

Agreement
CHATHAM PLANT

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THIS AGREEMENT, made and entered into this 31st day of January, 2007 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 & 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 are 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 adjustments of grievances, complaints and disputes 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

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present any of his/her personal complaints to his/her Supervisor.

- 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 Chairperson and five (5) 1st shift Committeepersons and one (1) 2nd shift Committeeperson and one (1) 3rd shift Committeeperson
- 9 In addition the Union shall designate four (4) Zones to be represented by four (4) day shift Stewards.
- 10 Designated Plant Committeepersons will work on the day shift, except for the 2nd shift Committeeperson who will work on the second shift and a 3rd shift Committeeperson who will

work on the 3rd shift and be afforded time off as may be required.

- 11 On the second and third shifts the Union shall designate one (1) additional Plant Steward at the following population levels: greater than 100, 250, and 400. One skilled trades employee will be designated on each of the Day, Afternoon, Midnight, Weekend Day and Weekend Night for the sole purpose of representing the skilled trades employees on these shifts. The Company will recognize a Committee-person 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 Supervisor the matter will be referred to the 1st, 2nd, or 3rd shift Committee-person who will, if necessary, proceed with the grievance through the grievance procedure.
- 12 The Union Shop Bargaining Committee shall consist of the Plant Chairperson, and all Plant Committee-persons. A Union Safety representative may be called to discuss safety issues.
- 13 The Plant Grievance Committee will consist of the Plant Chairperson and four (4) day shift Committee-persons. The Skilled Trades Committee-person, Second Shift Committee-person, Third Shift Committee-person, and/or the Union Safety Representative may be called to discuss **issues** that pertain to their areas of representation.
- 14 When a Committee-person is absent for purposes other than training, a Zone Steward will act as the Committee-person'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 area alternate Steward will replace the zone Steward.

- 15 In the event the Zone Steward is acting Committeeperson 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 Committeeperson's absence is due to a vacation of one (1) week or more the Zone Steward may then be replaced by the Alternative Steward immediately.
- 16 The Union will inform the Company in writing of the identity of the Committeepersons 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/her designee with an updated list of Committeepersons 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 Committeeperson, Steward or shop bargaining Committeeperson unless he/she is an employee of the Company nor until his/her name has been placed on the Plant Wide seniority list. The Company will recognize and negotiate with said Committeeperson, Stewards, and Shop Grievance Committee with respect to the adjustment of grievances.
- 17 3.02 The Company will provide prior written notification to the Chairperson of newly appointed Plant Supervisors and the department(s) they will supervise.
- 18 3.03 Committeepersons 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 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.

- 19 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.
- 20 3.05 No Local Union Committeeperson 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/her term of office, without the consent of the Local Union.

ARTICLE 4—GRIEVANCE PROCEDURE

- 21 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.
- 22 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.

- 23 First, between the employee affected and the departmental Department Head, 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.
- 24 Such a meeting will take place within three (3) working days from the time the Union representative requests the meeting with the Department Head. The Departmental Area Manager shall respond giving his/her 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 Area Manager must sign and date the grievance in the presence of the Union Committeeperson.
- 25 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.
- 26 Second, between the area Union Committeeperson and area steward or 2nd or 3rd Shift Committeeperson, the Chairperson 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, unless otherwise mutually agreed to. By mutual consent between the Labour Relations Manager, the Plant Chairperson 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.

- 27 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.
- 28 Third, when a grievance, which alleges a violation or misinterpretation of this Agreement has not been settled at step two, or when there is a question of the arbitrability of an issue, either party may move the grievance or the question to arbitration.
- 29 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 two.
- 30 Grievances appealed to arbitration will be presented to the mutually agreed upon arbitrators hereinafter described who will act in rotation in the order that their names appear.
- 31 The following constitutes the list and rotation of the arbitrators:
 1. G. Brandt
 2. W. Rayner
 3. M. Watters
- 32 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/her, the parties may agree to request another arbitrator in rotation to provide such a date.
- 33 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.

- 34 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/she 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.
- 35 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.
- 36 The parties to the grievance shall be bound by the decision of the arbitrator.
- 37 The decision on grievances, which have been referred to arbitration will be rendered within thirty (30) days following the date of the arbitration hearing.
- 38 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.
- 39 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.
- 40 All grievances regarding 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/her return to work or 45 days from the time that the successful job applicant is selected, whichever is sooner.

- 41 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.
- 42 4.02 Union Committeepersons shall be afforded such time off without **loss** of pay as may be required for the performance of their Union duties. Union Stewards from all shifts will be afforded time off as may be required for the performance of their Union duties. The duties of Union representatives are namely:
- 43 (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/her place of employment, each representative shall give notice to his/her Supervisor or other person designated by the Company as his/her replacement.
- 44 (b) **To** make necessary legitimate investigations of employee grievance or complaints as to the meaning or application of the provisions of this Agreement provided the Union representative in (advance), tells his/her Supervisor the approximate amount of time required to make that investigation, and if he/she is leaving the department, where he/she is going. The Supervisor will provided a substitute if the Union Representative's absence will interfere with the normal operation of the department.

- 45 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 grievance.
- 46 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.
- 47 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 limit will be extended by mutual agreement of the Union, and whenever reasonably possible, within two (2) weeks in the second 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.
- 48 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.
- 49 4.06 Whenever the Management requests a Union Representative to leave his/her 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, third or weekend shift and the Management requests him/her to confer at an hour, which requires him/her to make

a special trip to the plant, he/she will be compensated at his/her contractual rate for the time so spent.

- 50 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 purpose of obtaining necessary information pertaining to any grievance which remains unresolved after the second step of the grievance procedure.
- 51 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/she is entitled in line with his/her 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 which he/she is entitled in line with his/her 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/she is entitled in line with his/her seniority whichever is the later.
- 52 4.09 (a) As soon as possible upon written identification from the Plant Chairperson 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.

- 53 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.
- 54 (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.
- 55 (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 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.
- 56 (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 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.
- 57 (e) On the day proceeding 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.

- 58 (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.
- 59 (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 Chairperson and/or Vice Chairperson will act as the spokesperson(s) for the union.
- 60 (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.
- 61 (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.
- 62 (j) In each case, the Arbitrator shall issue his/her 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

- 63 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 impose discipline up to and including discharge where an employee with (2) years or less of employment has falsified either medical, or employment records. The Company will not impose discipline for such offenses after (2) years of employment.
- 64 (b) An employee who is required to go to an office to discuss some action on his/her part which will result in such employee being disciplined, shall have his/her Union Committeeperson present during such discussion unless the employee declines the right to have representation in the presence of their Union Committeeperson. At the time the employee is to be interviewed for discipline or disciplined, such discipline will be issued in the privacy of an office.
- 65 5.02 Discharge Cases - Upon being notified of his/her discharge, it shall be the duty of an employee to leave his/her department and go to the Human Resources Department. The Union departmental representative and the Plant Chairperson 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/her discharge excepting in cases where it is later determined that the discharge was not warranted.
- 66 An employee who is discharged will be furnished with a brief written statement describing the misconduct for which he/she 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 the exceptional cases where the above is delayed, the special circumstances will be reviewed with the Plant Chairperson. The Plant Chairperson will receive a copy.

- 67 5.03 In the event an employee is discharged from employment and believes he/she 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 to the employee with regard to the discharge, the Company agrees to reinstate him/her and to reimburse him/her for the wages he/she would normally have earned for the time lost, less what the employee has earned in outside employment since his/her discharge, to the extent of the hours he/she would have normally 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.
- 68 In the event the Company is notified as above regarding claim of wrongful discharge, the employee will be permitted to continue his/her 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/her for lost earnings, he/she will also be reimbursed to the extent of contributions he/she made to any such plans up to the amount, which normally would have been paid by the Company in his/her behalf.
- 69 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/her 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/her discharge should result in his/her being ineligible to receive a supplemental allowance under such Retirement Plan.

ARTICLE 6-FUNCTION OF MANAGEMENT

- 70 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 discipline for **just** cause (i.e. counseling session, written reprimand, suspension, or discharge), 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.
- 71 6.02 To enable the Company to keep its products abreast of scientific and technical advances, it is agreed that the Company 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 individuals or others to be mutually agreed upon between the Company and the Union.
- 72 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.

