

**COLLECTIVE
AGREEMENT**

BETWEEN

| | | | |
|-------------------|-----|----|----|
| SOURCE | 10 | | |
| EFF. | 95 | 02 | 06 |
| NO. OF EMPLOYEES | 97 | 02 | 09 |
| NOMERE D'EMPLOYÉS | 185 | | |



FOSTER WHEELER LIMITED

AND



**UNITED STEELWORKERS
OF AMERICA**

LOCAL 6519

A.F. of L. - C.I.C. - C.I.O.

ST. CATHARINES, ONTARIO

FEBRUARY 6, 1995 TO FEBRUARY 9, 1997

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INDEX

| Article | | Page |
|---------|--|------|
| 1 | Purpose of Collective Agreement | 3 |
| 2 | Union Recognition | 3 |
| 3 | Union Security | 6 |
| 4 | Union Stewards, Committee and Representatives | 7 |
| 5 | Bulletin Boards | 8 |
| 6 | Safety and Health | 8 |
| 7 | No Discrimination | 10 |
| 8 | Management | 10 |
| 9 | Grievance Procedure | 11 |
| 10 | Discipline or Discharge Cases | 15 |
| 11 | No Strikes or Lockouts | 16 |
| 12 | Seniority | 16 |
| 13 | Leave of Absence | 24 |
| 14 | Wages | 25 |
| 15 | Hours of Work | 15 |
| 16 | Overtime | 37 |
| 17 | Wash Up and Break Periods | 38 |
| 18 | Shift Premium | 39 |
| 19 | Vacations | 39 |
| 20 | Paid Holidays | 40 |
| 21 | Repottingfor Work | 41 |
| 22 | Call in Pay | 42 |
| 23 | Injury Allowance | 42 |
| 24 | Jury Duty / Crown Witness Pay | 42 |
| 25 | Bereavement Pay | 43 |
| 26 | Group Benefits Plan | 43 |
| 27 | Pensions | 45 |
| 28 | Apprentices | 49 |
| 29 | Cost of Living Protection Factor | 49 |
| 30 | Notice | 50 |
| 31 | Technological Change | 51 |
| 32 | Termination | 52 |
| | Appendix I | 53 |
| | Appendix II | 53 |
| | Appendix III | 53 |

Made effective this 6th day of February, 1995, at St. Catharines, Ontario

Between

FOSTER WHEELER LIMITED
St. Catharines, Region of Niagara
hereinafter called the "Company"
of the first part

- and -

UNITED STEELWORKERS OF AMERICA
hereinafter called the "Union"
of the second part

ARTICLE 1 - PURPOSE OF COLLECTIVE AGREEMENT

1.01 The parties agree that it is mutually beneficial and desirable to establish in this Agreement fair and equitable wage rates, other working conditions to provide for the safety and health of employees during working hours and machinery for the adjustment of disputes regarding the provisions of this Agreement which may arise between the parties. The parties agree that the Memorandum of Agreement dated February 14, 1995, forms a part of this Collective Agreement.

ARTICLE 2 - UNION RECOGNITION

2.01 The Company recognizes the Union as the sole and exclusive bargaining agency for all the employees at the plant in St. Catharines save and except Foremen, those above the rank of Foremen, office staff, Plant Guards, Inspectors, X-Ray Technicians, and persons covered by the subsisting agreement between the Company and the Draftsmen's Association of Ontario, Local 164, International Federation of Technical Engineers, A.F. of L., C.I.O.-C.L.C.

2.02 The terms and conditions set forth in this Agreement shall have full force and effect for all employees in the Bargaining Unit as described in Section 2.01.

2.03 An employee shall mean an employee in the Bargaining Unit actively working for the Company and on the payroll, except for the provision that:

- A. A suspended employee or discharged person may grieve regarding his suspension or discharge as provided in Article 9. For probationary employees, see Section 12.02.
- B. A laid off employee shall have the following rights only:
 - 1. He may have recall rights under Section 12.06 and 12.08 (a) (3)(ii).
 - 2. He may accumulate seniority under Section 12.02.
 - 3. If on layoff may bid on Job Postings.
 - 4. Remain covered under the following elements of the Group Benefit Plan (Life, Prescription Drug, Semi-private and Dental Insurances) to the end of the month following the month in which layoff commenced.
 - 5. Retains such rights under the Non-Contributory Pension Plan as provided for under the Plan.

The parties recognize that there are two (2) types of laid off employees:

Employees who are displaced from their classification due to a shortage of work but who, due to seniority fights, remain actively at work and are subject to recall, shall herein be referred to as displaced employees.

Employees who, due to the seniority provision of the Agreement, are on layoff voluntarily or involuntarily as identified in 12.08(a) (3) and are not actively at work, but who are subject to recall, shall be referred to herein as laid off employees.

- C. An inactive employee absent due to certified sickness or accident shall have those rights he is entitled to under the Collective Agreement. The inactive employee's benefits, excluding Weekly Indemnity and Long Term Disability, will be terminated and he will be deemed laid off once employees with more seniority who could perform the employee's work are on involuntary layoff (see Section 12.08(a)3).

Inactive employees will be provided group insurance benefits and accrual of service toward the pension benefit calculation, but not semi-private coverage nor future improvement in the level of pension benefit, for a period of time equal to their length of active service with the Company.

- D. Those on a granted leave of absence will remain covered for benefits, except Weekly Sickness and Accident Benefit and Long Term Disability, until the end of the month following the month in which the leave of absence commenced and such persons may apply for continued coverage in the applicable Company benefits by paying the group premium to the Company. Entitlement to Paid Holidays and Vacation are as provided for elsewhere in this Agreement.

For employees who become ill or injured during a scheduled leave of absence of 3 months or less, the elimination period to qualify for benefits under the Weekly Sickness and Accident Benefit and Long Term Disability Plans will commence on the first day following the end of the scheduled leave of absence.

- E. Employees who are on a scheduled leave of

absence of more than 3 months and employees who are laid off will only be covered under the Weekly Indemnity and Long Term Disability Plans when they have returned to active employment as defined in the applicable Insurance Policy.

2.04 On hiring, a new employee shall be advised in writing of his classification, rate of pay, and the name of his Shop Steward. A copy will be forwarded to the Union.

2.05 It is the Company's intention that Foremen will supervise work done by employees in the Bargaining Unit. It is agreed that persons whose regular job with the Company is not in the Bargaining Unit will not work on jobs included in the Bargaining Unit except for the purposes of instruction or experimenting or in an emergency when a regular employee is not available.

ARTICLE 3 - UNION SECURITY

3.01 Each present employee and each new employee shall, as a condition of employment, pay such Union dues as are uniformly levied on all members of the Union in accordance with its constitution and by-laws. The President of the Union shall certify to the Company the amount of such Union dues. The Company will deduct the amount of such Union dues from any money owing to the employee in each month and remit the total of such dues to the International Secretary Treasurer of the Union by forwarding the cheque to the address given to the Company by the Financial Secretary of USWA Local 6519. The monthly dues remittances shall be accompanied by a list of employees from whom the deductions were made. A copy of all remittances shall be given to the Financial Secretary of Local 6519 and the International Staff representative.

3.02 The Union agrees to indemnify and save the Company harmless from any claim made by an employee or employees for any amount deducted from wages as provided for herein.

ARTICLE 4 - UNION STEWARDS, COMMITTEE AND REPRESENTATIVES

4.01

- (a) The Company will recognize ten (10) Stewards, the Safety, C.W.S., Compensation and Pension Committees. In the event that a third shift is established, an adequate number of Stewards will be appointed.
- (b) The Grievance Committee shall be composed of a panel of five (5) employees including the Union President or his representative, the Grievance Committee Chairman, and the Recording Secretary. Up to four (4) of the panel of five (5) may attend grievance meetings.
- (c) The Stewards and members of the Grievance Committee shall have been placed on the Seniority List according to their rightfully established seniority. The Union shall notify the Company in writing of the names of its Officers and Stewards.

4.02 It is understood that a Steward has his regular work to perform on behalf of the Company and that he will not leave his work without obtaining permission from his Foreman and such permission shall not be unreasonably withheld.

4.03 It is agreed that the processing of grievances with Management as provided for in Paragraphs 9.02 and 9.03 shall be during regularly scheduled working hours without loss of pay to the Steward concerned and the Grievance Committee. Meetings will be held between the hours of 8:30 a.m. and 2:00 p.m. Where practical, the preparation of written grievances will be confined to the last half hour of the day shift.

4.04 An authorized Union representative not employed by the Company may confer privately with a

member or members of the Grievance Committee only after receiving approval from the Manager of Plant Personnel or his representative. At the request of either party such Union representative may attend Step 2 meetings.

4.05 It is agreed that the Negotiating Committee will not exceed five (5) employees.

4.06 It is agreed that none of the Bargaining Unit employees shall have or exercise any authority in the direction of the work force or in the assignment of manpower to any job unless as defined in their job description.

