for skilled employees, by trade:

(1) employees who have not attained Seniority will be placed on layoff;

(2) If the number of separations that can be accomplished through implementation of (1) above is less than the number of jobs that will be lost, employees at any age who have 28.1 or more years of Credited Service will be offered the opportunity to:

(a) retire immediately, if eligible for Regular Early Retirement, and receive the retirement allowance described in Letter (17.6); or

JOB SECURITY

(b) if not eligible to retire, or if option 2(a) not chosen, be placed on layoff, with eligibility for Regular SUBenefits;

If at the time of workforce reduction there are employees with less than one year of Seniority at work, step 2(b) will not apply;

If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under (1) above, exceeds the number of jobs that will be permanently lost, this offer will be implemented in Seniority order for accepting employees until the combined number of actual and scheduled separations equals the number of jobs lost;

(3) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees (excluding those who may also be in (2) above) who are age 54 or older but less than age 65 and who within two years would have sufficient combined years of age and Credited Service equal to 85 or more will be offered the opportunity to:

(a) retire immediately, if eligible for Regular Early Retirement, and receive the retirement allowance described in Letter (17.6); or

(b) if not eligible to retire, or if option 3(a) not chosen, be placed on layoff, with eligibility for Regular SUBenefits;

If at the time of the workforce reduction there are employees with less than one year of Seniority at work, step 3(b) will not apply;

If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the two preceding steps, exceeds the number of jobs that will be permanently lost, this offer will be implemented in Seniority order for accepting employees until the combined number of actual and scheduled separations equals the number of jobs lost;

JOB SECURITY

(4) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees (including those who also may be in (2) or (3) above but excluding those in 2(a) or 3(a) who are age 55 or more but less than age 65 and who have 10 or more years of Credited Service will be offered Special Early Retirement and be eligible to receive the retirement allowance described in Letter (17.6) upon retirement. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the three preceding steps, exceeds the number of jobs that will be permanently lost, Special Early Retirements will be approved in Seniority order until the combined number of actual and scheduled separations equals the number of jobs lost;

(5) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees who are age 60 or older but less than age 65 and have 10 or more years of Credited Service or are age 61 or older but less than age 65 and have 9.1 or more but less than 10 years of Credited Service will be offered the opportunity to be placed on layoff with eligibility for Regular SUBenefits. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the four preceding steps, exceeds the number of jobs that will be permanently lost, this offer will be implemented in Seniority order for accepting employees until the combined number of actual and scheduled separations equals the number of jobs lost;

If at the time of the workforce reduction there are employees with less than one year of Seniority at work, employees will not be offered the opportunity to be placed on layoff with eligibility for Regular SUBenefits.

(6) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that

JOB SECURITY

will be permanently lost, employees who have 5 or more years of Seniority (excluding those in (2), (3), (4) and (5) above) will be offered an opportunity to apply for VTEP. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the five preceding steps, exceeds the number of jobs that will be permanently lost, this offer will be implemented in Seniority order until the combined number of actual and scheduled separations equals the number of jobs lost.

These actions will be taken and administered on a site-wide basis at multi-plant sites.

If these measures fail to stimulate sufficient additional attrition to accomplish the necessary workforce reductions, the reduction in force provisions of the Collective Bargaining Agreement will be implemented. An employee with 5 or more years of Seniority who is laid off as a result of the reduction in force and who at time of layoff does not meet the age and Credited Service requirements for Regular or Special Early Retirement will be eligible to apply immediately upon layoff for a lump sum payment under VTEP. Any laid off employee who elects not to apply immediately for VTEP or who is ineligible for VTEP because the employee has less than 5 years of Seniority or because the employee meets the age and Credited Service requirements for Regular or Special Early Retirement will:

(i) be eligible for Regular Benefits under the SUB Plan;

(ii) be offered employment at other Corporation facilities in accordance with the parties' understanding on preferential placement (or at a multi-plant site, be eligible for recall pursuant to the Collective Bargaining Agreement, whichever may occur first); and

(iii) provided the employee had 5 or more years of Seniority as of the employee's last day worked prior to layoff and does not meet the age and Credited Service

JOB SECURITY

requirements for Regular Early Retirement upon exhausting the employee's eligibility for Regular SUBenefits and did not meet the age and Credited Service requirements for Special Early Retirement at time of layoff, be eligible for IMP Benefits under the Income Maintenance Benefit Plan.

An employee with 5 or more years of Seniority who elects not to apply for VTEP at time of layoff will be eligible to make subsequent application for such a payment, reduced by the sum of any IMP Benefits the employee had received while on layoff prior to ultimately making application for VTEP, provided that the employee does not meet the age and Credited Service requirements for Regular Early Retirement at the time application is made and did not meet the age and Credited Service requirements for Special Early Retirement at the time of layoff and provided further that such application is filed within the maximum time limits set forth in the Voluntary Termination of Employment Plan.

Following the notice of a restructuring event and if, after steps (1) through (6) above have been completed, the number of separations achieved is less than the number of jobs lost then the difference between the number of separations and the jobs lost will be accumulated as a reserve. The Corporation will repeat steps (2) through (6) every six months, or earlier by mutual agreement among the parties, during any period in which employees at the affected location remain on indefinite layoff until a number of additional separations equal to the lesser of the reserve or the number of employees on indefinite layoff, is achieved.

In addition, the Corporation and the Union may through mutual agreement, implement steps (2) through (6) at other Corporation locations during any period of time when the number of required separations has not been achieved.

JOB SECURITY

The above commitments were executed in a spirit that recognizes the need to ensure that Chrysler Canada operations produce world-class quality products as efficiently as possible. That recognition, coupled with the commitments we have negotiated to protect the jobs and incomes of our employees, should help to assure that both parties achieve our shared objective of maintaining Chrysler Canada as a viable entity in the North American automotive market.

Letter (17.12) Skilled Trades – Permanent Job Losses

During these negotiations the parties agreed to several arrangements which will govern the parties in the event of permanent job losses resulting from productivity-related actions or restructuring.

In response to concerns raised by the Union regarding productivity-related actions or restructuring and their potential impact on maintenance and construction work, the Company reaffirmed the principles and procedures with respect to the letting of outside contracts for maintenance and construction work specified in Sections (17.16), (17.17), (17.18), (17.19) and (17.20).

