THIS AGREEMENT made and entered into this 1st day of February, 2003.

BETWEEN:

WATERLOO FURNITURE COMPONENTS LTD.

Hereinafter called the "Company"

OF THE FIRST PART

- and -

THE UNITED STEELWORKERS OF AMERICA LOCAL 7155

Hereinafter called the "Union"

OF THE SECOND PART

ARTICLE I - RECOGNITION

1.01 The Company recognizes the Union as the bargaining agent of all employees of the Company in Waterloo County, save and except assistant supervisors,

persons above the rank of assistant supervisor, clerical, technical (including Q.A. Coordinators, Test Lab and Sample Department employees), engineering, office and sales staff and long distance truck drivers whose normal work crosses provincial or national boarders.

- 1.02 Persons, excluding assistant supervisors, whose regular jobs are not in the bargaining unit will not work on any jobs which are included in the bargaining unit except for purposes of instruction, experimenting or in emergencies affecting the safety of employees or damage to equipment. Letter of Understanding regarding employees is appended to this Agreement.
- 1.03 Should any of the present operations be moved to a location(s) within 150 kilometers of the present location, this Collective Agreement will extend to cover such location(s)
- 1.04 In the event of a closure of the operation, the Company agrees that the provisions of the Employment Standards Act will apply.

ARTICLE II - RELATIONSHIP

2.01 The parties hereto mutually agree that any employee of the Company as of January 22, 1974, covered by this Agreement, may become a member of the Union if the employee wishes to do so and may refrain from becoming a member of the Union if the employee so desires. All employees hired after January 22, 1974, will become members of the Union.

- 2.02 The Company and the Union agree that no employee will in any manner be discriminated against or coerced, restrained or influenced on account of membership or non-membership in any labour organization or by reason of any activity or lack of activity in any labour organization.
- 2.03 Executive Officers of the Union Local and Stewards shall be permitted to enter the plant with prior permission of the Plant Manager or his/her designee. Such permission will not be unreasonably withheld. A list of current Executive Officers and Stewards will be provided to the Company and the Company need recognize only those individuals so listed. Before entering the plant, all security and safety regulations then in effect shall be complied with.
- 2.04 The Company will deduct from the pay of each member of the bargaining unit, such union dues, fees and assessments as prescribed by the Constitution of the Union.
- The dues so deducted will be remitted along with a list of employees from whom such deductions have been made within two weeks after the end of the month payable to the International Treasurer, United Steelworkers of America, P. O. Box 13083, Postal Station "A", Toronto, Ontario M5W 1V7. A copy will also be forwarded to the Financial Secretary.
- 2.06 The monthly remittance will be accompanied by a statement showing the names of each employee from whose pay deductions have been made and the total amount deducted for the month. Such statements will also list the names of employees from whom no deductions have been made and the reasons why, together with Form

115(a) as required by the International Union. A copy will also be forwarded to the Financial Secretary.

2.07 The Company agrees to add the amount of dues deducted to the employee's T-4 slips.

2.08 The parties agree to share equally the cost of printing the Collective Agreement in booklet form.

2.09 In the interest of continued harmonious labour relations the Parties agree to hold Labour Management meetings on a quarterly basis to discuss items of mutual concern.

Without limiting the generality of the above, the following items may be discussed at these meetings:

Workload and Manpower requirements

Operational Concerns

Business Outlook

It is further understood that upon the agreement of both Parties, additional meetings may by held if required.

Prior to the date of the meeting, the Company and Union will advise each other of desired topics for discussion.

ARTICLE III - MANAGEMENT RIGHTS

3.01 The Union acknowledges that it is the function of the Company to hire, promote, retire in accordance with the provisions of the Pension Plan, demote, classify, transfer and suspend employees and also the right of the Company to discipline or discharge any employee for just cause, provided that a claim by an employee who has acquired seniority, that the employee has been discharged or disciplined without just cause may be the subject of a grievance and dealt with as hereinafter provided.

The Union further recognizes the right of the Company to operate and manage its business in all respects in accordance with its commitments and responsibilities. The location of the plants, the products to be manufactured, the schedules of production, the methods, processes and means of manufacturing used, the right to decide on the number of employees needed by the Company at any time, the right to use improved methods, machinery and equipment and jurisdiction over all operations, buildings, machinery, tools and employees, are solely and exclusively the responsibility of the Company. The Company also has the right to make, alter from time to time and enforce reasonable rules and regulations to be observed by the employees. Any new or amended rules and regulations will be posted and provided to the Union seven (7) days prior to implementation.

3.03 The Company agrees that the exercise of its functions under paragraph 3.01, and 3.02 will not be inconsistent with any of the express terms of this Agreement.

ARTICLE IV - Union Rights

4.01 The Company acknowledges the right of the union to appoint or otherwise select twelve (12) stewards excluding the Time Study Steward and the Chief

Steward. All stewards will be regular employees of the Company actually at work who have completed their probationary period. The Company will recognize and deal with the stewards as hereinafter set forth.

- 4.02 The name and jurisdiction of each of the stewards will be given to the Company in writing and the Company will not be required to recognize any such steward until it has been notified in writing by the Union of the name and jurisdiction of same.
- 4.03 The Company undertakes to instruct all members of its supervisory staff to co-operate with the stewards in the carrying out of the terms and requirements of this Agreement.
- The Union undertakes to secure from its officers, stewards and members their co-operation with the Company and with all persons representing the Company in a supervisory capacity, in the carrying out of the terms and requirements of this agreement.
- 4.05 (a) The right of the stewards to leave their work without loss of pay to investigate or adjust grievances in their own departments is granted on the following conditions:
 - (i) The steward will obtain the permission of the steward's supervisor before leaving work, which permission will not be unreasonably withheld.
 - (ii) The time off will be devoted to the prompt handling of grievances and attending Grievance Step meetings and any preliminary meetings with the management.

- (iii) The Company reserves the right to limit such time if it deems the time so taken to be excessive.
- (iv) When the nature of a complaint is such that the Steward requires assistance, the Steward may request the presence of the appropriate Union Official i.e. Time Study Steward, Union WSIB Representative or an Executive of the Local Union and such request will not be unreasonably withheld.
- 4.05 (b) For incentive workers the rate of pay will be the incentive base rate. For non-incentive workers the rate of pay will be the regular hourly rate.
- 4.06 A new employee entering the bargaining unit will be given the opportunity to meet with the employee's steward, at a time convenient to the Company, within two (2) weeks of completing the probationary period.
- 4.07 The Company agrees to pay average earnings for union education courses. The Union agrees to reimburse the Company.

<u>ARTICLE V - GRIEVANCE PROCEDURE</u>

5.01 The parties to this Agreement are agreed that it is of the utmost importance to resolve complaints and grievances as quickly as possible.

It is understood and agreed that an employee does not have a formal grievance until the employee has discussed the matter with the employee's supervisor and given the supervisor an opportunity of dealing with the complaint. At the request of the employee, the Steward in the area may be present at this initial discussion or act on the employee's behalf.