ARTICLE 5 - BULLETIN BOARDS

5.01 The Company agrees to the posting of Union notices on four (4) Bulletin Boards in the following locations:

- (a) Small Parts
- (b) Tool Crib
- (c) Coil Bay
- (d) Main Gate

5.02 Such notices shall relate to appointments, meetings, elections and conventions of the Union and Union social, educational and recreational affairs. All such notices shall be submitted to the Manager of Plant Personnel, or his representatives, for his approval and initialling before posting.

ARTICLE 6 - SAFETY AND HEALTH

6.01 The Company acknowledges its responsibility to make reasonable provision for the ~~safety~~ and health of the employees during working hours and the Union acknowledges its responsibility and that of its members to cooperate in the maintenance of safe working practices and conditions and in the observance of Company rules in this regard.

As a matter of policy, the Company makes all reasonable effort to properly instruct and train employees in safe working habits and conditions. The Company will encourage employees to enroll in recognized First Aid Courses. The parties further agree that the Company will continue to recognize the Union Safety committee, the details of which are contained in the letter dated February 14, 1977.

The Company will supply up to two (2) pairs of coveralls per year for the following classifications:

- (a) Product Painter
- (b) Chipper Grinder
- (c) PVTAs
- (d) Shot Blast Operator
- (e) Maintenance Department, excluding Clerk

Worn out coveralls must be returned prior to being issued replacement coveralls.

The Company, at the employee's request, will provide coveralls to employees temporarily assigned to the above classifications which must be returned or paid by the employee upon completion of the assignment.

The Company will continue its present practice as to supplying protective clothing and equipment.

Critical injuries will be investigated immediately by a Foreman and a member of the Safety Committee. Corrective action will be taken to remove the cause. The Safety Committee will review these matters at each monthly meeting with the Safety Coordinator.

6.02 The Company shall, upon receiving proof of purchase, provide a safety shoe subsidy of up to \$60.00 once per contract year for employees who are actively at work.

6.03 The Union Health & Safety Committee will be advised by the Safety Co-ordinator of new equipment purchases and the working process of said new equipment.

ARTICLE 7 - NO DISCRIMINATION

7.01 The Company and the Union agree that there will be no discrimination against any employee because of:

- (a) Race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status, handicap and union membership.
- (b) Union activity, provided there shall be no Union activity on Company property **other** than that established in this Agreement or approved in advance by the Company, with the understanding that this Section 7.01(b) shall not be construed to prevent employees from engaging in casual conversation relating to Union affairs.

ARTICLE 8 - MANAGEMENT

8.01

- (a) The Union recognizes the right of the Company to hire, promote, transfer, classify, demote, layoff, and to recall after layoff with due regard to seniority; to maintain order and efficiency in **its** Plants; to discipline or discharge employees for just cause and to schedule and assign work to employees. Except as **limited** by the specific terms of this Agreement, the Company shall have the sole **right** to determine the methods, processes and means of manufacturing.
- (b) The Company also has the right to make and **alter** from time to time, rules and regulations to be observed by the employees, provided that no change shall be made by the Company in such

rules and regulations without notice to and discussion with the Union and provided such rules and regulations and changes in them shall not be inconsistent with any of the provisions of this Agreement.

- (c) The Company agrees that these functions will be exercised in a manner consistent with the provisions of this Agreement and a claim that the Company has exercised any of these rights in a manner inconsistent with any of the provisions of this Agreement shall be the subject of a Grievance.

8.02 The Union further recognizes the right of the Company to operate and manage its business, to determine the location of its plants, the products to be manufactured, and the scheduling of its production.

ARTICLE 9 - GRIEVANCE PROCEDURE

9.01 The purpose of this section is to establish orderly procedures for the prompt processing of grievances or complaints which may arise between the Company and the Union or between the Company and an employee or employees in connection with the application, interpretation or alleged violation of any provision of this Agreement. Any employee who believes he has a justifiable complaint or grievance should discuss the complaint or grievance with his Foreman in the presence, if desired, of his Steward. However, if the matter reaches the stage of a formal grievance, the following steps will apply:

9.02 Step 1

In the first instance, the **employee(s)**, with the Steward present, will present the grievance in writing and in duplicate to the Foreman. The original copy is to be given to the Foreman and the duplicate to the Plant Personnel Department. The grievance will state the specific action complained of and the relief requested, signed by the

grievor(s) and will be presented within ten (10) working days of the event upon which the grievance is based. The Foreman will give his answer in writing within five (5) working days.

9.03 Step2

If there is no settlement in Step 1, then, within five (5) working days the grievance may be advanced to Step 2 and a meeting between the Grievance Committee and a Committee of Management will take place within a further five (5) working days. The decision of the Committee of Management or the Union Committee in the case of a Company grievance shall be given in writing within five (5) working days after the meeting at which it was discussed.

9.04 Step3

- (a) If not then settled, either party shall within ten (10) working days give written notice to the other that the matter is to be submitted to arbitration at the same time nominating an Arbitrator or the grievance is closed. Arbitration shall be dealt with by a single Arbitrator. If the parties are not able to agree upon such an Arbitrator within ten (10) working days of the notice of arbitration, the Minister of Labour for the Province of Ontario will appoint an Arbitrator. A matter regarding C.W.S. under Section 4.04 and 6.02 of the Manual shall be dealt with by a single Arbitrator who shall be a technically competent person with regard to job evaluations systems. If the parties are not able to agree upon such an Arbitrator within ten (10) working days of the notice of arbitration, the Minister of Labour for the Province of Ontario will appoint an Arbitrator.
- (b) The Arbitrator will make reasonable effort to render his decision within thirty (30) calendar days of the hearing, or of the filing of post hearing briefs.

- (c) The decision of the Arbitrator shall be final and binding on both parties to the Agreement.
- (d) The Arbitrator shall not have jurisdiction to alter or change any provision of this Agreement, to substitute any new provisions in lieu thereof, nor to give any decision which is inconsistent with the terms and provisions of this Agreement. The Arbitrator shall make his decision based on the evidence before him in a manner which is consistent with the terms and provisions of this Agreement.
- (e) A grievance subject to arbitration will be one limited to the interpretation, application, administration or alleged violation of this Agreement. The party receiving notice of arbitration may, within three (3) working days of its receipt, give written notice to the other party objecting that the matter is not arbitrable in that it does not involve the interpretation, application, administration or violation of this Agreement. Such notice of dissent as to **arbitrability** shall contain a statement as to the reasons why such dissent is taken and the discussion before the Arbitrator on this item shall be **so** limited. In such cases the Arbitrator shall endeavour to decide that question before dealing with the matter on its merits. However, such decision shall not be permitted to delay proceedings **so** that a further sitting is required.

In such case, the Arbitrator shall reserve judgement on the question of **arbitrability** and proceed with the matter on its merits. The Arbitrator in his award shall first deal with the question of **arbitrability** and if it is decided that the matter of alleged violation of the Agreement does not involve the interpretation, application, administration or alleged violation of the Agreement, then the Arbitrator shall not consider

the matter further and the decision of the Company or the Union, in the case of a Company grievance, shall stand.

9.05 A grievance will not be considered in any step unless it has been properly carried through all previous steps of the Grievance Procedure required by this Agreement, except that if, at any step in this Grievance Procedure, the Company or the Union does not give its answer within the allotted time, the grievance may be carried to the next step within the appropriate time which will start to run from the expiration of the allotted time within which the answer should have been given.

9.06 Group Grievances - Within ten (10) working days of the event upon which the grievance is based, the Union may submit in writing to the Plant Personnel Department a group grievance, affecting three or more employees, setting out the facts and article(s) of this Agreement claimed to be violated or relied upon and the grievance shall be dealt with in accordance with Step 2 and the balance of the Grievance Procedure.

9.07 Policy Grievances - Within ten (10) working days of the event upon which the grievance is based, the Company or the Union may submit in writing to the other a grievance affecting the interests of the Union or Company as parties to the Agreement, as different to a grievance affecting an employee or employees, setting out the facts and articles of this Agreement claimed to be violated or relied upon and the matter shall be dealt with in accordance with Step 2 and the balance of the Grievance Procedure.

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

9.09 Time limits may be extended by mutual agreement.

9.10 Both parties shall share equally the expenses and fee of the Arbitrator.

ARTICLE 10 - DISCIPLINE OR DISCHARGE CASES

10.01 If an employee with seniority believes that he has been unjustly disciplined or discharged, he shall, within three (3) working days of notice of discipline or discharge, present a grievance in writing to the Plant Personnel Department and the matter shall be dealt with in accordance with Step 2 and the balance of the Grievance Procedure. A discharged or suspended employee may interview his Steward privately for fifteen (15) minutes if he requests, at a place on the premises designated by the Company.

In the application of this Section, it is understood that if the discharged person is prevented from filing a grievance within the time limits provided for, a Union representative may file a grievance on his behalf.

10.02 Such special grievance may be disposed of by confirming the Company's decision in disciplinary or discharging the employee or by reinstating the employee with full seniority and compensation for time lost, or by any other arrangement which is just and equitable in the opinion of the conferring parties or the Arbitrator.

10.03

- (a) A copy of any written disciplinary warning shall be delivered to the employee concerned and to the Recording Secretary.