Letter (17.13) Vendor Support

During the course of these negotiations, the parties discussed at length the issue of supplier employees performing rework and/or sorting operations within the plant. The Company explained the necessity for occasionally having vendors perform rework upon their supplied components. To that extent, the Company advised the Union it is not, under normal and ordinary circumstances, the intent of Chrysler Canada Ltd. to have vendor employees perform "rework", to the detriment of

JOB SECURITY

CAW represented employees except as it pertains to the below statement on specific techniques or skills.

Nevertheless, the parties recognize that circumstances can and do arise where vendors must have their employees perform such rework within our facilities in cases such as where it is required for the vendor to obtain more knowledge about the quality defect, where specific techniques or skills are required and/or where warranty agreements and vehicle safety items could be impacted. Furthermore, the Company advised the Union that under normal and ordinary circumstances, non-corporate supplier employees would only be allowed to perform continuing rework and/or sorting operations within our facilities for up to a maximum of three (3) consecutive working days to correct a specific problem. After such time, the rework for that specific problem would be assigned either to plant employees or the nonconforming material will be returned to the supplier for rework. This agreement would not be in effect for a maximum of six (6) weeks following the introduction of any new part.

In applying the above understanding, the Plant assures the Union that vendor rework will not be performed on the assembly line. Further, in the case of finished vehicles, vendor rework will be performed only in those instances where the vendor's expertise is required due to the criteria referenced in the aforementioned paragraph.

Letter (17.14) Notification — Tooling Outsourcing

In the event a decision to use a non-Company source for tooling work is being contemplated, local management will, except where time and circumstances prevent it, notify the Union in writing and have advance discussion with local union representatives concerning the nature, scope and approximate dates of the work to be performed and

JOB SECURITY

the reason why management is contemplating utilizing a non-Company source. At such times, Company representatives are expected to afford the Union opportunity to comment on the Company's plans and to give appropriate weight to those comments in the light of attendant circumstances.

(17.15) Job Security and Outside Contracting

Employees of an outside contractor will not be utilized in a plant covered by this Agreement to replace seniority employees on production assembly or manufacturing work or fabrication of tools, dies, jigs and fixtures, normally and historically performed by them when performance of such work involves the use of Corporation-owned machines, tools or equipment maintained by employees.

The foregoing shall not affect the right of the Corporation to continue arrangements currently in effect; nor shall it limit the fulfillment of warranty obligations by vendors nor limit work which a vendor must perform to prove out equipment.

In all cases, except where time and circumstances prevent it, the plant management will hold advance discussion with local Union representatives prior to letting such a contract. In this discussion local management is expected to review its plans or prospects for letting a particular contract. The local Union should be advised of the nature, scope and approximate dates of the work to be performed and the reasons (equipment, manpower, etc.) why management is contemplating contracting out the work. At such times Corporation representatives are expected to afford the Union an opportunity to comment on the Corporation's plans and to give appropriate weight to those comments in the light of all attendant circumstances.

In no event shall any seniority employee who customarily performs the work in question be laid off as a

JOB SECURITY

direct and immediate result of work being performed by any outside contractor on the plant premises.

Notwithstanding the foregoing, the notice provisions of Section (17.16) (a) Skilled Trades, shall apply when plant maintenance and construction work is let to outside contractors.

(17.16) Outside Contractors

(a) It is the policy of the Corporation to fully utilize its own employees in maintenance skilled trades classifications in the performance of maintenance and construction work, as set forth in the Agreement.

In all cases, except where time and circumstances prevent it, the Corporation will notify the Union in writing prior to letting a contract for the performance of maintenance and construction work in order to afford the Union an opportunity to hold advance discussion of the matter before the contract is let. In this discussion, the Corporation is expected to review its plans or prospects for letting a particular contract. The Union should be advised of the nature, scope and approximate dates of the work to be performed and the reasons (equipment, employment level, etc.) why the Corporation is contemplating contracting out the work. At such times, the Corporation is expected to afford the Union an opportunity to comment on the Corporation's plans and to give weight to those comments in the light of all attendant circumstances.

(b) Discussion of Outside Contract

When discussions are held, in accordance with the provisions of Section (17.16) (a) Skilled Trades and Section (17.17) Skilled Trades, the Supervisor of Plant Engineering may be accompanied by the Superintendent of Maintenance or other personnel familiar with the work involved.

JOB SECURITY

(c) Notice of Outside Contract

The following memo will be distributed to all Plant Engineering personnel issuing notices of outside contracting work:

"During our recent negotiations there were lengthy discussions in the quality and detail disclosed on the notice of outside contracting form.

To resolve the matter we agreed to advise the responsible areas in the plants, of these complaints and suggest that more definite information be included so that the Union Representatives would be able to identify the work to be performed. The above would be beneficial to both parties as some meetings presently requested could be avoided because the additional information would meet the Union's needs."

The Company will re-issue the Letter contained in this Section (17.16)(c) within two weeks of the date of ratification.

(d) Service Contracts and Warranty Arrangements

Advance written notification for the letting of skilled trades service contracts, and vendor warranty arrangements will be given to the Union.

The parties will meet periodically to discuss such service contracts and warranty arrangements.

(e) Use of Outside Contractors While Employees are on Layoff

During recent negotiations the Union expressed concern regarding the use of contractors while Skilled Trades Employees are on layoff.

As indicated in those sections of the Production Maintenance Agreement dealing with the subject of outside contracting, the Corporation will endeavour to maximize work opportunities for its Skilled Trades Employees.

Discussions on contracting, prior to any layoff or contemplated layoffs, will give full consideration to maintaining future work in house.

(17.17) Maintenance Contracting

This Section is intended to clarify the intent of Section (17.16) (a) pertaining to Skilled Trades Employees.

(a) It is the policy of Chrysler Canada Ltd. to perform maintenance work with its own employees, provided it has the employees, skills, equipment and facilities to do so and can do the work competitively in quality, cost and performance and within the projected time limits. At times the Corporation does not deem advisable doing the work itself, and it must, as in the past, reserve to itself the right to decide whether it will do any particular work or let the work to outside contractors. This Section is not to be regarded as impairing that right in any way.

(b) The Corporation hereby assures the Union that it has no plans to change its policy and that it expects to continue its general operating policy of placing primary reliance on its own skilled trades employees to perform maintenance work to the extent consistent with sound business practice, as in the past.