ARTICLE 7 - SENIORITY

- 73 7.01 Employees shall be regarded as probationary employees for the first three (3) 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. The Union shall be advised, after the probationary employee's two (2) months Employment Evaluation, if the Company is aware of any issues which may result in the termination of the probationary employee. 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 Chairperson. A probationary employee will have no seniority rights, but when such rights are acquired, service will date back to the date of employment.
- 74 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.
- 75 7.02 After three (3) 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.
- 76 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/her

employment period. Seniority numbers will be used for the purpose of lay-off, recalls, transfers and other seniority provisions outlined in the Agreement.

- 77 Employees having three (3) months or more of service shall be placed on the plant-wide seniority list.
- 78 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,
- 79 Employment and service shall both terminate when (a) an employee voluntarily leaves the Company's employ.
- 80 (b) An employee is discharged for cause, and the decision is not reversed under provisions of Article 5 herein.
- 81 (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.
- 82 (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/she had acquired at the time of such layoff has elapsed, or a period of more than five (5) years has elapsed, whichever is longer.
- 83 (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/her intent to return to work, and fails to report for work within four (4) 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 to work shall have the right to elect to continue on layoff if he/she provides evidence that he/she is employed elsewhere (except self-employed) without **loss** of seniority.

- 84 (f) An employee fails to report for work at termination of a leave absence. This requirement will be waived provided a reasonable explanation is given to Management for not reporting.
- 85 (g) An employee has been out of employment with the Company for more than sixty (60) 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.
- 86 (h) An employee has been absent from work for more than four **(4)** 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.
- 87 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" if absent for more than four **(4)** consecutive working days for reasons other than disability unless a formal leave of absence has been granted. The Company will notify the Union Plant Chairperson when an employee has been absent three (3) consecutive working days and is subject to the terms of this section.
- 88 (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.
- 89 (j) An employee applies and receives a termination payment by the Company pursuant to the Termination Payment Plan.

90 In the application of (e), (9) and (h) of this section 7.04, inability to report for work up to a period of three hundred and sixty five (365) 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 three hundred and sixty five (365) 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.

91 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.

92 7.06 (a) The Company agrees to accord a preferred seniority status to the Chairperson of the Union Shop Committee, Plant Safety Chairperson, Union Shop Committeepersons, Union Shop Stewards, Work Standards and Ergonomic Representatives, 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. Committeepersons 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 Chairperson (see Letter No. 120 re Plant Chairperson) 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.

93 (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/her regular seniority.

- 94 (c) In no case can an individual on preferred seniority status use that status to better their position under the provisions of 7.10.
- 95 (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.
- 96 7.07 A managerial employee of Chatham Plant or any other employee who is returned to the bargaining unit within a period of two (2) months from the date of his/her assignment to a position not covered by this Agreement shall be credited with the accumulated seniority which he/she had at the date he/she 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.
- 97 7.08 The Company will provide the Plant Chairperson, Committeepersons and Stewards with, on-line access to current seniority list on every plant computer capable of accessing the AS400 system.
- 98 Upon written request, Local 127 Unit Election Committee Chairperson will receive departmental seniority lists showing shifts.
- 99 The Company will furnish the Plant Chairperson, 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.
- 100 7.09 (a) The Company will furnish to the Union Shop Committee every February 1, August 1, and December 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. In addition, the Company will also add the labour grades and classifications onto the same listings.

- 101 (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 - NEW JOBS AND REPLACEMENTS

- 102 (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.) Those new job or replacement openings filled by recalled employees, who have no medical restrictions at the point of recall, will be tracked and saved for the semi-annual posting period.
- 103 When new jobs or replacement openings occur, the Company will post a notice twice per calendar year for all openings of pay grade F or lower throughout the plant advising employees of the quantity, labour grade, classification, pool number, labour group code and a brief description of the pool, as well as the departments involved. This will be referred to as the semi-annual posting period. This notification will remain posted for seven (7) calendar days. Should a posting be required during the week the Union will be consulted and the weekend shift employees will be notified by telephone. These semi-annual notices will normally be posted in conjunction with confirmed

retirements scheduled for July 1 or January 1 of each year. However, if an increase or decrease in production is scheduled, these notices may be moved up to four (4) weeks or by mutual agreement between the parties.

- 104 All postings will be signed off by representatives of the Company and Union prior to being posted.
- 105 Employees wishing to submit or withdraw either Pool Change Requests or Department Change Requests may do so at any time prior to, or, during their respective shift within the notification period. Requests to withdraw either Pool change Requests or Department Change Requests will be made in writing on the appropriate forms. It is the responsibility of the employee to retain a copy of the form and deliver two (2) copies to the designated people. Department Change withdrawal requests and/or pool change withdrawal requests go to the Human Resources department. The second copy goes to the employee's union representative.
- 106 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. Shift bump requests will also be frozen while the contractual seniority provisions (i.e. determination of manpower moves) are being processed.
- 107 (b) (i) An employee who wishes to change pools within the department shall fill out a "Pool 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 who will retain one copy. The employee will submit the top copy to Human Resources and retain one copy.
- 108 During the semi-annual posting period for openings of pay grade F or lower, after acceptance of an initial Pool Change

Request, only two (2) subsequent Pool Change Requests will be honoured prior to going outside of the department, providing departmental employees who have been displaced have first been placed onto available vacancies. The second subsequent "Pool Change Request" will be honoured for all jobs except:

- 003 – General Cleaning and Painting
- 125 – Assembly
- 107 – Utility

109 (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 "Departmental Change Requests" and "Pool Change Requests" within twelve (12) working days of the day on which the successful applicant is selected. In the event that the twelve (12) working days is exceeded for legitimate reasons, there will be no pay liability.

110 Only two (2) Pool Change Request will be honoured to fill a vacancy created through acceptance of a Department Change Request. The second subsequent "Pool Change Request" will be honoured for all jobs except:

- 003 – General Cleaning and Painting
- 125 – Assembly
- 107 – Utility

At this point, no additional Pool 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.

111 New jobs or replacement openings of pay grade G or higher will be posted as they occur throughout the year. They will remain posted for two (2) work days of each

- operating shift. After acceptance of an initial Pool Change Request, up to two subsequent "Pool Change Requests" and one subsequent Department Change Request will be honoured only if the subsequent PCR and DCR result in openings of pay grade G or higher.
- 112 The Company will maintain a list of the remaining openings (pay grade F or lower) to be posted during the semi-annual posting period.
- 113 The pay grade F or lower openings will be filled temporarily in the following order: 1) Temporary Part-time employees (if the expected opening will be one month or less in duration), 2) recalled employees, 3) New hires.
- 114 (a) (iii) Employees may designate a specific classification, specific current Labour Group Code, or Pool 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 by the employee.
- 115 Labour group codes of all Pool/Department Change Requests will be posted throughout the plant and updated when changes in labour groups occur.
- 116 Applicants who submit more than one (1) Department Change Request or Pool Change Request may designate their preference on such forms.
- 117 In no case will an employee be allowed to have more than five (5) Department Change Requests and (3) Pool Change Requests on file at any one time. All Department Change Requests and Pool Change Requests on file will be purged four weeks after the completion of each semi-annual posting period. An employee will be permitted to change pools up to three times within any calendar year as a result of bidding through Pool Change Requests and/or Department Change Requests.
- 118 (iv) At the point an employee is accepted on either a Department Change Request or Pool Change Request, all outstanding Department Change Request and Pool Change

Requests will be removed from the system. This does not restrict the employee's right to resubmit Pool Change Requests and Department Change Requests.

119 (v) Where a dispute arises as to the ability of the longer service employee to perform the work he/she shall be allowed the following periods of time under normal instructions to prove such capabilities:

120 (ii) Workers in the following classifications: 003, 125 and 107, up to four (4) days (40 working hours)

121 (iii) Workers in all other current classifications – up to eight (8) days (80 working hours).

122 (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 employee is capable of performing.

REDUCTIONS OF AVAILABLE WORK IN A DEPARTMENT

123 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.

124 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:

125 (1) Simultaneous Increase and Decrease (Resulting in no one being transferred out of the department).