- 5.03 Grievances properly arising under this Agreement will be resolved and settled as follows:
- Step No. 1 Within seven full calendar days after the circumstances giving rise to the grievance occurred or originated, or the employee becomes aware or should have become aware of the circumstances giving rise to the grievance, the aggrieved employee or the employee's steward may present the employee's grievance which will be reduced to writing to the supervisor and signed by the employee. Should no written settlement satisfactory to the Union be reached within seven full calendar days thereafter, the next step in the grievance procedure will be taken at any time within the next five full calendar days.
- Step No. 2- The grievance is referred in writing to the Plant Manager or his/her designee. Within 14 calendar days after referral a meeting may take place between the Chief Steward or his/her designee and the Plant Manager or his/her designee. Should no written settlement satisfactory to the Union be reached within 14 full calendar days following either the meeting or the expiration of the 14 full calendar day period should no meeting be held, the grievance will be referred to the next step.
- Step No. 3 The grievance is referred in writing to the Vice President, Human Resources or his/her designee. Within 14 full calendar days after referral a meeting may take place. Present at the meeting will be all or part of the Company's Executive Committee and the Local Plant Grievance Committee. The Company's Executive Committee will be composed of the Company President or his/her designee, the Vice President, Operations or his/her designee, the Plant Manager(s) or his/her designee. The Local Plant Grievance

Committee will be composed of the President of the Local or his/her designee, the Chief Steward or his/her designee and the steward who filed the grievance. The International Representative of the Union may also attend. If no written settlement satisfactory to the Union is reached with 21 full calendar days after the meeting or the expiration of the 21 full calendar day period, should no meeting be held, the grievance may be referred to Arbitration by the Union.

If a grievance is not referred to arbitration within the 21 full calendar days it will be deemed abandoned by the employee and Union.

By mutual agreement of the parties the grievor may attend the 3rd Step Grievance Meeting.

Group Grievances - To avoid the necessity of processing numerous grievances concerning the same subject or event, the Company will recognize Group Grievances, provided that each aggrieved employee's name is listed on the grievance and the grievance is filed in writing at Step No. 2 to the Operations Manager within five (5) working days of the incident giving rise to the grievance. The time limits set out in Step No. 2 above will apply.

If the group grievance is not settled at Step No. 2 of the grievance procedure, the remainder of the grievance procedure, including arbitration may be followed. If an Arbitration Board or the Arbitrator finds that the Company has violated the Agreement, it will have the power to award compensation to employees affected by the violation.

Policy Grievances - If either party has a complaint or alleges that there has been a misinterpretation, violation or non-application of this Agreement or any of the provisions hereof, then either party may within fifteen (15) calendar days of the incident giving rise to the grievance give to the other, notice in writing of such complaint at Step No. 2 of the Grievance Procedure. Within three (3) working days of receipt of such notice a meeting will be held between the Operations Manager and the Union Grievance Committee. The party against whom the complaint has been made will give an answer in writing within three (3) working days after the meeting has been held.

If the Policy Grievance is not settled at Step No. 2, the remainder of the Grievance Procedure, including arbitration may be followed. No such grievance will be filed with respect to the same subject matter that is already the subject of a grievance filed by an employee under this Article, nor will 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 Article.

5.06 It is understood that any of the time limits provided for in Article V, including the original filing, may be extended by mutual agreement of the parties in writing.

ARTICLE VI - DISCHARGE CASES

In the event of an employee who has attained seniority being discharged from employment, and the employee feeling that an injustice has been done, the case may be taken up as a grievance.

6.02 A claim by an employee, who has completed the employee's probationary period and attained seniority, that the employee has been unjustly

discharged from employment will be treated as a grievance if a written statement of such grievance is lodged with the Plant Manager within seven (7) full calendar days after the employee ceases to work for the Company. All preliminary steps of the grievance procedure prior to Step No. 2 will be omitted in such cases.

Such special grievance may be settled by confirming the Management's action in dismissing the employee, or reinstating the employee with full compensation for time lost, or by any other arrangement which is just and equitable in the opinion of the conferring parties, the Board of Arbitration, or the Arbitrator.

When an employee has been dismissed without notice the employee will have the right to discuss the matter with the employee's steward for a reasonable period of time before leaving the plant premises.

6.05 Copies of disciplinary and discharge notices will be given to the Union and will be initialled by the appropriate Company and Union officials. Any employee, who is requested to come to the supervisor's office for a written warning or discharge notice, will have the employee's steward present.

ARTICLE VII - ARBITRATION

Failing a satisfactory settlement in Step 3 of the Grievance Procedure, either party may request that a grievance be submitted for Arbitration and will make such request in writing, addressed to the other party, within twenty-one (21) full calendar days from receipt of the Vice President of Human Resources' decision in Step No. 3 of this Agreement.

7.02 The Arbitration Procedure incorporated in the Agreement will be based on the use of a sole Arbitrator.

When either party refers a grievance to Arbitration, they will propose a list of three (3) Arbitrators for consideration by the other party. If none of the proposed Arbitrators are acceptable to the other party, they, then, within ten (10) working days will submit a list of three (3) Arbitrators, in writing, to the aggrieved party for consideration. If no sole Arbitrator can be agreed to within ten (10) working days, either party may request the Ministry of Labour to appoint an Arbitrator.

7.04 Except where otherwise provided for in this Agreement, each of the Parties hereto will bear its own expense with respect to any arbitration proceedings.

The Parties hereto will bear jointly, the expenses of the Arbitrator on an equal basis.

7.05 No matter may be submitted to Arbitration which has not first been properly carried through the appropriate stages of the Grievance Procedure.

7.06 The Arbitrator will not be authorized, nor will the Arbitrator assume authority to alter, modify, or amend any part of this Agreement nor to make provisions thereof or to deal with any matter not covered by this Agreement.

7.07 The decision of the Arbitrator will be final and binding on the Parties.

7.08 Nothing in this Article will preclude the parties from mutually agreeing to a Board of Arbitration and all terms and conditions of this Article will apply to the Board of Arbitration, except

(a) Each of the parties will bear the expenses of its own nominee to the Board; (b) Where there is no majority decision, the decision of the Chairperson will govern;

ARTICLE VIII - NO STRIKES - NO LOCKOUTS

8.01 In view of the orderly procedures established by this agreement for the settling of disputes and the handling of grievances the Union agrees that, during the life of this agreement, there will be no strike, picketing, slowdown or stoppage of work, either complete or partial, and the Company agrees that there will be no lockout.

ARTICLE IX - WAGES

NOTE see Letter of Understanding appended hereto

<u>Purpose</u>- The parties to the Agreement have negotiated the following incentive system to give the employees increased operator earnings through increased effort. Subject to the provisions of this Article, earnings opportunity will not be limited or discouraged.

9.01 <u>Wage Schedule</u> - Incorporated herein as part of this Agreement is a schedule of hourly wage rates and incentive base rates identified as Appendix "A".

9.02 <u>Permanency of Standards</u> - The parties agree that the incentive plan hereinafter set out will apply for the life of the agreement to those job classifications to which they applied on the signing date of this Agreement. The parties also agree, however, that situations may arise where the establishment or use of an incentive standard for some particular tasks or operations is not practical or applicable.

9.03 Out of Line Differentials

(a) Employees who are entitled to receive out-of-line differentials, will not have their wage rate reduced as long as they remain in their current job classification, or until they are offered a job in another job classification which they refuse, but which does not conflict with the Provisions of Article XIV, Seniority.

9.03 (b) If an employee with an out-of-line differential is transferred or assigned to a job having a higher standard hourly rate, or a higher incentive base rate, then the differential will be reduced by the amount of

the increase in the standard hourly rate of the

incentive base rate.