(c) The Corporation is genuinely interested in maintaining maximum employment opportunities for its skilled trades employees consistent with the needs of the Corporation. Therefore, in making these determinations, the Corporation intends always to keep the interests of Chrysler personnel in mind.

(d) In applying the provisions of Section (17.16) it is our intention that, except where time and circumstances prevent it, any "advance discussion" held in accordance with those provisions take place before any final decision has been made as to whether the work should be contracted out.

(e) In those cases when the work to be performed is not started by the contractor within ninety (90) days following the approximate starting date given to the Union

JOB SECURITY

pursuant to Section (17.16) (a), and the Union believes the circumstances in the plant have changed sufficiently to warrant review of the initial decision to let the contract, the Union, upon request, will be given an opportunity to comment on the changed circumstances. To the extent practicable, the Corporation will give weight to such comments.

It is important that the Corporation advise the Union of any or all of the factors mentioned in the above provisions which it will take into consideration in determining whether a particular contract should be let out or not. Such advice will be given in the course of the "advance discussion" so that the Union will be given a better opportunity to make its comments and the Corporation will also be given an opportunity "to give weight to those comments in the light of all attendant circumstances."

(17.18) Consideration and Advance Discussions

When a stamping or assembly plant is contemplating a decision to let to an outside source die or major jig and fixture work, the Plant Management will hold advance discussions with the Local Union concerning the nature, scope and approximate dates of the work to be performed and, based upon the considerations set forth in Section (17.19) Skilled Trades, as well as the magnitude of the construction program, the timing of each phase of the program, the availability of facilities, specialized equipment and necessary skills within the work force, the complicating effect of design modifications and bottleneck operations such as machining limitations and the unavailability of presses to perform necessary tryout work, the efficiencies and economics involved, and the need to maintain a reliable supply base in view of the fluctuations and uncertainties of the die, jig and fixture construction business, will review with the Union why the decision to let the work is contemplated. The Plant Management will take into consideration and afford due weight to any relevant

JOB SECURITY

information furnished by the Union before making its final decision.

A Plant Management decision to utilize an outside source for such work should consider, in addition to all the above relevant considerations, any adverse employment impact on the plant's journeymen/women in the affected skilled trades classifications who are laid off or would be laid off as a direct result of the decision. In making a final decision, the Corporation will not act arbitrarily or capriciously in disregard of the legitimate interests of Chrysler employees.

(17.19) Tool and Die Contracting

You have discussed with us at great length the possible effect on our skilled tool and die and model employees of decisions of the Corporation to buy some of its tools, dies, and models, rather than make them.

As we have pointed out to you in current negotiations, there are many and varied factors that may influence any particular decision to make or buy. We do not believe it is feasible to list general criteria. However, the Union has stated in our discussions that it recognizes a number of them, such as the need, among other things, to contract work that requires specialized tools and equipment and special skills and the necessity of meeting production schedules, model changes and re-arrangement deadlines.

In view of the foregoing, we have advised you that the Corporation cannot agree to any limitation or restriction on its right and responsibility to decide whether to make tools, dies, and models, or to buy them. However, we wish to make it clear to you that it is our policy, in making such decisions, to give proper consideration to the operating needs of the business, the efficiencies and economics involved and all other relevant considerations, including

the effect of the decisions on work opportunities of tool, die and model employees.

Where the Corporation considers that work practices or provisions of local agreements in its Tool, Die and Model Departments may be having an adverse effect on the Corporation's ability to compete in this field effectively, it will discuss such matters on a timely basis with the Local Union and explore with it fully the possibilities of taking practical steps with respect to such matters to the end of improving the employment opportunities of such employees. The Skilled Trades Representative of the Corporation is also willing to meet from time-to-time with the Skilled Trades Representative of the National Union to discuss, and provide information relative to plans the Corporation is formulating and decisions it is contemplating concerning tool and die contracting on a corporate-wide basis. A representative of an affected plant is willing to meet from time-to-time with the Skilled Trades Committeeperson at the plant to discuss, and provide information relative to plans the plant is formulating and decisions it is contemplating concerning tool and die contracting by the plant.

**(17.20) Tool and Die Contracting in
General Manufacturing Division, Engine,
and Casting Division Plants**

In our negotiations leading to the Production and Maintenance Agreement dated December 11, 1982 we discussed in great detail tool and die contracting by the Corporation, some aspects of which are the subject of Section (17.19) Skilled Trades, Tool and Die Contracting. In the course of these discussions we reiterated that the Corporation cannot agree to any limitation or restriction on its right and responsibility to decide whether to make tools, dies, models, jigs or fixtures or to buy them.

JOB SECURITY

We assure you, however, that when Journeymen/women skilled trades employees in the toolmaking trades, including machine repair where applicable, of a plant of the General Manufacturing and Engine and Casting Divisions are on layoff for any reason or become laid off as a result of the plant's contracting out work involving the fabrication, maintenance or repair of tools and dies, and of the kind normally performed by such skilled trades employees in the plant, the Skilled Trades Representative of the Corporation, on request, will meet with the Skilled Trades Representative of the National Union to discuss, and provide information relative to, plans the Corporation is formulating and decisions it is contemplating concerning such contracting. A good faith effort will be extended by the parties to find solution to the problems discussed in these meetings.

Letter (17.21) Quality Initiatives

During negotiations, the parties discussed the competitive nature of the auto industry in Canada and the potential impact upon job security for employees of Chrysler Canada Ltd.

During these discussions the Corporation addressed the importance of quality as one of the critical factors which can influence long-term viability of each of the facilities of Chrysler Canada Ltd. In this regard, the Corporation reviewed with the Union quality initiatives that are being introduced to ensure that the best possible quality standards are achieved. The programs reviewed included the Quality Improvement Process, Statistical Process Control methods, Performance Feedback Systems, training of employees to enhance operator skills, and other measures to measure and improve quality levels.

The parties agreed the application of these programs and processes is important for achievement of the quality objectives essential to the ongoing viability of each facility of Chrysler Canada Ltd.

Letter (17.22) Employee — Basic Responsibilities

During the current negotiations, the parties discussed at length the issue of job security. It is understood that faced with severe domestic and foreign competition, Chrysler must improve its manufacturing and other systems and provide for more productive and effective utilization of its capital and human resources if job security is to be attained.