126 If the increase and decrease are in the same labour grade and classification:

- 127 (a) The employee in the classification and labour grade whose job has been discontinued shall be placed in the available work within his/her own Labour Group and will have the choice of available jobs by seniority at the point of entry and no Pool change request will be required.
- 128 If there is no available work within his/her own labour grade and classification in his/her own labour group, this employee shall be placed in the available work within his/her own labour grade and classification within the department.
- 129 If the increase and decrease are in a different labour grade and classification:
- 130 (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/her own labour group and will have the choice of the available jobs by seniority at the point of entry.
- 131 If there is no work available within his/her own labour group, the employee shall be placed in available work within the department and will have the choice of available pools by seniority at the point of entry, and no Pool change request will be required..
- 132 (2) Reduction of Available Work Resulting in Transfers Out of the Department.
- 133 In the event a new job or replacement opening occurs within the department at the same time as the department is reducing overall, those department employees being reduced will have their choice of available openings within the department. These openings will be considered filled and will not be included in the list of "open" jobs to be posted during the semi-annual posting period. The Company will maintain a list of available openings of pay grade F or lower which will be posted during the semi-annual posting period, using the procedure set out in paragraphs 105 through 110. The reduction procedure is as follows:
- 134 (a) The employee with the least amount of seniority within the pool being reduced shall displace the employee having

the least amount of seniority within the same classification and labour grade, first within his/her own labour group, 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.

- 135 (b) The employee with the least amount of seniority in the department who is transferred out will be transferred to available work in the plant. Employees displaced will have choice of available jobs by seniority providing the employee is capable of performing the work.
- 136 (c) The departmental Supervisor and the departmental Union Representative will review all cases when this section of the contract is exercised within their department.
- 137 Where a dispute arises as to the ability of the longer service employee to perform the work, he/she shall be allowed the following periods of time under normal instructions to prove such capabilities:
- 138 (ii) Workers in the following classifications: 003, 125 and 107, up to four (4) days (40 working hours)
- 139 (iii) Workers in all other current classifications – up to eight (8) days (80 working hours).
- 140 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.

- 144 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.
- 145 (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 and/or 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

- 146 In the event new job or replacement openings occur throughout the plant at the same time as an overall layoff out of the plant, the Company will maintain a list of available openings of pay grade **F** or lower which will be posted during the semi-annual posting period, using the procedure set out in paragraphs 105 through 110.
- 147 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:
- 148 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."
- 149 (ii) Employees being displaced within a department will be given the first opportunity, by seniority and ability to fill vacated jobs within the department at the point of entry. If openings exist within the off-shift clean-up crew, the most junior people displaced would be identified and placed in these vacancies. The Company will allow senior displaced employees preference to off-shift "clean-up crew" vacancies.
- 150 Step 2 - The employee(s) reduced from their department per Section 7.11 (2)(a) and (b) and eligible to be Transferred

to other departments will be transferred in line with their seniority in the following manner:

- 151 If the Company exercises its options 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.
- 152 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.
- 153 Step 3 - At the time of transfer into the department, the employee(s) will be given the choice of available pools. If the employee(s) is unavailable to make his/her selection known, the Departmental Committeeperson or his/her representative will select the opening for the employee(s).
- 154 Step 4 - After completion of the above lay-off procedure and prior to implementation, a review will be conducted with the Plant Chairperson or his/her designee to correct inefficiencies or seniority inequities that might result. Further, and in this regard, the Department Head and departmental Union Representative will review all cases of lay-off in their area.
- 155 Where a dispute arises as to the ability of the longer service employee to perform the work, he/she shall be allowed the following periods of time under normal instructions to prove such capabilities:
- 156 (ii) Workers in the following classifications: 003, 125 and 107, up to four **(4)** days (40 working hours)
- 157 (iii) Workers in all other current classifications – up to eight **(8)** days (80 working hours).

7.15 EXCEPTIONS TO SENIORITY

158 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 by the Union. The fact that an employee has been **so** designated shall not affect his/her regular seniority standing and he/she shall resume the same as soon as the special reasons in his/her case cease to exist. (Reference Letter No. 92 for other Exceptions To Seniority).

159 7.16 (a) Seniority shall not apply in the cases 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 Management's 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/she may replace because of the circumstances then existing. This exception however, shall not apply unless the temporary layoff exceeds a half shift.

160 If at the time an employee is to be temporarily laid off, there is available work in his/her department, and such an employee makes his/her intentions known to his/her Supervisor or department head, prior to being laid off that he/she wants to be considered for the work available, he/she will be retained on the same, provided there is no question as to his/her ability to perform the work required, and he/she is the most senior employee requesting such work.

161 (b) When it is necessary to send an employee home due to a temporary condition of no work on his/her 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 four **(4)** 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/her 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**

- 162 (i) Layoffs for excess inventory, plant rearrangements, stock shortages, equipment breakdown, model change-over, or other conditions which are expected to be four **(4)** 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 with 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 the Management,
- 163 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.
- 164 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.
- 165 (ii) When it is necessary to process a temporary layoff the Plant Chairperson 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.

- 166 (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 a loan reassignment.
- 167 (iv) Management has the right to retain more senior employees in classifications where they alone are qualified to perform the work without break-in.
- 168 (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.
- 169 (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.
- 170 (vii) Upon return to work, an employee will return to the specific department, shift, classification and pool 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.

- 171 (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 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.
- 172 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.
- 173 (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.
- 174 (x) These provisions will supercede 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.
- 175 (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.

- 176 However, no changes shall be made in the implementation procedure until approved by Labour Relations, World Headquarters, and the C.A.W. National Union.
- 177 (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

- 178 (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.
- 179 Step 1 - New jobs or replacement openings of pay grade F or lower will be filled during the semi-annual posting period, using the procedure set out in paragraphs 105 through 110.
- 180 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).
- 181 (b) Employees recalled from lay-off will be returned by seniority:
(i) to the department in which they were laid off, if available
(ii) to the original pool, if available
- 182 Employees with no medical restrictions who are returned from lay off at the same time as a manpower posting for new jobs or replacement openings will be temporarily assigned to a department and will have no seniority rights to that department. To bid to any of the posted openings, recalled employees must complete a Department Change Request and may then be selected to fill an opening by DCR in line with their seniority.

- 183 Third shift Plant Services (clean-up crew) vacancies will be filled with the most junior recalled employee(s) prior to the application of Section 7.17 (b)(i).
- 184 The employee may notify the Employment Office of his/her option upon recall to be called to a department other than the department from which he/she was laid off from (limited to department(s) from which he/she was forced reduced). The employee must exercise this option no less than eight (8) working days prior to recall or at the time of layoff.
- 185 (c) After completion of the above recall and restoration procedures prior to implementation, a review will be conducted with the Plant Chairperson or his/her 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.
- 186 (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 afore-mentioned will not supercede the provisions of Section 7.04 (e) and 7.12.
- 187 7.18 In the event that work is moved from one pool to another pool(s) resulting in a reduction of employees in the former pool, and an increase in the receiving pool(s), the pool members will get the option by seniority of transferring with the work. The employee must exercise this prerogative at the time such work is moved, or exercise contractual rights in the present department as per the provisions of Section 7.11.
- 188 7.19 Employees entering into a new pool through the application of the seniority provisions of **Letter 14**, Articles 7.10, 7.11, 7.14 or 7.17 may exercise shift preference according to their seniority, provided they submit the proper selection form to their Superintendent. Employees subsequently affected may also exercise their shift preference according to their seniority at the same time, following the same method. Where multiple starting times

exist within a pool, employees will be offered their choice of starting times in order of seniority. The forty-five (45) and thirty (30) day restrictions outlined in Article 8.01 will not apply to either, the originator nor the affected employee in these cases.

- 189 7.20 An employee affected by a reduction of force may elect to take lay off status if offered work not in line with his/her work experience and wage classification, but if he/she so elects he/she may be later recalled to fill a vacancy in an occupation in line with his/her seniority and qualifications. If he/she does not respond and accept such work when offered he/she will be terminated as a quit employee as provided in Section 7.04(e).

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

- 190 8.01 The regular weekly working schedule shall be Monday to Thursday inclusive. The weekly pay period upon which earnings will be calculated is from Sunday to Saturday.
- 191 The regular work week shall consist of four (4) consecutive of ten (10) hours, with three (3) consecutive days off, except employees on continuous shift operations during shift changes.

