

COLLECTIVE AGREEMENT

RECEIVED
R261902D

BETWEEN

GENERAL, DYNAMICS
Canada

AND



Effective

1 October 2006
to
30 September 2008 inclusive

01887(12)

COLLECTIVE AGREEMENT

Between

General Dynamics Canada, Ltd. located at
Bells Corners, City of Ottawa, Ontario,
hereinafter called "THE COMPANY".

OF THE FIRST PART

and

The Independent Union of Defence Contractors,
hereinafter called "THE IUDC".

OF THE SECOND PART

Witnesseth that, in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto have agreed as follows:

Table of Contents

<u>Article</u>	<u>Page</u>
ARTICLE 1 - PURPOSE OF AGREEMENT	1
ARTICLE 2 - RECOGNITION.....	1
ARTICLE 3 - CO-OPERATION	2
ARTICLE 4 - CHECK OFF	3
ARTICLE 5 - MANAGEMENT FUNCTIONS.....	3
ARTICLE 6 - NO STRIKES OR LOCKOUTS.....	4
ARTICLE 7 - DISPUTE RESOLUTION.....	4
ARTICLE 8 - ARBITRATION.....	6
ARTICLE 9 - JOB CLASSIFICATION AND JOB EVALUATION.....	7
ARTICLE 10 - SENIORITY PROVISIONS.....	8
ARTICLE 11 - PROMOTIONS	11
ARTICLE 12 - JOB POSTINGS	11
ARTICLE 13 - LEAVE OF ABSENCE.....	13
ARTICLE 14 - WORKFORCE REDUCTIONS AND RECALL.....	15
ARTICLE 15 - HOURS OF WORK.....	20
ARTICLE 16 - OVERTIME	20
ARTICLE 17 - WAGES.....	21
ARTICLE 18 - SHIFT PREMIUM	23
ARTICLE 19 - CALL-IN AND PRE-SCHEDULED OVERTIME.....	24
ARTICLE 20 - ANNUAL VACATION	24
ARTICLE 21 - HOLIDAYS.....	25
ARTICLE 22 - BEREAVEMENT LEAVE	26
ARTICLE 23 - WELFARE BENEFITS AND PENSION PLAN	26
ARTICLE 24 - NOTICE BOARDS	27
ARTICLE 25 - NATIONAL SECURITY.....	27
ARTICLE 26 - HEALTH AND SAFETY.....	27
ARTICLE 27 - PERFORMANCE AND DEVELOPMENT APPRAISAL.....	28
ARTICLE 28 - PERSONNEL FILES	28
ARTICLE 29 - JOB SECURITY	28
ARTICLE 30 - NON-DISCRIMINATION.....	29
ARTICLE 31 - DURATION OF AGREEMENT.....	29
ARTICLE 32 - LEGISLATION.....	29
ARTICLE 33 - PROFESSIONAL FEES.....	29
ARTICLE 34 - FIELD ASSIGNMENTS AND ALLOWANCES.....	29
APPENDIX A WAGE SCALE.....	30
APPENDIX B WAGE INCREMENT SCHEDULE.....	36
APPENDIX C TEAM SKILLS	37
APPENDIX D SICK LEAVE.....	38
APPENDIX E GROUP INSURANCE PLAN	40
APPENDIX F TEMPORARY EMPLOYEES	41
APPENDIX G TRAINING	42
APPENDIX H SUPPLEMENTAL EMPLOYMENT BENEFITS (SEB) PLAN.....	42

Table of Contents (Cont'd)

<u>Article</u>	<u>Page</u>
APPENDIX I LETTERS OF UNDERSTANDING	44
Re: Letter of Understanding - Vacation Entitlement Upon Termination	44
Re: Letter of Understanding – Casual On-Call Employees.....	45
Re: Letter of Understanding - Subcontract Review.....	46
Re: Letter of Understanding – Outside Services (Short-Term Personnel)	47
Re: Letter of Understanding – Exclusion of Staff of the Salaried Payroll from the IUDC Bargaining Unit	48
Re: Letter of Understanding – Transfer to SEAC.....	49
Re: Letter of Understanding – Pensions – 23.05	50
Re: Letter of Understanding – Compressed Workweek	51
Re: Letter of Intent - Sectoral Skills Training Fund.....	52
Re: Letter of Understanding –Temporary Posting.....	53
Re: Letter of Understanding – Personnel File	54
Re: Letter of Understanding – Job Evaluation Grievances.....	55
Re: Letter of Understanding – Job Evaluation Implementation Guidelines.....	56
APPENDIX J PART-TIME EMPLOYEES	57
INDEX.....	58

ARTICLE 1 - PURPOSE OF AGREEMENT

- 1.01 It is the intent and the purpose of the parties hereto that this Agreement will promote the mutual interests of the Company and its employees by providing for the operation of the Company's plants as specified in the Recognition Clause of this Contract with due regard for quality and efficiency and for the safety and welfare of the employees, and to set forth a basic agreement covering rates of pay, hours of work and conditions of employment to be observed by the parties hereto.

The parties share a mutual interest in pursuing approaches which may result in greater efficiency, quality and improved job security.

ARTICLE 2 - RECOGNITION

- 2.01 The Company recognizes the IUDC as the sole collective bargaining agent for those employees located in plants or sites controlled by the Company in the National Capital Region. The Bargaining Unit will include all employees of the Company working in the aforementioned plants save and except:

- (a) Supervisors and persons above the rank of supervisor.
- (b) Staff of the salaried payroll.*
- (c) Members of the Bargaining Unit described in the Collective Agreement between the Company and the Salaried Employees' Alliance, General Dynamics Canada.*
- (d) Senior Engineering Representatives.
- (e) Staff having access to confidential information relating to labour relations.
- (f)
 - (i) Secretaries*
 - (ii) Personnel of the Human Resources Department including guards
 - (iii) Staff of the Budget Department
- (g) Field Engineering Representatives.
- (h) Co-Op Students (Subject to Appendix "F").

*** Letters of understanding defining what type of employees are included under these terms have been exchanged and agreed to between the parties.**

- 2.02 The term "employee" or "employees" wherever used hereinafter in this Agreement shall mean employees in the Collective Bargaining Unit as defined in 2.01 above unless otherwise provided.

ARTICLE 3 - CO-OPERATION

- 3.01 The Company will supply the IUDC with a copy of its Organization Charts and such amendments as may be issued from time to time.
- 3.02 The IUDC will supply the Company with a copy of its Constitution and By-Laws together with amendments thereto and with the names of employees, who have been either elected or appointed IUDC Officers, and others authorized to represent the IUDC in dealing with the Company, and the IUDC agrees to keep this list up-to-date.
- 3.03 The Company reserves the right to restrict the number of employees who may be required to attend meetings and the period of time for which they are to attend from their regular occupations to handle complaints or grievances of employees or attend meetings arranged by management respecting problems relating to this Agreement, or perform other IUDC activities. The Company agrees that no unreasonable restriction shall be placed upon the number of employees required to attend meetings nor the period of time for which they are to attend.
- 3.04 It is understood that IUDC representatives have their regular work to perform on behalf of the Company, and that if it is necessary to service a grievance during working hours, they will not leave their work without first obtaining the permission of their supervisor. When resuming their regular work, IUDC representatives will report to their supervisor and if requested will give a reasonable explanation as to their absence. The IUDC representative who wishes to investigate a grievance in any Area other than the one in which they are employed, must first contact and secure the permission of the supervisor of the Area in which the investigation is to be made.
- 3.05 The IUDC agrees that loss of time and production will be kept to a minimum in administering the grievance procedure; and on this understanding the Company agrees to allow members of the IUDC reasonable time off during regular working hours, without loss of regular pay to service grievances and attend necessary meetings with the Company.
- 3.06 In the administration of this Agreement, the IUDC representatives meeting with the Company at the request of management will be paid for such time as is so taken up during regular working hours.
- 3.07 There shall be no solicitation of membership for the IUDC or collection of IUDC dues (except as may be authorized by this Agreement) during employees' working hours.
- 3.08 The Company will supply the IUDC with a current copy of such published Company Procedures as may apply to matters affecting employees in the Bargaining Unit and will endeavour to notify the IUDC on changes to existing Company procedures which affect employees in the Bargaining Unit prior to implementation, except where such notification is not reasonably possible.
- 3.09 The Company and the IUDC agree to meet on a monthly basis to consult on or discuss major strategic issues of concern to either party unless it is agreed in any one month that such a meeting is not necessary.

- 3.10 The parties recognize that obtaining and maintaining contracts for the Company is increasingly competitive, critical to the Company's success and, is of mutual benefit to the parties. The IUDC and the Company agree that subcontracting out may occur in any of the following circumstances:
- (a) Where, in a make-buy decision, subcontracting out is the most economic alternative.
 - (b) Where subcontracting out is a condition (either written or implied) of obtaining any contracts for the Company.
 - (c) Where subcontracting out is necessary because of unavailability within the plant of adequate tools, equipment, and a qualified available working force to perform the work in question in an efficient manner within production schedules.

The Company will continue its current practice of advising the IUDC on work which is subcontracted.*

*** See Letter of Understanding**

ARTICLE 4 - CHECK OFF

For the duration of this contract, the Company agrees that:

- 4.01 Each employee within the Bargaining Unit shall, as a condition of employment, be required to pay to the IUDC a sum equivalent to the dues levied from time to time by the IUDC upon its individual members. Such sum shall be deducted from the employee's pay by the Company and remitted to the IUDC.
- 4.02 Nothing in the foregoing shall compel any employee present or future, to join the IUDC.
- 4.03 In the case of a new employee, the first deduction in accordance with 4.01 above will commence on the employee's first pay.
- 4.04 A representative of the Human Resources Department will notify the IUDC Office Administration of each new employee, on or before their first day of work. The IUDC may in the first week introduce the employee to the relevant Area Representative and the employee shall be permitted to converse privately for a reasonable length of time.

ARTICLE 5 - MANAGEMENT FUNCTIONS

- 5.01 The IUDC recognizes the right of the Company to hire, retire, promote and demote, transfer, classify, suspend or otherwise discipline and discharge any employee, subject to the right of the employee concerned to lodge a grievance in the manner and to the extent herein provided.
- 5.02 The IUDC further recognizes the right of the Company to operate and manage its business in all respects in accordance with its commitments and responsibilities. In addition, the location of plants, the products to be manufactured, the schedules of production, the methods, processes and means of manufacturing are solely and exclusively the responsibility of the Company. The Company also has the right to make and alter from time to time, rules and regulations to be observed by employees which rules and regulations shall not be inconsistent with the provisions of this Agreement.
- 5.03 The Company shall not use its management rights for the purpose of limiting or restricting the rights of its employees herein expressly granted.

- 5.04 Under normal circumstances supervisors' duties are of a supervisory nature. Their principal responsibility is to plan the work in proper sequence and to direct and guide their staff in a safe and proper performance of that work. Work done by a supervisor which is also performed by members of the Bargaining Unit will not be repetitive in nature or routine and will occur during one of the following three situations: (1) emergencies, (2) experimentation, and (3) training.

For the purpose of this clause, the terms "experimentation" and "training" include any experimentation and training necessary for the development of new production processes.

- 5.05 Demotions, other than those under Article 14, shall only be made on the basis of job performance.

ARTICLE 6 - NO STRIKES OR LOCKOUTS

- 6.01 The parties agree that there shall be no strike or lockout during the term of this Agreement.

A "strike" shall include cessation of work, a refusal to work or to continue to work by employees in combination or in concert or in accordance with a common understanding, or a slowdown or other concerted activity on the part of employees designed to restrict or limit output.

A "lockout" shall include the closing of a place of employment, a suspension of work or a refusal by the Company to continue to employ a number of the employees, with a view to compel or induce the employees, or to aid another employer to compel or induce their employees, to refrain from exercising any rights or privileges under the Ontario Labour Relations Act or to agree to provisions or changes in provisions respecting terms or conditions of employment or the rights, privileges or duties of the Company, the IUDC, or the employees.

- 6.02 If a Field Service Technologist is out in the field or is scheduled to be fielded and a strike/lockout is called, they must complete their obligation to the customer. In which case the company agrees to apply the terms and conditions of the Collective Agreement until they return from the field.

ARTICLE 7 - DISPUTE RESOLUTION

- 7.01 Nothing in this Agreement shall be deemed to take away the right of an individual employee to present any of their personal complaints to the Company and no settlement between the employee and the Company shall be inconsistent with terms of this Agreement.

An employee is to discuss their complaint with their supervisor before resorting to the Problem Resolution and grievance procedure. An employee shall have the right, if so desired, to be assisted by the IUDC when discussing a complaint.

- 7.02 **PROBLEM RESOLUTION REPORT:** Where there is a dispute or disagreement between the parties to this Agreement, the employee and the appropriate Supervisor shall attempt to dispose of this problem by means of the Problem Resolution Report. However, if the issue is not solved, and the employee wishes to file a grievance, the employee shall meet with the Grievance Committee to prepare the necessary grievance.

- 7.03 **GRIEVANCE PROCEDURE:** A grievance is any difference of opinion or dispute between the parties hereto as to the interpretation, administration, application or alleged violation of this Agreement. The wording of a grievance may be clarified prior to its elevation to Stage II.

- 7.04 If the IUDC has taken up a grievance on behalf of an employee(s) with their consent, the withdrawal of such consent shall not necessarily prevent the IUDC from processing the grievance to the next higher stage.

7.05 The following procedure shall be applicable to the settlement of grievances:

7.06 **STAGE ONE:**

An employee(s) with a grievance shall contact their IUDC representative and they together, if they so desire, will present the grievance in writing to the applicable Manager. If a satisfactory settlement has not been received, in writing, within **(5)** five working days, the grievance may then proceed to a STAGE TWO meeting.

7.07 **STAGE TWO:**

The Grievance Committee, the President of the IUDC, and any one other representative of the IUDC, if the Grievance Committee shall deem it necessary, will then arrange to meet with the appropriate Management Board member within **(5)** five working days after the decision was, or ought to have been rendered at Stage One. The Management Board member will communicate their findings in writing within **(5)** five working days to the IUDC. Within **(5)** five working days after the decision was or ought to have been rendered, the grievance may be submitted to Arbitration as hereinafter provided.