One of the concepts discussed that would enable Chrysler to work toward meeting these important objectives and providing job security pertains to basic employee responsibilities. The Company believes setting forth an understanding of the duties that constitute basic

JOB SECURITY

responsibilities of all employees will encourage employee growth and cooperation, thereby improving productivity and increasing the flexibility of the Company's human resources.

As such, the Company and the Union agree that all employees are expected to take pride in their workmanship; have respect for other employees, union and salaried alike; be orderly and neat in their own workplace and otherwise respect the rights of others to work in an orderly, clean and safe environment.

All employees are expected to perform the various duties and basic responsibilities assigned to them.

Employees have the responsibility to ensure the equipment they use or work with is in proper working order. When a problem exists, they are to notify the appropriate personnel of such a problem, to minimize damage to themselves, other employees or to quality production of the product.

When time permits, employees may be expected to perform other tasks, relative to their normal operations.

(17.23) Memorandum of Understanding On Plant Closings

This Memorandum of Understanding supplements the Production and Maintenance Agreement between Chrysler Canada Ltd. and the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), and certain of its Local Unions as follows:

WHEREAS, the Corporation and the Union wish to provide work opportunity to employees laid off as a result of the phasing-out of operations prior to a plant closing and those laid off as the result of the closing itself; and

WHEREAS, due to the plant closing such laid off employees have no recall rights to any Corporation plant.

JOB SECURITY

NOW, THEREFORE, it is hereby agreed that effective and concurrent with the Production and Maintenance Agreement,

I

Employees laid off from a plant the Corporation has announced its intention to close and who are not expected to be recalled due to the closing will be placed on a list in the order of their seniority at the closed plant. As work they are qualified to do becomes available at other plants of the Corporation as a result of attritional openings, employees on the list will be eligible for placement in such jobs insofar as reasonably practicable in the order of their seniority at the closed plant.

An employee placed pursuant to this Paragraph I will be placed only when said employee's seniority is greater than the seniority of a laid off employee of the plant in which the attritional opening occurs and who otherwise would be recalled to the attritional opening.

II

Employees placed pursuant to Paragraph I, above, in a new plant of the Corporation within twelve (12) calendar months of the date it ships its first production will be credited at such plant with their full seniority at the closed plant at the time of their placement.

III

Employees who decline an opportunity to be placed pursuant to Paragraph I or II above, shall be removed from the list and thereafter shall be ineligible for placement pursuant to the terms of this Memorandum.

IV

JOB SECURITY

The Corporation shall not incur any liability for claimed violations or errors in administration of this Memorandum, and employees will not accumulate seniority or other rights by reason of this Memorandum.

NATIONAL AUTOMOBILE, CHRYSLER CANADA LTD.
AEROSPACE,
TRANSPORTATION
AND GENERAL
WORKERS UNION OF
CANADA (CAW-CANADA)

GENERAL

(18.1) Change of Address

Employees shall notify the Management of any change of address and a copy of the notification will be given the employee.

Within thirty (30) days after the ratification of this Agreement and every six months thereafter during the term of this Agreement, the Corporation shall give to the National Union and the respective Local Union the names of all employees covered by this Agreement together with their addresses as they then appear on the records of the Corporation. The National Union shall receive and retain such information in confidence and shall disclose it only to those officials of the Union whose duties require them to have such information.

Upon request of the Local Union to the Manager of Labour Relations and Safety, the Corporation shall give, not more than once in every quarter, current mailing labels of all retired, laid-off, and active employees covered by this Agreement.

Letter (18.2) Supervisors Working

It is the express policy of the Corporation that supervisory personnel are for the purpose of carrying out supervisory functions and are not expected to displace employees covered by this Agreement.

However, a supervisory employee may perform operations where an emergency arises out of unforeseen circumstances which calls for immediate action to avoid interruption of operations and the supervisor may also perform operations for purposes of instruction or training as may be necessary in the discharge of supervisory duties, provided that the act of performing the aforementioned operations in itself does not reduce or

GENERAL

affect the hours of work or pay of any employee covered by this Agreement.

Letter (18.3) Employees' Copies of Agreements

Agreements will be printed and made available to employees on a request basis.

(18.4) Supplemental Agreement Temporary Part-Time Employees

The parties agree that the Corporation may hire temporary part-time employees to supplement the work force for straight-time, overtime or weekend work in any plant covered by the current Production and Maintenance Agreement.

Therefore it is agreed this Supplemental Agreement shall govern the employment of such temporary part-time employees.

I. Temporary part-time employees are employees hired by the Corporation who shall normally be scheduled to work on Mondays and Fridays, in addition to premium days, subject to the following:

A. On days they are scheduled to work, temporary part-time employees may be scheduled any part or all of the hours scheduled for the department in which they are assigned.

B. Temporary part-time employees may be scheduled to work daily overtime and on days for which regular full-time employees receive premium pay as such for time worked provided they do not displace regular full-time employees.

C. The employment by the Corporation of temporary part-time employees shall not be considered as an infringement of the rights of regular employees under the current Chrysler Canada Ltd.-CAW Production and Maintenance Agreement provided, however, at the

GENERAL

time of a reduction in force, a seniority employee who is to be indefinitely laid off from the plant pursuant to such a reduction may request to displace a temporary part-time employee. Seniority employees who displace temporary part-time employees shall, during the period they would otherwise be on indefinite layoff, be required to comply with the work schedule for temporary part-time employees.

D. A seniority employee who upon being indefinitely laid off elects to displace a temporary part-time employee or who, while on such layoff is hired to work as a temporary part-time employee shall be paid a rate determined in accordance with the applicable provisions of Section (9.6) of the current Production and Maintenance Agreement. Such employee shall also be provided the level of life, accidental death and dismemberment insurance, and the HSMDDVH coverage, but not Supplemental Unemployment Benefits (SUB), to which the employee would have been entitled if the employee had continued as a laid off seniority employee, but only for the length of time the employee would have been entitled to such benefits if the employee had remained on indefinite layoff.

II. Temporary part-time employees (except temporary part-time skilled trades employees hired to work in a skilled trades classification) hired on or after the effective date of this Agreement shall be hired at a rate equal to eighty-five percent (85%) of the full base rate of the classification of the job to which they are assigned. At the beginning of the first pay period following two hundred seventy (270) days actually worked they shall receive an increase to ninety-two and one-half percent (92.5%) of the full base rate. At the beginning of the first pay period following five hundred and forty-five (545) days actually worked they shall receive the full base rate. A temporary part-time employee will receive credit for seven days

GENERAL

worked for each pay period during which the employee works.