<u>MAIN ASSEMBLY LINE ONE SHIFT</u>	<u>MAIN ASSEMBLY LINE TWO SHIFT</u>
One Shift Operation:	One Shift Operation:
Monday to Thursday: 6:00 a.m. to 12:00p.m. 12:30 p.m. to 4:30 p.m.	Same
Two Shift Operation:	Two Shift Operation:
<u>Day Shift:</u> Monday to Thursday: 6:00 a.m. to 12:00p.m. 12:30 p.m. to 4:30 p.m.	<u>Day Shift:</u> Monday to Thursday: 6:00 a.m. to 12:00p.m. 12:30 p.m. to 4:30 p.m.,
<u>Afternoon Shift:</u> Monday to Thursday: 6:30 p.m. to 11:30 p.m. 12:00 a.m. to 5:00 a.m.	<u>Afternoon Shift:</u> Monday to Thursday: 6:30 p.m. to 11:30 p.m. 12:00 a.m. to 5:00 a.m.

192 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. 19 in letters booklet.

193 However, the Company shall have the right to establish regular five-day shifts of Plant Services employees outside the regular hours.

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

195 Senior employees shall have a choice of shifts within their own classification and department when a multiple shift is in effect. Employees must remain on the shift selected for a minimum of forty-five calendar days, except for Skilled Trades employees who must remain on the shift selected for thirty calendar days. All requests must be dated on the proper selection form provided by the Company, and delivered by the employee to his/her department Area Manager (or designee) for signature. The Area Manager (or designee) will keep a copy of the signed form, and the employee will then deliver a signed copy to his/her union representative and retain a copy. Any such request must be made by the end of the employee's Wednesday shift. Such request shall become effective the following Monday. It is the responsibility of the employee to retain a copy of the form. 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.

- 196 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 Incometax.
- 197 8.02 Time and one-half will be paid to all hourly paid and piece work employees for all hours worked in excess of ten (10) hours in any one (1) day or in excess of forty (40) straight time hours in any one week. For the purpose of computing time worked in excess of ten (10) 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. When the third shift is scheduled to work overtime on a holiday and first or second shift employees work overtime with them as part of their group, either as normal or supplemental operators, these first and second shift employees will receive the same holiday overtime premium rate as the third shift employees receive for all hours worked as part of the third shift group. The twenty-four (24) period referred to in the above paragraph begins for these first and second shift employees when they start the subject shift. This paragraph applies only when two shifts are scheduled to work the holiday.
- 198 An employee who has left the plant premises and returns to work at the request of the Company at a time when he/she is not scheduled to work will be paid as follows:
- 199 (i) An hourly-paid employee will receive his/her 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/she may go home after its completion and will be paid straight time for the difference

between the time required to complete the work and four (4) hours.

- 200 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/she 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/her regular working hours pursuant to Sections 3.03 and 3.04 provided that the terms and condition of those sections have been complied with. No more than five (5) Union representatives will be eligible under the terms of Section 3.03.
- 201 8.03 Time and one-half will be paid for all work performed on Friday and 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/her 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 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, 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.
- 202 8.04 Triple time will be paid to all employees who are entitled to designate 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.

- 203 An employee who works four (4) hours overtime on a Sunday or Statutory Holiday will be paid the same rate of pay for overtime hours worked before his/her normal shift on the immediately following day.
- 204 The Cost-of-Living Allowance shall be taken into account in computing overtime rates where applicable under the provisions of Article 8.
- 205 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/her assignment, will report to the supervisor in charge. If the supervisor has no other emergency work the employee will proceed to punch out.
- 206 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/her current rate, unless he/she has been previously notified not to report for duty. When there is no work on his/her 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 Friday, 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.
- 207 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.

- 208 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.
- 209 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.
- 210 8.07 Definitions: Low Hour Operator. The employee with the fewest number of overtime hours to his/her credit or greater seniority if overtime hours are equal, as of the end of the third shift on Sunday (or Monday when Monday is a holiday) of the preceding payroll week.
Credited Overtime Hours: Equal to those overtime hours worked, asked, and/or contractually assigned. Overtime hours will be recorded as number of hours of pay, for (example 2 hours worked at time and one half-premium equal 3 hours recorded).
Normal Operator: An operator who normally is a member of the pool and is capable of performing all the work in the pool.
Replacement Pool Operator: An operator who replaces a normal operator in a Pool.
Added to the Pool: An operator who is added to assist the pool members or for increased labour.
"Sign Up" List: A written list where employees register their intention to work as either normal operator or supplemental premium overtime.
- 211 Daily Overtime will be offered in the following order to employees in the pool assigned to the shift on which overtime is being offered:
Step 1: A low hour normal operator in the pool (including, if applicable, weekend shift employees). Employees who have been added to a pool for the entire shift to replace employees in the classroom training or on special projects will be offered daily overtime prior to employees in the training or the project.

- Step 2: Low hour replacement operator(s) added to the pool to replace an absent employee during the shift.
- Step 3: Low hour employees added to a pool during the shift.
- Step 4: Employees in training or on special projects.
- Step 5: Low hour Supplemental Overtime Operator(s).
- Step 6: TPT replacement operator added to the pool to replace an absent employee during the shift.

212 Weekend Shift Overtime on Monday to Thursday:

If a weekend shift is in effect, employees from this shift will have equal opportunities for the Monday through Thursday overtime provided they are a normal operator for the overtime assignment. The minimum four (4) hour call-in pay provisions of Article 8.05 and 8.06 will not apply.

213 Premium day overtime (Friday, Saturday & Sunday and designated holidays) shall be used to equalize both daily overtime and premium overtime among the operators who normally perform the work in the pool in which the overtime is to be worked.

214 Premium overtime will be offered to employees in the following order:

Step 1: Low hour normal pool operator(s).

Step 2: Low hour replacement operator(s) in the pool who worked the entire shift directly preceding the premium overtime.

Step 3: Low hour employee(s) added to a pool that worked the entire shift directly preceding the premium overtime.

Step 4: Low hour supplemental Overtime Operator(s). Where premium overtime extends into the next work week, (i.e. the Christmas Shutdown period), steps 2 and 3 of this paragraph will not apply.

Step 5: TPT replacement operator added to a pool for the entire shift directly preceding the premium overtime.

Step 6: TPT replacement operator scheduled specifically for such premium overtime shift.

- 215 For individual employees eligibility for overtime is affected as follows:
1. Normal Operator: If either Daily or Premium overtime is refused there is no further entitlement to any other overtime opportunity for this period.
 2. Departmental Supplemental: If an employee fails to sign up for Premium Supplemental overtime or refuses supplemental overtime when offered there is no further entitlement to any other overtime for this period.
- 216 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 that are equalized within one (1) hour.
- 217 When more than twelve (12) continuous hours of premium overtime are being worked in any one day, the Company will have the option of working either two (2), or three (3) shifts of hours that are equalized within one hour.
- 218 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.
- 219 When two shifts of premium overtime are being worked in an area that normally works three shifts, the overtime will be shared between the employees of the shift being worked and the employees from the shift not being worked. However, the employees who normally work on the shift that the overtime is to be worked must work the overtime on their regular shift. Lowest hour employees from the shift not being worked are entitled to the overtime and may choose either of the shifts by seniority.

The overtime will be offered in the following order:

Step 1: Low hour normal pool operator(s).

Step 2: Low hour replacement operator(s) in the pool who worked the entire shift directly preceding the premium overtime.

Step 3: Low hour employee(s) added to a pool that worked the entire shift directly preceding the premium overtime.

Step 4: Low hour supplemental Overtime Operator(s) from the shift being worked.

Step 5: Low hour Supplemental Overtime Operator(s) from the shift not being worked.

Step 6: TPT replacement operator added to a pool for the entire shift directly preceding the premium overtime.

Step 7: TPT replacement operator scheduled specifically for such premium overtime shift.

220 When working three shifts of premium overtime the overtime will be offered in the following order:

Step 1: Low hour normal pool operator(s).

Step 2: Low hour replacement operator(s) in the pool who worked the entire shift directly preceding the premium overtime.

