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No. OF EMPLOYEES	1280		
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AGREEMENT
A
SUPPLEMENTAL LETTERS

Between



NAVISTAR INTERNATIONAL CORPORATION CANADA

Chatham, Ontario

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NATIONAL AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS UNION OF CANADA (CAW - CANADA) AND IT'S LOCAL 127

Dated October 25, 1993

AGREEMENT

Between

NAVISTAR INTERNATIONAL
CORPORATION CANADA

Chatham, Ontario

-- and --

NATIONAL AUTOMOBILE, AEROSPACE
AND **AGRICULTURAL** IMPLEMENT
WORKERS UNION OF CANADA
(**CAW** - CANADA)
AND IT'S LOCAL 127

Dated October 25, 1993

1994

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TABLE OF CONTENTS

ARTICLE		PAGE
1	Scope and Purpose of Agreement-----	1
2	Recognition-----	1
3	Representation-----	2
4	Grievance Procedure -----	6
	- Arbitration-----	9
5	Employee Discipline/Discharge -----	16
6	Functions of Management -----	19
7	Seniority-----	20
	- Probationary Employees -----	20
	- Plant Wide Seniority -----	21
	- Termination of Employment and Service--	21
	- Preferred Seniority (Union Reps)-----	24
	-SeniorityLists-----	25
	- Static Physical Defects -----	26
	- New Job or Vacancy Procedure -----	27
	- Reductions of Available Work in a Dept. --	30
	-Layoff-OutofPlant-----	34
	-ExceptionstoSeniority-----	37
	- Temporary Layoff -----	38
	- Temporary Layoff Inverse Seniority Agreement -----	39
	- Recall and Restoration of Forces -----	42
8	Hours of Work, Overtime Policy & Holidays ----	46
	- 18 Minute Lunch (continuous shifts) -----	47
	-ShiftPreference-----	48
	- Overtime and Premium Pay -----	48
	-CallIn/ReportInPay-----	51
	-OvertimeEqualization-----	51
	- Supplemental Overtime -----	56
	- Shift Premium -----	58
	-HolidayQualifications-----	58
	- Christmas Holiday Schedule -----	59
	- Holidays -----	61
	- Bereavement -----	63
	-SupperAllowance-----	66
9	SafetyandSanitation-----	66

TABLE OF CONTENTS (con't)

ARTICLE	PAGE
10 Vacations -----	74
- Qualifications -----	75
- Vacation Schedule -----	75
- Rates of Pay -----	75
- Vacation Scheduling Procedure . -----	79
- Vacation Bonus -----	81
- Paid Absence Allowance -----	83
11 Apprentices -----	84
12 Jury Service -----	84
13 Bulletin Boards -----	86
14 Leaves of Absence -----	86
15 Wages, Standard Time Incentive Plan & Allowances -----	88
- Establishment of Labour Grade -----	89
- Classifications -----	89
- Annual Improvement Factors -----	90
- Automatic Progression -----	92
- Retiming Procedures -----	97
- Temporary Incentive Standards (c) ----	107
- Pool Operation Time Sheets -----	107
- Medical Treatment Rates of Pay -----	107
16 Check Off of Union Dues & Initiation Fees -----	108
17 Insurance Plans Table of Benefits -----	112
18 Skilled Trades -----	114
19 Benefit Plans -----	120
20 General Provisions -----	120
- Job Security and Outside Contracting ----	120
- Canteen Committee -----	122
- Garnishments -----	122
21 Right to Amend and Supplement -----	122
22 Duration of Agreement -----	122
 APPENDICES	
A Hourly Day Rate Ranges -----	123
A1 Hourly Day Rate Ranges (New Hires) -----	126
B Hourly Increase Adjustment -----	127
B1 Hourly Increase Adjustment (New Hires) -----	128
J Job Classifications -----	129
L Voluntary Overtime -----	131
 Supplemental Letters List -----	 134

Agreement

CHATHAM PLANT

THIS AGREEMENT, made and entered into this **25th** day of October **1993** by and between the National Automobile, Aerospace and Agricultural Implement Workers Union of Canada (CAW--Canada) and its Local 127, hereinafter referred to as the "Union" and the Chatham Plant of Navistar International Corporation Canada, hereinafter referred to as the "Company".

WITNESSETH: That the parties hereto have agreed as follows:

ARTICLE 1 SCOPE AND PURPOSE OF AGREEMENT

- 2 1.01 It is agreed and understood between the Union and the Company that this Agreement is limited to and embraces only such matters as are specifically set forth in the Agreement, such as rates of pay, wages, hours of employment and other conditions of employment, and that all other matters shall be subject to further negotiations. The general purpose of this Agreement is to maintain harmonious relations between the parties and to facilitate orderly adjustment of grievances, complaints and disputes which may arise from time to time between the Company and the Union. This Agreement is entered into in consideration of the mutual performance thereof in good faith by the parties.

ARTICLE 2 -- RECOGNITION

- 3 2.01 The Ontario Labour Relations Board having held a collective bargaining election on June 21, 1994,

and having certified as a result the Union is the duly authorized representative of the majority of the employees in the Union hereinafter referred to, the Company recognizes the Union as the sole representative of all employees in such unit (as hereinafter defined) for the purpose of collective bargaining, provided that nothing in this Agreement contained shall be deemed to take away the right of any individual employee to present any of his personal complaints to his foreman.

- 4 2.02 (a) The Company recognizes and will not interfere with the right of its employees to become members of the Union, and will not discriminate against, interfere with, restrain or coerce employees because of membership in the Union. The Union agrees not to intimidate or coerce employees into membership and also not to solicit membership or collect dues on Company time.
- 5 (b) The Company shall take appropriate disciplinary action including discharge in any case of an employee who on Company time carries on anti-union activity or who on Company time seeks, directly or indirectly, to interfere with the status, membership or responsibilities of the certified Union.
- 6 2.03 The unit recognized as appropriate for purposes of collective bargaining and represented by the Union is as follows:

All of the employees of the Navistar International Corporation Canada, employed at its Chatham Plant, except:
 - 7 1. Salaried employees
 2. Factory and office clerical employees
 3. Plant Protection employees.

ARTICLE 3 -- REPRESENTATION

- 8 3.01 The Union Committee will be made up of: Plant Chairman and five (5) 1st shift Committeemen and one (1) 2nd shift committeeman.
- 9 In addition the Union shall designate four (4) Zones to be represented by four (4) day shift Stewards.
- 10 Designated Plant Committeemen will work on the day shift, except for the 2nd shift Committeeman who will work on the second shift and a 3rd shift Committeeman who will work on the 3rd shift and be afforded time off as may be required up to a maximum of four (4) hours per shift, for the performance of his Union duties. **When there are 100 or more employees on third shift, the third shift Committeeman will be afforded time as needed.**
- 11 On the second shift the Union shall designate a Plant Steward in the event there are more than one hundred (100) employees. **In the event the main chassis assembly line is on a two shift operation, the Union shall designate one (1) additional Plant Steward at each of the following population levels: greater than 250, 400, and 550.** One skilled trades employee will be designated on each of the second and third shifts for the sole purpose of representing the skilled trades employees on these shifts. The Company will recognize a Committeeman on the 2nd shift who will be assigned to a department but will represent all workers on that shift, **except Skilled Trades.** All plant Stewards shall function in the first and second step of the grievance procedure except as otherwise provided for in Art. 4, Sec. 4.01. If a Steward is unable to resolve the problem with the appropriate foreman the matter will be referred to the 1st, 2nd or 3rd shift Committeeman who will, if necessary, proceed with the grievance through the grievance procedure.

- 12 The Union Shop Bargaining Committee shall consist of the Plant Chairman, and all Plant Committeemen with the exception of the clean-up crew committeeman. A Union Safety representative may be called to discuss safety issues.
- 13 The Plant Grievance Committee will consist of the Plant Chairman and four (4) day shift Committeemen. The Skilled Trades Committeeman, Second Shift Committeeman, and/or the Union Safety Representative may be called to discuss issues that pertain to their areas of representation.
- 14 When a Committeeman is absent for purposes other than training, a Zone Steward will act as the Committeeman's alternate and assume the functions of both duties. When a committee person is absent for training one (1) day or less, either on or off-site, a zone Steward will act as the Committee person alternate and assume the functions of both duties. For training of more than one (1) day, the zone Steward will act as Committee person, and the area alternate Steward will replace the zone Steward.
- 15 In the event the Zone Steward is acting Committeeman for four (4) consecutive hours or more, the Zone Steward's function may be assumed by an Alternate Steward, as designated by the union, excepting that in the case where the Committeeman's absence is due to a vacation of one (1) week or more the Zone Steward may then be replaced by the Alternate Steward immediately.
- 16 The Union will inform the Company in writing of the identity of the Committeemen and Stewards; and the department or group of departments and shifts which each represents. The Union will provide the Manager of Human Resources or his designee with an updated list of Committeemen and Stewards every six (6)

months. This list will also designate the departments, and shifts they represent and also the committees they are on. No one shall be eligible to serve as a Union Committeeman, Steward or shop bargaining Committeeman unless he is an employee of the Company nor until his name has been placed on the Plant Wide seniority list. The Company will recognize and negotiate with said Committeeman, Stewards, and Shop Grievance Committee with respect to the adjustment of grievances as provided in the following Article.

- 17 When there is an increase or decrease of working force, the number of Committeemen and Stewards may be increased or decreased by mutual consent.
- 18 3.02 The Company will provide prior written notification to the Chairperson of newly appointed Plant Supervisors and the department(s) they will supervise.
- 19 3.03 Committeemen and designated Local Union officers shall be permitted to leave the Plant on Union business during working hours upon request, provided they obtain standard gate passes from their Supervisors before they leave the Plant. It is understood that this time is not to be paid for by the Company. In addition, upon written request of the Local Union given to the Plant Human Resources Manager or designated representative as far in advance as possible but in no event later than the day prior to the requested absence, this Section shall be applicable to designated employee members of special Local Union Committees, provided that not more than twelve (12) of such employees shall be permitted to be absent from the Plant under this section at the same time and further provided that the notice shall specify.

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the duration of the absence, which shall not be less than the first half or the second half of the employee's shift. The Local Union Election Committee will be excused upon request under the same terms applicable to special Local Union Committees and members of such Election Committee will be included in determining the fifteen (15) employee limit which is in effect when the Election Committee must be excused

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20 3.04 Time spent by Union representatives in negotiating labour contracts with Management, attending meetings with Management or otherwise carrying on the duties of Union representatives as agreed to by the parties, will be counted as time worked in computing all service and attendance records, excepting that those given leave of absence to perform duties as International representatives shall not receive attendance credits for vacation eligibility during such absence.

21 3.05 No Local Union Committeeman or member of the Local Union Executive Board may be appointed to any position outside the bargaining unit until at least six (6) months after the expiration of his term of office, without the consent of the Local Union.

ARTICLE 4--GRIEVANCE PROCEDURE

22 4.01 Both the Company and the Union agree that avoiding unnecessary grievances and the handling of oral grievances is dependent on the understanding and the combined co-operation of management and Union Representatives.

23 Should disputes arise between the Company and the Union or employees as to the meaning and application of the provisions of this Agreement, or as to the compliance of either party with any of its obligations

under this Agreement or should there be any complaint or grievance by any employee of the bargaining unit or the Company, there shall be no written grievance until an earnest effort has been made to discuss and resolve the grievance between the affected parties

- 24 First, between the employee affected and the departmental Superintendent, with the assistance of the area Union representative and any appropriate principles of the disputes unless the employee declines such assistance. The Company will recognize duly appointed alternate representatives provided that the alternates' names are on the list of alternates. Such list will be provided by the Union and will be updated by the Union from time to time by written notice to the Company.
- 25 Such a meeting will take place within three (3) working days from the time the Union representative requests the meeting with the departmental Superintendent. The Departmental Superintendent shall respond giving his verbal disposition to the dispute within twenty-four (24) hours from the time of this meeting. Any resolution attained at this meeting will be without prejudice or precedent to either party. If the dispute is still unresolved, a formal grievance will be written and submitted to the first step of the procedure. Upon receipt of such grievance, the Superintendent must sign and date the grievance in the presence of the Union Committeeman.
- 26 Prior to any written grievances being accepted into the second step of the procedure, the above meeting must have taken place, the grievance must be signed by the superintendent and all relevant facts documented by the involved parties.
- 27 Second, between the area Union Committeeman and area steward or 2nd or 3rd Shift Committeeman, the Chairman of the Plant Grievance Committee and a

Management Committee of up to three (3) people including the Human Resources Manager. These second step grievance meetings shall be conducted twice (2) per month with no more than one (1) meeting per week. By mutual consent between the Labour Relations Manager, the Plant Chairman and the Department Head, the employee involved may be included among those participating in the meeting. In cases of discipline the employee will be involved at the discretion of the employee and the Union.

- 28 Policy grievances will be submitted at this step of the grievance procedure. It is understood that Union policy grievances are limited to such areas as the claim of incorrect interpretation or administration of the Agreement or other action which may affect the collective interests of the bargaining unit.
- 29 Third, between the designated Union grievance committee, National Union representatives along with, if required, the Committeeman or 2nd or 3rd Shift Committeeman involved in the grievance, and the representatives from the Company's General Offices along with selected Plant personnel. It is understood that the extra committeeman is not a voting member of the Union Grievance Committee.
- 30 The Third Step Meeting will be held once every month unless mutually agreed otherwise.
- 31 The Union Shop Grievance Committee shall be permitted to meet privately for a period up to one (1) hour immediately prior to the Third Step Meeting for the discussion of grievances, and shall be entitled to be compensated by the Company for the time involved.
- 32 Fourth, when a grievance which alleges a violation or misinterpretation of this Agreement has not been settled at step three, or when there is a question of the arbitrability of an issue, either party may move the grievance or the question to arbitration.

33 Notice of appeal to arbitration must be given by the moving party to the other within thirty (30) calendar days from receipt of the written answer at step three.

34 Grievances appealed to arbitration will be presented to the arbitrators hereinafter described who will act in rotation in the order that their names appear.

The following constitutes the list and rotation of the arbitrators:

1. E. Palmer
- 35 2. G. Brandt
3. W. Rayner

36 If, in the regular rotation, an arbitrator is unable to specify a date for the arbitration hearing within a reasonable period of time from the date the grievance is submitted to him, the parties may agree to request another arbitrator in rotation to provide such a date.

37 When arbitration deals with work quotas or time standards, it will not be subject to the regular rotation of arbitration. For such grievances the parties will endeavour to agree on an arbitrator who must be qualified by training to deal with such matters. Failing agreement by the parties on an acceptable arbitrator within ten (10) calendar days of the receipt of the notice, the parties shall request the Ontario Arbitration Commission to appoint an arbitrator who is technically qualified.

38 The arbitrator shall not have any jurisdiction to change any of the provisions of this Agreement or to add any new provisions to it or give any decisions inconsistent with it. He shall, however, in respect to a grievance involving a suspension or discharge, be entitled to modify or set aside such penalty, if in the opinion of the arbitrator, it is just and equitable to do so.

- 39 A claim that either the Company or the Union has violated some provision of this Contract or failed to perform some obligation assumed under this Contract, is an "arbitrable grievance" within the meaning of this Contract.
- 40 The parties to the grievance shall be bound by the decision of the arbitrator.
- 41 The decision on grievances which have been referred to arbitration will be rendered within thirty (30) days following the date of the arbitration hearing.
- 42 The Union and the Company shall each be responsible for one-half of the expenses of the fee payable to the arbitrator. Union representatives who are needed by the Union in the presentation of their cases and employees who are to appear as witnesses for the Union will be excused from work without pay to attend a hearing upon written request by the Union.
- 43 The Company or Union shall be under no obligation to consider or process any grievance unless such grievance has been presented in writing within forty-five (45) days from the time the circumstances on which the grievance is based, were known to the employee(s) presenting the grievance.
- 44 All grievances regard job notifications must be filed within five (5) working days from the time that the successful job applicant is selected, except in cases where a job bidder is absent with authorization, the grievance must be filed within five (5) working days of his return to work or 45 days from the time that the successful job applicant is selected, whichever is sooner.

- 45 The Company shall be under no obligation to give further consideration or process any grievance which has been answered by the Management at any step of the grievance procedure unless the Union has within thirty (30) days of the date of such written answer by the Management given written notification to the Company of a desire to take the grievance up to the next step of the grievance procedure, or that the Union desires additional time to make such decision. Such additional time, if requested, shall not be such as will extend the total time to make such decision beyond 60 days from the day of Management's written answer unless otherwise agreed to by the Management.
- 46 4.02 Union Committeemen shall be afforded such time off without loss of pay as may be required for the performance of their Union duties. First, **and second** Shift Union Stewards will be afforded time off as may be required for the performance of their Union duties. The duties of Union representatives are namely:
- 47 (a) To attend regularly scheduled meetings with the Management and to attend meetings with the Management pertaining to discharges and other matters which cannot reasonably be delayed until the time of the next regular meeting. Before leaving his place of employment, each representative shall give notice to his foreman or other person designated by the Company as his replacement.
- 48 (b) To make necessary legitimate investigations of employee grievances or complaints as to the meaning or application of the provisions of this Agreement provided the Union representative in advance, tells his foreman the approximate amount of time required to make that investigation, and if he is leaving the department, where he is going. The foreman will provide a substitute if the Union Representative's absence will interfere with the normal operation of the department.

- 48 The Company will not be required to pay Union representatives for time allegedly spent in investigating employee grievances in any case in which the privilege is abused by the Union representative who uses the time permitted for any reason other than making necessary legitimate investigations of employee grievances.
- 49 In the event the job being performed by a Plant Committeeman, Plant Steward or Union officer is, in the Company's opinion, of such a critical nature, that such Union representative's absence, due to performance of Union duties will impede or hinder efficient plant operation, the Union representative concerned shall, by mutual agreement, be placed on a job of a less critical nature in keeping with his classification and abilities.
- 50 4.03 The Union agrees that any grievance, complaint or dispute will be reduced to writing stating the provision(s) of the Agreement relied upon in support of the Union's position, for presentation in all steps of the grievance procedure, However, this provision will not prevent the Union from referring to any other pertinent section of the agreement in support of their claim. The Company agrees that its decision on any such grievance, complaint, or dispute shall be given to the Union in writing.
- 51 4.04 The Company agrees that a decision will be given within twenty-four (24) hours in the first step unless additional time for the company's investigation is required at which time, the time limits will be extended by mutual agreement of the Union and within one (1) week in the second step of the grievance procedure, and whenever reasonably possible, within two (2) weeks in the third step of the grievance procedure. Failure of the Company to answer a written grievance within a reasonable time in the succeeding steps of the grievance procedure shall entitle the Union to carry the grievance to the next step.

- 52 4.05 Whenever a grievance involving basic pay is settled in favour of the employee, such reimbursement of pay shall be retroactive to the date of the circumstance which justified the reimbursement or sixty (60) days prior to the date of the presentation of the grievance to the Company in writing, whichever is the shorter period.
- 53 4.06 Whenever the Management requests a Union Representative to leave his job and confer upon Union matters, such representatives shall not lose pay for the time so spent. In case such representative works on the second or third shift and the Management requests him to confer at an hour which requires him to make a special trip to the plant, he shall be compensated at his contractual rate for the time so spent.
- 54 4.07 Subject to all established plant rules, a representative of the National Union shall at the request of the Union Grievance Committee, be permitted to enter the plant for the purpose of obtaining necessary information pertaining to any grievance which has reached the third step of the grievance procedure and to attend the third step meeting provided necessary arrangements are made with the Human Resources Manager.
- 55 4.08 Any case involving a continuing refusal of management to return an employee to work after disability, by reason of the medical findings of a physician or physicians acting for the Company, will be reviewed as soon as possible between the Company and the National Union, if such findings are in conflict with the findings of the employee's personal physician with respect to whether the employee is able to do a job to which he is entitled in line with his seniority. Failing to resolve the question, the parties will refer the employee to a clinic or physician mutually agreed upon whose decision with respect to whether the employee is or is not able to do a job to

which he is entitled in line with his seniority shall be final and binding upon the Union, the employee involved and the Company. The expense of such examination shall be paid one-half by the Company and one-half by the Union. Any retroactive pay due to the employee shall be limited to a period commencing with the date of filing of the grievance, or the date the employee became able to do a job to which he is entitled in line with his seniority whichever is the later.

- 56 4.09 (a) As soon as possible upon written identification from the Plant Chairman to the Human Resources Manager, of unresolved grievances which the Union feels are appropriate for submission to the Expedited Mass Arbitration process, the Company will arrange for a pre-arbitration meeting. The purpose of this meeting shall be to reach agreement on the grievances to be scheduled for Expedited Mass Arbitration. Should the Company not agree to schedule a particular grievance for Expedited Mass Arbitration, it shall be processed in accordance with the regular procedure, unless withdrawn by the Union.
- 57 Any grievance may be submitted to the Expedited Mass Arbitration process, provided it has passed the second step of the grievance procedure, and both the Company and Union agree to put it there. Expedited Mass Arbitration meetings shall be scheduled one every calendar quarter unless mutually agreed otherwise.
- 58 (b) During or immediately after the meeting, the Union will submit to the Company a list of the cases which the parties have agreed are appropriate for Expedited Mass Arbitration and which the Union desires to go forward with.
- 59 (c) The Arbitrator designated by the parties will be contacted immediately by the parties for available dates for Expedited Mass Arbitration. This Arbitrator

shall be selected from a panel of four (4) mutually agreed upon Arbitrators. These Arbitrators shall be numbered and selected in order of that number. If a suitable meeting date is not available, that Arbitrator will be by-passed and the next Arbitrator on the list will be selected. This list of Arbitrators will be in effect for the life of this Agreement.

- 60 (d) At least one (1) week in advance of the arbitration, the spokesman for the Company and the spokesman for the Union who will present the case to the Arbitrator will meet together at the plant for the purpose of conducting a joint investigation, which shall be the last investigation before the hearing by either party, unless otherwise agreed. The purpose of this joint investigation shall be to identify specifically those areas where the Company and the Union are in agreement and those issues and allegations where they are apart.
- 61 (e) On the day preceding the scheduled Expedited Mass Arbitration (or such other time as the parties may agree) a hearing in the nature of a pre-trial conference will be held at which will be present only the spokesmen who will present the case on behalf of the Union and the Company and the Arbitrator who is scheduled to hear the cases. The conference will be conducted by the Arbitrator (with or without a stenographer as the parties may agree) and the parties will be asked to identify briefly the relevant facts, areas of agreement and disagreement, and the evidence to be presented at the hearing. The purpose of this conference shall be to acquaint the Arbitrator with the cases to be heard and narrow the issues where possible.
- 62 (f) At any time before the hearing, either party, or the Arbitrator at the pre-trial conference, may conclude that the issues involved are of such complexity or significance as to require further consideration, in

which event, the case shall be referred back to and processed through the regular grievance-arbitration procedure.

- 63 (g) The hearing will be informal. The local Manager Human Resources and/or Labour Relations Manager will act as the spokesperson(s) for the Company, and, the local Plant Chairman and/or Vice Chairman will act as the spokesperson(s) for the union.
- 64 (h) No briefs will be filed or transcripts made, but the parties will submit a brief "presentation sheet" which will reflect (1) the issue, (2) facts agreed to by the parties, (3) facts in disagreement between the parties, (4) a short summary of the parties' contention in the case and (5) the relief requested.
- 65 (i) The Arbitrator shall be bound by all the terms, conditions and procedures of the Agreement. Neither party may submit relevant precedence from other cases to the arbitrator, although the arbitrator may consider other precedence without stating such in his/her decision.
- 66 (j) In each case, the Arbitrator shall issue his decision, in writing, within seventy-two (72) working hours after conclusion of the hearing. The decision shall be based on the record developed and presented by the parties at the hearing and shall state only whether the grievance is granted or denied, or granted in part and denied in part, and the appropriate remedy, if any. The decision will not form a precedent for any future cases and will be expressly confined to the particular facts of the case. The decision shall be final and binding upon both parties.

ARTICLE 5--EMPLOYEE DISCIPLINE

- 67 5.01 (a) The Company, in directing the working force, may exercise its right to invoke disciplinary measures for just cause, subject to the terms and

conditions of this Agreement. In imposing discipline on a current charge, the Company will not take into account any prior infractions which occurred more than two (2) years previously. Departmental disciplinary files will be purged of all discipline that is over two (2) years old. The Company will not discharge an employee for falsification of his medical records or his employment application after the employee has two (2) years of service. 9/1

- 68 (b) An employee who is required to go to an office to discuss some action on his part which will result in such employee being disciplined, shall have his Union Committeeman present during such discussion unless the employee declines the right to have representation in the presence of their Union Committeeman. At the time an employee is to be interviewed for discipline or disciplined, such discipline will be issued in the privacy of an office.
- 69 5.02 Discharge Cases--Upon being notified of his discharge, it shall be the duty of an employee to leave his department and go to the Human Resources Department. The Union departmental representative and the Plant Chairman shall be immediately notified and given the opportunity to review such discharge case with the employee alone or with others before the records in the Human Resources Department are closed. The wages of an employee shall cease at the time of his discharge excepting in cases where it is later determined that the discharge was not warranted.

- 70 An employee who is discharged will be furnished with a brief written statement describing the misconduct for which he has been discharged. The written statement furnished to the employee shall not limit Management's rights, including the right to rely on additional or supplemental information not contained in the statement to the employee. In exceptional cases where the above is delayed, the special circumstances will be reviewed with the Plant Chairman. The Plant Chairman will receive a copy.
- 71 5.03 In the event an employee is discharged from employment and believes he has been unjustly dealt with, such discharge shall constitute a case arising under the method of adjustment of differences herein provided. Should it be decided under the terms of this Agreement that an injustice has been done the employee with regard to the discharge, the Company agrees to reinstate him and to reimburse him for the wages he would normally have earned for the time lost, less what the employee has earned in outside employment since his discharge, to the extent of the hours he would normally have worked for the Company. These hours will also be counted as hours worked in determining credit units under the Supplemental Unemployment Benefit Plan, pension credits under the Non-Contributory Retirement Plan, and for vacation purposes. In case of any such discharge, the Company must be notified in writing of the claims of the alleged wrongful discharge within five (5) working days and the case shall be taken up promptly and diligent efforts made to dispose of it within three (3) additional working days. An extension to the five (5) working day time limit may be granted by mutual agreement between the Company and the Union.

72 In the event the Company is notified as above regarding claim of wrongful discharge, the employee will be permitted to continue his protection under the Group Insurance Plan until the issue is resolved but not to exceed twelve (12) months. If the employee is reinstated and the Company is obliged to reimburse him for lost earnings, he will also be reimbursed to the extent of contributions he made to any such plans up to the amount which normally would have been paid by the Company in his behalf.

73 Should it be decided under this Article in the case of a discharged employee that there was good cause for the discharge, or a discharged employee files a grievance requesting only a determination of eligibility for supplemental allowance (where the Company has specified that the reason for the employee's discharge will result in his being ineligible to receive a supplemental allowance), the arbitrator shall have the authority to determine in the case of an employee eligible to retire under Section 1.02 of Article 1 of the Non-Contributory Retirement Plan whether the cause for his discharge should result in his being ineligible to receive a supplemental allowance under such Retirement Plan.

ARTICLE 6--FUNCTIONS OF MANAGEMENT

74 6.01 It is agreed that the Company has the right to direct generally the work of the employees subject to the terms and conditions of this Agreement, including the right to hire employees, to promote and transfer employees for proper cause, to discharge, suspend and demote employees for just cause, to assign them to shifts with due regard to seniority, to determine the amount of work needed, and to lay them off because of lack of work in accordance with the provisions herein. However, none of the foregoing shall be done for the purpose of unfair discrimination.

75 6.02 To enable the Company to keep its products abreast of scientific and technical advances, it is agreed that the Company may from time to time, and without reference to the rules of seniority set out in this contract, hire, transfer, teach, and assign duties to a small number of technical men or others to be mutually agreed upon between the Company and the Union.

76 6.03 The Company has the right to maintain discipline of employees including the right to make reasonable rules and regulations for the purpose of efficiency, safe practices and discipline. The Company will inform the Union of any changes in existing rules and regulations or the establishment of new rules and regulations before such changes are made effective. Any complaint as to the reasonableness of such rules or any grievance involving claims of discrimination against any employee in the application of such rules shall be subject to the grievance procedure of this Contract.

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ARTICLE 7--SENIORITY

77 7.01 Employees shall be regarded as probationary employees for the first two (2) months of their employment. All days of absence lost by a probationary employee, except designated holidays, must be made up by working an equivalent number of days. **Days spent on modified duties due to medical reasons shall be deemed days of absence lost.** An employee shall not acquire seniority until all such days of absence are made up There shall be no responsibility for the re-employment of probationary employees if they are discharged or their service is terminated for any reason other than no work. When a probationary employee is terminated, such termination will be discussed between the Human Resources Manager and the Union Plant Chairman. A probationary employee will have no seniority rights, but when such rights are acquired, service will date back to the date of employment.

- 78 A grievance resulting from the dismissal of a probationary employee may be processed through the grievance procedure but not to arbitration, unless discrimination under the Ontario Human Rights Code or Union activity is alleged. A probationary employee is entitled to all other rights and privileges accruing to employees under this Agreement.
- 79 7.02 After two (2) months employment within any period of eighteen (18) consecutive months an employee shall be entitled to be placed on the plant-wide seniority list and such seniority shall date from the date of hiring.
- 80 Seniority numbers will be applied as of the date hired, by a random procedure determined by the Employment office and each employee's relative position to other bargaining unit employees will remain constant through his employment period. Seniority numbers will be used for the purposes of lay-off, recalls, transfer and other seniority provisions outlined in the Agreement.
- 81 7.03 Employees having two (2) months or more of service shall be placed on the plant-wide seniority list.
- 82 7.04 In determining an employee's length of service for seniority and employment purposes, computation will begin on the date the employee began work and, except in the case of probationary employees, no deductions will be made for lost time due to any reason; however,
- 83 Employment and service shall both terminate when:
(a) An employee voluntarily leaves the Company's employ.
- 84 (b) An employee is discharged for cause, and the decision is not reversed under provisions of Article 5 herein.

85 (c) Due to layoff, because of no work of an employee on the probationary list a period of more than eighteen (18) months has elapsed since the employee last worked for the Company.

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86 (d) Due to layoff, because of no work, of an employee on the seniority list, a continuous period equal to the length of service he had acquired at the time of such layoff has elapsed, or a period of more than four (4) years has elapsed, whichever is longer,

87 (e) An employee who has been laid off because of no work fails to notify the Employment Office within three (3) working days of the receipt or the return of a registered recall letter of his intent to return to work, and fails to report for work within five (5) working days from such date. These requirements will be waived providing a reasonable explanation is given to Management. For purposes of recall it shall be the responsibility of an employee to notify the Employment Department in writing of any change of address. Failure to do so will relieve the Company of any obligation to the employee not fulfilled because of incorrect address. However, for a period not to exceed thirty (30) days, in connection with the annual vacation shutdown and maintenance period, an employee who is notified to report for work shall have the right to elect to continue on layoff if he provides evidence that he is employed elsewhere (except self-employment) without loss of seniority.

88 (f) An employee fails to report for work at termination of a leave of absence. This requirement will be waived provided a reasonable explanation is given to Management for not reporting.

- 89 (g) An employee has been out of employment with the Company for more than forty-eight (48) consecutive months or length of service, whichever is greater for any reason other than layoff because of no work. However, it is agreed that the Company and the Union, by mutual agreement, may make exceptions to the seniority provisions of this contract in favour of an employee who has suffered a major disability.
- 90 (h) An employee has been absent from work for more than five (5) consecutive working days without formal permission for such absence having been granted, as provided under Article 14. Such absence will be waived provided a reasonable explanation is given to Management.
- 91 Employees may be subject to dismissal for chronic absenteeism without permission after having been formally warned regarding such practice. Employees will be subject to termination proceedings with the status of "quit" employee if absent for more than five (5) consecutive working days for reasons other than disability unless a formal leave of absence has been granted. The Company will notify the Union Plant Chairman when an employee has been absent four (4) consecutive working days and is subject to the terms of this section.
- 92 (i) Seniority only shall cease when an employee is, or was, transferred pursuant to Article 7.07 and such employee does not return to the Bargaining Unit within the prescribed time limits in Article 7.07.
- 93 (j) An employee applies and receives a termination payment by the Company pursuant to the Termination Payment Plan.

94 In the application of (e), (f) and (h) of this Section 7.04, inability to report for work up to a period of one hundred and twenty (120) days because of detention arising out of a charge or conviction involving the operation of a motor vehicle will not be regarded as breaking seniority. In cases where detention exceeds one hundred and twenty (120) days consideration will be given by local Management based on the circumstances relating to the individual case. In the event, the Courts grant a work release program for motor vehicle violations to the employee, the Company will honour such program.

95 7.05 Former employees re-entering service after their continuity of service has been broken by any of the foregoing reasons shall be considered new employees.

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96 7.06 (a) The Company agrees to accord a preferred seniority status to the Chairman of the Union Shop Committee, **Plant Safety Chairperson**, Union Shop Committeemen, Union Shop Stewards and Local 127 Officers (President, Vice-President, 2nd Vice-President Recording Secretary, Financial Secretary, Head Trustee) so that the Union is assured of proper representation in the plant as long as there are employees working in those areas to be represented in accordance with the provisions of this agreement. Committeemen and Stewards may be transferred from job-to-job within the department or departments they represent, when necessary, because of reduced operations, on the basis of their regular seniority first, and preferred department(s) seniority when their regular seniority expires. The designated Local Officers and Plant Chairman (see Letter No. 124 re Plant Chairman) will maintain preferred seniority on a plant-wide basis once their regular seniority expires. In no case shall the Company be under obligation to assign work because of preferred seniority status to a person who is not capable of doing the work available.

- 97 (b) The right to designate the persons who shall have such preferred seniority status shall be vested in the Union, provided that the list at all times shall include only employees in office. Whenever the Union desires to substitute another person for one then having preferred seniority it shall notify the Company in writing and thereafter the person whose preferred seniority has ceased shall resume his regular seniority.
- 98 (c) In no case can an individual on preferred seniority status use that status to better their position under the provisions of 7.10.
- 99 (d) If an area represented by an individual on the preferred seniority list ceases to exist (other than Local 127 Officers), that individual will be removed from such list. If the area is reinstated, said individual will return to the area and preferred seniority status will resume. The employee will go to his previously held job only if regular seniority warrants.
- 100 7.07 A managerial employee of Chatham Plant or any other employee who is returned to the bargaining unit within a period of six months from the date of his assignment to a position not covered by this Agreement shall be credited with the accumulated seniority which he had at the date he left the bargaining unit and such employee shall, displace the employee in the bargaining unit with the least seniority on work which the returning employee is capable of performing in a satisfactory manner, and provided the returning employee has the greatest seniority.
- 101 7.08 The Company will provide the Plant Chairman, Committeemen and Stewards with, as well as post, up-to-date departmental seniority lists every sixty days from June 1, 1980.
- 102 Upon written request, Local 127 Unit Election Committee Chairman will receive departmental seniority lists showing shifts.

- 103 The Company will furnish the Plant Chairman, weekly, a list of all new employees, together with the names of employees recalled, transferred, or those who leave the employ of the Company for any reason.
- 104 7.09 (a) The Company will furnish to the Union Shop Committee every January 10 and July 1 of each year, or more often as agreed if necessary, an up-to-date plant-wide seniority list with the service calculation updated and will keep the committee informed of changes.
- 105 (b) The Company will furnish to the Union at six-month intervals, a list containing the names and addresses, as shown on Company records, of all employees covered by the Contract on the active employment rolls of the Company. The Union will take adequate measures to insure that such information is treated in a confidential manner and is disclosed only to those Union officials whose duties require this information.

7.10--STATIC PHYSICAL DEFECT--PLACEMENT

- 106 An employee who, due to a static medical defect, is certified by the Company doctor as requiring work of a different nature from his regular work for an indefinite period, will be assigned to any existing vacancy deemed to be suitable by the Company doctor, providing the employee is capable of satisfactorily performing such work and his seniority would entitle him to such an assignment,

107 If such a vacancy does not exist, and providing the employee has one years' seniority service, he will be assigned to work being done by a shorter service employee either in his own or another department whose work he is capable of satisfactorily performing and which work is deemed suitable by the Company doctor. When it has been established that the employee is to be assigned to displace a shorter service employee, such assignment may be delayed for a period of three (3) days in order to provide for the necessary three (3) day notice of layoff to the shorter service employee involved.

NEW JOBS AND REPLACEMENTS

108 (a) A new job or replacement opening is the initial increase in a current classification within a department, or, the initial populating of a new classification within a department, or, the initial introduction of a classification that is new to the plant, or, the initial opening to permanently replace an employee who has.
left active employment with the Company for reasons other than layoff (such as retirement, LTD, quit, etc.)

109 When new jobs or replacement openings occur, the Company will post a notice throughout the plant advising employees of the quantity, labour grade, classification, labour group code and a **brief area description of the openings**, as well as the departments involved. This notification will remain posted for one (1) full shift to ensure exposure for each operating shift.

110 Employees wishing to submit or withdraw either Job Change Requests or Department Change Requests may do so at any time prior to, or, during their respective shift within the notification period.

- 111 Immediately following the notification period, a freeze period will be applied to allow the Company ample time to prepare the upcoming manpower moves. When a total of twenty (20) or less new job and replacement openings are initiated, a two (2) workday freeze will apply. When a total of more than twenty (20) new job and replacement openings are initiated, a seven (7) workday freeze will apply.
- 112 (b) (i) An employee who wishes to change jobs within the department shall fill out a "Job Change Request" and the successful applicant will be selected on the basis of seniority and ability. This completed form shall be initialed by the Area Union Representative and the employee's foreman. Two copies will be returned to the employee, one to be retained by him, and the other given to the Area Union Representative.
- 113 After acceptance of an initial Job Change Request, only one (1) subsequent Job Change Request will be honoured prior to going outside of the department, **providing departmental employees who have been displaced have first been placed onto available vacancies.**
- 114 (ii) If the new job or replacement opening cannot be filled from within the department. "Department Change Requests" from employees in other departments will be honoured and those employees will be assigned to the department in line with their seniority and ability by the Employment Office. An employee may file such request with the employment office and retain a copy. The Company will make every effort to finalize all moves resulting from "Department Change Requests" and "Job Change Requests" within fifteen (15) working days of the day on which the successful applicant is selected. In the event that the fifteen (15) working days is exceeded for legitimate reasons, there will be no pay liability.

- 115 Only one (1) Job Change Request will be honoured to fill a vacancy created through acceptance of a Department Change Request. At this point, no additional Job Change Requests nor Departmental Change Requests will be honoured. Should further manpower still be required, it will be filled in the following order:
- 1) An employee displaced from another department.
 - 2) An employee recalled from layoff.
- 116 (iii) Employees may designate a specific classification, specific current Labour Group Code, or man-assignment number within a department on a Department Change Request. **Employees must have their area Union representative initial all Department Change Requests before they are submitted to Human Resources Department.**
- 117 Applicants who submit more than one (1) Department Change Request or Job Change Request may designate their preference on such forms.
- 118 In no case will an employee be allowed to have more than five (5) Department Change Requests and three (3) Job Change Requests on file at any one time. There will be an annual purge every January 1st of all Department Change Requests and Job Change Requests on file. **An employee will be permitted to change jobs up to three times within any calendar year as a result of bidding through Job Change Requests and/or Department Change Requests.**
- 119 (iv) At the point an employee is accepted on either a Department Change Request or Job Change Request, all outstanding Department Change Requests and Job Change Requests will be removed from the system. This does not restrict the employee's right to resubmit Job Change Requests and Department Change Requests.

- 120 (v) Where a dispute arises as to the ability of the longer service employee to perform the work, he shall be allowed the following periods of time under normal instructions to prove such capabilities:
- 121 (i) Incentive workers--up to five (5) days (40 continuous working hours)
- 122 (ii) Dayworkers up to and including Grade 6--up to five (5) days (40 continuous working hours)
- 123 (iii) Dayworkers, Grade 7 and over--up to ten (10) days (80 continuous working hours).
- 124 (c) In the application of sub section (a) and (b) of the above, employees disqualified after transfer will be reduced to an existing new job, or replacement opening first within the department and if none, a plant-wide new job or replacement opening if his/her seniority warrants. If no new jobs or replacement openings are available on a plant-wide basis, the employee will displace the most junior employee within the Plant (Skilled Trades excepted) whose job the employee is capable of performing.

**REDUCTIONS OF AVAILABLE WORK
IN A DEPARTMENT**

- 125 7.11 In the event of a reduction of available work in a department, the employees having the greatest seniority shall be retained at work provided they are capable of performing the work required to be done.
- 126 The employees in the department whose jobs have been discontinued as a result of the reduction of available work shall, if capable, be assigned consistent with their seniority in the following manner:
- 127 (1) Simultaneous Increase and Decrease (Resulting in no one being transferred out of the department).

- 128 If the increase and decrease are in the same labour grade and classification:
- 129 (a) The employee in the classification and labour grade whose job has been discontinued shall be placed in the available work within his own Labour Group (Ref. Letter No. 18) and will have the choice of available jobs by seniority and no job change request will be required.
- 130 If there is no available work within his own labour grade and classification in his own labour group, this employee shall be placed in the available work within his/her own labour grade and classification within the department.
- 131 If the increase and decrease are in a different labour grade and classification:
- 132 (b) The employee with the least seniority in the reduced classification and labour grade is removed and is placed in the available work within his own labour group (Ref. Letter No. 18) and will have the choice of the available jobs by seniority.
- 133 If there is no available work within his/her own labour group, the employee shall be placed in available work within the department and will have the choice of available jobs by seniority, and no job change request will be required.
- 134 (2) Reduction of Available Work Resulting In Transfers Out of the Department.

- 135 In the event a new job or replacement opening occurs within the department at the same time as the department is reducing overall, the Company will post a notice throughout the department advising employees of the quantity, labour grade, classification, labour group code, and a brief area description of the openings. This notification will remain posted for one (1) full shift to ensure exposure for each operating shift.
- 136 Employees wishing to submit or withdraw Job Change Requests may do so at any time prior to, or, during their respective shift within the notification period.
- 137 Immediately following the notification period, a freeze period will be applied to allow the Company ample time to prepare the manpower moves. When a total of twenty (20) or less new job and replacement openings are initiated, a two (2) workday freeze will apply. When a total of more than twenty (20) new job and replacement openings are initiated, a seven (7) workday freeze will apply.
- 138 An employee who wishes to change jobs within the department shall fill out a "Job Change Request" and the successful applicant will be selected on the basis of seniority and ability. This completed form shall be initialed by the Area Union Representative and the employee's foreman. Two copies will be returned to the employee, one to be retained by him, and the other given to the Area Union Representative.
- 139 After acceptance of an initial Job Change Request, only one (1) subsequent Job Change Request will be honoured. The term "new job or replacement opening" is as defined in Section 7.10 (a) Paragraph 109. The reduction procedure is as follows:

- 140 (a) The employee whose job has been reduced shall displace the employee having the least amount of seniority within the same classification and labour grade, first within his own labour group (Ref. Letter No. 18), and if this is not possible, then within the overall "department". The employee with the least amount of seniority in the reduced classification and labour grade, shall displace the employee with the least amount of seniority within the department. Employees displaced will have choice of available jobs by seniority providing the employee is capable of performing the work.
- 141 (b) (i) The employee with the least amount of seniority in the department who is transferred out will be transferred to available work in the plant. ²⁷ B
Employees displaced will have choice of available jobs by seniority providing the employee is capable of performing the work.
- 142 (c) The departmental Supervisor and the departmental Union Representative will review all cases when this section of the contract is exercised within their department.
- 143 Where a dispute arises as to the ability of the longer service employee to perform the work, he shall be allowed the following periods of time under normal instructions to prove such capabilities:
- 144 (i) Incentive workers- up to five (5) days (40 continuous working hours).
- 145 (ii) Dayworkers up to and including Grade 6 - up to five (5) days (40 continuous working hours).
- 146 (iii) Dayworkers, Grade 7 and over - up to ten (10) days (80 continuous working hours).

