



# LABOUR AGREEMENT

BETWEEN

**Smurfit-MBI**  
WHITBY PLANT

AND

IWA CANADA  
**and its LOCAL 500**

JANUARY 1, 2000 - DECEMBER 31, 2005

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# LABOUR AGREEMENT

by and between

**Smurfit-MBI  
Whitby, Ontario**

hereinafter called the "Company"

and

**IWA CANADA  
and its Local 500**

hereinafter called the "Union"

## ARTICLE 1- GENERAL PURPOSE OF AGREEMENT

- 1.01 The general purpose of this Agreement and of the parties hereto is to maintain a harmonious relationship between the Company and its employees, and to that end there are set forth in this Agreement, the terms and conditions which have been mutually agreed upon affecting employees covered by this Agreement.

## ARTICLE 2- RECOGNITION

- 2.01 The Company recognizes the Union as the sole collective bargaining agent for all employees of Smurfit-MBI and its plant at Whitby, Ontario with the exception of Foremen, Office Staff, Cafeteria Staff, Art Department Staff, Design Department staff, Technical and Development Department Staff, Industrial Engineering Department Staff, Waste Coordinators and Watchmen.

The masculine pronoun, whenever used in this Agreement shall also include the feminine.

2.02 Working Non-Bargaining Unit Employees

The Company will not use employees of the Company outside of the Bargaining Unit including acting foreman (any employee who has been designated by the Company to perform the full function of foreman for a period of up to 90 days) to perform work normally performed by employees of the Bargaining Unit so as to replace members of the Bargaining Unit. Regarding the Shipping Department, the Company and the Union agree that all units and pallets on Company premises will be handled by Company employees, that employees of the Shipping Department will load Company vehicles and that foreign vehicles may be loaded by the driver of the foreign vehicle, provided he does not use Company motorized vehicles to do so.

ARTICLE 3 - UNION SECURITY

3.01 All employees covered by this Agreement who have completed ten (10) days of continuous employment must become and remain members of the Union as a condition of continued employment with the Company.

3.02 The Company will deduct initiation fees and monthly union dues from the pay of each employee providing he or she has signed an **authorization** form, a copy of which follows. Such **authorization** shall be delivered to the Company not later than the first day of the week prior to the week in which the deduction is to take effect. All money so deducted will be paid by cheque to the Secretary-Treasurer of the Union by the 15<sup>th</sup> of each month following the month in which the deductions were made. The cheque shall be

accompanied by a list of the persons from whom the deductions were made.

3.03 AUTHORIZATION FORM

TO: Smurfit-MBI

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Location	Date
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I hereby **authorize** and instruct you to deduct my initiation fees and union dues in amounts as may be duly **authorized** by the union and to pay such amount to IWA Canada, Local 500, it being understood by me that such order cannot be revoked within the period of the present contract. I further **authorize** this checkoff to run from year to year thereafter.

3.04 Any request to amend the amount of initiation fees and/or union dues must be made in writing.

ARTICLE 4 - INTERRUPTION OF WORK

4.01 The Union agrees there shall be no strikes, slowdowns, stoppages of or interference with work or production during the term of this Agreement.

4.02 The Company agrees there shall be no lockouts during the term of this Agreement.

4.03 The Company further agrees that it will not use the Classification Stamp of any strike-bound company on any work produced.

## ARTICLE 5 - GRIEVANCE PROCEDURE

- 5.01 It is the mutual desire of the parties hereto, that complaints of regular employees shall be adjusted as quickly as possible and it is understood that an employee has no grievance until he has first given his immediate Foreman an opportunity of adjusting his complaint. Should he so desire, he may be accompanied by a Union Steward, and this permission shall not be unduly withheld.
- 5.02 Any grievance must be submitted in writing duly signed, and presented within ten (10) working days of its alleged occurrence, or from the date it became known to employee, or same shall not be subject to grievance procedure unless agreed to by the Company.
- 5.03 In the event of a grievance concerning the discharge of a regular employee, it shall be initiated at Step No. 2. The Union shall be advised by the Company of the discharge of any regular employee.
- 5.04 All reference to days in the following steps of the grievance procedure mean Plant working days, and time limits specified may be waived by mutual agreement.
- 5.05 More than one employee may sign a grievance form for an identical grievance. It will be processed in the same manner as if each had filed a separate grievance, except that the group would be represented in the grievance and arbitration procedures by not more than two of the grievers.

**STEP NO. 1**

- 5.06 If an employee has a grievance he wishes to discuss with the Company, he shall, accompanied by his Steward, take the matter up with his immediate Foreman within two (2) working days from the time he receives a reply to his complaint.

**STEP NO. 2**

- 5.07 If the matter is not settled satisfactorily within two (2) working days, it shall then be reported to the Plant Superintendent who will meet the Grievance Committee of the Union.

**STEP NO. 3**

- 5.08 If the Plant Superintendent fails to adjust the matter satisfactorily within two (2) working days, the Grievance Committee of the Union may request a meeting with the Production Manager to endeavour to adjust the grievance, and such meeting shall be held within five (5) working days, or within any longer period which may be agreed upon. The Grievance Committee may be assisted at this meeting by an authorized official of the Union.
- 5.09 Should a satisfactory settlement not be reached in this step of the Grievance Procedure within twenty (20) working days after the Grievance Committee has met with Management, then, if the matter is one involving interpretation or alleged violation of this Agreement, it may be referred within the next twenty (20) days to the Arbitration Procedure as outlined in Article 6 of the Labour Agreement.
- 5.10 It is understood that the Company may submit to the Union any complaint with respect to the conduct of its officers, committee men, stewards, or of the



employees generally, or to the application or interpretation of any provision of this Agreement. The complaint will first be presented to the Plant Chairperson of the Union, and a meeting will be held within seven (7) working days with Union Representatives if requested by the Company.

5.11 Policy Grievance

Procedure for other than individual employee grievances, should any difference arise between the Company and the Union as to the interpretation or alleged violation of the provisions of this Agreement affecting the Union as such, the Union shall have the right to file a grievance, signed by the Local Chairperson, beginning at Step 2 of the Grievance Procedure as outlined. Such grievance shall conform to the provisions of Article 5 of this Agreement.

5.12 No such grievance shall be filed with respect to the same subject matter that is already the subject of a grievance filed by an employee under Article 5, nor shall any grievance be filed by an employee with respect to the same subject matter that is already the subject of a grievance filed by the Union under this section.

ARTICLE 6 - ARBITRATION

6.01 The party giving notice of Arbitration shall advise in that notice the other party of the name of its nominee. The recipient of the notice shall advise the other party of the name of their representative on the Board within ten (10) days of receipt of the notice. The two nominees will agree on a Chairman within ten (10) days and, failing agreement, the matter will be referred to the Minister of Labour by the party requesting the Arbitration. The Chairman, on his appointment, will convene the Board to meet and hear evidence from the parties. It is suggested that the

Board render its decision within sixty (60) days of the hearing. A majority decision of the Board will be final and binding upon the parties of the Agreement.

- 6.02 The Company or the Union may submit to arbitration only matters involving interpretation or alleged violation of this Agreement which have been dealt with under the Grievance Procedure.
- 6.03 The Arbitration Board shall not have jurisdiction to change in whole or in part, any provision of this Agreement or to set provisions of a new Agreement, and none of its decisions shall have that effect. The Arbitration Board shall not give any decision inconsistent with the terms and provisions of this Agreement.
- 6.04 Each of the parties hereto will bear the expense of the Arbitrator appointed by it, and the parties will jointly bear the expenses of the Chairman and any meeting place.
- 6.05 The Company and the Union may, by written agreement made within the time limits provided for in Articles 5.09 and 6.01 herein, substitute a named single arbitrator for the Board of Arbitration provided for herein and the single arbitrator shall possess the same powers and be subject to the same limitations as the Board of Arbitrations.

In the event the parties cannot agree on:

(a) The use of a single arbitrator in lieu of a Board of Arbitration, or

(b) Who the single arbitrator shall be,

a Board of Arbitration shall then be formed as per the procedure prescribed herein.

## ARTICLE 7 - PLANT MANAGEMENT

- 7.01 The Management of the Plant and the direction of the working force, the maintenance of order, discipline and efficiency, including the right to direct, plan and control plant operations, to schedule working hours and the right to select, hire, promote, demote, transfer, suspend or discharge employees for just and sufficient cause, or to release employees because of lack of work or for other legitimate reasons, the right to establish work or job assignments and the output of machines and operators, and to decide the number of employees needed by the Company at any time, the right to introduce new and improved methods and facilities, or to change existing production methods and facilities and to determine the products to be manufactured, are vested exclusively in the Company.
- 7.02 The Company agrees that the above functions will be exercised in a manner not inconsistent with the terms of this Agreement, and that an employee who feels he has been unjustly treated within the terms of this Agreement may make such complaint, subject to the Grievance Procedure in the manner and to the extent as provided for in this Agreement.

## ARTICLE 8 - UNION STEWARDS

- 8.01 The Company shall recognize a reasonable number of Union Stewards who may present employees' grievances to the representatives of the Company. The number of such Stewards and the Department or zone within which each Steward is to function, is determined as specified in 8.07 of this Article 8.

- 8.02 It is mutually agreed that all regular employees shall be eligible to serve as Stewards or Members of the Grievance Committee providing such employee has not less than twelve (12) months seniority.
- 8.03 The Grievance Committee shall consist of no more than four (4) employees: the Chairperson, 1<sup>st</sup> Vice Chairperson, 2<sup>nd</sup> Vice Chairperson and Chief Steward, or any elected Union representative should any of the above officers be absent.
- 8.04 The Union acknowledges that Stewards, Members of the Grievance Committee and the Union Officers have regular duties to perform for the Company, and that such persons will not leave their regular duties without obtaining the permission of their Foreman, or immediate Supervisor. This permission shall not be unduly withheld. Any employee called to an office for an interview with a Foreman, Superintendent or Production Manager, shall be advised prior to the interview if it is for disciplinary purposes and if so, the employee must have his steward accompany him during such interview.
- 8.05 It is clearly understood that Stewards, Members of the grievance Committee, and the Union Officers will not absent themselves from their regular duties unreasonably in order to deal with the grievances of employees, or with other Union business provided for in this Agreement, and that in accordance with this understanding, the Company will compensate such employees at their basic rate of pay for time spent in handling grievances of employees and attending meetings of the Grievance Committee with Management, and that this does not apply to time spent on such matters outside of the employees regular working hours unless so requested by the Company, in which case such time shall not be considered in any computation of overtime.