- (b) Any disciplinary warning or suspension shall be removed from an employee's record after twelve (12) months, excluding time on layoff, in which he has not received a disciplinary warning or suspension.

ARTICLE 11 - NO STRIKES OR LOCKOUTS

11.01 The Union agrees that there shall be no strikes, slow-downs, picketing or acts of any nature on the part of the Union or its members which would interfere with production during the term of this Agreement.

11.02 The Company agrees that there will not be a lockout during the term of this Agreement, but it is agreed that a lockout shall not be construed to mean the closing of the plant or any part thereof or the curtailment or stoppage of any portion of the business for business reasons or the discharge, suspension, or termination of employment of any employee for disciplinary or business reasons.

ARTICLE 12 - SENIORITY

12.01

- (a) The parties recognize that job opportunity and security shall increase in proportion to length of service. It is, therefore, agreed that in all cases of vacancy, promotion, transfer, layoff, and recall after layoff, senior employees shall be entitled to preference.
- (b) In recognition, however, of the responsibility of Management for the efficient operation of the plant, it is understood and agreed that Management shall have the right to pass over any employee who does not have the qualifications and ability to perform the work without further training.

12.02 Seniority shall become effective only after an employee has worked for sixty (60) working days in a twelve (12) month period. Until his seniority becomes effective, an employee shall be known as a probationary employee and the Grievance Procedure, Article 9, shall not be applicable with respect to his discharge. Seniority shall be accumulated for a period of up to two (2) years during

- (a) Absence due to layoff;
- (b) Absence due to certified sickness or accident. An employee returning from certified sickness or accident will not be able to begin another two (2) years accumulation of seniority for a recurrence of his original sickness or accident unless the employee has actively worked for a period of thirty (30) days.
- (c) Leave of absence granted by the Company.

12.03 An employee shall lose all seniority and his employment shall be deemed to be terminated for any of the following reasons:

- (a) If an employee quits or retires at normal retirement age or by early retirement.
- (b) If the employee is discharged and is not reinstated in accordance with the Grievance Procedure.
- (c) If the employee has been absent for two (2) consecutive working days without satisfactory explanation to the Company or without having notified the Company during those two (2) days unless satisfactory explanation to the Company of the failure to notify is afforded.
- (d) If the employee is laid off and fails to advise the Company of his intention to return within two (2) working days and to return to work within seven (7) calendar days after notice to do so has been given by the Company by registered mail to his last known address on the Company's records. A copy of such notice shall be sent to the Union. The Company may use any method to recall a person who is laid off, but if such person does not immediately either report for work or report his intentions directly to the Company, he shall be sent a written notice by registered mail to his last known address on the Company's records.

- (e) If an employee is absent from work without satisfactory explanation to the Company beyond the period of any leave of absence granted by the Company.
- (9) If an employee is absent from work due to layoff for the following:

| Seniority at time of layoff | Period at the end of which Seniority Rights shall cease |
|-----------------------------|---|
| Up to 2 years | Seniority at time of layoff |
| 2 years to 3 years | 2 years |
| 3 years to 5 years | 3 years |
| 5 years to 10 years | 4 years |
| Over 10 years | 6 years |

A person, to retain seniority on layoff, must notify the Company by registered mail of any change of address or telephone number.

12.04 The Company will prepare a Seniority List on a plant wide basis with one (1) copy available to the Union Recording Secretary upon request.

12.05 Employees who have been or who may be transferred to jobs outside the Bargaining Unit, but with the Company, may be returned to the Bargaining Unit with his seniority at the time he left the Bargaining Unit (see Appendix I).

12.06 In promotions, demotions, transfers, layoffs and recalls after layoff, selection shall be based on the following factors:

- (a) Seniority
- (b) Ability and qualifications to do the work without further training. In the event that more than one employee has the necessary ability and qualifications to satisfactorily perform the normal **job requirements, seniority shall be the determining factor.**

12.07 Job Posting

- (a) (i) When a vacancy occurs which the Company expects to last more than twenty (20) working days resulting from
 - (a) a newly created position, or
 - (b) not due to the absence of an employee, the Company shall post the vacancy on the bulletin boards for three (3) working days.
 - (ii) A vacancy resulting from the absence of an employee, which the Company expects to last longer than twenty (20) working days, but less than nine (9) months, shall be posted as a temporary posting on the bulletin boards for three (3) working days.
 - (iii) A vacancy resulting from the absence of an employee, which the Company expects to last longer than nine (9) months, shall be posted on the bulletin boards for three (3) working days. Vacancies created due to vacation are not subject to job postings.
- (b) When a secondary vacancy occurs due to the transfer of an employee into the initial vacancy, this secondary vacancy will be posted on bulletin boards for two (2) working days.
 - (c) When a vacancy occurs for a learner or trainee, the vacancy notice will be posted on bulletin boards for two (2) working days.
 - (d) Such posted notices of vacancy will state the classification, requirements for the vacancy, the rate to be paid. An employee wishing to apply shall do so in writing during the posting period, stating his qualifications for the vacancy.

- (e) Subsequent vacancies due to the transfer of employees into the initial and secondary vacancy will be filled by the assignment of other senior and qualified employees. In filling such vacancies, the Company will not force any employee to accept a permanent assignment. The Union will be notified in writing of such assignment.
- (9) If there is no qualified applicant under this section, Section 12.07(j) shall be waived. If there is no qualified applicant, the vacancy may be filled by a new hire.
- (g) Within three (3) working days of the termination of the posting period the Company will post on bulletin boards the name of the successful applicant. If there is no successful applicant, the notice shall so state. During the posting period, the company may fill the vacancy as it wishes. A successful applicant for a posting to a temporary vacancy shall, on the termination or cancellation of the temporary vacancy, revert to his former classification.
- (h) An employee who is the successful candidate for a posted vacancy will be assigned to that vacancy within a total period of twenty (20) working days from the date of the posting of the vacancy. The rate change shall be effective as of the successful date.
- (i) In the case of vacancies which will not exceed twenty (20) working days, the Company may fill as it wishes providing the Company undertakes in the filling of such vacancies to consider the requirements of Section 12.06. Any employee, senior to an employee assigned to a vacancy under this Section 12.07(i), may file with his Foreman (in cases involving Forklift and Crane Operator(s) with the Superintendent) a request for the next such vacancy and, subject to Section

12.06, he shall fill the next such vacancy. Such request will apply to the next temporary vacancy only, in the same work centre and with the same Foreman with whom the request was filed. This request will become untimely after three (3) months. This section does not apply when employees are laid off or displaced from the vacant job classification.

- (j) An employee who is successful for a posted permanent vacancy is not eligible to be the successful applicant for any other posted vacancy for a period of six (6) months, except as covered in Section 12.07(f) or if the employee is displaced/laid off. New employees and those returning to the Bargaining Unit will not be eligible for posted vacancies during the initial six (6) months of employment, except as covered in Section 12.07(f).
- (k) A laid off or displaced employee who bids on a permanent posting during his layoff and is a successful applicant waives his recall rights to the laid off classification.
- (l) The Company shall furnish a list of applicants for a posted vacancy to the Recording Secretary and will designate on the list the successful applicant.

12.08 In the reduction of the work force and in recalls after layoff, subject to Section 12.06, the following rule shall apply:

- (a) The junior employee in the classification shall be laid off for up to five (5) working days in a year after which he may exercise his seniority against a more junior employee who is occupying a job that he has the ability and qualifications to perform, in the following sequence:

1.(a) In a higher job classification that he has permanently held during his current employment

with the Company. This option can only be exercised at the time of layoff from his original job classification, or

(b) In the same job class.

2. In successively lower job classes.

3. An employee whose seniority is such that he can displace an employee in a lower class may elect to take layoff instead of displacement under the following conditions:

i) He must notify the Company before the end of the shift following the shift during which he has received notice from the Company, that he has elected to take non-active layoff.

ii) An employee taking advantage of this privilege will only be recalled to the classification he held at the time he elected to take layoff or to his original classification. In the event that more than one employee has elected to take layoff, recalls will be in order of seniority.

(b) An apprentice shall not be subject to the provision of Section 12.08 until the proportion of apprentices is greater than that set out in Section 28.01 at which time Section 12.08(a) shall apply.

(c) Prior to the layoff of any employee within a classification, any temporary posted assignments to the classification will be terminated.

(d) A learner or apprentice, if laid off, can bump into or from the original job classification he held prior to entering the program.

12.09

(a) An employee shall receive five (5) working days' notice of a layoff which it is expected by the

Company will last more than five (5) working days. In a layoff which it is expected by the company will last five (5) working days or less, the Company will endeavour to give as much notice as is practical. An employee, on notice of layoff, may be temporarily transferred to any position for a period equal to the notice period, but not longer than twenty (20) working days.

- (b) Prior to notice to the employees affected, the company will give notice to and will meet with the Union where the layoff affects more than three (3) people and which the Company expects will last longer than five (5) working days.

12.10 The following methods of filling vacancies are applicable when employees are displaced or laid Off

- (a) Vacancies which the Company expects will not exceed five (5) working days:

The Company may fill as it wishes.