Step 3: Low hour employee(s) added to a pool that worked the entire shift directly preceding the premium overtime.

Step 4: Low hour supplemental Overtime Operator(s) from the shift being worked.

Step 5: TPT replacement operator added to a pool for the entire shift directly preceding the premium overtime.

Step 6: TPT replacement operator scheduled specifically for such premium overtime shift.

221 Union Representation During Overtime Hours:

Daily Overtime: When there are five (5) or more employees working daily overtime in a department or area of representation, their Steward (or Acting Steward) or Alternate Steward (or Acting Alternate Steward should he/she decline) will be asked only if there is no other Union Representation present who is already representing the same department or area from another shift will be asked.

222 Premium Overtime: Where there are fifteen (15) or more employees working within a Zone; the Zone Committeeperson or (Acting Zone Committeeperson) shall be asked. Should the Zone Committeeperson refuse then the area Steward (or Acting Steward) will be asked. When more than one shift premium overtime is being worked the

appropriate Committeeperson from the shift being worked will be asked. Should the Shift Committeeperson refuse then an appropriate Zone Steward will be asked.

- 223 Committeepersons who are absent for an entire week will *not* be eligible for the premium overtime immediately following the absence unless:
- A. They are on a full week of prescheduled P.A.A., vacation or,
 - B. They are on Company business and have provided Department Supervision with a phone number where they can be reached.
- 224 Employees (including Union representation) who have refused the previous three (3) normal operator overtime opportunities prior to an overtime violation will not be paid a liability. The Company is still obligated to offer future normal operator overtime opportunities to which the same employee is eligible.
- 225 SUPPLEMENTAL OVERTIME (applies to other than the normal operator). When supplemental overtime is required, the employee whose name appears on the overtime supplemental list which will be posted in the departments affected and who has the least amount of overtime hours, shall be selected to perform such work.
- 226 Departmental Supplemental List: Those employees within a department who have capability to perform overtime work within a pool(s) in their department or in their home department's support of the Final Quality Centre will be given an opportunity every four (4) months to register their intentions with their department Area Managers. The rate of pay for employees supporting the Final Quality Centre will be Grade "E". Employees will be provided with a copy of their registration.
- 227 Plant Wide Final Quality Supplemental List: Those plant wide employees who have the capability to perform overtime work in the Final Quality Centre will be given an opportunity each four (4) months to register their intentions with the Final Quality Centre Department Head. Their rate

of pay will be determined by the classification to which they are working the overtime.

- 228 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. The employee will sign off that he/she has been notified.
- 229 An employee, who transfers into Department or returns from an absence between Supplemental overtime sign ups, may apply to the departmental Area Manager to be added to the list. Likewise employees who transfer pools within the Department may apply for supplemental overtime in the pool from which the employee transferred.
- 230 The Company shall be under no obligation to contact an employee who is absent from the plant for the purpose of offering daily Supplemental overtime prior to the following shift.
- 231 Employees able to work premium overtime are required to "sign-up" indicating they are willing to work any required overtime. The "sign-up" sheet will list the pools available for overtime and employees will "sign-up" under the pools they have previously been accepted to. Employees who have been asked but did not sign up will be coded as "unavailable" for the hours in question. Employees who sign up for overtime and wish to remove their name from the overtime list must notify their supervisor by the first half of their previous shift. Employees who fail to provide timely notice that they are unable to work the overtime previously signed up for, will be charged for hours offered at the applicable rate, plus a penalty of one half of hours offered at the same applicable rate. That is overtime to be paid at one and one half pay rate will be charged as one-quarter time and overtime at double time pay rate will be charged as triple time. Example:
1 hour overtime x 1.5 rate = 2.25 total hours charged
1 hour overtime x 2.0 rate = 3.00 total hours charged

Employees who fail to report for overtime previously signed up for will be credited with the overtime hours and will be subject to appropriate progressive discipline.

- 232 No employee has an overtime entitlement if:
1. They are absent for the shift in which the overtime is worked on
 2. They leave prior to the end of the same shift in which the overtime is worked, or
 3. They are not capable of performing all the work in the pool, or
 4. They are not capable of performing all the work required, or
 5. They are on P.A.A. which abuts the daily overtime, or
 6. They are not in their pool work area when the overtime was offered and their Union Steward has been so advised or,
 7. They do not "sign-up" for premium overtime.
- 233 The Company must make a reasonable effort to contact any employee entitled to overtime. Any unsuccessful attempt to reach an employee by telephone must be witnessed by a Union Representative or his/her designate.
- 234 Whenever possible overtime work shall be scheduled during the regular workweek, Monday to Thursday.
- 235 Reference Appendix L, Voluntary Overtime, Memorandum of Understanding.
- 236 Overtime work on Friday, Saturday and/or Sunday shall be performed on a voluntary basis, except where mandatory overtime has been invoked by the Company, per Letter No. 63. 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-nine (49) 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."

- 237 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.
- 238 Determination of Low Hour: Each department shall keep overtime records for each employee in the department. These records shall be posted in a conspicuous place in the Department. There may be three overtime records for each employee. They are as follows: Normal Operator Overtime, Departmental Supplemental Overtime, and Plant Wide Final Quality Supplemental.
- 239 Credited Overtime Hours
All normal operator overtime hours worked, refused, or overtime for which the employee is unavailable (normal operator record). All overtime worked outside the Department (normal operator record). All Department Supplemental overtime worked and/or refused or overtime for which the employee is unavailable (Department Supplemental record). All overtime worked as part of the Plant Wide Final Quality Supplemental Record).
- 240 Employees who are on light duty, or absent (for any reason, such as due to vacation, disability benefits, bereavement, etc.), will be credited (on the appropriate overtime record) for overtime hours, which they were eligible to work on such days.
- 241 All hours related to overtime grievance settlements, will be credited at the time of the grievance settlement if the grievance and settlement occur in the same calendar year. When an Area Manager and Union Committeeperson reach agreement to pay a grievance liability it is expected that the Area Manager will enter the grievance liability settlement into the payroll system by the end of the first pay period. In any case, the settlement will be put into the payroll system by the end of the second full payroll period.
- 242 All credited overtime hours will be reset to zero annually on the first overtime report issued after the scheduled Christmas/New Year holiday shutdown.

- 243** Employees, who transfer to a new Department, change shifts, or transfer within a Department will retain any overtime hours to their credit.
- 244** Newly hired employees and employees returning from laid-off (not a temporary or partial shutdown), for more than thirty days, will be credited with the amount of overtime hours equal to the average of all employees within the classification and labour group they are entering. The Zone Committeeperson and the Departmental Area Manager will first agree that the overtime record is up to date. The Committeeperson will then make the calculation and advise the Area Manager in writing of the averages to be applied to each labour group. The Company will not be held liable in the event of any kind of error relating to this initial crediting of overtime hours.
- 245** Upon written application to the departmental Area Manager an employee who changes pool within a department may apply for supplemental overtime in the pool previously worked.
- 246** Supplemental overtime hours worked or refused will be credited against the employee(s). 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.
- 247** 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.
 - (c) For their own training.
 - (d) For reviewing design related problems. However, even in the application of (a) through (d) above, bargaining unit employees will not be replaced by non-bargaining unit people.

- 248 8.09 Effective with the first full pay period commencing on or after the date of ratification of this Collective Agreement, all hourly paid employees performing work during second or third shift hours will be paid six percent (6%) over and above their hourly rate earnings, but such premium shall not be taken into account in computing overtime remuneration.
- 249 8.10 Each employee who performs no work on one of the holidays listed in Article 8, shall be paid according to those hours listed in Article 8 computed on the basis outlined elsewhere in this section, excluding overtime and including shift bonus provided he/she meets all of the following eligibility rules:
- 250 (i) Employee shall have completed the probation period and acquired seniority under the provisions of Article VII.
- 251 (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.
- 252 (a) Absence for part of the shift on qualifying days may be allowed under the following conditions:
- 253 (1) Employees may be excused for part of the shift on qualifying days because 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.
- 254 (2) Tardiness on qualifying days if not in excess of one hour will be excused if reason for such tardiness is reasonable.
- 255 (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.