8.06 The Company will compensate, at their regular rate, members of the negotiating Committee for time spent out of their regular shift at Labour Contract Negotiations with Management, including hearings before a conciliation or mediation officer pertaining to said Negotiations. No such payment shall be made for time spent while a strike may be in progress.

8.07 Schedule of Department Stewards

The Plant Superintendent will be advised in writing of the name of the Steward or Stewards so appointed by the Union in the following areas of jurisdiction:

Maintenance Department	1 Steward (max. of 2 for continental shifts)
Die Cut and Shipping Departments	4* Stewards
Printing Department	4* Stewards
Corrugator Department	4* Stewards

The Company agrees to the principle of one Department Steward per shift, and preferential seniority to be given to the senior employee should two fall on the same shift.

\*In the event of continental shifts, the Company agrees to one (1) Steward for each continental shift.

8.08 It is understood that where an employee is a Steward for more than one department, he shall retain preferential seniority in that department only in which he is actually employed.

8.09 It is understood and agreed that, where deemed necessary by the Union and where no representation is conveniently available for a regularly scheduled shift, temporary Stewards may be appointed by the Union for periods not to exceed one (1) month, on

the understanding that:

- (a) The **Plant** Superintendent must be notified in writing in advance.
- (b) Preferential seniority outlined for permanent Union Stewards in Article 9 of this Agreement shall not apply.
- (c) Not more than four (4) temporary Stewards be allowed to function at any one time.

8.10 A Steward will not normally be moved from his department, so long as there is work in the department and he is qualified to perform such work.

#### ARTICLE 9 - SENIORITY

##### 9.01 Temporary Employees

An employee on being hired will be considered temporary and placed on probation until he or she has worked continuously for the Company for a period of sixty (60) calendar days or has accumulated forty (40) working days within one hundred and twenty (120) calendar days.

9.02 During this probationary period, an employee may be discharged at the discretion of the Company. At the completion of the probationary period, the employee will then become a regular employee and placed on seniority lists with seniority back-dated to start date. A change of rate from starting rate will become effective at the beginning of the pay period following the completion of probationary period.

9.03 Students

Students hired as vacation replacements during the period May 1<sup>st</sup> to September 30<sup>th</sup> each year, will be considered as temporary employees for the full duration of their employment. At the time of hire, students will sign a declaration to the fact that they are being employed only as temporary help and will resign from the employ of the Company by September 30<sup>th</sup> at the latest of each year. In the event a student should wish to apply for permanent employment with the Company as a regular employee, they must re-apply after their resignation. In the event the Company decides to hire them for consideration as a regular full-time employee, the student must then complete a probationary period. Students are to be paid the hourly wage found in the wage schedule under "Students" of this Agreement for the duration of their employment. They are also excluded from the following monetary provisions of the Labour Agreement:

- Holidays (except as provided for by Provincial legislation)
- Bereavement Leave
- Health and Welfare and Pension Plans

9.04 Regular Employees

When an anticipated general plant shortage of work occurs, the following procedure will apply:

- (a) (i) Students and probationary employees will be laid off.
- (ii) The schedule of hours of the plant will be reduced by not more than two (2)

hours per shift for a period not to exceed five (5) working days.

- (iii) Employees will be laid off in accordance with (b) and (c) following.

This procedure is not intended to replace or supersede any more favourable existing local arrangement or to prevent any other mutually agreeable procedure.

- (b) During the first forty-eight (48) hour period (or earlier, if possible) of a shortage of work, the Company agrees to transfer employees firstly according to Department shift seniority and secondly, according to plant wide shift seniority and, in both cases, replace them in occupations on that shift so long as there is work for which they are qualified and willing to perform.
- (c) After forty-eight (48) hours (or earlier, if possible) and during the first fifteen (15) working days of a shortage of work, displaced senior employees will be transferred to other work by the Company according to plant-wide seniority, so long as there is work for which they are qualified and willing to perform.

#### 9.05 Long Term Lay-Off

When it is apparent that a job termination or lay-off is going to extend beyond fifteen (15) working days, then, in the order of seniority of the employees affected, each employee may have one opportunity which must be exercised within the next fifteen (15) working days for each long term layoff affecting him, to elect to displace the least senior employee in a classification providing he has more seniority than that employee



and has the ability and qualifications normally required for that job. It is understood that the employee will be given a reasonable opportunity to demonstrate these qualifications.

- 9.06 In the application of these paragraphs, the following principle applies:
- Seniority shall be the deciding factor providing that the employee or employees has or have the qualifications and ability normally required for the work available. It is understood that the employee must be willing to perform the work available.
- 9.07 Should a lay-off be occasioned as a result of an occupation being discontinued, it is agreed that the Company will discuss suitable arrangements for the employee with the Union, if the articles of this present section are not deemed adequate. Suitable arrangements could include retirement, job transfer or job retraining, etc.
- 9.08 Should a lay-off affect the Executive Officers of the Local Union, the Company will retain such employees up to a maximum of five (5), notwithstanding their position on the seniority list, so long as there is work for which they are qualified and willing to perform.
- 9.09 Whenever a lay-off affects a recognized Department Steward, the Company will retain such employee, notwithstanding his position on the seniority list, so long as there is work in his respective department for which he is qualified and willing to perform.
- 9.10 In the case of regular employees, seniority shall be the deciding factor in cases of promotion, providing the employee or employees has or have relatively equal qualifications for the work available.

- 9.11 In the event of an overall and general reduction in the work force due to rapid deterioration of the employment conditions, which in the opinion of Management may extend beyond ten (10) working days, the Company will endeavour to notify the Union forty-eight (48) hours in advance of such reduction, should it be within the Company's ability to do so.
- 9.12 Recall Procedure
- Employees recalled after a lay-off will be recalled in order of seniority provided it does not prevent the Company from maintaining a work force of employees who are qualified and willing to do the work which is available.
- 9.13 Job Posting Procedure
- When vacancies of more than two (2) weeks duration including new jobs or temporary jobs occur, in classifications specified in the Wage Schedule and which have a higher rate than the general labour rate, such vacancies shall be posted for a period of forty-eight (48) hours.
- Job vacancies will be posted stating department, job classification and machine centre. If any operation in the plant is working on the continuous run – 7 day operation, job posting will be posted for five (5) working days.
- 9.14 Notices of such vacancies shall be posted within forty-eight (48) hours of the date the vacancy was established.
- 9.15 Interested employees who wish to apply must do so within the forty-eight (48) hour period during which the job is posted. The results of such posting will be

made within seventy-two (72) hours following the job posting period, and the employee selected will be placed on the job as soon as possible. Employees absent due to vacation, leave of absence or sickness, may have their name applied to the job posting by a member of the Union Executive and/or Steward.

- 9.16 Postings to replace employees absent for periods in excess of two (2) weeks due to accidents or illness, or for an authorized leave of absence, and such leave of absence not to exceed eighteen (18) months, will be classed as temporary.

In the event of the return of the absentee to his position, employees returned to their former position because of his return shall not have recourse to the grievance procedure. However, if the absentee does not return within the time limits regarding illness, accident or leave of absence, then the job will be re-posted as permanent.

- 9.17 Should an employee prove unsatisfactory on his new job within a maximum of twenty-five (25) working days, he shall be returned to his original job. The employee, however, shall be notified periodically within that twenty-five (25) working day period on his progress. In no sense this twenty-five (25) working day period pre-supposes a trial or training period.

- 9.18 Seniority shall be the deciding factor providing that the employee has the qualifications and ability normally required for the job.

- 9.19 Should a qualified candidate not be secured through the job posting procedure, the Company may consider employees who have not applied.

9.20 In the event that an employee feels that a job posting has been applied in a discriminatory manner, it may be the subject of a grievance under the Grievance Procedure as outlined in this Agreement.

9.21 Employees will be limited to six (6) successful job postings in any twelve (12) month period.

9.22 The Company will provide the Union with a copy of all job postings.

9.23 Accumulation of Seniority

An employee will accumulate seniority to the extent of and under the following conditions:

- (a) A regular employee absent from work for reasons of sickness or accident, and certified by a medical doctor, not to exceed eighteen (18) months.
- (b) A regular employee granted a leave of absence for personal reasons not to exceed six (6) months.
- (c) A regular employee elected or appointed for full time Union representation in IWA Canada not to exceed twelve (12) months. It is understood that the application of this clause will not affect more than two (2) employees at one time.
- (d) Lay-off not to exceed twelve (12) months.

9.24 Maintenance of Seniority

A regular employee will maintain seniority to the extent of and under the following conditions:

- (a) A regular employee absent from work for reasons of sickness or accident in excess of eighteen (18) months and until, in the judgment of a medical doctor, specialist, or by the Workers' Safety and Insurance Board, such employee has been termed totally disabled, but such period not to exceed twenty-four (24) months. In exceptional cases and after twenty-four (24) months have elapsed where such employee has not been termed totally disabled, the employee may then apply for Leave of Absence pursuant to Article 19, paragraph 19.05 of this Agreement,
- (b) A regular employee elected or appointed for full-time Union representation in IWA Canada not to exceed twenty-four (24) months.

9.25 Loss of Seniority

An employee shall lose all seniority under the following conditions:

- (a) Voluntarily quits the service of the Company.
- (b) Is absent from work without permission for three (3) consecutive working days.
- (c) Is discharged for just cause and not reinstated pursuant to the provisions of the Grievance Procedure.
- (d) Fails to return to work within five (5) working days from the date of being recalled.
- (e) While on lay-off an employee must keep the Company advised of his or her current telephone number and address.

(f) Is absent on lay-off for a period in excess of twelve (12) months.

(g) Is terminated with severance pay.

9.26 Return to the Bargaining Unit

Any employee who has been transferred by the Company from the Bargaining Unit to a job outside of the bargaining unit, may be transferred back into the bargaining unit with the seniority held at the time of the original transfer, for up to a two (2) year period from the date of transfer to the job outside the bargaining unit.

