

COLLECTIVE AGREEMENT

BETWEEN

SKLAR PEPPLER FURNITURE CORPORATION

(hereinafter referred to as "the Company")

of the FIRST PART

- and

UNITED STEELWORKERS OF AMERICA, AFL-CIO-CLC

THROUGH ITS AGENT, LOCAL SOU

(hereinafter referred to as "the Union")

of the SECOND PART

TERM OF AGREEMENT:

March 1, 2002

to

February 28, 2005

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INDEX

ARTICLE	PAGE No.
1. Purpose of Agreement	1
2. Recognition & Coverage	1
3. Reservations to Management	2
4. Union Activity	2
5. Union-Company Cooperation	2
6. No Discrimination	3
7. Strikes & Lock-outs	3
8. Representation	3
9. Grievance Procedure	4
10. Arbitration	6
11. Discipline & Discharge Cases	8
12. Hours of Work	9
13. Seniority	10
14. Job Posting	12
15. Reporting Pay	13
16. Standby Pay	13
17. Rest Periods	14
18. Bulletin Boards	14
19. Safety & Health	14
20. Paid Holidays	15
21. Leave Of Absence	16
22. Jury Duty	17
23. Bereavement	17
24. Tools & Supplies	18
25. Wage Rates	18
26. Vacations with Pay	19
27. Transfers	20
28. Union Security	20
29. Job Evaluation	22
30. Pay on Day of Injury	22
31. Health & Welfare	22
32. Pension Plan	24
33. Overtime • Saturday & Sunday Work	25
34. Pay Day	26
35. Shift Premium	26
36. Cost of Living Allowance	26
37. Canada Savings Bonds	28
38. Automation & Technological Changes	28
39. Time Study Observations	28

40. Duration of Agreement	30
Schedule "A" - Job Classification and Wage Rates	31
Schedule "B" - Enrolment in and Administration of the Welfare Plan	34
Schedule "C" - Transfer of Employees – Application and Definitions	36
Schedule "D" - Apprenticeship Program	38
Letters of Understanding	39
Letters of Intent	40

THIS AGREEMENT made and entered into this 3rd day of March, 2002.

BETWEEN:

SKLAR PEPPLER FURNITURE CORPORATION
(hereinafter referred to as "the Company")

of the FIRST PART

- and -

UNITED STEELWORKERS OF AMERICA, AFL-CIO-CLC,
through its Agent, Local 50U
(hereinafter referred to as "the Union")

of the SECOND PART

ARTICLE 1

PURPOSE OF AGREEMENT

- 1.01 The parties are agreed that the purpose of this Agreement is to provide orderly collective bargaining relations between the Company and the Union, to secure prompt and equitable disposition of grievances and to eliminate interruption of work and interference with the proper operation of the Company's business.

ARTICLE 2

RECOGNITION & COVERAGE

- 2.01 The Company recognizes the Union as the collective bargaining agent for all of its employees at its Sklar Division in Durham Region, save and except foremen, foreladies, persons above the rank of foreman or forelady, office staff, sales staff and watchmen employed by the Company exclusively to perform the work of security guards.
- 2.02 The Company agrees that Supervisory/Management Staff will not perform hourly bargaining unit functions or jobs except in cases whereby the Supervisor/Manager is assisting an hourly employee when the regular employee who normally performs that function is not readily available or in emergencies beyond the Company's control. In such cases the intent is to ensure that production runs in a cost effective and orderly fashion not to displace hourly employees or their jobs.

- 2.03 The word "employee" or "employees" whenever used in this Agreement shall mean any or all employees, male or female, in the bargaining unit as defined above.

ARTICLE 3

RESERVATIONS TO MANAGEMENT

- 3.01 The Union recognizes the right of the Company to hire, promote, or transfer employees and to suspend, demote, discharge or otherwise discipline any employee for just cause subject to the terms of this Agreement.
- 3.02 The Union further recognizes the responsibility of the Company to operate its business in all respects in accordance with its commitments and responsibilities. The location of equipment, the products to be manufactured, the number of employees, the schedules of production, the methods, processes and means of manufacturing are exclusively the responsibility of the Company.
- 3.03 It is agreed that the above Management's rights shall not be exercised in a manner which violates any of the provisions of this Agreement.

ARTICLE 4

UNION ACTIVITY

- 4.01 The Union agrees that there will be no Union activity of any kind on the Company's premises during working hours, except that which is necessary in connection with the handling of grievances and the enforcement of this Agreement, and that there will be no collective Union activity on the Company's premises unless specific permission is granted by the Company in writing.

ARTICLE 5

UNION-COMPANY COOPERATION

- 5.01 The Union and the Company agree to cooperate in order to maintain quality of production.

ARTICLE 6

NO DISCRIMINATION

- 6.01 There shall be no discrimination, intimidation or coercion by the Company or the Union or its members against any employee.

ARTICLE 7

STRIKES & LOCK-OUTS

- 7.01 The Company agrees that it will not lock out the employees.
- 7.02 The Union agrees that it will not call, authorize, encourage or support any strike, stoppage of work or slowdown, partial or complete.
- 7.03 No employee or employees shall instigate or participate in any unlawful strike, stoppage of work or slowdown which would be detrimental to the production of the Company.

ARTICLE 8

REPRESENTATION

- 8.01 The Union shall appoint a Union Shop Committee consisting of a number of Stewards, each of whom must have been in the employ of the Company for a minimum period of six (6) months prior to their appointment.
- 8.02 The Union agrees to furnish the Company and to maintain from time to time a complete, up-to-date list of its Stewards.
- 8.03 One Steward shall be appointed and shall represent each one of the departments or zones which are established by the parties at the time of the signing of this Agreement. It is understood that the Company may effect changes in the make-up of zones or departments for the purposes of Steward representation, provided, however, that the numerical representation of employees by Stewards shall be retained. The Company shall advise the Union of any changes which it effects in the make-up of departments or zones and it is understood that the right of the Company to make such changes shall not be of a recurring nature so as to continually disrupt the consistency of the Union Shop Committee.
- 8.04 It is understood that Stewards have regular duties to perform in connection with their employment. Before leaving regular duties to function as a Steward, an employee must first obtain permission from his foreman to do so. Such consent from the

foreman will not be unreasonably withheld. if his duties as a Steward make it essential for him to leave his own department or go to another department, he must first report to the foreman of that department, before contacting any employee. The Company agrees that it shall make every reasonable arrangement without undue delay to assure that its supervisors will take necessary steps to arrange for the attendance of Union Stewards in any particular department in order to carry out legitimate Union business without interference.

- 8.05 The Company will pay for time spent by Stewards not working on incentive during working hours for discussions of grievances in the plant or with the Company at basic hourly rates. Stewards, working on incentive shall, during the period they are engaged directly on grievances, be paid an amount equal to their average hourly earnings calculated over the previous four (4) weeks worked, not to exceed the previous six (6) weeks, for time involved on such grievances. There shall be no abuse of these privileges. The allowances shall not in any case be in excess of a total of six (6) hours per month for each steward and a total of forty (40) hours per month for the Chief Shop Steward and five (5) hours per month for the Local President. Any unused time allotted to the monthly allowance for each Steward may be applied to the Chief Shop Steward allowance for that particular month provided the Chief Shop Steward has already used his or her total allotment of forty (40) hours per month. Any unused time shall not be carried over to the following month.
- 8.06 Whenever a Union representative or Union Staff Representative visits the factory to discuss matters with employees, he shall, upon entering the premises of the Company, identify himself, and make known to a representative of the Company the names of any employees he wishes to see so that necessary arrangements may be made in a manner not to unnecessarily disrupt production. Such a Union representative or Union Staff Representative may have access to the workers at reasonable times.
- 8.07 The Chief Steward, if not already on the day shift, will be assigned to the day shift in the same job title that he occupies at the time of his election to the Chief Steward position.

ARTICLE 9

GRIEVANCE PROCEDURE

- 9.01 It is the mutual desire of the parties hereto that all claims of an alleged violation of this Collective Agreement shall be adjusted as quickly as possible. It is understood that an employee has no grievance until he has personally processed same in accordance with the following steps of the Grievance Procedure.