- (b) Vacancies which the Company expects will last more than five (5) but less than twenty (20) working days:

1) The Company will temporarily recall the eligible displaced employee in accordance with Article 12, Section 12.06, and in the reverse order of layoff.

The temporary recalled employee may exercise his right to take layoff rather than displacement, Section 12.08(a)(3), if he notifies the Company on the fourth shift prior to the expiration of his temporary recall, in which case Section 12.08(a)(3)(ii) will apply.

2) If there is no eligible displaced employee, the Company may fill as it wishes. If the temporary

recall is offered to a laid off employee, he may decline and not lose seniority or recall rights. If the employee accepts the recall, it would not be a commitment by the Company of 20 days' work. The Company shall not be held liable if a transfer or recall extends beyond a twenty (20) day period. The temporary recall notice referred to above in Section b) (1) (2) will state the expected duration of recall. It is agreed that this notice shall serve as recall and layoff notice and that the requirements of Section 12.09 shall not apply.

- (c) Vacancies, not due to short term absence or vacations, which the Company expects will exceed twenty (20) working days:

1) The Company will recall the eligible displaced or laid off employee subject to 12.06 in the reverse order of layoff.

12.11 In the event that the active workforce within the Bargaining Unit is reduced to less than 150 active employees, the Company may fill as it wishes any vacancies which the Company expects will not exceed twenty (20) working days. This supersedes Section 12.10 (a) and (b); however, the displaced employee who would have been recalled under this section (12.10) to the initial existing temporary vacancy will receive the applicable higher rate for the time involved in the transfer.

ARTICLE 13 - LEAVE OF ABSENCE

13.01

- (a) The Company may grant leave of absence without pay to employees, before or after the start of the leave, for legitimate reasons. All such leaves of absence of over one (1) week shall be in writing, with notification to the Recording Secretary of the Union.

- (b) If an employee on granted leave of absence takes employment elsewhere, the employee shall lose all seniority and his employment shall be deemed to be terminated.
- (c) A female employee may work up to her sixth month of pregnancy provided she produces medical evidence of the date of confinement. On request, she will be granted maternity leave from this point for a period of up to six (6) months and, will upon return to work, be reinstated where practical in the job she left. In any event, such leave of absence shall be valid to three (3) months beyond the date of confinement should earlier leaving be required by medical authority.

13.02 Employees selected by the Union to attend Conventions and Conferences of the Union shall be granted a leave of absence without pay whenever possible, provided the Company is given reasonable notice. The number of employees who will attend Conferences or Conventions will not exceed three (3) employees at any one time. Absence due to the attendance at Union Conventions, Conferences, and recognized Union functions will not be deducted from any Learner period that such employee may be engaged in, provided that such leave does not exceed one (1) week in any Learner period.

13.03 Leave for Union Staff - On request of the Union, the Company shall grant one (1) employee a leave of absence of not more than one (1) year for Union business, provided the Union has requested the leave in writing. The leave may be extended for an additional one (1) year period by mutual agreement.

ARTICLE 14 - WAGES

14.01 The Cooperative Wage Study (C.W.S.) Manual for Job Description, Classification and Wage Administration, dated December 6th, 1964 (herein referred to as "the Manual") is incorporated into this Agreement as

Appendix "A" and its provisions shall apply as if set forth in full herein, provided that reference in the Manual to such jobs as Trade and Craft, assigned Maintenance, Clerical and Technical, Group Leader, Testing or Inspection, Learner, Apprentice, and Instructor jobs shall not of itself establish existence of such jobs in the operation of the company or determine that such jobs are within or not within the jurisdiction of the Bargaining Unit.

14.02 Each employee's job shall be described and classified and a rate of pay applied to such employee in accordance with the provisions of this Agreement.

14.03 Standard Hourly Wage Scales

(a) Effective February 6, 1995, the following standard hourly wage scale shall apply:

| Job Class | Standard Hourly Rate | Job Class | Standard Hourly Rate |
|-----------|----------------------|-----------|----------------------|
| 1 | \$12.36 | 12 | \$16.84 |
| 2 | 12.74 | 13 | 17.22 |
| 3 | 13.12 | 14 | 17.60 |
| 4 | 13.50 | 15 | 17.98 |
| 5 | 13.88 | 16 | 18.36 |
| 6 | 14.26 | 17 | 18.74 |
| 7 | 14.64 | 18 | 19.12 |
| 8 | 15.02 | 19 | 19.50 |
| 9 | 15.40 | 20 | 19.88 |
| 10 | 15.78 | 21 | 20.26 |
| 11 | 16.16 | 22 | 20.64 |
| | | 23 | 21.02 |

(b) Effective February 5, 1996, the following standard hourly wage shall apply:

| Job Class | Standard Hourly Rate | Job Class | Standard Hourly Rate |
|-----------|----------------------|-----------|----------------------|
| 1 | \$12.48 | 12 | \$17.13 |
| 2 | 12.88 | 13 | 17.52 |
| 3 | 13.27 | 14 | 17.92 |
| 4 | 13.67 | 15 | 18.31 |
| 5 | 14.06 | 16 | 18.71 |
| 6 | 14.46 | 17 | 19.10 |
| 7 | 14.85 | 18 | 19.50 |
| 8 | 15.25 | 19 | 19.89 |
| 9 | 15.64 | 20 | 20.29 |
| 10 | 16.04 | 21 | 20.68 |
| 11 | 16.43 | 22 | 21.08 |
| | | 23 | 21.47 |

14.04 Effective on the dates specified in Section **14.03**, all employees shall have their rates of pay adjusted as follows:

- (a) If the employee is not receiving an out-of-line differential prior to the dates specified in Section **14.03**, the rate of pay of such employee shall be adjusted to conform to the standard hourly rate for that employee's job, as provided in Section **14.03**.
- (b) If the employee is receiving an out-of-line differential prior to the dates specified in Section **14.03**, the rate of pay of such employee shall be increased by the amount by which the rate for Job Class 1 has been increased, as provided in Section **14.03**, and the following shall govern:
 1. If the employee's new rate resulting from such increase is greater than the standard hourly rate for the job, as provided in Section **14.03**, the amount by which such employee's new rate is greater than the rate provided in Section **14.03** shall become such employee's new out-of-line differential (which shall replace the former out-of-line differential) and shall apply in accordance with the provisions of this Agreement.

2. If the employee's new rate resulting from such increase is equal to or less than the standard hourly rate for the job, as provided in Section 14.03, the rate of pay of such employee shall be adjusted to conform to the standard hourly rate for the job, as provided in Section 14.03, and the former out-of-line differential shall be terminated.

14.05 As of the date each Standard Hourly Wage Scale becomes effective, the standard hourly rate for each job class shall be the standard hourly rate for all jobs classified within such job class and shall so continue for the duration of the Standard Hourly Wage Scale and shall be applied to any employee in accordance with the provisions of this Agreement.

14.06 Each standard hourly rate established under Section 14.03 shall be:

- (a) The established rate of pay for all hours paid for a non-incentive job; and
- (b) The established hourly base rate and minimum guaranteed rate of pay under any incentive applied to the job.

14.07 Except as otherwise provided by this Agreement, the established rate of pay for a trade or craft or apprentice job shall apply to any employee during the time such employee is assigned to the respective rate classifications in accordance with the provisions of this Agreement.

14.08 Except as otherwise provided by this Agreement, the established rate of pay for each production or maintenance job, other than a trade or craft, or apprentice job, shall apply to any employee during such time as the employee is required to perform such job.

14.09 Out-of-Line Differentials- The Company shall furnish to the Union a list agreed to by the Company and the Union of employees who are to be paid "out-of-line differentials". Such list shall contain the following information:

- (a) Name of incumbent to whom such out-of-line differential is to be paid.
- (b) Job title of job on which out-of-line differential is to be paid.
- (c) Job classification on such job.
- (d) Standard hourly rate of such job.
- (e) Amount of out-of-line differential.
- (f) Date such out-of-line differential became effective.

14.10 Except as such out-of-line differential may be changed by the means hereinafter provided, any employee included in the list referred to in Section 14.09 shall continue to be paid such out-of-line differential during such time as the employee continues to occupy the job for which the differential was established.

14.11 If an employee with an out-of-line differential is transferred or assigned to a job having a higher standard hourly rate, then the differential shall be reduced or eliminated by the amount of the increase in the standard hourly rate.

14.12 If, as a result of layoff and the exercise of seniority rights, an employee with an out-of-line differential is moved to a job having a lower standard hourly rate, then the out-of-line differential shall be cancelled.

14.13 If such employee referred to in Sections 14.11 and 14.12 shall be returned to the job for which the out-of-line differential was established, the out-of-line differential shall be reinstated except as it may have been reduced or eliminated by other means.

14.14 When an employee would, in accordance with the terms of this Agreement, be entitled to receive his regular rate, he shall also receive any out-of-line differential to which he is entitled.

14.15 In addition to the means herein provided, increases in the increment between job classes shall be used to reduce or eliminate out-of-line differentials.

14.16 Except for the application of the out-of-line differentials called for herein, the terms of this Agreement governing transfers shall apply.