After a trial period not exceeding five (5) months, if an employee is returned to the bargaining unit he may assume his job held immediately prior to the transfer. If the employee is returned to the bargaining unit after five (5) months, he must return to the classification of General Labour.

9.27 Seniority List

A seniority list on a departmental and plant-wide basis of all regular employees shall be posted with a copy to the Union. This list shall be revised every six (6) months. The seniority list will be displayed in a conspicuous place in each department.

ARTICLE 10 - UNION MATTERS

10.01 The Company and the Union agree that no discrimination, interference, restraint or coercion will be exercised or practised with respect to any employee by either of the parties hereto, and that there shall be no Union activity during working hours except as provided for in this Agreement, or as may be mutually agreed upon.

10.02 The Company shall provide a bulletin board for the convenience of the Union in posting notices. All such notices must be signed by the proper Officer of the Union, and any notices other than announcements of meetings shall be approved by the Plant Production Manager or Plant Superintendent before posting.

**ARTICLE 11 - HOLIDAYS**

11.01 All regular employees will be granted holiday pay for eight (8) hours at the employee's basic rate on the following recognized holidays:

NEW YEAR'S DAY	CANADA DAY
DECEMBER 24	JANUARY 2
CIVIC HOLIDAY	CHRISTMAS DAY
GOOD FRIDAY	LABOUR DAY
BOXING DAY	VICTORIA DAY
THANKSGIVING DAY	DECEMBER 31

subject to the following conditions:

- (a) The employee has been in the service of the Company at least sixty (60) days immediately preceding the holiday.
- (b) The employee is not absent from work immediately prior to and immediately following the holiday, unless with permission of the Company.
- (c) Is absent because of illness or accident for a period not exceeding two (2) weeks before the holiday.
- (d) Is on lay-off on the day of the holiday providing he has worked some time in the preceding 15 calendar days.

- 11.02 If any of the above statutory holidays should occur on a scheduled working day during a period when the plant may be closed for a vacation period, or during vacation periods otherwise scheduled for employees, all employees who are eligible for statutory holiday pay as defined above shall receive such pay provided they have worked the last shift prior to the vacation period and the first shift following the vacation period, unless permission for absence is granted by the Company or because of temporary illness, or accident period not exceeding two (2) weeks.
- 11.03 Work performed on any of the holidays listed under 11.01 above, between 11:30 p.m. on the day preceding the holiday and 11:30 p.m. on the day of the holiday, shall be paid for at the rate of double the employee's basic rate, in addition to holiday pay to which he may be entitled under 11.01 above.
- 11.04 Should Christmas Day fall on a Saturday or a Sunday, the following Monday will be observed as a holiday. Should New Year's Day fall on a Saturday or a Sunday, at the Company's discretion the preceding Friday, or the following Monday, will be observed as a holiday. Should Boxing Day fall on a Saturday or a Sunday, it will be paid, but not observed. Should Boxing Day fall on a Monday, the previous Friday will be observed. Should Canada Day fall on a Saturday or a Sunday, the following Monday will be observed as the holiday. Payment for the day observed will be subject to the conditions as provided for in 11.01 and 11.02 of this Article 11.
- 11.05 Should a holiday occur in an employee's scheduled vacation period, the employee will be entitled to receive one additional day of vacation at a time mutually agreeable to the employee and the Supervisor.



## ARTICLE 12 -VACATIONS

### 12.01 Length of Vacation

Employees who have been in continuous service with the Company for more than three (3) months, but less than one (1) year as of November 1<sup>st</sup> current year, will receive one (1) week's vacation: employees who have been in continuous service with the Company for one (1) year as of November 1<sup>st</sup> current year, will receive two (2) weeks vacation: those employees who have completed four (4) years or more of continuous service as of November 1<sup>st</sup> current year, will receive three (3) weeks vacation: those employees who have completed nine (9) years or more of continuous service as of December 1<sup>st</sup> current year, will receive four (4) weeks vacation; those employees who have completed eighteen (18) years of continuous service as of December 1<sup>st</sup> current year, will receive five (5) weeks vacation: those employees who have completed twenty five (25) years of continuous service as of December 1<sup>st</sup> current year, will receive six (6) weeks vacation.

### 12.02 Vacation Pay

Pay for the vacation period will be calculated for one (1) week at four percent (4%) of the employees' earnings in the twelve (12) months period ending December 31<sup>st</sup> previous calendar year: for two (2) weeks at four percent (4%) of the employees' earnings in the twelve (12) months period ending December 31<sup>st</sup> previous calendar year, and for three (3) weeks at six percent (6%) of the employees' earnings in the twelve (12) months period ending December 31<sup>st</sup> previous calendar year, and for four (4) weeks at eight percent (8%) of the employees' earnings in the twelve (12) months period ending

December 31<sup>st</sup> previous calendar year; for five (5) weeks at ten percent (10%) of the employees' earnings in the twelve (12) months period ending December 31<sup>st</sup> previous calendar year; for six (6) weeks at twelve percent (12%) of the employees' earnings in the twelve months' period ending December 31<sup>st</sup> previous calendar year. The calculation of vacation pay shall not result in an employee receiving more than fifty-two (52) weeks pay during the current vacation year, excepting should the vacation year result in fifty-three (53) pay periods. For the purpose of this Article 12, paragraph 12.02, holiday pay received pursuant to Article 11 of this Agreement, shall be considered as earnings. Vacation pay will be calculated on the employee's gross earnings, less taxable benefits for the previous calendar year ending December 31<sup>st</sup>.

12.03 Notwithstanding Article 12.02 above, where an employee is absent due to sickness or accident for a continuous period of two (2) weeks or more, his earnings for the twelve (12) months ending December 31<sup>st</sup>, previous calendar year, will be computed by applying his average weekly pay for the remainder of the twelve months to cover the period of absence due to his sickness or accident up to a maximum of four (4) months.

12.04 Scheduling of Vacations

Employees who desire any definite vacation period shall so notify the Company in writing before April 1<sup>st</sup>. Choice of such definite vacation period shall go to the senior employees among those applying, if all those applying cannot be released by the Company at the same time. Vacation periods shall not be permitted to interfere with plant operations. Final vacation lists will be posted by May 1<sup>st</sup> each year.

12.05 General

Vacations which are due during the holiday period beginning July 1<sup>st</sup>, must be taken in the period July 1<sup>st</sup> to September 30<sup>th</sup>, with the exception of vacations of three (3) or four (4) weeks where the Company reserves the right to require that the third (3<sup>rd</sup>) and fourth (4<sup>th</sup>) week be taken other than during the period July 1<sup>st</sup> to September 30<sup>th</sup>. Vacations cannot be accumulated for future years. The Company will consult with the Union where other arrangements for holidays are deemed necessary.

12.06 Pensioners

Notwithstanding paragraphs 12.01 and 12.02 above, an employee who retires on Company Pension prior to December 1<sup>st</sup> in any year will receive full vacation credit to date of retirement, based on the vacation pay schedule as outlined in paragraph 12.02 above.

12.07 Regular employees who have completed twenty-five (25) or more years of service will be granted extra vacation the year they attain:

- Age 60 - 1 additional week payable at 2%
- Age 61 - 2 additional weeks payable at 4%
- Age 62 - 3 additional weeks payable at 6%
- Age 63 - 4 additional weeks payable at 8%
- Age 64 - 5 additional weeks payable at 10%

This extra vacation may be taken in whole or in part in the vacation year and subject to paragraphs 12.04 and 12.05. If this supplementary vacation is not taken in its entirety during the year in which it is allowed, the money equivalent will be held as an accrued to be paid in one lump sum on retirement.

ARTICLE 13 -WAGES

- 13.01 A copy of the Company's hourly wage rates, Appendix "A", attached hereto, shall remain in effect throughout the term of this agreement.

ARTICLE 14 - RATES OF PAY

- 14.01 Except where otherwise noted in the clause, each shift worker and day worker shall be paid the number of hours actually spent in the Company's service at the rate established for the occupation and in accordance with such extra time and overtime allowance as provided for in this Agreement. Changes in an employee's basic rate due to a change in his other occupation shall not be made for a part of a day or shift. Should an employee leave their regular classified job for a period of one (1) hour or more to perform on a higher rated job, they will receive the job rate for the time that they work in the higher classification. This does not apply to employees whose job function requires meal and/or rest period relief.
- 14.02 Should an employee be transferred to a lower rated job classification, he shall receive the rate of his regular classified job. This shall not apply when the employee moves to a lower rated classified job for reasons of lack of work on his regular classified job, or when the move is brought on by personal request for such a move.
- 14.03 Where an employee is transferred for the purpose of training, his rate will remain unchanged. However, this training period shall not exceed twenty-five (25) working days without the work of the trainee being reviewed by Management.
- 14.04 If at the time of the review the employee is found to be adequately trained, he shall be paid the rate of

the occupation for which he has been trained, provided he is still on that job. In the event that the review indicates further training is necessary, his work will be reviewed weekly until such time as he is found proficient.

- 14.05 It is understood that the employee will be removed from any training program at any time it becomes apparent that he is not making reasonable progress.
- 14.06 When formalized scheduled training is performed, the trainer assigned by the Company will receive an additional fifty cents (.50¢) per hour over and above their classified rate for the hours he/she spends training.

#### ARTICLE 15 - HOURS OF WORK

- 15.01 For purposes of payroll computation, the standard work day or shift will be one of eight (8) hours and the work week one of forty (40) hours. The Company will post a schedule of starting and stopping times for day work and shifts, but reserves the right to change these hours or arrange other day work or shifts as circumstances may require. The Company will consult with the Union on any permanent changes in the regularly scheduled hours or shifts but such change will not be subject to grievance procedure.
- 15.02 The Company does not guarantee to provide work for any employee for the regularly scheduled hours or for any other hours.
- 15.03 Should it be necessary to change an employee's regularly scheduled shift, and should the Company not advise the employee twenty-four (24) hours in advance of such change, the first eight (8) hours worked on the changed shift will be paid at overtime

rate. Should a change in an employee's regular shift occur during an employee's vacation period, the Company will attempt to notify the employee of such change.