7.08 Any complaint arising directly between the Company and the IUDC as a policy grievance in connection with this Agreement may be submitted in writing by the IUDC to the Director of Human Resources, or by the Company, to the President of the IUDC. The party to whom the complaint is submitted shall inform the other party in writing of its views within fifteen (15) working days. If, in any case, a satisfactory settlement is not arrived at within ten (10) working days thereafter, either party shall have the right to refer the matter to Arbitration as hereinafter provided. It is understood by the parties that a Policy Grievance will not be used to resolve personal complaints or grievances that could be processed through regular grievance procedure, except where the employee involved refuses to file a grievance and the grievance is a violation of the Agreement affecting other IUDC members.

7.09 The Company and the IUDC agree that it is in the interest of the Company, the IUDC and the employees that there be no unnecessary delay in initiating and processing grievances and that facts and issues will be revealed promptly. Except as in 7.10, Stage One shall commence within two (2) months following the circumstances giving rise to the alleged grievance. The Company shall not be liable for retroactive payments in excess of thirty (30) working days prior to the date of filing the grievance. If, prior to filing the grievance, the employee first attempts to resolve the problem with their supervisor or Labour Relations Manager, the Company shall not be liable for retroactive payments in excess of thirty **(30)** working days prior to the meeting with their supervisor or Labour Relations Manager.

7.10 In the case of discharge of an employee(s) who has obtained seniority status, such an employee(s) shall be informed of their right to have an IUDC representative present and in any event the IUDC will be advised of such discharge, as early as practical, prior to taking a final decision to discharge. A claim by an employee that they have been unjustly discharged or suspended shall be treated as a grievance, if such grievance is reduced to writing by the aggrieved employee and lodged with the Director of Human Resources of the Company within ten (10) working days after the employee ceased to work for the Company, and Stage One will be omitted in such case. Such special grievance may be settled under the Grievance Procedure by:

- (a) Confirming the Management's action in dismissing or suspending the employee, or
- (b) Reinstating the employee with full compensation for the time lost, less outside earnings, or
- (c) By any other arrangement which may be deemed just and equitable in the opinion of the parties or the decision of an Arbitration Board.

A claim by an employee that they have been otherwise unjustly disciplined shall be treated as a grievance, if such grievance is lodged at Stage One, in accordance with Article 7.06.

7.11 When the Company administers a formal verbal or written reprimand, other formalized disciplinary procedure, Letter of Counsel or a Performance Improvement Plan (PIP), the employee shall be informed of their right to have present a representative of the IUDC, should the employee so desire.

7.12 General

It is agreed that potential causes of dissatisfaction should be eliminated before they give rise to grievances, and to that end the Grievance Committee shall meet with representatives of the Company at least once monthly and more often if required. At least two (2) working days prior to such meetings, each party shall advise the other of such topics to be discussed, where possible.

Where an employee is the subject of a formal ethics case, and is being approached by the Company as part of the investigation, the Company shall inform the employee of their right to have present a representative of the IUDC, should the employee so desire.

7.13 It is agreed that time limits in this Article may be extended by mutual consent of the parties. However, if the IUDC fails to request an extension of time in processing grievances, such failure shall be deemed to constitute abandonment of the grievance.

ARTICLE 8 - ARBITRATION

8.01

(a) When either party requests that a grievance be submitted to arbitration, such party shall make the request in writing addressed to the other party to this Agreement. Within ten (10) working days, the parties shall meet and attempt to select an impartial arbitrator from their pre-established list of arbitrators as outlined in 8.01(b).

(b) The parties will select from a pre-established list of impartial arbitrators.

8.02 Where none of the arbitrators from the pre-established list are available within ninety (90) working days, the parties shall jointly, within five (5) working days, request the Minister of Labour to submit to them a list of five (5) names from which the arbitrator will be selected by striking. The party requesting arbitration shall first strike one name from the list and each party shall thereafter strike names alternately until one remains. The person whose name remains shall be designated as the arbitrator.

8.03 No person may be appointed as an arbitrator who has been involved in an attempt to negotiate or settle the grievance.

8.04 The unsuccessful party will bear the expenses of the impartial arbitrator subject to the Arbitrator's discretion. Each party shall bear the expenses of their witnesses.

8.05 Subject to the provisions of Article 7 above, no matter may be submitted to Arbitration which has not been carried through Stage Two of the grievance procedure. The parties agree that failure to comply with 7.01 does not constitute a bar to Arbitration.

Particulars and documents to be relied upon at Arbitration will be exchanged between the parties at least two weeks in advance of the hearing date.

8.06 The Arbitration Board shall not be authorized to make any decision inconsistent with the provisions of the Agreement, to alter, modify or amend any part of the Agreement, and shall deal only with differences between the parties arising from the interpretation, application, administration or alleged violation of this Agreement including any question as to whether a matter is arbitrable.

- 8.07 The proceedings of the Arbitration Board will be expedited by the parties hereto, and the decision of such Board will be final and binding upon the parties hereto.
- 8.08 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, or documents relevant to the issue, and all reasonable arrangements will be made to permit the conferring parties to have access to the plant to view disputed operations and to confer with the necessary witnesses.

ARTICLE 9 - JOB CLASSIFICATION AND JOB EVALUATION

- 9.01 Every employee shall be classified according to a Job Classification and Identification on the basis of the work to which they are normally assigned.
- 9.02 A Job Identification shall be written for each classification and shall contain a list of the functional responsibilities, duties, education and experience including team skills (see Appendix C) required. Where a classification includes jobs that have different duties and responsibilities, Job Identifications shall be written for each type of job. The IUDC shall be supplied with two copies of all Job Identifications.
- 9.03 In the event that the Company establishes a new classification covered by this Collective Agreement or substantially revises any present classification, the Company will notify the IUDC and supply copies.
- 9.04 The IUDC and the Company will jointly conduct a job evaluation of all new or revised jobs covered by the Collective Agreement. There shall be two IUDC representatives to be appointed by the IUDC, two Company representatives to be appointed by the Company, and an additional person who will be appointed by the Company and will serve as chairperson. Whenever a new job is written or a job identification is substantially revised, the Company will initiate an evaluation. If the Company fails to initiate such action prior to the next committee meeting the IUDC may bring the job to the committee.
- (a) All job classifications will be reviewed by the Company at least once every three (3) years to determine if they need re-evaluation.
 - (b) The IUDC representatives will each be given copies of appropriate data and information on the job to be evaluated.
 - (c) The parties' representatives will meet as necessary to jointly evaluate the job using the Company Job Evaluation Plan. The job will be evaluated based upon the job requirements, duties and specifications.
 - (d) The IUDC representatives are to keep the IUDC informed of any change and the results of the evaluation.
 - (e) If both parties are unable to agree on the evaluated level, either party may submit the matter to the Company's Job Evaluation Consultant.
 - (f) At the conclusion of the Job Evaluation, the Company will supply the IUDC Executive with the plan, relative factors and points used to evaluate the jobs. The IUDC agrees to disclose such documents only to individual employees on a need-to-know basis.

9.05

- (a) Any grievance by the IUDC relative to an evaluated level as determined in 9.04 will commence at Stage Two of Article 7 within thirty (30) working days from the date of an employee being placed on the job or from the date of notification to the IUDC, whichever comes later.
- (b) Any complaint by an employee as to their evaluated level will be filed with the Job Evaluation Committee for disposition. The Committee will utilize relative factors and points in an effort to clarify or resolve the dispute. If the employee(s) still has a complaint, they may grieve in accordance with Article 7.06.
- (c) In the event of an evaluation grievance or complaint lodged by the IUDC or by an employee under Article 9, the Company will make available to the IUDC the necessary data related to the jobs in question, including any which the IUDC lists as a basis for comparison. Jobs including factors and points cited as a basis of comparison in such process will be on a need-to-know basis and will be reasonable in number.
- (d) Any complaint relative to assigned classification or job identification may be filed by the IUDC in accordance with Article 7.06 or by the employee in accordance with Article 7.

9.06 In the event a grievance proceeds to arbitration, the decision of the Board of Arbitration shall be governed by the principle that a new or adjusted wage rate shall bear a proper relationship to other associated jobs in the Bargaining Unit based upon the job evaluation plan in effect in the Company.

9.07 It is understood and agreed that requirements of any job classification may change from time to time resulting in the job classification being placed in a different pay level. Employees whose job classifications are affected by a re-evaluation shall be paid as follows:

- (a) Employees affected by a re-evaluation of their job classification who consent to undergo training for positions for which they are qualified shall continue to receive their normal increases for twenty-four (24) months. At such time, such employees, as long as they remain in the job classification, shall continue to receive the rate of pay in effect on that date until changes in the wage schedule assigned to the employee are improved to the extent that the new rate for the job classification exceeds the over-rate being paid the employee, at which time the employee shall receive the new rate for the job classification.
- (b) Employees whose job classification is re-evaluated to a higher pay level shall receive the rate of the higher job classification at the same progression step presently attained by the employee.

ARTICLE 10 - SENIORITY PROVISIONS

10.01 "Seniority" where used in this Agreement, shall mean the relative status of persons employed by the Company in accordance with the length of continuous service within the Bargaining Unit since the date of last hiring as shown by the Company's records.

10.02 An employee shall be placed on the seniority list after having successfully completed a probationary period of one hundred and thirty (130) working days and their seniority shall commence from the date last hired. If an employee is temporary for a minimum of sixty-five (65) consecutive working days and is hired permanently into that position, the probationary period will be sixty-five (65) working days.

10.03 During the employee's probationary period, they may be discharged or laid off at the discretion of the Company. If mutually agreed upon, the probationary period may be extended for an additional period up to sixty-five (65) working days.

10.04 Seniority lists will be kept up-to-date and a reasonable number of copies, as requested, will be given to the IUDC at intervals of not more than two (2) months.

Copies of each seniority list will also be posted on the board for the attention of employees at intervals of not more than two (2) months. When employees are on lay-off, the Company will so indicate on the revised seniority list.

10.05 An employee who is transferred (except under Article 14), promoted, or upgraded shall be considered as being on a Trial Period.

10.06 For the purpose of this Collective Agreement, a temporary transfer (as opposed to a permanent transfer) shall mean a transfer not to exceed sixty (60) working days duration, unless extended by mutual agreement of the parties. However, after thirty (30) working days if the IUDC requests that the temporary transfer be terminated, the Company will do so within five (5) working days. It is understood that this provision shall not be exercised in a manner so as to afford an unfair advantage to a junior employee over an employee of greater seniority with respect to Article 11 and Article 14 of this Agreement.

10.07

- (a) If an employee is, or has been transferred to a position excluded from the coverage of this Agreement, except as noted in 10.09 (b) below, such employee shall retain their seniority as of the date of transfer for a period equal to half of their accumulated seniority up to a maximum of two years.
- (b) If an employee is moved to a position of generally similar level which, because of its geographic location, is excluded from the coverage of this Agreement, the employee shall retain seniority as follows:
 - (i) If the transfer is in the nature of a short-term (up to twelve (12) months) assignment for a pre-specified period, seniority will continue to be accumulated and the employee will pay IUDC dues.
 - (ii) If the transfer is for an assignment longer than twelve (12) months or the period of time is unspecified, the employee will retain their seniority as of the date of transfer and will neither accumulate further seniority nor pay IUDC dues.
- (c) If an employee covered by either (a) or (b) above is to be transferred back to a position in the Bargaining Unit because of shortage of work in the excluded position, the employee will fill any open vacancy for which the employee is qualified within one level of the position which the employee held before transfer and such vacancy need not be posted.
- (d) If an employee accepts a posted position excluded from the coverage of this Agreement, seniority shall cease accruing. If an employee successfully posts back into a position covered by this agreement within a period equal to half of their previously accumulated seniority up to a maximum of two years, they shall return with their previously accumulated seniority.
- (e) Within the timeframe outlined in (d) above, employees applying to their previous position will not be excluded from consideration because of current educational requirements.

10.08 Seniority will be deemed to be broken in all of the following cases if an employee:

- (a) Voluntarily leaves the employ of the Company.
- (b) Is discharged and such discharge is not reversed through the Grievance Procedure.
- (c) Is absent from work for three (3) consecutive normal working days without permission or without notifying their immediate supervisor giving satisfactory reason for such absence, unless the employee was prevented from so doing by verified illness or verified accident.
- (d) Is absent from work without satisfactory explanation beyond the period of any leave of absence granted by the Company.
- (e) Has **less** than six (6) months of seniority and is laid off for a continuous period of six (6) months. Has six (6) months seniority up to, but not including, one (1) year of seniority and is laid off for a continuous period of twelve (12) months. Has one (1) year seniority or greater and is laid off for a continuous period of twenty-four (24) months.
- (f) If, having been recalled from lay-off, an employee:
 - (i) Fails within forty-eight (48) hours to communicate their intention to return after the employee has been personally notified; or
 - (ii) Does not communicate within seven (7) calendar days from the time of registered mailing of the recall notice; or
 - (iii) Having agreed to return, fails to report for work within a further fourteen (14) calendar days unless their failure to communicate or to report is caused by verified illness or accident; and
 - (iv) Refuses to return to a job classification in a pay level equal to or above the level from which the employee was laid off.

10.09 Notwithstanding their seniority, members of the Executive Council of the IUDC shall, in the event of lay-off, be offered work which they can do if such is available. It is understood that the members of elected Executive Council who shall be covered by this article shall not exceed fourteen (14) in number.

10.10 The nature of the tasks assigned to apprentices makes them somewhat immune from displacement occasioned by lay-off; for this reason it is agreed that apprentices will not have the protection of seniority rights under Article 10 until such time as their apprenticeship is successfully completed, except to the extent that they have accumulated seniority with the Company prior to the commencement of the apprenticeship.