III. A temporary part-time employee hired to work in a skilled trades classification shall be paid as follows:

A. If the employee possesses the qualifications required for journeyman/woman status in the classification in which the employee is employed the employee shall be paid the minimum rate of the classification for the first sixty days actually worked, and thereafter will be eligible for merit increases to the maximum rate of the classification; provided, however, that an employee not previously advanced to the maximum rate of the classification shall be paid the maximum rate upon completion of one hundred and twenty days actually worked.

B. If an employee does not possess the qualifications for journeyman/woman status, but has the qualifications required for temporary employee status in the classification in which the employee is employed, the employee shall be paid a starting rate commensurate with the employee's established and acceptable prior work experience in accordance with wage rate provisions applicable to employees hired, transferred or promoted on or after the signing of the current agreement. Wage rate advancement shall be consistent with those provisions.

IV. A temporary part-time employee shall not accumulate time toward the fulfillment of the 90 day probationary period while employed as a temporary part-time employee. In the event a temporary part-time employee becomes a regular full-time employee the employee shall be considered a new employee and shall receive no credit for any purpose for time during which the employee was employed as a temporary part-time employee.

GENERAL

V. The Corporation may discharge or terminate the employment of a temporary part-time employee at any time provided, however, the Union may protest in the grievance procedure the discharge or termination of a temporary part-time employee in cases of claimed discrimination on account of race, colour, national origin, age, handicap, sex or religion.

VI. A temporary part-time employee shall be entitled to Union representation including the grievance procedure in cases of alleged violation of this Supplemental Agreement.

VII. A temporary part-time employee shall be subject to the provisions of Sections (1.8) through (1.11) of the current Chrysler Canada Ltd.-CAW P & M Agreement. The initiation fee and monthly dues regularly required of temporary part-time employees shall be as determined by the National Union, CAW. Notice of the amounts of such fee and dues shall be given to the Corporation in writing by the National Union, CAW.

VIII. A temporary part-time employee will not be assigned to an operation expressly for the purpose of establishing a production standard on that operation; nor will the temporary part-time employee's performance be considered either in establishing a production standard or in a dispute over the production standard.

IX. A temporary part-time employee shall not be covered by the SUB Plan (Exhibit A), Pension Agreement or the Insurance Program, the Legal Services Plan or the Income Maintenance Benefit Plan and Voluntary Termination of Employment Plan except as provided in Sections I.D. and XII of this Supplemental Agreement. A temporary part-time employee shall have only such rights, privileges, compensation or benefits as are expressly set

GENERAL

forth by this Supplemental Agreement and the following sections of the current Chrysler Canada Ltd. - CAW P & M Agreement:

GENERAL

Section (8.1) (8.2) and (8.6) through (8.12)	— Working Hours
Section (9.1) (a)	— General Increase
Section (9.2)	— Cost-of-Living Allowance

X. A temporary part-time employee shall be paid time and one-half for time worked in excess of eight (8) hours in any continuous twenty-four hour period beginning with the starting time of the temporary part-time employee's shift and for time worked in excess of forty (40) hours per week. A temporary part-time employee shall be paid for hours worked on Saturday and Sunday in accordance with the provisions of Section (8.4) and (8.5) of the current Chrysler Canada Ltd.-CAW P & M Agreement.

XI. A temporary part-time employee shall receive eight (8) hours pay at the temporary part-time employee's regular straight-time hourly rate for any of the holidays enumerated under Section (12.1) of the current Chrysler Canada Ltd.-CAW P & M Agreement when such holidays occur on a regular workday of the employee's workweek, provided the employee (1) actually worked at least ninety (90) days prior to such holiday, (2) worked the employee's last scheduled working day prior to and the employee's next scheduled working day after such holiday within the scheduled workweek, and (3) would otherwise have been scheduled to work on such day if it had not been observed as a holiday.

XII. Temporary part-time employees will be provided \$3,750 life insurance and \$1,875 accidental death and dismemberment insurance. The Corporation will pay the premiums for coverage for any month in which the employee receives pay from the Corporation for any time during such month. Such coverage begins on the first day of the first calendar month next following the month in

GENERAL

which employment commences and ceases on the last day worked where employment is terminated.

Temporary part-time employees will also be provided H-S-M-D coverage but not Dental Expense, Vision Expense, Hearing Aid Expense, or Nursing Home Expense benefits or other benefits as provided under the Insurance Program. It is understood there will be no duplication of benefits because of coverages provided under the Insurance Program. The Corporation will pay the monthly premium for the following month's applicable coverage for each employee while the employee is at work. An employee is considered "at work" in any month if the employee receives pay for any time during such month. Such coverage begins on the first day of the fourth calendar month next following the month in which employment commences. Coverage ceases at the end of the month in which employment is terminated.

XIII. Any consent to be obtained from the Union concerning in-plant matters with regard to the T.P.T. Program must be obtained from either the Plant Chairperson or the Advisory Committee person.

XIV. This Agreement shall become effective concurrently with, and continue in full force and effect during the term of the Production and Maintenance Agreement.

XV. This Agreement supersedes and in all respects replaces the Supplemental Agreement-Temporary Part-Time Employees dated September 15, 1993.

NATIONAL AUTOMOBILE, CHRYSLER CANADA LTD.
AEROSPACE,
TRANSPORTATION AND
GENERAL WORKERS UNION
OF CANADA, (CAW-CANADA)

**Letter (18.5) Temporary Part-Time Program
- Cancellation**

We had several discussions concerning the Supplemental Agreement — Temporary Part-Time Employees.

The parties signed the Supplemental Agreement — Temporary Part-Time Employees and further agreed that the National Union, may cancel such Agreement because of abuses by giving the Corporation thirty (30) days advance notice.

Letter (18.6) TPT to Full Time

During the current negotiations the Union raised concerns regarding the appropriateness of requiring temporary part time (TPT) employees who wish to become full time employees to successfully complete the Company new hire testing procedures.

While recognizing the need of the Company to ensure it hires the best candidates, the parties acknowledged that TPT employees who do not meet the minimum standards of the Company's new hire testing procedure, will be given further consideration for employment based on the following conditions:

- (a) An active TPT employee on roll at the time of test.
- (b) Has completed three (3) consecutive years of service as a TPT employee and has worked a minimum of 400 hours in the third year.
- (c) Has maintained acceptable ratings during their tenure as a TPT employee.