- 15.04 The regular working schedule for operating departments does not include Saturdays, Sundays and Holidays.
- 15.05 Each employee shall receive a twenty (20) minute paid lunch period at times designated by the Company. Workers on continuous operations will have lunch periods as presently in effect.
- 15.06 All employees, whether working eight (8) hour shifts or on continuous run, will have a common pay week starting and ending at 7:30 a.m., Sunday.

#### ARTICLE 16 - CONTINUOUS RUN - 7 DAY OPERATION

- 16.01 The Company may operate the plant or a portion of the plant on a seven (7) day basis once they have exhausted the normal hours available in a five (5) day operation (Monday to Friday) on the equipment being scheduled for seven (7) days.
- 16.02 Employees affected will receive a minimum of two (2) weeks notice of the implementation of continuous run.  
  
Once implemented an operation on continuous run will operate on the basis for a minimum of ninety (90) days. This period may be changed by mutual agreement between the Company and the Union.
- 16.03 The Company will meet with the Union in an attempt to reach a mutual agreement on shift schedules. If no agreement can be reached, the shift schedule will be based on twelve (12) hour shifts, seven (7)

days a week. As an example, under such a schedule, an employee would be on the following fourteen (14) day cycle:

Be off Monday and Tuesday

Work twelve (12) hours per day on Wednesday and Thursday

Be off Friday, Saturday and Sunday

Work twelve (12) hours per day on Monday and Tuesday

Be off Wednesday and Thursday

Work twelve (12) hours per day on Friday, Saturday and Sunday

On this basis, the employee would have two, three day weekends off per month and would work not more than three twelve hours shifts in a row.

Carrying this example of twelve (12) hour shifts further, the following provisions would apply.

**16.04**

All scheduled hours worked will be paid at straight time rates with the exception of hours worked in excess of twelve (12) hours in a shift or a Sunday or holiday, which will be paid at the rate of time and one half (1-1/2). An employee who voluntarily works on a Saturday or Sunday as a result of a replacement call-in, will be paid overtime at the rates prescribed by the Collective Agreement (i.e. time and one half for hours worked on Saturday and double time for hours worked on Sunday).

Under normal circumstances, the Company would not operate the plant on paid holidays. Employees working on the seven (7) day operation basis will

be paid for twelve (12) hours at straight time rate for the holiday. Any work performed on a paid holiday would be voluntary and paid at the rate of time and one half.

16.05 Employees will continue to be eligible for vacation selection on a seniority basis and will continue to be able to select vacations in prime time as currently in effect.

16.06 Rest periods will be discussed with scheduling of seven (7) days, but no less than current contract provisions.

Weekly Indemnity will be amended to comply with the seven (7) day operation and will be no less than current provisions.

Shift premium - \$0.84 for the second 12 hour shift (nights)

#### ARTICLE 17 - OVERTIME

17.01 All work performed in excess of eight (8) hours in any single day or forty (40) hours in a week shall be considered overtime. Overtime shall be paid for at the rate of time and one-half (1-1/2) the employee's basic rate with the exception of those hours worked on a Sunday or a holiday which shall be paid for at the rate of double the employee's basic rate.

17.02 Where an employee arranges with another employee to work time for his convenience, such time worked shall not be considered as overtime.

17.03 For purposes of pay computation, the workday shall be considered as being from 7:30 a.m. one day to 7:30 a.m. the following day, and the work week as



starting at 11:30 p.m. on Sunday, and ending at 11:30 p.m., the following Sunday.

- 17.04 Work performed between the hours of 11:30 p.m. Friday and 11:30 p.m. Saturday, shall be paid at the rate of time and one-half (1-1/2) the employee's basic rate. Work performed between the hours of 11:30 p.m. Saturday and 11:30 p.m. Sunday shall be paid at the rate of double the employee's basic rate. Work performed on a holiday shall be paid at the rate of double the employee's basic rate.
- 17.05 Time and one-half (1-1/2) or double time, shall not be paid twice under this Agreement for the same hours worked in a week.
- 17.06 All employees required to work an overtime period of more than two (2) hours after completing a standard shift of eight (8) hours will be given a meal ticket - maximum value, \$5.50, in merchandise to be purchased in the cafeteria as the employee wishes. The meal ticket will be given to the employee prior to the overtime being worked. The value of the meal ticket will increase to \$5.75, effective January 1, 2002 and further increased to \$6.00, effective January 1, 2004.
- 17.07 If overtime work is required in the plant, the Company agrees that the employees normally doing the work shall be given equal opportunity to do this work, providing they are qualified and capable of doing so. The Union recognizes and agrees that the employees shall share equally in the responsibility to perform overtime work. Students and probationary employees will not be requested to work overtime until regular employees of the department on the same shift have been offered the opportunity. Employees will be relieved from overtime work for reasonable excuse. It is understood that overtime work is not compulsory.

17.08 In conformity with Article 17, paragraph .07 above, when overtime shifts (up to 8 hours) are required to be worked on Saturday, preference will be given to employees working on the same scheduled eight (8) hour shift the preceding week.

When overtime shifts (up to 8 hours) are required to be worked on Sunday, preference will be given to employees working on the same scheduled eight (8) hour shift the following week.

NOTE:

The above language does not apply should the Company decide to start-up the plant early on a Sunday, where employees from the midnight shift of the following schedule week, will be scheduled to start their shift at an earlier time than the regular 11:30 p.m. Sunday starting time.

17.09 Missed overtime opportunities shall be compensated for at the appropriate overtime rate specified in the Labor Agreement only under the following conditions:

1. Overtime will be posted (excluding emergency situations).
2. The Company agrees an error has been made in the assignment of overtime.
3. The employee effected brings the error to the attention of his/her supervisor.
4. Employee(s) effected by the change are or will be at work prior to the overtime being worked.

5. The supervisor subject to items one (1), two (2) and three (3) above, fails to make change.

#### ARTICLE 18 - SAFETY AND MUTUAL INTERESTS

- 18.01 The Company agrees to establish a Safety Committee with equal representation from the Company and the Union. This Committee will meet during regular working hours once per month to review safety matters of mutual concern. The Committee will make periodic tours of the plant for safety inspections. In the event a plant tour is to be conducted by an industrial safety officer from the Ontario Ministry of Labour, one Union Committee member may accompany the officer on the tour.
- 18.02 Effective on the date of ratification, a Company subsidy of one hundred and ten dollars (\$110.00), not more often than once per twelve (12) month period, to be applied towards the cost of a new pair of safety shoes, The wearing of safety shoes is compulsory and a condition of employment. Effective January 1, 2002, January 1, 2004 and January 1, 2005, this amount will be increased to \$120.00, \$130.00 and \$140.00, respectively. The Company will also agree that where, in their opinion, an eye hazard exists, to subsidize the cost of safety prescription glasses up to a maximum of \$65.00, effective August 1, 2000, but such reimbursement not more often than once per twenty-four (24) month period. The safety glasses subsidy will increase to \$70.00, effective January 1, 2002 and further increased to \$75.00, effective January 1, 2004.
- 18.03 The Company shall continue to make reasonable provision for the safety and health of its employees during the hours of their employment. The program of the Safety Committee shall have the support of

the Union and the committees will welcome suggestions with regard to the safety of the employees.

#### **ARTICLE 19 - GENERAL**

##### **19.01      Rest Period**

All workers will be given two (2) ten (10) minute rest periods per shift at times designated by the Company. In the event of a ten (10) hour shift, one (1) additional rest period will be allowed. Workers on continuous operations will have rest periods as presently in effect.

##### **19.02      Emergency Calls**

If an employee is called to the plant after he has completed his regular day of work, he shall be paid at the rate of time and one-half (1-1/2) with a minimum of four (4) hours pay at his regular rate. The application of this section does not apply to pre-scheduled overtime.

##### **19.03      Lack of Work**

Employees who report for work on a regularly scheduled working day or shift, and for whom the Company is unable to provide either their regular work or any other work because of a change in plans or an emergency situation, shall receive pay for four (4) hours at their basic rate if supervision has failed to make reasonable effort to advise the employees of this situation. It is the responsibility of each employee to keep his foreman advised of his telephone number or where a message can be left for him. Employees who report late for this regularly scheduled shift will receive four (4) hours pay calculated from the next quarter hour, less the

time they were late.

19.04 Shift Premium

Employees working on the second shift will be paid a shift premium of forty cents (.40¢) per hour and employees working on the third shift will receive a shift premium of fifty-five cents (.55¢) per hour. Effective on the date of ratification, employees working on the second shift will receive forty-five cents (.45¢) per hour and employees working on the third shift will receive a shift premium of seventy cents (.70¢) per hour. Effective January 1, 1997, these premiums will increase to fifty cents (.50¢) and seventy-five cents (.75¢), respectively. This premium will not be taken into account in any other calculation of pay during the pay period. The Company agrees to the principle of rotation on a two (2) or three (3) shift basis as equally as possible in regard to shift work.

19.05 Leave of Absence Without Pay

The Plant Management, upon being shown good and sufficient reason, may grant an employee a temporary leave of absence of reasonable length without loss of seniority. Leaves of absence extending more than one (1) week must be given in writing and in no case be issued for more than six (6) months. At the expiration of this period, should circumstances warrant, an extension of the leave may be granted by the Plant Production Manager. Any employee who engages in gainful employment while on such leave or renewal thereof, shall lose his seniority rights unless specific provisions are made in advance to cover this circumstance. In the event an employee becomes available to return to work prior to the end of his or her authorized leave,

he or she shall be permitted to resume work, if work is available **for which** he or she is qualified to perform and as arranged by his or her supervisor.

19.06 Exception to this procedure will only be as follows:

Employees who are elected or appointed to a position in IWA Canada will be allowed, on request, a leave of absence of up to twenty-four (24) months on the basis that it may be renewed annually thereafter.

19.07 Maternity leave will be granted to employees, on request, for periods of up to three (3) months before termination of pregnancy and two (2) months after termination of pregnancy.

19.08 The provision of this clause is for the purpose of maintaining uninterrupted seniority rating during **authorized** periods of leave of absence and for no other purpose.