9.03 (c) If, as a result of a lay off 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, or a lower incentive base rate, then the out-of-line differential will be cancelled.

9.03 (d)

If such employee referred to in sections (b) and (c) will be returned to the job for which the out-of-line differential was established, the out-of-line differential will be reinstated except as it may have been reduced or eliminated by negotiations.

- 9.03 (e) The incentive base rate for such an employee will be the rate of the employee's job classification plus any applicable out-of-line differential.
- 9.04 <u>Incentive Opportunity Standard</u> For any job which is placed on an incentive payment basis, incentive standard for various work (i.e., tasks or operations) performed on such job will be established so that qualified employees working on the job with normal incentive effort will have an earnings opportunity over and above the base rate.
- 9.05 <u>Establishment of Incentive Standards</u> Incentive standards covering various work performed on any job will be established:
 - (a) To cover a specified set of standardized conditions;
 - (b) In a manner and by a procedure that is equitable to the employees and takes into account all the various factors and elements of the work performed;
 - (c) Based on the normal working capacity of employees working with normal incentive effort and in accordance with safe working procedures;
 - (d) To give consideration to the quality of workmanship required, and,
 - (e) To give adequate consideration to fatigue, necessary personal time and delays.

9.06 Pay Computation

(a) Incentive standards will be expressed in terms of standard time values and not in terms of price per piece or multiples thereof.

Incentive earned will be expressed in terms of "earned hours" which will be multipliable by the incentive base rate of the job classification to arrive at total monetary earnings.

- 9.06 (b) Calculation of earnings will be made on a daily basis.
- 9.06 (c) Where incentive standards are exceeded, payment will be made on the "one-for-one" basis. That is, one per cent increase in pay for each one per cent increase in production above the established incentive standard.

Change of Incentive Standards - Any incentive standard will remain unchanged except when a change or changes are made in the method, materials, tools, equipment, or quality standards (other than maintenance or replacement changes except changes where an allowance for a specific condition has been included in the existing incentive standard) and such cumulative change or changes affect the incentive standards to a substantial extent, i.e. plus 5% or more or minus 5% or more. In the event change or changes are cumulatively made to such an extent, then only those elements directly affected by such change or changes may be modified. Elements not affected by such change or changes will not be modified. The Company will make available to all employees working under the revised standard all improvements or changes which led to the revision. The Union will receive a copy of all changed incentive standards when they are issued. In the event that a clerical error is made in

the setting of an incentive standard, it will be immediately, but not retroactively, corrected. A copy of the reasons for the correction will be supplied to the Union.

9.08 <u>Grieving on Changed Incentive Standard</u> - In the event the incentive standard is affected by a change or changes in the manner and to the extent provided in Section 9.07, any employee affected may file a grievance within thirty calendar days that the incentive standard has not been adjusted, or has been improperly adjusted. If such grievance is submitted to arbitration, any adjustment resulting from the decision of the Arbitration Board or the arbitrator will be effective as of the date upon which the change was made which precipitated the grievance.

9.09 <u>Trial Period</u>

- (a) When incentive standards are established, a reasonable trial period will be established for the standard and the expiration date of such trial period will be noted on the standard and on the operation analysis card. Such trial period will not be longer than ten calendar days from the date on which the incentive standard is established.
- 9.09 (b) After the trial period, but within thirty calendar days thereafter, any employee performing the task or operation may file a grievance that the standard on the task or operation is not in accordance with the provisions of this Agreement.

9.09 (c) The results of such grievance will be applied effective as of the date the standard was established.

9.09 (d) The Company on its premises will make available to the Union any material or information necessary to the resolving of an incentive grievance.

9.10 <u>Defective Work</u>

- (a) An employee working on incentive work will not earn incentive but will be paid the incentive base rate for the work rejected if the improperly performed work was the fault of the employee.
- 9.10 (b) An employee will be paid the incentive base rate whenever such employee is assigned to reprocess work produced by the employee if the improperly performed work was the fault of the employee.
- 9.10 (c) If an employee is required to reprocess work which is not the employee's fault, a temporary incentive standard will be established. If it is not possible to establish a temporary incentive standard the employee will be paid the employee's incentive base rate.

- 9.10 (d) An employee working on an incentive standard will retain incentive earnings if the defective work is not the fault of the employee.
- 9.11 <u>Non-Standard Conditions</u> Temporary incentive standards will be established for non-standard conditions whenever possible. If it is not possible to establish a temporary incentive standard the employee will be paid the equivalent of the Grade 10 non incentive Labour Grade classification.
- 9.12 <u>Group Incentives</u> Incentive standards may be applied on a group basis on closely related operations where each member of the group is dependent on others of the same group or where a community of interest exists.
- 9.13 <u>Down Time</u> If an employee working on an incentive standard is required to wait for reasons beyond the control of the employee, the employee will be paid for the entire time lost at the employee's incentive base rate provided the employee punches out and the supervisor or the representative designated in the supervisor's absence is notified at the start of the delay period, or as soon thereafter as is practicable and the employee punches back in as soon as the idle period ends.

ARTICLE X - HOURS OF WORK AND OVERTIME

The following paragraphs and sections are intended to define the normal hours of work and will not be construed as a guarantee of hours of work per day or per week, or of days of work per week.

10.02 The standard work week will consist of forty hours per week and eight hours per day. Hours worked in excess of forty in the standard work week or hours

worked in excess of the normal daily hours (eight hours or ten hours) of such shift will be paid for at the rate of time and one-half.

- 10.03 (a) The Company agrees to consult with the Union Negotiating Committee sixty days prior to any changes in the scheduling of hours of work.
- 10.03 (b) If the start and stop times of the shifts (where the change is necessary) is one hour or less, the Company agrees to consult with the Union thirty (30) days prior to any changes.
- 10.04 (a) For non-incentive workers, overtime at the rate of time and one-half of the employee's basic rate will be paid for the first four hours worked and double thereafter for hours worked in excess of the regular hours of work per day as set out in paragraph 10.02. Time and one-half will be paid for all hours worked on Saturday. Double time will be paid for all hours worked on Sunday.
- 10.04 (b) For incentive workers, overtime at the rate of time and one-half of the employee's base rate will be paid for the first four hours worked and double thereafter for hours worked in excess of the regular hours of work per day as set out in paragraph 10.02. Time and one-half will be paid for all hours worked on Saturday. Double the base rate will be paid for all hours worked on Sunday. The incentive will continue to be paid on the base rate for all hours worked.
- 10.04 (c) The regular hours for overtime purposes are after eight hours on the day shift and after ten hours on the night shift.
- To the extent that hours are compensated for at overtime rates under one provision they will not be counted as hours worked in determining overtime under the same or any other provision.

The Company will set aside and allow two ten-minute rest periods, one in each half shift. These rest periods will start and finish at the respective work stations of employees.

10.07 A three-minute clean-up and wash-up period will be permitted at three minutes before quitting time of each half shift. It is understood and agreed that the work station of each employee will be cleaned up by the employee in the allotted three minutes before the employee washes up.

10.08 (a) Overtime work will be equitably distributed among those employees normally performing the work to be done in the department, job classification, and on the shift on which the overtime is required to the degree that it is practicable and efficient to do so.

10.08 (b) Overtime will be reviewed quarterly by the supervisor and steward of the area.