- 256 (4) Committeepersons, Local Union Executives and the Plant Chairpersons as per Article 3, Section 3:03.
- 257 (5) Approved leaves of absences as per Letter 118 & Letter 119, re Port Elgin and Paid Education Leave.
- 258 (6) Disciplinary suspensions
- 259 (7) Approved Bereavement Leave as per Article 8, Section 8:11.
- 260 (8) Jury duty or witness in court.
- 261 (9) Approved Leave
- 262 (b) Absence for the entire qualifying shift will be allowed under the following conditions:
- 263 (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/her from working on the first qualifying day.
- 264 (2) Jury duty or witness in court.
- 265 (3) Scheduled vacation
- 266 (4) Emergency conditions considered to be beyond the reasonable control of the employee.
- 267 (5) Layoff on account of no work, providing the employee has worked any part of the work week immediately preceding the holiday.
- 268 (6) Committeepersons, Local Union Executives and the Plant Chairpersons as per Article 3, Section 3:03.
- 269 (7) Approved leaves of absences as per Letter 118 & Letter 119, re Port Elgin and Paid Education Leave.
- 270 (8) Disciplinary suspensions
- 271 (9) Approved Bereavement Leave as per Article 8, Section 8:11.
- 272 (10) Approved Leave

273 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, unless there is reasonable evidence that such was not possible.

274 HOLIDAY SCHEDULE

HOLIDAY	2003	2004	2005	2006	2007	2008
Easter Monday		Apr. 12	Mar. 28	Apr. 17	Apr. 9	Mar. 24
Victoria Day		May 24	May 23	May 22	May 21	May 19
Canada Day-Monday		July 5	July 4	July 3	July 2	June 30
Civic Holiday Monday	Aug. 4	Aug. 2	Aug. 1	Aug. 7	Aug. 6	Aug. 4
Labour Day - Monday	Sept. 1	Sept. 6	Sept. 5	Sept. 4	Sept. 3	Sept. 1
Thanksgiving Monday	Oct. 13	Oct. 11	Oct. 10	Oct. 9	Oct. 8	Oct. 13
Christmas Holiday Period		Dec. 27	Dec. 26	Dec. 25	Dec. 24	Dec. 24
		Dec. 28	Dec. 27	Dec. 26	Dec. 25	Dec. 25
		Dec. 29	Dec. 28	Dec. 27	Dec. 26	Dec. 29
		Dec. 30	Dec. 29	Dec. 28	Dec. 27	Dec. 30
			Jan. 1, 07	Jan. 1, 08	Jan. 1, 08	Jan. 1, 09

- 275 The Statutory Holidays as well as the Christmas Holiday period listed above will be increased from eight-and one-half (8.5) to ten (10) hours upon the implementation of a four-day work week. The Good Friday statutory holiday will be observed on Easter Monday. In the event the normal hours of work revert to a five-day work week, the holiday hours will revert to those as stated in Letter 6 of the 1999 Collective Agreement, amended to reflect the appropriate holiday entitlement.
- 276 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.
- 277 In the case of the Christmas Holiday Period, a seniority employee:
- 278 *Absent without excuse on both the last scheduled working day to and the next scheduled working day after the Christmas Holiday period shall be ineligible for holiday pay for all holidays within the Christmas Holiday Period.
- 279 *Absent without excuse on either the last scheduled working day prior to or the next scheduled working day after a Christmas Holiday Period shall be ineligible for two (2) of the Holidays for which he/she would otherwise be eligible in the Christmas Holiday Period.
- 280 *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.
- 281 *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.

- 282 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.
- 283 No employee shall be eligible for a Short Work Week Benefit under the Supplemental Unemployment Benefit Plan as a result of his/her not having been scheduled to work during the Christmas Shutdown Period.
- 284 Pay for the holidays not worked will be made on the following basis:
- 285 Hourly employees will be paid at their regular rate in effect at the time of the holiday.
- 286 If an employee is absent under item 1 above and is eligible for Group Sickness and Accident benefits for the designated holiday, he/she will be paid any difference between such benefit and pay for such designated day.
- 287 8.11 (a) When death occurs in his/her immediate family, the employee, on request, will be excused, and after making written application therefore, receive payment for the number of normally scheduled days of work as indicated below, provided the employee attends the funeral:

ENTITLEMENT TO:

FOUR DAYS	THREE DAYS	ONE DAY
Spouse Son or daughter Parent Sister or brother	Stepparent Grandparent Stepchild Grandchild Stepparent of a Spouse Grandparent of a Spouse Parent of a Spouse Stepbrother Stepsister	Current Sister or Brother - in-law

	Halfbrother Halfsister Son-in-law Daughter-in-law	
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- 288 In the event that the date of burial does not occur within the normally scheduled days of work immediately following the date of death, an employee will be excused for the appropriate number of normally scheduled days of work, not necessarily consecutive, after the date of death. Under no circumstances will an employee be entitled to more than four days of 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.
- 289 (b) An employee on vacation during the annual Chatham Assembly Plant's' annual Summer Vacation Shutdown(s) will be entitled to bereavement leave as outlined in Letter No27.
- 290 An employee on his/her scheduled vacation leave who experience a bereavement, will be entitled to schedule the appropriate bereavement (time and pay) directly following the scheduled vacation.
- 291 If an employee experiences a bereavement during the scheduled Christmas holiday period, he/she will be entitled to the appropriate bereavement (time and pay) after his/her scheduled return to work.
- 292 If an employee experiences a bereavement prior to the scheduled Christmas holiday period, he/she will be entitled to the missed balance of the appropriate bereavement (time and pay) upon his/her scheduled return to work.
- 293 (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.

- 294 8.12 If an emergency requires an employee to work through the regularly scheduled mid shift luncheon period, he/she shall be paid the applicable rate for that shift and in addition a premium of one-half his/her 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.
- 295 8.13 When an employee is required to work overtime without having been so advised on the previous shift, he/she shall be paid \$5.00 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/she shall be paid the supper allowance and given one-half hour supper break for which he/she shall not be paid. Supper Allowance payments will be included on the employee's pay cheque the following week.
- 296 When the employee has been notified on the previous shift he/she shall be expected to provide his/her own supper.

ARTICLE 9 – SAFETY AND SANITATION

- 297 9.01 The Company agrees to continue to furnish healthful working conditions at all time and to provide adequate modern devices with regard to safety and sanitation. Whatever machinery and equipment the Company furnishes shall meet with all 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. Any recommendations or complaints related to this Article must be reviewed by the Plant Joint Health and Safety Committee before being submitted to the Grievance Procedure. Should the Plant Joint Health and Safety Committee be unable to resolve a complaint under this Article, it may be put in writing and submitted to Labour Relations at the 2nd step of the Grievance procedure. The Company and the Union will

schedule a 2nd Step meeting for these grievances within 30 days of their receipt by the Company at 2nd Step.

298 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:

299 (a) identify situations that may be a source of danger or hazard to employees;

300 (b) make recommendations to the Company and employees for the improvement of the health and safety of employees;

301 (c) recommend the establishment, maintenance and monitoring of programs, measures and procedures respecting the health and safety of employees;

302 (d) obtain information from the Company respecting

303 (i) the identification of potential or existing hazards of materials, processes or equipment, and

304 (ii) health and safety experience and work practices and standards in the same or similar industries.

305 (e) keep minutes of monthly safety meetings and mutually agree upon content by initialing same.

306 (f) review Ministry of Labour reports at monthly meetings

307 (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

- 308 (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/her presence is required to ensure that valid testing procedures are used or to ensure that the test results are valid.
- 309 In addition, a Plant Safety Inspection Committee will be composed of the Plant Safety Coordinator (or his/her 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.
- 310 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 meetings; when necessary, extensions will be granted with mutually agreed completion dates.
- 311 9.03 Safety Problem Resolution Procedure: In the event that an employee believes that a hazardous condition exists in his/her work area, he/she will contact his/her supervisor, if the supervisor fails to satisfactorily resolve the problem, the employee will ask his/her supervisor to call his/her Steward to discuss the problem further.