19.09 Employees granted leave of absence under this Article will maintain seniority in accordance with Article 9 of the Labour Agreement.

19.10 Bereavement Leave

Regular employees will be allowed, in the event of death of an immediate relative, namely their mother, father, sister, brother, mother-in-law, father-in-law, brother-in-law, sister-in-law, daughter-in-law, son-in-law, stepmother, stepfather, half-brother, half-sister, grandfather, grandmother and grandchildren, a leave of absence with pay at regular straight time basic rate of up to three (3) consecutive scheduled working days lost in the seven (7) day period beginning with the date of

death. To be eligible to apply for such paid leave, the employee must attend the funeral and must not be absent from work on account of illness, accident, compensation, holidays, vacation or lay-off at the time for which the leave is requested. One (1) day of the bereavement leave may be moved to the date of delayed cremation or burial.

- 19.11 Regular employees will be allowed in the event of death of an immediate relative, namely their wife, husband, son, daughter, stepson, stepdaughter and common-law spouse, a leave of absence with pay at regular straight time basic rate, of up to five (5) consecutive scheduled working days lost in the seven (7) day period beginning with the date of death. To be eligible to apply for such paid leave, the employee must attend the funeral and must not be absent from work on account of illness, accident, compensation, holidays, vacation or lay-off at the time for which leave is requested.
- 19.12 In the event of the death of an immediate relative and should the employee not be able to attend the funeral, he will be allowed one (1) day's pay at his regular rate. For this purpose, immediate family means mother, father, sister, brother, son and daughter. All other qualification of this section shall apply.
- 19.13 Lost-Time Accidents
- An employee who experiences a lost-time industrial accident will be allowed pay at his regular rate for the balance of his regular pay or shift on which the accident occurred.
- 19.14 Employees injured on the job and who are subsequently requested to visit a doctor, clinic or hospital because of the injury, will be compensated

for their loss of wages at basic rate or overtime rate, because of such visits.

19.15 Jury Duty

Employees required to serve on Jury Duty or as a subpoenaed witness, shall be paid the difference between their basic wage rate they would have earned and the amount they receive for Jury or Witness Duty. To secure payment, proof of attendance, including amount received from the Court, will be required.

19.16 Automation

The Company will advise the Union as soon as possible before the introduction of technological changes and/or automation which the Company has decided to introduce that will result in significant changes in the employment status of employees.

19.17 The Company will discuss with the Union the effect of such changes on the working conditions of employees and consider ways and means of providing alternate employment opportunities within the Company for employees displaced by these changes.

19.18 In the event that the Company is unable to offer alternate employment opportunities within the Company and employees are laid off as a direct result of technological change and automation, severance pay will be provided to such eligible employees as follows:

Regular employees with five (5) or more years of service will be entitled to a severance allowance on the basis of forty (40) hours pay for each year of service at the employee's current hourly rate. One-



half (1/2) of the amount so calculated will be paid after the employee has been laid off for a period of two (2) months. The second half of the severance allowance will be paid after the employee has been laid off for four (4) months.

- 19.19 It shall be the responsibility of the employee to apply for severance pay.
- 19.20 If an employee is recalled to work before any severance pay is due, no severance payment will be made. Any employee who refuses or is not available for recall (except for reasons of sickness or accident), shall forfeit all rights to severance pay and recall.
- 19.21 An employee who has received a partial severance payment who, if recalled and accepts such recall prior to receiving final severance payment, shall retain full seniority rights, but will be entitled to only the unpaid portion of his severance allowance added to any new accumulation of severance pay commencing on his return to employment in case of a subsequent lay-off due to technological change and automation.
- 19.22 An employee who has received full severance pay and who is subsequently re-hired, will be considered as a new employee in all respects.
- 19.23 Employees eligible for severance pay as provided by Government legislation will receive either the Government legislated provision or the Company severance pay provision, whichever is greater.
- 19.24 Recall procedures under this policy will be in accordance with Article 9 of the **Labour Agreement**.

19.25 Plant Closure and Severance Pay

In the event of the planned closure of the entire plant, the Company will notify the Union as soon as possible of such plans, but in any case not less than two (2) months prior to the closing date.

19.26 Eligible employees with one (1) or more years of service, terminated as a result of the plant closure, will receive forty (40) hours pay for each year of service at the employee's current hourly rate to a maximum of one thousand and forty (1,040) hours total severance pay.

19.27 In order to be eligible for severance pay under this Article, employees must be on payroll at the time of the announcement of plant closure, have one (1) or more years of service, and remain in the employ of the Company until the closing of the plant, or until the employee's services are no longer required. Employees eligible for any early retirement benefits proposed by the Company will be entitled to either the early retirement benefit or the severance pay.

19.28 Employees eligible for severance pay as provided by Government legislation, will receive either the Government legislated provision or the Company severance pay provision, whichever is greater.

19.29 Welfare

The Company will assume the full cost of the Company insured welfare benefit program, excluding pensions. This involves the premium charges for group life insurance, accidental death and dismemberment insurance, weekly sickness and non-occupational accident indemnity insurance and major medical insurance as in effect during the life of the Agreement.

The weekly indemnity plan is registered with the Federal government and any reductions in unemployment insurance premiums are to be retained by the Company.

The summary of the Company Pension Plan as outlined in Appendix "C", is included in the Labour Agreement.

The Company to provide benefits package booklets within ninety (90) days of ratification.

19.30 The Company agrees to assume the full cost of direct premiums for legislated provincial government mandatory basic hospital and medical programs. Where legislation permits, coverage for the basic medical-surgical benefits will be 100% of the provincial medical association schedule of fees.

19.31 Welfare benefit coverage for regular employees on lay-off will terminate as follows:

Weekly Indemnity and Long Term Disability  
-Terminate on lay-off.

Life Insurance - Terminates on the last day of the month following the month of lay-off.

O.H.I.P. - Group coverage terminates on the last day of the month in which lay-off occurs, Employees can then go on pay-direct basis.

19.32 Medical Certification Fees

The Company will pay medical certification fees by compensating an employee for the fee charged by a physician up to a maximum of twenty dollars

(\$20.00) for the completion of a medical certificate of illness or injury, if such certificate is required by the Company to support an employee's claim for benefits under the Weekly Indemnity plan. Payment will be initiated upon production of a formal receipt from the attending physician.

**ARTICLE 20 - TERM OF AGREEMENT**

- 20.01 This Agreement shall be in effect from January 1, 2000, except where otherwise provided in the Agreement, up to and including December 31, 2005, and unless either party signatory to this Agreement gives notice in writing to the other party not more than sixty (60) days and not less than thirty (30) days prior to December 31, 2005, of its desire to terminate or to amend this Agreement, then it shall continue in effect for a further year from December 31, 2005, without change.
- 20.02 In the event of written notice of termination or desire for amendment having been given by either party as herein above provided, the other party agrees to meet for the purpose of negotiating such proposals within twenty (20) days after receiving such notice, if requested so to do.
- 20.03 The provisions of this Agreement shall be subject to all applicable Provincial or Federal legislation now in force or which may hereafter be enacted.

AGREED TO AND SIGNED THIS 23<sup>rd</sup> DAY OF May, TWO THOUSAND AND ONE AT **WHITBY**, ONTARIO.

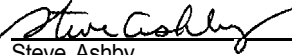
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Production Manager

  
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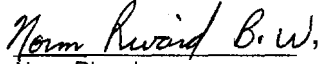
R. M. Gruber  
Vice-President,  
Human Resources

  
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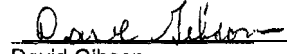
Steve Ashby  
Employee Relations Manager



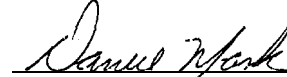
**IWA CANADA  
AND ITS LOCAL 500**

  
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Norm Rivard  
4<sup>th</sup> Vice President, IWA Canada

  
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David Gibson

  
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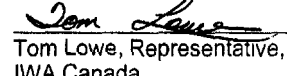
Darrell Mask

  
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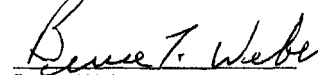
Phil Shackleton

  
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Tom Hunt

  
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Tom Lowe, Representative,  
IWA Canada

  
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Bruce Weber

**APPENDIX "A"**

<b>JOB TITLE</b>	<b>Jan. 1 2000</b>	<b>Jan. 1 2001</b>	<b>Jan. 1 2002</b>	<b>Jan. 1 2003</b>	<b>Jan. 1 2004</b>	<b>Jan. 1 2005</b>
<b><u>Corrugator Department</u></b>						
Corrugator Operator	19.60	19.99	20.39	20.80	21.22	21.54
Roll Handler	18.46	18.83	19.21	19.59	19.98	20.28
Double Backer Operator	18.62	18.99	19.37	19.76	20.16	20.46
Double Cut-off Knife	19.60	19.99	20.39	20.80	21.22	21.54
Load Transfer (Corrugator)	18.31	18.68	19.05	19.43	19.82	20.12
Starch Operator	18.17	18.53	18.90	19.28	19.67	19.97
Corrugator (Double Stackerman)	18.62	18.99	19.37	19.76	20.16	20.46
Utility (Corrugator)	18.62	18.99	19.37	19.76	20.16	20.46
<b><u>Printing Department</u></b>						
Load Transfer	18.17	18.53	18.90	19.28	19.67	19.97
Flexo Gluer Operator (60,61,62,63,68)	19.60	19.99	20.39	20.80	21.22	21.54
Flexo Gluer 1st Operator (60,61,62,63,68)	18.77	19.15	19.53	19.92	20.32	20.62
Flexo Gluer 2nd Helper (60,61,62,63,68)	18.01	18.37	18.74	19.11	19.49	19.78
<b><u>Die Cut Department</u></b>						
Steel Die Maker	19.48	19.87	20.27	20.68	21.09	21.41
Load Transfer	18.17	18.53	18.90	19.28	19.67	19.97
Die Press Operator (80,81)	19.60	19.99	20.39	20.80	21.22	21.54
Die Press Assistant Operator (80,81)	18.77	19.15	19.53	19.92	20.32	20.62
Die Press Utility (80,81)	18.01	18.37	18.74	19.11	19.49	19.78
Unitizer Operator	18.42	18.79	19.17	19.55	19.94	20.24
Folder Gluer Operator (M/C 75 - Fast Pac)	19.49	19.88	20.28	20.69	21.10	21.42
Folder Gluer 1st Helper (M/C 75 - Fast Pac)	18.77	19.15	19.53	19.92	20.32	20.62
Folder Gluer 2nd Helper (M/C 75 - Fast Pac)	17.90	18.26	18.63	19.00	19.38	19.67