10.08 (c) If overtime, as defined in (a) is unequally distributed, and the difference is not made up within the following quarter, the employee will be paid straight time for the overtime hours missed in excess of the allowable difference of eight (8) hours. An eight (8) hour difference or less at the end of the year, compared to the hours of the employee highest in the group defined in (a), is considered equal distribution and the next year will start at zero.

10.08 (d) Employees will have overtime hours counted towards them as follows: the hours worked as defined in (a), hours refused; hours offered for the sole purpose of overtime equalization; hours not available because of vacation, leave of absence, sick leave, WSIB leave, medical restrictions.

10.08 (e) Employees who join a department, job classification and shift during the quarter will have their overtime hours adjusted to equal the average hours of the department, job classification and shift that they are joining for the purposes of Article 10.08.

10.08 (f) If an employee is required to work overtime, outside their regular department, said hours will be counted as hours worked in their regular department.

10.09 It is understood that the provisions of this Article do not apply to truck drivers. Overtime at the rate of time and one-half will be paid for all hours worked over forty-four (44) per week by truck drivers

ARTICLE XI - VACATIONS WITH PAY

All employees who have been steadily employed by the Company for a period of one year or more prior to July 1st in any year will be entitled to two weeks' vacation at a time convenient to the Company and will receive as vacation pay a sum equivalent to four per cent (4%) of the employee's earnings during the twelve month period immediately preceding July 1st in such year.

All employees who have been steadily employed by the Company for a period of five years or more prior to July 1st in any year will be entitled to three weeks' vacation with pay at a time or times convenient to the Company and will receive as vacation pay six percent (6%) of the employee's earnings during the twelve month period immediately preceding July 1st in such year.

11.03 All employees who have been steadily employed by the Company for a period of eleven years or more prior to July 1st in any year will be entitled to four

weeks' vacation with pay at a time or times convenient to the Company and will receive as vacation pay eight percent (8%) of the employee's earnings during the twelve month period immediately preceding July 1st in such year.

All employees who have been steadily employed by the Company for a period of twenty years or more prior to July 1st in any year will be entitled to five weeks' vacation with pay at a time or times convenient to the Company and will receive as vacation pay ten percent (10%) of the employee's earnings during the twelve month period immediately preceding July 1st in such year.

11.05 If an employee leaves the employ of the Company, the employee's vacation pay will be calculated in accordance with the entitlement under this Agreement.

The parties agree that a vacation list will be posted by January 1 each year in order that employees may post their vacation preference. The employees will list their vacation preference by March 31 each year. The Company shall, by April 30 each year, assign vacation periods, keeping in mind the requirements of efficient operation of the plant, and the seniority of the employees involved. After April 30, no vacation periods may be changed, unless an emergency production requirement arises, without the consent of the employee or employees concerned, and the Company. The Company reserves the right to require all employees to take their entitlement of two (2) weeks vacation in any given year depending on production requirements.

ARTICLE XII - DECLARED HOLIDAYS

12.01 The Company recognizes the following declared holidays and agrees that all employees who have served their probationary period, who qualify in

accordance with article 12.02, will receive payment for such holidays based on their regular current hourly rate for non-incentive workers multiplied by the number of hours in a normal work day. (For incentive workers the hourly rate will be as set out in Article 12.01 When a declared holiday falls on a Saturday or Sunday it will be celebrated on the preceding Friday or on the following Monday at the sole discretion of the Company. Employees required to perform any work on any of these holidays will be paid at the rate of time and one-half their regular basic rate, in addition to receiving holiday pay.

New Year's Day Thanksgiving Day

Good Friday Day before Christmas Day

Victoria Day Christmas Day

Canada Day Boxing Day

Civic Holiday Day before New Year's Day

Labour Day

12.01(a) For incentive workers the rate of pay for Declared Holidays will be the incentive base rate plus 30%.

When one of the holidays listed in Section 12.01 is observed during an employee's annual vacation, the employee will be allowed one additional day's vacation with pay at a time convenient to the Company.

All employees who have served their probationary period will be eligible for holiday pay irrespective of whether they are required to work on the holiday or not, subject to the provisions of paragraph 12.04.

To qualify for holiday pay an employee must work the last scheduled shift prior to and the first scheduled shift after the holiday unless absent because of bona fide illness of the employee or the employee's child or authorized leave of absence. The Company may require a medical certificate as proof of illness of the employee or the employee's child.

In addition to the plant holidays listed in clause 12.01 there will be one additional declared holiday which will be a floating day. Each year the parties will meet to discuss the day upon which the floating holiday will be celebrated and it will be celebrated on that day in the next ensuing calendar year. In the event that the parties are unable to agree upon the said day then the Company will designate the day upon which it will be celebrated. Entitlement to payment for the floating holiday will be subject to the same qualifications as set forth in this Article for other declared holidays.

ARTICLE XIII - PROBATIONARY PERIOD

Newly hired employees will serve a probationary period of 480 hours worked, within a twelve month period, and will have no seniority rights during this period. Upon completion of the probationary period, a new employee will have the employee's seniority dated back to the employee's last date of hire.

During the probationary period referred to above, the employee will be considered as being employed on a trial basis and may be discharged or laid off at the discretion of the Company.

ARTICLE XIV - SENIORITY

- Seniority as referred to in this Agreement, will be on a plant wide basis. The Company will compile Seniority Lists every three (3) months. A copy of such Seniority List will be posted in the plant and a copy given to the Union. A subsequent seniority list, including addresses, postal codes, telephone numbers and rates of pay will be provided to the Union Area Office on or about December 31st of each year.
- 14.02 (a) Employees will accumulate seniority when absent from work, under the following conditions.
 - (i) During the first six calendar months of any absence due to layoff, leave of absence, non-occupational accident or sickness for employees having 12 months seniority or less as of the date the absence commenced;
 - (ii) During the first twelve calendar months of any absence due to layoff, leave of absence, non-occupational accident or sickness for employees having over twelve months seniority as of the date the absence commenced.
- 14.03 Seniority rights of an employee will cease and his employment will automatically terminate when:
 - the employee is discharged, and not subsequently reinstated through the grievance or arbitration procedure;
 - (ii) the employee resigns

- (iii) the employee has been on layoff for a continuous period of twelve months or the employee's seniority, whichever is less, for all employees with one year's seniority or less
 - for employees with more than one year of seniority
 the employee has been on layoff for a continuous
 period of two years;
- the employee has been on layoff for a continuous period of less than the period outlined in 14.03 (iii) and who, when notified by registered mail or by telegram addressed to the last address the employee has recorded with the Company, fails to notify the Company within three working days excluding date of mailing that the employee is intending to return to work and unless the employee returns to work as soon as possible after receiving notice and in any event within seven days of the mailing or other communication of such notice;
- (v) the employee fails to report back to work after the expiration of the term of a leave of absence or any extension thereof granted by the Company;
- (vi) the employee is absent from work for more than two consecutive working days without reporting the absence unless absent due to verifiable illness or unless there was reasonable justification for such absence.

(vii) the employee uses such leave for any other reason then the one for which it was granted

14.04 Any employee returning to the bargaining unit will be added to the seniority list as a new hire. This employee will return to the lowest classification unless there is a vacant position to which there are no successful applicants.

The President will have top seniority while holding the office of President in the Local Union, provided, however, that the President has the ability to perform the available job.