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147 7.12 Employees whose services are to be terminated because of reduced manufacturing schedules will be given as much advance notice as possible, but in no case less than three (3) working days. Working days for this purpose will include any Company paid designated holidays. If at the end of such three (3) day notice, as guaranteed herein, such employee is not laid off, the employee must be given another notice of not less than three (3) working days before being laid off.

148 Any layoff notice given in the first half of a working shift shall be considered to cover the first day.

149 7.13 (a) When it becomes necessary to decrease the force in a department, then probationary employees shall be the first to be laid off.

150 (b) Before employees who have plant-wide seniority are laid off, The Company will give consideration to operating the plant on a shorter work week schedule or a shorter daily schedule, provided such schedule can be carried out in a manner consistent with the efficient operation of the plant and representatives of the Union and the Company are in mutual agreement.

7.14--LAY-OFF--OUT OF PLANT

151 In the event new job or replacement openings occur throughout the plant at the same time as an overall layoff out of plant, the Company will post a notice throughout the plant advising employees of the quantity, labour grade, classification, labour group code, brief area description of the openings, as well as the departments involved. This notification will remain posted for one (1) full shift to ensure exposure for each operating shift.

152 Employees wishing to submit or withdraw either Job Change Requests or Department Change Requests may do so at any time prior to, or, during their respective shift within the notification period.

- 153 Immediately following the notification period, a freeze period will be applied to allow the Company ample time to prepare the upcoming manpower moves. When a total of twenty (20) or less new job and replacement openings are initiated, a two (2) workday freeze will apply. When a total of more than twenty (20) new job and replacement openings are initiated, a seven (7) workday freeze will apply.
- 154 (i) An employee who wished to change jobs within the department shall fill out a "Job Change Request" and the successful applicant will be selected on the basis of seniority and ability. This completed form shall be initialed by the Area Union Representative and the employee's foreman. Two copies will be returned to the employee, one to be retained by him, and the other given to the Area Union Representative.
- 155 After acceptance of an initial Job Change Request, only one (1) subsequent Job Change Request will be honoured prior to going outside of the department.
- 156 (ii) If the new job or replacement opening cannot be filled from within the department "Department Change Requests" from employees in other departments will be honoured and those employees will be assigned to the department in line with their seniority and ability by the Employment Office. An employee may file such request with the Employment Office and retain a copy. The Company will make every effort to finalize all moves resulting from "Department Change Requests" and "Job Change Requests" within fifteen (15) working days of the day on which the successful applicant is selected. In the event that fifteen (15) working days is exceeded for legitimate reasons, there will be no pay liability.

- 157 Only one (1) Job Change Request will be honoured to fill a vacancy created through acceptance of a Department Change Request. At this point, no additional Job Change Requests nor Department Change Requests will be honoured. Should further manpower still be required, it will be filled per Step 1 (ii) below. The term "new job or replacement opening" is as defined in Section 7.10 (a) Paragraph 109. The reduction procedure is as follows:
- 158 (a) In the event of a reduction of available work resulting in lay-off, the employees whose jobs have been discontinued will be assigned consistent with seniority in the following manner:
- 159 Step 1 (i) The determination of the employee with the least amount of seniority will be the same as outlined in Section 7.11 (2) (a) and (b) (i), "Reductions of Available Work in a Department."
- 160 (ii) Employees being displaced within a department will be given the first opportunity, by seniority and ability to fill vacated jobs within the department
- 161 Step 2 The employee(s) reduced from their department per Section 7.11 (2) (a) and (b) (i) and eligible to be Transferred to other departments will be transferred in line with their seniority in the following manner:
- 162 Third shift maintenance (clean-up crew) vacancies will be filled per Supplemental Letter No. 21 and 94.

163 The Company will identify to the Union those employees reduced from their departments and those departments that require additional employees. The Union will provide written notification to the Company of the department to which each reduced employee will be assigned within twenty-four hours of receipt of the list of the employees to be reduced. In the event that this information is not received by the Company within this time frame, the Company will, at its discretion, place the reduced employees to the open departments.

164 Step 3 At the time of transfer into the department, the employee(s) will be given the choice of available jobs.

165 Step 4 After completion of the above lay-off procedure and prior to implementation, a review will be conducted with the Plant Chairman or his designee to correct inefficiencies or seniority inequities that might result. Further, and in this regard, the Superintendent and departmental Union Representative will review all cases of lay-off in their area.

166 Where a dispute arises as to the ability of the longer service employee to perform the work, he shall be allowed the following periods of time under normal instructions to prove such capabilities:

167 (i) Incentive workers - up to five (5) days (40 continuous working hours).

168 (ii) Dayworkers up to and including Grade 6 - up to five (5) days (40 continuous working hours).

169 (iii) Dayworkers, Grade 7 and over - up to ten (10) days (80 continuous working hours).

7.15--EXCEPTIONS TO SENIORITY

- 170 At each layoff or recall following layoff, the Company may designate certain individual employees whose services are required under the special circumstances then existing. No such designation shall become effective until approved by the Manager, Human Resources and agreed to by the Union. The fact that an employee has been so designated shall not affect his regular seniority standing and he shall resume the same as soon as the special reasons in his case cease to exist. (Reference Letter No. 90 for other Exceptions To Seniority).
- 171 The Company shall have the right to employ and retain in employment without regard to seniority a total of not more than one (1) Company Trainee or college student.
- 172 7.16 (a) Seniority shall not apply in the case of employees temporarily laid off for periods not exceeding three (3) working days at any one time due to production interruptions, such as breakdowns of equipment, shortage of stock, power failure or other conditions beyond the Managements reasonable control, except with regard to jobs within a department which are regarded as being of a very comparable nature and there is no question of the ability of the longer service employee to satisfactorily perform the work of a shorter service employee whom he may replace because of the circumstances then existing. This exception however, shall not apply unless the temporary layoff exceeds a half shift.
- 173 If at the time an employee is to be temporarily laid off, there is available work in his department, and such an employee makes his intentions known to his foreman or department head, prior to being laid off that he wants to be considered for the work available, he will be retained on the same, provided there is no question as to his ability to perform the work required, and he is the most senior employee requesting such work.

174 (b) When it is necessary to send an employee home due to a temporary condition of no work on his job (including those caused by excess product inventory, whether foreseeable or not), and it is foreseeable that the duration of such no-work condition will exceed five (5) working days and management has not implemented the provisions of Section 7.16 (c) of this Article, the employee shall be permitted to exercise his seniority rights according to the appropriate Sections on Seniority. The period of time above referred to may be extended by mutual agreement of the Company and the local union. The provision shall not be used for the purpose of avoiding seniority adjustments by scheduling a series of temporary layoffs to meet planned production needs.

(c) TEMPORARY LAYOFF INVERSE SENIORITY AGREEMENT

175 (i) Layoffs for excess inventory, plant rearrangements, stock shortages, equipment breakdown, model changeover, or other conditions which are expected to be five (5) working days or more, but less than thirty (30) calendar days will be considered as inverse seniority layoffs. If less than all the employees in a department must be placed on layoff during such periods, employees within the affected classification will be laid off, for the duration of the period, in inverse seniority order (highest seniority first) unless they have made application to continue to work at least fourteen (14) days prior to such layoff and their services are required. This application must be made on forms provided by Management.

176 In those departments which provide support service to several departments this agreement will apply to employees of such support departments assigned to the department affected by the temporary layoff.

- 177 In those departments where there is more than one assembly line or where multiple products are produced, this Section will only apply to the affected assembly line or products.
- 178 (ii) When it is necessary to process a temporary layoff the Plant Chairman and Departmental Representative of the area affected will be advised of the department(s) or group(s) within the department(s) that will be affected by the layoff. Layoff notices to the employees affected will be accomplished by posting on the bulletin board in the department, as far in advance as practicable, a notice identifying the group(s) and/or classifications to be reduced and the number of employees to be placed on temporary layoff from each group and/or classification. Employees affected will be advised of their layoff by their supervisor.
- 179 (iii) Employees with less than one (1) year of seniority who are not retained to replace a more senior employee who has been placed on a temporary inverse layoff and who are in affected department(s), classification(s), and shift(s) will not be placed on layoff as a result of the application of this Section. Such employees will be reassigned on a loan basis to other work within the bargaining unit. While on such loan reassignment employees will be paid in accordance with Article 15 of the Labour Agreement. No seniority violation will be claimed as a result of such loan reassignment.
- 180 (iv) Management has the right to retain more senior employees in classifications where they alone are qualified to perform the work without break-in.

- 181 (v) In the event an insufficient number of employees apply to be retained at work, employees qualified to perform the work will be required to work in the order of lowest seniority first. If more employees have applied to remain at work than are required, such employees will be placed on layoff in the order of lowest seniority first.
- 182 (vi) At the time of layoff employees will be advised of the date they are to return to work. Such notification will constitute notice of recall and no further recall notice will be given, except as provided in Sub-section (viii) below.
- 183 (vii) Upon return to work, an employee will return to the specific department, shift, classification and job assignment held prior to the inverse seniority layoff unless, due to a subsequent regular layoff, the employee would have been displaced by a more senior employee, in which case the employee returning from inverse seniority layoff will be assigned upon return under appropriate provisions of the Labour Agreement.
- 184 (viii) In the event the need for an inverse seniority layoff ends prior to the scheduled termination date, the Company will recall employees to their jobs in accordance with the recall language of the Agreement (but in inverse order). Employees will have the obligation to keep the Company advised as to where they can be reached in the event of such prior recall. Any employee, so recalled prior to the scheduled termination date of a temporary inverse layoff, will not be terminated for failure to report. However, all employees will be expected to report for work not later than the originally scheduled date of return or give a satisfactory reason for not reporting. During the period of recall of such an employee the Company may fill such employee's job by a temporary assignment without regard to seniority.

- 185 In the event of a layoff, which at first is considered to be under thirty (30) days becomes a permanent layoff, the employees laid off under the provisions of this Section will be returned to work at the time scheduled and other employees will be laid off under the normal layoff provisions.
- 186 (ix) When layoffs are known to be over thirty (30) days but less than sixty (60) days, the provisions of this Section may be put into effect by mutual agreement between Local Management and the Local Union.
- 187 (x) These provisions will supersede the provisions of any agreement between the parties and any claim of improper application of this Section will be adjusted by placing the proper employee on temporary inverse layoff.
- 188 (xi) It is agreed that these provisions on the implementation or administration of the Temporary Layoff Inverse Seniority Agreement will be reviewed as requested by either local Management or the local Union to recommend corrections of inefficiencies or seniority inequities that might result.
- 189 However, no changes shall be made in the implementation procedures until approved by Labour Relations, World Headquarters, and the C.A.W. National Union.
- 190 (d) The Company agrees that Section 7.16 (b) and (c) will only be operable when the S.U.B. fund is at a level sufficient to pay benefits to the employees (provided such employees qualify for S.U.B. in all other respects.)

7.17--RECALL AND RESTORATION OF FORCES

- 191 (a) Employees who have been laid off in the course of a reduction of forces shall have recall and restoration rights according to the following procedure, provided they are capable of performing the available work.
- 192 Step 1 New jobs or replacement openings will be filled by the following provisions prior to any recalls.
- 193 (i) When new jobs or replacement openings occur, the Company will post a notice throughout the plant advising employees of the quantity, labour grade, classification, labour group code, and a **brief area description** of the openings, as well as the departments involved. This notification will remain posted for one (1) full shift to ensure exposure for each operating shift.
- 194 Employees wishing to submit or withdraw either Job Change Requests or Department Change Requests may do so at any time prior to, or, during their respective shift within the notification period.
- 195 Immediately following the notification period, a freeze period will be applied to allow the Company ample time to prepare the upcoming manpower moves. When a total of twenty (20) or less new job and replacement openings are initiated, a two (2) workday freeze will apply. When a total of more than twenty (20) new job and replacement openings are initiated, a seven (7) workday freeze will apply.
- 196 (ii) An employee who wishes to change jobs within the department shall fill out a "Job Change Request" and the successful applicant will be selected on the basis of seniority and ability. This completed form shall be initialed by the Area Union Representative and the employee's foreman. Two copies will be returned to the employee, one to be retained by him, and the other given to the Area Union Representative.

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- 197 (iii) After acceptance of an initial Job Change Request, only one (1) subsequent Job Change Request will be honoured prior to going outside of the department.
- 198 (iv) If the new job or replacement opening cannot be filled by a Job Change Request, and providing departmental employees who have been displaced have first been placed onto available vacancies. "Department Change Requests" from employees in other departments will be honoured and those employees will be assigned to the department in line with seniority and ability by the Employment Office. An employee may file such request with the Employment Office and retain a copy. The Company will make every effort to finalize all moves resulting from "Department Change Requests" and "Job Change Requests" within fifteen (15) working days of the day on which the successful applicant is selected. In the event that the fifteen (15) working days is exceeded for legitimate reasons, there will be no pay liability.
- 199 Only one (1) Job Change Request will be honoured to fill a vacancy created through acceptance of a Department Change Request. At this point, if a grade 7 or higher vacancy remains, only then will one (1) additional Job Change Request be honoured, or, if there are no Job Change Requests for the same vacancy, one (1) additional Department Change Request will be honoured.
- 200 ²⁷/_D Step 2 Additional employees required for Plant operations will be recalled from the plant wide seniority lists, low seniority number first, before new employees are hired. (Exceptions to the above are subject to the provisions of the Collective Agreement relating to the application of inverse seniority layoffs).
- 201 (b) Employees recalled from lay-off will be returned by seniority:

- 202 (i) to the department in which they were laid off, if available.
- 203 (ii) to the original job, if available.
- 204 Third shift maintenance (clean-up crew) vacancies will be filled per Supplemental Letter No. 21.
- 205 The employee may notify the Employment Office of his option upon recall to be called to a department other than the department from which he was laid off from (limited to department(s) from which he was forced reduced). The employee must exercise this option no less than ten (10) working days prior to recall or at the time of lay-off.
- 206 (c) After completion of the above recall and restoration procedures prior to implementation, a review will be conducted with the Plant Chairman or his designee to correct inefficiencies or seniority inequities that might result. Further, and in this regard, the Superintendent and Departmental Union Representative will review all cases of recall in their area.
- 207 (d) The Company shall be under no obligation to consider any employee for the purpose of recall after a reasonable effort is made in the presence of a departmental Union Representative. The aforementioned will not supersede the provisions of Section 7.04 (e) and 7.12.
- 208 7.18 If a job, or the greater part of that job, is moved from one department to another or is moved to another location within the same department, the employee will be given the option of transferring with the job. The employee must exercise this prerogative at the time such job is moved, or exercise contractual rights in the present department as per the provisions of Section 7.11.

209 7.20 An employee affected by a reduction of force may elect to take layoff status if offered work not in line with his work experience and wage classification, but if he so elects he may be later recalled to fill a vacancy in an occupation in line with his seniority and qualifications. If he does not respond and accept such work when offered he will be terminated as a quit employee as provided in Section 7.04(e).

**ARTICLE 8
HOURS OF WORK, OVERTIME POLICY
AND HOLIDAYS**

210 8.01 The regular weekly working schedule shall be Monday to Friday inclusive. The weekly pay period upon which earnings will be calculated is from Sunday to Saturday.

211 The regular work week shall consist of ~~five (5)~~ ^{3 1/2} consecutive ~~eight hour~~ ¹⁰⁰⁰ days with two (2) consecutive days off, except for employees on continuous shift operations during shift changes.

212 The regular daily work hours shall be as follows:
One Shift Operation:

7:00 a.m. to 12:00 p.m.
12:30 p.m. to 3:30 p.m.

Two Shift Operation:

Day Shift
7:00 a.m. to 12:00 p.m.
12:30 p.m. to 3:30 p.m.

Afternoon Shift
3:30 p.m. to 8:00 p.m.
8:30 p.m. to 12:00 a.m.

Three Shift Operation:

Day Shift
7:00 a.m. to 3:00 p.m.

Afternoon Shift
3:00 p.m. to 11:00 p.m.

Night Shift
11:00 p.m. to 7:00 a.m.

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213 All employees working on a continuous three shift operation shall be entitled to a paid lunch period of ~~eighteen (18)~~ minutes, which shall commence at the middle of the shift. Pay for the lunch period shall be at the employee's hourly rate. The paid lunch period shall not apply to employees working on overlapping shifts. The present schedule of department working hours which do not conform to the regular working hours set forth herein, shall be continued except as otherwise agreed upon with the Bargaining Committee. At the date of signing of the Agreement these are:

10:00 p.m. to 6:30 a.m. Sunday Thru Thursday
Paint Booth Cleaners.
Reference letter No. 24 in letters booklet.

214 However, the Company shall have the right to establish regular five-day shifts of maintenance employees outside the regular hours, not including the skilled trades outlined in Section 18.03.

215 Working hours outside of the regular working hours schedule may be established for any employee or group of employees, providing the Company and the Union Bargaining Committee are in mutual agreement.

216 Senior employees shall have a choice of shifts within their own classification and department when a multiple shift is in effect, and must remain on the shift selected for a minimum of thirty calendar days. However, the Company shall have the right to designate employees to be placed on off-shifts for periods of sufficient length to allow new or inexperienced operators to become capable of performing the required work. A senior employee will not be on the off shift for any more than a two (2) week period. This two (2) week period may be extended by mutual consent.

217 The Company will put the total number of regular and the total number of overtime hours on an employee's pay cheque stub, also showing grievance and short work week earnings and accumulative totals on earnings, U.I.C., C.P.P., and Income Tax.

218 8.02 Time and one-half will be paid to all hourly paid and piece work employees for all hours worked in excess of eight (8) hours in any one day or in excess of forty (40) straight time hours in any one week. For the purpose of computing time worked in excess of eight (8) hours in any one day, a day shall consist of twenty-four (24) consecutive hours from the time an employee begins the shift in which the work is performed.

219 An employee who has left the plant premises and returns to work at the request of the Company at a time when he is not scheduled to work will be paid as follows:

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(i) An hourly-paid employee will receive his straight-time hourly rate and any applicable overtime or premium pay for time worked. If the assignment requires less than four (4) hours to complete, he may go home after its completion and will be paid at straight time for the difference between the time required to complete the work and four (4) hours.

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221 (ii) A piecework employee will receive his regular earnings and any applicable overtime or premium pay for time worked. If the assignment requires less than four (4) hours to complete, he may go home after its completion and will be paid his average piecework earning rate for the difference between the time required and four (4) hours.

222 If an employee is absent for part of a work day by a requirement under any government law and is requested to work overtime on that day, or if any employee is absent by Company direction for part of a shift because of shortage of stock, breakdown of equipment, or other similar reason, or if any employee has been absent on pre-authorized PAA on that day, and is requested to return and work beyond the regular quitting time of that shift he shall be paid at the regular overtime rate for all hours worked beyond such regular quitting time. The terms of this paragraph will also apply to a duly elected Union representative who is absent from the plant during his regular working hours pursuant to Sections 3.03 and 3.04 provided that the terms and conditions of those sections have been complied with. No more than five (5) Union representatives will be eligible under the terms of Section 3.03.

223 8.03 Time and one-half will be paid for all work performed on Saturday and double time for all work performed on Sunday except to employees on continuous operations, An employee on continuous operation when Sunday is included within his regular five (5) day schedule of work will be paid at the rate of time and one-half. Employees on continuous shifts when required to work on their first off-duty day will be paid at the rate of time and one-half and if required to work on their second off-duty day will be paid at the rate of double time. However, where a shift regularly

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or by mutual agreement between the Union and the Company starts on a Friday night and finishes on Saturday morning or starts on Sunday night and finishes on Monday morning, such Saturday or Sunday work shall not be paid for at overtime rates. Likewise, where a regular shift starts on the night preceding a designated holiday and finishes on the holiday will not be paid for at overtime rates.

224 8.04 Triple time will be paid to all employees who are entitled to designated holiday pay for all work performed on the day of observance of all designated holidays specified in this Article. Double time will be paid to all probationary employees for all work performed on all designated holidays specified in this Article. For this purpose a holiday will commence with the first regular shift and extend for a period of twenty-four (24) hours.

225 An employee who works in excess of four (4) hours overtime on a Sunday or Statutory Holiday will be paid the same rate of pay for overtime hours worked before his normal shift on the immediately following day.

226 The Cost-of-Living Allowance shall be taken into account in computing overtime rates where applicable under the provisions of Article 8.

227 8.05 A minimum of four hours' pay at the applicable rate will be provided for an employee called in to do emergency work. The employee called in for such emergency work, having completed his assignment, will report to the supervisor in charge. If the supervisor has no other emergency work the employee will proceed to punch out.

228 8.06 An employee who reports for duty and is sent home because of no work shall be paid for four (4) hours' time at his current rate if a day worker, or piece-work average if an incentive worker, unless he has

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been previously notified not to report for duty. When there is no work on his regular job, an employee may be assigned to other duties, but if so the work must be sufficient to keep the employee occupied for at least the first half of the shift (lunch period break) and the employee shall be paid for such work on the basis set forth in this Agreement. An employee who is required to work overtime on Saturday or Sunday and reports for duty on such day shall be guaranteed a minimum of four (4) hours' work or four (4) hours' pay.

- 229 Report-in pay will not be paid to employees on the second or third shift who return to the plant for Government mandated medical examinations. In these cases the employee will be paid at the applicable rate for the time spent at the plant,
- 230 The Company shall have no obligation under this section where the no-work condition is caused by conditions over which the Company has no control, including fire, storms, flood, failure or insufficiency of electrical or other power, or labour disputes directly involving the Company.
- 231 The Company shall not be liable under this section to an employee who was not at work on the day when notice to report for work would have been given but for such absence.
- 232 8.07 When daily overtime work is required in any department, the overtime will be divided among the operators who normally perform the work in the area, assigned to the shift on which the overtime work is to be performed, beginning with the employee with the lowest hours (and greater seniority, if hours are equal), as of the end of the third shift on Sunday of the preceding payroll week.

- 233 Employees who have been added to a group for one-half (1/2) a shift or more will be offered daily overtime after the normal operator(s) or replacement operator(s) but prior to applying the Supplemental Overtime procedures. Employees replacing an absent employee for one-half (1/2) a shift or more will be offered daily overtime after the normal operator(s) but prior to applying the Supplemental Overtime procedures.
- 234 Premium day overtime (Saturday & Sunday and designated holidays) shall be used to equalize both daily overtime and premium day overtime among the operators who normally perform the work, in the area of the department in which the overtime work is to be performed.
- 235 Work on a premium day will be assigned as it occurs to the normal operators in the department, commencing with the employee having the least overtime to his credit as of the end of the third shift on Sunday of the preceding payroll week.
- 236 When twelve (12) or less continuous hours of premium overtime are being worked in any one day, the Company will have the option of working either one (1) shift, or, two (2) shifts of equal hours.
- 237 When only one (1) premium overtime shift is in effect, the overtime will be offered to the low hour normal operator(s) regardless of their shift, before offering overtime to employees on the supplemental list.
- 238 When working more than twelve (12) continuous hours of premium overtime in one day, the Company will schedule two (2) or three (3) shifts of equal hours.

239 When two (2) premium overtime shifts are in effect, (that is a first and second shift), the overtime will be offered in the following order:

FIRST - The overtime will be offered to the low hour normal operator(s) from the same shift as the shift being worked. If there are third shift normal operators with less hours than any of the normal operators from first or second shift, they will be offered the overtime prior to offering it to the higher hour normal operators from first or second shift according to their seniority. All third shift normal operators will be offered the overtime prior to offering it to employees on the supplemental list.

SECOND - If additional employees are required, those listed on the supplemental list from the same shift as the shift being worked will be offered the overtime prior to offering it to employees outside of the supplemental list.

240 When three (3) premium overtime shifts are in effect, the overtime will be offered in the following order:

First - The overtime will be offered to the low hour normal operator(s) from the same shift as the shift being worked.

SECOND - If additional employees are required, those listed on the supplemental list from the same shift as the shift being worked will be offered the overtime prior to offering it to the employees outside of the supplemental list.

241 Employees who have been added to a group or replacing the normal operator(s) for the two (2) entire shifts directly preceding the premium overtime will be offered premium overtime after the normal operator(s) and prior to applying the Supplemental Overtime procedures.

- 242 In order to provide adequate Union representation during the overtime hours, the Company agrees that when there are five (5) or more employees working **daily -overtime** in an area of representation for overtime purposes, that the appropriate Steward from the shift working the overtime will be asked **only if there is no other Union Representative present who is already representing the same area from another shift.** If he should refuse, the appropriate Alternate Steward will be asked. During premium overtime where there are fifteen (15) or more employees working within a Zone the Zone Committeeman shall be asked **if the Committeeman should refuse then the area Steward will be asked. Committeemen who are absent for an entire week for reasons other than an entire week of prescheduled P.A.A. will not be entitled to premium overtime immediately following the absence.** The Steward shall be advised of all overtime to be worked in his area of representation (prior if possible, to the work actually being done) in order to avoid inequities. The Union will notify the Company during the first regular shift following the overtime if any known inequities exist.
- 243 Employees who refuse overtime hours offered will be credited on such record with the hours offered. Employees newly assigned to the department, changing shifts or transferred within the department, will be credited with his existing credited overtime hours: newly hired employees will be credited with an amount of overtime hours equal to the greatest amount then credited to any normal operator on that employee's shift in the group entered. Employees recalled where their lay-off was in excess of thirty (30) days and was not due to a partial or total temporary shutdown, will be credited with an amount of overtime hours equal to the greatest amount then credited to any normal operator on his shift, in the group he enters.

- 244 Each department shall keep a record showing the number of hours of pay for overtime received by each employee (example 2 hours worked equal 3 hours recorded, if overtime paid for at time and one-half, which shall be posted in a conspicuous place in the department. Overtime hours worked outside the employee's home department will also be recorded on this posting, but in this case, hours refused will not be recorded.
- 245 All credited overtime hours will be reset to zero annually on the first overtime report issued in the month of January.
- 246 Employees who are on vacation or absent for overtime will be credited for overtime hours which they were eligible to work on such days, as a normal operator.
- 247 The Company will be under no obligation under this section 8:07 to offer overtime after the shift to a person who is absent for the same entire shift or leaves the plant prior to the end of the same shift.
- 248 In no case shall the Company be under obligation under this Section 8.07 to assign work to a person who is not capable of doing the work required. **Employees who are scheduled to be absent on P.A.A. are not eligible for daily overtime that abuts up to their scheduled P.A.A.**
- 249 Employees who have refused to work the previous three (3) overtime opportunities as a normal operator prior to an overtime violation will not be paid a liability. This does not remove the onus from the Company to offer future overtime opportunities to which the same employee is eligible as the normal operator.
- 250 The Company will be under no obligation under this Section 8.07 to consider any employee for overtime purposes after a reasonable effort is made to contact such an employee and an effort is made in the presence of a department Union representative.

- 251 Whenever possible overtime work shall be scheduled during the regular work week, Monday to Friday.
- 252 Reference Appendix L, Voluntary Overtime, Memorandum of Understanding.
- 253 Overtime work on Saturday and/or Sunday shall be performed on a voluntary basis. When qualified employees are not available on a voluntary basis, the Company shall have the right to assign employees with the least seniority provided they have not worked forty-four (44) hours in that work week or they have not been exempted from weekend overtime work by the provisions of the memorandum of understanding on "voluntary overtime."
- 254 Except in cases of emergency, the Company will give notice of required scheduled overtime at least forty-eight (48) hours prior to such scheduled overtime.
- 255 SUPPLEMENTAL OVERTIME (applies to other than the normal operator).
- 256 In cases where supplemental overtime is required in a department, the employee whose name appears on the overtime supplemental list which will be posted in the departments affected and has the least amount of overtime hours, shall be selected to perform such work.
- 257 Those employees within the department who have the necessary qualifications and ability to perform overtime work (other than their normal occupations) will be given an opportunity each four (4) months to register their intentions with their department heads.
- 258 Employees who register their intentions for supplemental overtime and are subsequently disqualified, will be told so by supervision at the time the request to be placed on the supplemental list is made.

- 259 Employees entering into a department will, at the time of entry, be given an opportunity to register for supplemental overtime in the department.
- 260 Upon written application to the departmental Superintendent an employee who changes jobs within a department may apply for supplemental overtime on the job previously held.
- 261 Supplemental overtime hours worked or refused will be credited against the employee(s). Employees who refuse supplemental overtime on two consecutive occasions will be advised, along with their Area Union Representative, that they are being removed from that Supplementary Overtime List. Employees so affected can reapply for supplemental overtime at the next regular opportunity (per paragraph **257**). **The Company shall be under no obligation to contact an employee on the supplemental overtime list who is absent from the Plant, for the purpose of offering daily overtime prior to the following shift.**
- 262 The Company shall be under no obligation to any employee who may be overlooked on the supplemental list unless an employee outside of such list is used without first exhausting both qualified and able employees on such supplemental lists to perform the work required.
- 263 8.08 Managerial employees, and Technical Specialists excluded from the bargaining unit, will not perform work which is normally performed by members of the bargaining unit, except:
(a) When instructing employees.
(b) For try-out of equipment or methods.

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- 264 8.09 Effective with the first full pay period commencing on or after the date of ratification of this Collective Agreement, all hourly paid and piecework employees performing work during second or third shift hours will be paid six percent (6%) over and above their hourly rate or piecework earnings, but such premium shall not be taken into account in computing overtime remuneration.
- 265 8.10 Each employee who performs no work on one of the holidays listed herein or in Letter 5B, shall be paid according to those hours listed in letter 5B computed on the basis outlined elsewhere in this section, excluding overtime and including shift bonus provided he meets all of the following eligibility rules:
- 266 (i) Employee shall have completed the probation period and acquired seniority under the provisions of Article VII.
- 267 (ii) With respect of a holiday not falling within the Christmas holiday period, the employee shall have reported for work in the regular manner and shall have worked a full shift on the last work day immediately before and the first worked day immediately after such holiday unless such requirement is waived under the terms and conditions hereinafter set forth.

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CHRISTMAS HOLIDAY SCHEDULE

	1993 - 1994	1994 - 1995	1995 - 1996
M	20 w	19 w	18 W
T	21 w	20 w	19 w
W	22 w	21 w	20 w
T	23 W	22 w	21 w
F	24 H	23 W	22 w
S	25 --	24 ---	23 ---
S	26 ---	25 ---	24 ---
M	27 H	26 H	25 H
T	28 H	27 H	26 H
W	30 H	28 H	27 H
T		29 H	28 H
F	31 H	30 H	29 H
S	01 ---	31 ---	30 ---
S	02 --	01 ---	31 ---
M	03 w	02 H	01 H

W=WORK
H=HOLIDAY

- 268 (a) Absence for part of the shift on qualifying days may be allowed under the following conditions:
- 269 (1) Employees may be excused for part of the shift on qualifying days because of transportation problems in connection with leaving or returning to the city, or because of emergency conditions which may be considered beyond the reasonable control of the employee.
- 270 (2) Tardiness on qualifying days if not in excess of one hour will be excused if reason for such tardiness is reasonable.

- 271 (3) Employees may leave the plant before the end of the shift on a qualifying day because of illness if permission has been secured from the plant doctor or nurse.
- 272 (4) Committeemen, Local Union Executives and the Plant Chairman as per Article 3, Section 3:03.
- 273 (5) Approved leaves of absences as per Letter 119 & Letter 120, re Port Elgin and Paid Education Leave.
- 274 (6) Disciplinary suspensions
- 275 (7) Approved Bereavement Leave as per Article 8, Section 8:11.
- 276 (8) Jury duty or witness in court.
- 277 (9) Approved Leave
- 278 (b) Absence for the entire qualifying shift will be allowed under the following conditions:
- 279 (1) Personal disability, other than Worker's Disability confirmed by suitable medical evidence, providing the employee has worked some time within the thirty (30) calendar day period immediately preceding the holiday, or works on the second qualifying day if returning from a disability which prevented him from working on the first qualifying day.
- 280 (2) Jury duty or witness in court.
- 281 (3) Scheduled vacation
- 282 (4) Death of a near relative of either employee or spouse (wife, husband, children, mother, father, brother or sister).
- 283 (5) Emergency conditions considered to be beyond the reasonable control of the employee.

- 284 (6) Layoff on account of no work, providing the employee has worked any part of the work week immediately preceding the holiday.
- 285 (7) Committeemen, Local Union Executives and the Plant Chairman as per Article 3, Section 3.03
- 286 (8) Approved leaves of absences as per Letter 119 & Letter 286 120, re Port Elgin and Paid Education Leave.
- 287 (9) Disciplinary suspensions,
- 288 (10) Approved Bereavement Leave as per Article 8, Section 8.11.
- 289 (11) Approved Leave
- 290 Employees will be limited to a period of three (3) weeks in which to submit medical evidence as to their inability to work on their qualifying days because of sickness or injury off the plant, unless there is reasonable evidence that such was not possible.

291 HOLIDAY SCHEDULE

1994

Easter Weekend - Friday, April 1, 1994
Victoria Day Weekend - Monday, May 23, 1994
Canada Day - Monday, July 4, 1994
Civic Holiday - Monday, August 1, 1994
Labour Day Weekend - Monday, Sept. 5, 1994
Thanksgiving Day - Monday, October 10, 1994

1995

Easter Weekend - Friday, April 14, 1995
Victoria Day Weekend - Monday, May 22, 1995
Canada Day - Monday, July 3, 1995
Civic Holiday - Monday, August 7, 1995
Labour Day Weekend - Monday, Sept. 4, 1995
Thanksgiving Day - Monday, October 9, 1995

1996

Easter Weekend - Friday, April 5, 1996

Victoria Day Weekend - Monday, May 20, 1996

Canada Day -Monday, July 1, 1996

Civic Holiday - Monday, August 5, 1996

Labour Day Weekend -Monday, September 2, 1996

Thanksgiving Day- Monday, October 14, 1996

- 292 During the 1990 negotiations an additional twenty-four (24) hours of holiday time off will be scheduled each calendar year, to be taken in accordance with Letter 5B.
- 293 In the event that Government Legislation compels observance of a holiday not designated herein, such holiday shall be substituted for one of the other designated holidays,
- 294 In the case of the Christmas Holiday Period (see attached schedule), a seniority employee:
- 295 * Absent without excuse on both the last scheduled working day prior to and the next scheduled working day after a Christmas Holiday Period shall be ineligible for holiday pay for all holidays within the Christmas Holiday Period.
- 296 * Absent without excuse on either the last scheduled working day prior to or the next scheduled working day after the Christmas Holiday Period shall be ineligible for two (2) of the Holidays for which he would otherwise be eligible in the Christmas Holiday Period.
- 297 * An employee who is laid off for any reason in the first, second, third, fourth, workweek prior to the week in which the Christmas Holiday period begins, shall, if otherwise eligible, receive pay for each of the holidays in the Christmas Holiday Period, providing the employee works the last scheduled work day prior to the layoff.

- 298 * An employee who is laid off for any reason in the fifth, sixth or seventh workweek prior to the week in which the Christmas Holiday Period begins, shall, if otherwise eligible, receive pay for one-half of the holidays falling during such Christmas Holiday Period, providing the employee works the last scheduled work day prior to the layoff.
- 299 The requirement to work the above qualifying days for the Christmas Holiday Period will be waived consistent with the terms and conditions of 8.10 (ii) (a), 8.10 (ii) (b) and other provisions of Article 8 of this Collective Agreement
- 300 No employee shall be eligible for a Short Work Week Benefit under the Supplemental Unemployment Benefit Plan as a result of his not having been scheduled to work during the Christmas Shutdown Period.
- 301 Pay for the holidays not worked will be made on the following basis:
- 302 Pieceworkers will be paid at their average rate for the week preceding the week in which the holiday occurs, depending on the number of hours they worked in such preceding week.
- 303 Day workers will be paid at their regular rate in effect at the time of the holiday.
- 304 If an employee is absent under item 1 above and is eligible for Group Sickness and Accident benefits for the designated holiday, he will be paid any difference between such benefits and pay for such designated day.
- 305 8.11 (a) When death occurs in his immediate family, i.e., spouse, parent or stepparent, parent or stepparent of a current spouse, child or stepchild,

son-in-law or daughter-in-law,
grandchild,
brother or stepbrother,
sister or stepsister,
grandparent,
grandparent of a current spouse,
the employee, on request, will be excused for any three normally scheduled days of work (or for such fewer days as the employee may be absent) during the three (3) days (excluding Saturday and Sunday) immediately following the date of death provided he attends the funeral. In the event that the date of burial does not occur within the three (3) normally scheduled days of work immediately following the date of death, an employee will be excused for up to three (3) normally scheduled days of work, not necessarily consecutive, after the date of death. Normally, the date of burial will be the last day an employee will be excused; however, if the calendar day immediately following the date of burial does not occur within the three normally scheduled days of work immediately following the date of death and is a normally scheduled day of work, an employee will be excused for the calendar day following the date of burial if, in the opinion of the Company, the distance between the place of employment and the place of burial is so great that travel on that day is required. Under no circumstances will an employee be entitled to more than three days bereavement pay. In the event the body of a member of the employee's immediate family as above defined is not buried in continental North America solely because the cause of death has physically destroyed the body or the body is donated to an accredited North American hospital or medical center for research purposes, the requirement that the employee attend the funeral will be waived. After making written application therefore, (Ref. Bereavement Letter No. 28), the employee shall receive pay for any scheduled days of work for which he is excused (excluding Saturdays and Sundays, or,

in the case of seven-day operations, the sixth and seventh days of the employee's scheduled work week), provided he attends the funeral. Payment for a dayworker shall be made at the employee's regular straight time hourly rate excluding night shift bonus, overtime and premium pay on the last day worked, or in the case of a pieceworker, the employee's straight time piecework earning rate, excluding night shift bonus, overtime and premium pay; except, however, a day work employee temporarily assigned to work covered by a higher rated daywork classification on the day before an excused absence will receive pay determined by averaging all his earnings for the week in which the absence occurs, excluding overtime and premium pay and night shift bonus. If he performed no work during such week, the last week worked prior to the week in which his absence occurred will be used. Time thus paid will not be counted as hours worked for the purposes of overtime.

- 306 (b) When death of a current spouse's brother or current spouses' sister occurs, an employee, on request, will be excused for any normally scheduled hours of work (or for such fewer hours as the employee may be absent) during the day of the funeral or memorial service, provided the employee attends. After making written application therefore, the employee shall receive up to eight (8) hours pay for scheduled hours of work for which he is excused on the day of the funeral provided he attends the funeral or memorial service. Payment shall be made as provided under Section 8.1 (a) herein,
- 307 (c) For purpose of this section a "spouse" will be defined to be the legally married partner of the employee unless the employee has otherwise designated a common-law partner. An employee can only designate one spouse for purposes of bereavement eligibility.

308 8.12 If an emergency requires an employee to work through the regularly scheduled mid shift: luncheon period, he shall be paid the applicable rate for that shift and in addition a premium of one-half his straight time rate for the appropriate lunch period. The appropriate lunch period (1/2 hour unpaid or the 18 minute paid) shall be scheduled at some other time in the shift.

309 8.13 When an employee is required to work overtime without having been so advised on the previous shift, he shall be paid \$3.00 as a supper allowance if the overtime work lasts more than two (2) hours. If overtime work is expected to last more than three (3) hours he shall be paid the supper allowance and given one-half hour as a supper break for which he shall not be paid. **Supper Allowance payments will be included on the employee's pay cheque the following week.**

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310 When the employee has been notified on the previous shift he shall be expected to provide his own supper.

ARTICLE O-SAFETY AND SANITATION

311 9.01 The Company agrees to continue to furnish healthful working conditions at all times and to provide adequate modern devices with regard to safety and sanitation. Whatever machinery and equipment the Company furnishes shall meet with all the required legal standards of safety and sanitation. Any recommendations or complaints under this Article will be subject to the grievance procedure. The Union agrees that it will endeavor to have its members observe all safety rules

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- 312 9.02 The Plant **Joint Health and Safety Committee** will be composed of two (2) Union Representatives and two (2) Management Representatives and will meet on a monthly basis. This joint committee will review all ongoing business pertaining to the S&H activities in the Chatham Plant of Navistar and will be considered as one and the same as the Committee provided for in The current **Ontario** Occupational Health and Safety Act. It is in part the function of the committee to:
- 313 (a) identify situations that may be a source of danger or hazard to employees;
 - 314 (b) make recommendations to the Company and employees for the improvement of the health and safety of employees;
 - 315 (c) recommend the establishment, maintenance and monitoring of programs, measures and procedures respecting the health and safety of employees;
 - 316 (d) obtain information from the Company respecting
 - 317 (i) the identification of potential or existing hazards of materials, processes or equipment, and
 - 318 (ii) health and safety experience and work practices and standards in the same or similar industries.
 - 319 (e) keep minutes of monthly safety meetings and mutually agree upon content by initialing same.
 - 320 (f) review Ministry of Labour reports at monthly meetings
 - 321 (g) obtain information from the Company concerning the conducting or taking of tests of any equipment, machine, device, article, thing, material, or biological, chemical or physical agent in or about a workplace for the purpose of occupational health and safety; and

322 (h) be consulted about, and have a designated member representing workers to be present at the beginning of testing referred to in clause (g) conducted in or about the workplace if the designated member believes his or her presence is required to ensure that valid testing procedures are used or to ensure that the test results are valid.

323 In addition, a Plant Safety Inspection Committee will be composed of the Plant Safety Coordinator (or his replacement), the Head of the Department being inspected and the two (2) Union representatives from the Plant Joint Health and Safety Committee, along with the Zone or Sub-Zone Steward of the area being inspected. They will conduct inspection tours in accordance with a schedule agreed upon by the Company and the Plant Joint Health and Safety Committee. This inspection committee, in order to resolve technical questions, may call an appropriate skilled tradesman upon their reaching mutual agreement that such technical advice is required.

324 Recommendations agreed to and documented by the Safety Inspection Committee will normally be acted upon within thirty (30) days of the report being made. However, it is recognized by both parties that, on occasion, action may be delayed due to unusual circumstances. In the event a circumstance arises where action is delayed the Company will provide, any relevant information pertaining to estimated completion dates at the monthly Joint Health & Safety meeting; when necessary, extensions will be granted with mutually agreed completion dates.