**APPENDIX "A"**

<b>JOB TITLE</b>	<b>Jan. 1 2000</b>	<b>Jan. 1 2001</b>	<b>Jan. 1 2002</b>	<b>Jan. 1 2003</b>	<b>Jan. 1 2004</b>	<b>Jan. 1 2005</b>
<b><u>Die Cut Department cont.</u></b>						
Folder Gluer Operator (M/C 69 - Emba)	19.27	19.66	20.05	20.45	20.86	21.17
Folder Gluer Helper (M/C 69 - Emba)	17.99	18.35	18.72	19.09	19.47	19.76
Baler Operator	18.16	18.52	18.89	19.27	19.66	19.95
Slitter Scorer Operator	18.24	18.60	18.97	19.35	19.74	20.04
Slitter Scorer Tailer	17.70	18.05	18.41	18.78	19.16	19.45
#1 Bundler Tier	17.70	18.05	18.41	18.78	19.16	19.45
<b><u>Material Handling</u></b>						
Clamp Truck Operator	18.17	18.53	18.90	19.28	19.67	19.97
Fork Truck Operator	18.17	18.53	18.90	19.28	19.67	19.97
<b><u>Department</u></b>						
Shift Co-ordinator	18.83	19.21	19.59	19.98	20.38	20.69
Warehouseman	18.42	18.79	19.17	19.55	19.94	20.24
Checker Loader	18.42	18.79	19.17	19.55	19.94	20.24
<b><u>Maintenance Department</u></b>						
Certified Industrial Millwright	21.41	22.78	23.24	23.70	24.17	24.53
Ratification	22.33					
Certified Industrial Electrician	21.41	22.78	23.24	23.70	24.17	24.53
Ratification	22.33					
Mechanic "B"	19.21	19.59	19.98	20.38	20.79	21.10
Maintenance Utility	18.30	18.67	19.04	19.42	19.81	20.11
Janitor	17.69	18.04	18.40	18.77	19.15	19.44
<b><u>Electrician Apprentice</u></b>						
1 <sup>st</sup> Year	18.00	18.36	18.73	19.10	19.48	19.77
2 <sup>nd</sup> Year	18.40	18.77	19.15	19.53	19.92	20.22

**APPENDIX "A"**

<b>JOB TITLE</b>	Jan. 1	Jan. 1	Jan. 1	Jan. 1	Jan. 1	Jan. 1
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
3 <sup>rd</sup> Year	18.88	19.26	19.65	20.04	20.44	20.75
4 <sup>th</sup> Year	19.37	19.76	20.16	20.56	20.97	21.28
On Qualifying	21.05	21.47	21.90	22.34	22.79	23.13

**Miscellaneous Department**

General Labour	17.62	17.97	18.33	18.70	19.07	19.36
**Starting Rate	17.54	17.89	18.25	18.62	18.99	19.27
General Plant Clean-up	17.62	17.97	18.33	18.70	19.07	19.36

**Rubber Die Mounter**

Start	17.62	17.97	18.33	18.70	19.07	19.36
6 months	17.97	18.33	18.70	19.07	19.45	19.74
12 months	18.33	18.70	19.07	19.45	19.84	20.14
18 months	18.64	19.01	19.39	19.78	20.18	20.48
24 months	18.93	19.31	19.70	20.09	20.49	20.80

**Students**

Students	13.67	13.94	14.22	14.50	14.79	15.01
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**NOTE:** A premium of thirty-five (.35¢) cents per hour above the highest hourly rated employee whom he leads will be paid to Lead Hands, Crew Leaders, Crew Coordinators, Head Die Mounters and who may be designated by the Company for specific operations. Where Lead Hands, Crew Leaders, Crew Co-ordinators, Head Die Mounters and have been designated to a department, they shall be responsible for layout and co-ordination, but shall not be responsible for discipline.

\*\* Double asterisk denotes rates for Probationary period.



## Wages

The Company will set rates for new jobs or rates applicable to new machines. The Company, where possible, will give the Union thirty (30) days advance notice in writing, to the commencement of the job classifications. After a period of thirty (30) days, any such rate or rates, not acceptable to the Union, may be discussed with Management. Upon agreement of the applicable rate or rates, they shall be integrated into the Wage Schedule and payment made retroactive (if necessary), after the thirty (30) day period. If no agreement is reached on the rate, the matter may be referred to the grievance procedure commencing at Step 3 of the procedure.

## APPENDIX "B"

### **Welfare**

(1) **Life Insurance and Accidental Death and Dismemberment**

All regular employees actively at work will be insured for the amount of \$65,000. Employees not actively at work will be covered for their previous amounts and will be covered for the amount of \$65,000 upon their return to active employment.

(2) **Weekly Indemnity**

The Company will amend the weekly indemnity policy to provide for 70% of current wage rate at the onset of disability with a maximum of \$450.00 per week or the E.I. maximum, whichever is greater, effective on the date of ratification. Waiting periods for the payment of the disability will apply on the following scale:

- No waiting period for non-industrial accidents
- No waiting period if hospitalized immediately as a result of illness
- Three day waiting period - payment to begin at the beginning of the fourth day for all other cases

(3) **Long Term Disability Plan**

A Long Term Disability Plan for non-industrial accident or illness is in effect.

The Indemnity provided for qualified employees shall be 50% of the basic hourly rate of the employee as of March 1<sup>st</sup> prior to the onset of disability, multiplied by 2080 and divided by 12. The maximum payment will be \$1700.00 per month effective July 17, 2000 (date of ratification), for claims incurred after this date and increased to \$1900.00 per month effective January 2, 2004 for claims incurred after January 1, 2004.

For all non-occupational illnesses or accidents commencing after July 13, 1992, the amount of benefit will be amended as follows:

The regular straight time hourly rate shall be the rate of the job which the employee was scheduled to perform on the date of non-occupational illness or accident commenced. For the employee in receipt of Long Term Disability Benefit, the initial hourly rate used will be adjusted on January 1<sup>st</sup>, of each year by the percentage or amount (cents/hour) of the negotiated general wage increase until the benefit reaches the maximum monthly payment specified in the labour agreement in force when the non-occupational illness or accident commenced. The maximum monthly payment remains unchanged for the entire disability period.

The 50% formula remains the same.

The amount of benefit shall be reduced by any payments made under any government plans (federal or provincial), Workplace Safety Insurance Board (WSIB) payments, any other group or commercial disability plans, or any other Company benefit or pension plan.

The duration of the benefit period will equal the number of years or major fraction thereof of continuous service of the employee claimant up to the date he commenced to draw benefits under the weekly indemnity plan, or until retirement under the Company Pension Plan (whichever comes first).

An employee drawing Long Term Disability benefits will accumulate pension service credit under the Company Pension Plan. The pension benefit will be based on earnings\* prior to the onset of the weekly indemnity payments.

\*As calculated under Pension Plan Formula

An employee is eligible for Long Term Disability benefits, after he has completed fifty-two (52) weeks of weekly indemnity payments and continues to be incapacitated. He will be considered to be disabled if he is incapable, due to sickness or non-industrial accident, of working at his regular occupation for a period of up to fifty-two weeks; and thereafter for the balance of his qualifying period, is incapable of performing any work for which he is qualified by education, training or experience.

Eligibility for coverage will be at the first of the month following five months employment. An eligible employee is entitled to coverage if actively at work on the effective date, otherwise on return to active work.

Exclusions from entitlement to benefit are:

self-inflicted injury, war, riot and other exclusions normal to long term disability insurance policies. The premium for this long term disability policy

will be paid by the Company. During the life of this Agreement should either the Federal or Provincial governments introduce legislation to provide benefits already covered by this plan, the Company will have the right to fully integrate the benefits.

Effective July 17, 2000, all employees on Long Term Disability (LTD) at that time will maintain their life insurance, major medical, vision and dental care benefits at the level they were covered for at the onset of their disability. Employees in the future who qualify for LTD coverage, will be covered for life insurance, major medical, vision and dental care at the level they were covered for at the onset of their disability for the first forty-two (42) months of LTD. Following this forty-two (42) month period, Company coverage of these benefits will cease, but the LTD recipient can purchase, through the Company, coverage for any of the previously named benefits at their own expense at the rate established by the insurance carrier,

(4) Dental Care Plan

A dental plan has been established on the following basis for all employees:

i) Diagnostic Services

All necessary procedures to assist the dentist evaluating the existing conditions to determine the required dental treatment, including:

Oral Examination

Consultations

X-Rays (complete mouth X-Rays will be covered once in a two-year period)

ii) Preventative Services

All necessary procedures to prevent the occurrence of oral disease, including:

Cleaning and Scaling  
Topical application of fluoride  
Space maintainers

iii) Surgical Services

All necessary procedures for extractions and other surgical procedures normally performed by a dentist.

iv) All necessary procedures for filling teeth with amalgams, synthetic porcelain , and stainless steel crowns.

v) Endodontics

All necessary procedures required for pulpal therapy and root canal filling.

vi) Periodontics

All necessary procedures for the treatment of tissues supporting the teeth.

vii) Prosthetic Repairs

All necessary procedures required to repair or reline fixed or removable appliances.

viii) Prosthetic Appliances and Crown and Bridge Procedures

- (a) Crowns and Bridges - Gold inlays or onlays will be provided as a filling material only when teeth, in the professional opinion of a dentist, cannot be restored with any of the above materials. Gold foil will be provided only in cases of repair to pre-existing gold restoration.
- (b) Partial and/or complete dentures, but not more than once in five years.

o-Insurance - Deductibles

\$25.00 individual and \$50.00 family deductible per calendar year.

With respect to benefits (i) to (vii), the Plan will provide reimbursement of 100% of eligible expenses.

Benefit (viii) will be subject to 50% - co-insurance.