14.17 Learner Rates - Learner jobs requiring "learner" rates, due to lack of adequate training opportunity provided by the promotional sequence of related jobs, shall be negotiated and made a part of this Agreement.

14.18 A schedule of learner rates for the respective learning periods of 520 hours of actual learning experience with the Company on jobs for which training opportunity is not provided by the promotional sequence of related jobs, shall be established at the level of the Standard Hourly Wage Scale rates for the respective job classes. This determination shall be on the basis of the required employment training and experience time specified in Factor 2 of the job classification record of the respective job as follows:

- (a) Code C: Seven (7) to twelve (12) months:
 - 1. One learner period classification at a level two job classes below the job class of the job.

- (b) Code D: Thirteen (13) to eighteen (18) months:
 - 1. A first learner period classification at a level four job classes below the job class of the job, and
 - 2. A second learner period classification at a level two job classes below the job class of the job.

- (c) Code E and higher: Nineteen (19) months and above:

1. A first learner period classification at a level six job classes below the job class of the job.
2. A second learner period classification at a level four job classes below the job class of the job, and
3. A third learner period classification at a level of two job classes below the job class of the job.
4. Employees who have had no related work experience in relation to the respective job shall serve an additional 520 hours of work in the learner period two job classes below the job class of the job.

14.19 Learner Rates - The learner periods, as provided in Section 14.18, shall apply to those jobs listed in Exhibit F of the Manual, except as otherwise mutually agreed between the Company and the Union and so indicated in Exhibit F. Learner periods shall apply only to jobs in Job Class 8 and up, except where the provisions of Sections 14.20 and 14.21 apply.

14.20 The Company, at its discretion, may apply a learner rate to a learner on any job where another employee other than the learner is on the job, provided the learner rate applied is:

- (a) In the case of an employee hired for the learning job the standard hourly rate for Job Class 2; or
- (b) In the case of an employee transferred from another job in the plant, the lower figure of:
 1. The standard hourly rate of the job from which transferred, or
 2. The standard hourly rate of the job being learned.

14.21 The learner provisions set forth in Section 14.20 shall apply:

- (a) For a period of time sufficient to learn to do this job, provided that such period shall at no time exceed 520 hours;
- (b) Only to provide replacements for job vacancies; and
- (c) In accordance with the provisions of this Agreement for filling vacancies.

14.22 The Company shall furnish the Union, on the form set forth as Exhibit F of the Manual, a list of jobs agreed to by the Company and the Union as appropriate for the application of learner rates. Such list may be added to or deleted from by mutual agreement of the Company and the Union. The schedule of learner rates set forth in Section 14.18 shall apply only on jobs in this list.

14.23 Employee's time spent on a job requiring a learner schedule shall be cumulative and shall be arranged in a manner that provides adequate training.

14.24 Any employee who has qualified for a job through a learner schedule shall not be required to repeat that learner schedule.

14.25 The established learner rate of pay for each learner period classification shall apply in accordance with the Learner training periods as defined in Section 14.18. However, an employee whose current rate of pay is higher than the minimum rate of a learner job to which he has acceded, shall maintain his current rate, but not higher than the standard hourly rate of the job being learned, until such time as the rate for the applicable learner period classification is equal to or exceeds his present rate.

14.26 Any employee, when assigned to a job on which a learner rate applies, shall be credited in the learner

schedule with all time previously worked on such job or, in cases of groups of jobs, where training on one of the jobs in the group can be applied to any jobs in the group. It is agreed that:

- (a) Such past time shall be computed from reasonably recent records of the Company.
- (b) The Company and the Union will specify the groups referred to in the paragraph after lines of progression are agreed to.
- (c) Nothing in this paragraph is in conflict with Section 14.23.

14.27 Temporary Transfers (see Appendix II) - Employees transferred temporarily to jobs carrying a higher rate than the rate he normally receives shall receive the higher rate upon the time of transfer. An employee temporarily transferred to a job carrying a lower rate than the rate he normally receives, shall continue to receive his normal rate, except where the transfer is under Section 12.07, 12.08, or at his own request.

14.28 Incentives - Should the Company desire to install incentives to cover any job, the following shall govern:

- (a) The standard hourly rates for the respective jobs shall be the base rates and minimum hourly guaranteed rates for such incentives; and
- (b) Whenever the Company introduces new incentive plans or adjusts any existing incentive plans, the procedure shall be as follows:
 - 1. The Company shall work out the details of the new plan and submit it in detail to the Union Executive.
 - 2. The Company shall, at such time, furnish such explanation with regard to the

development and determination of the proposal as shall reasonably be required in order to enable the Union Representatives to understand how such proposal was developed and determined and shall afford to such Union Representative a reasonable opportunity to be heard with regards to the proposed plan.

3. If the Union agrees with the plan, it shall be introduced on a date to be mutually agreed upon.

4. If agreement is not reached, the matter shall be further reviewed in detail by specially designated representatives of the Union and the Company (known as the referees) for the purpose of arriving at mutual agreement as to installation of the proposed incentive rate or plan.

5. If, after the application of Step 4 above, agreement is still not reached, the Company may introduce the incentive plan on a trial basis for a period of thirty (30) to ninety (90) working days (the actual period to be specified by the referees) and if no agreement is reached following the trial period, the matter will be referred back to Step 4 above.

6. The Company will not establish incentive paced performance standards on any non-incentive jobs.

14.29 General - Any mathematical or clerical errors made in the preparation, establishment or application of job descriptions, classifications or standard hourly rates shall be corrected to conform to the provisions of this Agreement.

14.30 Except as otherwise provided, no basis shall exist for an employee covered by this Agreement to allege that a wage rate inequity exists.

14.31 Work Outside Company Property - For each hour worked as assigned by the Company on work outside the Company properly, an employee shall receive \$1.00 per hour above his regular rate.

14.32 C.W.S. Meetings - The Company will continue its present practice of allowing reasonable amounts of time for the processing of C.W.S. matters by members of the C.W.S. Committee.

14.33

- (a) Within five (5) working days of the time that either party to this Agreement submits material to the other party on new or changed jobs, a meeting will be held to negotiate such matter.
- (b) Should the matter referred to in (a) above not be settled, and if further meetings are required, they will be held within ten (10) working days of each other.
- (c) Within ten (10) working days of agreement being reached in reference to the items referred to in (a) and (b) above, the revised or new descriptions for classifications will be sent to the printers. If there is a delay, the Union shall be promptly given a photo-master.
- (d) The Company will notify the C.W.S. Committee in writing of the names of all employees on Learner or Apprenticeship schedules.
- (e) Extension of these time limits will not be unreasonably withheld. This process will be completed within thirty (30) working days.

ARTICLE 15 - HOURS OF WORK

15.01 The standard hours of work shall be forty (40) hours per week, eight (8) hours per day Monday through

Friday and the work week shall commence with the day shift on Monday, except that on the third shift operation the third shift work week will commence Sunday night at 11:00 p.m.

15.02 A day shift shall be one in which the majority of scheduled hours fall between 8:00 a.m. and 4:00 p.m. An afternoon shift shall be one in which the majority of scheduled hours fall between 4:00 p.m. and midnight. The night shift shall be one in which the majority of scheduled hours fall between midnight and 8:00 a.m.

The stopping and starting time of shifts shall be:

(a) One Shift Operation:

Day Shift: 7:00 a.m. - 11:30 a.m.
12:00 noon - 3:30 p.m.

(b) Two Shift Operation:

Day Shift: 7:00 a.m. - 11:30 a.m.
12:00 noon - 3:30 p.m.
Afternoon Shift: 3:30 p.m. - 7:30 p.m.
8:00 p.m. - 12:00 midnight

(c) Three Shift Operation:

Day Shift 7:00 a.m. - 3:00 p.m.
Afternoon Shift 3:00 p.m. - 11:00 p.m.
Midnight Shift 11:00 p.m. - 7:00 a.m.

15.03 On three shift operations, there shall be a twenty (20) minute paid lunch period. Before the establishment of any three (3) shift operations, there shall be notice to and discussion with the Union. Subject to the previous sentence, for employees scheduled on three shift operations, rotation shall be backwards, i.e. nights, afternoons, days.

(a) An employee transferred at the request of the Company to another shift during the standard work week shall receive the higher of the shift premium for all hours worked during that standard work week.

Those transferring from the second to the first shift shall be authorized to leave at 11:00 p.m. while being paid to the end of his regular shift.

15.04 The Company does not guarantee the above standard hours or other hours of work, but before any change is made in the stopping and starting times or new shifts are established:

- (a) For a group of six (6) or more employees, there will be prior notice to and discussion with the Union.
- (b) For a group of five (5) or less employees, the Company will give as much notice as is practical to the appropriate Union Steward.

15.05 When the Company schedules jobs on the day and other shifts it will endeavour to have the maximum number of employees on such shifts rotated among such shifts. The Company will endeavour to assign steady day work when available to senior employees within the classification. No employee will be compelled to work a permanent shift other than the day shift.

Under present conditions, no change is contemplated in the present general practice of rotating two shift and three shift operations every week. If a change in this general practice is planned, the Company will hold prior discussion with the Union.