325 9.03 Safety Problem Resolution Procedure: In the event that an employee believes that a hazardous condition exists in his work area, he will contact his supervisor. If the supervisor fails to satisfactorily resolve the problem, the employee will ask his supervisor to call his Steward to discuss the problem further.

- 326 If the problem is still unresolved, the Department Head will call the Plant Safety Coordinator, who, in company with the Plant Safety Chairman or his or her alternate, or Second or Third Shift Committeeman (whichever is applicable) will make a decision on the problem.
- 327 9.04 The Company will notify the Plant Safety Chairman or his or her designated safety alternate of all accidents which require the filing of a W.C.B. Form 7. Copies of the Form 7 will be forwarded to the Plant Safety Chairman. Any other correspondence from the W.C.B. will be made available upon the request of the said Chairman.
- 328 In the event of a W.C.B. appeal, the Supervisor's Accident Investigation Report (for that appeal) will be available to the Plant Safety Chairman.
- 329 The Plant Safety Chairman will have the opportunity to investigate all lost time industrial accidents or industrial accidents which result in an employee being reassigned to light work because he is unable to perform his normal duties.
- 330 The Plant Safety Chairman will be notified immediately in the event of a fatality or a critical injury (defined in the Ontario Regulation # 834 , formerly O. REG. 714/82), including the loss of a finger or toe that results from work related accidents.
- 331 The National Union will be notified promptly in the event of a fatality or a critical injury that result from work related accidents.
- 332 The Company will advise the Plant Safety Chairman of significant incidents that do or do not involve bodily injury, as part of a continuing effort to improve the safety performance of the plant.

- 333 9.05 The Company will supply, without cost to the employee safety glasses. The Company will also supply, without cost to the employee, hearing protection (muffs or plugs), as required by the Occupational Health and Safety Act and Regulations for Industrial Establishments.
- 334 Gloves and coveralls will be provided at no cost to employees in areas as determined by the Industrial Engineering Department. Gloves will be provided on a one-pair-for-one-pair exchange basis as the gloves wear out. With reference to existing coveralls in the plant, the Company agrees to maintain status quo on the same. If a dispute arises as to whether or not a need for coveralls exists, the Union, along with the Manager of Industrial Engineering or his designee, shall conduct an investigation in the plant in order to arrive at a mutual agreement as to the issuance or non-issuance of coveralls.
- 335 9.06 It is agreed that a CAW National Union Safety Representative, who is familiar with Canadian Safety Law, will be permitted, with advance arrangements, to participate in safety inspections as required at the Chatham Plant in company with Union and Management representatives.
- 336 9.07 The **Plant Safety Chairman** will accompany Safety & Occupational Health Representatives from the Government on inspections and tests resulting from specific call-in complaints. The Chairman will also accompany the Representatives on routine inspection.
- 337 9.08 The Company will disclose, upon request of the **Plant Safety Chairman**, the identity of any known harmful chemicals, materials or physical agents to which employees are exposed, including any information regarding remedies and antidotes for such chemicals.

- 338 The Company will continue the practice of posting on location, signs identifying safety hazards. Copies of individual data sheets will be provided to the Plant Safety Chairman based upon specific identified requirements.
- 339 9.09 The Company will provide training for the two (2) **union members of the Plant Joint Health and Safety Committee** in how to use Company equipment for testing of noise, air contaminates, air flow and light levels. This equipment will be kept updated and functional. The Plant Safety Chairman will be provided with access to this equipment and reference material. *604*
- 340 The Company will provide the opportunity to the two (2) members of the **Plant Joint Health and Safety Committee** to be present at the initial presentation on safety, including films, to employees. The Plant Safety Chairman will be afforded the opportunity to pre-screen Company Safety Training Programs and make recommendations concerning such program.
- 341 9.10 The Company, when conducting tests in the plant, will advise the Plant Safety chairman of the results of such test.
- 342 Whenever a physical examination or laboratory test has been made for the Company, a report thereof will be given to the personal physician of the employee involved upon the written request of such employee. A written report of the results of laboratory tests, X-rays and audiometric tests will be given to an employee upon **his/her** request.
- 343 9.11 The Company and the Union acknowledge and agree to comply with the provisions of The current Occupational Health and Safety Act, and any amendments thereto. If the Company disputes the report referred to in Section **43** (4) of the Act, or if the Company takes steps to remedy the unsafe condition,

the Union Safety Committee Chairman or Second or Third Shift Committeeman (whichever representative is applicable) and the Company Safety Coordinator shall make a thorough review of the matter. If the findings of the Plant Safety Chairman or Second or Third Shift Committeeman (whichever representative is applicable) and the Safety Coordinator mutually sustain the Company position as the result of this investigation, **this mutual sustainment will be communicated to the employee by the Supervisor, after which, the employee may be instructed by his supervisor to return to his work place and resume his normal duties. Where, following the investigation or any steps taken to deal with the circumstances that caused the worker to refuse to work or do particular work, the worker has reasonable grounds to believe that any of the causes referred to in Section 43 (6) of the Act continues to be likely to endanger himself/herself or any other worker, the worker may refuse to work or do the particular work and the Company or the worker or a person on behalf of the Company or the worker shall cause an inspector to be notified thereof.**

- 344 9.12 The Company will recognize an alternate who will be appointed from within the bargaining unit by the Union. The Company will be notified, in writing, as to the name of the alternate and he will be allowed to function as same for a length of time equal to the term of office of the Chairman. The alternate will only function when the Chairman is absent from the premises.
- 345 9.13 Whenever it is determined that an employee has had personal exposure exceeding the limits set forth in the **Ontario Occupational Health and Safety Act or it's Regulations**, such information shall be entered in the employee's medical record. The Joint Safety Committee shall be informed, in writing, of such exposure. The plant Medical Department shall

advise the employee. The Union Chairman of the **Plant Joint Safety Committee** shall also be informed of the corrective action to be taken.

- 346 9.14 Upon request, the **Plant Joint Health and Safety Committee** shall be provided with copies of photographs taken which relate to Health & Safety matters in the Plant Such photographs shall be for the confidential use of the **Plant Joint Health and Safety Committee** and shall not be reproduced, published or distributed in any way.
- 347 9.15 The **Plant Safety Chairman** will receive copies of all Human Resources Department Safety Bulletins.
- 348 9.16 The **Plant Safety Chairman** will be supplied with an office, telephone, desk and file **cabinets**.
- 349 9.17 When necessary, the 2nd Shift Committeeman and/or Skilled Trades Committeeman will be allowed to attend the monthly safety meeting.
- 350 9.18 Safety Shoes: Employees are eligible for a reimbursement of ten dollars (\$10.00) for each pair of safety shoes purchased. For employees working in and holding the following classifications; 84-10, 149-12, 149-B-11, 81-12, and 61-8 - fifty dollars (\$50.00) (up to two pairs each fiscal year) will be reimbursed for each pair of safety shoes purchased. **For employees working and holding the following classifications; 39-RRA, 52-RRC, 53-RRA, 57-RRC, 84E-RRC, fifty dollars (\$50.00) and classifications: 47-RRA, 49-RRA, one hundred dollars (\$100.00), will be reimbursed for one pair of safety shoes each fiscal year.** To be eligible for reimbursement an employee must purchase a new pair of safety shoes and present the receipt for such purchase to the Plant Safety Department.

HEALTH & SAFETY IMPROVEMENTS

- 351 9.19 (1) The plant washrooms will be cleaned and

serviced prior to each shift. The plant Chairman will be supplied a list identifying the department responsible for cleaning the washrooms on each shift.

- 352 (2) Lights in the plant will be cleaned and serviced as required.
- 353 (3) Water fountains will be added to the plant upon the recommendation of the Plant Joint Health and Safety Committee.
- 354 (4) **Washroom toilet-stall dividers** will be painted upon the recommendation of the **Plant Joint Health and Safety Committee**.

HEAT SICKNESS

- 355 9.20 It is agreed that a person who claims he is unable to work because of heat prostration, will be excused from work in the same manner as any other employee who suffers an illness at work.
- 356 He shall report to the First Aid Department, and if it is determined that he is unable to work, he will be given a gate pass to go home.
- 357 The Company and Union both recognize problems in the past and after signing of the Contract, there will be a procedure worked out to the mutual agreement of both parties.

ARTICLE IO-VACATIONS

- 358 10.01 (a) An employee who has established the required service indicated in Column 1 by September 30 of the current year and who has at least nine hundred (900) compensated hours to his credit during vacation workyear (June 1 to May 31) will receive a vacation and vacation pay as shown in Column 2 and 3 of the Schedule shown below, based on such required service.

359 A vacation for an employee who does not have nine hundred (900) compensated hours to his credit in the vacation work year will be as shown in Column 2, but vacation pay will be calculated on the applicable percentage of earnings as shown in Column 4, excluding overtime premium and shift bonus except where mandatory under Provincial Government regulations.

360 (b) An employee who is entitled to less than a full week of vacation money will be entitled to schedule, in accordance with the provisions of this Article, full days of vacation up to a full week of vacation for such partial week. No partial days of vacation will be permitted. Such vacation must be taken on consecutive work days, and any days of vacation beyond the days for which he is paid will be considered an authorized absence from work. In all cases, however, an employee will be required to take his full vacation entitlement up to the amount of the vacation period if one is scheduled under Section 10.09 of this Article and he is not scheduled to work during such vacation period.

Column 1 Service as of Sept. 30	Column 2 Vacation	Column 3 Full Vacation Pay	Column 4 % of Earnings
54 1 yr. but less than 3	2 weeks	80 x hrly rate	4%
3 yrs. but less than 10	3 weeks	120 x hrly rate	6%
10 yrs. but less than 20	4 weeks	160 x hrly rate	8%
20 yrs but or more	5 weeks	200 x hrly rate	10%

Excludes overtime premium, but includes Cost-of-Living Allowance and shift bonus paid at time vacation is taken.

- 361 10.02 Employees having ten (10) or more years of vacation service by September 30 of any current calendar year and who were active in service during some part of the vacation work year, but who were unable to work a total of 900 compensated hours because of absence due to extended illness or injury, will be paid full vacation pay based on their entitlement under Section 10.01. These employees must also have achieved at least thirty-nine (39) compensated hours during the same vacation year.
- 362 10.03 No employee will be penalized in connection with his vacation attendance record for any days lost as the result of an injury arising out of or in the course of his employment with the Company, provided the employee has worked sometime in that same vacation work year, and, has achieved at least thirty-nine (39) compensated hours during the vacation work year. No employee will be penalized in connection with his vacation attendance record for days lost due to temporary layoffs caused by strikes or other interruptions to production of a temporary nature where the employee is not formally separated from the payroll.
- 363 10.04 This vacation plan shall not change vacation service credits compiled on the basis of former plans. Service for this plan shall be the same as service for seniority purposes, as provided in Section 7.04 and continuity of vacation service shall be considered broken under the conditions outlined in Section 7.04, subsections (a) through (j).
- 364 10.05 Vacation pay for employees who qualify for full vacation pay (Column 3) will be computed on the basis of their regular earnings, including cost of living and shift premium where applicable, but excluding

overtime, from the last pay period at the time the vacation is taken

- 365 The reference to "80 times", "120 times" etc., used above in Column 3 are based on a normal working week of forty (40) hours. In the event that the normal weekly working hours of an employee are changed, vacation pay will be computed on the basis of the hours normally being worked.
- 366 10.06 When one of the designated holidays referred to in Article 8 or Letter 5B falls within an employee's vacation schedule such employee shall be granted additional equivalent hours off as outlined in Letter 5B, with pay, to be taken (in increments of not less than four (4) hours) and scheduled within that department's P.A.A. allotment, or the employee may elect to receive holiday pay for such day as though he were not on vacation. In the event that an employee's remaining P.A.A. is less than four (4) hours, he/she will be paid the amount owed the earliest possible pay period.
- 367 10.07 Vacation pay for an employee other than referred to in Section 10.05 whose service is terminated or who is laid off prior to the end of the vacation work year and who has not at least 900 compensated hours to his credit during the vacation work year will be made on the basis of the respective percentage of earnings during the vacation work year depending on his service as detailed in Section 10.01. An employee whose service is terminated after May 31 of a current year and prior to having taken his vacation and who has at least 900 compensated hours during the vacation work year to his credit will be paid full vacation pay based on his entitlement under Section 10.01.
- 368 An employee who is laid off because of no work and has at least 900 compensated hours during the vacation work year to his credit will be paid in full

vacation pay based on his entitlement under Section 10.01.

- 369 An employee who terminates service or is laid off because of no work after June 1 of any calendar year and prior to his vacation period will receive vacation pay in cash for the expired vacation work year and for that portion of the new vacation work year beginning June 1 during which he was employed.
- 370 A vacation payment made to an employee under this section shall not be considered as extending the employee's period of service beyond the last day he performs work for the Company.
- 371 10.08 (a) Eligible employees who schedule their vacation at the start of the calendar year immediately following a Christmas shutdown for retirement purposes, do not have to work in the calendar year to qualify for such vacation pay.
- 372 (b) Vacation pay for employees who become deceased prior to vacation being taken will be paid to the estate of the deceased employee and will be computed on the same basis as for terminated employees.
- 373 10.09 The Company agrees to close the plant at a time most suitable to the needs of business during the months of July and/or August to enable employees to take vacations of two to three weeks. Such vacation shutdown(s) may at the Company's option, be split into two (2) separate periods. That is, a two (2) week shutdown, and a one (1) week shutdown. These weeks can be extended into the months of June or September providing at least some portion of each week falls into the months of July and August. In order to provide sufficient time for employees to make vacation arrangements, the Company will post vacation shutdown dates for the two or three weeks' period no later than January 15, of each year.

- 374 At the time the notice designating the two or three weeks' shutdown period(s) is posted, each employee who is entitled to additional week(s) beyond the designated shutdown period(s) shall be supplied with an appropriate form in duplicate on which he shall identify the additional week(s), if so entitled, during which he desires his vacation. He shall retain one copy of the form for his own record and submit the second copy to his foreman not later than February 28th. The foreman shall arrange the vacation schedule for his department giving preference to the desired vacation weeks in accordance with the seniority of the employees affected. In the event the main chassis assembly line is on a two shift operation, separate vacation scheduling by shifts will be implemented in every department. Such schedule shall be posted by the foreman in the department not later than, March 15 and each employee will be notified of his additional weeks by the department foreman who will initial the employee's vacation form. Such employees scheduled on vacation will be given a minimum of two weeks' notice.
- 375 In the event that not all employees requesting vacation at a particular time can be permitted to take vacation at such time because either (1) the number requesting a particular week is too great, or (2) the service of some employees requesting such vacation time are needed to meet production requirements, the employees who cannot be scheduled for such vacation time will be permitted to identify an alternate period in accordance with their seniority. Vacations may not be divided into periods of less than one (1) week, except as provided in section 10.10, or be postponed from one year to another.
- 376 Pre-scheduled vacation week(s) will remain as originally scheduled should the plant be partially or totally shutdown outside of the annual vacation shutdown period.

- 377 Employees may move unused vacation week(s) in excess of those required for the annual vacation shutdown(s) into those week(s) containing a plant shutdown.
- 378 Maintenance employees and others whose services are required during the shutdown period(s) will be so notified and given the opportunity to identify the week or weeks, (if entitled to more than one (1) week), during which he desires his vacation. Up to fifty (50) percent of the maintenance cleanup crew (3-3) may opt out of working a single annual vacation shutdown, or, the two (2) week portion of split vacation shutdowns. In no case will any employee be forced to work all three (3) weeks of split vacation shutdowns. **Skilled Trades employees will be scheduled to work during the annual vacation shutdown weeks. Vacation granted to skilled tradesmen on these weeks will be subject to the same maximums as other weeks outside of the vacation shutdown(s).**
- 379 If after having identified his vacation time for his additional weeks, an employee desires to alter his vacation, he shall be given the choice of open weeks during which his services can be spared. In no such event shall he have the right to displace another employee from his vacation time.
- 380 An employee who qualifies for a Sickness and Accident benefit while on scheduled vacation (excluding P.A.A. absences), may return the vacation pay and collect Sickness and Accident benefit, thereby deferring the vacation for a later available date, or, accept the vacation pay and not be entitled to additional time off later. In either case, the employee cannot collect both.
- 381 An employee who is transferred from one department to another after vacation assignments have been made in the department for which he was transferred, will retain his assigned vacation time unless it is

necessary in view of production requirements to change his vacation time. Employees will be notified of the necessity to change no later than four (4) weeks prior to the scheduled vacation or at the time they enter the department if less than four (4) weeks. In those cases where it is necessary to change vacation time, the employee involved will be given the opportunity to state his preference of unassigned vacation time during which his services are not needed to meet production requirements. The Company agrees that no less than one (1) percent of the total actively employed factory employees may be absent at any one time under the terms of this section to take vacation entitlement in excess of two weeks, except that, small work groups (those composed of less than twelve (12) employees doing the same or very similar work) will be limited to one (1) person absent at any one time under this section.

- 382 10.10 Employees who are active with the Company on the third Friday of June will be eligible for the payment of the \$500.00 vacation bonus. The cheque will be distributed the last workday before the start of the annual vacation shutdown(s). Employees who qualify for only a portion of their full vacation with pay entitlement shall receive the same proportion of this payment. Employees not on the active roll of the Company the date the payment is due but who are subsequently reinstated to the active roll during the same calendar year will be paid the special payment either at the time they take their vacation, or at the end of the calendar year, based on their entitlement for the previous vacation work year.
- 383 10.11 (a) Notwithstanding any other provision of the Agreement to the contrary, one week of vacation (40 hours) as set forth in Section 10.01 of this Article, will be available for Paid Absence Allowance, and shall be made available to each eligible employee. To be eligible, an employee must have the required vacation service by May 31st of the current year and qualify for

more than 2 weeks of vacation with pay under Section 10.01 of this Article. Such Paid Allowance shall be granted to each eligible employee for use in the calendar year in accordance with the provisions of paragraph (c) herein, providing he notifies the Company in writing on or before January 20th of the current year of his desire to receive Paid Absence Allowance under Paragraph (b) 2. Such selection shall be irrevocable after that date.

- 384 An employee who returns from disability or layoff after January 20th will be given one (1) week from his return-to- work date to notify the Company in writing of his desire to receive Paid Absence Allowance. Such selection shall be irrevocable after that date.
- 385 Employees eligible for vacation will be entitled to additional hours of PAA for use in the calendar year in accordance with the memorandum on "Scheduled Paid Absences (SPA) Administrative Procedures".
- 386 (b) An employee shall use a Paid Absence Allowance selected in accordance with the provision of paragraph (a) above as:
 - 387 (1) Excused absence because of illness when not receiving any benefits under the Company's Weekly Disability Benefit Plan or any absence which has been requested by the employee and excused by his immediate supervisor, provided, however, that the employee's request will be denied only for the reason that his absence would interfere with production requirements.
- 388 Notwithstanding the above, a request for Paid Absence Allowance by an eligible employee made subsequent to such absence will be approved for payment, but such payment shall not make such absence an excused absence or preclude the Company from considering such absence on the basis, in whole or in part, for disciplinary action, Such Paid Absence Allowances shall be increments of four

(4) hours or more until such Allowance is exhausted. Any Paid Absence Allowance unused at the end of the calendar year will be paid to an employee in the last payroll period ending in that calendar year. Scheduled Paid Absence Allowance must be taken by the employee, unless canceled during the first half of the preceding shift.

- 389 (2) Vacation in the current year consisting of a full Paid Absence Allowance for forty hours, and scheduled in accordance with Section 10.09 of this Article.
- 390 (c) A paid Absence Allowance which the employee elects to apply to a day of absence under paragraph (b) (1) of this section shall include shift bonus, where applicable, and the cost-of-living allowance, and shall be computed in the case of an hourly employee, at his straight time hourly rate of his regular job in effect immediately prior to the day of absence, or in case of an incentive worker, at his piece work average earning rate usable for allowance on the day he is absent; except however, a daywork employee temporarily assigned to work covered by an incentive classification or to work covered by a higher rated day-work classification on the day before an excused absence will receive pay determined by averaging all his earnings for the week in which the absence occurs excluding overtime and premium pay for work on a holiday, Saturday and Sunday. If he performed no work during such week, the last week worked prior to the week in which the absence occurred will be used.
- 391 A Paid Absence Allowance for an employee who does not have 900 compensated hours to his credit, shall be computed as set forth herein. Pay for vacation for such employee shall be computed on the applicable percentage of earnings as shown in Column 4 less the amount paid him for Paid Absence Allowance.

- 392 Payment for Paid Absence Allowance prescheduled to provide a full week of time off or to abut an approved Leave of absence or vacation week will be issued in advance in conjunction with normal payroll procedures. In the event of a legitimate Sickness and Accident, Worker's Compensation, or Bereavement benefit, an employee who is on P.A.A. may cancel their P.A.A. for the period of benefit entitlement. The cancellation of the P.A.A. may begin at the start of the day the employee notifies the Company. Should the employee subsequently fail to become eligible for the benefit, the P.A.A. will not be canceled.
- 393 An employee, who has been notified of indefinite layoff, may request payment of unused PAA, such request must be made at least two (2) weeks prior to the layoff. Once an employee elects this option there will be no further time off at a later date in that calendar year.
- 394 An employee eligible to receive a Paid Absence Allowance under this provision shall be ineligible to receive any benefits from the Supplemental Unemployment Benefit Plan during the annual vacation shutdown.
- 395 An employee may schedule an unused full week of P.A.A. into a week during which the plant is shutdown.

ARTICLE 1 I-APPRENTICES

- ²⁵¹ 396 11.01 The employment of apprentices shall be in accordance with the apprentice training plan as approved by the parties for Chatham Plant.

ARTICLE 12-- JURY SERVICE

- 397 12.01 An employee shall be excused from work on a work day on which he performs jury service (including coroner's juries) or is subpoenaed and reports for

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witness service in a court of record, or who reports for pre-jury duty examination by the Court or administrative governmental agency, provided he gives prior notice to his Supervisor. Such witness service shall include that performed on his own behalf, but shall exclude that resulting from service with another employer.

- 398 An employee shall be permitted to work part time outside is regular jury or witness service if the nature of his work is such as will permit this practice.
- 399 An employee who is excused for jury or witness service and who furnishes the Company with a statement from the court with regard to jury pay or witness fees received for the time spent on jury or witness service on a regularly scheduled work day, will be reimbursed by the Company as follows:
- 400 An employee who performs jury or witness service will be paid the difference between jury pay or witness fees (excluding itemized meal and travel allowances) and his regular wages for his regular shift.
- 401 An employee who performs jury or witness service and works on the same work day will be paid the difference, if any, between his actual earnings for the day plus the jury pay or witness fees (excluding itemized meal and travel allowances and his regular wages for his regular shift.
- 402 An employee who is called for jury service, responds to the call and loses time from work but is not accepted for jury service, will receive an amount equal to his regular wages for such time lost on his regular shift, provided he returns to his job promptly if he would be able to perform at least two (2) hours of work on his regular shift. The requirement to return to his job promptly shall not apply to an employee who responds to the call for four (4) or more hours in a given day, regardless of whether or not he loses time form work.

403 For purposes of this Article, regular wages shall be the employee's straight time earnings for the shift, using the employee's hourly rate in the case of the dayworker and the employee's average piecework earning rate in the case of the pieceworker. In addition, night shift bonus will be paid, if applicable.

ARTICLE 13--BULLETIN BOARDS

404 13.01 For the use of the Union, the Company will erect and maintain a suitable number of locked bulletin boards throughout the plant. The location of the same as well as their number and size, shall be mutually determined. Such boards may be used for the purpose of disseminating information concerning meetings, elections, social events, and other affairs of general interest. Under no circumstances may they be used for advertising, for political matter, for distributing pamphlets or circulars or for propaganda of any sort. No matter shall be posted until it has been submitted to and approved by the Human Resources Manager or some person designated by him for that purpose.

ARTICLE 14--LEAVES OF ABSENCE

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405 14.01 A leave of absence shall be understood to mean an absence from work, requested by the employee and consented to by the Management covering an agreed period of time and for such reasons as: settlement of an estate, serious illness or death of a member of the family, or an extended trip and for the other reasons set forth in this Article. The Company agrees to inform the Local Union of cases of leaves of absence granted employees under this Article.

406 14.02 When an employee requests a leave of absence to accept employment of any nature elsewhere (except as otherwise provided in this Article), consideration will be given only if the

employee is working on a schedule of less than four (4) days per week.

407 14.03 For the purposes of facilitating the affairs of the Union, the Company shall grant, upon the written request of the Union, extended leaves of absence, without pay, to a number of employees not to exceed fifteen (15) from any Plant at any given time. Absences under this provision shall not exceed one (1) year except that such leaves of absence shall, upon request be renewed from time to time by the Human Resources Manager within the period of this Contract. An employee who holds office with the Local or National Union shall so long as such office is a full time position, be granted leaves of absence by the Company.

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408 14.04 Upon written request of an employee who is or seeks to be a candidate for election to any government office the Company will grant him a leave or leaves of absence not in excess of a total of thirty (30) days in the period prior to the election date for government office for the purpose of campaigning on his own behalf.

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409 14.05 For the purposes of enabling employees to participate in the affairs of government, the Company shall grant, upon written notice from the employee, leaves of absence to employees who are elected to municipal, provincial and federal governmental positions for the first term or who are appointed to full-time governmental office where such appointment requires legislative approval. Such leave of absence may be renewed at the option of the Company, upon written request for successive terms within the period of this Contract.

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4 410 14.06 A leave of absence for a period not to exceed one (1) year without loss of seniority will be granted an employee who has at least one (1) year seniority in order that the employee may attend a recognized college, university, trade or technical school full time,

provided that the course of instruction is related to the employee's employment opportunities with the Company. A request for a leave of absence to attend primary or high school will be regarded as being within the intent of this section and the schooling will be regarded as being related to the employee's employment opportunities with the Company. Before receiving the leave, or an extension thereof, the employee shall submit to the Company satisfactory evidence that the college, university or school has accepted him as a student and, on the expiration of each semester or other school term, shall submit proof of attendance during such term. Such leaves may be extended for additional periods not to exceed one (1) year each.

411 14.07 Employees shall be granted a leave of absence not to exceed a period of twelve months in anticipation of, and for the care of a newborn child of the employee.

412 14.08 Employees shall retain the accumulate seniority as though employed by the Company during leaves of absence.

**ARTICLE 15
WAGES, STANDARD TIME INCENTIVE PLAN AND
ALLOWANCES**

413 15.01 The occupations described as of the date of signing of this Agreement shall remain in their respective labour grade classifications for the duration thereof. All new occupations will be described and a rate established therefore within 30 days of the time such occupation is established. the Union shall have the right to grieve the description or rate within a period of 45 days from the date of issuance.

414 Should the Company and the Union be unable to agree on the description or rate of an occupation the dispute shall be submitted to a single arbitrator, who shall be a qualified industrial engineer or the equiva-

lent. The arbitrator shall be mutually agreed upon by the parties and his expense shall be shared on the same basis as in Section 4.01. Failing such agreement the parties shall then request the Minister of Labour for Ontario to appoint an arbitrator who shall have the above mentioned qualifications.

- 415 15.02 (a) Effective the first pay period on or after the effective date of the new agreement, the daywork hourly rate range shall be increases as follows:

Daywork Labour Grade	Amount of Increase
1	\$.36
2	.36
3	.37
4	.37
5	.37
6	.37
7	.38
8	.38
9	.38
10	.39
11	.40
12	.41
13	.41
14	.42
RRA	.45
RRB	.45
RRC	.45

- 416 (b) Effective the first pay period on or after the effective date of the new agreement the HIA will be, ^{50A} increased as follows: /

Incentive Labour Grade	Amount of Increase
6	\$.38
7	\$.38
9	\$.39
11	\$.40
12	\$.41

- 417 (c) After the application of the general wage increase provided in section (a) above, a special increase of ten cents (.10) will be added to the full base hourly rate for each skilled trades classification.
- 418 (d) Effective the first pay period on or after October 25, 1994, the daywork hourly rate range shall be increased as follows:

Daywork Labour Grade	Amount-of-Increase
1	<u>\$.30</u>
2	.30
3	.30
4	.30
5	.30
6	.31
7	.31
8	.31
9	.31
I-O	.32
11	.33
12	.33
13	.34
14	.34
RRA	.37
RRB	.37
RRC	.37

- 419 (e) Effective the first pay period on or after October 25, 1994, the HIA will be increased as follows:

Incentive Labour Grade	Amount of Increase
6	\$.31
7	.32
9	.32
11	.33
12	.33

- 420 (f) Effective the first pay period on or after October 25, 1995, the daywork hourly rate range shall be increased as follows:

Daywork Labour Grade	Amount of Increase
1	\$.20
2	.20
4	.20
5	.21
6	.21
7	.21
8	.21
9	.21
10	.21
11	.22
12	.22
13	.23
14	.23
RRA	.25
RRB	.25
RRC	.25

- 421 (g) Effective the first pay period on or after October 25, 1995, the HIA will be increased as follows:

Incentive Labour Grade	Amount of Increase
6	\$.21
7	.21
9	.21
11	.22
12	.22

- 422 (h) After the application of the general wage increase provided in Section (f) above, a special increase of ten cents (**.10**) will be added to the full base hourly rate for each skilled trades classification.

- 423 (i) For the purpose of applying benefit plans referred to in Section 19.01, the wage rate of an employee

shall not be increased prior to the effective date of this agreement.

- 424 15.03 (a) (1) A new employee hired on or after the effective date of this Agreement shall be hired at a rate equal to eighty-five percent (85%) of the full base rate of the job classification (excludes COLA).
- 425 (2) At the expiration of **two hundred and seventy (270) days** of employment, such employee shall receive an increase to **ninety-two and one half percent (92.5%)** of the full base rate of the job classification (excludes COLA).
- 426 (3) At the expiration of five hundred and forty-five (545) days of employment, such employee shall be paid the full base rate of the classification (excludes COLA).
- 427 (b) An employee will receive credit for seven days for each pay period during which the employee works except that the credit will not be given for any days the employee is on layoff. Credit will not be given for any period during which for any reason, the employee does not work except that an employee disabled from work by compensable injury or legal occupational disease shall accrue credit toward pay period worked and in the case of the pay period in which the full week of the Christmas Holidays fall, provided the employee would otherwise have been scheduled to work. Further, an employee will be given progression credit of either one or two weeks of the vacation shutdown period provided he earns at least 40 or 80 hours of vacation and paid absence allowance entitlement respectively. Each increase shall be effective at the beginning of the first pay period following completion of the required number of days employment.

428 (c) A laid-off seniority employee hired in a job classification other than skilled trades, shall receive a base rate, upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff. Such employee shall continue to be covered by the rate progression provisions in effect during his previous employment. Upon such re-employment, the credited rate progression period of the employee's prior period of employment shall be applied toward his rate progression to the maximum rate of the job classification.

429 (d) The foregoing Subsection (a), (b), and (c) shall not apply to Skilled Trades classifications.

430 15.04 (a) The cost-of-living allowance provided for herein shall be paid to each employee for each hour worked. The amount of the cost-of-living allowance in effect at any given time shall be included in computing 15.02(a), **one dollar and forty-five cents (\$1.45)** shall be deducted from the **one dollar and sixty-two cents (\$1.62)** cost-of-living allowance in effect immediately prior to that date. **One Dollar and forty-five cents (\$1.45)** shall be added to and become part of the regular wage rate for each daywork classification in effect on that date, and HIA for each incentive classification in effect on that date.

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431 Effective with the adjustment for the three-month period beginning **December 1, 1993**, and for the next **eleven (11)** three month periods specified in 15.04(d), the Cost-of-Living Allowance shall be determined and re-determined as specified in 15.04 (e), on the basis of the Consumer Price Index published by Statistics Canada (1986 =100) in accordance with the Letter of Understanding signed by the parties.

432 Continuance of the cost-of-living allowance shall be contingent upon the availability of the Indexes in their present form and calculated on the same basis as the

Index for July, **1993**, unless otherwise agreed upon by the parties. If Statistics Canada change the form or the basis of calculating the Index, the parties agree to ask Statistics Canada, to make available, for the life of this agreement, a monthly Index in its present form and calculated on the same basis as the Index for July, **1993**.

- 433 (c) Adjustments during the period of this Agreement shall be made at the following times:

Effective Date of Adjustment	Based upon Three-Month Average of the Combined Consumer Price Indexes for:
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First pay period beginning on or after Dec. 1, 1993	August, September & October 1993
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Three calendar-month Intervals thereafter to September 1, 1996	Three calendar-month intervals thereafter to May, June and July, 1996
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- 434 (d) (i) Effective for the **December 1, 1993**, and for any period thereafter as provided in Section 15.04 (c), the cost-of-living allowance shall be based on the Consumer Price Index published by Statistics Canada (1986 = 100) with one cent (1 cent) adjustment for .073 change in the Average Index.
- 435 (d) (ii) In determining the three-month average of the Indexes for a specific period, the computed average shall be rounded to the nearest 0.1 Index point.
- 436 (e) (i) In the event Statistics Canada does not issue the appropriate Indexes on or before the beginning of one of the pay periods referred to in Section 15.04 (c), any adjustment in the allowance required by such appropriate Indexes shall be effective at the beginning of the first pay period after receipt of the Indexes.

- 437 (ii) No adjustment retroactive or otherwise shall be made in the amount of the cost-of-living allowance due to any revision which later may be made in the published figures used in the calculation of the Consumer Price Index for any month on the basis of which the allowance shall have been determined.
- 438 (f) Each daywork employee's wage rate shall be determined by comparing the labour grade of his/her occupational classification and his/her wage level in such labour grade with the same labour grade and wage level in the schedule set out in Appendix "A".
- 439 (g) Each incentive employee's base rate shall be determinate by comparing the labour grade of his/her occupational classification and his/her wage level in such labour grade with the same labour grade and wage level set out in Appendix "B".
- 440 (h) In applying the provisions of Article 15.04 the Company shall prepare a notification letter to the Union setting forth the Consumer Price Index for each of the three months that form the basis for an adjustment, and the average of those three months, rounded to the nearest 0.1 index point. This notification letter will be prepared and sent to the Union after publication of the appropriate Consumer Price Indexes for the third publication of the appropriate Consumer Price Indexes for the third month used for each adjustment period in accordance with section 15.04 (c).
- 441 15.05 An employee assigned to the duties of a group leader will be paid 15¢ over the maximum rate of the highest occupation supervised, including his/her own.
- 442 15.06 When an employee is assigned to a new or different incentive operation or day work occupation, he will be informed in advance of the incentive standard or the hourly rate to be paid for such operation or occupation.

- 443 Where a day work employee performs work in more than one occupation, he will be paid the rate of the occupation for the time spent in each occupation.
- 444 Employees who continually work in more than one occupation (dual rating), their predominant occupation will be recorded on the front of his or her rate card and will be used for the basis of payment for any new classification, and other items such as promotion, demotion, or shift preferences. There will be no dual rates unless mutually agreed upon between the Union and the Company.
- 445 15.07 New Hires (Dayworkers and Incentive Employees) if reassigned under the provisions of the collective agreement a "New Hire" employee will receive the rate of pay as described in 15.03(a) 1,2,3 or 4 for the assigned classification.
- 446 When employees other than new hires are transferred they will receive the maximum of the labour grade of the classification to which they are transferred.
- 447 15.08 If a day work employee is assigned temporarily (one hour or more in anyone day) to day work other than his regular job, he will be paid either his own rate or the maximum of the job rate to which he is assigned, whichever is higher for the actual time worked on such temporary assignment.
- 448 15.09 The employee shall make out his own labour sheet daily showing in detail each operation he has worked on, and shall submit such labour sheet to the designated location at the end of the shift involved.
- 449 15.10 There shall be no change made on the employee's daily labour sheet without his knowledge. Allowances, authorized by the foreman or group leader are to be entered daily or on some other basis agreed upon between the Company and the Union, and the labour sheet shall be kept in an accessible place for employee reference.

450 15.11 The Company maintains the right to set production standards by time study, standard data developed from time studies taken within this plant and by continuous watch reading method only and standard data developed from predetermined times. In all cases, production standards will be set in a manner which will be fair and equitable to the employees. In setting a production standard, the following technical provisions will be adhered to:

451 1) In no case will production standards be established on an operation until the prescribed methods are satisfactorily set up by the time study observer and the foreman of the department. The foreman of the department will instruct the operator as to any change in the operation. Sufficient time will be given to the operator to accustom himself with the changed operation before commencing the time study. The foreman of the department will be present for the start of all time studies and will endeavor to remain until the completion.

452 2) In setting a production standard, the Company shall record all the elements into which the job has been broken down. Elements will follow and be numbered in the sequence in which they occur and will indicate the method and/or motions used. A sketch or grid photograph of the work area will be made showing the location of stock, equipment, tools, jigs, etc. and the distance from the operator's normal position of work at the time of recording the time study. Where distances are not recorded, it will designate that these articles are within arm's reach of normal working position. Items (other than nuts, bolts, washers, etc) will be identified on sketch by Navistar part numbers, except on controlled lines where common names can be used.

- 453 Conditions of work area (crowded, wet, accessibility to aisles) or stock, (oily, does not fit, burred etc.) condition of equipment (loose, bent, etc) or any other condition that may affect the time or efficiency of the operator, will be noted on the sketch, or grid photograph or time study. If not noted, conditions will be considered as normal. Analysis sheets (as pertinent) will be completely filled out and signed by all observers taking the study, or checking the finished time study and standard. The normal operator who is to be observed for any reason shall be chosen by the Company and notified along with the Area Union Representative prior to the observation. An absent normal operator whose absence will delay an efficient timing program may be replaced for timing purposes provided the replacement has received training according to Section 15.22 (b) (ii). The subsequent standard will be taken using the designated operator or the replacement.
- 454 3) All time studies for the purpose of establishing production standards, will be taken by the continuous watch reading method only, and in accordance with the following:
- 455 (a) Where continuous watch reading is not used for any reason, the date, time and reason will be recorded on the time study. All time removed from a time study will have the complete explanation for its removal recorded on the time study. When elemental cycle times are not recorded, a clear explanation will be recorded on the time study. When a time study has been commenced, the clock will not be stopped for any reason so long as the time study observer remains at the operation and the operation continues. Where it is not possible, due to production scheduling, or other conditions beyond the operator's control to complete the necessary observations, such information shall be noted on the time study.

- 456 The time study observer, in a delayed time study, will arrive back at the operation far enough in advance of the part (or the complete operation) to insure that all elemental cycle times will be recorded and that all elements involved will be covered by a recorded time.
- 457 (b) There shall be no erasures on a time study. If a mistake has been made in any recorded figure and has to be corrected, then it will be crossed out and the correct recorded figure inserted in another space at the side or below; in cases where this cannot be done, then it is to be inserted and identified at the end of the study. A clear explanation as to what has occurred will accompany the corrected figure.
- 458 (c) The time study observer will not do any subtraction's or make any other calculations to arrive at elemental cycle times or time study totals, until all efficiency ratings are recorded. All efficiency ratings will be recorded before observer leaves the operation and once recorded will not be altered unless noted on time study. Elemental cycle times will be checked by observer by doing mathematics, element by element, and cycle by cycle, and comparing one with the other to eliminate errors. Time studies will be signed as mathematically correct by time study observer or checker.
- 459 4) Operations will be broken down into elements with a minimum of 5/100 of a minute. Any elemental description will have complete information as to work content, and will have breakoff points that are readily and clearly recognized by an occurrence of a distinct noise, operation end, or body movement. Elements will be established in such a manner as to insure that the observed time value will accurately represent what is being done within the elemental breakdown description and that all units of the operation are recorded and observed.

- 460 5) When an operation is being time studied for the purpose of setting production standards, it will be timed for a long enough period to insure that the study will reflect an average working condition. Where a job is of short duration (less than 15 minutes per cycle) a minimum of 10 cycles will be observed; the number of cycles to be observed on jobs of longer duration can be reduced to no less than three (3). These will be used to obtain the data necessary for accurate and equitable determination of such standards. All time studies on heavy or hot work shall be taken for such periods as will insure proper allowance for fatigue.
- 461 Operations involving weights in excess of 50 pounds will be reviewed to determine the need of one of the following:
- (a) mechanical assistance
 - (b) helper
 - (c) additional fatigue allowance
- 462 6) In determining the performance time for elements on an operation, only a simple average of the accepted elemental times (minus strike-outs) will be used. Simple average to be defined as: The sum of the allowed work elemental cycle times to be divided by the number of occurrences left in each element. Should work not occur in any element of a cycle, then a clear explanation will be given on the time study.
- 463 7) One hundred percent efficiency shall be considered as normal and shall reflect the time required for the normal operator working under normal conditions at a normal (100%) pace using prescribed methods to produce a normal piece. A piece worker, when being time studied shall work in accordance with the company's advance instructions and shall give a performance which is honest and represents the conditions of the operation. "As a general rule, if the employee being time studied is not performing for any reason under circumstances which would justify an

evaluation of 85% or more, the timestudy will not be completed until the circumstances which prevented the continuance of the timestudy are corrected. In any case where the timestudy proceeds and a production standard is set on basis other than the general rule above, an explanation will be recorded on or attached to the timestudy form. If the timestudy is stopped, the operator along with his department Union Representative will be informed of the reason by his foreman."

- 464 If a time study is disallowed, under the conditions outlined above, the elemental efficiencies will be entered as usual. The disallowed timestudy will not be added or calculated for any part, nor be used to predetermine the time of an element or operation. Disallowed time studies will be retained for a period of ten (10) working days from the effective date of the standard.
- 465 8) On a time study by continuous watch reading method, only times to be recorded will be times as read off a time study clock. No time will be used or inserted in a time study that is taken from another time study unless method, location of stock, sequence of operations, elemental breakdowns, etc., are identical and operator and union representative are notified that this is to be done before commencement of observation and/or implementation of applied standard. A clear explanation of where time originated must be noted on the time study affected and time used must be a simple average of more than 70% of total of elemental cycles of the originating time study.
- 466 9) The Company agrees to post at conveyor operations, operation sheets showing the elements that make up the study and the elapsed time to perform each element which will not include allowances.

- 467 10) All work normally inspected shall be inspected in the normal way and if there is more than the average or normal number of rejects, a new time study will be taken.
- 468 11) Upon conclusion of a time study, and before observer leaves the operation he will, if requested, supply in writing to the operator, the following:
- 469 (a) The exact total time over which the time study took place.
- 470 (b) The exact total time (minus strikeouts) of the time study.
- 471 (c) The effort rating per element
- 472 (d) The number of pieces time studied.
- 473 (e) The allowance in minutes of the exact total time (minus strikeouts) of the time study.
- 474 If the observer is unable to comply with any of the above he will notify the departmental Union representative.
- 475 12) Standards will be set, observed, recorded, rated, by trained, experienced time study observers, using the continuous watch reading method, and shall be fair and equitable and the manner in which they are arrived at and recorded, shall be consistent from one observer to another within the provisions of this Agreement and the Navistar Time Study Research Training Program.
- 476 13) It is hereby understood and agreed that a dispute involving time standards developed from I.H.T.F., M.T.M., standard data, and predetermined times will be verified by a study using the continuous watch method as outlined in this section. The continuous watch method is the only method of watch reading to be used in establishing production standards.