Maximum annual benefit per individual is \$1,000. Effective January 1<sup>st</sup> of each year, the dental care plan will be payable on the basis of a one (1) year time lag on the Ontario Dental Association schedule of fees.

The Dental Plan shall be amended to incorporate orthodontic benefits on the basis of no deductible at 50% cost coverage with a lifetime maximum benefit of \$1200. Effective January 1, 2001, for orthodontic claims commenced after January 1, 2001, the

maximum lifetime benefit will be increased to \$1600.00. The Company will pay the premium cost for this benefit.

#### Coverage

In order to be eligible for coverage, employees must have completed four (4) months of continuous service. Employees must be actively at work on the date the plan comes into effect. If not actively at work, coverage will commence when the employee returns to full-time work.

#### Cost Sharing

The premium cost of this plan shall be paid for by the Company.

The above is a summary of the features of the Dental Plan. In the event of any conflict between the information in this summary and the provisions of the group dental policy, the policy will prevail.

(5) Vision Care

Effective January 1, 1990, a Vision Care Plan will be implemented for all employees actively at work. Vision Care expenses incurred by an employee and/or his covered dependents are eligible when recommended by a physician or an optometrist as follows:

Frames, lenses and the fitting of prescription glasses, including contact lenses, up to a total payment of \$150.00 (effective on the date of ratification), per family member in any two consecutive calendar years. Effective January 1, 2002, payments will be



increased to \$175.00 and further increased to \$200.00 on January 1, 2004, for claims incurred after these dates.

(6) Coverage

Coverage under the Welfare Plan, excluding the dental plan and the pension plan, will commence on the 1<sup>st</sup> of the month next following the completion of the probationary period.

Coverage under the dental plan will commence on the 1<sup>st</sup> of the month next following the completion of four (4) months of continuous service.

This Appendix "C" is included in the Labour Agreement.

## **APPENDIX "C"**

### **PENSION PLAN**

The terms and conditions of the pension plan applicable to employees at the Etobicoke and Whitby Plants represented by IWA – Canada Local (500) are described in Text B of the Pension Plan for **Unionized** Employees of Smurfit-MBI (hereinafter referred to as the "Plan"), which is a pension plan registered with the appropriate federal and provincial government authorities.

The main provisions of Text B, as amended as at January 1, 2000, are summarized in the following paragraphs. It is agreed and understood that any Plan change introduced through the present Collective Agreement is subject to the approval of the government authorities responsible for the supervision of the Plan.

**It is also understood that the Plan, with amendments as agreed in the 2000 negotiations, shall not be subject to further modifications for the duration of the Labour Agreement reached with effect from January 1, 2000.**

#### 1. Eligibility and Participation in the Plan

- a) An employee becomes eligible to participate in the Plan on the first day of the month next following his completion of one year of continuous employment with the Company.
- b) Effective July, 17, 2000, participation in the Plan is mandatory for eligible employees hired on or after that date.

#### 2. Employee Contributions

Each member shall contribute to the Plan an amount equal to 3.5% of his Earnings up to the Maximum Pensionable Earnings (MPE) as defined under the Canada Pension

Plan, plus 5.0% of the portion of his Earnings in excess of the MPE.

Effective January 1, 2001, the members' contributions are equal to 4.5% of his Earnings up to the MPE, plus 6.0% of his Earnings in excess of the MPE.

For purposes of this paragraph, "Earnings" is defined as follows:

For any period before January 1, 1989, the annual amount of remuneration of a Member received from and determined by the Company, including overtime and any other additional remuneration,

For any period after January 1, 1989, the basic earnings of the Member received from and determined by the Company, including all shift premiums, Sunday overtime premiums when Sunday is a scheduled workday as part of a normal work schedule and vacation pay, but excluding overtime which is not regularly scheduled, lump sum payments for vacation not taken, taxable benefits, special payments or indemnities and reimbursement for expenses.

Also, "Earnings" means deemed earnings during a period of reduced pay after 1990, which is recognized as Credited Service, subject to a prescribed amount as defined in sub-section 147.1(1) of the Income Tax Act (Canada) the year under consideration.

3. Normal Retirement Date

The normal retirement date of a member shall be the first day of the month immediately following his attainment of age 65.

4. Pension at Normal Retirement Date

(Note: The following paragraphs describe the pension formulas applicable to employees who have always participated in the Plan when eligible and who have not withdrawn their contributions, when such options were given; these pension formulas also apply to employees who have discounted their participation of the Plan, when this option was given, and who have subsequently rejoined the Plan, but only in respect of their period of credited service subsequent to the date on which they rejoined the Plan.)

- a) The annual pension payable to a member who retires on his normal retirement date is equal to the sum of:
- i) Three quarters ( $3/4$ ) of one percent (1%) of his Final Average Earnings multiplied by his number of years of Non-Contributory Credited Service, plus
  - ii) One and one-half percent ( $1-1/2\%$ ) of his Final Average Earnings multiplied by his number of years of Contributory Credited Service up to December 31, 1865, plus
  - iii) Seven eighths ( $7/8$ ) of one percent (1%) of the portion of his Final Average Earnings up to the Final MPE, multiplied by his number of years of Contributory Credited Service after January 1, 1966, plus

- iv) One and one-half percent (1-1/2%) of the portion of his Final Average Earnings in excess of the Final MPE, multiplied by his number of years of Contributory Credited Service after January 1, 1966.

For purposes of this paragraph a), the following terms are defined as follows:

“Final MPE” means the average of the Maximum Pensionable Earnings as defined in the Canada Pension Plan, in the year of retirement and in the two (2) preceding years.

“Non-Contributory Credited Service” means the number of years of continuous employment before June 30, 1962, rounded to the nearest quarter year served, excluding any period of service prior to the member’s attainment of age 25 and completion of one (1) year of continuous employment.

“Contributory Credited Service” means the number of years of continuous employment, rounded to the nearest quarter year served, during which the member has made the required contributions to the Plan (provided such contributions have not been subsequently withdrawn).

- b) Notwithstanding the above, the total annual pension payable to a member who retires during the period from January 1, 2000 to December 31, 2005 shall at least be equal to:
  - i) 1.65% of the member’s Final Average Earnings times his years of Pensionable Service prior to retirement. less

- ii) **1/35 of the C/QPP Pension times his years of Pensionable Service between January 1, 1966 and his date of retirement, up to a maximum of 14 years.**

Effective January 1, 2001, the 14-year maximum mentioned in 4. b) ii) above decreases to 7 years for members retiring on or after that date. Effective December 31, 2005, article 4. b) ii) ceases to apply for members retiring on or after that date.

For the purposes of this paragraph, the terms "Pensionable Service", and "C/QPP Pension" shall have the following meanings:

**"Pensionable Service"**

The sum of the Contributory Credited Service plus one-half (1/2) of the Non-Contributory Credited Service" and Non-Contributory Credited Service" shall be as defined in paragraph a) above.

**"C/QPP Pension"**

The maximum pension payable under the Canada/Quebec Pension Plan in the year of the member's retirement..

**5. Early Retirement**

- a) A member may elect early retirement on the first day of any month after his attainment of age 55. The annual early retirement pension then payable shall be equal to a percentage of the pension calculated in accordance with the formulas described in paragraph 4a) above, such percentage being determined from the following table:

Age at Early Retirement	At least <b>20</b> years of continuous service	Less than <b>20</b> years of continuous service
64	100%	94%
63	100%	88%
62	100%	82%
61	100%	76%
60	100%	70%
59	100%	64%
58	100%	58%
57	94%	52%
56	88%	46%
55	82%	40%

b) A member who elects early retirement after having completed at least twenty (20) years of continuous employment, shall receive a bridging supplement commencing on his early retirement date and ending on the earlier of the first day of the month following the attainment of age 65 or the first day of the month following the date of his death. The amount of the bridging supplement shall be calculated as follows:

i) For a member who retires after attainment of age 60, the bridging supplement shall be equal to \$15.00 per month times the number of years of allowable service not exceeding 30, with proportional allowance for completed months.

The amount of \$15.00 referred to above increases to \$16.00 in the case of a member who retires on or after January 1, 2001.

- ii) For a member who retires on or before attainment of age 60, the bridging supplement shall be equal to \$30.00 per month times the number of years of allowable service not exceeding 30, with proportional allowance for completed months: as of the first day of the month following his 60<sup>th</sup> birthday, the bridging supplement shall reduce to \$15.00 per month times such service. The amount of \$30 referred to above increases to \$31.00 in the case of a member who retires on or after January 1, 2001. It further increases to \$32.00 in the case of a member who retires on or after January 1, 2002, and increases to \$33.00 in the case of a member who retires on or after January 1, 2005.
- iii) For a member who retires before the attainment of age 58, the bridging supplement is equal to a percentage of the amounts determined in b) ii) above: the percentage is equal to 100%, less 8% for each year prior to age 58.

For purposes of this paragraph b), the years of allowable service are equal to the years of credited service in respect of which a pension is payable under the terms of the Plan.



6. Forms of Pension

a) Normal form of pension:

Under the normal form, the pension is payable monthly for as long as the member lives after retirement, with the guarantee that should he die before he has received sixty (60) monthly payments, the payments shall continue to be made to his designated beneficiary until sixty (60) monthly payments in all shall have been made.

b) Automatic form of pension:

A member who has a spouse and who is not living separate and apart from his or her spouse on the date of his retirement shall be deemed to have elected a joint and survivorship pension providing for the continuation of at least sixty percent (60%) of his pension to his spouse after his death, unless both the member and his spouse sign a form waiving the election of such option. The amount of the pension payable under this automatic form of pension shall be adjusted so as to represent the actuarial equivalent value of the pension payable under the normal form of pension described in paragraph a) above.

c) Optional forms of pension

A member who does not have a spouse or who is living separate and apart from his or her spouse on the date of his retirement or a member who has a spouse on the date of his retirement but has waived, jointly with his spouse, the automatic form of pension described in paragraph b) above, may elect to

receive his pension under one of the following optional forms of pension:

- i) a life pension with a guaranteed period of 10 or 15 years:
- ii) a life pension continuing at the rate of 50%, 66 2/3%, 75%, or 100% to his spouse;
- iii) a life pension integrated with the Old Age Security Pension.