STEP 1

The employee shall present his grievance in writing to his foreman, or in the alternative, the written grievance of the employee may be presented to the foreman of the employee Concerned by the Union Steward. The foreman shall render his decision in writing not later than two (2) working days following receipt of the grievance.

STEP 2

in the event that the grievance is not settled under Step 1, the employee or the Steward of the employee Concerned may present the grievance within two (2) working days after the written answer of the foreman has been received to the Production Manager who shall render his written decision on the grievance not later than three (3) working days after receipt thereof.

STEP 3

In the event that the grievance has not been settled, any member of the Union Shop Committee may present the written grievance to the Human Resources Manager or his representative within three (3) working days after the written answer of the Production Manager has been received. When the grievance is discussed at this Step, the authorized officer, or a representative of the Union, may attend at the request of either party. The Human Resources Manager or his representative shall render his written decision on the grievance not later than five (5) working days after the grievance meeting. The Local President should be present in all Third Step Grievances. The Local Union to pick up the cost.

9.02 The Union shall have the right to submit a policy grievance in writing to the Company. For the purpose of this clause, a policy grievance is one which directly affects one or more employees on a matter of interpretation, administration or alleged violation of this Agreement, but shall not relate to matters of administration or discipline through discharge, suspension, warning, reprimand or demotion. A policy grievance under this clause shall be submitted to the Company at a meeting between the representatives of the Company and the Union called together for this purpose which meeting may be called by either party on five (5) days' notice. in the event that any such policy grievance presented by the Union is not settled within four (4) days after presentation, it will be subject to arbitration in the same manner as other forms of grievances.

9.03 At any stage of the Grievance Procedure, including arbitration, the conferring parties may have the assistance of the employee, or employees concerned, and any necessary witnesses, and all reasonable arrangements will be made to permit all conferring parties to have access to the plant to view disputed operations and to confer with the necessary witnesses.

9.04 Any and all time limits set forth in this Article and Article 10 may, at any time, be extended by mutual agreement between the parties hereto.

- 9.05 A grievance of any kind shall not be considered if nine (9) working days have elapsed from the time when the matter in dispute occurred up to the time of the presentation of the grievance. Only under unusual circumstances will any grievance be considered by the Company when presented after this nine (9) working day period. For this purpose, unusual circumstances are defined to be restricted to plant shut-down, vacation period, absence from work due to leave of absence, personal illness or personal illness of the foreman to whom certain grievances must be presented. When any of such unusual circumstances exist, the grievances must be presented no later than twenty-one (21) working days after the occurrence of the matter in dispute.
- 9.06 All decisions which shall be rendered in writing at each level arrived at between the Company and the Union representatives shall be final and binding upon the Company, the Union and the employee or employees concerned.
- 9.07 During all periods of the Grievance Procedure and Arbitration, the employees shall carry on with their allotted work.
- 9.08 The Company has the right to present a grievance against the Union, its officers, its members in the bargaining unit or other representatives, for failure to comply with the terms of this Agreement. Any grievance presented by the Company shall be in writing to the Union Staff Representative of the Union for the plant, and in the event that any grievance presented by Management is not settled within four (4) working days after presentation, it will be subject to arbitration in the same manner as a grievance presented by an employee, a group of employees, or the Union.

ARTICLE 10

ARBITRATION

- 10.01 Failing settlement under the Grievance Procedure of any difference concerning the interpretation or alleged violation of this Agreement, the matter in dispute may be taken to arbitration, provided that if no written request for arbitration is received within fifteen (15) working days after the final decision is given under the Grievance Procedure, it shall be deemed to have been settled or abandoned.
- 10.02 When either party requests arbitration as hereinafter provided, it shall make such request in writing, addressed to the other party to this Agreement, and at such time, name their arbitrator. Within five (5) days the other party shall appoint an arbitrator; the two arbitrators shall meet immediately, and if within three (3) full working days they fail to settle the grievance, they shall attempt to select by agreement a Chair of the Arbitration Board.
- 10.03 if they are unable to agree upon such a Chair within the further period of twenty-four (24) hours, either may then request the Minister of Labour for the Province of Ontario to assist them in selecting an impartial Chair.

- 10.04 No person may be appointed arbitrator who has been involved in an attempt to negotiate or settle the grievance.
- 10.05 No matter may be submitted to arbitration which has not been properly carried through all steps of the Grievance Procedure.
- 10.06 The Arbitration Board shall not be authorized to make any decision inconsistent with the provisions of the Agreement, nor to alter, modify or amend any part of this Agreement. The Company and the Union agree that the use of a Sole Arbitrator will be considered on a case by case basis subject to the agreement of both parties.
- 10.07 The proceedings of the Arbitration Board will be expedited by the parties hereto, and the decision of the majority of such Board shall be final and binding upon the parties hereto.
- 10.08 Each of the parties hereto shall bear the expense of the arbitrator appointed by it and the parties shall jointly bear the expense, if any, of the Chair of the Arbitration Board.
- 10.09 in the event that either party fails to appoint a person to act as its nominee on the Arbitration Board, and accordingly such appointment is made by the Minister of Labour for the Province of Ontario, such person appointed by the Minister of Labour will be considered for all purposes as the appointee of the party who originally failed to appoint and accordingly such person will be paid by that party.
- 10.10 in the event that there is no majority decision of the Board of Arbitration, the decision of the Chair shall be final and binding upon the parties hereto.
- 10.11 in the event that there is a dispute involving work standards, any Chair appointed or selected for a Board of Arbitration shall be a person who is technically qualified to deal with the matters in dispute.
- 10.12 The authority of any Arbitration Board in dealing with a dispute following discharge, suspension or other discipline of an employee shall be limited, whereby in the event of a grievor's claim arising from unjust discharge, unjust suspension or unjust disciplinary action be upheld, the compensation which may be granted to the grievor by the Arbitration Board shall be confined to actual net loss of wage earnings as a result of the discharge, suspension or other discipline.

ARTICLE 11

DISCIPLINE & DISCHARGE CASES

- 11.01 **A** claim by a permanent employee that he has been discharged, suspended or otherwise disciplined without just cause shall be treated as a grievance, provided a written statement of such grievance signed by the discharged, suspended or disciplined employee is lodged with the Company within nine (9) working days after the employee ceased to work for the Company or was suspended or otherwise disciplined by the Company.
- 11.02 Such grievance shall be settled by confirming the Company's action in dismissing, suspending or otherwise disciplining the employee or by reinstating the employee with or without compensation for time lost and full retention of seniority and subject to the terms of Article 9 above.
- 11.03 When a derogatory notation is placed against the record of an employee, notice of such notation shall be given to the employee and the Steward in the employee's department.
- 11.04 In the event that a period of twelve **(12)** calendar months has elapsed since a derogatory notation was placed upon an employee's personnel record and no further derogatory notation has been placed upon such employee's personnel record during the twelve (12) calendar month period, such derogatory notation shall be removed from the employee's personnel record.
- 11.05 The Company shall notify the Chief Shop Steward or the Local President, the Departmental Steward or the Union Staff representative of the Union of any discharge or suspension within two (2) hours thereafter but if none of the aforesaid persons are available within the period of two (2) hours, then such notification shall be given by the Company as soon as possible after the discharge or suspension. Notification given under this Article shall be in writing and shall state the reason or reasons for discharge or suspension.
- 11.06 **A** Union Steward shall be in attendance at any meeting between an employee and a representative of the Company held for the purpose of determining whether a derogatory notation may be placed upon the employee's personnel record or whether a more severe form of disciplinary action may be taken against the employee. **A** Union Steward will be in attendance at any meeting between an employee and a representative of the Company held for the purpose of discussing a pay rate.
- 11.07 **An** employee to whom a suspension of two (2) or more working days is issued shall be required to serve the suspension on consecutive working days.

ARTICLE 12

HOURS OF WORK

12.01 The standard, normal work week shall consist of three (3) separate shifts referred to hereinafter as (1) Day Shift, (2) Afternoon Shift, (3) Night Shift, forty (40) hours of work performed exclusive to each other Monday to Friday, eight (8) hours per shift for the Day and Afternoon Shift and Sunday to Thursday, eight (8) hours per shift for the Night Shift.

The normal starting time for the day shift shall be 7:00 a.m. to 3:30 p.m. and for the afternoon shift, 4:00 p.m. to 12:30 a.m. The employees shall have a one-half (1/2) hour lunch period. The schedule of forty (40) hours shall not be construed to mean a guarantee of hours of work per shift or per week.