- 312 If the problem is still unresolved, the Department Head will call the Plant Safety Coordinator, who, in company with the Plant Safety Chairperson or his/her alternate, or Off-shift safety representative or his or her alternate, or third shift Committeeperson (whichever is applicable) will make a decision on the problem.
- 313 9.04 The Company will notify the Plant Safety Chairperson or his/her designated safety alternate of all accidents, which require the filing of a W.S.I.B. Form 7. Copies of the Form 7 will be forwarded to the Plant Safety Chairperson. Any other correspondence from the W.S.I.B. will be made available upon the request of the said Chairperson.
- 314 In the event of a W.S.I.B. appeal, the Supervisor's Accident Investigation Report (for that appeal) will be available to the Plant Safety Chairperson.
- 315 The Plant Safety Chairperson 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/she is unable to perform his/her normal duties.
- 316 The Plant Safety Chairperson will be notified immediately in the event of a fatality or a critical injury (defined in the Ontario Regulation #834, including the **loss** of a finger or toe that results from work related accidents.
- 317 The National Union will be notified promptly in the event of a fatality or a critical injury resulting from work related accidents.
- 318 The Company will advise the Plant Safety Chairperson 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.
- 319 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.

- 320 Gloves and coveralls will be provided, at no cost to the 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/her 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.
- 321 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.
- 322 9.07 The Plant Safety Chairperson will accompany Safety & Occupational Health Representatives from the Government on inspections and tests resulting from specific call-in complaints. The Chairperson will also accompany the Representatives on routine inspection.
- 323 9.08 The Company will disclose, upon request of the Plant Safety Chairperson, 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.
- 324 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 Chairperson based upon specific identified requirements.
- 325 9.09 The Company will provide training for the two (2) union members of the Plant Joint and Safety Committee

and a Second and Third Shift Union Representative in how to use Company equipment for testing of noise, air contaminants, air flow and light levels. This equipment will be kept updated and functional. The Plant Safety Chairperson will be provided with access to this equipment and reference material.

326 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 Chairperson and Off-Shift Safety Chairperson will be afforded the opportunity to pre-screen Company Safety Training Programs and make recommendations concerning such program.

327 9.10 The Company, when conducting tests in the plant, will advise the Plant Safety Chairperson of the results of such test.

328 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.

329 9.1 ■ 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 Chairperson or Off-Shift safety representative or Third Shift Committee-person (whichever representative is applicable) and the Company Safety Co-Ordinator shall make a thorough review of the matter. If the findings of the Plant Safety Chairperson or Off-Shift safety representative or Third Shift Committee-person (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/her supervisor to return to his/her work place and resume his/her 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 inspection to be notified thereof

- 330 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/she will be allowed to function as same, for a length of time equal to the term of office of the Chairperson. The alternate will only function when the Chairperson is absent from the premises or for on-site training conducted by an outside trainer that the Chairperson is involved in. Under these circumstances, no overtime will be utilized to replace the Chairperson's alternate or the alternate's replacement.
- 331 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 Chairperson of the Plant Joint Safety Committee shall also be informed of the corrective action to be taken.
- 332 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.

- 333 9.15 The Plant Safety Chairperson will receive copies of all Human Resources Department Safety Bulletins.
- 334 9.16 The Plant Safety Chairperson will be supplied with an office, telephone, desk and file cabinets.
- 335 9.17 When necessary, the 2nd Shift Committeeperson, Third Shift Committeeperson, and/or Skilled Trades Committeeperson will be allowed to attend monthly safety meeting.
- 336 The responsibility to work in a safe and ergonomically sound manner resides with all International employees. With this in mind, ergonomic issues will be addressed in the following manner: (a) working with the employee involved, the supervisor and the Union Steward of the area will review the issue and attempt to resolve it, (b) if the issue is not resolved, it will be referred to the Company Ergonomics Representative, the CAW Work Standards/Ergonomics Representative, Industrial Engineer, Process Planner and Manager Manufacturing Services or designate for analysis and resolution.
- 337 9.18 Safety Shoes: Employees are eligible for a reimbursement of fifty dollars (\$50.00) for one pair of safety shoes each fiscal year. For employees working in and holding the following classifications; 81-G, 149-H, 61-C, 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; 34-K, 37-K, 39-K 49-K, 52-K, 53-K, 84E-K, and 070-J, one hundred and fifty dollars (150.00), 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 AND SAFETY IMPROVEMENTS

- 338 9.19 (1) The plant washroom will be cleaned and serviced prior to each shift. The plant Chairperson will be supplied a list identifying the department responsible for cleaning the washrooms on each shift.
- 339 (2) Lights in the plant will be cleaned and serviced as required.
- 340 (3) Water fountains will be added to the plant upon the recommendation of the Plant Joint Health and Safety Committee.
- 341 (4) Washroom toilet stall dividers will be painted upon the recommendation of the Plant Joint Health and Safety Committee.

HEAT SICKNESS

- 342 9.20 It is agreed that a person who claims he/she 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.
- 343 He/she shall report to the First Aid Department, and if it is determined that he/she is unable to work, he/she will be given a gate pass to go home.

ARTICLE 10 - VACATIONS

- 344 10.01 (a) An employee who has established the required service indicated in Column 1 by September 30 for the current year and who has at least eight hundred and seventy-seven (877) compensated hours to his/her credit during the vacation work year (June 1st – May 31st) will receive a vacation and vacation pay as shown in Column 2 and 3 of the Schedule shown below, based on such required service. Pay for Paid Absence Allowance (P.A.A.) is deemed to be vacation pay. The Company will annually provide the Chairperson with a list of all employees who have not attained eight hundred and seventy-seven (877) compensated hours on April 30th.

345 A vacation for an employee who does not have eight hundred and seventy-seven (877) compensated hours to his/her 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.

346 (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 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 vacation beyond the days for which he/she is paid will be considered an authorized absence from work. In all cases, however, an employee will be required to take his/her full vacation entitlement up to the amount of the vacation period if one is scheduled under Section 10.09 of this Article and he/she is not scheduled to work during that period.

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>	<i>Column 4</i>
Service as of Sept. 30	Vacation	Full Vacation Pay	% of earnings
1yr but less than 5	2 weeks	80 x hourly rate	4%
5 yr but less than 10	3 weeks	120 x hourly rate	6%
10yrs but less than 20	4 weeks	160 x hourly rate	8%
20 yrs or more	5 weeks	200 x hourly rate	10%

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

347 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 eight hundred and seventy-seven (877) 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.

- 348 10.03 No employee will be penalized in connection with his/her vacation attendance record for any days lost as the result of an injury arising out of or in the course of his/her 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/her 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 pay-roll.
- 349 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).
- 350 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.
- 351 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.
- 352 10.06 When one of the designated holidays referred to in Article 8 falls within an employee's vacation schedule such employee shall be automatically credited with the equivalent hours in the form of P.A.A. as outlined in Article 8, with pay, to be taken (in increments of not less than four (4) hours) and scheduled within that departments P.A.A.

allotment, or the employee may elect to receive holiday pay for such day as though he/she 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 in the earliest possible pay period.

- 353 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 877 compensated hours to his/her 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/her service as detailed in article 10.01. An employee whose service is terminated after May 31 of a current year and prior to having taken his/her vacation and who has at least 877 compensated hours during the vacation work year to his/her credit will be paid full vacation pay based on his/her entitlement under Art. 10.01.
- 354 An employee who is laid off because of no work and has at least 877 compensated hours during the vacation work year to his/her credit will be paid full vacation pay based on his/her entitlement under Section 10.01.
- 355 An employee who terminates service or is laid off because of no work after June 1 of any calendar year and prior to his/her 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/she was employed.
- 356 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/she performs work for the Company.
- 357 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.

- 358 (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.
- 359 10.09 The Company agrees to close the plant at a time suitable to the needs of business during the months of July and/or August to enable employees to take vacations of two weeks during a two (2) week shut-down. 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 week period no later than December 1 of the previous year.
- 360 At the time the notice designating the two week' shutdown period 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/she shall identify the additional week(s), if so entitled, during which he/she desires his/her vacation. He/she shall retain one copy of the form for his/her own record and submit the second copy to his/her Supervisor not later than January 15th. The Supervisor shall arrange the vacation schedule for his/her department giving preference to the desired vacation weeks in accordance with the seniority of the employees affected. In the event the main chassis 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 Supervisor in the department not later than, February 1 and each employee will be notified of his/her additional weeks by the department Supervisor who will initial the employee's vacation form. Such employees scheduled on vacation will be given a minimum of two weeks' notice.
- 361 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 Art. 10.10, or be postponed from one year to another.