- (a) Once the apprenticeship is successfully completed they will be permitted to take an appropriate place on the seniority listing by allowing them credit as follows:
 - (i) Full credit for any seniority accumulated prior to the commencement of the Apprenticeship Program.
 - (ii) One-half (1/2) their length of service for the period of the Apprenticeship Program itself, if placed in a position directly relating to their apprenticeship.
 - (iii) However, with this exception and that set forth in 12.12, apprentices shall enjoy all rights and privileges of the Bargaining Unit.
- (b) All selections of apprentices shall be in accordance with the Company's Apprenticeship Policy.

ARTICLE 11 - PROMOTIONS

- 11.01 Promotions, upgradings or transfers (except as in Article 14) will be based primarily on seniority as well as performance and abilities on the basis of the most senior qualified employee.
- 11.02 Any employee who, having been promoted, upgraded or transferred, fails during the trial period to reach a satisfactory level of performance, will be returned to their former job at their former rate of pay, without loss of seniority.

Any employee being displaced by the return of the employee to their former job shall also be returned to their former job and former rate of pay, without loss of seniority.

Definition of Trial Period

The term Trial Period shall apply to an employee with established seniority during the period of sixty-five (**65**) working days immediately following a promotion, upgrade or transfer (as provided in Article 12.01). During this period the employee shall have a fair opportunity to demonstrate a satisfactory level of performance to occupy the position permanently. Nothing in this article shall be construed as implying that the employee must continue on the job for the full period of time and there is no implication that an employee who has passed the Trial Period is excused from the obligation to meet the normal requirements of the job with respect to quality and quantity of work. The application of Article 11.02 shall be limited to this period.

- 11.03 Whenever a new job identification is created, a training period may be designated by the Company to run concurrently with the trial period. Any designated training period shall be noted on the job posting notice. The training period shall not be curtailed unless the employee refuses to continue the training or it is obvious the employee cannot perform the requirements of the job at which time the employee will be returned to their former job and former rate of pay, without loss of seniority.
- 11.04 The IUDC shall be notified within ten (10) working days of all appointments, hirings, lay-offs, transfers, recalls, promotions, demotions, terminations of employment, leaves of absence, within the Bargaining Unit.
- 11.05 An employee covered by this Agreement, who has been incapacitated at their work by injury, compensable occupational disease, or permanent disablement, and is unable to perform their regular duties, may be employed in an established job which the employee can do, without regard to other seniority provisions of this Agreement, or Article 12, except that such employee may not displace an employee with more seniority.
- 11.06 Promotions to positions excluded from the provisions of this Collective Agreement shall not be subject to the provisions of this Agreement.

ARTICLE 12 - JOB POSTINGS

- 12.01 Nothing in this Article shall preclude any employee AT ANY TIME from submitting their application together with details of their qualification for any occupation existing or which may come into existence within the Company. An employee shall not make application for jobs which do not constitute a promotion or upgrading for them. It is understood, however, that where a lateral transfer or demotion may open up an avenue of future promotion that would otherwise be closed, an employee may make application. Exceptions to this general rule will also be permitted for genuine compassionate grounds.
- 12.02 The parties recognize the policy of providing opportunities to employees for advancement in line with their qualifications including training, education and experience, as well as seniority, demonstrated skills and abilities and previous performance.

12.03

- (a) The Company agrees to post notices for five (5) consecutive working days for all vacancies within the Bargaining Unit except for those temporary assignments lasting less than one (1) month. These vacancies can not be extended without posting.

It is understood that the Human Resource Department will accept applications up to 4:00 pm on the fifth (5th) day of the posting, and will not action job posting applications until such time.

- (b) It is understood that jobs which are to be filled by employees within the same job family need not be posted. In any event, the selection shall be made in accordance with the provisions of the Collective Agreement, and the Human Resources Department shall post a summary of promotions monthly.
- (c) The wording of every job posting shall be a summary of the job identification. The complete job identification shall be available for examination at the office of the IUDC or the Human Resources office, if so desired. Any requirements or duties that differ from the job identification shall be described and clearly separated from the summary of the job identification on the job posting.

Posted notices shall contain the number of vacancies which are open at the time of posting. If no candidate meets the requirements of the job, the Company may fill it by advertising externally.

12.04 Employees who wish to be promoted should submit an application for the posted job on the form provided. It is the responsibility of the employee to demonstrate that they are a suitable candidate not only under Article 12, but also with regards to their qualifications and experience as related to the job posting, including special requirements as set forth in accordance with Article 12.03. Blank forms shall be provided and shall be made readily available to the employee from their area representative and/or their supervisor.

12.05 Employees who are awarded a posted job will be considered as being on a Trial Period for sixty-five (65) working days.

12.06 Vacancies for jobs which have been posted in the previous one month will be posted, however the Company reserves the right to conduct concurrent advertising or interview previously identified candidates. Applicants from within the bargaining unit would get priority selection in accordance with the terms of the Collective Agreement.

12.07 Human Resources Department shall:

- (a) Supply the IUDC with a copy of each Job Posting, on the day of posting.
- (b) Acknowledge receipt of application from each applicant.
- (c) Select the successful applicant within ten (10) work days of the date that the Job Posting is removed from the notice board. Should a selection not be made within the above period, the Company will notify each applicant in writing the status of the job award. In any event, a job posted will be annulled if the period exceeds ninety (90) days. The Company will confirm the annulment with the IUDC and inform all employees who applied.
- (d) Post a monthly summary by the fifteenth (15th) of each month of promotions including those resulting from job postings.
- (e) Supply the IUDC with a copy of each job award on the day of posting.

12.08

- (a) The desirability of interviewing employees who respond to job postings is recognized. However, it is further recognized that limitations of time may make the interviewing of every respondent impractical. It is agreed, therefore, that while all employees may be interviewed, nevertheless, in some instances, the number of such interviews may be restricted to four duly qualified applicants for each vacancy posted.
- (b) An unsuccessful applicant may, within ten (10) working days of the awarded job, request a conference with the Human Resources Manager to discuss the reasons why the applicant was unsuccessful and further outline to the employee what requirements are needed to become a successful applicant whenever the job is posted again within the same job family.

12.09 The Company shall make every effort to permit successful applicants to Job Postings to commence work in their new job within one (1) month of their selection. However, successful applicants, or new employees to the Company, will not commence work in their new job until all internal applicants have been informed as to the disposition of their application.

12.10 New employees are ineligible to apply for posted jobs during their probationary period. Employees who have attained seniority status may apply once during the six (6) month period since the date of their last appointment. Exceptions to this will be made only with the consent of the Company and the cases of employees transferred in lieu of lay-off under Article 14 will be considered.

12.11 Apprentices are ineligible to apply for Job Postings.

ARTICLE 13 - LEAVE OF ABSENCE

13.01 Leave of absence without pay may be granted to an employee to care for a family member in case of illness or other compelling personal reasons. The leave must be acceptable to their Supervisor and/or Human Resources.

Requests for such leave of absence in excess of five days must be submitted in writing to the employee's immediate supervisor giving as much advance notice as possible. Seniority shall accumulate during the period of such leave up to twelve months provided the employee has completed their probationary period when the leave of absence begins.

13.02 An employee who returns from a leave will be reinstated immediately in the job from which the employee was granted leave provided under normal conditions of work the employee would have continued in such job. However, if during the leave of absence, a reduction in or re-organization affecting the conditions of work has:

- (a) Eliminated the job from which the employee was granted leave; or
- (b) Has caused a situation whereby the employee returning from leave no longer has sufficient seniority to occupy a job in the same classification, the employee will be permitted to exercise their seniority as per Article 14 - Workforce Reductions and Recall.

13.03

- (a) Salary actions that fall due during approved leaves of absence up to three (3) months will be effective from the first day back to work.

For approved leaves of absence which last more than three months, a credit of three months service for the purpose of wage grid progression shall apply.

- (b) An employee who shall be found and certified by a qualified physician to be unable to perform their regularly assigned duties with the Company because of sickness or injury shall receive a leave of absence. If the employee is able to perform other duties with the Company and such work is available, the employee will be placed in such job classification. For absence caused by non-occupational illness or accident, seniority privileges will accumulate while such condition continues up to a maximum of twenty-four (24) months; for absence caused by occupational illness or accident, seniority privileges will accumulate during such period as the employee is in receipt of Workers' Compensation.

13.04 Such employees will be restored to employment when recovered, if under normal working conditions the employee would have continued in employment by the Company except for such disability, upon approval of the Company Physician certifying the employee is sufficiently recovered and is physically qualified to return to work and perform their usual Company duties. Continuity of service and seniority rights shall accumulate to employees while they are absent on approved leave of absence as provided in paragraph 13.03(b).

13.05 An employee of the Company who is elected or appointed by the IUDC to engage in IUDC activity on a full-time basis will be granted leave of absence for a period not to exceed one (1) year and will accumulate seniority standing during such leave. By mutual agreement such leave may be extended on the same basis. Termination of this Agreement will automatically cancel any such leave.

13.06 An employee called for jury duty or summoned to appear as a witness, except when the employee appears as a witness for their personal benefit, will be granted a leave of absence. The employee's pay will continue for the period of time the employee is absent. However, it is understood that a jury or witness fee, exclusive of expenses paid to them will be turned over to the Company as an offset against their salary. The employee will report back for work when the employee is released from jury or witness duty at any time prior to noon.

13.07 Employees who become pregnant must report their pregnancy to the Occupational Health Nurse within four (4) months after conception. An employee with at least thirteen (13) weeks continuous service, who becomes pregnant, will on request be granted unpaid leave of absence of up to seventeen (17) weeks. A further thirty-five (35) weeks unpaid parental leave shall be granted immediately after the end of the pregnancy leave, if so requested. During such leave, seniority, service, vacation and sick leave credits will accumulate. The employee shall make arrangements with the Human Resources Department for the continuation of insured benefits in accordance with Article 23.01, including the method of payment. Medical complications related to pregnancy or illnesses, which are verifiable by a physician, will be covered by the Company's sick leave program. The natural mother/father will be eligible for Supplemental Employment Benefits (SEB) as outlined in Appendix "H". With at least two weeks written notice, a father shall be granted up to thirty-five (35) weeks unpaid parental leave either concurrent with or consecutive to a mother's pregnancy or parental leave. During such leave, seniority, service, vacation and sick leave will accumulate. The employee shall make arrangements with the Human Resources Department for the continuation of insured benefits and the method of payment.

- 13.08 Upon request, an employee with at least thirteen (13) weeks of continuous service shall be granted unpaid leave of absence of up to thirty-seven (37) weeks following the adoption of a child. The employee will be entitled to Supplemental Employment Benefits as outlined in Appendix "H". The request for leave shall be supported by proof of adoption from the adoption agency. During Adoption Leave seniority, service, vacation and sick leave credits will accumulate. The employee shall make arrangements with the Human Resources Department for the continuation of insured benefits in accordance with Article 23.01. Employees must notify the Human Resources Department in writing at any time up to one month in advance of the time they will return to work.
- 13.09 If, while on leave of absence, an employee works for another employer without written permission of the Company and such employment is not consistent with their reason for leave of absence, their employment with the Company may be terminated.
- 13.10 Upon request, the father shall be allowed up to 5 (five) days leave of absence (two paid, three unpaid) for the birth of his child.
- 13.11 Leave of absence for the transaction of IUDC business may be given to delegated members of the IUDC after notification is made by the IUDC. While the Company will make every effort to accede to the IUDC's request, it is understood that urgent requirements of the Company's activities must be given first consideration.
- 13.12 The parties agree that this article cannot breach the Human Rights Code and or the Employment Standards Act.

ARTICLE 14 -WORKFORCE REDUCTIONS AND RECALL

- 14.01 The Company and the IUDC recognize the merit and desirability of retaining employees with greater seniority over employees with lesser seniority and the IUDC recognizes that the Company must maintain an effective workforce capable of meeting work requirements if it is to continue in business.
- 14.02 Employees who, because of greater seniority are retained at the time of lay-off must be capable of, and willing to perform, the work which remains in accordance with 14.05.
- 14.03 When a shortage of work in a Job Classification occurs requiring a reduction of workforce, the following will govern the manner in which employees will be transferred in lieu of lay-off or laid off.
- (a) Probationary and temporary employees and personnel on a contracted basis occupying a Job Classification affected by a reduction in workforce will be terminated before employees with seniority are affected, provided that the employee, transferred in lieu of lay-off, is capable of, or willing to perform the duties of the probationary, temporary employees or personnel under contract.
 - (b) The least senior employee in the surplus Job Classification will be declared as subject to lay-off.
 - (c) Such an employee may displace an employee as outlined below or choose to forgo bumping, and be paid notice as per Schedule A and severance in accordance with Schedule B.
 - (d) An employee choosing to bump may displace an employee of lesser seniority within the same pay level. An employee who previously held a higher pay level will be permitted to displace the junior employee in the job classification previously held provided the employee was not displaced from the job classification because of job performance. It is further understood that in locating such a job, the method will be to commence from the most junior employee in that pay level and work upward in seniority order.

- (e) If no suitable job is found in the same pay level, the same procedure will be followed in the next lower pay level, and so on, moving down from one pay level to the next lower one.
- (f) If an employee cannot be placed after the application of the above steps, the employee may be placed in a vacancy in preference to hiring a new employee if the employee can meet the normal requirements of the job in such time as would normally be required by a new employee.

14.04 It is understood that where an employee has been placed in a job at a lower level as a result of a reduction in workforce, the employee will be subject to recall when a vacancy occurs in a higher Job Classification that the employee held prior to the reduction in workforce.

14.05

- (a) In locating a suitable job, employees are responsible to demonstrate to Human Resources prior to their bumping interview with the manager of the position, that they are a suitable candidate with regards to their qualifications and experience as it relates to the job requirements, for any position for which they are eligible to bump.
- (b) In locating a suitable job in accordance with the procedures outlined above, displacements will be predicated upon the ability of the displacing employee to perform the normal requirements of the job of the displaced employee after a familiarization period not to exceed:
 - (i) 10 work days for Jobs classified in pay level 4 or below; or
 - (ii) 20 work days for Jobs classified in pay level 5 and above.