TPT's may continue to work provided they meet the eligibility guidelines of the TPT program or until such time as a full time position is offered.

Local	Number of Employment Equity Committee Members	straight time hours paid per week when excused from regular work assignments
Local 444 Windsor Assembly Plant	1	40
Local 1285 Bramalea Assembly Plant	1	40
Local 1498 Windsor Office	16	

INDEX – AJAX

Paragraph/
Letter Page
 Number

TABLE OF CONTENTS

REPRESENTATION	2	
Number and Function	2.1	1
Day Shift Rights	2.2	2
WORK STANDARDS	4	
Implementation of 10-Minute Rest Period	4.1	2
Period When 10-Minute Rest Period Not Provided	4.2	3
SENIORITY.....	5	
Seniority Defined.....	5.1	3
Job Protection — Employees Absent from the Active Roll because of Illness	5.2	4
Seniority of Union Representatives	5.3	4
Seniority of Employees Promoted to Salary.....	5.4	5
LAYOFF AND RECALL	6	
Procedure — Other Than Skilled Trades	6.1	6
Procedure — Temporary Layoffs	6.2	7
TRANSFER AND PROMOTION	7	
Transfer of Employees Within the Plant.....	7.1	9
Transfer of Operations	7.2	11
Definition of Permanent Vacancy.....	7.3	11
Posting and Application Procedures	7.4	11
Loaning of Employees	7.5	13

INDEX – AJAX

	Paragraph/ Letter	Page Number
WORKING HOURS	8	
Overtime Other Than Skilled Trades.....	8.1	13
SKILLED TRADES	14	
Ajax Training Letter	14.1	14
GENERAL	18	
Statement of Policy No. 1		
Annual Inventory.....	18.1	14
Statement of Policy No. 2		
Rotation of Shifts	18.2	14

REPRESENTATION

Paragraph 2.1 - Number and Function

(a) Notwithstanding the provisions of the current P&M Agreement dealing with Representation, the following will be recognized, and responsible for all activity concerning Representation at Ajax Trim Plant:

Representative	Number
Chairperson	1
Committeeperson	3
Steward	2
Health & Safety	1
Benefits	<u>1</u>
Total	<u>8</u>

(b) The responsibilities of these full time Representatives will include, but not be limited to, grievance activity, substance abuse, affirmative action, WCB placement, benefits and health and safety. One of the above Committeepersons shall be an employee on a skilled trades classification.

(c) Overtime will track the relevant P&M sections and letters.

(d) This Agreement will commence no later than October 31 of 1993 and remain in effect until the expiration of the current Agreement as long as the population exceeds 500. In the event the population falls below 500 one of the above Union Representatives will be removed and below 300 one additional Union Representative will be removed. One Union Representative will be added if the population exceeds 850 active employees.

SPECIAL PROVISIONS — AJAX

Realignment of responsibilities will be put in place not later than the second Monday following notification to the President.

Paragraph 2.2 - Day Shift Rights

Members of the Plant Shop Committee and Executive Board members will not be required to work on the second or third shifts. The Union shall notify the Corporation in writing from time to time of the names of the Executive Board members [not to exceed (3)], of the respective effective dates of their appointment and the names, if any, of those former members whom they are replacing or discontinuing.

WORK STANDARDS

Letter 4.1 - Implementation of 10-Minute Rest Period

Within not more than five (5) working days after the scheduled vacation period, employees of the Ajax Trim Plant will receive one 10-minute rest period before lunch and another 10-minute rest period after lunch. The rest period before lunch shall be after the first two hours of the shift and the rest period after lunch shall be after the first two hours following the lunch period. Employees shall adhere strictly to said time limits. Continuation of said rest periods shall be conditional on strict adherence to said limits and to all other terms of this letter-agreement.

The employees shall produce as much with the above mentioned rest periods as they would without the rest periods, and in establishing work standards pursuant to Section (4.1) Work Standards of the Production and Maintenance Agreement between the parties hereto and in determining the fairness of said standards the parties

SPECIAL PROVISIONS — AJAX

and the Special Arbitrator shall treat such rest periods as time worked (i.e., the Corporation will require employees to work at 104.16 per cent of standard before and after such rest periods and increase the line speeds and modify the work and job assignments accordingly). Thus it is agreed that the production loss by reason of the rest periods shall be made up.

This letter-agreement shall run concurrently with the Production and Maintenance Agreement between the parties.

Letter 4.2 - Period When 10-Minute Rest Period Not Provided

Notwithstanding the provisions of Section (4.1) of the Production and Maintenance Agreement between the parties hereto regarding two (2) hours during the shift that relief is not provided, it is understood and agreed that when the Corporation provides two 10-minute rest periods the two hours referred to in P & M Section (4.1) will be reduced to one hour and forty minutes.

SENIORITY

Paragraph 5.1 - Seniority Defined

Seniority rights as provided in P & M Section (6.1)(b) shall be exercised as follows:

- i) in the class on the shift in the department
- ii) in the class in the department
- iii) in the department
- iv) junior in the group on the shift
- v) in the group
- vi) in the plant.

SPECIAL PROVISIONS — AJAX

SPECIAL PROVISIONS — AJAX

Paragraph 5.2 - Job Protection — Employees Absent from the Active Roll because of Illness

An employee who is removed from the active roll because of illness supported by satisfactory medical evidence will be eligible to return to said employee's own job within a classification, if the job continues to exist and be readily identifiable, provided the employee returns within twelve (12) months from the original date of disability or within such further period as mutually agreed upon by the Union and the Corporation. Pending such an employee's return (while medical evidence supports the likelihood that the employee will be able to return within the said twelve (12) months the job left open by such employee's absence may be filled on a temporary basis for the period involved, until the employee returns or medical evidence confirms that the employee will be unable to return, in which case the job shall be considered a permanent opening subject to posting requirements.

Paragraph 5.3 - Seniority of Union Representatives

Notwithstanding their seniority status:

(a) Plant Shop Committeepersons and Stewards shall, in the event of a layoff, be retained or returned to work when work is available in their jurisdiction in the plant in which they are employed, provided they are able and willing to do the work being done at the time, and

(b) Chairperson of the Shop Committee, President, of Local 1090, Vice-President, Financial Secretary, Health and Safety Representative and Benefit Plans Representative shall, in the event of a layoff, be retained or returned to work when work is available in the plant in which they are respectively employed, provided they are able and willing to do the work being done at the time.