- 477 15.12 Production standards will be established on all incentive operations so that a qualified experienced operator working at a "normal piecework effort (100%) will earn timing rate." where there is a dispute concerning the production standard, the Company will present a substantiation and a copy of all details involved in setting of the production standards to the Union. These shall include all facts, data, time studies (allowed, disallowed, check, temporary) or any information pertaining to the operation that is considered pertinent and will help clear up the dispute. Where the adequacy of a standard is questioned on request of the Union, the operation will be checked by an observation study or studies, which will be carried out on the day shift, provided the dispute is not peculiar to the second or third shift. Standards, when established, shall only be applied to and reserved for the method in effect at the time the time study was taken. Method in effect will be determined by the elemental write-up recorded on the time study used to set the standard of the operation.
- 478 15.13 When an observer is under training he will not be used to record, observe, audit, or rate any operation, or part of an operation, where a standard is involved, except as part of their training. It is understood a trainee observer will not remain on any operation for an unreasonable length of time, nor will his recordings affect the earnings of the operator. At no time will any of his observations or ratings be used to set production standards until he is judged by the Company able to sign and be responsible for all phases of the standard. The operator on an operation being time studied by a trained observer and a trainee will be notified before commencing, that only the trained observer's recordings will be used in setting the production standard. Until a trainee is judged competent in a particular area, then the trained observer in charge of him will be responsible for the time study in all its phases especially the "Standard."

When a trainee takes a time study (makes breakdown records, and rates) with only indirect supervision by a trained observer, he will then be responsible for all phases of a time study especially the "Standard."

- 479 A list of time study trainees will be forwarded to the Plant Chairman and upon the conclusion of the training period when they become qualified observers, the Chairman will be so advised.
- 480 15.14 When incentive standards have been definitely established they shall remain in effect unless subsequent developments such as clerical errors in setting prices, changes in specification, method, or equipment justify revision. Production standards affected by clerical, or mathematical errors will be discussed with the Union before standards are changed. Production standards affected by change in method or specifications will be revised only to the extent of the elements affected and this will be determined by the elemental write-up of the standard involved.
- 481 In the event of a major change, the Company will have the right to take an elemental write up of the current method to compare with the elemental write up of the changed method, when it becomes effective, to ascertain the extent of the change being made. This procedure is to apply only when the Company is unable to determine the change of method with the current elemental write up.
- 482 Before any group of elements are retimed the Company will notify the Plant Chairman and Departmental Committeeman in writing of the change or changes involved also, no group of elements will be retimed until the union has reviewed the submission which must be done within five (5) days, or other mutually agreed upon time limits.

- 483 15.15 Any difference of opinion arising re a time study or standard shall be subject to the grievance procedure and said grievance will be automatically referred in the first step to the Time Study Department, by the foreman involved.
- 484 The Union will be notified of any changes in controlled line speed.
- 485 15.16 All time studies will be dated on the day observations are completed. Time standards resulting from time studies taken on an operation on which no standard exists will be effective as follows:
- 486 (a) On conveyor lines--upon completion of breakdowns
- 487 New Production standards replacing existing standards will be made effective as above. Existing standards which are in effect at the beginning of a shift will remain in effect for the duration of the shift,
- 488 15.17 Where work in more than one Labour Grade is combined in one operation the highest grade will be used for paying the Standard.
- 489 15.18 Rules for the payment of allowances for downtime on fixed conveyors are as follows:
- 490 (a) Line Rate, will be paid for the following downtime conditions:
- (i) As a result of material shortages on parts manufactured or processed in our plant except as a result of late arrival of raw material.
 - (ii) As a result of shortage of purchased parts already received in our plant but not delivered to point of consumption in time,
 - (iii) As a result of order rearrangement for reasons other than material shortage on purchased items.

(iv) As a result of delays caused by inability of the Company to remove inoperable vehicles from the end of conveyor.

(v) As a result of order rearrangement caused by late arrival or non-arrival of expected purchased material.

(vi) As a result of stock shortages on purchased material late in arriving in our plant.

(vii) Mechanical breakdowns.

(viii) New model introduction.

491 (b) (i) If an employee is working on a fixed conveyor and is capable of performing work by himself he will be paid Line Rate.

(ii) An employee on a fixed conveyor will be allowed. up to a maximum of five (5) days (40 continuous working hours) under normal supervision to learn the operation.

(iii) Maximum cycle time will be added to operator's breakdown sheet.

492 15.19 Temporary incentive standards, subject to timing at a later date, may be set by Comparison or from estimates developed within the plant according to the following rules.

493 1. A total time will be taken, without elemental readings except as required to separate such non-allowable items as personal time, non-recurring rework, etc.

494 2. A description of the work being performed will be made for record purposes only.

495 3. Efficiency rating will be on an overall basis.

- 496 4. Standards resulting from these estimates will be designated by the insertion of the letter "C" immediately in front of the standard.
- 497 5. The area union representative will be informed of the reason for the "C" standard prior to the study.
- 498 15.20 All labour pools will be recorded on one time sheet.
- 499 15.21 When employees are stopped from their regular occupations and are assigned to inventory work, they shall be paid for the time involved at the maximum rate of day work labour grade 6.
- 500 15.22 An employee injured at work on a regular shift requiring medical treatment who is certified by a medical doctor as unable to return to work, or the injury occurs too late in the day to make return possible, shall be paid for the balance of the shift at his regular hourly rate.
- 501 If an employee working at premium time suffers an injury, and is unable to return to work, he will be paid on a Premium basis for the remaining scheduled premium hours.
- 502 The same method of payment will be used to compensate an employee who must leave the plant to receive medical treatment and return to work.
- 503 15.23 Employees requesting to be excused from observation or time study for medical reasons only must provide substantiating medical evidence from their personal physician. The Company selected substitute operator will be made known to the department union representative prior to the observation or time study.

**ARTICLE 16
CHECK OFF OF UNION DUES AND
INITIATION FEES**

- 1/4
504 16.01 All present employees in the bargaining unit who are not now members of the Union but who may become members during the term of this Agreement will be required, as a condition of continuing employment, to maintain their membership in the Union to the extent of current monthly dues and to sign an "Authorization to Deduct Union Dues" in the form provided.
- 2/7
505 16.02 All new employees who are hired during the term of this Agreement will be required as a condition of employment, and within 30 days after the date of commencement of employment, to assign to the Union, through payroll deductions, an amount of money equal to the monthly Union dues, and for such purpose to sign an "Authorization to Deduct Union Dues" in the form provided.
- 506 16.03 It is hereby agreed that for the duration of this Agreement, upon authorization in writing by an employee covered by the Agreement and in the manner as set out in Schedule "A" below, the Company will deduct Union dues, Initiation Fees, and general assessments levied per month from the second pay in each month of such employee. All such deductions to be transmitted to the Financial Secretary of the Union on or before the 25th day of each month.
- 507 Orders authorizing the deduction of such Union dues, initiation fees, and general assessments shall be made in duplicate and one copy shall be forwarded to the Financial Secretary of the Union. The Financial Secretary of the local Union shall notify the Company of the amount of such initiation fees, dues, and assessments to be deducted in accordance with the provisions of this Article.

- 508 16.04 The Company will, at the time of making each such payment to the Financial Secretary of the Union name the employees from whose pay such payment has been deducted.
- 509 16.05 If during the regular pay for deduction of Union dues or initiation fees an employee, because of absence, has no earnings, such deduction shall be deferred to the regular deduction period in the following month, provided, however, that the employee has had 40 hours or more of work in the preceding month for which no deduction was made and also has had at least 35 hours of work during the week for which the double deduction will be made. If either one of these work requirements has not been met by the time the second deduction is due, deduction of one month's dues only shall be made, and the extra deduction shall be made during the first subsequent month in which the employee has performed the amount of work required above.

SCHEDULE "A"

**NAVISTAR INTERNATIONAL CORPORATION
CANADA
CHATHAM PLANT**

AUTHORIZATION OF CHECK-OFF OF DUES

Date _____

To: Navistar International Corp. Canada

510 I hereby assign to Local Union No. 127, National Automobile, Aerospace and Agricultural Implement Workers Union of Canada (C.A.W.) from any wages earned or to be earned by me (or a regular benefit payable under its Supplemental Unemployment Benefit Plan or its Optional Leave Benefit Plan) as your employee (in my present or in any future employment by you), such sums as the Financial Officer of said Local Union No. 127 may certify as due and owing from me as membership dues, including an initiation or reinstatement fee and monthly dues in such sum as may be established from time to time as Union dues in accordance with the Constitution of the National Union, C.A.W. I authorize and direct you to deduct such amounts from my pay and to remit same to the Union at such times and in such manner as may be agreed upon between you and the Union at any time while this authorization is in effect.

511 This assignment, authorization and direction shall be irrevocable for the period of one (1) year from the date of delivery hereof to you, or until the termination of the collective agreement, between the Company and the Union which is in force at the time of delivery of this authorization, whichever occurs sooner; and I agree and direct that this assignment, authorization and direction shall be automatically renewed, and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable collective agreement between the Company and the Union, whichever shall be shorter, unless written notice is given by me to the Company and the Union not more than twenty (20) days and not less than ten, (10) days prior to the expiration of each period of one (1) year, or of each applicable collective agreement between the Company and the Union, whichever occurs sooner

512 This authorization is made pursuant to the provisions of the Ontario Labour Relations Act of 1973 and otherwise.

(Signature of Employee)

(Social Insurance No.)

(Type or Print Name of
employee)

(Employee Clock No.)

(Address of employee)

(Date of Signature)

City Prov. Postal Code

**ARTICLE 17—INSURANCE PLANS
TABLE OF BENEFITS**

17.01 Effective **October 25, 1993**, the amount of insurance for employee shall be as follows,

513

Base Hourly Earnings	(1) Weekly Disability Benefits	Group 7012/9/99 ^{7012/9/99} 76 ⁷⁶ Term Life Insurance		(2) 7012/9/99 Total & Permanent Disability	(3) Monthly LTD Schedule I	LTD Benefits Schedule II
		Before Age 65	AD&D Before Age 65			
less than \$16.05	\$380	\$36,500	\$18,250	\$730	\$1,375	\$1,510
\$16.05 but less than \$16.40	\$390	\$37,500	\$18,750	\$750	\$1,405	\$1,545
\$16.40 but less than \$16.75	\$395	\$38,000	\$19,000	\$760	\$1,435	\$1,580
\$16.75 but less than \$17.10	\$405	\$39,000	\$19,500	\$780	\$1,470	\$1,610
\$17.10 but less than \$17.45	\$415	\$39,500	\$19,750	\$790	\$1,500	\$1,645
\$17.45 but less than \$17.80	\$420	\$40,500	\$20,250	\$810	\$1,530	\$1,680
\$17.80 but less than \$18.15	\$430	\$41,500	\$20,750	\$830	\$1,560	\$1,710
\$18.15 but less than \$18.50	\$440	\$42,000	\$21,000	\$840	\$1,590	\$1,745
\$18.50 but less than \$18.85	\$450	\$43,000	\$21,500	\$860	\$1,620	\$1,780
\$18.85 but less than \$19.20	\$455	\$43,500	\$21,750	\$870	\$1,650	\$1,810
\$19.20 but less than \$19.55	\$465	\$44,500	\$22,250	\$890	\$1,680	\$1,845
\$19.55 but less than \$19.90	\$475	\$45,500	\$22,750	\$910	\$1,710	\$1,880
\$19.90 but less than \$20.25	\$480	\$46,000	\$23,000	\$920	\$1,740	\$1,915

\$20.25 but less than \$20.60	\$490	\$46,500	\$23,250	\$930	\$1,770	\$1,945
\$20.60 but less than \$20.95	\$500	\$47,500	\$23,750	\$950	\$1,800	\$1,980
\$20.95 but less than \$21.30	\$505	\$48,500	\$24,250	\$970	\$1,830	\$2,015
\$21.30 but less than \$21.65	\$515	\$49,000	\$24,500	\$980	\$1,860	\$2,045
\$21.65 but less than \$22.00	\$525	\$50,000	\$25,000	\$1,000	\$1,890	\$2,080
\$22.00 but less than \$22.35	\$530	\$50,500	\$25,250	\$1,010	\$1,920	\$2,115
\$22.35 but less than \$22.70	\$540	\$51,500	\$25,750	\$1,030	\$1,950	\$2,145
\$22.70 but less than \$23.05	\$550	\$52,500	\$26,250	\$1,050	\$1,985	\$2,180
\$23.05 but less than \$23.40	\$555	\$53,000	\$26,500	\$1,060	\$2,015	\$2,215
\$23.40 but less than \$23.75	\$565	\$54,000	\$27,000	\$1,080	\$2,045	\$2,245
\$23.75 but less than \$24.10	\$575	\$54,500	\$27,250	\$1,090	\$2,075	\$2,280
\$24.10 but less than \$24.45	\$585	\$55,500	\$27,750	\$1,100	\$2,105	\$2,315
\$24.45 but less than \$24.80	\$590	\$56,500	\$28,250	\$1,130	\$2,135	\$2,350
\$24.80 but less than \$25.15	\$600	\$57,000	\$28,500	\$1,140	\$2,165	\$2,380
\$25.15 but less than \$25.50	\$610	\$58,000	\$29,000	\$1,160	\$2,195	\$2,415
\$25.50 but less than \$25.85	\$615	\$58,500	\$29,250	\$1,170	\$2,225	\$2,450
\$25.85 but less than \$26.20	\$625	\$59,500	\$29,750	\$1,190	\$2,255	\$2,480
\$26.20 but less than \$26.55	\$635	\$60,500	\$30,250	\$1,210	\$2,285	\$2,515
\$26.55 but less than \$26.90	\$640	\$61,000	\$30,500	\$1,220	\$2,315	\$2,550
\$26.90 but less than \$27.25	\$650	\$62,000	\$31,000	\$1,240	\$2,345	\$2,580
\$27.25 but less than \$27.60	\$660	\$62,500	\$31,250	\$1,250	\$2,375	\$2,615
\$27.60 and over	\$665	\$63,500	\$31,750	\$1,270	\$2,405	\$2,650

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- 514 (1) In no event will the Weekly Disability Benefit payable under this Plan be less than the disability benefit the employee would have received had he been eligible for an Unemployment Insurance Disability benefit on the date he first became disabled.
- 515 (2) Employees may elect payment of life insurance in monthly installments as provided in Article VII (a) of Part II.
- 516 (3) Schedule II applies to eligible employees who, on their last day worked preceding a continuous period of disability either have 10 years of credited service under the Non-Contributory Retirement Plan or ten or more years of participation under Group Life Insurance Program.
- 517 17.02 The Management agrees to meet with a representative committee of the Union to discuss any phase of the Company's sick benefit, hospitalization, surgical, medical and life insurance plans whenever there appears to be reasonable justification for such meeting.

ARTICLE 18--SKILLED TRADES

- 518 18.01 The purpose of this Skilled Trades Article shall be for defining classifications and apprenticeship and to include all commonly recognized apprenticeable trades.
- 519 18.02 The term journeyman/journeywoman as used in this Article shall mean any person who:
- 520 1. Is presently working within the journeyman/journeywoman classification in the plant in a skilled trades occupation, or
- 521 2. Has served a bona fide apprenticeship and has a certificate to substantiate his claim of such apprentice service, or

- 522 3. Has had eight (8) years of practical experience in a skilled trades classification in which he claims journeyman/ journeywoman designation and can prove same, or has a recognized CAW journeyman's/ journeywoman's card.
- 523 4. Notwithstanding the above, the term "stationary engineer" as used in this Article shall mean a person who has the qualifications and certification that comply with the Operating Engineers' Act of Ontario, and shall be considered a journeyman/journeywoman.
- 524 18.03 The conditions governing recognition, representation and other Working conditions applicable to the skilled trades shall apply to employees in the following classifications, but additional classifications may be negotiated by the parties during the life of this Agreement.

525

<u>Code No.</u>	<u>Occupational Title</u>
34	Mechanic - Dynamometer & Road Test
37	Machinist - Development
39	Mechanic - Conversion
42	Carpenter All Around
47	Welder- Arc and Gas (Pressure)
49	Millwright
52	Tool & Die Maker
53	Plumber
54	Electrician - Plant
55	Electrician -Welder Maintenance
56	Electrician - Sub-Station
57	Machine Repair
03C	3rd. Class Stationary Engineer
84E	Electrician- Plant Electronics

- 526 18.04 Leaders -- A Leader shall be defined in a skilled trades classification as one who is normally required to lead two or more men and shall receive 15¢ per hour above the maximum rate of the highest occupation he supervises, including his own.

- 527 18.05 Entry into a recognized skilled trade by a new employee shall be governed as in Section 18.02 or through an Apprenticeship Program which has been agreed upon in accordance with Article 11. If there is a vacancy in the Skilled Trades area, the job posting procedures from 7.10 will apply using the following procedure.
- 528 1. A departmental job posing will first be posted in the Skilled Trades department where the vacancy exists and only the employee in the Skilled Trades seniority list for that department will be eligible to apply for that particular job posting.
- 529 2. If there is no successful applicants on the departmental posting, then the job will be posted plant wide and only those employees on the Skilled Trades list will be eligible to apply for the opening.
- 530 3. If for some reason there is still no successful applicant from Steps 1 and 2, factory employees who are not on the Skilled Trades seniority list but are in the affected department where the posting originated and fulfill the requirements of Section 18.02 of the Agreement will be considered and given priority over other factory employees for the vacancy prior to the Company considering hiring a new Skilled Trades employee. Employees transferring into the Skilled Trades under this provision will carry their service, not seniority.
- 531 Skilled Trades employees laid off from their classification shall have preferred hire-in rights into production areas ahead of other new hires. Production workers laid off, who fulfill the provisions of Section 18.02 will have preferred hire-in rights to enter the Skilled Trades ahead of other new hires.
- 532 In the event of a reduction of available work in the 52 RRC Tool & Die Classification the most senior

employee whose job has been discontinued may displace the most junior employee in either the 37 RRC Machinist Development or 57 RRC Machine repair classification, provided the employee has the seniority to do so.

- 533 In the event of a reduction of available work in the 57RRC Machine Repair classification, the most senior employee whose job has been discontinued may displace the most junior employee in the 52RRC Tool and Die Maker classification, provided, the employee meets the qualifications for the job as outlined in Article 8.02, and, has the seniority to do so.
- 534 All other trades classifications will not be eligible to displace junior employees in other classifications regardless of their qualifications under Art. 18.02.
- 535 In the event a former 52 RRC Tool & Die employee is subsequently being reduced from a job he had previously obtained through the provisions of this section, he shall have the right to return to the 52 RRC Tool & Die classification if his seniority so warrants.
- 536 Production workers will carry service but not seniority, at lay-off or transfer, into the Skilled Trades classification as listed in Section 18.03 and Skilled Trades workers will carry service but not seniority, at lay-off or transfer, into production or non-production classifications not covered in Section 18.03 with the exception of Skilled Trades employees who transfer into production due to medical restrictions will carry service and seniority, except where one of the listed skilled classifications is discontinued or eliminated. Such employee will then exercise seniority as outlined in Article 7. Employees from the factory who are accepted into the Skilled Trades area and within sixty (60) days are unsuccessful, will be returned to available work, in line with the seniority he had prior to entering into the Skilled Trades.

- 537 Should a Skilled Trades employee become medically unfit and unable to follow his trade, he will be assigned to other suitable employment as outlined in Article 7, Section 7.10.
- 538 18.06 Promotions -- The journeyman/journey woman having the greater seniority in a skilled trades classification within which a job vacancy occurs shall be given preference in filling such job, provided only that he is best qualified to perform the work.
- 539 18.07 Representation -- The Company will recognize and the Skilled Trades Group will select a journeyman/journeywoman representative for the purpose of grievances, appeals and bargaining. Such a representative will be considered as one of the plant committeemen mentioned in Article 3.
- 540 18.08 Tools -- The Company will assume the responsibility for the replacement of tools and tool boxes belonging to skilled tradesmen and apprentices in the event such tools or tool boxes become damaged or lost by fire, water resulting from a fire or water leakage due to a structural defect. However, all tools must be listed and valued and the list presented by the employee to the Plant Controller for safe keeping prior to any fire. The maximum liability assumed under this section shall not exceed One Thousand Five, Hundred Dollars (\$1,500) for each such employee.
- 541 18.09 Membership Fee -- The Company will, upon proper written authorization by the employee, deduct from the earnings of all Skilled Trades employees the sum of One Half (1/2) an hours wage (including current C.O.L.A.) per year in the month of January. Such deductions to be considered as a membership fee in the area Skilled Trades Council, and such deductions to be forwarded to the Financial Secretary of the Local Union. New employees will have fees deducted from the first pay following receipt of written authorization.

- 542 18.10 When, because of a situation beyond the normal control of the Company, it becomes necessary to transfer a member of the Skilled Trades Group on a temporary basis to another department the Company will give consideration to assigning the shorter service employee with the required skill and ability. The employee shall be returned to his regular department upon correction of the condition.
- 543 18.11 All Skilled Trades as required will work during the Company designated vacation shutdown period. Further, one employee of each Skilled Trades classification will be granted vacation at the same time during the vacation scheduling period. Any increase in this minimum of one will be made if the appropriate department head approves.
- 544 18.12 In the event of a reduction of Skilled Trades group leaders, group leaders affected will be returned (with full seniority rights) to the job on which they were previously employed.
- 545 18.13 When a problem arises involving lines of demarcation in the Skilled Trades, a committee comprised of the Skilled Trades Committeeman and one member of each Skilled Trades involved will meet with the Manager of Manufacturing Engineering (or his substitute) and the foremen of each of the skills involved. If this committee is unable to resolve the problem, it will be submitted to the formal grievance procedure.
- 546 18.14 In order to provide adequate Union representation during the overtime hours, the Company agrees that when the department requires five (5) or more employees for overtime purposes, the Union representative from the shift working the overtime will be asked. The Union representative shall be advised of all overtime to be worked in his department, (prior if possible, to the work being done, in order to avoid inequities). The Union will notify the

Company during the first regular shift following the overtime if any known inequities exists. Union representative's hours will not be recorded for overtime purposes and if, during the year, he leaves office, he will carry his own accumulated hours into his new position.

ARTICLE 19--BENEFIT PLANS

547 (a) Simultaneously with the execution of this for agreement, the Company and the Union have agreed upon additional supplemental agreements and exhibits which are made parts of this agreement as described below:

- (i) Health Security Program Agreement Exhibit A
- 76/A (ii) Canadian Legal Services Plan Agreement. Exhibit B
- (iii) Supplemental U.I.C. Benefit Plan Exhibit C
- 80/1 ✓ (iv) Non-Contributory Retirement Plan Exhibit D
- (v) Income Maintenance & Termination Payment Plan
..... Exhibit E

548 No matter respecting the above Exhibits shall be subject to the grievance procedure established in this agreement.

549 (b) In the event of any conflict between the provisions of this agreement and the provisions of the Exhibits referred to in section 19.01 (a), the provision of the Exhibits shall prevail.

ARTICLE 20--GENERAL PROVISIONS

550 20.01 Job Security and Outside Contracting--It is the policy of the Company that employees of an outside

contractor will not be utilized in the plant to replace seniority employees on production assembly or manufacturing work, warehousing work, or fabrication of tools, dies, jigs, and fixtures, normally and historically performed by them, when performance of such work involves the use of the Company- owned machines, tools or equipment maintained by the Company employees.

551 This policy shall not affect the right of the Company to continue arrangements currently in effect nor shall it limit the fulfillment of warranty obligations by vendors nor limit the work which a vendor must perform to prove out equipment.

552 It is the policy of the Company to fully utilize its seniority employees in the performance of maintenance and construction work in accordance with the statement of policy established under the prior contract. It is the Company policy in all cases, except where time and circumstances prevent it, to have advance discussion with local Union representatives prior to letting such a contract. In this discussion local Management is expected to review its plans or prospects for letting a particular contract.

553 The local Union should be advised of the nature, scope and approximate dates of the work to be performed and the reasons (equipment, manpower, etc. why management is contemplating contracting out the work. At such times, Company representatives are expected to afford the Union an opportunity to comment on the Company's plans and to give appropriate weight to those comments in the light of all attendant circumstances.

554 In no event shall any seniority employee who customarily performs the work in question be laid off as a direct and immediate result of work being performed by any outside contractor on the plant premises.



555 20.02 Employees shall be permitted to smoke in those sections and areas of the plant premises which are not restricted against smoking because of safety or fire hazards.

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556 20.03 The Company agrees to discuss with the canteen committee any proposed changes in vending services, changes in price of vended items and problems with the vending services in an effort to provide a better understanding among the employees regarding our food services.

557 20.04 In the event of transfer of Chatham operation to a new location, employees will be given the opportunity to transfer in line with seniority, skill and ability, Such transfer shall be subject to conditions of employment existing at the new location.

558 20.05 There will be no discipline or cost assessed to any employee regarding garnishments and the employee will be notified in the Employment Department of such matters.

559 20.06 New hires will be introduced to their respective initial departmental shift Union representative.

**ARTICLE 21
RIGHT TO AMEND AND SUPPLEMENT**

560 21.01 The parties reserve the right to amend and supplement this contract by mutual agreement at any time during the duration thereof.

**ARTICLE 22
DURATION OF AGREEMENT**

561 22.01 This Agreement shall remain in full force and effect until October 24, 1993, and thereafter from year

to year unless either party gives written notice to the other, not less than ninety (90) days prior to the expiration date of this Agreement, or any anniversary thereof of its desire for changes or termination of the Agreement.

562 In WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

FOR THE COMPANY:	FOR THE UNION:
K. WILSON	D. CHARLTON
J. KRETE	R. J. HAMILTON
L. JENSEN	D. M. DEJAEGHER
D. SPOONER	T. REEVES
K. SHERRING	W. BREARLEY
S. CURRY	G. McKEON
J. POCKELE	R. O'ROURKE
B. LESTER	B. WILLDER
B. VOS	

APPENDIX "A"
LOCAL 127 HOURLY DAYWORK RATE RANGES
 FOLLOWING RATES ARE IN EFFECT UNTIL
EXPIRATION 10-24-96

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LABOUR GRADE	EFFECTIVE	MIN	STEP 1	STEP 2	MAX
		NEW HIRE	RATE AFTER 180 DAYS	RATE AFTER 365 DAYS	RATE AFTER 545 DAYS
01	10-25-93	17.16	18.08	19.01	19.93
	10-25-94	17.41	18.35	19.29	20.23
	10-25-95	17.58	18.53	19.48	20.43
02	10-25-93	17.21	18.14	19.06	19.99
	10-25-94	17.46	18.41	19.35	20.29
	10-25-95	17.63	18.59	19.54	20.49

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LABOUR GRADE	EFFECTIVE	MIN	STEP 1	STEP 2	MAX
		NEW HIRE	RATE AFTER 180 DAYS	RATE AFTER 365 DAYS	RATE AFTER 545 DAYS
03	10-25-93	17.35	18.28	19.22	20.15
	10-25-94	17.60	18.55	19.50	20.45
	10-25-95	17.77	18.73	19.69	20.65
04	10-25-93	17.43	18.37	19.31	20.25
	10-25-94	17.69	18.64	19.60	20.55
	10-25-95	17.86	18.83	19.79	20.76
05	10-25-93	17.49	18.43	19.38	20.32
	10-25-94	17.74	18.70	19.66	20.62
	10-25-95	17.92	18.89	19.86	20.83
06	10-25-93	17.61	18.56	19.51	20.46
	10-25-94	17.87	18.84	19.80	20.77
	10-25-95	18.05	19.03	20.00	20.98
07	10-25-93	17.74	18.69	19.65	20.61
	10-25-94	18.00	18.97	19.95	20.92
	10-25-95	18.18	19.16	20.15	21.13
08	10-25-93	17.84	18.80	19.77	20.73
	10-25-94	18.10	18.08	20.06	21.04
	10-25-95	18.28	19.27	20.26	21.25
09	10-25-93	17.95	18.92	19.89	20.86
	10-25-94	18.21	19.20	20.18	21.17
	10-25-95	18.39	19.39	20.38	21.38
10	10-25-93	18.20	19.19	20.17	21.16
	10-25-94	18.48	19.48	20.48	21.48
	10-25-95	18.65	19.67	20.68	21.69
11	10-25-93	18.70	19.71	20.73	21.74
	10-25-94	18.98	20.01	21.04	22.07
	10-25-95	19.16	20.21	21.25	22.29

LABOUR GRADE	EFFECTIVE	MIN	STEP 1	STEP 2	MAX
		NEW HIRE	RATE AFTER 180 DAYS	RATE AFTER 365 DAYS	RATE AFTER 545 DAYS
12	10-25-93	19.03	20.06	21.10	22.13
	10-25-94	19.31	20.36	21.41	22.46
	10-25-95	19.50	20.56	21.62	22.68
13	10-25-93	19.35	20.40	21.46	22.51
	10-25-94	19.64	20.71	21.78	22.85
	10-25-95	19.84	20.92	22.00	23.08
14	10-25-93	19.66	20.73	21.80	22.87
	10-25-94	19.95	21.03	22.12	23.21
	10-25-95	20.14	21.24	22.34	23.44

SKILLED TRADES
(automatic progression does not apply)

				MAX
R	R	A	10-25-93	24.71
			10-25-94	25.18
			10-25-95	25.53
R	R	B	10-25-93	24.45
			10-25-94	24.92
			10-25-95	25.27
R	R	C	10-25-93	24.71
			10-25-94	25.18
			10-25-95	25.53

APPENDIX "A-I"
 LOCAL 127 HOURLY DAYWORK RATE RANGES
 FOR EMPLOYEES HIRED ON OR AFTER 10-25-93
 FOLLOWING RATES ARE IN EFFECT UNTIL
 EXPIRATION **10-24-96**

LABOUR GRADE	EFFECTIVE	MIN	STEP 1	MAX
		NEW HIRE	RATE AFTER 270 DAYS	RATE AFTER 545 DAYS
01	10-25-93	16.94	18.44	19.93
	10-25-94	17.20	18.71	20.23
	10-25-95	17.37	18.90	20.43
02	10-25-93	16.99	18.49	19.99
	10-25-94	17.25	18.77	20.29
	10-25-95	17.42	18.95	20.49
03	10-25-93	17.13	18.64	20.15
	10-25-94	17.38	18.92	20.45
	10-25-95	17.55	19.10	20.65
04	10-25-93	17.21	18.73	20.25
	10-25-94	17.47	18.01	20.55
	10-25-95	17.65	19.20	20.76
05	10-25-93	17.27	18.80	20.32
	10-25-94	17.53	19.07	20.62
	10-25-95	17.71	19.27	20.83
06	10-25-93	17.39	18.93	20.46
	10-25-94	17.65	19.21	20.77
	10-25-95	17.83	19.41	20.98
07	10-25-93	17.52	19.06	20.61
	10-25-94	17.78	19.35	20.92
	10-25-95	17.96	19.55	21.13

APPENDIX "B"
 LOCAL 127 HOURLY INCREASE ADJUSTMENT
 (HIA)
 FOLLOWING RATES ARE IN EFFECT UNTIL
EXPIRATION 10-24-96

Labour Grade	Effective	Min	Step 1	Step 2	Max	Timing Rate
		New Hire 180 Days	Rate After 365 Days	Rate After 545 Days	Rate After	
06	10-25-93	17.07	17.99	18.91	19.83	1.10
	10-25-94	17.34	18.27	19.21	20.14	
	10-25-95	17.52	18.46	19.41	20.35	
07	10-25-93	17.12	18.05	18.97	19.89	1.14
	10-25-94	17.40	18.33	19.27	20.21	
	10-25-95	17.57	18.52	19.47	20.42	
09	10-25-93	17.18	18.11	19.03	19.96	1.21
	10-25-94	17.46	18.40	19.34	20.28	
	10-25-95	17.63	18.59	19.54	20.49	
11	10-25-93	17.59	18.54	19.49	20.44	1.29
	10-25-94	17.87	18.84	19.80	20.77	
	10-25-95	18.06	19.04	20.01	20.99	
12	10-25-93	17.89	18.96	19.82	20.79	1.34
	10-25-94	18.17	19.15	20.14	21.12	
	10-25-95	18.36	19.35	20.35	21.34	

APPENDIX "B-I"
 LOCAL 127 HOURLY INCREASE ADJUSTMENT
 (HIA)
 FOR EMPLOYEES HIRED ON OR AFTER 10/25/93
 FOLLOWING RATES ARE IN EFFECT UNTIL
 EXPIRATION 10-24-96

LABOUR GRADE	EFFECTIVE	MIN	STEP 1	MAX	TIMING RATE
		NEW HIRE	RATE AFTER 180 DAYS	RATE AFTER 545 DAYS	
06	10-25-93	16.86	18.34	19.83	1.10
	10-25-94	17.12	18.63	20.14	
	10-25-95	17.30	18.82	20.35	
07	10-25-93	16.91	18.40	19.89	1.14
	10-25-94	17.18	18.69	20.21	
	10-25-95	17.36	18.89	20.42	
09	10-25-93	16.97	18.46	19.96	1.21
	10-25-94	17.24	18.76	20.28	
	10-25-95	17.42	18.95	20.49	
11	10-25-93	17.37	18.91	20.44	1.29
	10-25-94	17.65	19.21	20.77	
	10-25-95	17.84	19.42	20.99	
12	10-25-93	17.67	19.23	20.79	1.34
	10-25-94	17.95	19.54	21.12	
	10-25-95	18.14	19.74	21.34	

**APPENDIX J
DAY WORK
JOB CLASSIFICATIONS**

JOB NO.	JOB TITLE	LABOUR GRADE
1	Janitor	1
2	Labourer General	1
3	Labourer Cleaning & Painting	3
76	Body Setter Trim	5
7D	Utility Person	6
7T	Trainee Replacer	6
43	Oiler	6
9-B	Stockkeeper Steel Stores	7
58	Burden Storekeeper	7
90A	Tube Bender	7
97	Material. Handler Production	7
97-B	Mat. Handler Warehousing	7
8B	WHMIS Co-ordinator	8
11	Checker Rec. Materials	8
16	Chaser Prod. Units	8
40	Driver Semi Truck	8
58-B	Burden Stockkeeper	8
61	Paint Mixer	8
92	Stockkeeper - Tune & Test	8
8	Stock Status Verification	9
19	Area Inspector	9
21-A	All around Maintenance	9
22	Inspector Paint	9
24	Vendor Quality Assurance Monitor	9
30	Inspector Prod. Breaks	9
36	Painter-Touch-up Conversion	9
38	Repairs - Motor Truck	9
59	Paint Blender	9
38B	Repairs - Salvage Parts	10
50-GL	Principal Shipper	10
62-B	Chemical Tritrator	10
84	Layout Side Rail - Special	10
89-GL	Princ. Rec. Clerk Checker	10
99-B	Line Repair & Utility	10
63	Repairperson Equipment	11

93	Press Operator - Punch	11
23	S.P.C. & Torque Auditor	12
35	Dingperson - Conversion	12
38E-12	Pride Quality Electronic/Repair Monitor	12
51	Repairs - Salvage Mat. Prod. Pts.	12
73	Inspector Quality Audit Final	12
73B	Pride Quality Monitor	12
81	Welder Production Parts	12
70	Mechanic All Purpose Production	13
SP4	N.E.A.R. Co-ordinator	13
29	Inspector Layout	14
45	Repairs - Power Tools	14
68	Senior Pride Quality Monitor	14
34	Mechanic Dyno. & Road Test	RRA
39	Mechanic Conversion	RRA
42	Carpenter All Around	RRA
47	Welder Arc & Gas Pressure	RRA
49	Millwright	RRA
49A	Millwright Apprentice	APP
53	Plumber	RRA
SP3	Plant Safety Chairman	RRA
SP2	Plant Vice Chairman	RRA
37	Machinist Development	RRC
SP1	Plant Chairman	RRC
52	Tool and Die Maker	RRC
57	Machine Repair	RRC
84-E	Electrician- Plant Electronics	RRC
68	Group Leader	

PIECEWORK
JOB CLASSIFICATIONS

JOB NO.	JOB TITLE	LABOUR GRADE
107	Utility Person	6
125	Assembler - Heavy Vehicles	6
134	Line Setter	6
135	Shear Operator	6
123	Masker- Multi Colour Painting	7
139	Welder Arc and Acetylene	7
141	Spray- Final	7

149 Cab Painter- Spray	9
149B Spray- Chassis	9

APPENDIX L

VOLUNTARY OVERTIME MEMORANDUM OF UNDERSTANDING

INTRODUCTION

- 563 The parties recognize that the manufacturing operations of the Company are highly and completely integrated. An interruption at one stage of the production process, whether during the regular work day, work week, or overtime or other premium hours, can, and probably will, cause costly interruptions of the process at earlier and/or later stages. This Memorandum represents an accommodation between the needs of the Company and the rights of individual employees to decline overtime work on occasion for a variety of individual and personal reasons. (Reference Letter No. 72 Re: Overtime During Periods of Layoff).
- 564 The parties have earnestly sought during negotiations resulting in the Collective Agreement dated June 16, 1980 feasible steps that the Company might take in scheduling overtime work to provide employees an opportunity to accept or decline work opportunities during such periods, and have reached the following understanding which shall constitute a supplement to the Collective Agreement between the parties dated June 16, 1980, and shall be effective June 16, 1980.
- 565 Compulsory overtime under this memorandum will only be implemented in the case of the normal operator (refer to the Scheduled Overtime letter in the Supplemental Letters book).

48
566 (1) DAILY OVERTIME- Daily hours in excess of ten (10) hours worked per shift Monday through Thursday (to a maximum of four (4) overtime hours worked) and hours in excess of eight (8) hours per shift on Friday shall be voluntary except as otherwise provided in this Memorandum of Understanding. **Voluntary overtime worked by an employee will not affect the employee's obligation to work contractual mandatory overtime within the same week.**

567 (2) WEEKEND OVERTIME- Overtime work on Saturday and Sunday will normally be voluntary. However, it is recognized that, due to availability of equipment and plant facilities, some operations are unable to effectively work daily overtime and must work on the weekend. In such cases it is agreed that weekend overtime hours in excess of four (4) hours shall be voluntary, except that an employee who has worked in excess of forty (40) hours in the regular work week shall be obligated to work only such weekend overtime hours as are necessary to bring the total hours worked in that work week to forty-four (44) hours. As examples, this provision would normally apply to a three shift operation or an operation which is necessarily done on the weekend to efficiently run the plant (Department 8 - Tune and Test). **Voluntary overtime worked by an employee will not affect the employee's obligation to work contractual mandatory overtime within the same week.**

568 (3) OVERTIME SCHEDULES -- Management will discuss, upon request by the Union, its overtime schedules.

569 (4) CONCERTED ACTIVITY -- Any right to decline overtime work that this Memorandum of Understanding confers on any employee may be exercised only by each employee acting separately and individually, without collusion, conspiracy or agreement with, or the influence of, any other employee or employees or the Union pursuant to any other concerted action or decision. No employee shall seek by any means to

cause or influence any other employee to decline to work overtime. Violation by any employee of the terms, purpose or intent of this Paragraph shall subject him to discipline. If employees who are scheduled to work overtime fail or refuse to work as scheduled in significantly greater numbers than the Company's experience under this Memorandum can reasonably lead it to expect, such evidence shall be carefully considered by the Company in any decision involving the question of whether their failing or refusing to work the scheduled hours was collusive, concerted or influenced by other persons.

- 570 (5) In deciding which employee shall be offered overtime work, the provisions of the Collective Agreement detailing Equitable Distribution of Overtime shall apply.
- 571 (6) EMERGENCIES -- The provisions of this Memorandum of Understanding that limit or restrict the right of the company to require employees to work overtime, shall be suspended if the plant operations are interrupted by emergency situations, such as single breakdowns of four (4) hours or more, government mandated work severe parts shortages, power shortages, strike, fire, tornado, flood or Acts of God, for a period of time necessary to overcome such emergencies.
- 572 (7) CONTINUOUS 7-DAY OPERATIONS -- This Memorandum of Understanding shall not apply to employees working on what are normally classified as continuous 7-day operations. The National Union may bring to the attention of the Company any overtime problems connected with employees on such operations.