14.06 An employee exercising their seniority to displace another employee in the same pay level will keep their same wage rate within that level. An employee going to a lower pay level will receive the maximum of the lower pay level or their own rate, whichever is lower.

14.07 When increased volume of work is available, the employees who are laid off will be recalled by the Company in inverse of the above procedure.

If a temporary assignment extends beyond six (6) months, the senior person will be recalled and the temporary assignment will become permanent.

14.08 In the event of conditions arising beyond the Company's control such as power failure, fire, flood, sudden cancellation of a contract, shortage or non-delivery of parts, a lay-off for a maximum period of five (5) days upon each occasion may be made without regard to seniority. In all such cases the Company will keep the IUDC fully advised of the circumstances. No employee will be laid off under this clause in excess of a total of fifteen (15) working days in a calendar year.

14.09

- (a) An employee to be laid off for lack of work for a period of ten (10) working days or more will be given written notice of at least five (5) working days except as provided for in 14.08 above.

Where the Company has elected to provide working notice in addition to the five (5) working days outlined in 14.09(a), the amount of paid notice will be reduced accordingly.

- (b) The Company will notify the employee if the lack of work is anticipated to be either permanent or temporary in nature.

- (c) If the lay-off is anticipated to be permanent, employees who are laid off will exercise their seniority rights under the terms of this agreement. Each employee has the following options:
- (i) Accept a bumping option if one is available.
 - (ii) Be laid off and retain recall in accordance with 10.09(e).
 - (iii) Terminate and forfeit recall.

The bumping process will begin the first business day following notification.

- (d) An employee who is laid off in accordance with 14.09(c) (ii) above shall receive, in addition to the written notice outlined in 14.09(a), a lump sum payment as follows:

SCHEDULE A – Notice Pay – Permanent Lay-off

Years of Service	Weeks of Pay
Completed 1 year but less than 2	1
Completed 2 years but less than 3	1
Completed 3 years but less than 4	2
Completed 4 years but less than 5	3
Completed 5 years but less than 6	4
Completed 6 years but less than 7	5
Completed 7 years but less than 8	6
Completed 8 years plus	7

- (e)

Years of Service	Weeks of Pay
Completed 1 year but less than 2	2
Completed 2 years but less than 3	4
Completed 3 years but less than 4	6
Completed 4 years but less than 5	8
Completed 5 years but less than 6	10
Completed 6 years but less than 7	12
Completed 7 years but less than 8	14
Completed 8 years but less than 9	16
Completed 9 years but less than 10	18
Completed 10 years but less than 11	20
Completed 11 years but less than 12	22
Completed 12 years but less than 13	24
Completed 13 years but less than 14	26

Completed 14 years but less than 15	28
Completed 15 years but less than 16	30
Completed 16 years but less than 17	32
Completed 17 years but less than 18	34
Completed 18 years but less than 19	36
Completed 19 years but less than 20	38
Completed 20 years but less than 21	40
Completed 21 years but less than 22	43
Completed 22 years but less than 23	46
Completed 23 years but less than 24	49
Completed 24 years but less than 25	52
Completed 25 years but less than 26	53
Completed 26 years but less than 27	54
Completed 27 years but less than 28	55
Completed 28 years but less than 29	56
Completed 30 years but less than 31	58
Completed 31 years but less than 32	59
Completed 32 years but less than 33	60
Completed 33 years but less than 34	61
Completed 34 years but less than 35	62
Completed 35 years but less than 36	63
Completed 36 years but less than 37	64
Completed 37 years but less than 38	65
Completed 38 years but less than 39	66
Completed 39 years but less than 40	67
Completed 40 years but less than 41	68
Completed 41 years but less than 42	69
Completed 42 years or more	70

- (g) An employee who is laid off in accordance with 14.09(f) above shall receive in addition to the written notice outlined in 14.09(a) notice pay as follows:

SCHEDULE C

Years of Service	Weeks of Pay
Completed 1 year but less than 2	1
Completed 2 years but less than 3	2
Completed 3 years but less than 4	2
Completed 4 years but less than 5	3
Completed 5 years but less than 6	4
Completed 6 years but less than 7	5
Completed 7 years but less than 8	6

Payments referred to above shall begin at the end of the notice period provided in Article 14.09(a) and will be payable on the appropriate paydays following the commencement of a lay-off.

If an employee is recalled to work before receiving their full allowance, the allowance shall cease as of the date of recall, but the employee may carry over the remaining portion as a credit for subsequent lay-off in that twelve (12) month period.

- (h) After thirteen (13) weeks employees who elect to forego their recall and seniority rights shall be treated in accordance with 14.09(d) except that the notice schedule has already been paid.
- (i) These schedules are paid in lieu of the Employment Standards Act but shall never be less than that which is outlined in the Act.

14.10 When an employee is to be laid off for a period of ten (10) working days or more, the Company will notify the IUDC at least twenty-four (24) hours before notice of lay-off is given to the employee in accordance with Article 14.09. It is understood that this provision does not apply to lay-offs arising out of 14.08.

14.11

- (a) It is understood that in the event of lay-off occurring upon more than one occasion, the employee will not be entitled to receive more than the amount determined by the provisions above at the date of first lay-off, in any twelve-month period.
- (b)
 - (i) Payments referred to above shall begin at the end of the notice period provided in Article 14.09(a) and will be payable on the appropriate pay days following commencement of lay-off. If an employee is recalled to work before the employee has received their full allowance, their allowance shall cease as of the date of their recall, but the employee may carry over the remaining portion as a credit for subsequent lay-off in that twelve (12)-month period.
 - (ii) It is understood that employees receiving notice under this article may elect to continue to have deductions made for benefits then in effect and receive their "Record of Employment" effective on the date of lay-off, at which time, all benefits shall be cancelled.

- (c) A shortened workweek will not be considered a form of lay-off for the purpose of this article. However, the Company shall advise the IUDC of any reduction of work hours in lieu of lay-off. Furthermore, any reduction of work hours shall not reduce any work week below thirty-two (32) hours nor extend for longer than a period of eight (8) weeks in any calendar year unless mutually agreed between the Company and the IUDC to extend the reduced hours schedule for an additional period.
- (d) Where there is a reduction of ten (10) percent of work hours or more in a specific work area for a period of three (3) months or more, the Company agrees to notify the IUDC in writing. The Company and the IUDC will meet to discuss measures to protect employees in the Bargaining Unit. Those discussions may include other ideas or approaches that are not covered by the Collective Agreement. It is expressly understood that no amendments or alterations to the Collective Agreement can be made without the agreement of the Company and the IUDC in writing.

ARTICLE 15 - HOURS OF WORK

15.01 The standard work week shall be forty (40) hours and the standard work day* shall be eight (8) hours provided, however, that this shall not constitute a guarantee of hours of work per day or of days per week. The schedule of regular starting and quitting times shall be filed with the IUDC and the Company agrees that it will notify the IUDC in advance of any change in regularly scheduled work hours.

For the purpose of this Agreement, the day will be deemed to commence with the beginning of the day shift.

- 15.02 Employees shall be allowed two (2) rest periods of fifteen (15) minutes each during each regular shift.
- 15.03 Plant employees shall be allowed five (5) minutes to put away personal tools and for personal wash-up prior to the end of each shift.
- 15.04 Employees may make arrangements with their immediate supervisor or manager to Make Up Time that is used to attend doctors' appointments or other such personal matters. Requests for Make Up Time must be pre-approved at the discretion of the employee's supervisor or manager.

* See Appendix J

ARTICLE 16 - OVERTIME

16.01

- (a) Authorized overtime will be paid at the rate of time and one-half for all hours worked in excess of eight (8) hours per day, Monday to Friday. If continuous work extends beyond twelve (12) hours, double time shall be paid for authorized overtime extending beyond that time on Monday to Friday.
- (b) Subject to the provisions of 16.02, work performed on Saturdays will be paid at the rate of time and one-half and at double time for all continuous work extending beyond eight (8) hours. Work performed on Sundays will be paid at double time for all hours worked.

16.02 Time worked on Saturdays or Sundays will not be deemed overtime when it is part of the regular work schedule of an employee. However, for such employees, any authorized overtime worked on regular days off will be paid as follows:

- (a) For the 6th day of work, time and one-half, and at double time for all continuous work extending beyond eight (8) hours; and
- (b) For the 7th day of work, double time for all hours worked.

16.03 If conditions arise necessitating overtime, employees will co-operate with the Company and overtime rates will be paid. However, an employee shall not be subject to disciplinary action for refusing to work overtime if they have a legitimate reason for such refusal or if they have worked a total of twenty-eight (28) hours overtime in the previous four-week period.

16.04 The Company shall inform employees who are required to work overtime at least twenty-four (24) hours in advance in order that employees may make suitable personal arrangements, except in cases of emergencies or unforeseen production interruptions.

16.05 The Company agrees that as far as is reasonably possible, overtime work will be distributed equally among those who normally perform the work.

ARTICLE 17 - WAGES

17.01 Wage rates shall be in accordance with the Wage Schedule which show pay levels and Wage Rates and which form Appendix "A" of the agreement.

17.02

- (a) The changes in rates of all employees on the Wage Schedule will be in conformity with the appropriate schedule in Appendix A.

Aug-Sept-Oct	December 1, 2006
Nov-Dec-Jan	March 1, 2007
Feb-Mar-Apr	June 1, 2007
May-June-July	September 1, 2007

Quarterly Period	Adjustment Dates
Aug-Sept-Oct	December 1, 2007
Nov-Dec-Jan	March 1, 2008
Feb-Mar-Apr	June 1, 2008
May-June-July	September 1, 2008

At the end of the year, September 30, 2008, any extra allowance generated by virtue of the above provisions will be folded into the base rate which shall be used to determine the new rates effective October 1, 2008.

It is understood that the Consumer Price Index shall be that which is calculated on a 1986 base and continuation of such allowance is dependent upon the availability of such official monthly national Statistics Canada Consumer Price Index, calculated on the same basis and in the same form as that published in September 1986.

- 17.03 Rates for all employees will be moved up in such a way as to maintain or increase their relative positions within the schedule. In addition, Appendix B of the Agreement sets forth the manner in which the wage ranges are to be applied to employees hired, promoted or transferred.
- 17.04 An employee transferred temporarily to another job will be paid the starting rate of the new job or their regular rate, whichever is the highest, provided that the transfer is for a period of:
- (a) Eight (8) consecutive hours or more, or
 - (b) Ten (10) hours within a regularly scheduled work week (40 hours).
- 17.05 When an employee is appointed by the Company as a Lead Hand the employee shall be paid the premium of one dollar and fifty cents (\$1.50) per hour above the rate the employee would have received had the employee not been performing the Lead Hand function. In the event that the employee is appointed as Lead Hand in a group which contains an employee higher paid than themselves, the employee shall be paid a premium of twenty-five (25) cents above the highest paid occupation in the group being led.

In any case, the employee shall not receive less than fifty (50) cents per hour above the rate the employee would have received had the employee not been performing the Lead Hand function. The employee will be so compensated for the period of time that the Company permits them to retain their Lead Hand status.

17.06 In recognition of continuous service within a job classification, employees who have reached and maintained the maximum rate in their present classification for a period of 4 years or more shall be granted a special additional amount of twenty (20) cents on their wage. Thereafter, an additional ten (10) cents for every four (4) years of service shall apply to a maximum of a forty (40) cents adder.

- 20 cents after 4 years;
- An additional 10 cents after 8 years; and
- An additional 10 cents after 12 years.

To a maximum of forty (40) cents above the maximum rate.

It is understood that such special award shall apply only for the duration of the continuous service within that pay level. Promotional increases shall be an amount, at least, equal to the seniority pay which would not be applicable in the event an employee is promoted.

Changes resulting in a downgrade because of the lay-off process or job evaluation will not cause a loss of the adder.

ARTICLE 18 - SHIFT PREMIUM

18.01 Evening shifts shall be defined as those shifts in which the major portion of hours worked occurs between 4:00 p.m. and 12:00 midnight. Night shifts shall be defined as those shifts in which the major portion of hours worked occurs between 12:00 midnight and 8:00 a.m.

18.02 In recognition of the undesirable features of shift work, employees on the evening shift shall receive one dollar and seventy-five cents (\$1.75) per hour additional compensation for each hour worked and employees on the night shift shall receive two dollars (\$2.00) per hour additional compensation for each hour worked. This shift premium shall not be paid if the hours of work are varied to suit the convenience of the employee.

18.03 The shift differential shall be included when calculating statutory holiday pay, sick leave and vacation pay. In the case of an employee who has qualified for shift premium, the employee shall be paid this shift premium for overtime hours worked in excess of their shift. The shift premium will be included when calculating their overtime rate.

18.04 The Company shall endeavour to give twenty-four (24) hours notice of change of shift. Failure to provide at least eight (8) hours' rest between shifts shall result in payment of overtime at established rates for any hours worked during such normal rest period. If an employee's shift is changed during their scheduled work week, they will be paid at the rate of time and one-half for their first day of work of such changed shift.

ARTICLE 19 - CALL-IN AND PRE-SCHEDULED OVERTIME

- 19.01 An employee who has been called in for emergency work after completing their regular shift shall be guaranteed a minimum of four (4) hours' work or four (4) hours' pay at the regular rate in lieu thereof.
- 19.02 Employees who are notified at least twenty-four (24) hours in advance of the necessity to work overtime will be guaranteed a minimum of two (2) hours' work or three (3) hours' pay at the regular rate in lieu thereof providing the overtime work is not an extension of the regular work day and requires the employee to make an additional trip to the plant. Failing twenty-four (24) hours' notice, such overtime shall be considered as Call-in and the conditions relating to payment as described in Article 19.01 shall apply.
- 19.03 In the event of conditions arising beyond the Company's control such as power failure, fire or flood, which necessitates cancellation of the overtime, the guarantee set out in 19.01 and 19.02 above shall not apply.
- 19.04 The Company recognizes that there will be situations where an employee is asked to be on stand-by for consultation or return to work outside of normal working hours. Stand-by shall be defined as a requirement that a person makes themselves readily available for telephone, pager or radio consultation for a definite period of time outside of their normal working hours. This will include organizing others to correct abnormal situations. A person who so makes themselves available for call-in will receive two hours pay at straight time for any 24 hour period. Four hours at straight time will be paid when the stand-by occurs on a statutory holiday, Saturday or Sunday. It is understood that any compensated stand-by must be approved in advance by the employee's manager. If an employee on standby is actually called in to work, the provision of Article 19.01 also applies.
- 19.05 It is understood that reasonable time off shall be permitted in consideration for such factors as fatigue, inconvenience, or disruption of personal schedule.