ARTICLE XV - PROMOTIONS AND LAYOFFS

15.01(a) When an opening occurs in one of the job classifications set forth in this Agreement (or one hereafter added to those set forth), which is to be filled on a permanent basis, employees will be given opportunity for promotion into such an opening on the basis of their seniority and ability. Where two or more applicants have relatively equal ability, seniority will govern. The Company will properly familiarize the successful applicant with the duties of the classification. Whenever there are no qualified applicants for a vacancy, the Company may fill the vacancy by transfer in accordance with this Agreement or by a new hire. If the employee is unable to perform the duties of the classification within a five day familiarization period, the employee will be returned to the employee's former job. Individual jobs in a labour grade will be posted separately with the addition of "and other duties as assigned". The Company will not consider the experience gained as a result of a temporary vacancy or assignment. Lead Hand positions will not be subject to the job posting provisions.

- 15.01(b) If a temporary assignment exceeds thirty days the parties agree to discuss whether a temporary job posting should be made. If the parties decide the job should be temporarily posted, the experience gained by the employee temporarily assigned will not be taken into account in the temporary vacancy selection. The Company may assign an employee to the vacancy, if any, created as a result of the temporary job posting.
- 15.02 (a) Lay-off of an employee(s) of 4 hours or less will not occur more than once in any calendar month.
- In lay-offs exceeding 4 hours to a maximum of 3 working days, any employee whose job has been deemed by the Company not to be necessary will be allowed to take the layoff or remain in the plant and be assigned by the Company to displace the junior employees on the shift (Days, Afternoon, Nights). If a complete shift is cancelled, where possible, the Company will transfer senior employees to displace junior employees on other shifts. Employees displacing a junior employee must have any license or specialized skill required to perform the work.
- 15.02 (c) In lay-offs exceeding 3 days, employees may bump the junior person in a job classification, on any shift, in any department providing the employee is able to perform the available work. Failing the above, the employee will exercise total plant seniority by replacing the junior person in a labour grade, providing the employee is able to perform the available work.
- 15.02 (d) No vacancy will be filled until all employees who have recall rights to that job classification on that shift in that department have been recalled.

- 15.02 (e) The Company will follow the Bumping Preference Form on file for any employee who is to be laid off.
- 15.02 (f) When changes occur to the Bumping Options, a new list will be posted on the bulletin board. Employees may change their Bumping Preference Form in accordance with the Bumping Preference Form Procedure.
- 15.02 (g) Changes to the Bumping Preference Form Procedure will not be made without consulting the Union.
- 15.02(h) Following a layoff period employees shall be recalled by seniority.
- The parties agree that the layoff provisions of the Employment Standards Act will apply.
- All new jobs and permanent vacancies will be posted in the plant for three working days. Any employee who has attained bargaining unit rights in the bargaining unit may make application for such job. In the filling of such a new job, the Company will not be limited to selecting employees who have made application, providing no applicant has the qualifications and seniority as set out in Article 15.01. In the event that an employee has been selected to fill such a new job, then the employee will be precluded from applying for any other new job for a period of six calendar months.
- (b) The Company and the Union agree that a familiarization period up to five days may not be adequate for certain job classifications. Increased familiarization periods may be instituted on the joint agreement of the parties.

ARTICLE XVI - TEMPORARY ASSIGNMENTS

16.01 Non-Incentive Employees - Whenever an employee is temporarily assigned outside of the employee's job classification the employee will be paid as follows:

- (a) If the rate of pay in the job classification to which the employee is assigned is equal to or less than the employee's regular rate, the employee will receive the employee's own regular rate of pay.
- (b) If the rate of pay in the job classification to which the employee is assigned is higher than the employee's regular rate, the employee will receive the higher rate of pay of the job classification to which the employee is temporarily assigned.
- 16.02 Incentive Employees Whenever an employee is temporarily assigned outside of the employee's job classification the employee will be paid as follows:
 - (a) If the incentive base rate of the job classification to which the employee is assigned is equal to or lower than the employee's regular incentive base rate, and the task or operation has an incentive standard, the employee's earnings will be computed in accordance with Section 9.06 using the employee's regular incentive base rate. If an employee working on a cell rate is assigned other work, the employee will be paid the cell rate.

- (b) If the task or operation does not have an incentive standard, the employee will be paid the Labour Grade 10 non incentive rate.
- (c) If the incentive base rate of the job classification to which the employee is assigned is higher than the employee's regular incentive base rate, and the task or operation has an incentive standard, the employee's earnings will be computed in accordance with Section 9.06 using the incentive base rate of the higher job classification to which the employee is assigned.

ARTICLE XVII - PAYMENT ON DAY OF INJURY

Any employee injured on the job, requiring medical attention, will be paid for the balance of the employee's shift, on the day on which the injury occurred, and if necessary the Company will provide transportation that day to hospital, doctor's office or employee's home. For incentive workers the rate of pay will be average earnings. For non-incentive workers the rate of pay will be the regular hourly rate.

<u>ARTICLE XVIII - BEREAVEMENT PAY</u>

The Company will grant three (3) days leave of absence without loss of pay to an employee in the event of a death in the immediate family. For the purposes of this clause "Immediate Family" will mean: Mother, Father, Son, Daughter, Grandchild, Brother, Sister, Wife, Husband, Mother-in-law, Father-in-law. For incentive

workers the rate of pay will be the incentive base rate plus 30%. For non-incentive workers the rate of pay will be the regular hourly rate.

The Company will grant a one day leave of absence without loss of pay to an employee in the event of the death of a brother-in-law or sister-in-law of the employee or his or her grandparents. For incentive workers the rate of pay will be as set out in Article 18.01. For non-incentive workers the rate of pay will be the regular hourly rate.

ARTICLE XIX - JURY DUTY

The Company will pay an employee who is required for jury service or who is subpoenaed as a court witness for each day of service, the difference between the employee's hourly rate for the number of hours the employee normally works on the employee's regular shift, and the payment the employee receives for jury service or as a court witness. The employee will present proof of service and the amount of pay received. An employee released from jury duty or witness duty will be required to report for work and work the balance of the employee's regular shift. For incentive workers the rate of pay will be the incentive base rate plus 30%. For non-incentive workers the rate of pay will be the regular hourly rate.

ARTICLE XX - SHIFT PREMIUM

A shift premium of fifty-seven (57¢) per hour will be paid to each employee for hours worked during a second (or afternoon shift). Effective February 1, 2002, the shift premium will be increased to sixty cents (60¢). If a third or night shift is

instituted the shift premium will be 60¢ per hour. Shift premiums will be paid on statutory holidays to employees on shift work.

ARTICLE XXI - REPORTING ALLOWANCE

An employee reporting for work as usual on a regular working day, unless notified on the previous day not to report, and for whom no work at the employee's regular job is available, will be offered at least four hours' employment in other work at the employee's current rate of wages, or at the Company's option will be paid four hours' pay in lieu of work. This provision will not apply if the failure to provide work is caused by reason of a labour dispute or by reasons beyond the control of the Company. For incentive workers the rate of pay will be the incentive base rate plus 30%. For non-incentive workers the rate of pay will be the regular hourly rate.

ARTICLE XXII - CALL IN ALLOWANCE

An employee who has completed the employee's regular shift and leaves the premises and is then recalled to work will receive a minimum of four hours' pay at the employee's regular straight time rate or for hours actually worked whichever is the greater. If the hours directly precede the regular hours worked then the employee will be paid for hours actually worked. For incentive workers the rate of pay will be the incentive base rate, or the incentive rate whichever is applicable. If the incentive base rate is applicable, there will be an add on of 30%. For non-incentive workers the rate of pay will be the regular hourly rate. It is understood that the four hours' pay referred to above is the minimum amount the employee will receive.