**Paragraph 5.4 - Seniority of Employees
Promoted to Salary**

(a) An employee who transferred out of the bargaining unit or from a position subsequently included in the bargaining unit at any time prior to March 12, 1966, and who is thereafter transferred again to a position included in the bargaining unit, shall return to the bargaining unit with a seniority date that represents the seniority the employee had accumulated as of March 12, 1966.

An employee transferred out of the bargaining unit after March 12, 1966, and who is thereafter transferred again to a position included in the bargaining unit shall return to the bargaining unit with a seniority date that represents the seniority the employee had accumulated immediately prior to the transfer out of the bargaining unit.

An employee transferred to a position included in the bargaining unit as provided above shall be transferred to the department in which the employee worked immediately prior to the transfer from the unit and shall displace the junior employee in that department. If that department no longer exists or if the employee's seniority does not entitle the employee to displace the junior employee in the department the employee shall, seniority permitting, displace the junior employee in the plant and shall enjoy seniority rights in all respects according to the provisions of this Agreement.

(b) This Paragraph shall not apply

(i) until the plant is converted to plant-wide layoff following a temporary or model change layoff;

(ii) to employees who after their transfer from the bargaining unit worked or hereafter work in an excluded classification which is subject to the provisions of any other Collective Bargaining Agreement;

SPECIAL PROVISIONS — AJAX

(III) to employees who, while working in an excluded classification, left the employ of the Corporation at any time prior to March 12, 1966, or who thereafter leave the employ of the Corporation and are subsequently rehired.

LAYOFF AND RECALL

Paragraph 6.1 - Procedure — Other Than Skilled Trades

(a) In any layoff or recall where the particular skill of the employee is involved and where the layoff or recall will not exceed two (2) full working days it shall be considered as temporary and the provisions relating to seniority shall not apply. The provisions of this Paragraph shall not apply to any individual employee for more than a total of two (2) full working days in any one (1) month.

(b) In any instance where the above situation exists the Plant Shop Committee will be notified prior to such layoff.

(c) In the event of a reduction in the number of employees in a department for a period of five (5) full working days or less, probationary employees in the department or departments involved shall be the first to be laid off and thereafter employees in the department or departments with the least departmental seniority and so on.

(d) In the event of a reduction in the number of employees in a department or departments for a period in excess of five (5) full working days or more, probationary employees of the Corporation shall be the first laid off and thereafter employees of the Corporation with the least plant-wide seniority and so on.

SPECIAL PROVISIONS — AJAX

(e) Where a layoff has been commenced on a departmental seniority basis and management is of the opinion that such a layoff will be for a period in excess of five (5) full working days, management will recall those employees with greater plant-wide seniority at any time within five (5) full working days to replace those employees who are working with less plant-wide seniority if they are able to perform the work.

(f) In the case of a reduction of the working force, where in order to retain an employee with plant-wide seniority the employee must be transferred in lieu of layoff to another job, said employee shall only be entitled to transfer to a job which the employee has previously performed satisfactorily or to a job which the employee is able and willing to perform within a reasonable time.

(g) The Corporation agrees, whenever possible, to advise employees twenty-four (24) hours in advance of a layoff.

(h) In the event of an increase in the working force employees shall be recalled in reverse order in which they were laid off so that the last employee laid off shall be the first recalled, provided the employee is able and willing to perform the job available within a reasonable period of time. Employees thus recalled will be moved back to their former department in which they held seniority, prior to layoff, and to their former jobs in such department as soon as such jobs become available.

(i) In recalling employees after a model changeover, layoff, experienced cutters, regardless of seniority, may be called back to work five (5) full working days before any other employee in order to learn the changes of a new model and to expedite the start-up of production.

Paragraph 6.2 - Procedure — Temporary Layoffs

SPECIAL PROVISIONS — AJAX

When there is a temporary layoff, that is, a reduction in force for a definite period of time which is not a temporary adjustment, employees in each department or such groupings of departments performing substantially similar work as may be agreed upon locally will be laid off as follows:

(a) Probationary employees will be laid off.

(b) Employees with less than one (1) year of seniority will be laid off according to seniority.

(c) Employees with one (1) year or more of seniority will be laid off in the inverse or descending order of their seniority with the most senior employee being laid off first. They will be advised of the expected duration of the layoff and their scheduled return date. However, such employees may elect to remain at work and if able to perform the available work will be permitted to do so in the same seniority order up to the number of employees required.

The above arrangement must result in maintaining an experienced, qualified work force capable of assuring the uninterrupted efficient operation of the plant.

(d) If the expected duration of the temporary layoff is subsequently extended to a later but definite date, employees laid off pursuant to Subparagraph (c) above will be afforded the option of returning to work on the date originally scheduled or remaining on layoff for the duration of the extended period.

An employee who elects to return on the originally scheduled date will displace the junior employee on the shift in the classification in the department.

(e) (i) If it becomes necessary to recall employees laid off under Subparagraph (c) above prior to the date originally planned, they will be recalled in the ascending order of their seniority with the most junior such employee

SPECIAL PROVISIONS — AJAX

on each shift in each classification in each department or group of departments being recalled first.

(ii) If, after employees are temporarily laid off under Subparagraph (c), it is determined in a department or group of departments that the temporary layoff will be extended for an indefinite period of time, the work force in the department or group of departments including those employees on temporary layoff will be adjusted within ten (10) working days in accordance with Paragraph 6.1 above.

(iii) If the duration of a temporary layoff is expected to exceed ten (10) working days, the Local Union will be so notified. At the request of the Local Union, the Management will consider employees on all shifts in a department as being on one shift for the purposes of this Paragraph 6.2. In a temporary layoff of such expected duration, the Local Union may also request the Management to waive the Temporary Layoff provisions set forth in this Paragraph 6.2 and Management will reduce the working force according to the Layoff provisions as set forth in Paragraph 6.1 above. Either of such requests shall be made in writing within twenty-four (24) hours of the time the Union is notified of the layoff.

TRANSFER AND PROMOTION

Paragraph 7.1 - Transfer of Employees Within the Plant

(a) When a seniority employee is transferred to fill a vacancy in the plant and has the ability to do the work within a period of twenty (20) days working on the job or longer if agreed to between the Corporation and the Plant Shop Committee, said employee shall carry the respective accumulated seniority to the new department and shall enjoy seniority rights accordingly.