ARTICLE 20 - ANNUAL VACATION

- 20.01 An employee who has or will have completed one (1) year of continuous service by the end of the calendar year will be entitled to three (3) weeks vacation with pay.
- 20.02 An employee who has or will have completed ten (10) or more years of continuous service by the end of the calendar year will be entitled to four (4) weeks vacation with pay.
- 20.03 An employee who has or will have completed twenty (20) or more years of continuous service by the end of the calendar year will be entitled to five (5) weeks vacation with pay.
- 20.04 The company will provide a one-time bonus equal to five (5) days vacation with pay based on the following service milestones:
- After completion of 5, 10, 15, 20, 25, 30, 35, 40, 45 years of service.
- 20.05 Vacation pay will be calculated on the employee's regular basic hourly rate in effect at the time of their vacation or 4% of their vacationable earnings from the previous twelve (12) month period, whichever is the greater.
- 20.06 Vacation entitlement and carry-over provisions are administered according to the Company's current Vacation Policy.
- 20.07 The plant will shutdown for vacation for a two-week period during the months of July and/or August. Unless exigencies of production require an exception to the rule, all employees shall take their vacation entitlement at that time.

ARTICLE 21 - HOLIDAYS

21.01 The following thirteen (13) paid holidays shall be observed:

- | | |
|--------------------------------|---------------|
| Thanksgiving Day | Good Friday |
| Christmas Day | Easter Monday |
| Boxing Day | Victoria Day |
| Christmas Floating Holiday (3) | Canada Day |
| New Year's Day | Civic Day |
| Labour Day | |

The Company will provide for an uninterrupted paid break between Christmas and New Year.

In the first year of the contract:

Monday, December 25, 2006	Christmas Day
Tuesday, December 26, 2006	Boxing Day
Wednesday, December 27, 2006	Fixed Floater
Thursday, December 28, 2006	Fixed Floater
Friday, December 29, 2006	Fixed Floater
Monday, January 1, 2007	New Year's Day

Tuesday, December 25, 2007	Christmas Day
Wednesday, December 26, 2007	Boxing Day
Thursday, December 27, 2007	Fixed Floater
Friday, December 28, 2007	Fixed Floater
Monday, December 31, 2007	Fixed Floater
Tuesday, January 1, 2008	New Year's Day

- 21.02 In the event that any of the said holidays fall on a Saturday or Sunday, the holiday shall be on the Friday before or Monday succeeding the holiday in question.
- 21.03 To be eligible for Statutory Holiday pay an employee must have worked their regular shift after each such holiday. Exceptions to this being an absence covered under Article 22, illness subject to Appendix D.1, jury/witness duty, vacation with pay, and vacation without pay approved in connection with the statutory holiday.
- 21.04 For employees who work the evening or night shift, to be eligible for statutory holiday pay, such an employee must have worked their regular shift before each such holiday. Exceptions to this being an absence covered under Article 22, illness subject to Appendix D.1, jury/witness duty, vacation with pay, and vacation without pay approved in connection with the statutory holiday. Such employees will be paid at their basic rates plus their normal shift premium.
- 21.05 Employees who are required to work on any of the holidays listed above, shall be paid double time for all hours worked, in addition to holiday pay.

ARTICLE 22 - BEREAVEMENT LEAVE

22.01 If an employee loses up to three (3) days' employment due to death in their immediate family, the employee shall be paid for such absence at their regular hourly rate. Where extensive travel is required to attend the funeral an additional two days may be authorized.

The term "immediate family" wherever used in this Agreement shall mean father, mother (includes step-parents), husband, wife, son, daughter (includes step-children), brother, sister (includes step-siblings), father-in-law, mother-in-law, son-in-law, daughter-in-law, grandparent, grandchild, and guardian, providing the guardian has acted in the place of a parent. Common-law spouses, including same sex, shall be eligible for such leave, providing the common-law spouse, including same sex, has executed the necessary Company documentation establishing such status for the purpose of benefits coverage.

22.02 Where it is necessary for an employee to be away from work to attend the funeral of the employee's, grandparent-in-law, brother-in-law or sister-in-law, aunts and uncles, nieces and nephews, leave with pay up to one day will be granted. Where extensive travel is required to attend the funeral an additional two days may be authorized.

ARTICLE 23 - WELFARE BENEFITS AND PENSION PLAN

23.01 The Company agrees to pay 100% of the cost of current premiums for its Standard Group Insurance Plan.

- (a) Effective January 1, 2004, the Company introduced a "flexible benefits" program which is designed to provide some choice for employees in terms of their benefit coverage. However, it is clearly understood that a "standard" level of benefit coverage is guaranteed to all employees at no cost to the employee.
- (b) "Standard" coverage is defined as the level of coverage provided under the collective agreement date ending on September 30, 2002.
- (c) Under the flexible benefits program, employees will have the option of choosing benefit coverage as outlined in the flexible benefits plan.
- (d) Any full-time active employee who chooses coverage other than the standard coverage will have the option at least biennially on a prescribed date of re-electing back to standard coverage at no cost.

23.02 The Group Life and Health Insurance Plan presently in effect will be modified as set forth in Appendix E.

23.03 The Company will ensure compliance with the terms of the Group Insurance Plan. Notwithstanding the above, no matter respecting the provisions of the above mentioned Group Insurance Plan shall be subject to the Grievance Procedure established by this Agreement.

23.04 The terms of the Company Sick Leave plan which shall apply during the life of this Agreement are outlined in Appendix D.

23.05 The Company agrees that any changes in the terms and conditions of its present Pension Plan shall be subject to negotiation with the IUUC. (See Letter of Understanding)

ARTICLE 24 - NOTICE BOARDS

- 24.01 The Company agrees to provide the IUDC, for its exclusive use, lockable bulletin boards in any building where at least five (5) IUDC members are physically located, with the understanding that such use shall be restricted to notices of IUDC meetings, elections and appointments. All material for such posting will be signed by an authorized representative of the IUDC. All other materials for posting shall be approved by the Company.
- 24.02 The IUDC agrees that no pamphlets, handbills or other publications will be distributed in work areas without prior approval of the Human Resources Department.

ARTICLE 25 - NATIONAL SECURITY

- 25.01 The IUDC recognizes that the Company may now have, or may incur in the future, obligations with respect to security of information and materials under contract with the Government of Canada and its Allies. The IUDC agrees that nothing contained in this Agreement shall place the Company in violation of security agreements between the Company and the Government of Canada or its Allies.
- 25.02 For the purpose of implementing such measures and in order to abide by any such directives in the course of its business activities, the Company may transfer certain employees from such work or refuse access to such work by employees.
- 25.03 When any such employee is transferred out of such work or denied access to it arising out of such security measures, the employee will retain all rights accruing to them within this Agreement, except that of use of the Grievance Procedure to nullify compliance with security measures or instructions.

ARTICLE 26 - HEALTH AND SAFETY

- 26.01 It is the common desire of both the Company and the IUDC to do all in their power to further the health and safety of the employees of the Company. To this end the Company will take all reasonable steps to promote health and safety and the IUDC agrees that it will do everything to assist the Company in obtaining strict observance of necessary health and safety rules.
- 26.02 In the interest of furthering this general principle, the IUDC agrees to appoint four employees from its membership, as members of the Company Safety Committee, and the Company agrees that these shall be accepted as members of this Safety Committee.
- 26.03 It is agreed between the Company and the IUDC that the duties of the Safety Committee shall be limited to recommending to Management methods of improving general health and safety of workers and assisting in securing the cooperation of the IUDC membership in the strict observance of the Company Safety rules and regulations.
- 26.04 Employees who are injured while at work and are sent home because of such injuries shall be paid regular rates and any applicable shift differential for the balance of the shift on which the injury occurred.
- 26.05 Where the nature of the work or the working conditions so require, employees shall be supplied, at the employer's expense with the necessary tools, protective clothing, safety equipment and protective devices necessary to perform the work, these shall be maintained and where necessary replaced at the employer's expense. With respect to safety shoes, the Company agrees to supply one pair per year to a maximum value of one-hundred and twenty-five dollars (\$125.00) per pair of safety shoes. In exceptional circumstances the Company may provide a second pair of safety shoes in a year.

ARTICLE 27 - PERFORMANCE AND DEVELOPMENT APPRAISAL

27.01 Every employee shall have the right to receive, every calendar year, at least one formal performance/ development appraisal and discussion with the involvement of their immediate supervisor or manager.

The purpose of the performance and development appraisal is to highlight the employee's performance during the evaluation period and, to identify individual training and development needs where appropriate.

27.02 The employee will be notified at least twenty-four (24) hours before receiving their formal performance/ development appraisal and discussion. Following this discussion the employee will be provided a further twenty-four (24) hours to review the document and attach their comments, if so desired.

27.03 An employee's signature on their performance/ development appraisal indicates the appraisal has been reviewed and discussed with the employee and that the employee has been given an opportunity to make comment.

ARTICLE 28 - PERSONNEL FILES

28.01 Upon written request, the personnel file of an employee shall be made available to that employee, in the presence of a representative of the Human Resources Department. It is understood that an employee may not remove their file, or any part of their file, from the Human Resources Department.

28.02 Memos of Discipline or Performance Improvement will not be placed on an employee's Human Resources file without their prior knowledge. Such memos will be removed on the stated expiry date.

28.03 No information, other than that of a confirmatory nature, will be released without the employee's consent.

ARTICLE 29 -JOB SECURITY

29.01 In the event that technological changes and/or changes in business plans will have an impact on the job security of members of the IUDC, the Company agrees to meet with the IUDC as far in advance as reasonably possible to provide information relative to the changes. Such information will include, but will not necessarily be limited to the following:

- (a) The nature of the change;
- (b) The planned timing of the change; and
- (c) The approximate number and type of employees whose job security is likely to be affected by the change.

29.02 Recognizing the disruption caused by workforce reductions on both the Company and employees, the Company will meet with the IUDC to discuss measures to be taken. Wherever possible, the Company will place in other positions without loss of wage rate any full-time permanent employee who may be displaced by any significant technological change.

29.03 Should significant technological change require additional training for any permanent full-time employee affected by such change, the Company shall provide a reasonable training period not to exceed six (6) months.

ARTICLE 30 - NON-DISCRIMINATION

30.01 Characteristics of persons which are not related to job performance, defined by the Ontario Human Rights Code, shall not be used in the application of this Agreement, or with respect to the terms and conditions of employment. It is therefore agreed that no discrimination shall be practiced by either party.

ARTICLE 31 - DURATION OF AGREEMENT

31.01 This agreement will remain in effect for a period of twenty-four (24) months commencing 1 October 2006.

31.02 Notice that amendments are required or that either party intends to terminate the Agreement may only be given during the period of not more than ninety (90) calendar days and not less than thirty (30) calendar days prior to the termination date.

31.03 In the event of such notification being given as to the amendment of this Agreement, negotiations between the parties shall begin within fifteen (15) calendar days following such notification.

31.04 If, pursuant to such negotiations, an agreement on the renewal or amendment of this Agreement is not reached prior to the current expiration date, this Agreement shall continue in full force and effect until a new Agreement or a renewal of this Agreement is consummated, or the conciliation proceedings required under the Labour Relations Act (Revised Statutes of Ontario 1980) have been completed, and:

- (a) Seven (7) days have elapsed after the Minister has released to the parties the report of a conciliation board or mediator, or
- (b) Fourteen (14) days have elapsed after the Minister has released to the parties a notice that the Minister does not deem it advisable to appoint a conciliation board, as the case may be.

31.05 It is understood that, during any negotiation following upon notice of termination or notice of amendment, either party may bring forward counter proposals arising out of or related to the original proposals.

ARTICLE 32 - LEGISLATION

32.01 Should any provision of the Agreement be found to be in conflict with any Ontario or Federal Legislation, the parties shall meet and arrive at a satisfactory settlement of the provision in conformity with the legislation; the remaining provisions shall continue to be operative and binding on both parties. If the parties fail to reach a mutual agreement the matter shall be presented to a single Arbitrator for a binding decision.

ARTICLE 33 - PROFESSIONAL FEES

33.01 Professional fees associated with maintaining the accreditation in the employee's current job will be reimbursed. Employees should forward their fees for approval through their manager.

ARTICLE 34 - FIELD ASSIGNMENTS AND ALLOWANCES

34.01 The Company and IUDC agree that employees may be requested to carry out field assignments where, owing to special conditions, compensatory allowances will be paid to the employee. These special conditions and allowances shall be defined by Company policies. The Company shall inform the employee of the appropriate policy before the employee undertakes the field assignment. The Company shall provide the IUDC office with a copy of field assignment policies and changes to those policies as they occur.