SUPPLEMENTAL LETTERS

Between

**NAVISTAR INTERNATIONAL
CORPORATION CANADA**

Chatham, Ontario

-- and --

**NATIONAL AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT
WORKERS UNION OF CANADA
(CAW - CANADA)
AND IT'S LOCAL 127**

Dated October 25, 1993

LETTERS LIST

ADMINISTRATION

1	LETTERS LIST (FORMS PART OF CONTRACT)...	134
2	DELETION LETTER	135
3	LETTERS OF UNDERSTANDING BOOKLET.....	137

ABSENCE

4	ABSENTEEISM	138
5(A)	MOD. WORKING HOURS/ABSENTEE PROGRAM....	139
5(B)	ADDITIONAL HOLIDAY HOURS	145
6	SIX (6) MINUTE LATE RULE	149
7	ABSENCE DUE TO CONFINEMENT IN JAIL	150
8	LEAVE OF ABSENCE VERSUS VACATION	154
9	PROOF OF ABSENCE.....	155

ASSIGNMENTS

10	LINE SETTING AND SPACING	156
11	UTILITY 107-6 AND UTILITY 7D-6.....	157
12	REDUCTION-EE'S W/STATIC PHYSICAL DEFECTS.	159
13	SPECIALTY TRUCK BUILDER.....	161
14	UTILITY 107-6 / UTILITY 7D6 & PAINTER..	163
15	MAN ASSIGNMENTS - CONTROLLED LINES..	167
16	REDUCING JUNIOR MAN ASSIGNMENT.....	168
17	PLACEMENT OF DISABLE EMPLOYEES.....	170
18	LABOUR GROUP CODES FOR 7:11.....	174
19	TEMPORARY ASSIGNMENT: DEPT. #8.....	176
20	ASSIGNING LIGHT DUTY.....	177
21	THIRD SHIFT PLACEMENT..	178

ASSIGNMENTS (CON'T)

22	TEMPORARY ASSIGNMENTS..	180
23	CUSTOMER QUALITY ASSURANCE DEPARTMENT	181
24	EIGHTEEN (18) MINUTE LUNCH..	183
25	SPECIAL HOURS OF WORK..	184
26	NEW MAN ASSIGNMENT SYSTEM..	186
27	SNOW REMOVAL & PALLET RACKING..	188
28	PAINT JOB ASSIGNMENTS..	189
29	DUTY OF ACCOMMODATION..	190
30	NOTICE OF PERM. JOB LOSS & PLANT CLOSURE . .	191
31	PROCED. -PERM. JOB LOSS & PLANT CLOSING	193

BENEFITS

32	BEREAVEMENT..	199
33	BEREAVEMENT POLICY..	201
34	BENEFIT BROCHURE..	203
35	EXPIRY DATE OF BENEFITS..	204
36	DETERMINATION OF ELIGIBILITY RETIRE. PLAN ...	205
37	TUITION REFUND PLAN..	206
38	90 DAY COVERAGE FOR DRUGS..	212
39	INSURANCE CARRIER DENIALS..	213
40	S & A OVERPAYMENTS..	214
41	COVERAGE DURING LEAVE OF ABSENCE..	215
42	WCB CLAIM DISPUTE..	216
43	BENEFIT ENQUIRIES DURING VAC. SHUTDOWN...	217
44	107-6, 7D-6 AND 7T-6 BENEFIT CALCULATION..	218
45	S.U.B. -- OVERTIME SUPPORT..	219
46	DIVERSION OF LEGAL SERVICES FUND TO SUB. .	221
47	LONG TERM CARE PROGRAM..	222
48	RETIREMENT ALLOWANCE OPTION..	223
49	RATES FOR WEEKLY S&A BENEFITS..	225

BENEFITS (CON'T)

50	COLA TRANSFER-EE UNDER- HIRING IN RATE.....	226
51	SOCIAL JUSTICE FUND..... J	227
52	LEGAL SERVICE PLAN APPLICABILITY.....	230

DISCIPLINE

53	ABSENTEE CONTROL.....	231
54	DELAYED DISCIPLINE.....	233
55	UNFIT EMPLOYEES.....	234
56	DISCIPLINE BY MAIL.....	235

GRIEVANCES

57	REINSTATEMENT OF GRIEVANCES.....	236
58	INVESTIGATIVE INFORMATION.....	238
59	STENOGRAPHER'S NOTES.....	239

INDUSTRIAL ENGINEERING

60	EXPLAN. OF TIME STUDY METHOD / PROCESS.....	240
61	424 MINUTES RULE.....	241
62	CONTINGENCY AND OVERLOAD.....	242
63	ELEMENTAL WRITE-UPS.....	243
64	VAGUE ELEMENTS/OPERATIONS & MISSING TIME	244
65	QUESTIONNAIRES (INDIRECT LABOUR STUDIES).	245
66	TIMING IN THE PLANT.....	246

OVERTIME

67	OVERTIME FOR TRAVELING.....	247
68	O/T REPAIRS & SHORTAGES AFTER SHIFT.....	249

OVERTIME (CON'T)

69	MANDATORY OVERTIME SUBSTITUTION..	250
70	CAPABILITY TO PERFORM O/T ASSIGNMENT..	251
71	SCHEDULED OVERTIME..	252
72(A)	OVERTIME DURING PERIODS OF LAYOFFS	254
72(B)	NATIONAL REVIEW COMMITTEE..	256
73	SHIFT PREMIUM DURING OVERTIME HOURS..	258
74	PLANT CHAIRMAN'S OVERTIME RIGHTS..	259
75	VACATION OVERTIME ENTITLEMENT..	260
76	EMERGENCY CALL-IN ENTITLEMENT..	261
77	REGULAR AND EMERGENCY CALL-IN..	262
78	CANCELED OVERTIME..	263
79	O/T BREAKS FOR CONTROLLED LINE OPER..	264
80	EQUALIZING OVERTIME BETWEEN SHIFTS..	265

SAFETY

81	I.A.P.A. CONFERENCE..	266
82	CDN. CNTRE - OCCUPATION HEALTH & SAFETY....	267
83	REVIEW OF SAFETY PROGRAM-NEW HIRES..	268
84	SAFETY SUPPORT DURING OFF DUTY DAYS..	269
85	SAFETY COMMITTEEMEN..	270
86	JOINT USE OF DIRECT READING EQUIPMENT.....	271
87	EQUIPMENT CHANGE NOTIFICATION..	272

SENIORITY

88	UP TO DATE SENIORITY LIST.....	273
89	MANPOWER NOTICES.....	274
90	EXCEPTIONS TO SENIORITY.....	275
91	TOTAL OR PARTIAL PLANT SHUTDOWN.....	276
92	UNABLE TO PERFORM AVAILABLE WORK.....	278

SENIORITY (CON'T)

93	MEDICALLY RESTRICTING - DUE TO JOB DESC. ...	279
94	3RD SHIFT CLEAN-UP CREW.....	280
95	SPRAY PAINT AGREEMENT.....	281
96	N.E.A.R. CO-ORDINATOR.....	283

SKILLED TRADES

97	SKILLED TRADE MAINTENANCE APPAREL.....	284
98	OUTSIDE CONTRACTING.....	285
99	DOCUMENTATION FOR APPRENTICESHIP.....	286
100	TOOL LIABILITY.....	287
101	SKILLED TRADE LIFT TRUCK DRIVER.....	288
102	LICENSE RENEWALS.....	289
103	PRODUCTION vs SKILLED TRADES WELDING.....	290

TRAINING

104	SPILL TRAINING.....	291
105	TRAINING DEPT. (7T-6).....	292
106	SAFETY EQUIPMENT TRAINING FOR 2ND SHIFT...	294
107	FIRE BRIGADE TRAINING - 2ND SHIFT.....	295
108	SAFETY TRAINING FOR UNION REPS.....	296
109	ISOCYANATE TRAINING.....	297
110	ERGONOMIC TRAINING FOR UNION REPS.....	298
111	DAY WORK ANALYSIS TRAINING.....	299
112	TIMESTUDY TRAINING.....	300
113	EMPLOYEE JOB QUALIFICATION TRAINING.....	301
114	EMPLOYEE KNOWLEDGE TRAINING.....	302
115	40 / 80 HOURS OF TRAINING.....	303

UNION REPRESENTATION

116	RATES OF PAY FOR ALTERNATES.....	304
117	POLICY MEETINGS.....	305
118	NOTIFICATION OF RECALL FROM LAYOFF.....	306
119	FAMILY EDUCATION PROGRAM.....	307
120	PAID EDUCATION LEAVE.....	308
121	TEMPORARY ASSIGNING UNION REPS.....	310
122	PREFERRED SENIORITY.....	311
123	SPECIAL LOCAL COMMITTEES.....	312
124	FULL TIME CHAIRMAN.....	313
125	PREPARING CONTRACT DEMANDS.....	314
126	RECALL OF FORMER UNION REPS.....	315

VACATION

127	SPECIAL PAID ABSENCE (SPA).....	316
128	MAINTENANCE VACATION SCHEDULING.....	317
129	VACATION AFTER SCHOOL MARCH BREAK.....	318
130	DEPT. VACATION SCHEDULING CONFLICTS.....	319
131	ELIGIBILITY FOR \$500 BONUS.....	320
132	VACATION SHUTDOWN REVIEW MEETING.....	321
133	MEDICAL DEPT. DURING SHUTDOWN.....	322
134	P.A.A. SCHEDULING LEVELS.....	323
135	P.A.A. SCHEDULING THROUGHOUT THE YEAR.....	324
136	WORK DURING VACATION SHUTDOWN.....	325
137	SUMMER SHUTDOWN MANPOWER.....	326
138	VAC. SCHED. REVIEW WITH UNION REPS.....	327
139	SCHED. PRIOR TO INIT. OF LEVELED SCHED.....	328
140	VACATION SCHEDULING FORMS DISTRIBUTION.....	329
141	CHRISTMAS SHUTDOWN.....	330
142	LEAVE OF ABSENCE VERSUS VACATION.....	331
143	PLACEMENT OF DISABLED EMPLOYEES.....	332

VACATION (CON'T)

144	ADVANCE OF WEEKLY PAY CHEQUE.....	336
145	MUSIC PROVIDED FOR PAINTERS.....	337
146	TRAVEL EXPENSES.....	338
147	SUPPLIERS SORTING IN THE PLANT.....	339

MISCELLANEOUS

148	HIRING PRACTICES.....	340
149	MANDATORY DRUG TESTING.....	341
150	WELLNESS COMMITTEE	342
151	HUMAN RIGHTS.....	343
152	CANADIAN MANUFACTURING COMMITMENT.....	344
153	STATISTICAL PROCESS CONTROL.....	346
154	BUSINESS CONSULTANTS.....	347
155	ISSUANCE OF PAY CHEQUES.....	348
156	GROUNDS MAINTENANCE.....	349
157	PROTECTIVE OUTDOOR CLOTHING.....	350
158	JOB ELIGIBILITY TESTS.....	351
159	TOOLS FOR 70-13.....	354
160	MUTUAL CO-OPERATION.....	355
161	CHANGES IN COMPANY POLICY.....	357
162	EMERGENCY PHONE CALLS.....	358
163	CONTRACT AND FACILITY COSTS.....	359
164	RECOUPING OF WAGE OVERPAYMENTS.....	360
165	OPERATING CONCEPTS	361
166	TECHNOLOGICAL CHANGE	362
167	INFORMATION MEETING	365
168	NEUTRALITY LETTER	366
169	GROUP PERSONAL COMPUTER PURCHASES.....	368

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Letter No. 1

May 20, 1980
REVISED: OCTOBER 22, 1990
REVISED: October 25, 1993

Mr. R. J. Hamilton
Plant Chairman
Local 127 **CAW, Navistar Unit**
Chatham Plant



Dear Mr. Hamilton:

This letter confirms the agreement that all letters of intent will be listed in the Collective Agreement and are considered to be part of the Agreement.

In 1993 it **was** agreed that Canadian Auto Workers (C.A.W.) versus United Auto Workers (U.A.W.) or International Harvester Canada Limited versus Navistar International would have the same meaning. In all cases the use of the names specified above shall have a similar application and obligation and the names shall be interchangeable and indeed only reflective of a name change.

Yours very truly,

J.J. Krete
Manager Human Resources

JOV/dl

REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: DELETION LETTER

It is hereby agreed that the following letters should be deleted from the Supplemental Letters Booklet:

- Letter No. 13
- Letter No. 14 Continuous Shift Operations
- Letter No. 17 Departmental Designation
- Letter No. 23 Recording of Time on Multiple Jobs
- Letter No. 34 Cola Calculation
- Letter No. 46 S.U.B. Letter
- Letter No. 48 Application of Weekly S&A Benefits For Pregnancy
- Letter No. 53 Income Maintenance Program
- Letter No. 61 Separate Identification Grievance Settlements
- Letter No. 64 Placement Of Hourly Employees With Static Physical Defect
- Letter No. 67 Efficiency Ratings
- Letter No. 71 Elimination of 70% Rule
- Letter No. 80 Union Representation on Premium Pay Day Overtime
- Letter No. 87 Establishment of a Plant Ergonomic Committee
- Letter No. 88 Safety Training (Skilled Trades & Overhead Equipment Inspectors)
- Letter No. 89 Lock Out Program

Letter No. 90 Working Alone
Letter No. 91 Annual Test / Lead & Noise
Letter No. 96 Review of Skilled Trades Training Program
Letter No. 102 Coverall Issuance Study Letter No. 106 Inverse
Seniority During Inventory
Letter No. 115 Metric Conversion
Letter No. 149 Orientation Program
Letter No. 153 Static Physical Defect Definition
Letter No. 168 Notification Of Outsourcing
Letter No. 174 New Labour Routing Study
Letter No. 175 Government Worksharing Program
Letter No. 176 Joint Disability Rehabilitation Review Committe

Yours very truly,

J.J. Krete
Manager Human Resources

June 15, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Tindale:

SUBJECT: LETTERS OF UNDERSTANDING BOOKLET

During the 1980 contract negotiations, it was agreed between the Company and the Union that the Letters of Understanding signed and initialed during the negotiations would be published in booklet form for distribution. The cost of publishing this booklet will be shared 50-50, between the Company and the Union.

Yours very truly,

J.O. Vanest
Manager
Human Resources

JOV/dl

October 19, 1987

Mr. L.E. Clement
Plant Manager
Navistar International Corporation Canada
Chatham Assembly Plant



Dear Mr. Clement:

SUBJECT: ABSENTEEISM

During the 1987 negotiations, the Union acknowledged the detrimental effect that uncontrolled absenteeism has on its members and the overall cost and quality of the product.

The Union is committed to work towards controlling absenteeism, but in doing so, will not interfere with its duties to represent.

Yours very truly,

R.J. Hamilton
Plant Chairman
Local 127, CAW
Navistar Unit

/jv

October 19, 1987
REVISED: October 22, 1990
REVISED: OCTOBER 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



Dear Mr. Hamilton:

**SUBJECT: MODIFIED WORKING HOURS/ABSENTEE
PROGRAM (HOURLY EMPLOYEES)**

During the 1987 negotiations, the Company and Union spent considerable time discussing the problem of excessive absenteeism at the Chatham Plant. Both parties recognize that the current high levels of absenteeism adversely affect the quality of the product, create excessive cost and, therefore, threaten the viability of the Plant.

In an attempt to significantly reduce the current high absentee levels, several approaches were pursued, one of which is the modification of working hours for hourly employees. This program will be implemented effective the second Monday following ratification. This program may be canceled at any time should both the Company and Union mutually agree to do so. In either case, cancellation of the program will re institute whatever normal provisions of the contract that have been superseded by this program. Details of the program are listed below:

a) **HOURS OF WORK**

Normal Work Week

Monday

1st Shift

7:00 a.m. to 12:00 p.m.
12:30 p.m. to 4:00 p.m.

2nd Shift

4:00 p.m. to 8:00 p.m.
8:30 p.m. to 1:00 a.m.

3rd Shift (Clean-up Crew)
No Change

Friday

1st Shift

7:00 a.m. to 12:00 p.m.

2nd Shift

12:00 p.m. to 5:00 p.m.

3rd Shift (Clean-up Crew)
10:00 p.m. to 5:30 a.m.

Note: should the clean-up crew be reassigned to 2nd shift, the normal 2nd shift hours would apply.

Work Week containing Friday Holiday

1st Shift

Monday - Wednesday -- no change
Thursday -- 7:00 a.m. to 12:00 p.m.

2nd Shift

Monday -Wednesday -- no change
Thursday -- 12:00 p.m. to 5:00 p.m.

3rd Shift

Monday -Wednesday -- no change
Thursday -- 10:00 p.m. to 5:00 a.m.

Work Week containing Monday Holiday

1st Shift

Tuesday - Thursday -- no change
Friday -- 7:00 a.m. to 12:00 p.m.

2nd Shift

Tuesday - Thursday -- no change
Friday -- 12:00 p.m. to 5:00 p.m.

3rd Shift

Tuesday - Thursday -- no change
Friday -- 10:00 a.m. to 5:00 a.m.

b) WORK WEEK AND PAY

Normal Work Week

	Mon	Tue	Wed	Thu	Fri	Total
Hours worked	8.5	8.5	8.5	8.5	5.0	39.0

Friday (8.5 hour) Statutory Holiday Week

	Mon	Tue	Wed	Thu	Fri	Total
Hours worked	8.5	8.5	8.5	5.0	H	30.5

Monday (8.5 hour) Stat Holiday Week

	Mon	Tue	Wed	Thu	Fri	Total
Hours worked	H	8.5	8.5	8.5	5.0	30.5

For all other scheduled days off, refer to Letter No. 5(B) for application.

In order to achieve a one (1) hour reduction in total working hours, each week without reducing production levels, it was agreed that the two (2) five (5) minute wash-ups be eliminated each day. There will be a three (3) minute wash-up however, at the end of shift on the shortened day each week. The resultant higher production rate will be reflected in the employee's hourly rate for each hour or fractional hour paid on a straight-time basis, by applying a factor of 1.02564 to each of the hours. In other words, an employee who works 39 hours per week will receive 40 hours of pay at his/her applicable straight-time rate.

c) **OVERTIME**

All thirty-nine (39) hours worked within the new modified work week will be on a straight-time basis. Mandatory overtime will continue to be a maximum of four (4) hours and **twenty (20) minutes** per week (total), Monday through Thursday, with a maximum of two (2) hours and **five (5) minutes** per day. There will be no mandatory overtime however, on a shortened Thursday (that is, the day before a Friday statutory holiday). Reference Appendix L of the Collective Agreement.

The weekend mandatory overtime provisions in Appendix L (2), and paragraph **253**, of the Collective Agreement, will continue unchanged with the exception that the reference to "forty-four (44) hours" is revised to "forty-three (43) hours". Also the reference to "forty (40) hours" in Appendix L (2) is revised to "thirty-nine (39) hours".

Note: The factor of 1.02564 will not be applied to overtime hours worked

d) P.A.A.

P.A.A. will be paid for hours missed on Fridays only when the absence has been pre authorized by management. This also applies to a Thursday prior to a Friday statutory holiday.

P.A.A. will be paid for hours missed on Mondays only when the absence has been pre authorized by management, or, the employee provides written documentation to justify the need for his/her absence (whether medically related or not). Acceptance will be consistent with the conditions established under the "Absence Justification Program".

e) VACATION ELIGIBILITY

Vacation eligibility when the Modified Work Week is in effect will be based on achieving 877 compensated hours versus 900 compensated hours as specified throughout Article 10 of the Collective Agreement.

f) MODIFICATION TO LETTER No. 26

The reference in Letter No. 26 to 414 minutes will be changed to 454 minutes while the Modified Working Hours Program is in effect.

The Personal times identified in Letter No. 26 will be changed to reflect the deletion of the 5 minute wash-up periods prior to lunch and prior to the end of the shift. There will be an additional 3 minute Personal time granted at the end of the five (5) hour shift.

**g) NEW JOBS AND REPLACEMENTS NOTIFICATION
(POSTINGS)**

When new jobs or replacement openings are posted per sections 7.10, 7.11, 7.14, and 7.17 the Company will not consider Friday as a “shift”.

Yours very truly,

J.J. Krete
Manager Human Resources

November 1, 1990
REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: ADDITIONAL HOLIDAY HOURS

During the 1990 Negotiations the Company agreed to add an additional twenty-four (24) Holiday hours per calendar year beginning 1991. For purposes of this letter the time period of a calendar year will include all of the Christmas Holiday Period which ends in that year. The Company and Union Agreed that the following will be the method of scheduling this time off:

1. The five (5) Statutory Holidays, (other than Canada Day), listed in Paragraph **291** will be increased from eight (8) to eight and one-half (8.5) hours. This eliminates the current practice of working an extra one-half (0.5) hour on the Fridays of these weeks. Employees working the third (3rd) shift (8, 8, 8, 8, 7 hour schedule) will start one-half (0.5) hour later than normal on the first shift after a Statutory Monday Holiday and one and one-half (1.5) hour later than normal on the fourth (4th) shift of the week that includes Easter Friday.

2. When there are two or three regularly scheduled Holidays before or after the Christmas Holiday Week those days will be increased in length by one-half (0.5) hour. When the Christmas Holiday Period is seven days, the last regularly scheduled work day before the Period will be reduced by one-half (0.5) hour. This latter one-half (0.5) hour will be paid to each employee who meets normal qualifying language (as this day is also a qualifying day for the Christmas Period).
3. In each calendar year four (4) Fridays were agreed to as five (5) hour Holidays (see schedule).

Qualifying rules of Section 8:10 for the first qualifying day will apply for the work day before a Friday Holiday. Qualifying rules of Section 8:10 for the second qualifying day will apply for the work day of the Statutory Monday Holiday if it is on the same weekend as a Holiday Friday.

Employees working the third (3rd) shift during the week of a Friday Holiday will work four (4) eight and one-half (8.5) hour shifts on their first four (4) normal shift days for the week and no scheduled hours on the fifth (5th) day. On these four (4) days their shift will start one-half (0.5) earlier than normal.

HOLIDAY SCHEDULE

1993-1994

1994-1995

1995-1996

Friday - American Thanksgiving

Nov. 26 (5.0) Nov. 25 (5.0) Nov. 24 (5.0)

Christmas Holiday Period

Dec 23-wrk	4.0	Dec 23-wrk	(4.0)	Dec 22-wrk	4.0
off	(4.5)	off-	(1.0)	off-	(1.0)
Dec. 24	(5.0)	Dec. 26	(8.5)	Dec. 25	(8.5)
Dec. 27	(8.5)	Dec. 27	(8.5)	Dec. 26	(8.5)
Dec. 28	(8.5)	Dec. 28	(8.5)	Dec. 27	(8.5)
Dec. 29	(8.5)	Dec. 29	(8.5)	Dec. 28	(8.5)
Dec. 30	(8.5)	Dec. 30	(5.0)	Dec. 29	(5.0)
Dec. 31	(5.0)	Jan. 2/95	(8.5)	Jan. 1/96	(8.5)

Easter Thursday -- Friday

M a r 31	wrk 5.0	April 13	wrk 5.0	April 4	wrk 5.0
	off (3.5)		off (3.5)		off (3.5)
April 1	(5.0)	April 14	(5.0)	April 5	(5.0)

Monday -- Victoria Day

May 23 (8.5) May 22 (8.5) May 20 (8.5)

Friday -- Canada Day (taken as P.A.A. or paid)

July 1	(5.0)	June 30	(5.0)	J u n e 28	(5.0)
July 4	(8.0)	July 3	(8.0)	July 1	(8.0)

Friday -- Civic Day

July 29	(5.0)	August 4	(5.0)	August 2	(5.0)
August 1	(8.5)	August 7	(8.5)	August 5	(8.5)

Friday -- Labour Day

Sept 2	(5.0)	Sept 1	(5.0)	A u g u s t 30	(5.0)
Sept 5	(8.5)	Sept 4	(8.5)	Sept 2	(8.5)

Monday -- Canadian Thanksgiving
October 10 (8.5) October 9 (8.5) October 14 (8.5)

hours worked () hours off

Yours very truly

D. J. Spooner
Controller

May 5, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Tindale:

RE: SIX (6) MINUTE LATE RULE

This letter will reaffirm that the Company will continue its practice not to deduct wages if an employee is less than six (6) minutes late. However, if the employee is late six (6) minutes or more, he will be deducted wages to the nearest 1/100th of an hour.

It is understood that nothing in the foregoing shall preclude the Company to consider such tardiness in whole or in part for disciplinary action.

Yours very truly,

J.O. Vanest
Manager
Human Resources

JV/dl

May 20, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Tindale:

RE: ABSENCE DUE TO CONFINEMENT IN JAIL

During current labour agreement negotiations the Union requested that the Company policy on absence due to confinement in jail be included in the Letter of Agreement.

The Company agreed and the attached policy is so included in the Letters of Understanding.

Yours very truly,

J.O. Vanest
Manager
Human Resources

(att)
/h

**ABSENCE DUE TO CONFINEMENT IN JAIL
(SALARIED NON-MANAGERIAL, HOURLY-
RATED AND PIECEWORK EMPLOYEES)**

- I. **Introduction:** In order to secure greater uniformity of administration at the Plant, the Company has established the following policy concerning absence because of confinement in jail.

This policy does not alter the existing responsibilities of the management of Company operations for the maintenance of efficiency, safe practices, and discipline. Accordingly the local management must determine the necessary discipline for offenses within the Company premises as well as for offenses which occur outside the company premises, but directly involve employment relationships. (Example: An employee who assaults a fellow employee away from the Company premises over a dispute which arose out of their employment relationship.) Such discipline must be applied by the local management without regard to whether detention, charge, or trial by civil authorities is involved, or whether the individual is adjudged guilty or innocent, or is otherwise released by civil processes. Furthermore, if an employee commits an offense (even though it occurs away from the Company premises and does not otherwise directly involve the employment relationship) which results in his absence, and such absence, or the circumstances surrounding such absence, culminates a record which when considered in its entirety justifies a disciplinary discharge of the employee, the following policy does not preclude such disciplinary discharge.

II. **Policy**

A. Absence From Work More Than Five Days

An employee who is absent for more than five (5) working days without a legitimate reason is terminated as an automatic quit. If such absence is due to confinement in jail or similar detention by civil authorities, and such absence is properly reported, the employee should not be terminated as an automatic quit. The fact that the employee is so confined, however, does not relieve him of the obligation to report such absence to the Employee Relations Department. If the employee is absent from work in excess of five (5) working days without so reporting, he is terminated as an automatic quit, and he can be reinstated only if he submits satisfactory evidence that conditions beyond his control prevented him or someone on his behalf from notifying the Company.

B. Employee Reports Absence Due To Being In Jail For Reasons Not Directly Involving Employment Relationships

In those cases of offense which occur away from the Company premises and which do not directly involve employment relationships, wherein an employee is confined pending trial or other disposition of the case, no formal action should be taken. During such confinement, the employee should be considered as having a suspended employment status.

Subsequently:

- (1) If he is found not guilty, he shall be permitted to return to work and will resume his employment status.
- (2) If he is found guilty (even though he receives a suspended sentence), management should then determine whether or not the offense was of such a nature that discharge action should be taken. If the

offense is of such a nature that the employee become undesirable, he should be discharged immediately. If the offense does not necessarily make the employee undesirable, his suspended status shall be extended to cover the period of his actual confinement. Such employee must make himself available for work as soon as possible but not later than five (5) working days after his suspended status is terminated, or be discharged; but, in any case, if his absence from work exceeds a period of six (6) months, from the last day worked, he shall be discharged.

C. Employee Released On Bond Pending Trial

If an employee, who has been arrested, is released on bond pending trial or other disposition of the charge, and he has complied with the reporting requirements, he shall be returned to work unless the offense with which he is charged is of such a nature that it is determined that his presence at work would disrupt efficient and orderly operations, either because the offense is morally offensive to other employees or is such that hostile employee reaction has been created. In that case he shall be considered as having a suspended employment status until a final disposition is made of the case.

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

RE: LEAVE OF ABSENCE VERSUS VACATIONS

During the 1983 Negotiations the Company and the Union agreed the scheduling of Vacations and Leaves of Absence may be open concurrently however vacations would take precedence over the approval of Leaves of Absence for the same time slot.

Yours very truly,

J.O. Vanest
Manager
Human Resources

(att)
/h

February 9, 1988
REVISED: October 25, 1990

TO: All Chatham Plant Employees

SUBJECT: PROOF OF ABSENCE (MEDICAL CERTIFICATES)

As a reminder to employees who are required by the company to substantiate their absence by means of a medical certificate, the following requirements must be met:

- 1) Must see the Doctor on the first date of absence and the medical certificate must be dated on that date;
- 2) Medical certificate must be signed personally by the attending physician;
- 3) The Doctor must state on the medical certificate that the employee is unable to work on the date(s) in question; or that the employee is "able" to return to work on the work day immediately following the absence;
- 4) The reason why he/she is unable to work must be stated. This does not need to be a diagnosis, The reason stated could be for example, "illness", "injury", or "medical reasons", etc.

Thank-You

B.W. Scaman
Manager
Labour Relations

/maw

May 5, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**RE: ARTICLE 15.22(b) - LINESETTING AND SPACING OF
UNITS**

Chassis line operators will be made responsible for proper line
set and spacing of units on their respective lines. ate,

Yours very truly,

J.O. Vanest
Manager
Human Resources

JV/dl

June 11, 1980

REVISED: October 19, 1987

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: UTILITY 107-6 and UTILITY 7D-6

Both local management and Local 127 are committed to supplying their customers with a quality product at the lowest possible cost. To this end, both parties recognize that this goal can best be achieved through a more stable, better trained utility work force.

The purpose of this letter is to identify the basis on which the utility classifications shall be administered.

An employee classified as 107-6 Utility (Piecework Dept.) or 7D-6 Utility (Daywork Dept.), shall be a person whose prime function is to perform a piecework operation, or daywork operation under circumstances when a piecework or daywork employee is absent.

The 107-6 classification will be paid \$.25 per hour above the piecework labour grade 6. The 7D-6 classification will be paid \$.25 per hour above the daywork labour grade 6. When assigned as a replacement to a higher labour grade, the 107-6

or 7D-6 employee will receive \$.25 per hour above the higher grade for the actual time spent replacing.

It is understood that the number of employees in these or any other classification shall not necessarily be in relation to the level of production, but shall be determined by the need and characteristics of the department in which these classifications are used.

When employees, other than 107-6 or 7D-6, are assigned as absentee replacements, they will be paid for the actual time spent replacing at the same rate as the 107-6 or 7D-6 would have been paid, or his/her own rate whichever is greater.

The Company fully intends to train all 107-6 or 7D-6 employees on as many different operations as practical, and will endeavour to utilize unassigned replacement time for further training. In some instances, for example high absentee levels, it may be necessary to reassign 107-6 or 7D-6 employees to other areas or departments.

The foregoing does not restrict in any way the company's right to temporarily assign employees in these or any other classification as per the Collective Agreement.

The understanding reached in this letter shall become effective the first payroll week following the date of ratification.

Yours very truly,

J.J. Krete
Manager
Human Resources

/jv

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

see p. 17 d

12/1

**SUBJECT: REDUCTION OF EMPLOYEES WITH
STATIC PHYSICAL DEFECTS**

During the 1983 negotiations, the Union expressed concern about the company's contractual practice of placing senior employees with static physical defects onto layoff when medically restricted from filling available vacancies per application of Articles 7.11 and 7.14 of the Collective Agreement.

Should the situation arise, the following procedure will be utilized:

1. The Company will continue its practice of offering these employees first consideration toward placement on all available vacancies when applying Articles 7.11 and 7.14.
2. If placement is not possible per [1] above, the employee will be laid off and recalled as soon as possible, per the subsequent provisions of [3], unless the Union can identify a job occupied by a more junior employee that is deemed suitable by the Company Doctor and the reassignment does

not disrupt the reduction procedure already in progress.

3. If employees cannot be placed per item [1] and [2] of the procedure, the Company will consider all jobs identified by the Union which are held by junior employees.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

SUBJECT: SPECIALTY TRUCK BUILD

During the 1993 negotiations the Company and the Union discussed the creation of a department for the purpose of building specialty trucks.

This new department will use the latest manufacturing technology within an operating philosophy of cooperation and teamwork. The method of assembly will be innovative and will have operators performing operations on a rotation basis.

These operations include, but are not restricted to, material handling, chassis paint, moving sub-assembled vehicles, dyno testing, and repairing units as necessary in a designated area.

1. All operators will be under one (1) grade 12, daywork
2. classification entitled "Specialty Truck Builders", without man assignments.
3. This classification will be subject to qualification testing.

4. Employees must remain on a shift a minimum of 30 days if they have requested such shift.
5. PAA/Vacation levels will be determined by the same method as used throughout the remainder of the plant.
6. The \$0.50 per hour lump sum incentive pay program as outlined in letter No. 14, (Utility 107-6, Utility 7D-6 and Painter Floater Voluntary Turnover) will apply to the "Specialty Truck Builders", with the exception that they only will be eligible to receive the \$0.50 per hour incentive for overtime worked within their own department.

Yours truly,

R.J. Ouellette
Superintendent Truck Assembly

October 25, 1993

Mr. R.J. Hamilton
Plant Chairperson
Local 127 CAW
Navistar Unit
Chatham Plant



Dear Mr. Hamilton:

**SUBJECT: UTILITY 107-6 / UTILITY 7D-6
AND PAINT FLOATER VOLUNTARY TURNOVER**

During the 1993 contract negotiations, the Company and Union discussed the need to reduce voluntary turnover of the 107-6 and 7D-6 floater classifications, as well as painter floaters (ref. letter No. 112).

In an effort to address this problem, the following was agreed to:

A monetary lump sum incentive will be paid to each painter floater, 107-6 or 7D-6 utility person who remains in their job for a period of twelve (12) consecutive months or longer. An employee will not be entitled to the lump sum incentive if they bid out of their job through either a Job Change Request or Department Change Request, prior to completing twelve (12) consecutive months on the job.

This incentive will be paid on the 50th payroll period in each calendar year, based on eligible hours worked. Entitlement begins to accrue as of the effective date of the 1993 collective agreement.

For 1993 only, the 1993 accrued entitlements will be paid on the 50th payroll week in 1994.

Employees will accrue an entitlement of \$0.50 for each eligible hour worked prior to the 50th payroll week of each year, based on the same criteria as currently applied to the extra \$0.25 per hour premium paid per letter No. 11, (Utility 107-6 and Utility 7D-6). Therefore, for example, the \$0.50 premium will apply to overtime hours where the subject employee(s) perform their "normal" function.

If an employee bids off the job through either a Job Change Request or Department Change Request prior to completing twelve (12) consecutive months, the employee will forfeit the entire accrued incentive.

In the case of an employee involuntarily leaving the job, payment will be processed on a pro-rated, time-on-job basis on the 50th payroll week of that same year. Refer to example "A" attached.

If an employee bids off the job through either a Job Change Request or department Change Request after completing a minimum of twelve (12) consecutive months on the job, the employee will be entitled to receive the twelve (12) months of accrued incentive, plus the pro-rated portion in excess of the twelve (12) month period. The incentive(s) will be paid to the employee in the next 50th payroll week(s). Refer to example "B" attached.

An employee who, enters the job during the calendar year, and is therefore not able to complete twelve (12) consecutive months to qualify for the incentive prior to the 50th payroll week of that same year, will receive a pre-paid incentive, accrued from the date that the employee was placed on the job to the 50th payroll week that year. In the event the employee subsequently bids off the job through either a Job Change Request or Department

Change Request prior to completing twelve (12) consecutive months, the entire pre-paid incentive will be deducted from the employee's pay cheque in the next payroll period. Refer to example "C" attached.

Example "A"

EMPLOYEE INVOLUNTARILY LEAVING THE JOB:

1. Effective date of job commencement: July 15, 1994
2. Employee reduced from the job: September 15, 1994
3. On 50th payroll week of 1994, the employee would receive \$0.50 for each eligible hour worked on the subject position from July 15, 1994 to September 15, 1994.

Example "B"

EMPLOYEE BIDS OFF JOB THROUGH EITHER A JCR OR DCR AFTER COMPLETING A MINIMUM OF TWELVE (12) CONSECUTIVE MONTH ON THE JOB:

1. Effective date of job commencement: June 10, 1994
2. Employee bids off job: October 15, 1995
3. Employee would receive \$0.50 for each eligible hour worked on the subject position from June 10, 1994 to the 50th payroll week of that same year (1994).
4. On the 50th payroll week of 1995, the employee would receive \$0.50 for each eligible hour worked on the subject position from the week following the 50th payroll week of 1994 to October 15, 1995.

Example "C"

EMPLOYEE BIDS OFF THE JOB THROUGH EITHER A JCR OR DCR PRIOR TO COMPLETING TWELVE (12) CONSECUTIVE MONTHS, AND HAS ALREADY RECEIVED A PRE-PAID INCENTIVE:

1. Effective date of job commencement: August 20, 1994
2. Employee bids off job: February 25, 1995
3. Employee received a pre-paid incentive of the 50th payroll week in 1994 based on \$0.50 for each eligible hour worked from August 20, 1994 to the 50th payroll week in 1994. An amount equal to the pre-paid incentive received on the 50th payroll week in 1994, would be deducted from the employee.
4. The incentive accrued from the week following the 50th payroll of 1994 to February 25, 1995 would also be forfeited by the employee.

Yours truly,

J.J. Krete
Manager Human Resources

May 20, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: MAN ASSIGNMENTS -- CONTROLLED LINES

During the 1980 contract negotiations the policy for man assignments on controlled lines was discussed. In order to clarify the Company's position, the following policy is outlined:

- a. The operation, will be reviewed and all changes (i.e. new method, new equipment, etc.) will be timed accordingly.
- b. The labour will be assigned to the line operator providing the operator has available time.
- c. If (B) cannot be met then an S.E. operator will be assigned the additional labour until the next production change which requires new man assignments.
- d. Revised labour requires a minimum of 3 weeks to a maximum of 4 weeks lead time prior to said production change in order to be included in a man assignment.

Terrence M. Burns
Manager, Industrial Relations

October 19, 1987

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW,
Navistar Unit
Chatham Plant



Dear Mr. Hamilton:

SUBJECT: REDUCING JUNIOR MAN ASSIGNMENTS

During the 1987 negotiations the issue of reducing the man assignment of the junior employee in a pool was discussed. The Company agreed that when the number of man assignments is to be reduced, the work of the junior employee in the pool will be distributed among other members of the pool when practical. This would not be practical in situations such as:

- a) instances when the junior employee is working on a man assignment involving a physically fixed operation such as transmission installation, hub drum installation, etc.
- b) instances when the junior employee is working on a man assignment replacing a senior employee off on S&A, etc. for an extended amount of time.
- c) man assignments made up mainly of one element which cannot be broken down.
- d) production changes requiring such a large number of

reductions that the Industrial Engineering department cannot accomplish the man assignment in a timely manner.

- e) When, for reasons such as stated above, it is not practical to distribute the man assignment of the junior employee, the area committeeman will be advised prior to actions being taken.

Yours very truly,

J.J. Brennan
Manager
Technical Services

/jv

October 25, 1993

Mr. R. J. Hamilton,
Chairperson,
C.A.W. Local 127,
Navistar, Unit



Dear Mr. Hamilton:

SUBJECT: PLACEMENT OF DISABLED EMPLOYEES

During the 1993 negotiations the Company and the Union discussed the placement of employees with temporary and permanent medical restrictions onto jobs at the Chatham Assembly Plant.

The Company and Union are committed to support the return of disabled employees into the workplace, and to ensure that they are treated with respect and dignity at all times. The parties also commit to adhere to the "duty of accommodation" requirements of the Ontario Human Rights Code when placing disabled employees.

In this regard, the Company and Union have agreed upon the following employee disability placement categories and procedures:

Category B:

Definition: Employees who are medically restricted from a specific area of the plant, or shift, for an indefinite period of time,

but are able to perform the majority of jobs throughout the plant

An example of this is an employee who is medically restricted from having direct contact with paint fumes.

Placement: The procedure to place an employee within this category will be as follows:

1. An employee in this category will be placed onto an suitable job opening throughout the plant.
2. If there are no suitable job openings, the employee will displace the lowest seniority employee in the plant who occupies a job that falls within the employee's restrictions. This includes bumping a category "B" employee with less seniority.

Category C:

Definition: Employees with medical restrictions that are more limiting than category "B" restrictions in the quantity of jobs that they can perform throughout the plant.

Placement: The procedure to place an employee within this category will be as follows:

1. An employee in this category will be placed onto any available job opening throughout the plant that meets the employee's medical restrictions without modification.
2. If all of the available job openings per (1) above are unsuitable in their entirety, but, one of the openings can be made suitable for the disabled employee through minor modifications, the Industrial Engineering Department will modify the open job to accommodate the individual.
3. If the employee still cannot be accommodated per items (1) or (2) above, the Industrial Engineering Department will modify the job (held by the most junior employee in

the plant) that can be made suitable through minor modifications.

NOTE: An employee must be capable "of performing or fulfilling the essential duties or requirements" of a job opening in the application of (2) or (3) above. This is consistent with the "duty of accommodation" requirement of the Ontario Human Rights Code. Employees in category "C" cannot bump other employees in category "C" when applying item (3) above.

Category D:

Definition: Employees with temporary medical restrictions from which they are expected to fully recover.

Placement: These employees will be accommodated with modified duties for a maximum period of 30 calendar days. After 30 days the employee will be reclassified into either Category "B" or "C", unless specific unusual circumstances justify an extension.

A representative of Human Resources Department and a representative of the Union will jointly place employees occupying categories "B" and "C" in accordance with the above procedures. They will utilize the assistance of other support people such as Industrial Engineering department personnel or an ergonomist etc., as they deem necessary.

Employees in any of the above categories will not be exempt from displacement through the normal seniority provisions of Article 7.

Disabled employees must submit clear and precise restrictions from their family physician (or M.D. specialist when applicable). For instance, motions relating to weights, lifting, pushing, pulling, bending, twisting, etc. must be clearly defined.

Should the Company have reason to question new or revised restrictions, or, should the restrictions not be clear, a Company representative will contact the employee's physician or M.D. specialist to discuss the matter. This contact may include the Company providing specific information to the Doctor about the job(s) in question.

The Company will only challenge restrictions through the use of a physician or M.D. specialist. Medical disputes will be resolved by use of a mutually agreed upon independent M.D. specialist whose decision will be final and binding on both parties, When appropriate, the parties will forward an agreed upon statement of facts to the independent specialist prior to the examination.

Reasonable expenses incurred by the employee as well as the cost of the medical examination will be paid by the Company.

When it has been established that a disabled employee will displace a lower seniority employee, such assignment may be delayed for a period of three (3) days in order to provide for the necessary three (3) day notice of layoff to the affected employee.

Yours very truly,

J.J. Krete
Manager Human Resources

October 19, 1987
REVISED: October 22, 1990
REVISED: October 25, 1993

Mr, R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: LABOUR GROUP CODES FOR 7.11
PARA. 128, 131 & 138**

0200 Harcan Warehouse
0201 Campbell Warehouse
0202 Receiving
0203 Shipping
0204 Material Handler Production

0300 Training

0400 Cab drill and Prep -- Campbell's
0405 Paint Prep
0410 Cab Paint main and Multi Tone
0420 Paint Repair and Touch-up
0425 Collateral Paint

0501 Maintenance

0800 Stratoflex -- reusable hoses
0810 Synflex and Hose Cutoff
0815 SE Fabrication

0900 Cab Trim
0905 Cab Pretrim

0910 Sleeper Box Trim
0920 Instrument Panel
0930 Front End Trim
0940 Sleeper Marring Operation

1000 Stock Status Verification

1202 Product Quality

1300 Experimental Engineering

1500 After Spray to Cab Drop
5320 Radiator Sub-Assembly
5310 Cab Drop and After

Yours very truly,

J.J. Krete
Manager
Human Relations

June 12, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: TEMPORARY ASSIGNMENTS
- DEPARTMENT No. 8**

During the 1980 negotiations, the Union requested written confirmation of the past practice on temporarily assigning Department No. 8 employees to other departments.

This practice, which will be maintained, is that employee with the least amount of seniority will be assigned first. There are two (2) exceptions to this:

A) If an operation requires an experienced employee for safety reason, it may be necessary to assign a more senior employee.

B) Certain employees, who are not the junior people, are requested by other departments due to their experience. Our practice is to ask these people to accept the temporary assignment and they have to right to refuse.

Yours very truly,
J.O. Vanest
Manager
Human Resources

April 14, 1980
REVISED: October 25, 1993

Mr. R. J. Hamilton
Plant Chairman
Local 127 CAW, Navistar Unit
Chatham Plant



Dear Mr. Hamilton:

SUBJECT: ASSIGNING LIGHT DUTY

This letter is to reaffirm the understanding of both the Company and the Union that when employees are assigned 'light duty' as a result of an industrial injury, regular employees (not light duty) will not be displaced from their regular job or shift by reason of such assignment. Employees assigned such 'light duty' will be assigned to their regular shift, **unless the light duty to be worked is on another shift and the employee agrees to make the required shift change.**

Yours very truly,

J. J. Krete
Manager
Human Resources

JV/dl

March 7, 1980
REVISED: September 10, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Hamilton:

SUBJECT: THIRD SHIFT PLACEMENT

During the 1983 Negotiations, the Company and the Union agreed when applying Section 7.14 of the Collective Agreement, and prior to the placement, determinations made as outlined in Step 2, Paragraph 161 and 163, the most junior people being displaced would be identified and placed in the vacancies created for the third shift 'clean-up' crew.

It was further agreed that the Company would allow senior displaced employees preference to the third shift 'clean-up crew' vacancies, provided they notify the Supervisor of Employment and Benefits of their request early enough to avoid disruption to the Company's layoff preparation work. When the Company is obligated to post exceptions to seniority (Letter No 105) the posting will include advice of this preference.

During the 1984 Negotiations, the Company agreed to fill vacancies on the third shift 'clean-up crew' with the most junior recalled employee(s) prior to the application of Section 7.17 (b) (i).