12.02 Hours of work shall be calculated on a quarter (1/4) hour basis so that employees who are only required to work a portion of any quarter (1/4) hour period past normal starting time shall be paid for the full quarter (1/4) hour in which such work was performed.

12.03 It is agreed that the normal daily working hours for any employee may be altered when necessary, provided, however, that the Company shall notify the Union in writing, giving reasons, in advance of making any contemplated changes in working hours so that the matters may be discussed by the parties.

12.04 An employee who is sent home due to lack of work prior to the end of the employee's regular scheduled shift shall be given two (2) hours' notice or be paid two (2) hours' pay in lieu of notice at the employee's base rate.

ARTICLE 13

SENIORITY

- 13.01 **An** employee shall be considered on probation until after he has worked a total of thirty-five (35) days for the Company. His name shall be placed on the seniority list and his seniority date shall commence from the date of last hiring. There shall be two (2) types of seniority, being departmental and plant-wide seniority.
- 13.02 One main plant-wide seniority list and one departmental seniority list shall be prepared to cover all employees who have completed their probationary period. Both seniority lists will specify the employee's shift; day shift, afternoon shift, or night shift.
- 13.03 in the event of a lay-off or recall for a period which extends beyond the remainder of a working day or a working shift, an employee may exercise departmental seniority. in the event of a lay-off or recall for a term in excess of five (5) working days, an employee may exercise plant-wide seniority, the seniority right for an employee may be exercised provided he has the skill, ability, experience and qualifications to perform the required work. In determining the skill, ability, experience and qualifications of an employee under this Article, the Company agrees that it will not act in an arbitrary manner.
- 13.04 Permanent transfers will be based primarily on the skill, ability, experience and qualifications of the employee concerned, but as between two persons of approximately equal standing based on the above factors, seniority shall govern. The Company shall not discriminate or act in an arbitrary manner and any employee who claims that he has been discriminated against in this regard is entitled to invoke the Grievance Procedure. The filling of supervisory positions shall not be subject to the provisions of this Agreement. This Article shall not apply to transfers brought about due to lay-off or because of a demotion.
- 13.05 **An** employee transferred out of the bargaining unit shall lose all seniority rights and, if returned to the bargaining unit, shall re-enter as a new employee.
- 13.06 **An** employee shall not lose any seniority because of absence due to sickness or injury provided that he furnishes the Company with a satisfactory medical certificate specifying the type of illness or injury suffered during his absence and that he will be able to return to work on a regular basis to perform the required work.
- 13.07 It is agreed that the Company will furnish the Union with a list of all employees who are eligible to be placed on the seniority list and this list will contain the name and hiring date of every employee who qualifies, and such seniority list will be revised and posted in convenient locations in the plant every six (6) months. The Union shall be provided with twenty (20) copies of the seniority lists. At the Union's request, the Company will provide a job title list, separate from the seniority list.

- 13.08 Laid off employees shall be called back to work in the inverse order to that in which they were laid off subject to the skill, ability, experience and qualifications of any employee to perform the required work. Should any employee dispute a decision of the Company in this regard, he may present a written grievance.
- 13.09 in the event of any lay-off or recall, the Union President, Union Stewards and the most senior safety committee representative shall enjoy top plant-wide seniority, subject, however, to the fact that in order to exercise such seniority the Union President, any Union Steward or the safety committee representative must have the skill, ability, experience and qualifications to perform the required work. The most senior safety committee representative shall be the person with the greatest length of continuous service with the Company.
- 13.10 Whenever there are employees on short term or long term lay-off and the Company finds it necessary to hire additional employees for new or unfilled classifications, the employees who are on lay-off shall be granted preference by the Company before hiring new employees.
- 13.11 An employee shall lose his seniority rights and his employment shall be deemed to be terminated for any one of the following reasons:
- (a) he is discharged for proper cause;
 - (b) voluntarily quits or leaves his employment with the Company;
 - (c) is absent without leave for a period greater than three (3) working days without providing an explanation satisfactory to the Company;
 - (d) after lay-off, fails to report to work for seven (7) days after recall, unless satisfactory explanation is given;
 - (e) has been laid off for a period of twelve **(12)** consecutive months;
 - (f) being granted leave of absence by the Company, he accepts employment elsewhere during his term of leave of absence.
- 13.12 All students will be considered to be temporary employees and will not accumulate seniority for time worked while a student. Students will have union dues deducted commencing on their date of hire. Students shall be paid the rate of pay for the job title they are performing as set out in Schedule "A" after completing the appropriate period at the Training Rate (Classification 1). Students will be employed only during the period of May 1st to Labour Day. The Union will be advised of the expected term of a student's employment and if a student decides not to return to school.

ARTICLE 14

JOB POSTING

- 14.01 When any of the jobs in the bargaining unit become vacant, the Company will post a notice of the vacancy for the period of two (2) working days in the department where the vacancy exists and on the main plant bulletin board. The notice will specify the nature of the job, the shift, the qualifications required and the rate of pay. **An** employee who wishes to be considered for the position so posted shall signify his desire by making formal application to the Personnel Department. All transfers shall be completed within two (2) weeks of selection of successful applicant except where posting cancelled, replacement not available or when the employee is receiving Company convenience payment. If the Company cancels a posting it shall notify the Union in writing of the reasons for such cancellation.
- 14.02 in filling any posted vacancy under this Article, the Company will consider the requirements of operations and the skill, ability, experience and qualifications of the individual to perform the normal required work and where these are, in the opinion of the Company, equal, seniority shall govern. if the job is not filled as a result of the posting or if no suitable applications are received, the Company reserves the right to hire.
- 14.03 Except for a vacancy occasioned by the placing of the successful applicant in the position so posted, any further vacancy may be filled by the Company without posting.
- 14.04 Should any employee selected for a day work job prove unsatisfactory within five (5) working days, he may apply to or may be required to be returned to his former job when another suitable employee can be found to fill the position. Should any employee selected for an incentive job prove unsatisfactory he shall be dealt with in accordance with paragraph 6 of Schedule "A" upon completion of any training period fixed by the Company. In the event that any employee selected proves unsatisfactory, the vacancy thereby occasioned may be filled without further posting.
- 14.05 An employee who has successfully bid under this Article shall not be entitled to bid on a posted job for six (6) months from the date of his successful bid, except by the mutual agreement of the Company and the Union.
- 14.06 Any job which is vacant because of illness, accident, vacation, leave of absence, temporary transfer or a temporary promotion or any other temporary vacancy shall not be deemed to be vacant for the purposes of this Article. This Article shall not apply in the event of lay-off or recall from lay-off.

ARTICLE 15

REPORTING PAY

15.01 The Company agrees that any notice to any employee or employees not to report to work at a particular time will be given by posting a notice on the bulletin board in the department of employees affected and, provided such notice is posted before normal quitting time, such posting will be accepted as constituting full notice to all employees concerned. Should the Company fail to give notice in the manner referred to above, then a telephone call or a telegram to the employee shall constitute proper notice. Any employee who has not been notified as outlined herein and who reports for work and finds that the Company has not sufficient work to occupy him for a period of four (4) hours shall receive:

(a) his normal earnings for the time actually worked;

or

(b) his base rate for any time not actually worked during the first four (4) hour period after reporting for work.

Whenever the Company intends to give notice in written form under the terms of this article it shall also attempt wherever possible to give verbal notice to employees affected. The Company must post notices of layoff within the department.

15.02 It is understood that the Company shall not be responsible to pay the worker for the said four (4) hours in any case where it is not the fault of the Company that work is not available, such as breakdown of machinery or part of the necessary employees not reporting to work, which would make it impossible for the other employees to work, or when an employee has been suspended or discharged for just cause during the four (4) hour period.

ARTICLE 16

STANDBY PAY

16.01 The Company reserves the right to send employees home if there is no available work up to the end of the shift or up to noon hour (day shift) and 8:00 pm (afternoon shift), whichever comes first, due to machine breakdown, and in this event the seniority provisions on lay-off shall not prevail. In the event there is any undue delay in affecting necessary repairs to rectify any defect in machinery, the Company shall do whatever is reasonably possible to provide extra or alternative work for the employee affected to be paid for at their regular rate.