**APPENDIX A
WAGE SCALE**

Wage Schedule: October 1, 2006 - September 30, 2007								
Job Classification	Pay Level	Min	6 Month	12 Month	18 Month	24 Month	30 Month	Max
Communications Clerk	1	\$13.27	\$14.01					\$14.75
Assembler 1	1	\$13.27	\$14.01					\$14.75
General Helper	1	\$13.27	\$14.01					\$14.75
Maintenance Helper	1	\$13.27	\$14.01					\$14.75
Printer I	1	\$13.27	\$14.01					\$14.75
Accounts Payable Clerk 1	2	\$14.44	\$15.24					\$16.04
Assembler 2	2	\$14.44	\$15.24					\$16.04
Maintenance Worker 1	3	\$15.84	\$16.72					\$17.60
Quality Control Inspector 1	3	\$15.84	\$16.72					\$17.60
Material Handler 1	3	\$15.84	\$16.72					\$17.60
Engineering Data Processor 1	4	\$17.23	\$18.19					\$19.15
Customs & Traffic Coordinator 1	4	\$17.23	\$18.19					\$19.15
Component Data Processor 1	4	\$17.23	\$18.19					\$19.15
Technical Librarian, 1	4	\$17.23	\$18.19					\$19.15
Shipper Packer 1	4	\$17.23	\$18.19					\$19.15
Assembler 3	4	\$17.23	\$18.19					\$19.15
Illustrator 1	4	\$17.23	\$18.19					\$19.15
Electronic Data Processor 1	4	\$17.23	\$18.19					\$19.15
Administrative Assistant	5	\$17.80	\$18.75	\$19.69	\$20.64			\$21.58
Material Services Coordinator	5	\$17.80	\$18.75	\$19.69	\$20.64			\$21.58
Technician 1	5	\$17.80	\$18.75	\$19.69	\$20.64			\$21.58
Material Handler 2	5	\$17.80	\$18.75	\$19.69	\$20.64			\$21.58
Maintenance Worker 2	5	\$17.80	\$18.75	\$19.69	\$20.64			\$21.58
Sub-contracts MRP Coordinator	5	\$17.80	\$18.75	\$19.69	\$20.64			\$21.58
Assembler 4	5	\$17.80	\$18.75	\$19.69	\$20.64			\$21.58
Travel Coordinator	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Technologist 1	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Accounts Payable Clerk 2	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Engineering Data Processor 2	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Maintenance Worker 3	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
R&O Coordinator, 1	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81

Wage Schedule: October 1, 2006 - September 30, 2007

Job Classification	Pay Level	Min	6 Month	12 Month	18 Month	24 Month	30 Month	Max
Plumber Mechanic 1	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Material Handling Coordinator	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Component Data Processor 2	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Shipper Packer 2	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Quality Control Inspector 3	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Printer 2	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
Electronic Data Processor 2	6	\$19.64	\$20.68	\$21.72	\$22.76			\$23.81
MRP Data Coordinator	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
Production Controller 1	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
Electrician 1	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
HVAC Mechanic 1	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
Assembly Methods Planner 1	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
Technician 2	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
Planner Buyer	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
Customs & Traffic Coordinator 2	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
Engineering Coordinator	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
PEM Materials Coordinator	7	\$21.56	\$22.70	\$23.85	\$24.99			\$26.13
Billing / Revenue Clerk	8	\$22.63	\$23.83	\$25.03	\$26.23			\$27.43
Carpenter	8	\$22.63	\$23.83	\$25.03	\$26.23			\$27.43
Component Technologist, 2	8	\$22.63	\$23.83	\$25.03	\$26.23			\$27.43
Illustrator 2	8	\$22.63	\$23.83	\$25.03	\$26.23			\$27.43
Quality Control Inspector 4	8	\$22.63	\$23.83	\$25.03	\$26.23			\$27.43
R&O Coordinator, 2	8	\$22.63	\$23.83	\$25.03	\$26.23			\$27.43
Photographer	8	\$22.63	\$23.83	\$25.03	\$26.23			\$27.43
Technical Librarian, 2	8	\$22.63	\$23.83	\$25.03	\$26.23			\$27.43
Engineering Change Coordinator	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72
Component Technologist, 3	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72
Technologist 2	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72
Material Estimator Buyer	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72
Electrician 2	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72
Plumber Mechanic 2	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72
Printer 3	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72
Technician 3	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72
Production Controller 2	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72
HVAC Mechanic 2	9	\$23.70	\$24.95	\$26.21	\$27.46			\$28.72

Wage Schedule: October 1, 2006 - September 30, 2007

Job Classification	Pay Level	Min	6 Month	12 Month	18 Month	24 Month	30 Month	Max
Designer 1, Mechanical	10	\$24.06	\$25.23	\$26.40	\$27.56	\$28.73	\$29.90	\$31.05
Assembly Methods Planner 2	10	\$24.06	\$25.23	\$26.40	\$27.56	\$28.73	\$29.90	\$31.05
Editing Coordinator	10	\$24.06	\$25.23	\$26.40	\$27.56	\$28.73	\$29.90	\$31.05
Buyer 1	10	\$24.06	\$25.23	\$26.40	\$27.56	\$28.73	\$29.90	\$31.05
Field Service Technologist 2	11	\$25.27	\$26.49	\$27.72	\$28.94	\$30.17	\$31.39	\$32.60
Technician 4	11	\$25.27	\$26.49	\$27.72	\$28.94	\$30.17	\$31.39	\$32.60
Illustrator 3	11	\$25.27	\$26.49	\$27.72	\$28.94	\$30.17	\$31.39	\$32.60
Technologist 3	11	\$25.27	\$26.49	\$27.72	\$28.94	\$30.17	\$31.39	\$32.60
Facilities Technologist	12	\$26.27	\$27.54	\$28.82	\$30.09	\$31.36	\$32.64	\$33.90
Component Technologist, 4	12	\$26.27	\$27.54	\$28.82	\$30.09	\$31.36	\$32.64	\$33.90
Assembly Methods Planner 3	12	\$26.27	\$27.54	\$28.82	\$30.09	\$31.36	\$32.64	\$33.90
Designer 2, Electronic	13	\$27.27	\$28.59	\$29.92	\$31.24	\$32.56	\$33.88	\$35.19
Designer 2, Mechanical	13	\$27.27	\$28.59	\$29.92	\$31.24	\$32.56	\$33.88	\$35.19
Buyer 2	13	\$27.27	\$28.59	\$29.92	\$31.24	\$32.56	\$33.88	\$35.19
Technologist 4	13	\$27.27	\$28.59	\$29.92	\$31.24	\$32.56	\$33.88	\$35.19
Field Service Technologist 3	14	\$28.27	\$29.65	\$31.02	\$32.39	\$33.76	\$35.13	\$36.48
Designer 3, Electronic	15	\$32.09	\$33.64	\$35.20	\$36.75	\$38.31	\$39.86	\$41.40
Designer 3, Mechanical	15	\$32.09	\$33.64	\$35.20	\$36.75	\$38.31	\$39.86	\$41.40
<u>Legacy Job Classifications</u>								
Assembler 5								\$22.06
Assembler 6								\$25.02
Assembler 7								\$26.57

Wage Schedule: October 1, 2007 - September 30, 2008

Job Classification	Pay Level	Min	6 Month	12 Month	18 Month	24 Month	30 Month	Max
Communications Clerk	1	\$13.74	\$14.50					\$15.26
Assembler 1	1	\$13.74	\$14.50					\$15.26
General Helper	1	\$13.74	\$14.50					\$15.26
Maintenance Helper	1	\$13.74	\$14.50					\$15.26
Printer 1	1	\$13.74	\$14.50					\$15.26
Accounts Payable Clerk 1	2	\$14.94	\$15.77					\$16.60
Assembler 2	2	\$14.94	\$15.77					\$16.60
Maintenance Worker 1	3	\$16.39	\$17.30					\$18.21
Quality Control Inspector	3	\$16.39	\$17.30					\$18.21
Material Handler 1	3	\$16.39	\$17.30					\$18.21
Engineering Data Processor 1	4	\$17.84	\$18.83					\$19.82
Customs & Traffic Coordinator 1	4	\$17.84	\$18.83					\$19.82
Component Data Processor 1	4	\$17.84	\$18.83					\$19.82
Technical Librarian, 1	4	\$17.84	\$18.83					\$19.82
Shipper Packer 1	4	\$17.84	\$18.83					\$19.82
Assembler 3	4	\$17.84	\$18.83					\$19.82
Illustrator 1	4	\$17.84	\$18.83					\$19.82
Electronic Data Processor 1	4	\$17.84	\$18.83					\$19.82
Quality Control Inspector 2	5	\$18.43	\$19.40	\$20.38	\$21.36			\$22.34
Administrative Assistant	5	\$18.43	\$19.40	\$20.38	\$21.36			\$22.34
Material Services Coordinator	5	\$18.43	\$19.40	\$20.38	\$21.36			\$22.34
Technician 1	5	\$18.43	\$19.40	\$20.38	\$21.36			\$22.34
Material Handler 2	5	\$18.43	\$19.40	\$20.38	\$21.36			\$22.34
Maintenance Worker 2	5	\$18.43	\$19.40	\$20.38	\$21.36			\$22.34
Sub-contracts MRP Coordinator	5	\$18.43	\$19.40	\$20.38	\$21.36			\$22.34
Assembler 4	5	\$18.43	\$19.40	\$20.38	\$21.36			\$22.34
Travel Coordinator	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Technologist 1	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Accounts Payable Clerk 2	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Engineering Data Processor 2	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Maintenance Worker 3	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
R&O Coordinator, 1	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Plumber Mechanic 1	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Material Handling Coordinator	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64

Wage Schedule: October 1, 2007 - September 30, 2008

Job Classification	Pay Level	Min	6 Month	12 Month	18 Month	24 Month	30 Month	Max
Component Data Processor 2	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Shipper Packer 2	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Quality Control Inspector 3	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Printer 2	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
Electronic Data Processor 2	6	\$20.33	\$21.40	\$22.48	\$23.56			\$24.64
MRP Data Coordinator	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
Production Controller 1	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
Electrician 1	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
HVAC Mechanic 1	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
Assembly Methods Planner 1	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
Technician 2	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
Planner Buyer	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
Customs & Traffic Coordinator 2	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
Engineering Coordinator	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
PEM Materials Coordinator	7	\$22.31	\$23.50	\$24.68	\$25.87			\$27.05
Field Service Technologist 1	8	\$23.42	\$24.66	\$25.90	\$27.15			\$28.39
Billing/ Revenue Clerk	8	\$23.42	\$24.66	\$25.90	\$27.15			\$28.39
Carpenter	8	\$23.42	\$24.66	\$25.90	\$27.15			\$28.39
Component Technologist, 2	8	\$23.42	\$24.66	\$25.90	\$27.15			\$28.39
Illustrator 2	8	\$23.42	\$24.66	\$25.90	\$27.15			\$28.39
Quality Control Inspector 4	8	\$23.42	\$24.66	\$25.90	\$27.15			\$28.39
R&O Coordinator, 2	8	\$23.42	\$24.66	\$25.90	\$27.15			\$28.39
Photographer	8	\$23.42	\$24.66	\$25.90	\$27.15			\$28.39
Technical Librarian, 2	8	\$23.42	\$24.66	\$25.90	\$27.15			\$28.39
Component Technologist, 3	9	\$24.52	\$25.82	\$27.13	\$28.43			\$29.73
Technologist 2	9	\$24.52	\$25.82	\$27.13	\$28.43			\$29.73
Material Estimator Buyer	9	\$24.52	\$25.82	\$27.13	\$28.43			\$29.73
Electrician 2	9	\$24.52	\$25.82	\$27.13	\$28.43			\$29.73
Plumber Mechanic 2	9	\$24.52	\$25.82	\$27.13	\$28.43			\$29.73
Printer 3	9	\$24.52	\$25.82	\$27.13	\$28.43			\$29.73
Technician 3	9	\$24.52	\$25.82	\$27.13	\$28.43			\$29.73
Production Controller 2	9	\$24.52	\$25.82	\$27.13	\$28.43			\$29.73
HVAC Mechanic 2	9	\$24.52	\$25.82	\$27.13	\$28.43			\$29.73

Wage Schedule: October 1, 2007 - September 30, 2008

Job Classification	Pay Level	Min	6 Month	12 Month	18 Month	24 Month	30 Month	Max
Designer 1, Electronic	10	\$24.91	\$26.11	\$27.32	\$28.53	\$29.74	\$30.94	\$32.14
Designer 1, Mechanical	10	\$24.91	\$26.11	\$27.32	\$28.53	\$29.74	\$30.94	\$32.14
Assembly Methods Planner 2	10	\$24.91	\$26.11	\$27.32	\$28.53	\$29.74	\$30.94	\$32.14
Editing Coordinator	10	\$24.91	\$26.11	\$27.32	\$28.53	\$29.74	\$30.94	\$32.14
Buyer 1	10	\$24.91	\$26.11	\$27.32	\$28.53	\$29.74	\$30.94	\$32.14
Field Service Technologist 2	11	\$26.15	\$27.42	\$28.69	\$29.96	\$31.22	\$32.49	\$33.74
Technician 4	11	\$26.15	\$27.42	\$28.69	\$29.96	\$31.22	\$32.49	\$33.74
Illustrator 3	11	\$26.15	\$27.42	\$28.69	\$29.96	\$31.22	\$32.49	\$33.74
Technologist 3	11	\$26.15	\$27.42	\$28.69	\$29.96	\$31.22	\$32.49	\$33.74
Facilities Technologist	12	\$27.19	\$28.51	\$29.83	\$31.14	\$32.46	\$33.78	\$35.08
Component Technologist, 4	12	\$27.19	\$28.51	\$29.83	\$31.14	\$32.46	\$33.78	\$35.08
Assembly Methods Planner 3	12	\$27.19	\$28.51	\$29.83	\$31.14	\$32.46	\$33.78	\$35.08
Designer 2, Electronic	13	\$28.23	\$29.60	\$30.96	\$32.33	\$33.70	\$35.07	\$36.42
Designer 2, Mechanical	13	\$28.23	\$29.60	\$30.96	\$32.33	\$33.70	\$35.07	\$36.42
Buyer 2	13	\$28.23	\$29.60	\$30.96	\$32.33	\$33.70	\$35.07	\$36.42
Technologist 4	13	\$28.23	\$29.60	\$30.96	\$32.33	\$33.70	\$35.07	\$36.42
Field Service Technologist 3	14	\$29.26	\$30.68	\$32.10	\$33.52	\$34.94	\$36.36	\$37.76
Designer 3, Electronic	15	\$33.21	\$34.82	\$36.43	\$38.04	\$39.65	\$41.26	\$42.85
Designer 3, Mechanical	15	\$33.21	\$34.82	\$36.43	\$38.04	\$39.65	\$41.26	\$42.85
<u>Legacy Job Classifications</u>								
Assembler 5								\$22.83
Assembler 6								\$25.90
Assembler 7								\$27.50

APPENDIX B
WAGE INCREMENT SCHEDULE

1. Employees hired, promoted or transferred will be placed at a suitable point within the range for the appropriate pay level.
2. Pay Levels:
The maximum rate of each pay level will move up by the amount of the negotiated annual increase. The start rate and step increase(s) for each pay level will then be calculated as follows:
 - Pay Levels 1 – 4:
 - Min, 1 Step Increase, Max;
 - Min Rate is 11.11% below the maximum rate; and
 - An employee who is initially placed at the Min of the pay level will progress after 6 months with an amount equal to 50% of the spread from Min to Max.
 - Pay Levels 5 – 9:
 - Min, 3 Step Increases, Max;
 - Min Rate is 21.21% below the maximum rate; and
 - An employee who is initially placed at the Min of the pay level will progress every 6 months with an amount equal to 25% of the spread from Min to Max.
 - Pay Levels 10 – 15:
 - Min, 5 Step Increases, Max;
 - Min Rate is 29.03% below the maximum rate; and
 - An employee who is initially placed at the Min of the pay level will progress every 6 months with an amount equal to 16.7% of the spread from Min to Max.
3. The above progression will not prevent an employee from progressing more rapidly in time intervals and/or amounts of increase based on merit.
4. If an employee does not so progress, the Company will, on request, give the reason the employee was not awarded an increase at the time of their annual review. If the employee is not satisfied they may grieve and the resolution of such grievance shall be determined on the basis of whether or not the Company has acted in an arbitrary or discriminatory manner.
5. An employee whose transfer is in the nature of a promotion will achieve an equal or greater rate in their new level.