ARTICLE XXIII - BULLETIN BOARD

The Company agrees to provide a bulletin board for the convenience of the Union in posting notices. All such notices must be signed by a proper officer of the Union and submitted to the Plant Manager or the Plant Manager's authorized representative for approval before being posted.

ARTICLE XXIV - INSURANCE

24.01 The Company agrees that during the term of this Agreement, it will provide the Insurance Benefits as set out in Schedule "B" attached hereto.

ARTICLE XXV - SAFETY AND HEALTH

- The Union and the Company will maintain a Joint Health and Safety Committee consisting of three (3) members elected or appointed by the Union and three (3) members appointed by the Company.
- 25.02 The general duties of the Joint Health and Safety Committee will be to enforce the provisions of the Ontario Industrial Health and Safety Act, and
 - (a) To make a monthly inspection of the plant or place of employment for the purpose of determining hazardous conditions, to check unsafe practices and to receive complaints and recommendations with respect to these matters.
 - (b) To investigate promptly all serious accidents and any unsafe conditions or practices which may be reported to it. Such investigation will include accidents which might have caused injury to a worker whether or not such injury occurred.
 - (c) To hold regular meetings at least monthly for the discussion of current accidents, their causes, suggested means of preventing their recurrence and reports of investigating and inspections.
 - (d) In time lost from regular working hours, for incentive workers the rate of pay will be the incentive base

rate. For non-incentive workers the rate of pay will be the regular hourly rate.

25.03 The Company agrees to maintain its current practice with respect to providing safety shoes, safety glasses and other protective equipment for the life of this Agreement (as specified in Appendix "B").

<u>ARTICLE XXVI - LEAVE OF ABSENCE</u>

26.01 The Company may grant leave of absence without pay to an employee provided that such absence does not adversely affect the operations of the Plant. Leave of absence may be granted for:

- (a) Legitimate personal reasons during which time seniority will accumulate in accordance with the provisions of Article 14.02 (a)(i)(ii);
- (b) Legitimate Union Business upon request from theUnion President or his/her designee.
- (c) Attendance at a Union Annual Convention or Conference by a maximum of five (5) employees elected or appointed by the Union provided that at least five (5) calendar days written notice in advance is given to the Company.
- 26.02 Pregnancy and parental leave will be granted in accordance with the Ontario *Employment Standards Act, 2*000.

ARTICLE XXVII - LATENESS

Late starting will be dealt with as follows (without limitation on the disciplinary right of the Company). For the purpose of starting work, time will be considered only in periods of 1/10 of an hour, and if an employee starts working after the starting time, to occasion a broken period of less than six (6) minutes, the employee will be penalized for the full period of the 1/10 of an hour concerned.

ARTICLE XXVIII - PENSION PLAN

28.01 The provisions of the Plan are set out in the Letter of Understanding attached to this Agreement.

The contributions made by the Company will be on a cents per hour basis for each regular hour worked, including union leave, vacation pay and statutory holiday pay as follows:

Effective February 1, 2003 - \$0.52 becomes \$0.55

Effective February 1, 2004 - \$0.55 becomes \$0.57

Effective February 1, 2005 - \$0.57 becomes \$0.60

ARTICLE XXIX - APPRENTICESHIP PROGRAMME

(Tool and Die Maker, Millwright and Electrician)

Wage Schedule

<u>Hours</u> <u>Wage</u>

0 - 1000 55% of Labour Grade 17 maximum

1000 - 2000	60% of Labour Grade 17 maximum
2000 - 3000	65% of Labour Grade 17 maximum
3000 - 4000	70% of Labour Grade 17 maximum
4000 - 5000	75% of Labour Grade 17 maximum
5000 - 6000	80% of Labour Grade 17 maximum
6000 - 7000	85% of Labour Grade 17 maximum
7000 - 8000	90% of Labour Grade 17 maximum

After 8000 hours the apprentice upon successful completion of the examination will receive 100% of Labour Grade 17 maximum. Current employees entering the Apprenticeship Program will maintain their current wage (adjusted from time to time by increases under the CBA) until the wage in the Apprenticeship Program Scale meets or exceeds such rate.

ARTICLE XXX - LETTER OF UNDERSTANDING

30.01 The Letter of Understanding attached to this Agreement is a part of the Agreement between the parties.

ARTICLE XXXI - TERMINATION

WATERLOO FURNITURE

This Agreement will become effective on the 1st day of February, 2003, and will remain in effect until the 31st day of January, 2006, and will continue in force from year to year thereafter unless in any year not more than ninety days and not less than thirty days, before the date of its termination, either party will furnish the other with notice of termination of, or proposed revision of, this Agreement.

IN WITNESS WHEREOF each of the parties hereto has caused this Agreement to be signed by its duly authorized representatives as of the day and year first above written.

UNITED STEELWORKERS OF

COMPONENTS LTD. Ruth Phillion Maurice Pollett Robert Wettlaufer Jeninne Gies Brian Riehl Dan Hunsberger Joe Reis Joe Pacheco Andy Wideman Brian Dubien David Hilker

APPENDIX "A" WAGE SCHEDULE

WAGE SCHEDULE

INDIRECT LABOUR

Labour Grade	Job Classification	Feb. 1, 2003	Feb. 1, 2004	Feb. 1, 2005
10	Janitor	\$16.00	\$16.32	\$16.73
11	Cycle Counter	\$17.74	\$18.09	\$18.54
	Power Lift Truck Operator	\$17.74	\$18.09	\$18.54
	QA Inspector	\$17.74	\$18.09	\$18.54
	Shipper	\$17.74	\$18.09	\$18.54
	Receiver	\$17.74	\$18.09	\$18.54
	Crib Attendant	\$17.74	\$18.09	\$18.54
12	Set-up - Presses	\$18.67	\$19.05	\$19.52
	Set-up - Assembly Machines	\$18.67	\$19.05	\$19.52
	Set-up & Operate TAE Machine	\$18.67	\$19.05	\$19.52
	Set-up & Operate Retainer Presses	\$18.67	\$19.05	\$19.52
	Set-up Spotwelder	\$18.67	\$19.05	\$19.52
	Set-up Plastics Machine	\$18.67	\$19.05	\$19.52
	Chemical Technician	\$18.67	\$19.05	\$19.52
13	Lead Hand*	\$19.42	\$19.81	\$20.31
	Set-up & Operate Roll Former	\$19.42	\$19.81	\$20.31
14	Maintenance - General	\$20.40	\$20.81	\$21.33
	Truck Driver	\$20.40	\$20.81	\$21.33
16	Roll Form Technician/Lead Hand	\$21.92	\$22.36	\$22.91
17	Tool & Die Maker - Grade 2	\$24.20	\$24.68	\$25.30
	Millwright - Grade 2	\$24.20	\$24.68	\$25.30
	Electrician - Grade 2	\$24.20	\$24.68	\$25.30
	Machinist - Grade 1	\$24.20	\$24.68	\$25.30
	CNC Operator	\$24.20	\$24.68	\$25.30
18	Tool & Die Maker - Grade 1	\$25.65	\$26.17	\$26.82
	Millwright - Grade 1	\$25.65	\$26.17	\$26.82
	Electrician - Grade 1	\$25.65	\$26.17	\$26.82
19	Lead Hand - Tool & Die	\$27.33	\$27.88	\$28.57
	Lead Hand - Maintenance	\$27.33	\$27.88	\$28.57
	Die Technician	\$27.33	\$27.88	\$28.57
	Technical Specialist	\$27.33	\$27.88	\$28.57