This agreement does not alter the purpose or intent of any other provision of the Collective Agreement.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

June 15, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: TEMPORARY ASSIGNMENTS

During the 1980 contract negotiations, the subject of temporarily assigning Local 127 employees was discussed and resolved with the understanding that problems and/or alleged abuses would be brought to the attention of the Manager, Human Resources by the Plant Chairman.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/dl

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



Dear Mr. Hamilton:

**SUBJECT: CUSTOMER QUALITY ASSURANCE
DEPARTMENT**

During the 1990 Contract Negotiations, the need to revise our quality control program was discussed. It was agreed that the present Department 8 will be known as the Customer Quality Assurance Department and will include the following:

One labour group will be for those stalls reserved for heavy repairs, air-conditioning, and axle alignment. The number of stalls will be determined by the Company and it recognized that when there are improvements made in the manufacturing process or vehicle design, the number of stalls may be reduced. The classification of these employees will be 73-B- 12.

A second labour group of 73-B-12 classification employees will be those quality monitors who will follow vehicles throughout the manufacturing process, evaluate the trucks in the dynamometer(s), and complete any repairs. The monitors will then certify that the vehicle conforms to the customer's mechanical requirements.

A third labour group has also been created and will include four Area Inspectors (19-9); a paint inspector and the number two dynamometer operator, both 73-B-12. This group of operators will have duties which will include such things as assisting in rolling trucks, inspecting paint, installing paint repair components, and certifying that trucks conform to the customer requirements. The four Area inspectors will do minor repairs and monitor quality in the following general areas:

1. Radiator, engine and their assembly to the frame.
2. Hood, sleeper and the area around cab, cab drop and sleeper marry.
3. Cab assembly up to instrument panel button up.
4. Front and rear axle assembly and the general area around their assembly to the frame.

The two Pilot Inspectors (74-9) will be reclassified as 73-B-12 and at such time as these individuals leave the job, the entire Pilot Inspection function will be absorbed by the 73-B-12 monitors.

The Company and the Union are committed to quality and believe that customer quality satisfaction is the key to the success of the Chatham Assembly Plant.

Yours very truly,

J.J. Krete
Manager Human Resources

May 6, 1980

REVISED: October 25, 1993

Mr. R.E. Tindale
Plant Chairman
Local 127 CAW, Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: EIGHTEEN (18) MINUTE LUNCH

In our 1977 Negotiations, the Company agreed to recognize continuous shifts for some employees in the Paint Touch-Up areas of the Tune and Test Department and to pay an eighteen (18) minute lunch period for an equal number of employees on this operation on each shift, provided that the operation continues to work three (3) shifts.

This is only done with the clear understanding that the Company maintains all of its rights to continue to schedule overlapping continuous shift operations as dictated by production requirements, equipment and facility capabilities. However, where new operations are introduced, the eighteen (18) minute lunch period will be subject for negotiation.

The current practice for those shifts which are operating, will be continued (status quo).

Yours very truly,

J.O. Vanest
Manager Human Resources

March 7, 1983

REVISED: November 9, 1984

REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: SPECIAL HOURS OF WORK

This letter will confirm agreement reached in the 1984 negotiations regarding working hours which do not conform to the regular working hours.

- 1) The Company will provide one (1) weeks notice prior to implementing or canceling a shift which does not conform to the regular working hours.
- (2) Senior employees will have a choice of shifts
- (3) Employees on the new shift will not be forced to work more than one (1) hour of overtime prior to this shift.
- (4) Paint Booth Cleaners
When a single shift is in effect the Company can change the third shift (**Para. 213**) to the regular second shift hours (**Para. 212**) or vice versa. One (1) week notice will be given prior to such change. The committeeman will move with the group.

At the signing of the 1990 Collective Agreement the following special hours of work are in effect:

Department 2	6:00 a.m. to 3:00 p.m.	Receiving
	9:00 a.m. to 6:00 p.m.	Dunnage

Department 4	6:30 a.m. to 3:30 p.m.	Paint Mix
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Yours very truly,

J.J. Krete
Manager
Human Resources

March 7, 1983
REVISED: September 17, 1984
REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: NEW MAN ASSIGNMENT SYSTEM

This will service to confirm the understanding reached in our 1984 Contract Negotiations with respect to changes in Article 15, and all related appendices and letters concerning the implementation of the new Man Assignment System, corresponding standards and wage payment provisions.

(1) A new Man Assignment System based on product defined daily assignments projected from the forecasted production schedules will be applied to all new model operations (excluding daywork operations).

(2) The existing system used on the collateral operations will remain as is.

(3) Controlled line SE. operators will be considered part of the controlled line pools to which they are assigned and will be paid accordingly as controlled line operators.

(4) The man assignments for the new model operations will be based on estimates to be followed by their timing in accordance with Article 15.11 of the Collective Agreement.

(5) All man assignments established under the new system will be controlled line Labour Grade 6 and up.

(6) The reference to maximum cycle time Page 80, Paragraph 491, Section 15.22(b) (iii) does not apply to the new Man Assignment System for the new models. Each operator working under this System will receive a man assignment showing the Standard Time, Average Quantity and Job Time.

(7) The new Model Man Assignments will be made in a manner that provides for up to thirty minutes over and above the allowances outlined in Part 8 (8) below, by maintaining assignments at an average of 414 minutes.

(8) With the introduction of the new Man Assignment System, the following personal times will be granted to all controlled line operators in the Plant.

5/2 13 minute break during the first half of shift
5 minute wash-up prior to lunch period
13 minute break during the second half of shift
5 minute wash-up prior to end of shift.

On special jobs, such as Paint Spray, an additional personal allowance of six (6) minutes will be granted as currently applied in affected areas, to cover personal attention.

Your very truly,

J.J. Krete
Manager
Human Resources

September 25, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: SNOW REMOVAL & PALLET RACKING
ASSIGNMENTS**

1) During the 1984 Contract Negotiations, discussions were held which pertained to snow removal (other than by outside contracts) and general yard cleanup.

It was agreed at Negotiations that any available manpower would be used to do this work during regular working hours; and if the job(s) carried over into overtime, the same people would be offered the overtime. Otherwise, the overtime is to be offered to Department 2 employees, according to Section 8.07 of the Collective Agreement.

2) Also, during Negotiations the subject of who is to install pallet racking in the Plant was discussed and resolved as being the work of any available manpower during regular working hours; and if the job(s) carried over into overtime, the same people would be offered the overtime. When the job(s) is to be done on overtime only, the work will be offered to the millwrights first; and if insufficient manpower is obtained, any available manpower will be offered the overtime.

It is agreed that the installation of heavy-duty racks and the lagging down of all racks is millwright work.

Yours very truly,
J.J. Krete
Manager Human Resources

November 7, 1984
REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: PAINT --JOB ASSIGNMENTS

During the 1984 Contract Negotiations, it was agreed that the following job assignments would be put into effect in the Paint Department.

1. The classification 149-12 Cab Painter-Spray will be used for painting in the following paint booths:

- * Main Cab Booth
- * Multi-tone Booth
- * Repair Booth -- Paint Department
- * Repair Booth -- Tune & Test
- * Collateral Booth

2. Spot priming will be assigned to qualified 149-12 painters; and if there is insufficient work for a full day, the 149-12 will perform other work such as blow-off, tack-off, remove paper, etc.

During the 1990 negotiations it was agreed that the above 149-12 classification would be paid equivalent to Grade 12 daywork.

Yours very truly,
J.J. Krete
Manager
Human Resources

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: DUTY OF ACCOMMODATION

During the 1990 negotiations the Company and the Union agreed to acknowledge their mutual obligations under the Ontario Human Rights Code towards employees with disabilities. This will be reflected in their practices related to returning and maintaining those employees who require accommodation of their specific needs in the workplace.

The parties agreed to accommodate such employees following the provisions of the Collective Agreement whenever possible.

However, both Company and the Union recognize that in cases where the provisions of the Collective Agreement limit the employee's rights under the Ontario Human Rights Code, they are required to accommodate the specific needs of the disabled employee.

Yours very truly,

J.J. Krete
Manager
Human Resources

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



Dear Mr. Hamilton:

**SUBJECT: NOTICE OF PERMANENT JOB LOSS &
PLANT CLOSURE**

During the 1990 negotiations the parties discussed the extensive structural change that has already, and will continue to take place in the North American automotive industry. Our discussions focused on two key aspects of this complicated issue: the need to maintain the Navistar International Corporation Canada, Chatham Assembly Plant location as a productive manufacturer of world class quality trucks in the North American market and to ensure that Navistar International Corporation Canada, Chatham Assembly Plant employees, who contribute to the success of the Company, have their jobs and incomes protected as restructuring actions are taken. In addition, we have recognized the importance of the parties at both the local and national level continuing an ongoing dialogue about all the aspects of the business to ensure that the important goals are achieved.

With these objectives in mind, we have agreed that the understanding listed below will govern the parties in the event that restructuring or productivity-related actions may result in permanent job losses. These permanent job losses are those occasioned by specific action taken the by Company. For example, outsourcing, the introduction of new technology,

sale of part of the Company, and consolidation of operations would be actions contemplated by this understanding. The understanding would not apply to normal cyclical fluctuations in demand or the reduction of employees on "temporary" assignments. It is also understood that this program does not replace the ongoing discussions which continually take place at the local level regarding production standards and manpower requirements.

1. Where such permanent loss of jobs is considered, one year notice will be provided to the Union in the case of plant closure and six months notice will be provided to the Union in the case of a potential permanent job loss related to a restructuring as referred above. The information supplied to the Union will include the number of employees who could potentially be impacted and the rationale for the decision. It is understood that the information will be used for discussions between the parties and the workforce, and will be considered confidential. The Union will have the opportunity to make proposals which could alter or modify the decision.

2. During the course of these discussions, the objectives of the parties will be the retention of the jobs in question. To that end, the parties will discuss opportunities to retain or replace the jobs which are being discontinued. The Union will have thirty days from the date of notice to make proposals which could make it feasible to retain or replace the jobs in question.

3. If job losses become unavoidable and management decides to reduce the size of the workforce, every effort will be made to use attrition to manage the required reductions. The use of attrition is the subject of a separate letter between the parties.

Yours very truly,

J.J. Krete
Manager
Human Resources

October 22, 1990
REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: PROCEDURES FOR PLANT CLOSURE AND
PERMANENT JOB LOSS**

During the **1993** negotiations, in a separate letter between the parties, we described the process that would be followed in the event that restructuring actions may result in permanent job losses. In that letter we agreed that the objective of the parties will be the retention of the jobs in question. We also agreed that if job losses become unavoidable, every effort will be made to use attrition to manage the required reductions.

This letter describes the process that will be implemented, and the benefit entitlements that will be provided to employees under two separate scenarios: 1) closure of the entire plant; and 2) restructuring actions resulting in permanent job losses at the plant. The scenarios are detailed below as follows:

Entire Plant

As closure approached and operations begin to wind down, employees who (1) are any age and have 28.1 or more years of credible service: (2) are age 55 or older but less than age 60 and within two years would have sufficient combined years of age and creditable service to equal 85 or more: and (3) are age 60 or older but less than 65 and have ten or more years

of creditable service or are age 61 or older but less than age 65 have 9.1 but less than 10 years of creditable service, will be contacted regarding retirement under the regular early retirement provisions of the Retirement Pension Plan and, if **eligible, for Regular Early Retirement, may retire immediately and receive a retirement allowance described in Letter 48, Retirement Allowance Option -Job and Income Protection Plan.** Employees who are age 55 or older but less than age 65 and who have ten or more years of creditable service (including any such employees who are also eligible for early retirement) will be offered special early retirement commencing on or before the announced closing date, and be eligible to receive a retirement allowance described in Letter 48, upon retirement.

At time of closure, remaining employees, including eligible employees who declined to elect regular early retirement or who declined the offer of special early retirement, will be placed on layoff. All such employees with 5 or more years of seniority, except those who meet the age and service requirements for regular or special early retirement (based on an age 55 minimum age retirement for special early retirement), will be eligible to apply immediately upon layoff for a lump sum payment under the Voluntary Termination of Employment Plan (VTEP). Any laid off employee who elects not to apply immediately for VTEP or who is ineligible for VTEP because he has less than 5 years of seniority at layoff or because he meets, at the date of layoff, the age and creditable service requirements for regular or special early retirement (based on an age 55 minimum age requirement for special early retirement) will -- be eligible for Regular Benefits under the Supplemental Unemployment Benefit (SUB) Plan provided he has at least one year of seniority as of his last day worked prior to layoff provided he had 5 or more years of seniority as of his last day worked prior to layoff and does not meet the age and creditable service requirements for regular early retirement upon exhausting his eligibility for Regular S.U. Benefits and did not meet the age and creditable service requirements for special early retirement (based on an age 55 minimum age requirement) at time of layoff, be eligible for Lump Sum Benefits under the Termination Payment Plan.

An employee with 5 or more years of seniority who elects not to apply for VTEP at time of layoff will be eligible to make subsequent application for such a payment, provided that he does not meet the age and service requirements for regular early retirement at the time application is made and did not meet the age and service requirements for special early retirement (based on age 55 minimum age requirement) at time of layoff and provided further that such application is filed within the maximum time limits set forth in the Termination Payment Plan.

Permanent Job Loss

In the event management decides that workforce reductions resulting in permanent job loss as a consequence of restructuring actions cannot be accomplished in a timely and efficient manner through normal attrition, the following steps will be taken, separately for skilled trades and non- skilled employees and for skilled employees, by trade:

(1) Employees with less than one year of seniority will be placed on layoff:

(2) If the number of separations that can be accomplished through implementation of (1) above is less than the number of jobs that will be lost, employees at any age who have 28.1 or more years of creditable service will be offered the opportunity to:

(a) retire immediately, if eligible for Regular Early Retirement, and receive the retirement allowance described in Letter 48

; or

(b) if not eligible to retire, or if option to (a) not chosen, to be placed on layoff with eligibility for Regular SUB benefits.

If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under (1) above, exceeds the number of jobs that will be permanently lost, this offer will be implemented in seniority order for accepting employees until the combined number of actual and scheduled separations equals the number of jobs lost.

(3) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees (excluding those who may also be in (2) above) who are age 55 or older but less than age 65 and who within two years would have sufficient combined years of age and creditable service equal to 85 or more will be offered the opportunity to:

(a) retire immediately, if eligible for Regular Early Retirement, and receive the retirement allowance described in Letter 48;

or

(b) if not eligible to retire, or if option to (a) not chosen, to be placed on layoff with eligibility for Regular SUB benefits.

If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the two preceding

steps, exceeds the number of jobs that will be permanently lost, this offer will be implemented in seniority order for accepting employees until the combined number of actual and scheduled separation equals the number of jobs lost.

(4) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees (including those who also may be in (2) or (3) above but excluding those in 2 (a) or 3 (a) who are age 55 or more but less than age 65 and who have 10 or more years of creditable service will be offered special early retirement, and be eligible to receive the retirement allowance described in Letter 48 upon retirement. If the number of employees who accept this offer combined with the number of employees separated or scheduled for separation under the three preceding steps, exceeds the number of jobs that will be permanently lost, special early retirements will be approved in seniority order until the combined number of actual and scheduled separation equals the number of jobs lost;

(5) If the combined number of separations pursuant to the

preceding steps is less than the number of jobs that will be permanently lost, employees who are age 60 or older but less than age 65 and have 10 or more years of creditable service or are age 61 or older but less than age 65 and have 9.1 or more but less than 10 years of creditable service will be offered the opportunity to be placed on layoff with eligibility for Regular S.U. Benefits. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the four preceding steps, exceeds the number of jobs that will be permanently lost, this offer will be implemented in seniority order for accepting employees until the combined number of actual and scheduled separations equals the number of jobs lost; and

(6) If the combined number of separation pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees who have 5 or more years of seniority (excluding those in (2), (3), (4) and (5) above) will be offered an opportunity to apply for VTEP. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the five preceding steps, exceeds the number of jobs that will be permanently lost, this offer will be implemented in seniority order until the combined number of actual and scheduled separation equals the number of jobs lost.

These actions will be taken and administered on a site-wide basis.

If these measures fail to stimulate sufficient additional attrition to accomplish the necessary workforce reductions, the reduction in force provisions of the Collective Agreement will be implemented. An employee with 5 or more years of seniority who is laid off as a result of the reduction in force and who at time of layoff does not meet the age and creditable service requirements for regular or special early retirement will be eligible to apply immediately upon layoff for a lump sum payment under VTEP. Any laid off employee who elects not to apply immediately for VTEP or who is ineligible for VTEP because he has less than 5 years of seniority or because he meets the age and creditable service

requirements for regular or special early retirement will

-- be eligible for Regular Benefits under the S.U.B. Plan provided he had 5 or more years of seniority as of his last day worked prior to layoff and does not meet the age creditable service requirements for regular early retirement upon exhausting his eligibility for Regular S.U. Benefits be eligible for Benefits under the Termination Payment Plan.

An employee with 5 or more years of seniority who elects not to apply for VTEP at time of layoff will be eligible to make subsequent application for such a payment, provided that he does not meet the age and creditable service requirements for regular early retirement at the time application is made and did not meet the age and creditable service requirements for special early retirement at the time of layoff and provided further that such application is filed within the maximum time limits set forth in the Termination Payment Plan.

The above commitments were executed in a spirit that recognizes the need to ensure that Navistar International Corporation Canada, Chatham Assembly Plant produce world- class quality Trucks as efficiently as possible. That recognition, coupled with the commitments we have negotiated to protect the jobs and incomes of our employees, should help to assure that both parties achieve our shared objective of maintaining Navistar International Corporation Canada, Chatham Assembly Plant as a viable entity in the North American market.

Yours very truly,

J.J. Krete
Manager
Human Resources

May 12, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: BEREAVEMENT

During negotiations of the 1980 Labour Agreement, the Company agreed to modify the Administrative Procedures on Bereavement Pay to eliminate the requirement that employees provide certification from a funeral director of attendance at a funeral. Henceforth, the verification that the employee attended the funeral will be certified by the employee on the bereavement pay application form (Exhibit A), provided by the Company.

However, it is mutually understood by both the Company and the Union that if the Company has a legitimate reason for disputing the information testified to by the employee on the form, the onus is on the employee to establish the same to the satisfaction of the Human Resources Department.

A copy of the revised form, Exhibit A, is attached to this letter.

Yours very truly,

J.O. Vanest
Manager Human Resource

JV/DL
Attachment.

**BEREAVEMENT PAY
HOURLY EMPLOYEES**

**INTERNATIONAL HARVESTER COMPANY
OF CANADA LIMITED**

APPLICATION FOR BEREAVEMENT PAY

Company Location	Department No.	Local Union
Applicant's Name		Payroll No.
Address		Social Ins. No.
City, Province		Postal Code

Regularly Schedule Workdays Absent	Name of Deceased	Relationship
_____	_____	_____

Date of Death	Date and Location of Funeral Service
_____	_____

I hereby certify that I attended the above funeral services. I understand willful misrepresentation of any material fact in making application for Bereavement Pay will subject me to disciplinary action.

Applicant's Signature	t	e
_____	_____	_____

October 25, 1993

Mr. R. J. Hamilton,
Chairperson,
C.A.W. Local 127
Navistar Unit



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: BEREAVEMENT POLICY RE: VACATIONS AND
VACATION SHUTDOWNS**

During the 1993 negotiations the Union requested that the Company clarify its policy related to bereavement eligibility during an employees' scheduled vacation or during the annual vacation shutdown(s).

The following situations should clarify the policy related to these periods of time:

Situation A: One or two working days prior to a scheduled vacation or the annual vacation shutdown an employee experiences a death in the family to which the employee otherwise meets the eligibility requirements for three (3) days of Bereavement Leave:

The employee will be entitled to the unused balance of the Bereavement Leave after the shutdown.

Situation B: While on vacation during a scheduled vacation or the annual vacation shutdown an employee experiences a death in the family to which the employee otherwise meets the eligibility requirements for three (3) days of Bereavement Leave:

If the death and funeral occur during the scheduled week of vacation an employee may:

- return the vacation cheque and reschedule the vacation at a later time, mutually agreed upon with the supervisor, or
- take three days of paid bereavement leave directly after the scheduled vacation

If the death and funeral occur during the vacation shutdown, the employee will be entitled to book up to one (1) week of additional time off without pay, at a later time, mutually agreed upon with the supervisor.

* If the death occurs during a scheduled vacation, but the funeral takes place after the vacation, the employee is entitled to Bereavement Leave immediately after the vacation period for a maximum of three (3) working days.

* If the death occurs during the vacation shutdown, but the funeral takes place after the shutdown, the employee is entitled to Bereavement Leave immediately after the vacation period, up to, and including the day of the funeral, to a maximum of three (3) working days.

Situation C: While on vacation during a scheduled vacation or an annual vacation shutdown an employee experiences a death in the family to which the employee otherwise meets the eligibility requirements for (1) day of Bereavement Leave to attend the funeral.

There is no entitlement to Bereavement Leave if the funeral occurs during the annual vacation shutdown, however the employee would be entitled to one days bereavement leave if on scheduled vacation.

* If the funeral is on a workday after the scheduled vacation or the vacation shutdown, the employee is entitled to Bereavement Leave for the day of the funeral.

* NOTE. It is important that the employee notify the Company of the future absence in advance as well as the particulars relating to it to avoid being recorded as a "no report".

Yours truly,

J. J. Krete
Human Resources

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: BENEFIT BROCHURE

During the 1993 negotiations, the Company agreed to provide Local 127 employees with an annual summary brochure of their benefits and dependents relating to the 1993-1996 Collective Agreement.

It was anticipated that the brochure will be provided late in the 1994 calendar year.

S.J. Curry,
Personnel Services Manager

Letter No, 35

May 15, 1980
REVISED: September 10, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: EXPIRY DATE OF BENEFITS

During the 1980 Contract Negotiations, the Company agreed that laid-off employees would be informed when, and prior to, the expiry of their benefits covered under the applicable Pension, Insurance and Supplemental Unemployment Benefit Plans.

During the 1984 Contract Negotiations, the Company has agreed to include in this practice all employees who are subject to lapsed benefits under the Optional Term Life Insurance.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

June 2, 1980

Mr. J.O. Vanest
Chatham Plant



INTERNATIONAL

**SUBJECT: DETERMINATION OF ELIGIBILITY
(RETIREMENT PLAN)**

During the 1980 contract negotiations it was agreed that grievances requesting a determination of eligibility under the Non-Contributory Retirement Plan would be submitted to the arbitrator only "where the Company specified that the reason for the employee's discharge will result in his/her being ineligible to receive a supplemental allowance."

In the application of this provision such discharged employee will receive a supplemental allowance without being required to process a grievance, unless the reason for such discharge is one of the following:

- (a) a physical act of violence which could cause great bodily harm against any individual employed by the Company;
- (b) sabotage of Company property; or
- (c) theft from the Company for profit.

R. Marchant

:ag

cc: Mr. R. Kotapski

May 20, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Tindale:

SUBJECT: TUITION REFUND PLAN

Attached is the most recent copy of International Harvester's Tuition Refund Plan. The eligibility, schools, courses, refunds and administration procedures are outlined within.

Yours very truly,

J.O. Vanest
Manager Human Resource

Attachment.

TUITION REFUND PLAN

APPLICATION: INTERNATIONAL HARVESTER CANADA

PURPOSE: To give employees the opportunity to acquire additional skills and knowledge which are considered important for the employee's career without requiring the employee to incur an undue financial burden.

POLICY:

25-B
A
(1) The Company will provide tuition refund to eligible employees who have paid for Company-approved education received on a voluntary, off-hour basis.

Eligibility

(2) An employee must be in full-time employment with the Company at the time of enrollment in an approved course and at completion of the course be regularly employed or in a layoff status. Employees discharged for cause or who voluntarily leave their employment with the Company while enrolled in a course are not eligible to receive refund payments. Employees hired as co-operative students are not eligible for tuition refund except for evening courses taken during periods of active employment with the Company.

(3) Employees must enroll in courses in approved residence or correspondence schools. Courses which will be approved for the Tuition Refund Plan include evening classes offered by secondary schools and technical institutes, certificate courses provided by recognized professional association and all intramural and extension courses offered by recognized universities and colleges. Employees may enroll in the above courses in either credit or non-credit capacity as long as a grade or certificate of satisfactory performance is awarded upon the completion of the course.

(4) An employee must select courses that are acceptable to the Company. Courses must therefore meet one or more of the following conditions:

Acceptable Courses

(A) They are job-related -- that is, they will tend to improve the employee's performance on his or her current job; or

(B) They are a part of a curriculum leading to a degree in a field in which is job-related; (in which case the employee must furnish evidence of enrollment, course of study and anticipated degree to the Company) or

(C) They will help prepare the employee for future assignments with the Company for which he or she might reasonable be expected to qualify; or

(D) They are courses taken to complete the requirements for a basic education certificate or high school diploma; or

(E) They are education courses designed to provide a level of competency in basic communications or numerical skills; or

(F) They are courses of instruction directed towards qualifying an employee as an apprentice in the skilled trades.

(5) An employee must apply for and receive Company approval prior to enrollment in a course as identified on Form No. IR-115. This application must be completed each school term.

(6) An employee must complete the course satisfactorily as shown by a written report from the school which the employee has attended.

(7) An employee must present a receipt to the Company within 60 days of the course completion date, indicating that tuition and compulsory fees have been paid.

Refunds

(8) Upon the fulfillment of each of the above eligibility

conditions, the local Operation will reimburse an employee for the full amount of the tuition and certain compulsory fees the employee has paid. The reimbursable compulsory fees include:

(A) Matriculation fees required with an application for admission to the school.

(B) Registration fees required when registering for an additional school term.

(C) Fees applicable to specific classes, such as laboratory fees or fees required for the use of special equipment by all students enrolled in the course.

(D) Graduation fees required of all candidates for a similar degree.

(9) The plan does not provide for the payment of other expenses such as textbooks, supplementary course materials, transportation, meals or any other expenses. Non-reimbursable fees include:

(A) Student activity fees

(B) Late registration fees

(C) Installment payment service charges

(D) Vehicle registration and parking fees

(E) Special examination fees for courses which have been failed or examinations not taken when scheduled.

(F) Fees which are in the nature of penalties or fines for violation of school regulations

(G) Hospital/medical/surgical fees or insurance

(H) Fees for use of school recreational facilities.

(10) When educational expenses are met by scholarships,

governmental aid or benefits, employees will be eligible for a refund only on that portion in excess of the amount of such outside benefits.

Administration

(11) Applications for Tuition Refund must be submitted to the employee's immediate supervisor for referral to the department head and the individual responsible for local administration of the plan. It is the employee's responsibility to determine eligibility for entering the school and eligibility for enrolling in the courses, before making application to the Company.

(12) The benefits under this plan may not be withheld from an employee as a disciplinary measure.

(13) The employee will be notified of the action taken by a returned copy of the tuition refund application.

(14) Appropriate payment for tuition refund and compulsory fees will be obtained by the person in charge of the plan and given to the employee by the immediate supervisor.

(15) The person will be responsible for local administration of the plan will be responsible for:

(A) The recording of additional education in the employee's personal file.

(B) The submission of the Annual Tuition Refund Plan Report the 12 months ending in June 30 to the Manager, Management Development & Training, Hamilton G.O.

(16) In the event that the Company requests an employee to participate in courses, institutes, seminars, meetings, etc., conducted by educational institutions, the above voluntary refund does not apply. In such cases, the Company will reimburse for business expenses incurred, including reasonable travel and living expenses, tuition fees, required book costs and other instructional expense.

RESPONSIBILITY:

It is the responsibility of the Operation's management representative with the principal accountability in Human Resources to administer this policy.

EXCEPTIONS:

Exceptions to this policy may be made only upon the prior approval of the Director, Human Resources.

January 21, 1980

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: 90 DAY COVERAGE FOR DRUGS

This will confirm our understanding reached during these Negotiations concerning the Union request for a ninety (90) day supply on covered drugs.

The Company will identify and prepare a list of those covered drugs which are prescribed on a continuing basis for an ongoing medical condition. These drugs appearing on the list will be eligible for a reimbursement of a ninety-day supply.

Yours very truly,

J.R. Marchant
Manager Labour Affairs

JRM/ap

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: INSURANCE CARRIER DENIALS

During the 1983 Negotiations, the Company agreed to supply the Union with copies of insurance carrier denials to Local 127 represented employees which are forwarded to the Company.

Yours very truly,

J.R. Marchant
Manager
Labour and Employee Relations

JRM/jv

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Tindale:

SUBJECT: S & A OVERPAYMENT

During the 1983 Negotiations the Company and Union discussed the concern over the delay in benefits when it becomes necessary to return the cheque to the carrier for correction. The Company agreed to provide assistance to affected employees, upon request to the Personnel Services Manager, by approving a cash advance in the approximate amount of the actual benefit. The employee must sign a waiver obligating himself to immediate repayment to the Company upon receipt of the revised benefit cheque.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

March 7, 1983
REVISED: September 17, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Hamilton:

SUBJECT: BENEFIT COVERAGE DURING
LEAVE OF ABSENCE

This will serve to confirm that when vacation falls during a period of approved Leave of Absence, that the vacation will be used to abut either the beginning or the end of the approved Leave of Absence, so that the employee(s) may be extended benefit coverage for the vacation portion of the Leave of Absence.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

September 25, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Hamilton:

SUBJECT: W.C.B. CLAIM DISPUTE

During the 1984 Negotiations, the Company and Union discussed the procedure for disputing a W.C.B. Claim.

If a claim is to be disputed by the Company at the time of the submission of the Form 7, the Company will continue to so indicate on the claim form. If an original claim is subsequently disputed by the Company or if a denial of a claim is appealed by the Union, each party agrees to immediately advise the other of its action.

Yours very truly,

J. Krete
Manager Human Resources

JJK/ad

November 7, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: BENEFIT ENQUIRIES DURING
VACATION SHUTDOWN**

During the 1984 Contract Negotiations, the Union expressed concern about a lack of knowledgeable benefit personnel at the Chatham Plant during the annual vacation shutdown period.

The Company has agreed that when there is no one available in the Human Resources Department able to handle a benefit-related problem, the senior manager in the Plant will make every effort to resolve the problem.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

December 3, 1984
REVISED: October 19, 1987
REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: 107-6, 7D-6 and 7T-6 BENEFIT CALCULATION

During the 1987 Contract Negotiations, the Union and the Company discussed the issue of the rate of pay for employees in the 107-6 and 7D-6 classification.

The Company agreed to pay vacations, Statutory Holidays, Paid Absence Allowance, and S&A at the same level as those in the 125-6 classification plus \$0.25 for the 107-6 classification, and the daywork grade 6 plus \$0.25 for 7D-6 classification.

During the 1990 negotiations it was agreed that the applicable Pension rate will be adjusted. In addition, the Company agreed to pay vacations, Statutory Holidays, Paid Absence Allowance, and S&A for the 7T-6 classification at the same level as the 107-6 mentioned above.

Yours very truly,

J.J. Krete
Manager Human Resources

October 22, 1990
REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
CAW Local 127



Dear Mr. Hamilton:

SUBJECT: SUB --OVERTIME SUPPORT

During the 1984 negotiations the Company and the Union agreed that:

1. A Special Fund will be established for and during the term of the 1984 Collective Agreement.

2. **Effective October 25, 1993** such, Special Fund will equal an accrual by the Company of **\$2.00** per overtime hour worked by all covered employees in excess of five percent (5%) of straight time hours worked by such covered employees --calculated on a twelve month rolling average.

3. During the term of the 1984 Collective Agreement, the Special Fund will be utilized only in support of the SUB Plan, and then only if needed.

4. The use of the Special Fund would be determined solely by the amount of the Credit Union Cancellation Base (CUCB) as determined from time to time under the SUB Plan for the purpose of determining the cancellation rate of Credit Units on the payment of Regular Benefits under the SUB Plan. In the event that such CUCB amount otherwise would fall below the applicable amount that would require an increased Credit Unit cancellation rate of 5 Units for employees with 1 but less than 5 years of seniority, the Company will make weekly

contributions to the SUB Fund from the balance in the Special Fund. Such additional contribution amount from the Special Fund would be an amount that, together with the amount of regular Company contributions to the SUB Fund that week, would be sufficient to pay all Regular Benefits then due and payable and still keep such CUCB from falling below the amount requiring the increased cancellation rate described above. At any time the balance of the Special Fund is exhausted, the regular provisions of the SUB Plan would apply.

5. As of the end of the 1984 Collective Agreement period, the parties would negotiate the usage of any balance then remaining in the Special Fund.

6. The balance in the Overtime Contingency Fund as of the effective date of the **1993** Agreement was **\$310,494.23**.

Yours very truly,

K. R. Wilson
Manager Employee Relations

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

**SUBJECT: DIVERSION OF LEGAL SERVICES FUND TO
S.U.B. PLAN**

During the 1993 contract negotiations, the Company and Union discussed using the Legal Services Fund to support the Supplemental Unemployment Benefit Plan, when required.

Accordingly, effective November 1, 1993, Legal Services funds will be diverted to provide SUB benefits when the SUB Funds is below 55%, and is required to pay regular benefits.

However, any such diversion will not reduce the assets of the Legal Services Fund to less than \$100,000.

Yours truly,

Ken Wilson
Manager,
Employee Relations

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: LONG TERM CARE PROGRAM

During the 1990 negotiations, the parties agreed that it would be appropriate for the Company and Union Committee to study the proposed Ontario long term care program which includes alternative to extended care in nursing homes and homes for the aged.

Yours very truly,

P.J. Brennan
Director Human Resources

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

**SUBJECT: RETIREMENT ALLOWANCE OPTION - JOB &
INCOME PROTECTION PLAN**

During the 1993 contract negotiations, the Company and Union discussed methods of providing retirement incentives to employees retirement eligible, under the Regular or Special Early Retirement provisions of the Non-Contributory Pension Plan on the date of a plant closing or permanent job loss as identified under Letter (31) Procedures for Plant Closure and Permanent Job Loss.

Accordingly, after October 24, 1993 any employee who is retirement eligible under the provisions of Letter 31 on the date of the closure or permanent job loss, will be given the option of taking a Retirement Allowance of \$35,000.

The parties agreed that the receipt of the retirement is in lieu of any SUB entitlement that may have been provided under the provisions of Letter 31 and the SUB Plan. Acceptance of this option will result in the immediate retirement of the employee.

All payments made under the terms of this agreement will be recoverable from future SUB contributions on a dollar for dollar basis for all pay periods in which SUB contributions exceed the total amount of regular benefits paid and the percentage relationship of fund assets to maximum funding is greater than 40%.

Yours truly,

J.J. Krete
Manager Human Resources

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: RATES FOR WEEKLY SICKNESS & ACCIDENT
BENEFITS**

During the 1990 negotiations the Company agreed that for the purposes of determining an employee's applicable rate for Weekly Sickness and Accident Benefits, the amount of COLA payable on the first and second anniversary dates of the Agreement will be folded in.

Yours very truly,

J.J. Krete
Manager Human Resources

October 22, 1990
REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: COST OF LIVING TRANSFER -- EMPLOYEES
UNDER THE HIRING-IN RATE**

This will confirm the understanding reached during the **1993** negotiations that employees under a hiring-in rate on (effective date of new contract) will have the full amount of the Cost-of-Living Allowance under the Collective Agreement (**\$1.45**) transferred to their base wage rates on (effective date of agreement) even though this will raise their base rate above the appropriate percentage of the negotiated classification rate of the job to which they are assigned based on their number of weeks of employment completed as provided in Article 15 of the Collective Agreement. When they complete 78 weeks of employment, such employee will receive an increase to the negotiated classification rate of the job to which they are assigned as prescribed in Article 15 in the **1993** Collective Agreement.

Yours very truly,

J.J. Krete
Manager Human Resources

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: SOCIAL JUSTICE FUND

During the 1990 negotiations, the parties discussed the Union's plan to establish a Social Justice Fund. The purpose of this fund would be to provide financial assistance to such entities as food banks, registered Canadian charities, and international relief measure to assist the innocent victims of drought, famines and other dislocations.

Subject to the following conditions, the Company will make quarterly contributions to such a fund equal to one cent (\$.01) for each straight time hour worked in the preceding thirteen (13) week period on the following dates:

Hours Worked	Payment Date
11/01/90 - 01/26/91	02/28/91
01/27/91 - 04/27/91	05/31/91
04/28/91 - 07/27/91	08/31/91
07/28/91 - 10/26/91	11/30/91
10/27/91 - 01/25/92	02/29/92
01/26/92 - 04/25/92	05/31/92
04/26/92 - 07/25/92	08/31/92
07/26/92 - 10/31/92	11/30/92
11/01/92 - 01/30/93	02/28/93
01/31/93 - 04/24/93	05/31/93
04/25/93 - 07/31/93	02/31/93
08/01/93 - 10/30/93	11/30/93

The Company will make these quarterly payments provided that:

(a) The Union incorporates the fund as a non-profit corporation under the Canada Corporations Act, and ensures that all necessary steps are taken to maintain the corporation in proper legal standing and that all requirements of the Act are met;

(b) The Union registers the non-profit corporation as a charity under the Income Tax Act of Canada and maintains the registration in good standing;

(c) The Union obtains and maintains a favorable Income Tax Ruling from the federal Department of National Revenue that all contributions which the Company makes to the non-profit corporation are tax deductible;

(d) The Union provides the Company with annual audited financial statements of, and summaries of each year's donations made by the non-profit corporation;

(e) The objects, by-laws and resolutions of this non-profit corporation should limit it to making the following types of financial contributions:

(i) contributions to other Canadian non-partisan charities that are registered under the Income Tax Act,

(ii) contributions to non-partisan international relief efforts that are recognized by the Canadian International Development Agency (CIDA), or any successor body that performs like functions,

(iii) contributions to any Canadian or international non-partisan efforts to which other Canadian charities that are registered under the Income Tax Act are also making financial contribution,

(iv) contributions to any non-governmental and non-partisan development group recognized by CIDA and registered as a charity under the Income Tax Act.

It is agreed by the parties that the Company shall be under no obligation to begin making the quarterly contributions set forth above until such time as the Union provides it with documentation to establish that the requirements of points (a) to (d) above have been, and are continuing to be met. Upon the Union providing this documentation to the Company, the Company at the next quarterly contribution date, will make that contribution and all previously unpaid quarterly contributions to the fund's non-profit corporation. Thereafter the Company will pay each subsequent quarterly contribution as set forth above, as long as the requirements of points (a) to (d) above continue to be met by the Union.

Yours very truly,

J.J. Krete
Manager Human Resources

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW, Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: CONSIDERATION OF LEGAL SERVICES PLAN
APPLICABILITY TO MATTERS UNDER UNITED STATES
LAW**

During the 1990 negotiations the Company and the Union discussed provisions of the C.A.W. - Navistar Legal Services Plan (the "Plan") which provide benefits only in matters arising under law(s) in Canada. There are Participants, as defined in the Plan, who may have legal matters that would qualify for Benefits under the Plan except that those matters arise under law(s) in the United States.

This issue is complicated by a number of factors such as lack of information concerning the number of Participants that may be covered, potential tax and legal applications and the fact that certain legal services provided in the United States may cost substantially more than those same services in Canada. The parties are committed to making a good faith effort to expeditiously address this issue after the current negotiations are completed. It is understood that any arrangements agreed upon to apply Benefits under the Plan to U.S. legal matters would be limited to covering comparable matters to those set forth in Section 5.03 of the Agreement between the Company and the Union which established the Plan, and would be further limited to paying the identical benefit fees, in Canadian dollars, that would otherwise be paid under the Fee Schedule which forms part of that Agreement.

Yours very truly,
J.J. Krete
Manager Human Resources

October 19, 1987
REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: ABSENTEE CONTROL

Current high levels of absenteeism negatively affect our product and jeopardize the long-term viability of our plant. During the 1987 negotiations, the parties discussed and agreed to amend the present levels of progressive discipline related to absenteeism to that which is listed below. These revised levels will become effective upon contract ratification.

- i) Levels of progressive discipline:
 - counseling session
 - written reprimand
 - five (5) day suspension
 - twenty (20) day suspension
 - discharge
- ii) The "working option" will be discontinued for all suspensions
- iii) Employees having six (6) or more occurrences of absence within the previous twelve (12) month period (as highlighted on the now existing # printout) will be added to the "Absence Justification" listing. This listing will be reviewed for updating on a monthly basis. A meeting will take place between the employee, area management and area committeeman to review the employee's record and

advise the employee as to the requirements related to the listing. If in the future, absentee reductions indicate improvements to the point whereby the six (6) or more occurrences are no longer appropriate, a program review shall take place between the Manager, Human Resources and the unit Chairperson at which time a new level will be determined.

Yours very truly,

J.J. Krete
Manager Human Resources

/jv

June 3, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: DELAYED DISCIPLINE

Under normal circumstances it is the Company's policy to take appropriate and immediate disciplinary action against employees when it is warranted. However, it must be recognized that, on occasion, where a number of suspensions at the same time would jeopardize production, it may be necessary to delay the disciplinary layoff of an employee. If such circumstances should arise or need for further investigation occurs the Company will discuss the situation with the Union Plant Chairman and review all possible alternatives in order that the purpose and intent of this letter be maintained.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOB/sh

April 23, 1980
REVISED: October 22, 1990

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: UNFIT EMPLOYEES

This letter will reaffirm the understanding of both the Company and the Union, that a Union Representative (normally - the Departmental Committeeman or Steward and upon request the Plant Chairman) will be present when the Company assesses a person who reports for work in an unfit condition. Such employee will be immediately removed from the work area while such assessment is being made.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/sh

March 7, 1983
REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: DISCIPLINE BY MAIL

During the 1983 Negotiations, the Company's practice of issuing discipline by mail was discussed.

The Company has assured the Union that discipline will be issued by mail only in those cases where a laid off employee leaves the plant prior to it being possible to conduct a disciplinary interview.

In these cases, the Company will notify the Union prior to issuing the discipline.

In addition, during the 1990 Negotiations, the parties agreed that discipline can be administered by mail to an employee(s) who is absent for reasons other than layoff, provided the employee(s) is given the option of Union representation prior to the issuance of the discipline.

Yours very truly,

J.J. Krete
Manager Human Resources

JOB/sh

May 6, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: REINSTATEMENT OF GRIEVANCES

The Company and the Union have long recognized that the mutually satisfactory resolution of employee complains in the grievance procedure, by authorized Company and Union officials, results in a final and binding determination for both parties as well as the employee involved. The parties' recognition of this principle has contributed stability and certainty to the grievance procedure. Accordingly, the Company views any attempts to re institute such claims by either party as being antithetical to the purposes for which the grievance procedure was established.

Any grievance that (a) is not processed or (b) is disposed of under procedures adopted by the Company and the Union in the implementation of the Grievance Procedure, shall be considered settled, and such settlement shall be final and binding upon the company, the employee or employees involved, the Union and its members. However, subject to the aforementioned provisions, in those instances where the U.A.W.'s International Executive Board, Public Review Board, Constitutional Conventional Appeals Committee, or any outside agency having jurisdiction has reviewed a grievance disposition and found that such disposition was improperly concluded by the Union body or representative involved, the Agricultural Implement department may so inform the Human Resources staff of the Company and request in writing that such grievance be re instituted in the parties' grievance

procedure at the same level at which it was originally settled. After receipt of such written request, the grievance will be so re instituted by the Company.