APPENDIX C TEAM SKILLS

It is recognized that in today's team-based organization, that there is a need to identify for IUDC members and their respective managers, a list of required "team skills" that all team members must either possess or develop as part of their job responsibilities.

A list of team skills comprises the following:

- willing to learn and adapt to new methods and procedures;
- willing to proactively participate in the decision making process;
- respect the individual rights of all team members and support the team;
- report on key quality and output data relevant to the team; and
- accept personal accountability to the team, and to internal and external customers.

APPENDIX D SICK LEAVE

1. An employee is eligible for Sick Leave anytime the employee is absent from work due to genuine illness, non-compensable accident, medical or dental appointments or if a dependent child is ill or has a medical or dental appointment.

The Company may require a written verification for absences in either of the following instances:

- (a) Where the absence is for three (3) or more consecutive working days, or
 - (b) Where there are reasonable grounds that the trend of absenteeism suggests cause for concern.
2. An employee with less than twelve (12) months' service shall be allowed paid sick leave equivalent to one day for each completed month of service.
 3. An employee with more than twelve (12) months' service shall be allowed three (3) weeks paid sick leave in each calendar year.
 4. The IUDC and the Company agree that habitual absenteeism and erratic attendance is detrimental to our mutual interests. To that end, we will work together on the implementation of the Attendance Management process.
 5. Part-time employees who are eligible for sick leave shall be paid an equivalent number of hours that they normally work for each day of sick leave.
 6. (a) In the event of an absence as a result of a non-compensable accident lasting at least one full day, or emergency hospitalization on an in-patient basis, employees shall be allowed to use paid supplementary sick leave up to the end of their disability, in conjunction with applicable Weekly Indemnity payments.

Weekly Indemnity payments in the case of non-compensable accident or in-patient hospitalization, are payable from the first full day of absence.

- (b) In the event of an absence as a result of illness lasting two weeks or longer, employees shall be allowed to use supplementary sick leave, with pay, after the expiration of their regular current year sick leave, up to the end of their disability, in conjunction with applicable Weekly Indemnity payments. Weekly Indemnity payments in the case of illness are payable from the 15th day of continuous absence.
- (c) Regular, current year sick leave represents the number of unused days assigned to an employee since January 1st (Appendix D2 & 3) and when used in conjunction with Weekly Indemnity, an appropriate pro rata reduction shall be applied to the unused balance.
- (d) Supplementary sick leave represents the number of days of unused sick leave accumulated during the employee's service with the Company subsequent to January, 1967. Payment, which shall start after two weeks of sickness, and be calculated from the day of expiration of regular sick leave, shall equal the employee's regular pay, less the applicable Weekly Indemnity from the Group Insurance plan.

An appropriate pro rata reduction shall be applied to the employee's accumulated sick leave credits in accordance with the ratio of such supplementary payment over the employee's regular pay.

- (e) If an employee suffers a subsequent serious illness, once their regular current year sick leave has been consumed, the employee may be allowed, at the discretion of the Company, to use accumulated supplementary sick leave while awaiting, and in conjunction with, Weekly Indemnity payments.
 - (f) If an employee with fifteen (15) years seniority or greater has had a series of serious illnesses and has consumed their sick leave and supplementary sick leave, the employee may be allowed, at the discretion of the Company, a maximum additional sick leave and/or supplementary sick leave days to a maximum of twenty-five (**25**) days. Discretionary sick leave is not subject to the terms outlined in Appendix D6.
7. An employee who retires, having reached age 55, shall be entitled to payment for accumulated sick leave credits in accordance with the following scale:

Years of Service	Per cent of Accumulated Sick Leave
1 year but less than 5	15%
5 years but less than 10	25%
10 years but less than 15	30%
15 years but less than 20	35%
20 years but less than 25	40%
25 years and over	45%

Such employee shall, at their request, be entitled to be paid in one lump sum or in some other manner by mutual arrangement with the Company. In the event of the employee's demise before final payment, the amount due will be payable to the estate of the deceased.

APPENDIX E GROUP INSURANCE PLAN

1. Weekly Indemnity Benefits will be paid at the rate of seventy-five (75%) of base earnings up to the maximum current weekly E.I. benefit as may be amended from time to time.
2. A Long Term Disability (LTD) program has been established in conjunction with the Weekly Indemnity program, for all members of the Bargaining Unit. Employees who qualify for LTD will be paid seventy (70%) of their pre-disability salary (reduced by other disability income such as CPP). The premium for this coverage is paid by the Company. The disability benefit, when paid out to the employee, is taxable. Effective 1st April, 1996, employees currently on LTD continue under the previous benefit design. Current employees may choose to continue under the previous benefit design.
3. Provincial Medical and Hospital plan (OHIP) provides coverage for basic medical and hospital expenses.
4. Semi-Private/Supplementary Health - The deductible portion of the supplementary health program is twenty-five dollars (\$25.00) for each insured person during each calendar year, subject to an overall family limit of fifty dollars (\$50.00) per calendar year. In addition, the plan pays eighty (80%) of eligible expenses for private nursing care, ambulance, laboratory and out-patient charges, prescription drugs, paramedical care, and appliances. Employees will receive a Drug Card. There is no deductible applied to drug claims. Employees will be covered for eighty (80%) of the cost difference between a semi-private hospital room, and a standard ward to the first one-thousand dollars (\$1000) of claim per year per family. One-hundred (100%) will be paid beyond this amount.
5. Life Insurance will be carried on each permanent employee equal to one (1) times their annual base wages. If the amount so obtained is not an exact multiple of one-thousand dollars (\$1,000.00) it will be rounded to the next one-thousand dollar (\$1,000.00) increment.
6. Optional Life Insurance is available to permanent employees in units of ten-thousand dollars (\$10,000), to a maximum of three time's annual base wages, with premiums paid by the employee. Evidence of insurability is required.
7. Dependents Life Insurance - Life Insurance will be placed on dependents of employees' payable in the event of their death as follows:
 - (a) Employee's Spouse - fifteen-thousand dollars (\$15,000); and
 - (b) Dependent Child - seven-thousand dollars (\$7,000).
8. Dental Benefits include eligible basic and routine preventative procedures covered to the maximum according to the applicable Ontario Dental Association schedule of fees of the Province or Territory in which the services were rendered. The Company shall provide major restorative and orthodontic dental insurance. This insurance will cover for each insured patient, fifty (50%) of all eligible expenses up to a maximum of two-thousand dollars (\$2,000) annually for major restorative treatment, and two-thousand dollars (\$2,000) per lifetime for orthodontic treatment.
9. The Company will notify the IUDC in writing of any changes in benefit plans in accordance with Article 3.08.
10. Employees through the Major Medical Plan will be reimbursed eighty (80%) of the cost of prescription eye glasses, contact lenses, eye exam and/or one-time laser corrective eye surgery to a maximum of two-hundred and fifty dollars (\$250.00) every twenty-four (24) months. This includes dependent children that are of the age of eighteen and over. Dependent children up to the age of eighteen will be reimbursed eighty (80%) of the cost to a maximum of one-hundred and twenty-five dollars (\$125.00) every twelve (12) months.

APPENDIX F
TEMPORARY EMPLOYEES

1. It is understood and agreed between the Company and the IUDC that employees classified as temporary are included in the Bargaining Unit and will only be engaged in the following functions:
 - (a) To handle overload situations which occur from time to time in this business.
 - (b) To meet special requirements of a non-repetitive nature.
 - (c) To replace permanent employees on leave-of-absence.
2. The Company agrees to inform the IUDC in writing for usage of such temporary employees under this Article.
3. All provisions of the Collective Agreement shall apply to temporary employees except as follows:
 - (a) Article 10.00;
 - (b) Article 15.01; and
 - (c) Article 23.00 with respect to the Pension Plan and Dental Benefits.

The Company agrees to provide Sick Leave for temporary employees in accordance with Article 23. Coverage under the Benefit Plans and Sick Leave within Article 23.00 will not apply for temporary employees who are employed for a period of less than one (1) continuous month.

4. Temporary employees will not be allowed to apply for posted jobs, until four (4) months after their temporary assignment is terminated. This limitation shall not apply if the Company is seeking external candidates to fill the position from which no qualified internal candidates have applied for the job posting.
5. Any individual hired as a temporary employee in the above functions cannot exceed:
 - (a) To handle overload situations - Six (6) Months.
 - (b) To meet special requirements - Six (6) Months.
 - (c) To replace employees on leave of absence - duration of the leave.

In the event the Company requests an extension of the temporary job, the Company and the IUDC will meet to discuss the reason for the extension.

If an extension is not agreed to, the Company will terminate the position or post it as permanent.

6. It is agreed that Co-op Students are exempt from the provisions of the Collective Agreement, except that paragraphs 4 and 5 of this Appendix will apply to them. The Company agrees to inform the IUDC of who they are, where they are located, and their date of hire by the Company. Co-op Students will be reviewed at the end of eight (8) months.
7. The Company has no intention of using this temporary employee concept to circumvent the normal seniority provisions, but simply to ease the impact of overload situations on Company and employees alike.

APPENDIX G TRAINING

All parties recognize that it is mutually advantageous to train employees to perform their current job more efficiently and provide them support for advancement potential.

The employer shall initiate Training Plans in line with ongoing needs analysis in order to allow employees reasonable opportunities to upgrade their knowledge and skills.

APPENDIX H SUPPLEMENTAL EMPLOYMENT BENEFITS (SEB) PLAN

Upon the effective date approved by EI, an employee will be eligible for Supplemental Employment Benefits (SEB) under the following conditions:

1. Maternity Leave SEB

- (a) For qualified and approved Maternity (Article 13.07) and Adoption Leave (Article 13.08), the SEB payments shall be as follows:
 - (i) Upon proof of qualification for Employment Insurance Benefits, the employee will be entitled to an SEB payment equal to no more than ninety-five (95%) of the employee's total regular weekly earnings for a period of two (2) weeks.
 - (ii) Each subsequent week's SEB payment will "top up" the Employment Insurance benefit entitlement to equal seventy (70%) of the employee's regular weekly earnings for a period of fifteen (15) weeks.

2. Parental Leave SEB

- (a) For qualified and approved Parental leave for mothers who begin Parental leave immediately following the Maternity leave:
 - (i) upon proof of qualification for Employment Insurance Benefits, the employee will be entitled to a SEB "top up" payment equal to seventy (70%) of the employee's regular weekly earnings for a period of ten (10) weeks, with the condition that the SEB top up payment does not exceed twenty (20%) of the employee's regular weekly earnings.
- (b) For qualified and approved Parental Leave for fathers (Article 13.07), the SEB payments will be as follows:
 - (i) Upon proof of qualification for Employment Insurance Benefits, the employee will be entitled to an SEB payment for the two (2) week waiting period equal to no more than ninety-five (95%) of the employee's total regular weekly earnings for a period of two (2) weeks.
 - (ii) Each subsequent week's SEB payment will "top up" the Employment Insurance benefit entitlement to equal ninety-five (95%) of the employee's regular weekly earnings for a period of two (2) weeks.
 - (ii) Each subsequent week's SEB payment will "top up" the Employment Insurance benefit entitlement to equal seventy (70%) of the employee's regular weekly earnings for a period of six (6) weeks, with the condition that the SEB top up payment does not exceed twenty (20%) of the employee's regular weekly earnings.

SEB payments shall be based on the employee's established weekly schedule of work hours (excluding overtime), in effect at the date of leave. The rate of pay used in such computations shall be the employee's hourly rate including lead hand premium, seniority pay, shift premium and COLA in effect at the date of leave.

All payments are subject to the terms and conditions of the approved SEB Plan document, and at no time will the combined weekly level of EI benefits, SEB payments and other earnings exceed seventy (70%) of the employee's normal weekly earnings, except in connection with 1(a)(i) and 2(b)(i) of Appendix H, where these combined earnings shall not exceed ninety-five (95%) of the employee's normal weekly earnings.

3. Family Medical Leave

- (a) An employee will, on request, be granted an unpaid leave of absence of up to eight (8) weeks to care and support a seriously ill family member with a significant risk of death within twenty six (26) weeks.
- (b) Family member defined as: a spouse or common-law partner (including same sex partner), a child, or a child of the individual's spouse or common-law partner, and a parent or spouse of common-law partner of the parent. During such leave, service, vacation and sick leave will accumulate. The employee shall make arrangements with Human Resources Department for the continuation of insured benefits and the method of payment. For qualified and approved Family Medical Leave (Compassionate Care Leave) employees, the SEB payments shall be as follows:
 - (i) Upon proof of qualification for EI Benefits, the employee will be entitled to an SEB payment for the two (2) week waiting period equal to no more than ninety-five (95%) of the employees total regular weekly earning for a period of two (2) weeks.
 - (ii) Each subsequent week's SEB payment will "top up" the EI Benefit entitlement to equal seventy (70%) of the employees regular weekly earning for a period of six (6) weeks.