ARTICLE 16 - OVERTIME

16.01 An employee shall receive premium overtime of:

- a) Time and one-half his straight time rate for all hours worked
 - i) in excess of his scheduled shift Monday through Friday
 - ii) on Saturday

- b) Double his straighttime rate for all hours worked on Sunday except for the third shift commencing on Sunday night.

16.02 Neither overtime premium nor credits for overtime will be pyramided.

16.03 The Company will distribute overtime on the same shift as equitably as possible among employees in the same job classification (see Overtime Procedure dated January 4, 1989).

16.04 Employees are required to work reasonable amounts of overtime as productive operations dictate. Whenever possible, employees who are required to work overtime will be given one-half shift notice that overtime is required. Lists of overtime worked will be kept by the Company and will be available for review by the Union. In the distribution of overtime, it is understood that at any given time there will not necessarily be exact equal distribution for employees in the same job classification, but efforts will be made to achieve approximate distribution over an appropriate period of time.

16.05 Where the work week of an employee begins on a day other than Monday, the Company shall pay one and one-half times the regular straighttime hourly rate for all work performed on the sixth day of his work week and two times the regular straight time hourly rate for all work performed on the seventh day of his regular work week.

16.06 Meal Allowance - When advance notice is not given and an employee works in excess of two (2) hours at the end of his regularly scheduled shift, the Company will provide a meal allowance of \$5.00.

ARTICLE 17 - WASH UP AND BREAK PERIODS

17.01 An employee shall receive, per shift:

- (a) Two five minute wash up periods, one at the end of each half shift.

- (b) Two ten minute break periods: one at approximately the mid-point in each half shift as scheduled by the Company.

ARTICLE 18 - SHIFT PREMIUM

18.01 An employee shall receive a premium of:

- (a) Forty-seven (47) cents per hour for each hour worked on an afternoon shift and each hour worked immediately before the start of, and immediately after the end of, his shift.
- (b) Fifty-seven (57) cents per hour for each hour worked on a night shift and each hour worked immediately before the start of, and immediately after the end of, his shift.

18.02 No Premiums, overtime, holiday pay or otherwise, shall be paid on shift premium.

ARTICLE 19 - VACATIONS

19.01 An employee shall receive vacation with pay on the following basis:

| Length of Service From Date of Last Hire as of June 30th | Vacation | Pay at Current Hourly Rate |
|--|----------|----------------------------------|
| Under 1 year | | Statutory |
| 1 year but under 5 years | 2 weeks | 80 hours |
| 5 years but under 12 years | 3 weeks | 120 hours |
| 12 years but under 20 years | 4 weeks | 160 hours |
| 20 years and over | 5 weeks | 200 hours |

19.02 The vacation pay of an employee who is absent in excess of 508 hours during the year shall be proportionately reduced. For the purpose of this clause, an employee on Workers' Compensation will not have the first 96 hours of a Workers' Compensation absence counted toward the 508 hours.

Employees on layoff in excess of one (1) month will not accumulate vacation credit while on layoff.

19.03 The vacation period shall be set by the Company. In assigning vacation periods, the wishes of the employees based on their seniority shall be considered. If vacations are to be taken during the plant shutdown, such shutdowns shall be between June 1st and September 30th. If work is scheduled for the plant shutdown, discussion will be held with the Union.

Employees entitled to vacation in excess of the plant shutdown will notify the Company of their intentions by completing the "Vacation Request Form", after which the Company will schedule such vacations.

ARTICLE 20 - PAID HOLIDAYS

20.01 The days on which the following Holidays are observed by the Company:

- New Year's Day
- Labour Day
- Boxing Day
- Canada Day
- Victoria Day
- Christmas Day
- Good Friday
- Thanksgiving Day

One (1) Floating Holiday to be designated per contract year by the Company.

Three (3) working days between Christmas and New Year's.

For Holidays that fall on a Saturday, they shall be observed on the preceding Friday and those that fall on a Sunday shall be observed on Monday.

20.02 An employee shall receive eight (8) hours pay at his normal straight time rate for each Paid Holiday, if:

- (a) He works in the fifteen (15) calendar day period in which the Holiday is the middle day, unless it occurs during his vacation period and in which case he shall receive pay for the Holiday and it shall be added to his vacation period; and
- (b) He works his scheduled shift immediately preceding and succeeding the Holiday unless excused by the Company.
- (c) If an employee is laid off in December or is recalled within ten (10) working days after January 1, the employee will receive all paid holidays due him within the period from December 25 to January 1 inclusive.

20.03 An employee who is scheduled to work on the Holiday shall receive:

- (a) In addition to the pay provided for under the terms of Section 20.02, one and one-half times his straight time rate for all hours worked.

ARTICLE 21 - REPORTING FOR WORK

21.01 An employee reporting for work at his regular starting time shall be guaranteed four (4) hours of work, either in his own department or in whatever department the Company directs him to and, if the Company has no work for him, four (4) hours pay provided that this shall not apply:

- (a) When he has been notified not to report;
- (b) When lack of work is due to a labour dispute or to other circumstances beyond the Company's reasonable control; or
- (c) In the case of an employee returning to work after an absence if the employee has not notified the Company of his intention to return to work nor if his return to work is not in accordance with the Company's instructions.

ARTICLE 22 - CALL IN PAY

22.01 An employee who is called in outside his regular working hours for other than work which is continuous with the beginning or ending of the shift shall be paid a minimum amount of four (4) hours pay at normal straight time rate, or at his applicable overtime rate for the time worked on the call in, whichever is greater.

ARTICLE 23 - INJURY ALLOWANCE

23.01 An employee who is injured in the course of normal employment at work and who is unable to continue to work because of such injury

- (a) shall be paid at his straight time rate for the balance of the shift:
- (b) shall receive necessary medical treatment and transportation required for such medical treatment.
- (c) An employee who, because of any injury at work, is scheduled to receive medical treatment on days subsequent to the day of the injury shall receive payment for such hours which fall within his regularly scheduled hours at his regular straight time hourly rate. Such medical treatment will be arranged outside of his normally scheduled working hours if possible.

ARTICLE 24 - JURY DUTY/CROWN WITNESS PAY

24.01 An employee called for Jury Duty or as a Crown Witness shall absent himself from his work only to such reasonable extent as will allow him to carry out his duties. Such an employee will be paid the difference between his standard scheduled hours times his normal rate and the pay received for such Jury Duty or as a Crown Witness, as certified in writing by the County Sheriff's Office or the appropriate authority for issuing such certification.

ARTICLE 25 - BEREAVEMENT PAY

25.01 In case of bereavement in the immediate family, i.e. Mother, Father, Mother-in-Law, Father-in-Law, Spouse, Child, Legal Guardian, Brother and Sister, an employee shall be given paid leave of absence for two (2) work days preceding and/or succeeding the funeral and the day of the funeral if the funeral is on a regular work or vacation day. Paid leave of absence shall be granted for one (1) day only to attend the funeral of the Grandfather, Grandmother, Grandchild, Brother-in-Law, Sister-in-Law, Son-in-Law, Daughter-in-Law or Ex-Wife/Ex-Husband. It shall be the employee's responsibility to notify the Personnel Department as soon as practical following such bereavement.

ARTICLE 26 - GROUP BENEFITS PLAN

26.01 The Group Benefits Plan shall consist of:

Effective Date:-

(a) Life Insurance-Active Employee: March 1, 1993
- \$23,000.00

A.D. & D. - Active Employee: March 1, 1993
- \$23,000.00

Employees receiving long term disability benefits will have their life insurance frozen at the amount established at the time of commencement of disability and will not be eligible for A.D. & D. benefits.

Employees retiring on or after March 1, 1993 shall receive post retirement Life Insurance of \$5,500.00.

(b) Weekly Sickness and Accident Benefit Insurance

For new claims arising on or after June 1, 1979 the Weekly Sickness and Accident Benefit is

modified to provide a benefit of 60% of regular straight time earnings to a maximum of U.I.C. benefit level per week with the U.I.C. rebate to be retained by the Company.

The Weekly Benefit is payable the first day for certified accident and/or hospitalization, and the fourth day for certified illness and up to a maximum of 26 weeks.

- (c) Hospitalization, Medical and Surgical
 - (i) OHIP
 - (ii) Semi-Private Insured Coverage
- (d) Prescription Drug Plan (Deductible: \$10 Single; \$20 Family) will be provided for active employees. The Company shall pay the current cost in effect and effective March 1, 1995.
- (e) Long Term Disability Plan with a benefit level of 55% of employee's base wage. The Company shall pay the premium rate in effect as of the date of this Agreement.
- (f) Each employee after thirty (30) calendar days of employment will be covered by the Group Benefits Plan.
- (g) The Dental Plan in effect currently with the O.D.A. 1992 fee guide shall be revised as follows: March 1, 1995 - ODA schedule fee guide from 1992 to 1993 January 1, 1996 - ODA schedule fee guide from 1993 to 1994

In no case shall coverage under any Group Plan or policy extend beyond the limits provided in the individual policy. All future increases in premiums for all benefits in the Benefit Plan, Section 26.01, shall be shared at 75% by the Company and 25% by the Employee. The latest group policy will be supplied to the Union with current coverage to remain in effect during the term of this agreement.