The amount of the pension payable to a member who elects one of the optional forms of pension described above shall be adjusted to represent the actuarial equivalent value of the pension payable under the normal form. The election of an optional form of pension must be in writing, on the form prescribed by the Company and must be filed with the Company at least two months before the commencement of the pension payments.

7. Post-retirement Pension Adjustments

The basic pension payable under the Plan to a member who has retired after January 1, 1989, excluding any bridging supplement, will be increased on January 1, 2000 and on each subsequent January 1<sup>st</sup>, until January 1, 2005. The adjustment becoming payable as of any January 1<sup>st</sup>, will be equal to a percentage of the basic pension previously payable, such percentage corresponding to 50% of the increase in the Consumer Price Index during the twelve (12) month period ending October of the preceding calendar year; the adjustment percentage shall be rounded to the nearest one-tenth of one percent and shall be subject to a maximum of 5%. The adjustment applicable on January 1<sup>st</sup> of the calendar year following the year of retirement shall be

pro-rated based on the number of months elapsed since the date of retirement. The adjustment applicable on January 1, 2000 shall be based on the number of months elapsed since the date of the last adjustment. For purposes of this article, the Consumer Price Index means the Canada all-items Consumer Price Index (1992 = 100) as published by Statistics Canada.

Should the government introduce any legislation requiring post-retirement adjustments, the annual adjustment described above will be reduced by any adjustment granted in accordance with such legislation.

8. Termination of Employment

A member who terminates his employment prior to retirement shall be entitled to the following benefits:

- a) If the member has completed less than two (2) years of membership in the Plan, as at the date of his termination of employment, he shall receive a refund of his accumulated contributions with interest to the date of his termination,
- b) If the member has completed at least two (2) years of membership in the Plan, but less than ten (10) years of continuous employment as at the date of his termination of employment, he shall receive a refund of his contributions made before January 1, 1987, with credited interest, and he shall also be entitled to a deferred pension commencing on his normal retirement date, equal to his pension accrued in respect of service on or after January 1, 1987 as determined in accordance with the formulas described in paragraph 4 a) above.

c) If the member has completed at least ten (10) years of continuous employment, but has not attained the age of 45 at the date of his termination of employment, he may elect, in respect of his service before January 1, 1987, one of the following options:

- i) to receive a refund of his contributions made before January 1, 1987 with credited interest to the date of his termination of employment;
- ii) To leave his contributions made before January 1, 1987, with credited interest in the pension fund and to receive a deferred pension commencing on his normal retirement date, equal to his pension accrued in respect of service before January 1, 1987, as determined under the terms of paragraph 4 a) above.

With respect to his service after January 1, 1987, the member shall receive a deferred pension commencing on his normal retirement date, equal to his pension accrued in respect of his service after January 1, 1987, as calculated in accordance with the formulas described in paragraph 4 a) above.

d) If the member has completed at least ten (10) years of continuous employment and has attained the age of 45 at his date of termination of employment, he shall be entitled to a deferred pension commencing on his normal retirement date: the pension accrued is calculated as at the date of termination of employment in accordance with the formulas described in paragraph 4 a) above.

A member who is entitled to a deferred pension may elect to transfer the commuted value of such pension to a locked-in retirement account (LIRA). Furthermore, the portion, if any, by which the employee contributions made after January 1, 1987 accumulated with interest, exceed 50% of the commuted value of the vested pension in respect of service after January 1, 1987, shall be refunded to the member.

9. Death Benefits

- a) If a member dies before the commencement of his pension, his designated beneficiary (or his estate, if there is no designated beneficiary) shall receive a refund of his contributions with credited interest. However, if the member had completed at least two years of membership in the plan at the date of his death, the refund payable in respect of contributions made on or after January 1, 1987 shall be at least equal to the commuted value of the pension accrued in respect of such service plus the portion, if any, by which the contributions made by the member after January 1, 1987 with interest, exceed 50% of such commuted value; the recipient of such refund shall be the spouse of the member or, if there is no spouse, his designated beneficiary or, if there is no designated beneficiary, his estate.
- b) If a member dies after the commencement of his pension, the benefits payable, if any, shall be determined in accordance with the form of pension elected by the member prior to his retirement.

#### 10. Disability Pension

A member who has completed at least ten (10) years of continuous employment and who becomes, through some unavoidable cause, totally and permanently incapacitated, shall be entitled to receive a disability pension under the Plan, provided he has not attained the age of 65 and is not in receipt of benefits under any Company sponsored long-term disability plan. Such disability pension shall commence on the date determined by the Company and shall be equal to the member's accrued pension, calculated in accordance with paragraph 4 a) above, but reduced by any disability benefits payable under a Workplace Safety Insurance Board and, at the discretion of the Company, by any other disability benefits payable under a government program.

It is understood that this Appendix is only a summary of the main provisions of the Plan and that the actual administration of the benefits payable shall, at all times, be governed by the official text of the Plan.

This Appendix "C" is included in the Labour Agreement.

APPENDIX "D"

1. Tool Allowance

The tool allowance for Mechanics who elect to use their own tools on the job is \$100.00.

**APPENDIX "E"**

**ADDENDUM TO COLLECTIVE AGREEMENT**

(July, 2000)

**Continuous Run – 12 Hour Shifts**

Further to **Article 16 – Continuous Run – 7-day Operation** of the current Collective Agreement, the parties have agreed to the following terms of reference relative to the implementation of a 12 hour continuous shift operation at the Whitby Plant.

1. **Hours of Work**

The standard workday or shift for continuous run will be one (1) of twelve (12).

The standard work week will be seven (7) days of operation, with Day Shift scheduled from 7:30 a.m. until 7:30 p.m. and Night Shift scheduled from 7:30 p.m. – 7:30 a.m.

It has been mutually agreed that the twelve (12) hour continuous shift will be scheduled as 2-2, 3-2, 2-3, with Friday off every two (2) weeks. Example of this shift arrangement is as stated under Article 16.04.

2. **Shift Premiums**

Shift premium of eighty-four cents (.84¢) will be paid in accordance with Article 16.07, for all hours worked on Night Shift scheduled from 7:30 p.m. – 7:30 a.m.



3. **Temporary Employees**

Probationary period for temporary employees remains as stated under Article 9.01. Sixty (60) calendar days or has accumulated forty (40) working days within one hundred and twenty (120) calendar days).

4. **Vacations**

Vacation weeks for employees working on continuous run – twelve (12) hour shift, will be converted to hours of vacation entitlement:

i.e. One (1) week = 40 hours  
Two (2) weeks = 80 hours  
Three (3) weeks = 120 hours

Vacation hours may be scheduled by twelve hour days or may be used to schedule remaining hours in any twelve (12) hour shift that is reduced due to less than twelve (12) hours due to shortage of available work.

5. **Job Postings**

Current posting period of forty-eight (48) hours referred to under 9.13 and 9.14, will be extended to one hundred and twenty (120) hours in recognition of seven (7) day continuous shift operation, which includes Saturdays and Sundays as part of the scheduled work week.

6. **Bereavement Leave**

Employees working continuous twelve (12) hour shift arrangement, will receive bereavement pay of twelve (12) hours at their basic rate for each day of bereavement, which they are eligible to receive as stated under Article 19.10 and 19.11.

7. **Lost-Time Accidents/Modified Duties**

Employees working continuous twelve (12) hour shift arrangement, will receive pay at their basic **rate for the** balance of their scheduled twelve (12) hour shift in accordance with Article 19.13. wherever possible, the injured employee will be assigned to modified or light duties that are within employee's physical work restrictions on an eight (8) hour or twelve (12) hour shift schedule. The Company will pay employee for all hours worked under modified or light duties. Employee may make a claim to the Workplace Safety Insurance Board (WSIB), for any loss of wages while working on modified or light duties.

8. **Jury Duty**

Employees working continuous twelve (12) hour shift arrangement will receive pay of twelve (12) hours at their basic rate for each day of Jury Duty or appearance as subpoenaed witness, which they are eligible to receive in accordance with Article 19.15.

9. **Weekly Indemnity**

The Company will guarantee a minimum of 4/7<sup>th</sup> of a weekly pay for the first week of the employee's absence, provided the employee is eligible under the terms and conditions of the Weekly Indemnity Plan.

Weekly Indemnity eligibility and weekly Indemnity payments will remain as stated under Appendix "B".

- i.e. Except for non-industrial accidents or where employee is *hospitalized*, a three (3) day waiting period will continue to apply. Weekly Indemnity payments will remain at seventy percent (70%) of current wage rate at onset of disability with a maximum of \$450.00 or

Employment Insurance (E.I.) maximum, whichever the greater for each week of eligibility.

**10. Rest Breaks and Lunch Period**

Employees working twelve (12) hour continuous shift, will be allowed three (3) rest periods to a total of sixty (60) minutes within their scheduled shift, i.e. 20-20-20 or 15-30-15.

**11. Scheduled Work Hours**

All scheduled work hours referred to under Article 16.05, including those hours worked on a Sunday, which will be paid at the rate of time and one-half (1-1/2), will be considered as Pensionable Earnings as referred to under Appendix "C", Employee Contributions.

Any hours worked in excess of twelve (12) hours in a shift or on a paid holiday, as stated under Article 16.05, will be considered as overtime and will be paid at the rate of time and one-half (1-1/2). As overtime, these earnings are not considered as Pensionable Earnings, as referred to under Appendix "C", Employee Contributions.

**12. Meal Allowance**

Meal allowance for employees working twelve (12) hour shift, seven (7) day continuous schedule, will only be paid should employee agree to work an overtime period of more than one (1) hour beyond the completion of standard shift of twelve (12) hours. Meal ticket with a maximum value of \$5.25, as referred under 17.06, will continue to apply.

13. **Lack of Work**

Subject to the conditions referred to under Article 19.03, an employee working twelve (12) hour continuous shift, who reports to work for a regularly scheduled working day or shift, will receive pay for six (6) hours at their basic rate.

14. **Holidays**

In the event of a statutory holiday, employees who are not scheduled to work as a part of their regular schedule, will have to option of having an alternate day off as agreed to between the supervisor and the employee, or pay in lieu of such holiday for twelve (12) hours at straight time rate.

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