- 16.02 The Company will take all reasonable and available steps to relocate employees on other work in the event that there is a machine breakdown or heating failure.

ARTICLE 17

REST PERIODS

- 17.01 The Company shall provide rest periods of ten (10) minutes each before and after the normal lunch time for each shift. The Company also agrees to give the employee an allowance for cleaning up immediately before lunch and at the end of the working shift. This allowance is ~~to be~~ three (3) minutes.

ARTICLE 18

BULLETIN BOARDS

- 18.01 The Company agrees that it shall provide adequate bulletin board facilities for the exclusive use of the Union, provided that no notices shall be posted thereon which contain any material detrimental to the interests of the Company or to any of the products of the Company, and provided that such notices shall pertain to meetings, social activities and the Union business.

ARTICLE 19

SAFETY AND HEALTH

- 19.01 The Company, the Union and the employees will cooperate in the prevention of accidents and the enforcement of safety rules in the plant.
- 19.02 It is agreed between the parties that no employee shall be penalized by reason of his refusal to operate a faulty machine provided, however, that any employee working on a machine found to be faulty by him, will notify Management immediately of such fault, and in the event that Management does not attempt to rectify such fault when so informed, the earnings of the employee will not be affected during the period of neglect by the Company.
- 19.03 The Company shall post the *Occupational Health and Safety Act, R.S.O. 1990, c.O.1*, as amended, in prominent places throughout the Plant.
- 19.04 At the signing of this Agreement, the Company will pay for "employees only" the following:

up to a maximum of two (\$200.00) hundred dollars per two (2) calendar years for the purchase of CSA, ANSI, approved prescription safety glasses or CSA approved safety shoes. Either item may be purchased at a location of the employee's choice.

A receipt specifying the above requirements must be submitted to Human Resources for payment.

- 19.05 A Joint Health and Safety Committee shall be established consisting of four **(4)** representatives from each of the Company and the Union. The Committee shall meet at least once every three (3) months. Time spent in such meeting is to be considered time worked. Minutes of the meetings will be taken and copies shall be provided to the Company and the Union and a copy posted in the plant. The Committee will conduct monthly plant inspections.

A Union member and a Company member of the Joint Health and Safety Committee will accompany a Ministry of Labour official on a plant investigation or accident investigation in which the Ministry is involved. **A** Union member and a Company member of the Joint Health and Safety Committee will participate in any accident investigation.

ARTICLE 20

PAID HOLIDAYS

- 20.01 The Company agrees to pay for holidays as follows:-

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Easter Monday	Christmas Day
Victoria Day	Boxing Day
Dominion Day	December 31st.
Civic Holiday	

- 20.02 Pay for such holidays for all employees in the bargaining unit shall be eight (8) hours pay at the applicable daywork rate (including bonuses) for dayworkers or eight (8) hours pay at average hourly earnings (including any bonuses) for pieceworkers.
- 20.03 It is agreed that an employee shall only be entitled to be paid for any of the aforesaid holidays provided he,

- (a) has completed his probationary period, and
- (b) works his last scheduled shift immediately before and his first scheduled shift immediately following the holiday.

Absence from work on either of these two qualifying days because of personal illness, lay-off or death in the immediate family (as defined in Article 23) shall not deprive any employee from receiving his holiday pay provided that the employee would otherwise have been eligible to receive holiday pay and the absence from work commenced not more than six (6) working days (including the qualifying day) prior to the holiday or six (6) working days (including the qualifying day) after the holiday. **An** employee shall not be deemed to have been absent on a qualifying day as provided for herein by reason only of being late for work on such day provided that the employee reports for work within one (1) hour of his regular scheduled starting time and gives a reasonable and proper excuse acceptable to the Company for such lateness. **An** employee who does not qualify for holiday pay under this Article, but who also has not commenced receiving sick pay benefits for which he is qualified will be paid for the holiday.

- 20.04 If any of the above holidays fall on a Saturday or a Sunday, such holidays shall be observed on the following Monday or on the previous Friday. No two holidays shall be observed on the same day. in the event that any of the above-mentioned holidays fall within the period of the annual vacation of any employee, such employee will be granted an extra paid day of vacation in accordance with Article 20.02 and 20.03. The extra day, whenever so granted, shall be deemed an extra day of vacation for all purposes of this Agreement.
- 20.05 It is agreed that any employee in the bargaining unit who works on a holiday or day observed as such as provided for in this Article shall receive his normal earnings plus his full base rate for the hours worked together with his normal holiday pay, provided he is otherwise qualified to receive same under the terms of this Agreement.

ARTICLE 21

LEAVE OF ABSENCE

- 21.01 **An** employee may, except for the purposes of obtaining employment elsewhere, obtain a written leave of absence without loss of seniority at any time at the Company's option, but if during his term of leave of absence so granted, an employee accepts employment elsewhere, he shall lose all seniority rights.
- 21.02 The Company shall grant a leave of absence without loss of seniority to not more than five (5) employees at any one time who require such leave of absence to attend a Union Conference or Convention, provided the Company is given at least fourteen

(14) days prior notice and thirty (30) days prior notice whenever possible, or any shorter period of notice as may be mutually agreed by the Company and the Union.

- 21.03 The Company shall grant a leave of absence without **loss** of seniority to not more than two (2) employees elected or appointed to a full-time union position. Such employees shall continue to accumulate seniority for the former job classification held to each anniversary date of the leave of absence during the term of such leave of absence.
- 21.04 Pregnancy and Parental leave shall be in accordance with the provisions of the *Employment Standards Act*, as amended.

ARTICLE 22

JURY DUTY

- 22.01 Employees who must attend to serve for jury duty shall be compensated for any **loss** of total daily average hourly earnings up to a maximum of eight (8) hours because of such compulsory attendance up to a maximum of five (5) working days, provided that any employees so affected who are called for jury duty but not required to attend the Court for any half shift will report to work for such shift.

ARTICLE 23

BEREAVEMENT

- 23.01 Employees who suffer bereavement within the immediate family circle will be granted three (3) consecutive days' leave of absence with pay at average hourly earnings to a maximum of eight (8) hours per day. immediate family in such circumstances means wife or husband, son or daughter, sister or brother, mother or father, mother-in-law, father-in-law, grandparent or grandchild. Employees will be granted one (1) day's leave of absence with pay at average hourly earnings to a maximum of eight (8) hours per day in the event of the death of the employee's sister-in-law or brother-in-law.

ARTICLE 24

TOOLS AND SUPPLIES

- 24.01 The Company shall supply soap and paper towels to all employees in the bargaining unit.
- 24.02 The Company shall supply at its cost the first issue of the following items when same are required for normal work:
- | | |
|----------------------------------|--------------------------------|
| (a) scissors | (b) screwdrivers |
| (c) tack hammers | (d) adjustable wrenches |
| (e) upholstery regulators | (f) pliers |
| (g) woodworking protractors | (h) upholstery aprons |
| (i) claw hammers | (j) all-purpose brushes |
| (k) tape measures | (l) trimming knives |

The Company shall replace these items when replacement is required through normal use. Employees will **be** required to replace any item if it is lost or damaged through negligent use.

- 24.03 The Company shall supply at its cost the **first** issue of non-prescription safety glasses, gloves, safety hats, **ear** protectors for those employees who are designated by the Company as requiring same for safety purposes and these shall be replaced by the Company when replacement is required through normal wear.