26.02 When an employee of the Company or dependent of such employee is also covered under the terms of another employee group insurance plan, benefits shall not be payable for services paid by another employee group insurance plan nor benefit claims submitted under both employee group insurance plans for similar benefits.

ARTICLE 27 - PENSIONS

27.01

(A) The Company shall continue its present contributory Plan and contributions to it until December 31, 1968. At that time contributions under the Contributory Plan by the members of the plan and by the Company on their behalf will cease. Each member of the Plan will be credited with pension payable according to the terms and conditions of that Plan. Years of service subsequent to December 31, 1968 shall apply for determining vested rights under the Contributory Plan.

(B) On January 1, 1969, the Company will provide a Non-contributory Pension Plan with the features listed below, which Plan shall continue in effect unchanged during the term of the Agreement.

1. Normal retirement shall be at age 65. For all employees retiring on or after January 1, 1995 the normal benefit formula shall be \$25.00 for each year of credit service. Effective January 1, 1996 the normal benefit formula shall be increased from \$25.00 to \$26.00 for each year of credit service.

These increases shall only apply to those individuals actively employed on or after the effective date of the increases.

2. An employee who has completed two (2) or more years of service shall be eligible to

retire at age 55 at his option and receive an actuarially reduced pension based on his normal retirement benefit accrued to date of early retirement.

3. Normal retirement shall be at age 65. A retiree may accept re-employment with the Company without loss of accrued benefit earned at age 65.

4. An employee who has completed ten (10) years or more of service and who is unable to continue working because of total and permanent disability shall be eligible for a disability pension.

(a) An employee shall be deemed totally and permanently disabled and shall be eligible for disability retirement only if,

i) He has been totally and permanently disabled by bodily injury or disease so as to be prevented from engaging in any occupation or employment for remuneration or profit, and

ii) After such total disability shall have continued for a period of six (6) consecutive months, and if in the opinion of a qualified physician, it will be permanent and continuous during the remainder of his life.

(b) An employee is ineligible for such benefit if the disability occurred while engaged in criminal activity, was self-inflicted or occurred while in military service if in the latter case he is eligible for a military pension.

(c) Any employee receiving a disability pension may be required to undergo periodic, though not more often than semi-annually, medical examination to establish his continued eligibility for such benefit.

(d) The disability benefit shall be \$3.50 for each year of service during the period January 1, 1969 to and including December 31, 1969 and \$4.50 for each year of credited service after January 1, 1970, to and including December 31, 1971, and \$5.00 for each year of credited service after January 1, 1972 to the commencement of disability retirement provided, however, that in no case shall the monthly benefit be less than \$150.00 inclusive of statutory benefits.

5. An employee who has at least two (2) years of service and whose employment is terminated before he reaches age 65 shall be entitled to a vested deferred pension payable on application at age 65 based on normal benefit in effect at time of termination subject to the provisions of the plan.

6. Any time prior to retirement, an employee may elect a joint and survivor pension to be calculated on an actuarially reduced basis.

7. The grievance and arbitration procedures of the Collective Agreement shall apply to all disputes involving the application of this Plan as it relates to an employee's rights and benefits except as limited as follows:

(a) Grievances shall be in writing and shall be submitted directly to the Plant Personnel Office.

(b) The Union shall notify the Company in writing of its intention to arbitrate a grievance within fifteen (15) working days following the receipt of a final answer by Management.

(c) A special procedure shall be followed in the case of disputes arising with respect to disability retirements as follows: Where an issue of fact is presented as to whether or not an employee is totally and permanently disabled within the meaning of the Plan, and the Union desires to subject the decision of the Company

to the grievance procedure, the issues shall be conclusively settled by an impartial Doctor selected by the parties, who shall divide equally the charges and expenses of said Doctor.

(d) The Arbitrator's authority shall be limited to the interpretation and application of the provisions of the Plan and he shall have no authority in any way to modify the provisions of the Plan. The decision of the Arbitrator shall be final and binding on the Company, the Union, and the Employee.

8. In order to ensure better communication and to provide a more complete understanding of the retirement program, a Pension committee is established. The Pension Committee shall be comprised of a total of three (3) designated representatives from among the combined membership of Local 6519 and 6595 and three (3) Management representatives. This Committee shall meet annually to discuss pension affairs related to both Union Locals which shall include:

(a) A list shall be reviewed of employees scheduled for retirement during the following twelve (12) month period.

(b) Each prospective retiree's credited service and calculated pension benefit shall be reviewed and approved by the Pension Committee. Any disagreement involving the application of this Plan shall be processed as a grievance by the Pension Committee Representative under the Grievance and Arbitration Procedure specified in the Collective Agreement.

(c) The Pension Committee shall review supporting records to substantiate the retiree's credited service and pension benefit payable.

(d) At least six (6) months in advance of an individual's retirement date, a Representative, designated by the Union and one (1) designated by the Company, shall meet with such candidate for retirement to explain the program and answer questions.

(e) The Pension Committee shall review such information, including actuarial reports as are necessary for its proper knowledge of the Plan. The Pension Committee shall be informed of pending Legislation in order to ensure that the Plan is in conformance with the Ontario Pension Benefit Act.

(C) The provisions of this Pension Plan shall apply only to employees in the Bargaining Unit on the active payroll and working on or after January 1, 1969.

ARTICLE 28 - APPRENTICES

28.01 It is agreed that the Company shall place employees in the apprentice program for the purposes of replacing tradesmen who will be retiring and to provide sufficient tradesmen for the Company's requirements on the following ratio:

For each four (4) employees designated as Tradesmen under the groupings of "Trade and Craft Jobs", one (1) apprentice may be employed. One (1) apprentice may be employed for less than four (4) Tradesmen in a trade, but two (2) apprentices will not be allowed for less than eight (8) Tradesmen.

ARTICLE 29 - COST OF LIVING PROTECTION FACTOR

The Cost of Living formula contained herein will be inactive during the term of this Agreement.

29.01 The Cost of Living (COLA) provision is based on the Consumer Price Index (CPI) 1971=100.

If the National Consumer Price Index for the period between October 1, 1981 and December 31, 1982 increases more than 7% of the September, 1981 base month reading, an increase in wages shall be effective fifteen (15) calendar days after the end of the reading period. The reading periods are as follows:

First Period : October 1, 1981 - January 31, 1982

Second Period : February 1, 1982 - May 31, 1982

Third Period : June 1, 1982 - September 30, 1982

Fourth Period : October 1, 1982 - December 31,

1982

The amount of the increase for each hour worked will be 1 cent for each full 0.4 point rise in the Consumer Price Index above the accumulated increase of 7% to a maximum increase of 20 cents.

The above COLA would be paid in addition to the negotiated wage settlement as stated in Section 14.03. The amount of COLA does not form part of the Standard Hourly Rate, but shall be included for the calculation of Vacation and Paid Holiday pay.

ARTICLE 30 - NOTICE

30.01 It shall be the duty of all employees to notify the Personnel Department promptly in writing of any change in their address, family status or telephone number (if any). If an employee fails to do this, the Company will not be responsible for failure to contact the employee.

An employee, and his dependents (if any), shall not be covered for benefits resulting from the change of family status until the first day of the following month after written notice of the change is given to the Personnel Department, and all necessary forms are completed by the employee.

30.02 Notice to the parties shall be addressed to:

- (a) Foster Wheeler Limited
81 Eastchester Avenue
P. O. Box 3007
St. Catharines, Ontario L2R 7B7

- (b) United Steelworkers of America
214 King Street
Welland, Ontario L3B 3J7

ARTICLE 31 - TECHNOLOGICAL CHANGE

31.01 The parties to this Agreement recognize that change and improvement in the methods, processes and means of manufacturing is desirable and shall, therefore, be encouraged. However, the parties also recognize that such substantial changes and improvements can have a far-reaching effect on the job status of employees. For the purpose of this Agreement, Technological Change shall mean a significant change in the methods, means and processes of manufacturing which result in a significant effect on the job status of employees. In the event of such technological changes, the parties to this Agreement agree to proceed on the following basis:

- (a) **As** far in advance as is reasonable before the introduction of technological change, the Company will meet with the Union Committee and provide the Committee with data regarding the proposed change.

- (b) In the event that such changes are introduced, Management shall, in consultation with the Union and subject to the provisions of this Agreement, allow reasonable training opportunity for employees whose jobs, as a direct result, may be affected, in order that such employees may have an opportunity to become qualified for another Bargaining Unit job.

ARTICLE 32 - TERMINATION

32.01 This Agreement shall go into effect February 6, 1995 and shall continue in effect until February 9, 1997 and thereafter shall continue from year to year, unless not more than ninety (90) calendar days or less than sixty (60) calendar days prior to February 9, 1997, or any subsequent year, if either party serves timely notice of desire to amend or modify the Agreement, details of the changes desired will be included.

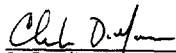
32.02 In the event of notice being given, negotiating with a view to arranging a new Agreement shall begin within fifteen (15) calendar days.