It is understood by the parties, however, that the Company will not be liable for any back pay claims from the time of original disposition to the time of reinstatement of any such grievance shall be conditioned upon agreement by the Union and the employee(s) that neither will pursue such back pay claim against the Company.

This letter is not to be construed as modifying in any other way, either party's right or obligation pursuant to the Collective Agreement or the final and binding nature of any other grievance resolutions. It is also understood by the parties that this letter of understanding and the Company's obligation to re institute grievances consistent with the conditions set forth above and upon written request from the Union, can be terminated by either party upon thirty (30) days' notice in writing, to that effect.

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

June 12, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: INVESTIGATIVE INFORMATION

During the 1980 contract negotiations, the Company agreed that it would continue its past practice of supplying information to Union Committeemen and/or Stewards necessary for the proper investigation of employee grievances and complaints.

It was further agreed that in doing so, normal requests would be made through the Union Representative's immediate supervisor with disputes being referred to the Labour Relations Manager.

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

March 7, 1983

Mr. L. Rustin
U.A.W. International Representative
220 St. Clair Street
CHATHAM, Ontario N7M 3J7



INTERNATIONAL

Dear Mr. Rustin:

SUBJECT: STENOGRAPHER'S NOTES

This will confirm the understanding reached in the 1983 Contract Negotiations.

When a stenographer records minutes during a meeting under the Grievance Procedure of the Local 127 Collective Agreement, those stenographer's minutes would not be submitted as evidence in an Arbitration Hearing.

Yours very truly,

J.R. Marchant
Manager
Labour & Employee
Relations

JRM/dl

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

**SUBJECT: EXPLANATION OF TIME STUDY METHOD I
PROCESS**

During the 1993 contract negotiations the Company agreed that before any hourly employees are observed for the purpose of establishing time standards, the Industrial Engineer conducting the observation will explain the method or process that will be used with the involved operator(s).

Yours truly,

D.P. Meloche
Superintendent
Industrial Engineering

March 7, 1983
REVISED: September 14, 1984

Mr. R.J. Hamilton
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: 424 MINUTE RULE

This will serve to confirm the understanding reached in our 1984 Contract Negotiations with respect to the operations that are identified as non-moving lines, in respect to the question of 424 minutes.

9370/Paystar	-Instrument Panel Operation
9370/Paystar	-Auxiliary Transmission Operation
9370/Paystar	-Radiator Sub-Assembly Operation
9370/Paystar/Cargostar	-Tire Assembly Operation
	-Sleeper Trim Operation
	-Boot Installation Operation

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant

**INTERNATIONAL**

Dear Mr. Tindale:

SUBJECT: CONTINGENCY & OVERLOAD

During the 1983 Contract Negotiations the subjects of contingency and overload situations in direct labour man assignments, was discussed. Contingency time would be required in direct labour man assignments, for example, where facility limitations or interferences with adjacent operators preclude an individual operator from completing his specified work assignment. Contingency time, to a maximum of 30 minutes, will be used where necessary to address these types of situations.

Overload conditions may occur in the individual man assignments, due to model or option mix variances outside the man assignment schedule. As in the past, the production foreman reviews the lineset ahead of the current day's production to identify overload situations and determines appropriate alternatives. Sometimes the action, for example, may dictate scheduling advance overtime, additional temporary direct labour support, re sequencing units, etc. to ensure completion of the units in their line locations and avoid quality or performance problems.

The Company intends to address promptly, any overload problems communicated from the production foreman and expedite temporary and long term solutions. The foreman, area Industrial Engineer and Union Representative, where necessary, will jointly be involved in assessment and resolution of overload problems. Such resolution could require a reduction in work load, additional time allowance or supplemental assistance.

Yours very truly,
R. Christie
Manager Industrial Engineering

June 14, 1980
REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: ELEMENTAL WRITE-UPS

During the 1980 contract negotiations, the availability of elemental write-ups was discussed. It is recognized that employees must run the job according to the prescribed method and for this purpose the elemental write-ups are available in the Industrial Engineering Department.

Yours very truly,

R.A. Reid
Manager
Manufacturing Engineering

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW, Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

**SUBJECT: VAGUE ELEMENTS / OPERATIONS AND
MISSING TIME STUDIES**

During the 1993 negotiations the Company and the Union discussed the problem that several current time studies contain vague elements or operations, and some entire time studies are missing from Company files. These situations have made it impossible to establish accurate up-to-date time standards that reflect changes in methods over the years. A vague element or operation is defined as those elements or operations where the descriptions of the elemental write-up is not sufficient to ascertain if change has occurred.

It was agreed that where a vague element or operation exists, or, the documentation supporting an established time study is missing from Company files, the Industrial Engineering Department will observe the subject operation and record the operator's current method. The new elemental write-up will be maintained by the Industrial Engineering Department until there is an elemental change to the operations, then a new standard, base on changes to the new write-up, will be used to develop a new standard. Changed methods will be agreed upon by the operator, supervisor, and Industrial Engineer before they are retimed. A dispute arising from the application of this agreement will be referred to the Plant Chairman and the Manager, Production Operations for disposition.

Yours truly,
Dave Meloche
Superintendent
Industrial Engineering

May 12, 1980

Mr. R. E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: QUESTIONNAIRES
(INDIRECT LABOUR STUDIES)**

During the 1980 contract negotiations the use of employee questionnaires for the purposes of indirect labour studies was discussed.

In the future, all questionnaires concerning the work content of a daywork employee will be directed to the management of the area and not the employees.

Yours very truly,

Terrence M. Burns
Manager
Industrial Engineering

October 19, 1987
Revised: October 24, 1993

Mr. R. J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: TIMING IN THE PLANT

The following agreements were reached during 1987 negotiations:

- a) Timing will begin within 3 months of the launch of major changes excluding pilot production.
- b) Minor changes will start to be timed within a week of the operator and foreman agreeing that the employee is familiar with the operation.

All standards are subject to revision because of changes in methods, engineering changes, production breaks, audits, etc.

Yours very truly,

P.J. Brennan
Manager
Technical Services

/jv

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: OVERTIME FOR TRAVELING

During the 1990 Contract Negotiations, the Company and Union discussed the issue of paying overtime for hours outside the normal shift schedule of hours to conduct Company business.

The Company agrees to consider time spent outside of normal hours as "time worked" and therefore will pay overtime under the following conditions:

1. Only Local 127 employees working in Chatham at the Chatham Plant on a full-time basis will be eligible for overtime under this provision.
2. As with any other overtime, the itinerary must be approved prior to departure by the employee's Department Manager.
3. Overtime will be authorized to be paid for hours in excess of the employee's normally scheduled work hours on the travel day. "Time worked" will start at the time the employee leaves the Plant, or home if the departure is earlier than the employee's normal shift start time. As well "time worked" will start at the time the Company business at the remote location is scheduled to begin if travel was on the previous day or for any other days at

that location. For example, if an employee is at another Company location that works 8:00 a.m. to 5:00 p.m. with 1 hour for lunch, the employee's work day will be 8 hours.

4. Reasonable and normal travel time, on a portal-to-portal basis will be considered as "time worked".

5. Should the employee leave from home or go directly home from the remote location rather than leave or return to the Chatham Plant, the actual travel time to/from home or to/from the Plant will be considered "time worked".

6. The parties agree this procedure will apply for travel requested by the Company but will exclude travel to the Summer Conference, Navistar Safety Conference, IAPA conferences and other Company sponsored seminars. Other travel requested by the employee or Union as well as travel for the purposes of retaining or obtaining professional or other licenses will not result in overtime for travel.

Yours very truly,

J.J. Krete
Manager Human Resources

November 9, 1984

REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: OVERTIME REPAIRS AND SHORTAGES
AFTER SHIFT**

During the 1984 Contract Negotiations, the Company and Union discussed the situation whereby an employee given a repair or shortage assignment in another department or another area in the same department, during regular shift hours, is unable to complete the repair before the end of shift, necessitating overtime.

It was agreed that in a case such as this, the subject employee may complete the repair on that vehicle or subassembly only, and not be displaced by the area repairman.

If other repairs on the same unit, or similar repairs on other units are required, eligible employee(s) from that same area will be offered the overtime.

During the 1993 negotiations, it was agreed that the same concept will apply when a skilled trades employee has not completed a repair or project that is of such a nature that is not practical or efficient for another tradesmen to continue the repair or project without first being given considerable initial orientation.

Yours very truly,
J.J. Krete
Manager Human Resources

November 9, 1984

Mr. R.J. Hamilton
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: MANDATORY OVERTIME SUBSTITUTION

During the 1984 Contract Negotiations, the Union requested an option for employees who would rather work overtime than those already scheduled for mandatory overtime.

The Company agreed to allow this option to employees who notify the foreman supervising the overtime, of their desire to work, providing the supervisor is satisfied that the substitute is fully capable of performing the work in question, and that the employee being replaced is willing to pass up the overtime opportunity.

Any employee wishing to substitute for another employee on notice of mandatory overtime has the same responsibility to work the overtime as the employee being substituted. The employee being replaced will be credited as a refusal for overtime records purposes.

This agreement shall not alter the purpose or intent of any provision of the collective Agreement.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

November 9, 1984

Mr. R.J. Hamilton
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: CAPABILITY TO PERFORM
OVERTIME ASSIGNMENT**

During the 1984 Contract Negotiations, the Company and the Union discussed the concept of what determines whether or not an employee is qualified to perform the overtime assignment, from a capability standpoint.

In determining if an employee is capable of performing the overtime assignment in question, the following criteria should serve as a guideline:

- 1) The employee must be able to complete the overtime assignment in its entirety.
- 2) The employee must be able to perform the overtime assignment without the need of verbal or written instructions from a "how" to do the job standpoint.
N.B. -- Both parties recognize that the employee will require instructions as to "what" the supervisor requires to be done.
- 3) The employee must be able to perform the overtime assignment in a manner that meets the normal quality standards of the Plant.
- 4) The employee must be able to perform the overtime assignment in a safe manner.

Yours very truly,
J.J. Krete
Manager Human Resources

JJK/ad

March 7, 1983

REVISED: October 19, 1987

REVISED: October 25, 1993

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: SCHEDULED OVERTIME

During the 1983 Negotiations, the Union expressed concern over the Company's practice of forcing employees to work scheduled overtime [ref. paragraph **232**], when the employee is not the normal operator on the job in question, on the date in question.

The Company agreed that the only exception to normal operators being scheduled for overtime will be in the case where a large group of employees are scheduled, and, there is likelihood that absenteeism will require 107-6 or 7D-6's [from the same area] to meet production requirements.

If at the time of scheduling the overtime, a 107-6 or 7D-6 employee is the normal operator, he will be scheduled to work.

In the case of smaller groups, where the normal operator returns for the day of scheduled overtime, he may voluntarily elect to work the overtime, or the scheduled 107-6 or 7D-6 will fulfill the requirement. [Will not circumvent the employee's rights that are on the supplemental overtime list.]

When a large number of employees, for example, a full trim line or an engine line work, the supporting 107-6 or 7D-6 operators will be scheduled **and the Union Steward from the**

same zone and shift will be offered the overtime.

When the entire Plant is working mandatory overtime, all Union representatives from the same shift will automatically be entitled to work needing to be offered the overtime.

Yours very truly,

J.O. Vanest
Manager Human Resources

May 20, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: OVERTIME DURING PERIODS OF LAYOFF

The Company and the Union recognize that there may be occasions when it is necessary and desirable to work overtime or premium pay hours even though employees are on layoff from a bargaining unit. In determining whether overtime and/or premium pay hours so worked are consistent with the intent of **THE MEMORANDUM OF UNDERSTANDING ON OVERTIME**, the following factors, among others, will be considered.

1. The length of time it is reasonably anticipated that overtime and/or premium pay work will be necessary. If the overtime/premium pay work will continue for six (6) weeks or more the Company will explore the alternative of recalling employees from layoff to perform such work.
2. The consistency of the need for overtime/premium pay work. If the hours required or the skills required vary widely from day to day or week to week to the extent that normal eight-hour (8) shifts could not be provided if employees were recalled from layoff to perform such work, recalls would not be warranted.
3. The ability to foresee the need for overtime/premium pay work. Unexpected production problems, emergencies, breakdowns, excessive absenteeism, short-term schedule changes, etc., would not warrant the recall

of laid-off employees.

4. The availability of qualified employees. The need to work overtime/premium pay work should not be considered to require that employees be recalled from layoff and trained to perform such work.

To assure that proper consideration is jointly given to the foregoing factors, if the Union feels overtime/premium pay work is being scheduled contrary to the intent of the **MEMORANDUM OF UNDERSTANDING ON OVERTIME** referenced above, they may request a meeting with the Human Resources Manager. In such meeting, the Parties will review the potential need to continue such overtime/premium pay work. Where the work is projected to continue beyond six (6) weeks, the considerations listed above will be reviewed to determine whether it would be practical and desirable to recall employees from layoff in order to reduce or eliminate the need for further overtime/premium pay work.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/sh

March 18, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: NATIONAL REVIEW COMMITTEE

During the 1980 contract negotiations the Company and the Unions discussed problems arising out of the application of Letter #72(A) when the Company schedules overtime or premium pay hours to be worked while employees are on layoff. Practical guidelines were established in Letter #72(A) to assist in the determination of whether the need for overtime or premium pay work should be alleviated through the recall of laid-off employees, however it was apparent that continuing disagreements may exist.

To expedite the resolution of any local dispute which remains unresolved following the meeting and analysis of facts called for in Letter #72(A), it was agreed to establish a Review Committee. This committee will be composed of one member from the International Union and one member from the Company's General Office. The Committee will meet, as necessary, to evaluate any continuing disagreement submitted for consideration by either the Chairman of the Local Union Grievance Committee or the Human Resources Manager.

The Local union or Local Management person referring a dispute to the Review Committee must submit a statement of the disagreement in writing. Such statement shall include the facts of the issue, including those in dispute and those

in agreement, and a detailed accounting of the efforts made in local meetings to resolve the disagreement. This statement will be forwarded to the International Union, if initiated by the Local Union representative, or to the Labour Affairs Department, General Office, if initiated by a Local management representative. If the Union or the Company Review Committee member receiving the statement determines that the matter should be referred to the entire Committee, a copy of the statement will be forwarded to all members of the Committee. Within one week of the receipt of a statement of disagreement the Committee shall confer to determine whether a meeting is necessary to dispose of the issue.

In such a meeting, the Company and the Union members of the Review Committee will jointly study any documentary evidence provided by the Local Union or Local Management.

If the disagreement is not resolved following the meeting by the Review Committee, the matter will be scheduled for arbitration forthwith.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/ad

May 15, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: SHIFT PREMIUM DURING OVERTIME HOURS

During the 1980 contract negotiations the Company agreed to continue the present application of Shift Premium during overtime hours.

Following are the procedures for such payment as discussed between the Company and the Union.

1. Day shift employees, who work overtime prior to and/or after their shift, are not eligible for Shift Premium payment, even though these hours overlap onto another shift.
2. Afternoon and third shift employees, who work overtime, either before and/or after their regular shift, will be paid Shift Premium at the same rate as they would normally receive on their regular shift.
e.g. A second shift employee would receive Second Shift Premium for all overtime hours worked regardless.
3. The only exception to this application would be on premium days, such as Saturday, Sunday and Holidays, where the shift hours are changed for whatever reason.
e.g. Dept. #8 -- On Saturday overtime, the first shift is scheduled from 7:00 a.m. until noon, and the second shift is scheduled from 12:00 noon to 5:00 p.m. In this case, the shift hours have been rescheduled and therefore, Second Shift Premium would be paid to those second shift employees affected.

Yours very truly,
J.O. Vanest
Manager Human Resources

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: PLANT CHAIRMAN'S OVERTIME RIGHTS

Both the Company and the Union recognize that there will be occasions when it is in the best interest of both parties for the Plant Chairman to work beyond normal shift hours.

This letter will confirm their understandings relating to the above subject.

The Company will approve overtime at the applicable rate to cover the following circumstances:

1] When the Plant Chairman is attending a meeting with a member[s] of management, and both parties wish to continue through to completion.

2] When the Plant Chairman is actively pursuing solution to a pressing problem that will require additional time beyond the normal shift to facilitate a resolve.

3] When a problem requiring the immediate attention of the Plant Chairman erupts during off shift hours necessitating his return to the plant. Remuneration in this case will cover only the actual amount of time spent attending to the problem at hand, unless called in by the Company.

It is further understood that all overtime worked per the above provisions will require prior approval of the Labour Relations Manager, or in his absence, another member of management from the Human Resources Department.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

May a, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: VACATION OVERTIME ENTITLEMENT

During the 1980 contract negotiations the Company agreed that for the purpose of overtime entitlement, the vacation week would be defined as Monday through Sunday and an employee on vacation during this period would not be entitled to overtime.

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

October 19, 1987

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: EMERGENCY CALL-IN ENTITLEMENT

During the 1987 contract negotiations it was mutually agreed that for the purpose of emergency call-in entitlement, emergency will be defined as an unexpected event which if not corrected would shut down a production area, or create a risk of life or limb.

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

May 12, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: REGULAR & EMERGENCY CALL-IN

During the 1980 contract negotiations the Company agreed that in determining at what point an employee is considered to have left the plant for the purpose of recall for regular or emergency overtime, that the gate houses would be used as the physical point for such designation.

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

October 19, 1987

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: CANCELED OVERTIME

During the 1987 negotiations, the Union expressed concern over the frequency of the **pre-scheduled** overtime that is **canceled** during the shift it is to be worked thereby causing some employees inconvenience and additional cost.

The Company will not tolerate unjustified occurrences that are within its control and will address any actions inconsistent with this position.

Yours very truly,

L.E. Clement
Plant Manager

/jv

June 15, 1980
REVISED: November 9, 1984
REVISED: October 22, 1990
REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: OVERTIME BREAKS FOR CONTROLLED LINE
OPERATORS**

During the course of the 1980 Contracted Negotiations, the policy of break times for controlled line operators was discussed. The policy of the Company is that for daily overtime on controlled lines for one (1) or up to two (2) hours, there will be a five (5) minute break at the start of the overtime period.

In addition, during the 1984 Contract Negotiations, the issue of break time for overtime of one (1) hour or more, on controlled lines, prior to the start of a regular shift was discussed. The policy is that there will be a five (5) minute break at the end of the overtime period.

The Company and Union agreed when daily mandatory overtime is required for controlled lines, the Company may schedule an additional five (5) minutes per day, to a maximum of an additional twenty (20) minutes of mandatory overtime per week, which shall be additional to the four (4) hours of mandatory overtime provided in Appendix L, (1), Daily overtime.

Yours very truly,

J.J. Krete
Manager Human Resources

June 13, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: **EQUALIZING** OVERTIME BETWEEN SHIFTS

During the 1980 contract negotiations, the Company **recognized** that due to production requirements and the resulting overtime, the situation could arise where the first shift would accumulate more overtime hours worked than that of the off-shifts within a department or vice-versa.

In recognition of this situation, the Company agrees that it will endeavour to offer, when and where possible, the same number of overtime hours to all shifts within a department.

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: INDUSTRIAL ACCIDENT PREVENTION
ASSOCIATION CONFERENCE**

During the 1990 negotiations the subject of health and safety training was discussed.

The Company agreed that the Joint Health and Safety Committee and the Plant Chairman will be given the opportunity to attend the annual IAPA conference.

This opportunity is contingent upon full and active participation, while in attendance at the conference each year.

Yours very truly,

J.J. Krete
Manager Human Resources

October 19, 1987

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: CANADIAN CENTRE ON OCCUPATIONAL
HEALTH and SAFETY**

During the 1987 Negotiations, the parties discussed the desirability of accessing the on-line information systems of the Canadian Centre on Occupational Health and Safety and making this information available to the Local Health and Safety Committee.

Management informed the Union that it would complete arrangements with CCOHS to use this system and make access available to the Plant Safety Chairman no later than January 31, 1988.

Yours very truly,

J.J. Krete
Manager Human Resources

/maw

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: REVIEW OF SAFETY PROGRAM - NEW HIRES

During the 1983 Negotiations, the parties discussed and agreed that the Local Joint Health and Safety Committee will review the Safety content in the present orientation training for all "new hires" and make appropriate recommendations.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

October 19, 1987

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: SAFETY SUPPORT DURING OFF DUTY DAYS

Both the Company and the Union recognize that there are occasions when it is in everyone's best interest to have the Plant Safety Chairperson present when hourly employees are working premium overtime, or, working during plant shutdowns

The Plant Safety Chairperson will determine when premium overtime is to be worked by information gathered from the Union Committeemen. On those occasions when the Plant Safety Chairperson feels that this/her expertise is necessary, he/she will request a gate pass from the Safety and Security Supervisor and in his/her absence, the Labour Relations Manager.

This privilege will apply to the Plant Safety Chairperson **only** and is not intended to extend to his/her alternates even in the absence of the Plant Safety Chairperson. The Plant Safety Chairperson will be paid for the actual time worked, at the applicable rate.

If the Company determines that this privilege is being abused, a meeting between the Manager, Human Resources and the Plant Chairperson will be scheduled to resolve the concern.

Yours very truly,

J.J. Krete
Manager Human Resources

/jv

June 14, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale

SUBJECT: SAFETY COMMITTEEMEN

During the 1980 contact negotiations, the Company agreed that the Union Safety Chairman would no longer serve dual roles as a functioning Departmental Committeeman and in doing so, be afforded the time necessary in the performance of his duties as provided for in Article 4, Section 4.03 of the Collective Agreement.

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

June 10, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale

SUBJECT: JOINT USE OF DIRECT READING EQUIPMENT

During the 1980 negotiations, the parties have discussed the joint use of direct reading equipment supplied by the Company.

In the past, both the Company Safety Representative and the Union Safety Representative have used the same type of equipment. This letter will confirm that the type of equipment supplied to the Company Safety Representative will also be available to the Union Safety Representative. This agreement does not apply to equipment used by the Company's professional industrial hygienists.

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

May 20, 1980
REVISED: October 19, 1987

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: EQUIPMENT CHANGE NOTIFICATION

During the 1980 negotiations the Parties discussed the Company's advising the Union Safety Committee Chairman of equipment changes before they are made.

Some form of equipment change may take place on a daily basis and it would not be practicable to meet the letter of such a commitment, however, the Company believes that it can be beneficial to share information on major changes that may affect the health and safety of the employees. Management will inform the Union Safety Committee Chairman of such changes.

During the 1987 negotiations the Company agreed to hold a weekly meeting so that the Industrial Engineering and Mechanical Engineering departments can meet with the principals of the Joint Health and Safety Committee and resolve any issues relating to anticipated changes in facilities, equipment or methods.

Yours very truly,

P.J. Brennan
Manager
Technical Services

/jv

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: UP TO DATE SENIORITY LIST

During the 1983 negotiations the Company agreed to continue its practice of supplying the Plant Chairman with up-to-date departmental seniority lists as provided for in Section 7.08 of the Collective Agreement.

In addition, the Company also agreed to add the labour grades and classifications onto the same listings.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

SUBJECT: MANPOWER POSTING NOTICES

During the 1993 negotiations, the parties discussed the problem of subsequent Manpower Posting Notices going on the board prior to the Union and the employee being notified of the original manpower movement. The Company had occurrences where during a large manpower roll, certain departments were under staffed and prior to the completion of the roll, Human Resources posted the openings during the freeze period without the employees knowing the result of the initial posting.

The Company will notify the Union of any manpower movement prior to posting any subsequent manpower postings.

Yours truly,

J.J. Krete
Manager Human Resources

November 7, 1984
REVISED: October 19, 1987

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: EXCEPTIONS TO SENIORITY

During the current negotiations, the Union requested that the issue of which job titles constitute Exceptions to Seniority for purpose of layoff or recalls, as identified in Section 7.15 of the current Labour Agreement, be resolved. The following reclassification have been so agreed to:

JOB NUMBER	LABOUR GRADE	JOB TITLE
149	12	Cab Painter Spray
149B	11	Chassis Painter Spray

and all other jobs in Grade 11 and higher, at the signing of the Agreement.

It was further agreed that a job on the above list would be posted in the event that an employee subject to layoff was being retained, or an employee was being recalled, out of line of seniority. Qualifications and seniority will determine the successful applicant in each case. Qualifications will be determined on the basis of the candidate's ability to perform the job in a forthwith manner after a brief orientation.

Yours very truly,

J.J.Krete
Manager Human Resources

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: TOTAL OR PARTIAL PLANT SHUTDOWN
FOR A DEFINITE PERIOD**

This procedure will address a plant shutdown for a predetermined period of up to thirty [30] days or for a mutually agreed to period in excess of thirty [30] days where the S.U.B. fund is at a level insufficient to pay benefits. Employees required by the Company to work during a total or partial plant shutdown [excluding inventory and vacation shutdown] will be determined by the following procedure:

[1] Prior to the total or partial plant shutdown, the Company will post on the bulletin boards a list of all labour grades and classifications, by department, which may be required. This list will be posted for two [2] consecutive working days [48 hours]. The Company will attempt to contact employees who are absent. However, senior employees who are not contacted will still be considered providing they advise the Company immediately upon their availability. There will be no liability to the senior employee until he identifies his desire to work. He will be placed having regards for the three day layoff notification.

[2] Any employee who is able to perform the work required to be done in a satisfactory manner, must make his intentions known to the employment office on the forms provided by properly indicating the specific labour grade, code, classification and department for which he wants to be considered. An employee desiring to be considered for more than one [1] job must complete a separate form for each job and he will be allowed to prioritize his applications. A normal operator must apply if he wants to work on his own job.

[3] The Company will determine the employees required to

work during the shutdown period in the following manner:

- [i] Successful applicants will be selected on the basis of seniority and ability.
- [ii] If there are no successful applicants to the posting cited above, the normal operator will be required to work during the shutdown period. If more than one [i] operator normally performs the work, the senior employee[s] will be retained at work unless he elects to take the layoff.

[4] If further reductions are necessary during the shutdown period the employee[s] whose jobs have been affected will be laid off [if more than one [i] operator is performing this work the junior employee will be laid off] unless such employee had identified more than one [i] job under the provisions of Section [2], at which time the provisions of Section [3] would be applied.

[5] The Company and the Union will review the work assignments to be carried out and develop the most appropriate selection of senior employees, capable of performing the work consistent with minimizing the Company's cost. Employee Exceptions to Seniority will be negotiated between the parties.

[6] During periods of full weeks definite layoffs and summer vacations the Company plans to partially reduce the plant receiving activity one full week prior to the event. Partial receiving will begin one full week prior to resumption of production. A departmental voluntary canvass for the reduced classifications to cease early and start early will be undertaken by the Company. Balance of requirements will be met by assigning junior people. A complete review will be conducted with the Union to eliminate seniority inequities.

[7] Should it be necessary for the Company to increase the work force during the shutdown period the Company would make the selections in accordance with the procedure outlined in item [2] and item [3]. If the increased job[s] was not posted in accordance with the above procedures, employees will be recalled by virtue of their seniority provided they are capable of performing the available work per item [5].

[8] Nothing in the above will relinquish an employee's right to training under 7.11 and 7.14 or the Collective Agreement.

Yours very truly,

J.O. Vanest
Manager Human Resources

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: EMPLOYEE UNABLE TO PERFORM
AVAILABLE WORK (FORCED REDUCTION)**

During the 1983 negotiations, the Union expressed concern about the Company's practice of laying off employees who are legitimately unable to perform a job to which they are reassigned through forced reduction per Section 7.11 and 7.14 of the Collective Agreement. This letter will confirm the understanding of both the Company and the Union that the following procedure will be utilized should this situation arise.

The subject employee will be allowed, as soon as possible the opportunity to bump the most junior employee working within the plant, who in turn will be reassigned to the former employee's job.

Should the most junior employee's job title constitute an "exception to Seniority" [ref. Letter # 90], qualifications will be determined on the basis of the reassigned employee's ability to perform the job in a forthwith manner, after a brief orientation.

Both parties agree that failure to have the necessary qualifications to be considered for an "Exception to Seniority" job will not restrict the employee from bumping further up the seniority list, up to the point of displacing the most junior employee not occupying an Exception to Seniority job.

Yours very truly,

J.O. Vanest
Manager Human Resources

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: MEDICALLY RESTRICTING EMPLOYEES DUE
TO JOB DESCRIPTION**

During the 1983 negotiations, the Company agreed not to disqualify employees who are medically restricted from performing a specific activity that falls within a job description when that activity is not a requirement of the job under review, providing they are not restricted from such assignment for other reasons, e.g. lift truck driving in a 97-7 Stockkeeper job when the job does not entail any lift truck driving.

It was further understood that should the requirements of the job legitimately require this same specific activity, at a later date, the individual involved would be removed.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jw

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: 3rd SHIFT CLEAN-UP CREW

If the Company exercises its option to move the 3rd shift Clean-up crew to second shift, all references to the 3rd shift Clean-up crew in the Collective Agreement will apply.

Senior employees will be given the option to exercise shift preference.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

March 7, 1983
REVISED: November 7, 1984
REVISED: October 19, 1987
REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: SPRAY PAINT AGREEMENT

During the 1984 negotiations, it was agreed that the classification for spray painters in all cab booths would be grade 12 controlled incentive (149-12), and during the 1987 negotiations it was agreed that the classification for spray painters in the chassis spray booth would be grade 12 controlled incentive (149B-11). It was also agreed that the incumbent chassis spray painters would be given proper training in order to upgrade their skills to the new 149B-11 level, and, would receive the grade 12 pay rate after their training is complete. Up to an additional two (2) painters on each operating shift, in each department, would be carried in the above classifications and may be assigned to other work if not required as spray painters.

All painters in these classifications will spray paint during each operating week provided senior painters agree. If senior painters disagree, the Company maintains the right to selectively assign junior painters to the operation as deemed necessary to maintain their skill levels and exception-to-seniority status (if applicable).

Qualified applicants who are accepted to displace employees on exception-to-seniority status on job change requests, or department change requests for these Grade 12 painters assignments who can perform the work in a forthwith manner with a brief orientation will not be frozen on the job assignment.

The opportunity to displace employees on exception-to-seniority status will be offered to the most senior capable person(s) from job change requests, department change requests, or from lay off who agree to undertake the training required and remain frozen in these classifications for nine (9) months. Once training starts, this individual(s) will enter "exception-to-seniority" status.

Also, during the life of this Agreement, the Company, in an attempt to get seniority employees as soon as possible, will undertake to train one painter in each department every (6) months if an exception to seniority exists in these classifications. These employees will remain frozen in their classification for nine (9) months.

Furthermore, the Company will apply the provisions of paragraphs 3, 4, and 5 above in all cases of exception to seniority, to those classifications listed in Supplemental Letter #90 (Exceptions to Seniority), with the exception that one 70-13 Mechanic All Purpose will be trained every twelve (12) months.

Yours very truly,

J.J. Krete
Manager Human Resources

/jv

Letter No. 96

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: N.E.A.R. CO-ORDINATOR

During the 1990 Contract Negotiations, the Company agreed that if the N.E.A.R. Co-ordinator is a Local 127 employee, then, the person would have preferred plant wide seniority, and would be paid grade 13 daywork rate of pay.

Yours very truly,

J.J. Krete
Manager Human Resources

Letter No. 97

June 4, 1980
REVISED: September 25, 1984
REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: SKILLED TRADES MAINTENANCE APPAREL

During the **1993** Contract Negotiations, the Company agreed that four (4) rainsuits and **ten (10)** pairs of insulated coveralls would be obtained and maintained in the Department No. 5 office for the use of employees who are required to go outside in bad weather.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

June 3, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: OUTSIDE CONTRACTING

During the 1980 negotiations, the Company and the Union agreed to revise the language of Article 20, Section 20.01, Job Security and Outside Contracting. It is understood that the "statement of policy established under the prior contract" referred to in the third paragraph of the new Article 20, Section 20.01 is the following:

"It shall be the policy of the Company to utilize its seniority employees by continuing to use its best efforts to keep the production of work parts, tools, dies fixtures and maintenance in the plant insofar as practical and efficient to do so. When necessary to deviate from this practice, the Local Union shall be informed of the reason before work is sent out. The objectives of the policy will require the Company's consideration of whether (a) there are adequate numbers of qualified seniority employees available to perform the needed work within any required time limitations as well as continuing to meet time limitations on other scheduled work, and (b) there is sufficient suitable equipment available at the plant involved, and (c) the use of seniority employees will not involve extra cost to the Company, and when appropriate, (d) whether the needed work involves hazards that do not prevail in the normal work assignments of the available seniority employees."

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

June 11, 1980
REVISED: September 25, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: DOCUMENTATION FOR APPRENTICEABLE
SKILLED TRADES**

During the course of discussion in the 1984 Contract Negotiations, the Union expressed its interest in being made aware of the qualifications of those employees hired by the Company as Journeymen in Apprenticeable Skilled Trades Classifications, prior to them being hired. In resolution of the issue the Company agreed that prior to an employee being newly hired into an Apprenticeable Skilled Trades Classification the documentation upon which the employee's Journeyman status was based will be presented by the Company for review by the Skilled Trades Representative of the Union at the Chatham Plant, when time and circumstances allow.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

May 20, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: TOOL LIABILITY

During the 1980 contract negotiations, the Company agreed that it would assume responsibility for the replacement of tools, and tool boxes belonging to employees classified as 70-13, 'Mechanic All Purpose Production', as per the provisions of Article 18, Section 18.08 of the Collective Agreement.

Yours very truly,

J.O. Vanest
Manager Human Resources

JV/dl

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: SKILLED TRADES LIFT TRUCK DRIVER

During the 1983 negotiations the subject of lift truck operation in support of skilled tradesmen was discussed. The Company agreed that in cases where safety is clearly involved, that skilled tradesmen of the same trade would be assigned to the operation of the lift trucks.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/ap

September 25, 1984
REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAVW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: LICENSE RENEWALS

During the 1984 Contract Negotiations, the Company agreed to reimburse the cost of license renewal fees, which are a condition of employment, in the skilled trades area for the following:

Stationary Engineers
Gas Fitters
A' Drivers' Licenses
'A' Mechanics
S6 Propane Certification

During the 1990 Contract Negotiations, the Company agreed to reimburse the cost of license renewal fees for electricians.

Yours very truly,

L.M. Jensen
Manager
Manufacturing Services

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: PRODUCTION VERSUS SKILLED TRADES
WELDING**

During the 1990 Contract Negotiations, the subject of welding of non-production parts/materials by non-skilled trades welders was discussed. The Company agreed not to introduce any new non-skilled trades welder classifications during the life of the current Collective Agreement.

Yours very truly,

J.J. Krete
Manager
Human Resources

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: SPILL TRAINING

During the 1990 negotiations the Company and the Union discussed the issue of training for the safe cleanup of hazardous material spills.

It was agreed that the fire team would be trained in how to properly deal with spills.

Yours very truly,

J.J.Krete
Manager
Human Resources

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: TRAINING DEPARTMENT (7T-6)

During the 1990 Contract Negotiations, the Company and Union discussed the issue of training for Chatham Plant employees.

In order to improve our employees' knowledge and to realize the benefits of training which is foremost to the quality of our vehicles, a new training program has been developed. A training department has also been created not only for the purpose of training, but, also to afford an opportunity to accommodate fluctuations in the vacation schedule during the January through mid-March period.

A new classification has been initiated, called "Trainee Replacer" (7T-6). These employees will replace employees throughout the plant who are participating in the training program.

For the purposes of overtime, this group of people will be offered overtime after the normal operator, and before those on the supplemental overtime list.

The most junior utility employees from any department may be temporarily assigned to this new training department from January to mid March and become trainee replacers as well whenever they are not required to replace those on vacation in their own department.

The Company will retain employees during those month of reduced vacation levels, however, reductions may occur for other reasons.

Yours very truly,

J.J. Krete
Manager
Human Resources

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

**SUBJECT: SAFETY EQUIPMENT TRAINING FOR SECOND
SHIFT COMMITTEE PERSON**

During the 1993 contract negotiations the Company agreed to provide up to (4) hours of training to the second (2nd) shift Committee person in the use of safety testing equipment used by the Joint Health and Safety Committee.

Yours truly,

J.J. Krete
Manager Human Resources

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

**SUBJECT: FIRE BRIGADE TRAINING 2ND SHIFT
EMPLOYEES**

During the 1993 contract negotiations the Union and Company discussed the importance of having second shift employees available with knowledge of incipient fire fighting methods.

It was agreed that a Millwright and a Plumber from the second shift Maintenance Department will be trained in the proper techniques of incipient fire fighting by the Chatham Plant Loss Prevention Department as members of the Plant Fire Brigade.

Yours truly,

J.J. Krete
Manager Human Resources

March 7, 1983
REVISED: September 25, 1984
REVISED: October 19, 1987

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: SAFETY TRAINING FOR UNION REPS.

During the 1987 Negotiations, the parties discussed and agreed that the Local Joint Health and Safety Committee will undertake the development of a Safety Training Program for Union representatives. This training will be made available at the plant on Company time, one (1) day each calendar quarter commencing January 1988. The training sessions will be divided into two (2) groups, one (1) group for the Union Committeemen and the other group for Union Stewards. If training attendance levels permit, additional people such as management, hourly and/or salaried employees may be invited to attend.

Training will be made available with the understanding that the plant duties of the attending Union representatives will not be supplemented by the use of alternates during the training program.

Yours very truly,

J.J. Krete
Manager Human Resources

/maw

September 25, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: ISOCYANATE TRAINING

During the 1984 Contract Negotiations, the Company and the Union discussed the mutual problem of people not being trained in how to work safely with the hazards of isocyanates.

The Company agrees that members of the third shift, clean-up crew who come into daily contact with isocyanates will receive the appropriate training.

Yours very truly,

H.R. Kroeker
Manager
Manufacturing Engineering

HRK/ad

October 22, 1990
REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: ERGONOMIC TRAINING FOR UNION
REPRESENTATIVES**

During the **1993** negotiations the importance of ergonomic training **was** discussed. Both the Company and the Union are committed to improving the environment for our employees and have agreed that Union representatives will be offered in- house **refresher** training in ergonomics.

Yours very truly,

J.J.Krete
Manager Human Resources

Letter No. 111

June 4, 1980
REVISED: September 10, 1984

Mr. R.J. Hamilton
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: DAYWORK ANALYSIS TRAINING

During the 1984 Contract Negotiations, the Company agreed that it would provide a study course for affected Union Representatives to outline the procedures involved in daywork analysis, prior to an analysis being taken.

In no case would this session be provided more than once per year to the same individual(s).

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

September 17, 1984
REVISED: October 19, 1987

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: TIMESTUDY TRAINING

During the 1987 Contract negotiations, the Company and the Union agreed that the Industrial Engineering Department with the assistance and guidance of the Plant Chairman, would develop a detailed Timestudy Training course.

This course will be offered to all Union representatives who wish to take it and will be made available in April 1988. It will be conducted on Company time with the understanding that the Plant duties of the attending Union representative will not be supplemented by the use of alternates during the training program. This will be accomplished by offering separate courses for the Committeemen and stewards.

Yours very truly,

J.J. Krete
Manager Human Resources

/jv

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

SUBJECT: EMPLOYEE JOB QUALIFICATION TRAINING

During the 1993 negotiations the Company and the Union discussed the need to establish training programs that would upgrade employees' knowledge to allow them to qualify for jobs that require the passing of basic qualifications tests for eligibility.

The Training Operating Committee will review jobs requiring testing, and recommend course(s) that will help prepare employees to be able to pass these test(s). Course(s), not already available, will be made available by the Company, and will be taken by employees on their own time without monetary compensation.

The Training Operating Committee will recommend the specifics relating to these courses. The course instructor and facilities, required for these courses will be supplied by the company, if not already available through outside institutions or organizations. The Training Operating committee will recommend the minimum class size for any course.

Yours truly,

J.J. Krete
Manager Human Resources

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

SUBJECT: EMPLOYEE KNOWLEDGE TRAINING

During the 1993 contract negotiations, the Company and Union discussed the need to establish training programs that would upgrade employees' knowledge to allow them to qualify for jobs that require the passing of basic qualifications tests for eligibility.

The Training Operating Committee will review jobs requiring testing, and recommend course(s) that will help prepare employees to be able to pass these test(s). Course(s), not already available, will be made available by the Company, and will be taken by Employees on their own time without monetary compensation.

The Training Operating Committee will recommend the specifics relating to these courses. The course instructor and facilitators, required for these courses will be supplied by the Company, if not already available through other outside institutions or organizations. The Training Operating committee will recommend the minimum class size for any course.

Yours truly,

J.J. Krete
Manager Human Resources

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

SUBJECT: 40 / 80 HOURS OF TRAINING

During the 1993 contract negotiations, the Union and Company discussed the situation whereby an employee demands the maximum training time as specified in the Collective Agreement (i.e., up to 40 or 80 hours) although the employee is already competent to perform the assignment prior to the maximum allowed training period.

A Supervisor at any point during the training period may determine that an employee is competent to perform the job, and does not require the balance of the training period. When this happens, the company will not hold the employee accountable for unwillful error for the balance of the training period.

Yours truly,

J.J. Krete
Manager Human Resources

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: RATES OF PAY FOR ALTERNATES

During the 1990 Contract Negotiations, the Company and the Union discussed the issue of rate of pay for those employees replacing the Chairman, the Vice Chairman and the Safety Chairman.

It was agreed that when these positions are replaced for one (1) week or more on non-Union business, the rate of the position would be paid. During Contract negotiations the alternate will kick-in for those directly involved with negotiations and be paid from the first day.

Yours very truly,

J.J. Krete
Manager Human Resources

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: POLICY MEETINGS

During the 1983 Negotiations, the subject of meetings between the Company and the Union, for the purpose of reviewing issues was discussed. An understanding was arrived at whereby the Chairman of the Plant Union Committee will be granted a meeting with Plant Management for the purpose of discussing concerns, as follows:

1. The Union will identify the issue(s) to be discussed.
2. The meeting will be as soon as possible at mutually agreeable times.
3. The Chairman and either the Grievance Committee or the Bargaining Committee may be present for the Union. The Plant Manager and/or the Manager of Manufacturing Operations and the Human Resources Manager will be present for the Company. However, it is recognized that on occasion the Plant Manager and/or the Human Resources Manager may be unavailable. In that case, it will be mutually agreed to either re-schedule the meeting or continue with suitable representatives for either.

This procedure is established as a good faith effort on the part of both parties to improve areas of mutual concern and understanding.

Yours very truly,

J.O. Vanest
Manager Human Resources

June 11, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Tindale:

SUBJECT: NOTIFICATION OF RECALL FROM LAYOFF

During the 1980 negotiations, the Union expressed concern regarding the procedure used to recall employees from layoff by telephone.

It was agreed that the past practice would be maintained, which is that a Union representative will be present when these telephone calls are made and that the person making the telephone calls will ensure that the Union representative is aware of all cases where the employee was not contacted personally.