**APPENDIX I
LETTERS OF UNDERSTANDING**

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding - Vacation Entitlement Upon Termination

This will clarify that, upon termination, pay in lieu of vacation will be calculated as follows:

Less than 9 years service	10 hours monthly
9 years, but less than 19	13.333 hours monthly
19 years or more	16.667 hours monthly

Sincerely,

J. M. McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding – Casual On-Call Employees

It is understood that Casual On-Call Employees are excluded from coverage of the Collective Agreement.

Casual On-Call Employees are those employees required to work less than 50% of the available work hours in a fiscal year. They are not permitted to work full-time hours for more than one continuous month.

If a Casual On-Call Employee posts to a position covered by this agreement, the employee will be credited with 50% of all hours worked in jobs covered by the collective agreement.

The company agrees to pay dues to the union for all Casual On-Call hours worked in jobs covered by the Collective Agreement.

The intent of this letter is not to replace the normal workings of other related articles in the Collective Agreement including, but not limited to, the Overtime, Temporary Employees and Temporary Transfer provisions. This is a two year trial and will be re-evaluated in subsequent negotiation.

Sincerely,

J. M. McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding - Subcontract Review

The practice of the Company is to advise the IUDC of the subcontracting to a vendor of work customarily performed by the Company, in its own plant, with its own employees. The Company agrees to inform IUDC representatives in advance of the commencement of subcontract activities (except in cases of emergency subcontracting) what is to be subcontracted, when subcontracting will begin, and the reasons for subcontracting.

It is further agreed that the President or Vice-president of the IUDC will be informed in writing.

Sincerely,

J. M McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding – Outside Services (Short-Term Personnel)

This letter will confirm the understanding between the Company and the Independent Union of Defence Contractors with respect to Outside Services (Short-Term Personnel).

It is understood that, upon occasion, in certain unexpected short-term situations, Short-Term Personnel (STP) may be required to accommodate fluctuations in workload not to exceed a period of (8) weeks. During such times, STP would not be subject to the provisions of the CA. Should an extension be required, it will only be applicable if mutually agreed upon by the Company and the IUDC.

The intent of this letter is not to replace the normal workings of other related articles in the CA including, but not limited to, the Overtime, Temporary Employees and Temporary Transfer provisions.

Should this letter not be applied in a manner consistent with the intent and the spirit of this agreement, then either party may give (30) days notice that the provisions of this letter be rescinded.

The Company agrees to inform the IUDC of such usage of STP under this agreement and it is understood that there is no requirement to post.

Sincerely,

J.M. McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding – Exclusion of Staff of the Salaried Payroll from the IUDC Bargaining Unit

This letter will further confirm the understanding of the Company and the IUDC that the exclusion of staff on the salaried payroll from the Bargaining Unit will not be used to remove employees from the Bargaining Unit except those who will be hired, promoted or transferred into occupations traditionally on the salaried payroll. As of this date, the following titles are on the salaried payroll:

- All managers and supervisors;
- Marketing Administrators;
- HR Administrators;
- Financial Administrators;
- Accountants;
- Occupational Health Nurse;
- Senior Purchasing Representatives;
- Training Administrator;
- Security Administrators;
- Secretary/Administrative **Support**; and
- Executive Secretary/Executive Support.

While the above specifically outlines those positions in the Company paid on the salaried payroll, in general it is the policy of the Company to restrict the salaried payroll to persons employed in a supervisory or managerial capacity and to those on staff whose occupation involves making recommendations to the Company with regard to financial and policy matters.

Sincerely,

J. M. McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding – Transfer to SEAC

This letter will confirm the understanding of the Company and the IUDC and the exclusion of employees from the Bargaining Unit, as defined in Article 2.01(c), will not be used to transfer job classifications listed in the Wage Scale, from the IUDC to the Salaried Employees Alliance of General Dynamics Canada.

Sincerely,

J. M. McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding:– Pensions – 23.05

The Pension Plan will be continued during the life of this Agreement and will not be amended without the consent of the IUDC.

The Company and the IUDC will form a Joint Pension Review Committee consisting of at least two (2) IUDC members and at least two (2) Company members.

The Joint Committee will meet quarterly.

The Company will share available cost information relative to the costs of any improved benefit.

Sincerely,

J. M. McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding:– Compressed Workweek

This letter will confirm the understanding between the Company and the Independent Union of Defence Contractors with respect to the Compressed Workweek.

Employees will have the option of working a compressed schedule. The compressed schedule will span a normal two-week pay period and be defined as forty-four hours during week one and thirty-six hours during week two. Week one will consist of five (5) consecutive workdays, while week two will consist of four (4) consecutive workdays (Monday to Thursday).

Employees may be required to accept an alternative schedule if they are deemed an essential service. Based on the demands of the business, employees may be required to forgo a compressed schedule for a period of time.

The company reserves the right to modify the compressed schedule design based on general employee interest and the needs of the business.

Sincerely,

J.M. McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
General Dynamics Canada
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Intent - Sectoral Skills Training Fund

The company and the IUDC jointly recognize the effectiveness of the Sectoral Skills training process.

We are committed to the continuation of this process. To ensure its continuance, the Company agrees to support the funding of the program up to \$80,000 -- \$40,000 in the 1st year and \$40,000 in the 2nd year.

Additionally, the Company and the IUDC endorse the Guiding Principles of the Sectoral Skills committee.

Sincerely,

J. M. McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
General Dynamics Canada
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding – Temporary Posting

Regular Employees selected for a temporary job posting with their manager's approval shall return to their previously held position and classification at the end of the temporary job.

If, due to business requirements or other extenuating circumstances, the manager does not approve, then the employee and the IUDC shall be notified of the reasons for this decision and, upon request shall meet to discuss.

Sincerely,

J. M. McVeigh
Vice-president, Human Resources

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding. – Personnel File

The following documents will remain on an employee file for the stated period

<u>Letter of Counsel</u>	<u>6 months</u>
<u>Performance Improvement Plan</u>	<u>9 months</u>

All forms of Discipline 18 months

This will clarify that; all forms of Discipline will remain on an employee's file for a period of **18** months unless there is subsequent discipline. In such case the original discipline shall remain on file for a period of **18** months from the date of the subsequent discipline.

Sincerely,

J. M. McVeigh
Vice-president, Human Resources

October 1, 2006

J. M. McVeigh
Vice-president, Human Resources
General Dynamics Canada
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear Jane:

Re: Letter of Understanding – Job Evaluation Grievances

The Union agrees for the duration of the current Collective Agreement that it will not grieve the evaluations that resulted in the wage grid in the current Collective Agreement. This does not prevent grievances from being filed where the Union's position is that the duties and responsibilities for a job have changed since the commencement of the Collective Agreement.

Sincerely,

John L. Lapensee
President IUDC

October 1, 2006

Mr. J. Lapensee
President
Independent Union of Defence Contractors
3785 Richmond Road
Ottawa, Ontario K2H 5B7

Dear John:

Re: Letter of Understanding – Job Evaluation Implementation Guidelines

1. Placement on Wage Scale, where new Max rate is higher

Employee gets placed on the next step that **is** higher than their current wage rate.

2. Next Salary Action Date

The next salary action date for step increase remains unchanged.

3. Placement on Wage Scale, where new Max rate is lower

If employee is currently at the Max rate of their wage scale, their wage remains unchanged until the wage scale catches up, at which point the employee will be placed at the Max rate.

Until such time as the Max wage rate catches up, employees will be supplemented with a lump sum payment equal to the annual negotiated wage increase multiplied by their (wage rate*2080 hours).

However, if the new Max wage rate exceeds their current wage rate by an amount less than the annual negotiated wage increase, the lump sum payment will be the difference between the annual negotiated wage increase and their new wage rate.

These lump **sum** payments will continue each year in accordance with the above, until such time as they are no longer applicable.

4. Continuous Service Adder

If an employee has already reached the Max wage rate in their current wage scale, the service accrued toward the Continuous Service Adder will continue.

Sincerely,

J. M. McVeigh
Vice-president, Human Resources

APPENDIX J
PART-TIME EMPLOYEES

1. Employees classified as part-time are those regularly scheduled to work less than thirty-two (32) hours per week but who work more than One-thousand-forty (1040) hours of the available work hours in a fiscal year.
2. It is understood and agreed between the Company and the Union that part-time employees are included in the bargaining unit.
3. All provisions of the Collective Agreement shall apply to part-time employees except as follows:

4. ARTICLE 10

Part-time employees accumulate seniority and they will be credited with one-half (1/2) of their continuous service since the date of last hire.

- (a) It is understood that part-time employees will become part of the Seniority List based on their prorated accumulation.
- (b) When a full-time employee within the bargaining unit transfers to part-time, such employee(s) shall carry their seniority entitlement at the time of the transfer.

5. ARTICLE 20

Part-time employees will be entitled to vacation pay of six (6) percent of earnings which shall be calculated on a bi-weekly basis and added to their bi-weekly pay cheque.

6. ARTICLE 21

For all holidays on which a part-time employee would normally be scheduled for work, the employee shall be entitled to holiday pay in accordance with Article 21. For holidays on which a part-time employee would not normally be scheduled for work, the employee shall be entitled to holiday pay in accordance with the provisions of the Employment Standards Act.

7. ARTICLE 23

23.02 - Life Insurance - The Company shall provide basic employee Life Insurance equal to \$20,000. Employees may purchase additional Life Insurance in units of \$10,000 to a maximum of \$20,000. Medical evidence is required.

Major Medical - Same as full-time with premium sharing arrangement

Dental - Basic plan coverage with premium sharing arrangement

23.05 - Pension - comply with legislation effective 1 January 1987 relating to part-time workers.

8. APPENDIX D

Part-time employees who are eligible for sick leave shall be paid based on equivalent hours normally worked.

Sick Leave may be accumulated and carried over in case of extended illness up to two consecutive weeks.

9. APPENDIX E

Dental - Basic Plan - 100% cost sharing after ten (10) years service (based on proposed seniority calculation).

INDEX


<u>Article</u>	<u>Page</u>
APPENDIX A - Wage Scale.....	30
APPENDIX B - Wage Increment Schedule.....	36
APPENDIX C - Team Skills.....	37
APPENDIX D - Sick Leave	38
APPENDIX E - Group Insurance Plan.....	40
APPENDIX F - Temporary Employees	41
APPENDIX G - Training	42
APPENDIX H - Supplemental Employment Benefits	42
APPENDIX I - Letters of Understanding	44
APPENDIX J - Part-time Employees.....	57
ADOPTION LEAVE	15
ANNUAL VACATION.....	24
ARBITRATION	6
BENEFITS	26
BEREAVEMENT LEAVE.....	26
CALL-IN AND PRE-SCHEDULED OVERTIME	24
CHECK OFF	3
COST OF LIVING (17.02)	21
CO-OPERATION	2
DENTAL BENEFITS (E8)	40
DISCIPLINARY PROCEDURE (7.11)	6
DISPUTE RESOLUTION.....	4
DURATION OF AGREEMENT	29
FAMILY MEDICAL LEAVE.....	43
GROUP INSURANCE PLAN.....	40
HEALTH AND SAFETY	27
HOLIDAYS (STATUTORY).....	25
HOURS OF WORK	20
JOB CLASSIFICATION AND JOB EVALUATION	7
JOB POSTINGS	11
JOB SECURITY	28
JURY/WITNESS DUTY (13.06).....	14
LAY-OFF	15
LEAD HANDS (17.05)	22
LEAVE OF ABSENCE	13
LEGISLATION	29
LIFE INSURANCE (E5-7).....	40
MANAGEMENT FUNCTIONS.....	3
MATERNITY LEAVE (13.07).....	42
NATIONAL SECURITY.....	27
NEW EMPLOYEE INTRODUCTIONS (4.04)	3
NO STRIKES OR LOCKOUTS.....	4
NON-DISCRIMINATION	29
NOTICE BOARDS	27

INDEX (Cont'd)


<u>Article</u>	<u>Page</u>
OVERTIME.....	20
PART-TIME EMPLOYEES	57
PENSIONS (23.05)	26
PERFORMANCE AND DEVELOPMENT APPRAISAL.....	28
PERFORMANCE IMPROVEMENT PLAN (7.11)	6
PERSONNEL FILES	28
PROMOTIONS (ARTICLES 11 & 12).....	11
PURPOSE OF AGREEMENT	1
RECOGNITION	1
SENIORITY PROVISIONS	8
SHIFT PREMIUM	23
SICK LEAVE	38
TEAM SKILLS (APPENDIX C).....	37
STAND-BY (19.04)	24
SUB-CONTRACTING (3.10)	2
TEMPORARY TRANSFERS (10.07).....	8
TEMPORARY TRANSFER-PAY (17.04)	21
TRAINING	42
VACATION.....	24
WAGES (APPENDIX A & B).....	30-36
WELFARE BENEFITS AND PENSION PLAN.....	26
WORKFORCE REDUCTIONS AND RECALL	15

IN WITNESS THEREOF, the parties hereto have caused this agreement to be executed by their proper officers, duly authorized in that behalf on this day of 24 October, 2006 at Ottawa, Ontario.


General Dynamics Canada Ltd



John De Lorenzi



Eugenio Rino



Peggy Boyd



Rodger Richardson



David Mugford


Independent Union of Defence Contractors



John Lapensee



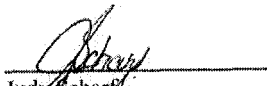
Brian Dunlop



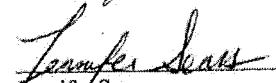
Dave Weyman



Jackie Lefebvre



Judy Scharf



Jennifer Sears