ARTICLE 25

WAGE RATES

- 25.01 Attached hereto and forming part of this agreement are the following schedules:-
- (a) Wage Rates
 - (b) Conditions relating to Enrolment in and Administration of the Welfare Plan.
 - (c) Transfer of Employees.
 - (d) Apprenticeship Program

ARTICLE 26

VACATIONS WITH PAY

26.01 The Company will shut-down for a period of two (2) weeks for the annual vacation. The Company shall have the option of: (A) scheduling the two (2) week shut-down for all shifts for the same two (2) week period; or (B) scheduling the two (2) week shut-down at different times for each of the day, afternoon and night shifts. In the event the Company designates different annual shut-downs for the day, afternoon and night shifts, it will announce such designation by January 15th of each year. The Employer has the option of scheduling a two (2) week shut-down for the night shift at the same time as the day or afternoon shifts. The Company agrees to give the employees covered by this Agreement who have the necessary service as of the 1st day of May in any vacation year, and who are in the employ of the Company at the date of shut-down, a vacation pay based on the following schedule:

- (a) any employee with less than one (1) year's service with the Company shall receive a vacation pay equal to four (4%) per cent of his total wages earned for the twelve (12) month period immediately prior to the first pay day following May 1st in any vacation year;
- (b) any employee who has been in the service of the Company for one (1) year or more shall be given a vacation of two (2) weeks and receive vacation pay equal to four percent (4%) of his total wages earned during the period of twelve (12) months prior to the first pay day following May 1st in any vacation year;
- (c) any employee who has been in the service of the Company for four (4) years or more shall be given a vacation of two (2) weeks and receive vacation pay equal to five percent (5%) of his total wages earned during the period of twelve (12) months prior to the first pay day following May 1st in any vacation year;
- (d) any employee who has been in the service of the Company for eight (8) years or more shall be given a vacation of three (3) weeks and receive vacation pay equal to six (6%) per cent of his total wages earned during the period of twelve (12) months prior to the first pay day following May 1st in any vacation year;
- (e) any employee who has been in the service of the Company for thirteen (13) years or more shall be given a vacation of four (4) weeks and receive vacation pay equal to eight (8%) per cent of his total wages earned during the period of twelve (12) months prior to the first pay day following May 1st in any vacation year;
- (f) any employee who has been in the service of the Company for twenty (20) years or more shall be given a vacation of five (5) weeks and receive vacation

pay equal to ten (10%) per cent of his total wages earned during the period of twelve (12) months prior to the first pay day following May 1st in any vacation year.

- 26.02 in the event the Company schedules the annual shut-downs for the day, afternoon and night shifts at different times, the Company will have the annual shut-down for the day shift during the last two (2) weeks in July, and the annual shut-down for the afternoon shift during the first two (2) weeks in July and the annual shut-down for the night shift during the first two (2) weeks in August. If the Company schedules the same two (2) week shut-down period for all shifts, the Company will have the annual shut-down during the last two (2) weeks of July.
- 26.03 Whenever possible an employee who is entitled to a vacation of three (3) weeks shall be permitted to take his vacation in consecutive weeks. However, this arrangement is subject to the normal production requirements of the Company.
- 26.04 The Company requires each employee to submit a request for vacation on the prescribed form with regards to the earned vacation that he wishes to take during the vacation year. Vacation requests must be submitted by March 1 in each year and the Company will respond by no later than April 15 in each year.

ARTICLE 27

TRANSFERS

- 27.01 All earnings on transfers shall be paid according to the terms of Schedule "C" attached hereto.

ARTICLE 28

UNION SECURITY

- 28.01 It is understood and agreed that all employees within the scope of this Agreement who are members of the Union shall, as a condition of continued employment, maintain membership in good standing for the duration of this Agreement.
- 28.02 It is further understood and agreed that any employee within the scope of the Agreement who is not presently a member of the Union shall, as a condition of his continued employment, apply for membership in the Union. All such employees shall remain members in good standing for the duration of this Agreement as a condition of continued employment.

- 28.03 It is further understood and agreed that all new employees admitted into membership shall continue to be members of the Union in good standing for the duration of this Agreement as a condition of continued employment.
- 28.04 The Company shall forthwith, upon receiving written notice thereof from the Union, discharge an employee whose application for membership in the Union has been denied or who has been suspended or expelled from the Union, provided that such denial of membership in or suspension or expulsion from the Union was not imposed in bad faith nor was discriminatory nor arose from membership in any other trade union nor resulted from refusal by the employee concerned to act contrary to this Agreement or contrary to law and provided that the denial of membership in or suspension or expulsion from the Union was effected in accordance with the Constitution and By-laws of the Union.
- 28.05 The written notice from the Union of action taken against any employee denying or terminating his membership in the Union shall contain or be accompanied by a statement of the reasons for such action being taken and of the steps and procedures followed by the Union prior to such action being taken.
- 28.06 Should the reason or reasons for denying or terminating Union membership be other than the failure or refusal of an employee to tender the regular, periodic dues, fees or assessments properly authorized and uniformly demanded from all Union members, the Company may delay the discharge of the employee, but in such case, it shall, within five (5) days of the receipt by it of the said notice from the Union, nominate an arbitrator, and a Board of Arbitration shall be constituted as provided for in Article 10 of this Agreement. The Board of Arbitration shall have jurisdiction to determine whether or not the denial of membership in or suspension or expulsion from the Union met the requirements contained in the foregoing sections of this Article. If the Arbitration Board finds that it did not, the Company shall not be required to discharge the employee affected, and the employee affected shall either be accepted into membership in the Union in the normal manner or be recognized as a member in good standing in the Union, depending on whether the arbitration arose by reason of the employee being refused membership or suspended or expelled from the Union. Following such arbitration award, the employee affected shall also be bound by the terms of this Agreement to maintain his membership in the Union in good standing as a condition of continued employment. If the Board finds that action by the Union met such requirements, the Company shall discharge the employee affected not later than five (5) working days after the award has been delivered to the parties.
- 28.07 The Company agrees to deduct from each pay due weekly, to each employee, the amount from time to time fixed by the Constitution and By-laws of the Union for initiation fees, assessments and weekly dues and to remit the same no later than the 7th day of the same month to the Union, together with a list of all employees from whom deductions have been made.

25

- 28.08 The Company agrees to supply a list at the end of every month of all names and clock numbers and reasons for leaving of employees who have left the employment of the Company during the month.
- 28.09 The Company will not contract out work for the term of the Collective Agreement (other than that which is already contracted out) except in cases of lack of available materials or qualified employees, cost competitiveness within reasonable limits, productivity, and emergencies beyond the Company's control, etc. in such cases, work will not be contracted out without the Union's agreement which agreement shall not unreasonably be withheld. The Company will provide the Union with all relevant information and data in its possession.

ARTICLE 29

JOB EVALUATION

- 29.01 The Company and the Union recognize that the current form and administration of the existing job evaluation system shall be continued during the term of this Agreement.

ARTICLE 30

PAY ON DAY OF INJURY

- 30.01 Any employee injured on the job shall be paid for the balance of his shift on which the injury occurred at the premium rate (Average Hourly Earnings) if, as a result of such injury, the employee is sent home by the doctor or Company nurse or is hospitalized.

ARTICLE 31

HEALTH AND WELFARE

- 31.01 The Company shall pay the monthly premium costs of the following benefits for the duration of the term of this Agreement:

- a) Effective March 1, 2002:

- (i) Group Life insurance \$39,000.00

(ii) Accidental Death and Dismemberment \$39,000.00

Effective March 1, 2003

(i) Group Life Insurance \$40,000.00

(ii) Accidental Death and Dismemberment \$40,000.00

(b) Extended Health Care for employees and their dependents as outlined in the Master Contract.

(c) Ontario Health Insurance Plan (OHIP)

(d) Standard Benefit Dental Plan -

Employees will be eligible for enrolment in the Plan upon completion of twelve (12) months of employment with the Company. The Plan will provide 1994 O.D.A. Schedule of Fees for a General Practitioner.

Effective March 1, 2002, the Plan will provide 1999 O.D.A. Schedule of Fees for a General Practitioner.

Effective March 1, 2003, the Plan will provide 2000 O.D.A. Schedule of Fees for a General Practitioner.

Effective March 1, 2004, the Plan will provide 2001 O.D.A. Schedule of Fees for a General Practitioner.

31.02 All employees shall receive a booklet which outlines the full benefit program provided by the above and it is understood that payment of any benefit shall be made in accordance with the terms of any Group Policy as underwritten.

31.03 It is understood that the obligation on the part of the Company to pay the monthly premium cost for any benefit for any employee or his dependents shall not apply in the event that the employee or his dependents are covered for any one or more benefits under a policy or plan which is provided for and paid for by the employer of the husband or wife of any employee.

31.04 It is further understood that the payments made by the Company as outlined above shall constitute the total and full responsibility of the Company during the term of this Agreement toward the cost of the health and welfare program.

- 31.05 Benefit Plan documents and policies, Pension Plan document, Audited Financial Statements and interim Reports, shall be provided to the Union Staff Representative. These reports will be explained during the course of Labour-Management meetings.