	*Group Leader Roll Former	\$20.20	\$20.20	\$20.31

WAGE SCHEDULE

DIRECT LABOUR

Labour Grade	Job Classification	Feb. 1, 2003	Feb. 1, 2004	Feb. 1, 2005
5	Plastics Machine Operator Racker/Unracker Assemblers - Keyboard/Ergo Slide Assembler	\$14.93 \$16.72 \$17.32 \$17.69	\$15.23 \$17.05 \$17.67 \$18.04	\$15.61 \$17.48 \$18.11 \$18.49
7	Press Operator Roll Form Operator Spotwelder Spray Painter	\$18.03 \$18.03 \$18.03 \$18.92	\$18.39 \$18.39 \$18.39 \$18.92	\$18.85 \$18.85 \$18.85 \$18.92
9	Set-up & Operate Spotwelder	\$18.67	\$19.05	\$19.52
11	Set-up & Operate Press Set-Up & Operate Mig Welder	\$19.23 \$21.07	\$19.62 \$21.49	\$20.11 \$22.03

APPENDIX "B" SCHEDULE OF INSURANCE

Life Insurance

- effective February 1, 2003 increase the \$23,000 to \$25,000
- effective February 1, 2004, increase the \$25,000 to \$27,000
- effective February 1, 2005, increase the \$27,000 to \$30,000

Accidental Death and Dismemberment

- effective February 1, 2003, increase the \$23,000 to \$25,000
- effective February 1, 2004, increase the \$25,000 to \$27,000
- effective February 1, 2005, increase the \$27,000 to \$30,000

Coverage is provided for disability occurring at or away from work.

Weekly Indemnity Benefit

- effective August 1, 2000, the weekly indemnity will be 66 2/3 of weekly earnings (for incentive workers the rate used for calculation of this benefit will be Labour Grade 10 non-incentive) to the Employment Insurance Maximum in effect from time to time (the Employment Insurance rebate resulting from this new policy will accrue to the Company to partially offset the cost).
- Coverage is payable from the 1st day of absence due to an accident or injury or sickness if hospitalized, on the 5th day due to sickness for a maximum period of 39 weeks. Pregnancy is excluded.

Major Medical Expense Benefit

No deductible - No Co-insurance

Hospital Charges - Out-Patient Only

Basic Preventative Dental Plan (Delta Basic Plan or Blue Cross or equivalent) with the Company paying 90% of the cost and the employee paying 10% of the cost.

Dental Plan

Eight units per year per person of periodontal scaling will be added to the Plan.

O.D.A. Schedules

- effective April 1, 2003 increase the 2000 O.D.A. Schedule to 2001

effective February 1, 2004 increase the 2001 O.D.A. Schedule to 2002

- effective February 1, 2005 increase the 2002 O.D.A. Schedule to 2003

The group insurance benefits are subject to the terms and conditions of the master

policy for each benefit and will remain in effect for the life of the Collective Agreement,

with the Company being responsible for the payment of premiums (subject to the dental

co-insurance).

Safety Shoes: The Company to pay \$85.00 towards the cost of safety shoes for

employees with one year or more service up to one pair per

contract year.

Safety Glasses: The Company agrees to supply and pay for C.S.A. approved

industrial prescription safety lenses and frames once during the life

of the Agreement (\$80.00 maximum with an additional allowance of

\$20.00 maximum for bifocals).

Family Eye Care: The Company agrees to pay up to \$150.00 per family member once in a two year period toward the cost of glasses and frames.

Same-Sex Benefits: The Company will provide benefits to same-sex partners in the same manner as provided for common-law partners.

LETTER OF UNDERSTANDING

Dear Sirs:

Re: Waterloo Furniture Components Ltd. and United Steelworkers of America

We wish to confirm the following understandings which will apply during the term of the Collective Agreement currently in effect:

1.

- (a) If the Company moves to a continuous work week and/or a three shift operation, there will be a twenty minute paid lunch break for all employees on such shifts:
- (b) Employees who wish to be transferred to less onerous or lower rated jobs for health or other reasons will be given serious consideration;
- (c) All skilled trade employees (millwrights, electricians and tool and die makers) will be allowed a maximum of three hundred dollars (\$300.00) over the life of the Agreement for the purposes of repairing and/or replacing worn out tools or purchasing tools of their trade.
- (d) New employees hired in the skilled trades will be paid \$1.00 an hour less than the job rate for a period of up to six months or less at the discretion of the Company. At such time the employee will receive the job rate.
- (e) Pension Plan

The parties agree that the provisions of the defined contribution pension plan will contain the following provisions:

- Employees will be eligible to join the plan after one year of service with the Company.
- Vesting of funds will occur after 2 years of participation in the plan.
- A joint committee of union and management personnel will select an investment carrier for the new pension plan.
- Employees will have various investment options from which to select.
- Employees will direct the investment of both the Company contribution and their own personal contributions.
- Employees may change their investment direction twice per year.
- Contributions by the Company will be paid into the new pension plan.
- Contributions by the employees will be in accordance with the direction of the Union: i.e. Pension Plan or Group RRSP.
- Contributions made by the Company will be on a cents per hour basis, for each regular hour worked including union leave, vacation pay and statutory holiday pay.
- Contributions made by the employees will be a dollar amount.
- Employees may change the percentage of contributions to the plan twice per year.

2. **ARTICLE I - RECOGNITION**

It is understood and agreed that there are three (3) Assistant Supervisors in the employ of the Company on the date of ratification. The Company agrees that if an Assistant Supervisor leaves the employ of the Company during the life of the Collective Agreement they will be replaced with a bargaining unit employee.

- On successful completion of pre-authorized work related courses, the Company agrees to reimburse the employee for the cost of the course.
- The Company agrees to pay average earnings for Union education courses.
 The Union agrees to reimburse the Company.

5. Weekend Shift

The following conditions are agreed upon:

- (a) The above noted jobs will be posted in the plant in accordance with Article 15.03.
- (b) New employees will serve a probationary period of 480 hours worked. At the Company's discretion, the probationary period may be extended by an additional two hundred hours worked.

- (c) Employees will be required to work 30 hours per week and will be paid for 40 hours, 10 hours of which will be make-up pay.

 Employees will lose make-up pay due to absenteeism on their regular work days in the following manner:
- For absences of up to 5 hours, employees will lose make up day pay equivalent to the amount of time absent rounded to the next half hour.
- For absences of more than 5 hours the entire make-up day pay will be forfeited.
- (d) The 10 hours of make-up pay will be paid at the employees incentive base rate for incentive workers and the regular hourly rate for non incentive workers.
- (e) The Company will recognize declared holidays and all employees who have served their probationary period and qualify in accordance with Article 12.04 will receive payment for such holiday based on their current incentive base rate plus 30% for incentive workers and the regular hourly rate for non incentive workers.
- (f) The Company retains the light to revert back to an 8 hour day x 5 days work week, or discontinue the weekend shift if it is deemed necessary, recognizing employees who have accumulated seniority the option to exercise their bumping rights.