Any disputes regarding the use of this procedure will be resolved by the Labour Relations Manager and the Union representative who was involved.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/sh

June 15, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: FAMILY EDUCATION PROGRAM

It is understood between the parties that employees, who are selected by the Union to receive scholarships to attend educational programs at the Union's Port Elgin Centre, will be given leaves of absence for not more than two (2) consecutive weeks for this purpose. In addition such employees upon request, will be provided with a maximum of two (2) weeks' vacation pay while in attendance at the Port Elgin Centre.

Such an employee will be given, in the same calendar year in which he attends the Port Elgin program, preferential opportunities over all other employees in the bargaining unit to work during the vacation shutdown, provided there is work available at his operation which he is qualified to perform.

Notice of designation of scholarship recipients must be provided the Company not later than June 1 of each year. It is further understood that no more than four (4) scholarship recipients will be granted the above preferential scheduling and/or leave consideration from any manufacturing operation where the Union holds bargaining rights in any one calendar year.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/dl

Letter No. 120

December 4, 1984

REVISED: October 22, 1990

REVISED: October 25, 1993

Mr. B. Hargrove

C.A.W. President National Automobile, Aerospace and
Agricultural Implement Workers of Canada
205 Placer Court
WILLOWDALE, Ontario M2H 3H9



INTERNATIONAL

Dear **Mr. Hargrove:**

SUBJECT: PAID EDUCATION LEAVE

During these negotiations the parties discussed the labour education program developed by the Union for the purpose of upgrading the skills which employees utilize in all respects of trade union functions and the matter of Company financial support of this program. This program, entitled the CAW Leadership Training Program, has received contribution from the Company since November, 1980.

In recognition, therefore, of the contributions this program can make to the improvement of the Union/Management relationship and toward more effective administration of the Collective Agreement, the Company agrees as hereinafter set forth to make a grant to the CAW Leadership Training Program (P.E.L. Trust).

Past Company contributions to the Leadership Training Program (P.E.L. Trust) have been tax deductible. Providing that such amounts shall continue to be deductible, the Company will contribute the sum of \$ 100,000 to the P.E.L. Trust in each equal quarterly payments of \$5,000 on the following dates:

11/01/93	11/01/94	11/01/95	11/01/96
01/01/94	01/01/95	01/01/96	01/01/97
04/01/94	04/01/95	04/01/96	04/01/97
07/01/94	07/01/95	07/01/96	07/01/97

CAW
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In addition on the above noted dates, the Company will make quarterly contributions to the P.E.L. Trust equal to one cent for each hour worked in the preceding thirteen (13) week period.

The Union will co-operate fully in providing the Company with all documents regarding the CAW Leadership Training Program (P.E.L. Trust) as it may require in order to maintain the aforementioned Income Tax Ruling.

It is understood and agreed that the portion of the P.E.L. Fund represented by the Company's contributions will be used solely and exclusively to provide paid education leaves and related benefits for employees of the Company who attend sessions of the labour education program as described by the Union during these negotiations. Annually, the Union will provided the Company with an audited statement prepared by an independent public accounting firm certifying that all expenditures made from the P.E.L. Trust Fund were made in accordance with the intent and purpose of the Trust Deed dated July 3, 1979, establishing the P.E.L. Trust.

A leave of absence for participation in the Union's program will be granted by the Company in accordance with Article 14 of the Collective Agreement to seniority employees designated by the Canadian Director of the National Union to the Manager, Human Resources for the Company of four (4) weeks advance written notice specifying the employee's name and dates of requested absence, provided no such absence will result in any loss of efficiency or disruption of operations a the Chatham Plant.

Employees granted such leaves will be excused from work, without pay, for up to twenty (20) days of class time, plus travel time where necessary; said leaves of absence to be intermittent over a twelve (12) month period from the first day of leave during the term of the 1990 Chatham Plant Collective Agreement

Yours very truly,
P.J. Brennan
Director
Human Resources

June 13, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: TEMPORARILY ASSIGNING UNION
REPRESENTATIVES**

During the 1980 contract negotiations, the Company agreed that Union Representatives will not be assigned to do work outside the departments they represent unless necessary for production reasons and the duties to be performed can only be performed by such representative.

It is further agreed when a situation as outlined above arises, it will be reviewed with the Plant Chairman by the **Labour Relations Manager**.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/dl

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

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SUBJECT: PREFERRED SENIORITY

During the 1983 negotiations, the Company agreed to accord preferred seniority status to Union officials outlined in Section 7.06 of the Collective Agreement, during periods of reduced operations, e.g. total or partial plant shutdowns in the following manner:

1. If only one [I] job is available within a department, the applicable Union Representative will be assigned to do the work, providing the Union Representative is capable of doing the work.
2. If more than one [I] job is available within a department or departments, Local 127 Officers will be allowed the opportunity to occupy the job[s] prior to filling them through normal procedure[s]. In no case will the Company be obligated to fill such job[s] with employees that are incapable of performing the work required.

The Union will notify the Company as soon as possible prior to the Company posting a list of all available openings, as to their preference of jobs for the Local 127 Officers.

This Agreement does not alter the purpose or intent of any other provision of the Collective Agreement.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

March 7, 1983

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

NOTICE: Re: SPECIAL LOCAL COMMITTEES

During the course of the 1983 Negotiations, the parties discussed problems the Company identified in the Administration of Article 3.03, namely, the lack of adequate notice of special Local Union Committees leaving the Plant on Union Business.

The Company requested that letters regarding such absences from work be received at least twenty-four (24) hours prior to the period in question. The Union acknowledges the Company's concern and agrees, wherever possible, requests would be made at least twenty-four (24) hours prior.

It was further agreed that problems with this issue would be brought to the attention of the International Union Representative.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/dl

October 22, 1990
REVISED: March 7, 1983

Mr. R.J. Hamilton
Plant Chairman, Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: FULL TIME CHAIRMAN

In our 1980 Negotiations, the Company agreed to continue the Negotiated practice of recognizing a full time Union Plant Chairman as elected by the Union. In the absence of the full time Union Plant Chairman from the Plant, the Company will recognize the Union Plant Vice-Chairman to act in his place. The Company will provide a work center for the full time Chairman to include a desk, a telephone and a filing cabinet. The full time Chairman, or in his absence the Union Plant Vice-Chairman, will be compensated, if a daywork employee, at his regular straight time rate, or if an incentive worker, at his established piecework average.

It was further understood that the Union Plant Chairman will be retained on the basis of his preferred seniority during period of reduced operations when more than ten (10) employees are being retained in the bargaining unit. In the absence of the Union Plant Chairman from the Plant, the Union Plant Vice-Chairman will be recalled from layoff to act in his place.

When more than ten (10) employees are scheduled to work on an off-duty day, and the above Plant Chairman determines a need to be present during the overtime, he will advise the Manager - Human Resources prior to the overtime being worked. The C.A.W. National Representative will be required to resolve any abuse of this privilege.

Yours very truly,
J.J. Krete
Manager Human Resources

May 15, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: PREPARING CONTRACT DEMANDS

During the 1980 contract negotiations the Company agreed that the Plant Union Representatives would be allowed absence from work to prepare contract demands subject to the no pay provision of Section 3.03 and the notification provision of Section 3.03 in the Collective Agreement.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/dl

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: RECALL OF FORMER UNION
REPRESENTATIVES**

During the 1983 negotiations, the parties discussed preferred seniority for Committeemen and/or Stewards on layoff. If the area or department(s) they formerly represented is to be recalled, said Committeemen and/or Stewards would be recalled first unless otherwise displaced by an employee who was duly elected to office while on layoff.

The Union will provide the Company with the current list of employees in office, in accordance with Article 7.06.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

August 11, 1994

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

SUBJECT: SCHEDULED PAID ABSENCE

Eligibility and administrative issues for Scheduled Paid Absences (SPA) are contained in a separate document that is considered part of this collective agreement.

Yours truly,

J.J. Krete
Manager Human Resources

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

SUBJECT: MAINTENANCE VACATION SCHEDULING

During the 1993 contract negotiations, the Company and Union discussed the issue of scheduling the Millwright and Electrical trades for vacations purposes.

It was agreed that the Maintenance Department Management will schedule up to two (2) Millwrights and up to two (2) Electricians at one time per shift for vacation purposes. Circumstances may arise that will pre-empt this process such as availability of manpower during periods of heavy workloads.

Yours truly,

R.A. Reid
Manager Manufacturing Services

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

**SUBJECT: PARA 370 SCHEDULING OF VACATIONS AFTER
MARCH SCHOOL BREAK**

During the 1993 contract negotiations the Union and Company discussed the subject of scheduling employee vacations. The Company agreed to start the level scheduling of vacations immediately after the Kent County spring school break, assuming that the school break remains in the month of March.

If this spring break is moved into any other month or is canceled, we will revert to the 1990 contract scheduling commencement provision.

Yours truly,

J.J. Krete
Manager Human Resources

October 25, 1993

Mr. R.J. Hamilton
Plant Chairperson
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: DEPARTMENTAL VACATION SCHEDULING
CONFLICTS**

During the 1993 negotiations the Company and Union discussed the situation whereby an employee transfers within a department through Job Change Request to a job where the employee's vacation conflicts with other employees in the area to the point where accommodation of such will seriously jeopardize production.

In cases such as this, the employee will be required to move his/her vacation to a suitable week that will not affect production.

It was agreed that before an employee in this situation is expected to reschedule their vacation, an attempt will be made to accommodate the employee by canvassing all other employees in the affected area to see if anyone will voluntarily move their vacation to a suitable week.

Yours truly,

J.J. Krete
Manager Human Resources

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



5/3/0

Dear Mr. Hamilton:

SUBJECT: ELIGIBILITY FOR \$500.00 VACATION BONUS

During the 1990 Negotiations, the Company and the Union discussed the issue of who is eligible for the \$500.00 vacation bonus payable on June 30th each year of the Collective Agreement.

It was agreed that eligibility for that date would be the same as at Ford Canada.

Yours very truly,

J.J. Krete
Manager Human Resources

September 25, 1984

Mr. R.J. Hamilton
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: VACATION SHUTDOWN REVIEW MEETING

During the 1984 Contract Negotiations, the Union expressed concern about skilled trades, maintenance and other employees (reference paragraph **378** and paragraph **543** of the Contract) rescheduling vacation weeks either into or out of the vacation shutdown period in an attempt to accommodate changes by the Company in its vacation shutdown maintenance plans.

The Company will continue to schedule these same employees for vacations according to the provisions of Article IO, and will, in addition, hold an annual review involving the Skilled Trades Representative, Manager of Manufacturing Operations, approximately 60 days prior to the shutdown period. The purpose of this review will be to allow the Company an opportunity to advise the Union of any anticipated changes that will affect the vacation status of the subject employees.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

September 25, 1984

Mr. R.J. Hamilton
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

**SUBJECT: MEDICAL DEPARTMENT DURING VACATION
SHUTDOWN**

During the 1984 Contract Negotiations, the Company agreed to maintain either a doctor or nurse on staff at the Chatham Plant, during annual vacation shutdowns, whenever one hundred (100) or more Local 127 employees are working in the Plant.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

October 19, 1987

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: P.A.A. SCHEDULING LEVELS

During the 1987 negotiations, the Company agreed to increase the pre authorized P.A.A. level for hourly employees from mid April to mid September each year. The new level for the subject period will become one (1) employee for every thirty (30) in a department to be allowed off at any one point in time. Uneven resultant calculations will be rounded up or down to the nearest whole number.

The current level of one (1) employee for every thirty-five (35) in a department will remain unchanged for the remainder of each calendar year.

It is understood that individual circumstances may, as in the past, warrant exceeding or restricting these levels from time to time.

Yours very truly,

J.J. Krete
Manager Human Resources

/jv

March 7, 1983
REVISED: September 10, 1984
REVISED: October 19, 1987
REVISED: October 22, 1990

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: SCHEDULING P.A.A. THROUGHOUT THE YEAR

During the 1983 Negotiations, the Company agreed to schedule P.A.A. in advance over the entire calendar year.

During the 1990 Contract Negotiations it was agreed that for the first work week in January, P.A.A. may be scheduled during the month of November.

During the 1987 Negotiations, the Company agreed to allow the employees the opportunity to apply for P.A.A. according to seniority, on the first work day following the annual Christmas holiday period at any time throughout their normal shift. Departmental Superintendents will be given up to 72 hours after the subject day to process these requests, and advise the applicants of their status. All requests submitted after that date will be processed through the usual first-come, first-serve basis.

Yours very truly,

J.J. Krete
Manager Human Resources

JOV/jw

April 7, 1980

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: WORKING DURING VACATION SHUTDOWN

The Company will continue its endeavour to select employees who have not qualified for full vacation pay to work during the established vacation shutdown period in order of seniority wherever reasonably possible, having regard for such conditions as time constraints in scheduling, etc.

This will be done with the understanding that there will be no grievance on behalf of any employee.

Yours very truly,

J. O. Vanest
Manager Human Resources

JOV/sh

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: MAINTENANCE CREW SUPPLEMENTAL
MANPOWER -SUMMER SHUTDOWN**

During the 1983 Negotiations the Company identified the following procedure for selecting additional manpower to perform plant maintenance functions during the annual vacation shutdown.

All employees with no vacation entitlement must, if required, work the summer shutdown. Employees with less than full vacation eligibility [ref. Article 10.01(b) Paragraph **360**] will be canvassed to volunteer their services for the week(s) in which they have less than full vacation entitlement, with senior employees having first opportunity to work.

If requirements are not fulfilled per above, a notice will be posted plant-wide. Manpower will be selected according to seniority and notified by the Human Resources Department.

Further manpower requirements will result in recalls from layoff. If sufficient quantities of laid-off employees are not available, summer students will be hired.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: VACATION SCHEDULE REVIEW WITH UNION
REPS.**

During the 1983 negotiations the Company agreed to review the departmental vacation schedules and levels with the Union Representatives prior to beginning the actual employee scheduling.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/ap

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March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

**SUBJECT: SCHEDULING VACATION PRIOR TO INITIATION
OF LEVELED SCHEDULE**

During the 1983 Negotiations, the Company agreed to continue its practice of allowing employees entitled to additional vacation week[s] beyond the designated shut down period, to schedule the weeks on a voluntary, first-come, first-serve basis, up to the point that the yearly vacation schedule takes affect within their departments.

The foregoing does not restrict, in any way, the Company's right to limit the number of employees allowed off at any one time relating to the above provision.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/dl

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: VACATION SCHEDULING FORMS

During the 1983 negotiations the Company agreed to continue its practice of mailing out Vacation Scheduling Forms to all eligible employees who are on Vacation, S & A, Workman's Compensation, Jury Duty or Leave of Absence at the time of distribution of such forms.

The Company will also supply the Plant Chairman with a list of the employee's names to whom the forms were sent.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jv

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: VACATION ABUTTING CHRISTMAS SHUTDOWN

During the 1983 Negotiations, the Company and the Union agreed to extend the vacation schedule to include the week prior to Christmas shutdown providing it contains four [4] work days. The fifth day, or designated holiday, would be paid in lieu of vacation.

Further, it was agreed, the Company would not carve out other vacation week/weeks from the April-December schedule period.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jw

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: LEAVE OF ABSENCE VERSUS VACATIONS

During the 1983 Negotiations the Company and the Union agreed the scheduling of Vacations and Leaves of Absence may be open concurrently however vacations would take precedence over the approval of Leaves of Absence for the same time slot.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/jw

October 25, 1993

Mr. R. J. Hamilton,
Chairperson,
C.A.W. Local 127,
Navistar, Unit



Dear Mr. Hamilton:

SUBJECT: PLACEMENT OF DISABLED EMPLOYEES

During the 1993 negotiations the Company and the Union discussed the placement of employees with temporary and permanent medical restrictions onto jobs at the Chatham Assembly Plant

The Company and Union are committed to support the return of disabled employees into the workplace, and to ensure that they are treated with respect and dignity at all times. The parties also commit to adhere to the "duty of accommodation" requirements of the Ontario Human Rights Code when placing disabled employees.

In this regard, the Company and Union have agreed upon the following employee disability placement categories and procedures:

Category B:

Definition: Employees who are medically restricted from a specific area of the plant, or shift, for an indefinite period of time, but are able to perform the majority of jobs throughout the plant

An example of this is an employee who is medically restricted from having direct contact with paint fumes.

Placement: The procedure to place an employee within this category will be as follows:

1) An employee in this category will be placed onto any suitable job opening throughout the plant.

2) If there are no suitable job openings, the employee will displace the lowest seniority employee in the plant who occupies a job that falls within the employee's restrictions. This includes bumping a category "B" employee with less seniority.

Category C:

Definition: Employees with medical restrictions that are more limiting than category "B" restrictions in the quantity of jobs that they can perform throughout the plant.

Placement: The procedure to place an employee within this category will be as follows:

1) An employee in this category will be placed onto any available job opening throughout the plant that meets the employee's medical restrictions without modification.

2) If all of the available job openings per (1) above are unsuitable in their entirety, but, one of the openings can be made suitable for the disabled employee through minor modifications, the Industrial Engineering Department will modify the open job to accommodate the individual.

3) If the employee still cannot be accommodated per items (1) or (2) above, the Industrial Engineering Department will modify the job (held by the most junior employee in the plant) that can be made suitable through minor modifications.

NOTE: An employee must be capable "of performing or fulfilling

the essential duties or requirements" of a job opening in the application of (2) or (3) above. This is consistent with the "duty of accommodation" requirement of the Ontario Human Rights Code. Employees in category "C" cannot bump other employees in category "C" when applying item (3) above.

Category D:

Definition: Employees with temporary medical restrictions from which they are expected to fully recover.

Placement: These employees will be accommodated with modified duties for a maximum period of 30 calendar days. After 30 days the employee will be reclassified into either Category "B" or "C", unless specific unusual circumstances justify an extension.

A representative of Human Resources Department and a representative of the Union will jointly place employees occupying categories "B" and "C" in accordance with the above procedures. They will utilize the assistance of other support people such as Industrial Engineering department personnel or an ergonomist etc., as they deem necessary.

Employees in any of the above categories will not be exempt from displacement through the normal seniority provisions of Article 7.

Disabled employees must submit clear and precise restrictions from their family physician (or M.D. specialist when applicable). For instance, motions relating to weights, lifting, pushing, pulling, bending, twisting, etc. must be clearly defined.

Should the Company have reason to question new or revised restrictions, or, should the restrictions not be clear, a Company representative will contact the employee's physician or M.D. specialist to discuss the matter. This contact may include the Company providing specific information to the Doctor about the job(s) in question.

The Company will only challenge restrictions through the use of a physician or M.D. specialist. Medical disputes

will be resolved by use of a mutually agreed upon independent M.D. specialist whose decision will be final and binding on both parties. When appropriate, the parties will forward an agreed upon statement of facts to the independent specialist prior to the examination.

Reasonable expenses incurred by the employee as well as the cost of the medical examination will be paid by the Company.

When it has been established that a disabled employee will displace a lower seniority employee, such assignment may be delayed for a period of three (3) days in order to provide for the necessary three (3) day notice of layoff to the affected employee.

Yours very truly,

J.J. Krete
Manager Human Resources'

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

**SUBJECT: ADVANCED PREPARATION OF WEEKLY PAY
CHEQUE**

During the 1993 contract negotiations the Union and Company discussed the advance preparation of an employee's weekly pay cheque when the employee has been authorized to be absent.

The company agreed to advance an employee's pay entitlement when, given the required notice, an employee is authorized for a full week of absence and at least four of the five days are eligible for P.A.A. payments.

Yours truly,

J.J. Krete
Manager Human Resources

Letter No. 145

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

SUBJECT: MUSIC PROVIDED FOR PAINTERS

Prior to the 1993 contract negotiations a music system for painters was recommended to the Company by the Joint Health and Safety Committee. During the 1993 contract negotiations, the Company agreed to provide the music system to all current painters that are required to wear hoods.

The Company will not replace any headset that is damaged (due to negligence of an employee), lost, or missing.

Yours truly,

J.J. Krete
Manager Human Resources

October 22, 1990

Mr. R.J. Hamilton, Plant Chairman
Local 127 CAW
Navistar Unit, Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: TRAVEL EXPENSES

During the 1990 Contract Negotiations, the Company and Union discussed the issue of applying expenses for travel while employees are on Company business.

The Company agrees to book transportation (planes, trains and company or rental cars) and hotels for travelers where appropriate. Additionally, Local 127 employees will be allowed a \$45.00 Canadian per diem for food and personal costs for travel in Canada or countries other than the USA. For travel in the USA the per diem will be \$45.00 in US dollars. This will be allocated as \$10.00 for breakfast, \$10.00 for lunch and \$25.00 for supper.

When traveling, the Company will advance, prior to departure, funds to cover transportation and hotels not paid for directly by the Company, plus the per diem for expected local transportation to/from airports and/or hotels and place of business. All other local transportation being responsibility of the employees. All travelers will be expected to file full expense reports as soon as possible after returning from a trip, but no later than the last working day of each month. These reports must be accompanied by required receipts per Company policy as well as with any unused advanced funds. The Company requires, regardless of its stated travel policy, receipts (other than for items covered by the per diem allowance) for all expenses incurred in Canada where the currently proposed Goods and Services Tax was or should have been charged extra or included in the cost of the item or service.

Yours very truly,
P.G. Dahmer, Controller

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: SUPPLIERS SORTING IN THE PLANT

During the 1990 Contract Negotiations, the Company and Union discussed the issue of Navistar suppliers sorting their defective material in the Chatham Assembly Plant.

In order to emphasize the importance that both the Union and the Company place on quality, it was agreed that when there is a need to sort vendor parts, the vendor may be requested to sort his material on the Chatham site. When the vendor is sorting his material it will be done in the presence of our appropriate bargaining unit employees(s).

Supplier quality is critical to the quality of our vehicle.

Yours very truly,

J.J. Krete
Manager Human Resources

October 25, 1993

Mr. R. J. Hamilton
Plant Chairman Local 127 CAW, Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: HIRING PRACTICES

This letter is to affirm that during the 1993 contract negotiations the Company agreed to distribute, upon request, an employment application for each son or daughter of a current or retired employee.

These applications will only be kept on file until November 1 of each year.

Yours very truly,

J. J. Krete
Manager Human Resources

JV/dl

October 22, 1990

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: MANDATORY DRUG TESTING

During these negotiations, the parties discussed the issue of mandatory drug and alcohol testing in the workplace. In recent years, this issue has been the subject of considerable public debate and a number of legal cases in various jurisdictions. The parties agreed that the debate and case law in this area is still evolving, and it is yet unclear whether such testing will be unconditionally supported by the courts.

Some Governments have also introduced mandatory drug and alcohol testing for specific job functions. These laws recognize the concerns of a number of these legislators regarding the adverse effects of substance abuse on families, the workplace and the general public. The parties acknowledged that as the public gains a broader understanding of the costs and dangers associated with substance abuse, other governments may also introduce such laws and apply them more broadly.

Prior to any introduction of such legislation in Canada, the Company will not introduce drug testing into the workplace.

Yours very truly,

J.J. Krete
Manager Human Resources

October 19, 1987

Mr. R.J. Hamilton
Plant Chairman Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: WELLNESS COMMITTEE

During the current negotiations, Union and Management discussed and recognized the important contribution that physical fitness and wellness programs can make, both to the employee's personal well-being and to performance on the job.

Therefore, it was agreed by both parties that a joint wellness committee to include Local 35, if interested, would be established to study recreational fitness/wellness opportunities and options.

The purpose of the Committee will be to review the various programs currently available and to make suggestions and recommendations on these and any new programs which they feel might reasonably be developed and implemented.

Yours very truly,

J.J. Krete
Manager Human Resources

/jv

March 7, 1983

Mr. R.E. Tindale
Plant Chairman Local 127 UAW, IHC Unit
Chatham Plant



Dear Mr. Tindale:

SUBJECT: HUMAN RIGHTS

The International Harvester Company and the United Automobile Workers of America have a well **recognized** tradition in support of Human Rights. During these Negotiations, our mutual posture on commitments not to discriminate because of race, colour, sex, age, handicap, political or religious affiliations, national origin and ancestry were discussed and reaffirmed.

Further in this regard, recognition was given to the importance of increased communication and co-operative effort to encourage employees and grievance representatives to achieve prompt resolution of claims of denial of Human Rights.

In this regard, a joint Human Rights Procedure has been established to develop an increased understanding of the issues, seek solutions to mutual problems, avoid external involvement in areas of mutual concern and to exchange information, expertise and advise.

The intent of these understandings is to **maximize** adherence to the concept of Human Rights in all aspects of employment and to **emphasize** the contractual grievance procedure for relief of alleged violations of this principle.

Yours very truly,

J.O. Vanest
Manager Human Resources

March 7, 1983

Mr. R. White
U.A.W. Director for Canada and International Vice President
International Union, United Automobile Aerospace and
Agricultural Implement Workers of America
205 Placer Court
Willowdale, Ontario M2H 3H9



INTERNATIONAL

Dear Mr. White:

SUBJECT: CANADIAN MANUFACTURING COMMITMENT

The Company recognizes the importance of employment security it affords its employees, and shares the desire of the Union to preserve those jobs and to create new jobs.

The Company reaffirms its objective to remain a viable, domestic enterprise and a major Canadian employer and declares its intention to achieve a competitive position within a framework which contributes to the job security of employees and which is responsive to the changing dynamics characterizing our industry.

In addition, International Harvester joins with the U.A.W. in supporting the principle that manufactures who participate in the Canadian market should provide jobs, pay taxes and support the economy of the market in which they sell. As you know, International Harvester has, for decades, based its operations throughout the world on this very principle. We believe that over the longer run, no alternative policy can prevail if there is to be fairness and balance among the major trading nations of the world.

International Harvester commits to support acceptance of this principle, so that foreign producers will be encouraged to make their fair contribution to actions that will restore jobs to Canadian workers.

It is believed that the principles expressed in this letter will contribute significantly to our co-operatively working together to provide International Harvester employees in Canada with improved job security.

Yours very truly,

J.E. Reble
Director Human Resources

jer/jv

October 19, 1987

TO ALL CHATHAM PLANT HOURLY EMPLOYEES



SUBJECT: STATISTICAL PROCESS CONTROL

Today's truck Market is highly competitive and the surviving manufacturers will be those that provide the greatest customer value by producing quality vehicles at the lowest possible cost.

One of the tools which is being increasingly used in the plant to provide this value is that of Statistical Process Control (S.P.C.) S.P.C. allows the operator to have more individual control over his operation through control charts which provide advance warning of problems. This early warning allows for corrective action before the fact rather than after.

To date 141 employees have been trained in the use of S.P.C. with eleven (11) operations being monitored. As new areas are identified for application of S.P.C., additional employees will be trained.

The Company and the Union jointly support S.P.C. in the Chatham Plant and are committed to expand its use as one means of increasing the value of the products we provide to the customer,

R.J. Hamilton
Plant Chairman
Loc. 127 CAW, Navistar Unit

L.E. Clement
Plant Manager

April 9, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: BUSINESS CONSULTANTS

During the 1979 negotiations, the Union raised the question of the role of outside business consultants in International Harvester Company operations. Your particular concern has been the potential impact of consultant recommendations upon the contractual agreements that exist between the Company and the Union.

The Company has advised you that business consultants will not assume any of the functions of management as set forth in the labour agreements, but will be utilized to review Company operations and make recommendations on improvements in systems, procedures, facilities, etc. In the event management elects to implement a consultant recommendation and it can be foreseen that such implementation will affect the Union-Management relationship, the Company will meet with the Union to review the changes that will take place. The purpose of such review will be to assure that the Union has the opportunity to raise any claim of violation of the labour agreement which would occur through the introduction of a new system, procedure or facilities plan.

Yours very truly,

J.O.Vanest
Manager Human Resources

347

June 4, 1980

REVISED: November 12, 1984

REVISED: October 19, 1987

REVISED: October 28, 1991

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit. Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: ISSUANCE OF PAY CHEQUES

This will confirm the resolution of certain issues concerning the distribution of pay cheques:

1. Employees on First Shift will receive their cheques Friday morning except as follows:
2. Persons who are on **authorized** absence for a full Friday can request that their Supervisor pick up their pay cheques from the Cashier after 3:00 p.m. Thursday.
3. Persons who are on **authorized** absence for a full Friday and for any portion of a Thursday whereby they will not be returning later Thursday or on the Friday can request their pay cheque through their Supervisor from the Cashier after 3:00 p.m. Wednesdays (if cheques are ready) for those away all day Thursday and Friday and Thursday for the others.
4. Second shift employees will be paid after the start of their shift (4:00 p.m. Thursdays).
5. Third shift employees will **usually** be paid Thursday morning (during their shift that starts late Wednesday night and ends Thursday morning).

Please refer to my letter of August 2, 1990 for further information concerning pay cheque specifics.

Yours very truly,
P. Dahmer
Controller

September 28, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: GROUNDS MAINTENANCE

This letter will confirm the understanding reached during the 1983 Contract Negotiations that the Company will continue its practice of contracting out the repair and rolling of all lawns, and the applications of herbicides, insecticides and fertilizers to all lawns.

It was also agreed that cutting and trimming of lawns and hedges, would be contracted out.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

Letter No. 157

November 1, 1984

REVISED: October 22, 1990

REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit, Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: PROTECTIVE OUTDOOR CLOTHING

During the **1993** Contract Negotiations, the Company agreed to obtain and maintain a total of **six (6)** pair of insulated coveralls and **thirty-three (33)** outdoor coats. These will be kept on hand at the **Chatham** Plant for use by employees who are required to go outside in bad weather.

The location of these items will be as follows:

Department 2	6	coveralls for "permanently outside employees"
	10	coats
Department 4	10	coats
Department 6	2	coats
Department 7	2	coats
Department 8	2	coats
Department 9	3	coats
Department 10	2	coats
Department 12	2	coats

The Company will have these cleaned as required and replace them only when normal wear and tear necessitate such.

Yours very truly,

J.J. Krete
Manager Human Resources

November 7, 1984
REVISED: October 19, 1987
REVISED: October 22, 1990
REVISED: October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: JOB ELIGIBILITY TESTS

During the 1984 negotiations, the concern of job eligibility tests to determine either basic qualifications or 'walk-on- the-job' capability was discussed.

In 1993 negotiations it was agreed that the following classifications would require job eligibility testing.

38-9 Repair Motor Truck
30-9 Inspector Production Breaks
149-12 Cab Painter Spray
149B-11 Spray - Chassis
24-9 Vendor Quality Assurance Monitor
84-10 Layout Side Rail Special
45-14 Repairs - Power Tools
63-11 Repair Person Equipment
35-12 Dingperson Conversion
38E-12 Pride Quality Electronic/Repair, Monitor
51-12 Repairs - Salvage Mat. Production Parts
73-12 Inspector Quality Audit
73B-12 Pride Quality Monitor
70-13 Mechanic All Purpose Production
29-14 Inspector Layout
8-9 Stock Status Verification

The above listing has been established by the need to maintain a high level of expertise, therefore, in the future additional classifications may be added upon mutual agreement between the Company and the Union.

Job eligibility tests, as devised by the supervision of the Department with the opening, will be fair and equitable to ensure success potential for all applicants and of sufficient depth to eliminate those who would not be suitable for the opening in question.

In order to ensure consistency of application, the superintendent of the department in question will disclose the nature and scope of job eligibility tests with the area Union representative who must agree to respect the need for confidentiality so that no candidate will be given unfair advantage. **The percent (%) value that each question represents of the total value of the test will be listed on the test.**

The area representative will be present during such test, and the outcome will be disputed or agreed to immediately.

In the event of a disagreement on test content or **test score requirements for any new job**, or test results, the Plant Chairman and Manager of the affected function will involve themselves in the resolution of the problem. **Employees who do not achieve the necessary score required to pass a test will not be allowed to re-test for that same job until they are able to substantiate new upgraded qualifications for the job.**

During the **1993** negotiations it was agreed to extend the application of Job Eligibility Testing during reductions beyond the current situation where a reduced employee has a selection of jobs available. Therefore, the following five (5) classifications will now require Job Eligibility Testing during reductions when reduced employees have no other jobs to go to:

73B-12 Pride Quality Monitor
149-12 Cab Painter - Spray
35-12 Dingperson Conversion
70-13 Mechanic All Purpose Production
29-14 Inspector Layout
45-14 Repairs Power Tools

It was also agreed during the 1990 negotiations that employees who are force reduced onto any of the classifications listed in this letter may elect to bypass these jobs and take available work by the normal seniority provisions of this Collective Agreement.

During the 1993 negotiations it was agreed that current test scores established for testable jobs will remain in effect. For any new job, that requires testing, area Superintendent, and Union Committeeman will mutually agree on the test score required to pass.

Yours very truly,

J.J. Krete
Manager Human Resources

November 7, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: TOOLS FOR 70-13

During the 1984 Contract Negotiations, the issue of the Company supplying tools to the Mechanic All Purpose Production (70-13) for the duration of their trial period was discussed and resolved on the basis that the Company agrees to arrange for sufficient tools for the candidate's use during the two-week trial period.

The employee will be responsible to return all these tools to the Company at the completion of the trial period and will be liable to pay the Company for any missing items.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

November 7, 1984

Mr. R. White
UAW Director for Canada and International Vice President
International Union United Automobile, Aerospace and
Agricultural Implement Workers of America
205 Placer Court
Willowdale, Ontario M2H 3H9



INTERNATIONAL

Dear Mr. White:

SUBJECT: MUTUAL COOPERATION

During the current negotiations, the parties discussed mutually desirable objectives. Both parties recognized that to ensure employment opportunities for a maximum number of employees at the Chatham Plant, the long-term viability of both the Company and the Chatham Plant is essential. It is further recognized that in order to meet these mutual objectives an environment must exist which fosters cooperation, understanding and the application of a common sense approach in the relationship between all interested parties.

As a result of these discussions, the parties have agreed to establish a Committee on Employment Involvement composed of representatives of the Union and the Company. The Committee will meet periodically to review and evaluate programs and develop projects in this area.

The Company agrees to encourage its Plant management to cooperate in the conduct of such projects, and recognizes that cooperation by its Plant floor supervision is essential to the success of the program.

The Union agrees to encourage its members and their Local Union Representatives to cooperate in such projects and recognizes that the benefits which can flow to employees as a result of such programs is dependent on the cooperation and

participation of those employees and the Local Union Representative.

In summary, the Company and Union have set up a frame work for identifying and promoting issues of mutual interest to both the Company and its UAW represented employees.

Yours very truly,

J.E.Reble
Director Human Resources

JER/ad

November 12, 1984

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: CHANGES IN COMPANY POLICY

During the 1984 Contract Negotiations, the Company and the Union discussed the subject of changes in Company Policy that affect hourly employees at Chatham Plant.

The Company agrees that it will advise the Plant Chairman in advance, if possible, of any known changes in Company policy that will affect all hourly employees at the Chatham Plant.

Yours very truly,

J.J. Krete
Manager Human Resources

JJK/ad

April 7, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: EMERGENCY TELEPHONE CALLS

This letter will reaffirm the understanding of both the Company and the Union that the following practice of handling emergency telephone messages will be continued:

When an emergency call, identified as such by the caller, is received through the Human Resources Department it will be relayed to the employee's supervisor and the supervisor will be instructed to report back that the message was passed on. If the supervisor does not report back within 5 to 10 minutes, a follow-up will be made.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/sh

April 7, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: CONTRACT AND FACILITY COSTS

The Company agrees that the cost of the meeting facilities during the 1980 contract negotiations would be paid by the Company, and the cost of printing the resulting contract would be shared equally by the Company and the Union.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/sh

June 12, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: RECOUPING OF WAGE OVERPAYMENT

In the past, the Time Office has come to a mutual agreement with the employee concerned as to the amount and period for the correction of wage overpayments.

Since there is the possibility of disagreement, the Company agrees that the maximum of \$30.00 per will become the practice (unless the employee desires a larger deduction), until the full amount is repaid.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/dl

October 19, 1987

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: OPERATING CONCEPTS

In negotiations leading to a new Collective Agreement, the parties expressed interest in exploring innovative ways of manufacturing product so as to enhance the dignity and self-worth of our employees, and to promote the full and effective use of their capabilities, while at the same time improving quality, customer satisfaction and reducing product cost in a safe work environment.

The parties recognize that certain existing Collective Agreement provisions may mitigate against such introductions on a pilot basis or otherwise during the term of the Agreement. However, if a new concept is determined by the parties to be beneficial, the Union agrees to explore the possibility of contractual amendments to provide for such a program.

Yours very truly,

J.J. Krete
Manager Human Resources

/jv

June 2, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: TECHNOLOGICAL CHANGE

It is recognized that continuing improvement in the standard of living of I.H. employees depends upon technological progress, better tools, methods, processes and equipment and a cooperative attitude on the parts of all parties in such progress.

The Company is aware of the Union's concern regarding the scope and work content of the job classifications of employees covered by the contract and how such may be affected by advances in technology. It is not the Company's policy to assign to other employees work which comes within the scope and content of that normally assigned to the U.A.W. represented employees at the Chatham Plant. The Company recognizes that the novelty or sophistication of new technology alone is not grounds for withdrawing work from employees represented by the U.A.W. However, the Company does not believe that the perimeters of a bargaining unit should be expanded by the inclusion of employees in job classifications covering work which is inappropriate to the Local 127 bargaining unit.

It is recognized that advances in technology may alter, modify or otherwise change the job responsibilities of U.A.W. represented employees at the Chatham Plant and that a change only in the means, method or process of performing a work function, including the introduction of computers or other new or advanced technology, will not serve to shift the work function

from the Local 127 bargaining unit to other employee groups. Advancing technology has created and will continue to create new and more complex problems bearing upon the work content of job classifications of employees represented by the Union. To minimize disputes concerning the particular problems occasioned by technological change, the following procedures are established:

1. In view of the Company's interest in affording maximum opportunity for employees to progress with advancing technology, the Company shall make available short range, specialized training programs for those employees who have the qualifications to perform the new or changed work, where such programs are reasonable and practicable. Therefore in the event the work performed by employees in the Local 127 bargaining unit is altered as a result of technological changes so that additional short range training may be required, the Company is willing to train such employees where practicable to enable them to perform such work. 22
D

2. Where the initial introduction of new or advanced technology at the Chatham Plant may cause a shift of work from the Local 127 bargaining unit to other employees, affect the job responsibilities of Local 127 represented employees, or otherwise impact the scope of the bargaining unit, Plant management will discuss the matter with the Union. Such discussion will take place as far in advance of implementation of such a technological change as is practicable. The Plant management will at that time describe for the Union, the extent to which such technological changes may affect the work performed by Local 127 represented employees at the Chatham Plant. Comments by the Union concerning the information provided will be carefully evaluated by the Plant management in accordance with the Company's Policy relative to the assignment of work which comes within the scope and content of that normally assigned to Local 127 employees at the Chatham Plant. 22
A

3. A committee on technological progress is hereby established, comprised of three (3) representatives from 22
B

the Company and three (3) representatives from the Union, Not less than one (1) representative will be from the Company's Corporate Office in Canada and not less than one (1) representative will be from the International Union.

This committee will meet quarterly unless mutually agreed otherwise to discuss the development of new technology and its impact on Chatham Plant and upon the scope of the Local 127 bargaining unit. The committee will also review specific matters concerning advancing technology that may be referred to it by Local 127 or Plant management after discussions as set forth in the preceding paragraph have been completed.

- 4 In the event either the Company or International Union representatives on the committee on Technological Progress does not approve of the assignment of work functions as established, the subject matter in dispute will be processed in accordance with the applicable provision of the Grievance Procedure.

As a general statement to assist in the resolution of disputes over the allocation of work to Local 127 employees, the Company and the Union have heretofore understood that:

1. Where a work function at the Chatham Plant preceded the certification of the Union, the work function will be assigned as it was assigned at the time of certification, unless there has been a written agreement otherwise.
2. Where a work function was introduced at the Chatham Plant following the certification of the Union, the work function will be assigned as it was originally assigned, unless there has been a written agreement otherwise.
3. The assignment of new work functions at the Chatham Plant will depend upon the work function involved and not necessarily upon the work tasks required to accomplish such work function.

Yours very truly,
J.O. Vanest
Manager Human Resources

October 19, 1987

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton:

SUBJECT: INFORMATION MEETINGS

During the 1987 negotiations, the Union expressed a desire to be kept better informed on matters affecting the long-term viability of the plant and the security of our employees.

Accordingly, the Company agrees to establish regular information Meetings between the Plant Manager and the Plant Chairman to discuss mutual concerns, such as schedules, pending changes to the work environment and work content within the plant, outside factors influencing the plant, etc. It is understood that members of the bargaining committee and the plant manager's staff may be included on items of particular concern.

The Company acknowledges the value of open communications in developing mutual trust and providing the Union an opportunity to provide input to the decision-making process.

It is recognized that such decisions are ultimately at the discretion of the Company, and dependent on our ability to remain cost competitive.

L.E. Clement
Plant Manager

365

June 14, 1980

Mr. R.E. Tindale
Plant Chairman
Local 127 UAW, IHC Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Tindale:

SUBJECT: NEUTRALITY LETTER

During the 1980 Chatham Plant contract negotiations, the Company and Local 127 of the U.A.W. devoted considerable time to discussion of the principles of mutual respect and acceptance. Particular emphasis was given to a review of the Company's position regarding the establishment of new manufacturing plants engaged in operations identical or similar to the Chatham Plant. The Union expressed its concern that the Company, by establishing such new operations, would diminish its relationship with the Union and the employees it represents at Chatham Plant.

The Company has assured the Union that the creation of new manufacturing plants does not represent any lack of acceptance between the parties. The Company has indicated that, if employees who may be hired to perform production and maintenance work at newly-established manufacturing operations select the U.A.W. as their agent through the certification process, the relationship so established will be on the same basis of mutual respect and acceptance that exists at the Chatham Plant. The Company further extended its assurance to the Union that it will maintain a neutral posture during any campaign that the Union mounts to convince employees at a newly-established manufacturing operations as described in the preceding paragraph of the desirability of membership in the U.A.W. The Union has assured the Company in return that any such campaign will be conducted free from misrepresentation of fact and that the mutual respect

reflected in this letter will characterize the conduct of the organizing effort.

The Company agreed that it will meet with the International Union prior to the opening of a new manufacturing plant which will produce products similar to those produced by Local 127 employees at our Chatham Plant. During this meeting the Company and the Union will attempt to reach agreement on the competitive utilization of the new facility and the conditions to be used for the initial staffing of production and maintenance jobs at the facility.

Yours very truly,

J.O. Vanest
Manager Human Resources

JOV/dl

October 25, 1993

Mr. R.J. Hamilton
Plant Chairman
Local 127 CAW
Navistar Unit
Chatham Plant



INTERNATIONAL

Dear Mr. Hamilton

SUBJECT: GROUP PERSONAL COMPUTER PURCHASES

During the term of the 1993 contract, the Union and Company will establish a committee to investigate a group buying plan for employees to purchase personal computers. This buying plan will be a one time purchase arrangement. The employee may select payment through payroll deductions of up to 78 equal weekly deductions.

The Company will not be responsible for financing costs, warranty, set-up, training, soft-ware or usage problems; these are the responsibility of the vendor and/or purchaser. The financing agreement will be between the employee and vendor, not Navistar.

Implementation of the program will be subject to agreement of all details by the Union and company.

Yours truly,

D.J. Spooner
Controller

1984

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383