ARTICLE 32

PENSION PLAN

- 32.01 Benefits under the Pension Plan are as follows in accordance with the provisions of the Pension Plan.
- (a) \$10.00 per month per year of credited service (past and future service for active employees only).

Effective March 1, 1997, the plan will be amended to \$12.00 per month, per year of past and future service for active employees on the payroll on October 1, 1996.
 - (b) \$12.00 effective March 1st, 1988 per month per year of credited future service only.
 - (c) \$14.00 effective March 1st, 1989 per month per year of credited future service only.
 - (d) \$16.00 effective January 1st, 1990 per month per year of credited future service only.
 - (e) \$18.00 effective January 1st, 1991 per month per year of credited future service only.
 - (f) \$20.00 effective January 1st, 1992 per month per year of credited future service only.
 - (g) \$24.00 effective March 1, 2002 per month per year of credited future service only.
 - (h) **An** employee hired prior to April 24, 1999 with at least thirty (30) years of service with the Company may retire with an unreduced pension at age sixty (60) years.
- 32.02 The particulars of the Pension Plan shall be as more particularly described in the Pension Plan document.

ARTICLE 33

OVERTIME - SATURDAY AND SUNDAY WORK

- 33.01 Overtime work shall be performed on a voluntary basis and all authorized overtime work performed shall be paid at the rate of one and a half (1½) times base rate. For the purposes of this Article, authorized overtime work shall be considered to include only the following:-
- (a) working hours performed before an employee's normal starting time at the request of the Company;
 - (b) working hours performed after an employee's normal quitting time, provided the employee has either worked his full normal eight (8) hour shift or commenced to work after his normal starting time at the request of the Company.
- 33.02 It is agreed by the parties that employees engaged as plant maintenance, janitors or engineers, may be scheduled to work in a manner so that Saturday forms part of their regular work week and these normal Saturday hours are not subject to payment at overtime rates.
- 33.03 Whenever possible it is agreed that no overtime work will be performed on the regular Local Union monthly meeting night. The Company undertakes to provide the Union with a list of employees who have been required to work on Union meeting evenings.
- 33.04 Whenever an employee is required to work on Sundays, he shall be paid his earnings plus his full base rate.
- 33.05 Overtime required to be performed from Monday to Friday inclusive shall be requested from employees in the following order of preference:
- (a) to the employee who is performing the particular work that will still be in progress in overtime hours;
 - (b) according to departmental seniority to those employees who are willing and able to perform the overtime work assignments.
- 33.06 Overtime required to be performed on Saturday, Sunday or a holiday (excluding any regular shift which commenced on or ends on one of these days) shall be requested from employees in order of departmental seniority provided that the employees are willing and able to perform the overtime work assignments.
- 33.07 Notification of overtime work assignments shall be given to all employees affected as early as possible.

ARTICLE 34

PAYDAY

34.01 The Company agrees that employees will receive their pay on every Thursday by direct deposit. Employees will receive their weekly pay stub as follows:

- | | | |
|-----------------|---|--|
| Day Shift | - | By the end of the employee's Wednesday shift |
| Afternoon Shift | - | By the end of the employee's Wednesday shift |
| Night Shift | - | By the end of the employee's shift commencing Wednesday night and ending Thursday a.m. |

ARTICLE 35

SHIFT PREMIUM

35.01 A shift premium of forty (40¢) cents per hour shall be paid for each hour worked on any shift which is scheduled by the Company and commenced on any day after 11:30 a.m.

ARTICLE 36

COST OF LIVING ALLOWANCE

36.01 A cost of living allowance will be paid to each employee effective March 1st, 1981, subject to the provisions of this Article. This allowance will be based on the Consumer Price index (all items - base: 1971 = 100) published by Statistics Canada (hereinafter referred to as the CPI) and will be calculated as follows:-

- (a) The CPI published for June 1981 shall be compared with the CPI published for March 1981 and effective the pay period immediately following the publication of the June 1981 CPI, the allowance shall be one (1¢) cent per hour worked for each zero point five (0.5) increase by which the June 1981 CPI exceeds the March 1981 CPI.
- (b) Such allowance, if any, shall continue until the publication of the CPI for September 1981, at which time the September 1981 CPI shall be compared

with the CPI published for June 1981 and, effective the pay period immediately following the publication of the September 1981 CPI, the allowance shall be adjusted by one (1¢) cent per hour worked for each zero point five (0.5) increase by which the September 1981 CPI exceeds the June 1981 CPI.

- (c) A similar comparison and adjustment shall be made thereafter on the basis of the CPI published every three (3) months apart during the remainder of the term of this Agreement.
- (d) If there is a decrease in the CPI on the basis of the quarter to quarter comparison, the allowance shall be adjusted downward by using the formula mentioned above but an employee's applicable hourly rate shall not be affected by any downward adjustment.
- (e) In the event that Statistics Canada does not issue the appropriate CPI on or before the beginning of one of the pay periods referred to in (a), (b) and (c) above, any adjustments in the cost of living allowance required by such appropriate Index shall be effective at the beginning of the first pay period after the Index has been officially published.
- (f) No adjustments, retroactive or otherwise, shall be made in the amount of the cost of living allowance due to any revision which may later be made in the published figures for the Index for any month on the basis of which the allowance shall have been determined.
- (g) The continuance of the cost of living allowance shall be contingent upon the availability of the official monthly Statistics Canada CPI in its present form and calculated on the same basis as the index published in June 1981, unless otherwise agreed upon by the parties.
- (h) The cost of living allowance provided for herein shall be paid only for actual hours worked and shall not be included in computing overtime pay, shift premium, call-in pay, reporting pay, incentive earnings or other premium or bonus, nor shall it be included in computing vacation pay in excess of the statutory requirements under the *Employment Standards Act*.

36.02 Article 36 shall be inoperative and no additional cost of living allowance shall be computed or paid during the term of this Agreement.

ARTICLE 37

CANADA SAVINGS BONDS

- 37.01 The Company agrees that it shall, upon receiving written authorization from an employee, deduct and remit payments in regard to purchase of Canada Savings Bonds and those deductions will continue as specified in the written authorization form signed by the employee until terminated by him.

ARTICLE 38

AUTOMATION AND TECHNOLOGICAL CHANGES

- 38.01 The Company agrees that it shall take every reasonable step to retrain and relocate any employees who have lost their jobs due to automation or technological changes. Employees will be given as much prior notice as is possible in the event that it is contemplated that they are likely to lose their jobs under this Article so that the system of retraining can be instituted at an early date. The Union, and the employees about to lose their jobs, shall be notified in writing at least two (2) weeks prior to the termination of their job.

ARTICLE 39

TIME STUDY OBSERVATIONS

- 39.01 The Company agrees that whenever time study observations are taken the following conditions shall prevail:
- (a) The Company shall notify Department Stewards or the Shop Chair prior to the taking of a time study.
 - (b) The operator shall have knowledge that the observation is being made.
 - (c) Employees who are to be studied for the purpose of incentive rates shall be average, experienced employees working on the particular operation.
 - (d) Time studies shall be taken under normal working conditions when using stock and material which the operator can normally expect to receive. All information pertinent to the work performed and being studied shall be recorded in detail showing all the elements into which the operation has been broken down, the element and points, the sequence of elements, the methods, the motion pattern, and a sketch showing the location of tools, equipment and stock.

- (e) Whenever a time study is made of any task or operation, the time study person shall, before leaving the particular work site, furnish in writing to the Union official involved, the following information:
- (i) the duration of the time study;
 - (ii) the number of units produced during that time;
 - (iii) the level at which the employee's performance rated; and
 - (iv) the working copy of the time studies.
- The final tabulation, expressed in minutes, will be provided within two (2) working days.
- (f) All incentive standards in effect at the signing of this Agreement shall not be changed for other than one or more of the following reasons:
- (i) a change in tools or equipment, layout, materials, design, methods (but not the employee's co-ordination and proficiency), sequence of operations, or other factors which have an effect equal to at least five **(5%)** per cent of the existing standard for the operation. Variations of **less than five (5%)** per cent may be accrued and an adjustment rate made when the accrued changes amount to five **(5%)** per cent of the existing standard. It is understood that where such job changes have occurred, the changes in the incentive rate will be limited to those parts of the job changed. It is further understood that a change in name or style number does not constitute a change;
 - (ii) to correct obvious errors or omissions.
- (g) The Department Steward of an employee may, in his discretion, check to confirm that the above conditions have been complied with.
- (h) The Company will provide time study data (as opposed to pre-determined times) to the Union Staff Representative or Chief Steward.