SPECIAL PROVISIONS — AJAX

(b) In the event the employee fails to qualify within the agreed upon time, the employee shall have the opportunity to revert to the former job within the department from which the employee was transferred.

(c) The Chairperson of the Plant Shop Committee will be notified of any proposed promotion, demotion or discharge.

(d) When an employee is transferred at own request from one department to another, the employee shall carry to the new department the seniority accumulated in the department from which the employee was transferred and continue to accumulate seniority in the new department.

(e) When an employee is transferred from one department to another at the request of the Corporation, the employee shall retain seniority in the department from which the employee was transferred for a period of thirty (30) calendar days. Thereafter the employee shall carry to the new department the seniority accumulated in the department from which the employee was transferred and continue to accumulate seniority in the new department. An employee so transferred will be given the choice of returning to the department from which the employee was transferred or remaining where the employee is if an opening occurs in such department within a period of six (6) months. In transferring employees under this Subparagraph (e) the junior employee in the department concerned with the ability to satisfactorily perform the work to be done shall be transferred. Any absences five (5) days or greater will be recognized under the provisions of this Subparagraph (e).

(f) In the case of a temporary transfer to a classification with a lower base rate, the employee with the least departmental seniority who has the ability to perform the work to be done, shall be the first transferred.

SPECIAL PROVISIONS — AJAX

This clause shall not apply in the event of an employee being transferred in lieu of layoff.

(g) In cases of proposed transfer of an employee to another department within the plant, the Corporation will transfer the junior employee in the department.

Paragraph 7.2 - Transfer of Operations

When operations being performed by employees covered by this Agreement are transferred from one department to another within a plant, the senior employees on the operations so transferred may elect to be transferred to the receiving department, seniority prevailing and will carry full seniority to the receiving department.

Paragraph 7.3 - Definition of Permanent Vacancy

Supervisors, in filling permanent vacancies within the department, will give preference to employees with the greatest seniority who are able to satisfactorily perform the work to be done. A permanent job is one which is expected to last more than thirty (30) days unless extended by mutual agreement.

At the point that by the operation of this Paragraph or Paragraph 7.4 a job becomes permanent, it shall be subject to the job opportunity claims outlined in Paragraph 7.4 to the extent provided for in that Paragraph.

Paragraph 7.4 - Posting and Application Procedure

(a) Whenever vacancies exist or new jobs are created excepting those affecting promotions to supervisory positions in the plant notice of such vacancies or new jobs shall be posted on bulletin boards in the plant for a period

SPECIAL PROVISIONS — AJAX

of three (3) days. Application to fill such vacancies or new jobs shall be made on forms supplied by the Corporation within the said three (3) days and the applicants will be considered in accordance with seniority and ability to satisfactorily perform the work to be done. It is agreed that only three (3) postings will be made as a result of a vacancy in a classification. The successful applicant's name will be posted within three (3) days from the time the posting is removed from the board.

(b) An employee who has bid successfully on a job posting may not bid on another job posting for a period of six (6) months, unless the job to which the employee was transferred as a result of such successful bid is subsequently discontinued; then the employee would be free to bid on the next job posting.

(c) The job posting clause will be non-operative for a period of one (1) month during a temporary layoff or model change layoff. In the event a new job or classification occurs during this period it may be filled on a temporary basis, but the Corporation will be required to post the new job in accordance with (a) above. Any ability gained by such an employee will not be used against employees with a higher amount of seniority who will bid for job postings after model changeover.

(d) In the case of demotion to a classification with a lower base rate the employee with the least departmental seniority shall be the first to be demoted.

(e) Probationary employees shall not be eligible to exercise any job opportunity rights.

(f) The successful applicant on a job posting shall carry said employee's respective accumulated seniority to the new department immediately and shall enjoy seniority rights accordingly.

SPECIAL PROVISIONS — AJAX

(g) In the event an employee is transferred from, laid off, or cut back from a department for a period in excess of six (6) months, then the job or jobs performed by the employee prior to being transferred, laid off or cut back, must be posted plant wide, in the event they subsequently become available.

(h) The successful applicant on a job posting will, except in unusual circumstances, be transferred to the new job within a period of five (5) working days of the date on which the employee is determined by Management to be the successful applicant.

Paragraph 7.5 - Loaning of Employees

The Company agrees that when employees are to be loaned the Company will use the junior available employee who is able to satisfactorily perform the work required to be done.

WORKING HOURS

Paragraph 8.1 - Overtime Other Than Skilled Trades

Overtime other than in the skilled trades will be evenly distributed when reasonably possible among those employees in the same department or group and on the same shift, provided they are able to satisfactorily perform the work to be done. In the event an employee voluntarily misses a turn at such overtime the employee shall be considered as having worked the turn insofar as distribution of such overtime is concerned.

SKILLED TRADES

Letter 14.1 - Ajax Training Letter

During the course of the current negotiations the parties discussed the issue of Skilled Trades Training at Ajax Trim Plant. The union is concerned about previous problems in obtaining further training. In order to supplement the potential for upgrading through the tuition refund program, every effort will be made to accommodate Skilled Trades employees in the technical training sessions provided at Bramalea Assembly.

The Skilled Trades at Ajax Trim Plant will be afforded the opportunity to participate in relevant training programs at Bramalea Assembly Plant, provided this arrangement does not interrupt the efficient operation of the plant and depending on space availability at Bramalea.

GENERAL

18.1 Statement of Policy No. 1 Annual Inventory

At the Ajax Trim Plant, the Corporation reserves the right when taking inventories, to employ only those employees who are working in the stock chaser classification and familiar with the inventory to be taken.

18.2 Statement of Policy No. 2 Rotation of Shifts

The policy with respect to rotation in a department where work is performed on more than one shift is as follows:

SPECIAL PROVISIONS — AJAX

(a) Where operations are performed on more than one shift those employees assigned to those operations will take their turn on such shifts without regard to seniority.

(b) Where operations are performed only on one shift the employees assigned to those operations will not be subject to swinging. The Corporation and the Union may agree on exceptions.

(c) In administering the provisions of paragraph (a), employees whenever reasonably practicable will not be required to work more than two (2) consecutive weeks on the second or third shift.

(d) This policy statement shall not interfere with any mutually acceptable arrangements between employees to exchange shifts where such arrangement is approved by the supervisors involved.