6. <u>Humanity Fund</u>

The Company agrees to deduct on a weekly basis the amount of forty (40) cents per week from the wages of all employees in the bargaining unit for all hours worked and, prior to the 15th day of the month following, to pay the amount so deducted to the "Humanity Fund" and to forward such payment to United Steelworkers of America National Office, 234 Eglinton Avenue East, Toronto, Ontario, M4P 1K7 and to advise in writing both the Humanity Fund at the aforementioned address and the local union that such payment has been made, the amount of such payment and the names of all employees in the bargaining unit on whose behalf such payment has been made. All employee deductions are voluntary and may be cancelled upon request.

7. <u>Sexual Harassment</u>

The Company and the Union recognize that sexual harassment is an unlawful employment practice in violation of the Ontario Human Rights Code, which defines it as:

"...A course of vexatious comments or conduct or sexual advance or solicitation that is known, or thought reasonably to be known to be unwelcome, perpetrated by a person's employer, someone acting for the employer or a co-worker..."

The Company and the Union will designate one person who will be the designated Management and Union representatives for purposes of investigating allegations at the plant level.

Any employee who believes that he or she has been subjected to harassment as defined above will report such concern to the designated representative(s). Any allegation will be investigated in a confidential manner and the complainant will be advised of the results of the investigation.

If the employee is not satisfied with the investigation outlined above, the employee may appeal, within thirty days of the result of the investigation, to an Appeal Committee composed of one person designated by the United Steelworkers of America District 6 Director as referenced in the Union's Policy Document re Discriminatory Harassment and one person appointed by the Company.

The Committee will, as soon as possible following receipt of the written appeal, meet and review the facts pertaining to the allegation and interview such persons as are necessary in order to resolve the complaint.

Nothing herein precludes or limits the employee's entitlement to pursue a complaint through the grievance procedure with regard to any disciplinary action taken against such employee.

Nothing herein will deny any employee from pursuing the employee's complaint through the applicable legislative procedure.

It is further understood that any complaint pursued through the internal procedure will not be arbitrable, nor will any documents, reports, discussion or information arising out of or during the procedures outlined herein be introduced as evidence or referred to in any other legislative procedure.

8. <u>Pension Committee</u>

There will be an Advisory Committee of three (3) people. One member will be, if possible, a former member of the Pension Plan, one member will be elected or appointed from the Local Union and one member will be a representative from the International Union. The purpose of the advisory committee will be to act in accordance with the Pension Benefits Act 1987. The duties of the advisory committee are

- (a) to monitor the administration of the Pension Plan;
- (b) to make recommendations to the administrator of the Pension Plan; and
- (c) to promote awareness and understanding of the Pension Plan.

The advisory committee or its' representatives have the right to examine the records of the administrator in respect of the administration of the Pension Plan and the Pension Fund and to make extracts from and copies of the records, but this will not apply in respect of information as to the service, salary, pension benefits

or other personal information related to any specific person without the person's prior consent.

The administrator of the Pension Plan will provide to the advisory committee or its representative such information as is under the control of the administrator and is required by the advisory committee or its' representative for the purpose of the committee.

Within thirty (30) days of written request, copies of the most recent of the following documents will be made available to the Advisory Committee

- (a) revised or updated copies of the Pension Plan
- (b) revised or updated copies of the trust agreement
- (c) actuarial reports and cost certificates
- (d) the annual information returns as filed with the Pension

 Committee
- (e) all financial documents related to the Pension Fund management

 (i.e. Financial Statement, Balance Sheet, source and use of Funds etc.)

9. Students

The parties acknowledge that persons regularly employed for not more than twenty-four hours per week and students employed during the school vacation period do not share a community of interest with the full-time bargaining unit.

The Company does, however, recognize that the Union represents the part-time employees and students set out above.

The parties, therefore, agree that the following Articles will apply to such employees:

Article I

Article II

Article III

Article VIII

Article XVII

Article XXXI

The probationary period will be ninety days worked within a twelve month period.

For vacation pay and paid holidays, the parties agree to comply with the provisions of the Employment Standards Act and Regulations thereunder as amended from time to time.

The discharge of a student or part-time employee will be at the sole discretion of the Company and will be deemed to be for just cause.

wages - students and part time employees will be paid a minimum of
 \$9.00 per hour regardless of the work being performed

10. <u>Back-Up Training</u>

The parties in the current negotiations discussed the question of training backup persons for power lift truck positions, Chemical Technician positions and setup positions, and have agreed on the following language:

- (1) when the need for a back-up person to a lift truck driver occurs in a department, a notice will be posted inviting employees in the same department, who wish to perform this work on an occasional basis, to apply;
- the Company will determine the number of back-up persons required, and the most senior capable employees in accordance with Article 15.01, will be awarded the back-up positions;
- (3) if the person(s) chosen are not licensed lift truck operator(s), training will be provided;
- (4) the back-up work will be shared among those employee(s) in the back-up positions as equitably as is practical;
- (5) experience gained as a result of the work performed as a back-up driver will be considered in the awarding of a permanent vacancy; and
- (6) this programme will be implemented on a trial basis for the life of the Agreement or until discontinuation is agreed to by both parties

11. <u>Incentive System</u>

- (a) The Company and the Union agree to set up a Joint committee composed of members from each of the parties to review the Incentive System; (constitution of the Committee to be determined following ratification of the Agreement);
- (b) The parties agree that the objective of this Committee is to eliminate partially or wholly, the current Incentive System.
- (c) This Committee will be constituted within three months of the ratification of the Collective Agreement and its mandate will terminate at the end of the second

year of the Collective Agreement, unless there is a mutual agreement in writing to extend the mandate of the Committee.

- (d) No new jobs will be added to the Incentive System. If a new job is created the Company will establish the hourly rate, and will discuss the reasons for the establishment of such rate with the Union. If the parties cannot reach agreement on the rate set, the Grievance and Arbitration procedure may be used. Any rate change will become effective from the date the grievance was filed.
- (e) Jobs currently on a fixed rate will be studied first. True incentive jobs will then be studied.
- (f) The appropriate and required expertise to accomplish the desired result will be provided by both parties.

12. WSIB & Workers with Disabilities

A Joint Early and Safe Return to Work Committee will be maintained by the Company and Union throughout the life of the Collective Agreement. The committee will develop a working document to outline the process within the first 3 months of the Collective Agreement. The Committee will present their working document at the Labour/Management Meeting upon completion.

13. Heat Relief Policy will be changed as follows:

- 1. Clothing allowance factor will be reduced to one (1).
- 2. Break times will be as follows:

Up to 26.7 TLV continuous work

26.8 to 28.0 TLV 50 minutes of work/10 minutes of rest

28.1 to 29.4 TLV 45 minutes of work/15 minutes of rest29.5 to 31.1 TLV 40 minutes of work/20 minutes of rest

- 3. The Company may automate the WBGT reading.
- 14. It is agreed that the new overtime procedure will be reviewed periodically by the Union and Management and on joint agreement changes will be made as necessary.

For the Company	For the Union
Ruth Phillion	Maurice Pollett
Robert Wettlaufer	Jeninne Gies
Brian Riehl	Dan Hunsberger
	Joe Reis
	Joe Pacheco
	Andy Wideman
	Brian Dubien
	David Hilker