ARTICLE 40


DURATION OF AGREEMENT

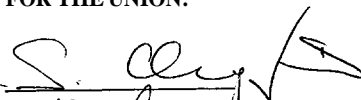
40.01 This Agreement shall be binding and remain in effect from the 1st day of March, 2002 until the 28th day of February, 2005, and shall continue in force from year to year thereafter unless either party shall furnish the other with written notice of termination or proposed revision at least thirty (30) days prior to the 28th day of February, 2005 or at least thirty (30) days prior to the expiration date of any anniversary thereafter.

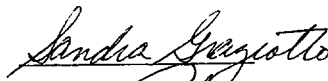
DATED AT WHITBY, this 24TH day of OCTOBER, 2002.


FOR THE COMPANY:

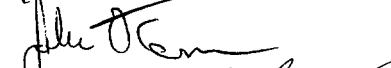
FOR THE UNION:



D.R. Collins


S. O'Leary


Sandra Gargiolo


John O'Leary


Mike O'Leary


Jay O'Leary

SCHEDULE "A"
JOB CLASSIFICATIONS & WAGE RATES

CLASSIFICATION*	JOB TITLE	March 1, 2002		March 2003		March 2004	
		PW	DW	PW	DW	PW	DW
1	Training Rate	10.05	11.20	10.35	11.55	10.65	11.90
2	Cushion IB, T/A Prep.	10.15	11.25	10.45	11.60	10.75	11.95
3	Sewers	10.24		10.54		10.84	
	Upholster- Trimmer						
	Panel Maker						
	Shipper						
	Woodshop Machine Op.						
	Wrappers						
	Cutters- foam felt jaro						
	Frame & Arm Assembly		11.34		11.69		12.04
	Stock Handler frames/sp						
	Shrinkwrap operator						
4	Upholsterer	10.33		10.63		10.93	
	Service Operator		11.43		11.78		12.13
	Cutters misc., lining, wire						
	Lift Truck						
	Receiver-fabric/raw mat						
	Stock handler/linefeeder						
	Swatcher						
	Soabar/bundle						
5	Shaper Operator	10.43		10.73		11.03	
	Fabric Cutter						
6	Utility Person	10.55		10.85		11.15	
	Inspector & CNC		11.65		12.00		12.35
	Service Dept. Repair						
7	Table Inspector & Repair		12.21		12.56		12.91
	Rework Sewer						
8	N/C Cutter	12.45				13.05	
9	C/E Cutter		12.85		13.20		13.55
10	Truck Driver		13.55		13.90		14.25
11	Group Leader		14.74		15.09		15.44
12	Leather Cutter		12.40		12.75		13.10
13	Prod. Eng/Service Sewer		13.15		13.50		13.85
18	General Maintenance		11.34		11.69		12.04
20	1st year apprentice		12.82		13.06		13.31
	70% Industrial						
	Tradesperson <5 yrs exp						
21	2nd year apprentice		14.65		14.92		15.21
	80% Industrial						
	Tradesperson <5 yrs exp						
22	Final year apprentice		16.48		16.79		17.11
	90% Industrial						
	Tradesperson <5 yrs exp						
23	Industrial Tradesperson		18.31		18.66		19.01
	<5 years experience						
24	Industrial Tradesperson		21.70		22.05		22.40
	5 + yrs Exp. Journeyman						
25	Sr. Ind. Tradesperson		23.40		23.75		24.10

- * Giovanni Mastroianni will be grandfathered into the job title of General Tradesperson. Once Giovanni Mastroianni leaves the position for any reason (retirement, layoff, displacement through bumping, job posting, etc.) the job title of General Tradesperson shall be abolished.
- * The change in classification number does not alter the position of each job title and classification in the job evaluation system or the Pay Equity Job Evaluation System.

Wages

	<u>Effective March 1, 2002</u>	<u>March 1, 2003</u>	<u>March 1, 2004</u>
Daywork	60¢	35¢	35¢
Piecework	50¢	30¢	30¢

All employees will receive the increases as proposed by the Company. The increases (retroactively) are payable to those employees on the Company's payroll as of the date of ratification.

in filling postings for Group Leader/Lead Hand positions under Article 14.02 of this Agreement, the Company will also consider an Applicant's perceived leadership qualities.

CONDITIONS APPLICABLE TO SCHEDULE "A"

1. Whenever any new job classifications have been determined, the Company shall institute new job rates for any or all such classifications within one (1) month.
2. All employees, after the signing of this Agreement, shall have their earnings based solely on the base rate set ~~forth~~ in Schedule "A", or at such new base rates as are established from time to time as a result of the job evaluation program. Employees whose base rates are higher than those set forth in Schedule " A shall not have their base rates reduced during the term of the Collective Agreement unless permanently transferred to a lower base rate job as an alternative to lay-off.
3. All incentive rates shall enable the average worker working the normal incentive pace to make between twenty (20%) per cent and thirty (30%) per cent above base rate while working on incentive.
4. Incentive workers on new jobs such as new styles or new methods will receive one hundred and twenty-five (125%) per cent for the first two runs or until incentive rates are set.
5. The starting rate for all new employees will be the rate set out in Group 1 of Schedule "A". New employees on day work jobs will have their rate adjusted to the job rate upon completion of the probationary period. New employees on incentive will be paid at the job rate after they have earned standard or better for three (3) consecutive weeks.
6. Employees who are working on incentive jobs shall receive full base rate for a period of up to three (3) consecutive weeks during which they do not meet the set standards for their job. However, by granting this form of wage guarantee, the Company specifically reserves the right to terminate the employment of any employee affected whose performance below standard continues beyond the period of three (3) weeks or to take disciplinary action against any employee who fails to maintain standard.
7. Any award of an Arbitration Board or the terms of any settlement under the Grievance Procedure shall be limited to compensation of wages lost up to a maximum of six (6) months on any dispute on calculation of pay.

SCHEDULE "B"

ENROLLMENT IN AND ADMINISTRATION OF THE WELFARE PLAN

DISCHARGE, RESIGNATION AND RETIREMENT

All benefits cease on day on which employee terminates his employment with the Company.

LAY-OFF

Coverage will remain in effect until the end of the month following the month in which the lay-off occurred.

SICKNESS AND WORKERS' COMPENSATION

Coverage will remain in effect until the end of the twelfth (12th) month following the month in which the disability occurred. Arrangements can be made at the employee's request to provide for continuation of coverage at the employee's cost.

LEAVE OF ABSENCE

Coverage will remain in effect until the last day of the month. **An** employee can assure continuation of coverage by applying in writing **and** paying for coverage in advance for the duration **of** the leave **of** absence.

NEW EMPLOYEES

All new employees will have a three (3) month waiting period.

SCHEDULE "B" Cont'd

RECALLED AND REHIRED EMPLOYEES

Employees when rehired or recalled within six (6) months can be reinsured without any waiting period, providing they were covered prior to their termination. Employees who have been away for a period greater than six (6) months will be considered as new employees.

Detailed terms on the application of this Schedule are outlined in the Master Contract.

MATERNITY LEAVE

Benefit coverage continuation for pregnancy and parental leave shall be in accordance with the provisions of the *Employment Standards Act*, as amended, except that in the case of pregnancy leave coverage will remain in effect until the end of the fourth (4^b) month following the month in which the absence commenced or such period as provided in the *Employment Standards Act*, as amended, whichever is greater.

WEEKLY INDEMNITY PLAN

The Weekly indemnity Plan provides that an employee, following completion of the three (3) month waiting period, is entitled to a maximum of fifteen (15) weeks of sick benefits supplemented by a further maximum of fifteen (15) weeks of sick benefits pursuant to the Unemployment Insurance Act.