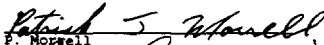
SIGNED AT ST. CATHARINES, ONTARIO ON THIS 25TH DAY OF MAY, 1995.

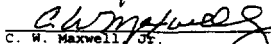
FOR THE COMPANY:

FOR THE UNION:

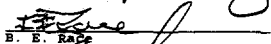
UNITED STEELWORKERS
OF AMERICA,
LOCAL 6519


C. E. DiMaria



P. Moppell


C. W. Maxwell Jr.


R. Pettigrew


B. E. Rapp

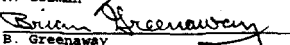

M. Kershaw


W. D. Ryan


C. Hastings


A. J. Gollan


M. Cobhan


B. Greenaway

APPENDIX I

In the application of Section 12.05, the Company, where possible, consistent with efficient operation of the plant, will endeavour to separate the return of an employee to the Bargaining Unit with the displacement of directly affected Bargaining Unit employees.

APPENDIX II

MEMORANDUM OF AGREEMENT TEMPORARY TRANSFERS

Due to conditions not entirely suitable to the application of Section 14.27 of the Collective Agreement, the Company and the Union agree to the following method of handling short term temporary transfers:

When an employee is temporarily transferred to higher category work, the Company agrees to pay the employee at the higher rate of pay for four (4) hours if the work is more than two (2) hours and up to four (4) hours.

For the full shift, if he works in excess of four (4) hours. If he works in the higher category work for less than two (2) hours he will be paid his regular rate.

APPENDIX III

In the administration of Section 12.06, the Company will, in the event of a serious problem involving the failure of the senior employee, per vacancy, to qualify, make use of available objective measurements, including but not limited to the use of the tools of the job, but not necessarily on a production basis.

An employee shall not be eligible to be tested for the same job posting within six (6) months from his latest test.

The above will be exercised in the presence of a competent local Union Representative. If the aforesaid senior employee gets the job and is subsequently judged to be unqualified to perform the work, and in the absence of other circumstances which are not related to the qualifications to perform the work, he shall revert to his former classification.

December 3, 1986

Mr. Brian Burke
President, Local 6519
United Steelworkers of America
Foster Wheeler Limited

Dear Brian

Pursuant to our meeting of December 11, 1979, we wish to confirm the following understanding reached between the Company and Local 6519.

1. That seniority shall become effective only after an employee has worked for sixty (**60**) working days in a twelve (**12**) month period. This is further set out in Article 12.02 of the Collective Agreement.

2. That upon obtaining seniority, the Company will calculate the seniority date of the employee by counting back sixty (60) working days from the date that seniority is obtained.

In the event that an employee worked a certain number of Saturdays, Sundays and Holidays, the Company will include an equivalent number of Saturdays, Sundays and Holidays when counting back to ascertain the seniority date. In no case shall the seniority date be prior to the date of latest hire.

3. The seniority date will only be used in matters of seniority, and will not affect any other provisions of the Collective Agreement, based upon other dates specified therein.

Yours very truly

R. B. Frick
Manager of Industrial Relations

February 13, 1979

Mr. Patrick Morrell
Chairman, Negotiating Committee
United Steelworker of America
Local 6519
Foster Wheeler Limited

Dear Pat

Reference: Working During Break Period

Employees required to work during a paid break will either have a re-scheduled break, or will be allowed to eat and drink at their work station, during these breaks, when re-scheduling is not practical.

Employees required to work during an unpaid break will either have their break re-scheduled, or will be paid for the break period, depending on their choice.

Yours very truly

R. B. Frick
Manager of Industrial Relations

February 20, 1979

Reference: Medical Visits

POLICY

If the Company requires an employee for occupational reasons to have a medical visit, whether on Company premises, or outside, such visit will be arranged during his scheduled shift. If this cannot be arranged, the employee's shift will be changed to days for the day of his visit.

This refers to employees who are actively at work, whether on their regular work or on light duty.

The aforementioned employees shall not have their scheduled shift pay reduced because of the aforementioned visit.

R. B. Frick
Manager of Industrial Relations

December 6, 1982

Mr. Brian Burke
President, Local 6519
United Steelworkers of America
St. Catharines, Ontario

Dear Brian

Reference: Metric Tools

Conversion to metric is not planned during the term of this Agreement. However, in the remote possibility that this happens, discussions will be held with the Union concerning the problems of employee tooling.

Yours very truly

FOSTER WHEELER LIMITED

R. B. Frick
Director of Industrial Relations
and Administration

November 28, 1986

Mr. Brian Burke
President, Local 6519
United Steelworkers of America
Foster Wheeler Limited
St. Catharines, Ontario

Dear Brian

Reference: Bargaining Unit Work

The Company recognizes its responsibility to ensure that Section 2.05 of the Collective Agreement, with particular reference to "persons whose regular job with the Company is not in the Bargaining Unit will not **work** on jobs included in the Bargaining Unit except for..." is adhered to by all our staff personnel.

Yours very truly

Bruce **E.** Race

November 28, 1986

Mr. Brian Burke
President, Local 6519
United Steelworkers of America
Foster Wheeler Limited
St. Catharines, Ontario

Dear Brian

Reference: Grievance Committee Step 2 Meeting

We recognize that it is beneficial to both parties that Step 2 Grievance Meetings be attended by committee personnel.

The Company agrees to allow shift transfers as necessary to ensure availability of four of the panel of five at scheduled Step 2 meetings. If a shift change is not practical, due to work assignment, then a change in shift starting and stopping time will be used.

The Union agrees that no financial penalty will be assessed the Company, such as leaving early the shift prior to the shift change, nor overtime due to altering the times of the eight hour shift.

Yours very truly

B. E. Race

December 14, 1988

Mr. Brian Burke, President
United Steelworkers of America
Local 6519
Foster Wheeler Limited
St. Catharines, Ontario

Dear Brian

Subject: Temporary Transfers

When an employee is temporarily transferred to equal or lower work, the Company will issue notice to the Union if the vacancy exceeds five (5) days. The Union will be notified of any temporary transfers involving an employee receiving a higher rate of pay (See Appendix II).

Yours very truly

FOSTER WHEELER LIMITED

R. B. Frick

January 18, 1989

Mr. Brian Burke, President
United Steelworkers of America
Local 6519
Foster Wheeler Limited
St. Catharines, Ontario

Dear Brian

Reference: Weekly Indemnity and Workers'
Compensation Benefits

We wish to confirm that an employee who is eligible for Workers' Compensation or Weekly Indemnity Benefits and who is in financial difficulty due to a delay in receipt of benefits may apply to the Personnel Department for a temporary advance.

Favourable consideration will be granted, provided the facts of the individual case are validated as presented.

Yours very truly

FOSTER WHEELER LIMITED

R. B. Frick

January 31, 1989

Mr. Brian Burke, President
United Steelworkers of America
Local 6519
Foster Wheeler Limited
St. Catharines, Ontario

Dear Brian

Reference: Employees on Certified Maternity Leave
Requiring Coverage for Certain **Group** Benefits

This is to advise you that the Company will provide all or some of the following benefits, if and when requested, for an employee on pregnancy leave:

- (a) Ontario Hospital Insurance Plan
- (b) Semi-Private Hospitalization
- (c) Drug Plan
- (d) Dental Plan
- (e) Life Insurance

The Company will pay the premium cost for such coverage subject to the future insurance provision of the Collective Agreement.

Yours very truly

FOSTER WHEELER LIMITED

R. B. Frick
Vice President - Administration

January 10, 1991

Mr. B. Burke
President
United Steelworkers of America
Local 6519
Foster Wheeler Limited
St.Catharines, Ontario

Dear Brian

In the reduction of the work force, a senior employee may apply, through the Union, to the Company for a voluntary layoff. The company may agree to allow such voluntary layoff on an individual basis.

Yours very truly

FOSTERWHEELER LIMITED

L. K. Baxter
Corporate Manager, Human Resources

FOSTER WHEELER LIMITED
ST. CATHARINES, ONTARIO

February 7, 1993

SIDEBAR LETTER

Mr. Brian Burke
President Local 6519
United Steelworkers of America
St. Catharines, Ontario

Dear Brian:

Employees working in excess of their normally scheduled shift shall receive a ten (10) minute paid break:

- (a) At the conclusion of two (2) hours overtime preceding the normal shift start-up;
- (b) At the conclusion of their normal shift but prior to the start of working ~~two~~ (2) or more overtime hours;
- (c) At the conclusion of two (2) overtime hours when four (4) hours or more have been scheduled.

Yours very truly,

FOSTER WHEELER LIMITED

B. E. Race
Vice President
Manufacturing & Nuclear

§ WHEELER LIMITED
CATHARINES, ONTARIO

February 15, 1995

SIDEBAR LETTER

Mr. Patrick Morrell
President, Local 6519
United Steelworkers of America
St. Catharines, Ontario

Dear Patrick

It is agreed by the parties that an employee who is laid off will receive the applicable vacation pay no later than ten (10) months following the end of the vacation accrual period (June 30) unless earlier payment is requested.

Yours very truly,

FOSTER WHEELER LIMITED

William D. Ryan