- Benefits under the Plan are payable to an employee who is unable to work on a full-time basis due to an off-the-job injury or illness and **who** is under the regular care and personal attendance of a licensed physician.
- Benefits under the Plan are payable commencing on the 1st day of hospitalization or disability due to accident or on the 8th day of disability due to sickness. No benefits are payable as a result of absence due to pregnancy or any pregnancy-related condition.
- Benefits are payable under the Plan in the amount of two-thirds (2/3) of an employee's average weekly earnings up to a maximum of \$350.00 per week.

The above is a summary of the provisions of the Weekly indemnity Plan and for more complete details concerning the extent of coverage and benefits, contact the Company Personnel Office.

SCHEDULE "C"

TRANSFER OF EMPLOYEES - APPLICATION & DEFINITIONS

1. The term "temporary transfer" used in this Agreement shall mean a transfer made by the Company with the intention of returning the employee to their regular job as soon as practicable and "temporarily transferred" shall have a corresponding meaning. All transfers are considered "temporary" until confirmed as "permanent" by the Company. For the purpose of payment as outlined in the schedule hereinafter set forth, but not for any other purpose under this Agreement, temporary transfers shall not exceed a period of two (2) weeks.
2. Job rate means the job evaluation rate of any job set out in Schedule " A and base rate means one hundred (100%) per cent of the job rate when employees are working on incentive.
3. incentive earnings are calculated on a weekly basis only.
4. A newly hired employee on a piece work job shall not be permitted to make application for posted jobs or otherwise seek a transfer until he has completed six (6) months of work in the job for which he was hired, without the permission of the Company.
5. Rates applicable during transfer will be communicated to the employee prior to transfer.

SCHEDULE "C" - continued

TEMPORARY TRANSFERS			
	As an alternative to lay-off	For Company Convenience	Permanent Transfers
From an incentive job to another incentive job.	Base rate of old job or incentive earnings on base rate of old job, whichever is the higher	Average hourly earnings calculated over the previous 4 weeks worked, not to exceed the previous 6 weeks, or incentive earnings on base rate of old job, whichever is higher.	Base rate of new job for a training period to be fixed by the Company or incentive earnings on base rate of new job; whichever is higher.
From an incentive job to a daywork job	Base rate of old job.	Average hourly earnings calculated over the previous 4 weeks worked, not to exceed the previous 6 weeks	Base rate of new job.
From a daywork job to an incentive job.	Job rate of old job or incentive earnings at job rate of old job, whichever is the higher.	Job rate of old job or incentive earnings on job rate of old job, whichever is the higher.	Base rate of new job for a training period to be fixed by the Company or incentive earnings on base rate of new job, whichever is the higher.
From a daywork job to another daywork job.	Job rate of old job.	Job rate of the new job or the old job, whichever is higher, where the temporary transfer lasts for at least one (1) full shift.	Job rate of new job.

SCHEDULE "D"

APPRENTICESHIP PROGRAM

THE FOLLOWING CLAUSES APPLY TO THE APPRENTICESHIP PROGRAM ONLY.

1. **An** apprentice may leave the program at any time or may be removed from it by management at any time except where restrictions are placed by the formal apprenticeship agreement.
2. Should the employee leave the program during the first two working months the employee will return to their former job and the person in that job will return to their former job and so on until everyone has returned. If the former job does not exist the employee will be considered to be laid off in the department where the former job was located and will bump in accordance with the collective labour agreement.
3. If the apprentice leaves the program after two months in it they have no rights to their former job but will be treated as if they were being laid off with the exception of recall rights to the apprenticeship program.
4. **An** apprentice may be laid off but may not be bumped.
5. The apprentice will be paid according to the below scale.

1st 2,000 hours of work	70% of the journeyman rate.
2nd 2,000 hours of work	80% of the journeyman rate.
3rd 2,000 hours of work and beyond	90% of the journeyman rate.
6. When the apprentice receives the journeyman papers the apprentice is paid according to the collective labour agreement.
7. When the apprentice receives the journeyman papers the apprentice becomes a journeyman and the position need not be posted in order for the apprentice to fill it.
8. The collective labour agreement applies to items not covered in this appendix or the formal apprenticeship agreement approved by the government. The formal apprenticeship agreement will be the governing document except with respect to wages which are governed by paragraph 5 above and Schedule "A".
9. The required hours to become a journeyman will include overtime hours.

LETTERS OF UNDERSTANDING

1. During recent negotiations between the Company and the Union without prejudice to the position of either party, the parties agreed to review the following in Labour-Management meetings:
 - a) Discuss implementing the Pay Equity Job Evaluation system.
2. During the 1999 round of collective bargaining negotiation the parties discussed the possible expansion of the existing third shift. The parties agreed that ~~the~~ 3rd shift's current hours of 11:00 p.m. to 7:30 a.m., Sunday through Thursday, will be the regular hours. However, the parties agree that should the Company decide to expand the third shift to a full production shift, the parties will meet to negotiate the normal hours of work for the shift. The parties will meet as quickly as possible to conclude such negotiations, but in the interim, the Company will establish interim hours of work for the shift until negotiations are concluded.
3. if the Company closes the plant at 617 Victoria Street East in Whitby, Ontario and moves the operations at 617 Victoria Street East to another location within 150 kilometres of 617 Victoria Street East, **Whitby**, the employees covered **by** this Agreement will have first priority at **jobs** offered upon the opening of the new location.

LETTERS OF INTENT

1. (a) The Union raised for discussion their preference that the Company invoke the lay-off procedure as opposed to scheduling a reduced work week in circumstances where there is a shortage of work. The Company agreed that where a reduced work week had been scheduled by the Company for a four (4) week period due to shortage of work, the Company would notify the Union Committee as to whether it would elect to return to the regularly scheduled five (5) day week or reduce the complement of the workforce. It was understood and agreed that the Company's **undertaking** was not to be construed as any guarantee to provide work or hours of work.
- (b) The Union raised for discussion the issue of short work weeks for reasons other than a shortfall of backlog. The Company agreed to address the short work weeks and when appropriate, reduce the complement of the workforce to keep the senior people working. However, the reduction will not occur without prior discussion and mutual agreement of both parties.

An alleged violation of this Letter of intent may be the subject of the grievance and arbitration provisions of the Collective Agreement.

2. The Union raised for discussion the matter of bonuses which are currently paid to employees and in respect of which no reference is contained in the Collective Agreement. The Company indicated that, although it did not intend to discontinue or to change the methods of computation of such bonuses, in the event that it should decide to do so it would not do so without prior discussion with the Union Committee.
3. It was agreed that the Company and the Union will meet to discuss the scheduling of the third week of vacation for employees entitled to a vacation of three weeks pursuant to the Collective Agreement.
4. The Company agreed to develop a sexual harassment policy. This policy will be discussed with the Union prior to implementation and will be posted upon implementation.
5. The Union raised for discussion the interaction of Article 38.01, Automation and Technological Change, and Article 13.03, Seniority in the event of lay-off. The Company indicated that should an employee be displaced from his job as a result of automation and/or technological change, that, in light of the Company's obligation to retain and relocate such an employee, the Company would not insist upon strict application of the skill, ability, experience and qualification requirement in Article 13.03. It is recognized, however, that on occasion an employee may not be capable of retraining by the nature of work or by limitations on the part of the employee, in which case the strict application of Article 13.03 will be necessary.

44

6. The parties agreed to amend Article 39.01 dealing with time study observations. The Company agreed during such negotiations that it would not apply Article 39.01 (f) (ii) dealing with correction of errors and omissions retroactively to the date of ratification of this Agreement.
7. The parties agreed that under Article 13.08, dealing with recall from layoff, an employee on layoff out of seniority due to lack of skill, ability and qualifications will be given preference over new hires for available jobs who will require training for such jobs and the seniority employees will be provided such training.
8. The Union raised for discussion that in the absence of the Chief Steward, or stewards, not to include vacancies, the Local President will fill in their role, and the Company will pay the time as allotted in the Collective Agreement.
9. The parties agreed to as part of Labour-Management meetings to discuss and resolve concerns raised by either party through a mutual understanding.
10. During recent negotiations between the Company and the Union, the parties agreed to deal with Extended Health and Dental Benefits in Labour-Management meetings. The objective will be to control costs by ensuring the most cost effective delivery of the benefits to all employees without compromising the quality of the present coverage.
11. The Company agreed that all time spent in committee meetings by the Union members will be paid for by the Company at average earnings.

44