- 362 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.
- 363 Employees may move unused vacation week(s) in excess of those required for the annual vacation shutdown into those week(s) containing a plant shutdown.
- 364 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/she desires his/her vacation. Up to fifty (50) percent of the Plant Services cleanup crew (3-E) may opt out of working the annual vacation shutdown. In no case will any employee be forced to work both weeks of vacation shutdown.
- 365 If after having identified his/her vacation time for his/her additional weeks, an employee desires to alter his/her vacation, he/she shall be given the choice of open weeks during which his/her services can be spared. In no such event shall he/she have the right to displace another employee from his/her vacation time.
- 366 An employee who qualifies for a Sickness and Accident benefit while on scheduled vacation (excluding P.A.A. absence) 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.

- 367 An employee who is transferred from one department to another after vacation assignments have been made in the department for which he/she was transferred, will retain his/her vacation time unless it is necessary in view of production requirements to change his/her 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/her preference of unassigned vacation time during which his/her 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.
- 368 10.10 (a) Notwithstanding any other provisions 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 Absence Allowance shall be granted to each eligible employee for the use in the calendar year in accordance with the provisions of paragraph (c) herein, providing he/she notifies the Company in writing on or before the first regular work day following the Christmas Holiday period of his desire to receive Paid Absence Allowance under Paragraph (b) 2. Such selection shall be irrevocable after that date.
- 369 Requests for P.A.A. during the first week in January may be scheduled in the month of November on a first come, first served basis.
- 370 Requests to schedule P.A.A. for the balance of the year may be made in the first regularly scheduled work day after

the Christmas Holiday period. Departmental Area Managers will be given up to 72 (seventy-two) hours after the subject day to process these requests, and advise the applicants of their status.

- 371 Employees who have 20 (twenty) or more years of vacation service, will have the option of converting a second week of vacation into P.A.A., providing they notify the Company of their desire to do so on or before the first regular work day following the Christmas Holiday period. Employees who schedule this option must schedule the 40 (forty) hours of P.A.A. in increments of not less than one full production shift by January 15, (except for skilled trades employees). These employees with twenty (20) or more years of service may cancel their P.A.A. election, or prescheduled P.A.A. by January 15, if they were unable to schedule all of their selections. No other cancellations of P.A.A. booked under this paragraph will be allowed except for the following: a) a legitimate Sickness and Accident, Worker's Compensation or Bereavement Leave or b) an employee may choose to cancel P.A.A. prescheduled for a Friday or Monday that abuts to a scheduled mandatory Saturday overtime shift, in the event that the Saturday mandatory overtime shift is scheduled after the employee has scheduled his/her P.A.A.
- 372 P.A.A. not scheduled on the first day after the Christmas holiday period may be scheduled on a first come, first served basis.
- 373 An employee who returns from disability or layoff after December 15 will be given one (1) week from his/her return-to-work date to notify the Company in writing of his/her desire to receive Paid Absence Allowance. Such selection shall be irrevocable after that date.
- 374 Employees eligible for vacation are also entitled to the following hours of P.A.A.:
- 4 hours for employees with two (2) to three (3) years of service
 - 12 hours for employees with three (3) or more years of service

- 375 (b) An employee shall use a Paid Absence Allowance selected in accordance with the provision of paragraph (a) above as:
- 376 (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/her immediate supervisor, provided, however, that the employee's request will be denied only for the reason that his/her absence would interfere with production requirements.
- 377 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 Allowance 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. Upon an employee canceling scheduled P.A.A., Department management will notify the next eligible employee on the scheduled P.A.A. waiting list of the cancellation.
- 378 P.A.A. will be paid for hours missed on Thursdays only when the absence has been preauthorized by management. 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).
- 379 (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.

- 380 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/her straight time hourly rate of his/her regular job in effect immediately prior to the day of absence, except however, an employee (temporarily assigned to work covered by a higher rated classification on the day before an excused absence will receive pay determined by averaging all his/her earnings for the week in which the absence occurs excluding overtime and premium pay for work on a holiday, Saturday and Sunday. If he/she performed no work during such week, the last week worked prior to the week in which the absence occurred will be used.
- 381 A Paid Absence Allowance for an employee who does not have 877 compensated hours to his/her 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/her for Paid Absence Allowance.
- 382 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, W.S.I.B., or Bereavement benefit, an employee who is on P.A.A. may cancel their P.A.A. for the period of the benefit entitlement.
- 383 An employee, who has been laid off, or has terminated employment, may request payment of unused PAA, such request may be made at any time during the calendar year. Once an employee elects this option there will be no further time off at a later date in that calendar year.
- 384 An employee with less than three (3) years of service as per 10.01 (a) shall be eligible to apply for Supplemental Unemployment Benefits for the third week of a vacation shutdown.

385 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.

386 An employee may schedule an unused full week of P.A.A. into a week during which the plant is shutdown.

ARTICLE 11 - APPRENTICES

387 11.01 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, or his alternate, providing they make themselves available.

ARTICLE 12 - JURY SERVICE

388 12.01 An employee shall be excused from work on a work day on which he/she performs jury service (including coroner's juries) or is subpoenaed and reports for witness service in a court of record, or who reports for pre-jury duty examination by the Court or administrative government agency, provided he/she gives prior notice to his/her Supervisor. Such witness service shall include that performed on his/her own behalf, but shall exclude that resulting from service with another employer.

389 An employee shall be permitted to work part time outside is regular jury or witness service if the nature of his/her work is such as will permit this practice.

390 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:

391 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/her regular wages for his/her regular shift.

- 392 An employee who performs jury or witness service and works on the same work day will be paid the difference, if any, between his/her actual earnings for the day plus the jury pay or witness fees (excluding itemized meal and travel allowances and his/her regular wages for his/her regular shift.
- 393 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/her regular wages for such time lost on his/her regular shift, provided he/she returns to his/her job promptly if he/she would be able to perform at least two (2) hours of work on his/her regular shift. The requirement to return to his/her 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/she loses time from work.
- 394 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 addition, night shift bonus will be paid, if applicable.

ARTICLE 13 – BULLETINBOARDS

- 395 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 communicating 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/her for that purpose.

ARTICLE 14 – LEAVES OF ABSENCE

- 396 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.
- 397 14.02 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.
- 398 14.03 Upon written request of an employee who is or seeks to be a candidate for election to any government office or Aboriginal Council the Company will grant him/her a leave or leaves of absence not in excess of thirty (30) days in the period prior to the election date for government office for the purpose of campaigning on his/her behalf.
- 399 14.04 For the purposes of enabling employees to participate in the affairs of government or Aboriginal Council, the Company shall grant, upon written notice from the employee, leaves of absence to employees who are elected to municipal, provincial and federal government positions for the first term or who are appointed to full-time government 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.

- 400 14.05 **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/her 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.
- 401 14.06 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.
- 402 14.07 Employees shall retain the accumulated seniority as though employed by the Company during leaves of absence.

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

- 403 15.01 The occupation described as of the date of signing of the 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 of issuance.

Labour Grade	Hourly Rate
A	\$22.90
B	\$23.80
C	\$23.93
D	\$24.00
E	\$24.17
F	\$24.28
G	\$25.34
H	\$25.77
J	\$26.18
K	\$28.87

3. Assigned hours shall include hours for which an employee is absent due to Company or union business.
 4. One month equals 173.2 credited hours (40 hours times 4.33 weeks). Eighteen months will equal 3118 credited hours. Thirty-six months will equal 6235 credited hours.
 5. Credited hours shall be calculated on a weekly basis.
 6. Each wage rate progression increase shall become effective at the beginning of the first pay period following completion of the required number of days of employment.
 7. Wage rate progression shall not apply to Skilled Trades classifications.
- 408 A new employee hired on or after the effective date of this agreement shall be hired at a rate equal to seventy-five percent (75%) of the full base rate and COLA of the job classification.
- 409 (2) At the completion of 3118 credited hours of accrued employment, such employee shall receive an increase to eighty-two percent (82%) of the full base rate and COLA of the job classification.
- 410 (3) At the completion of 6235 credited hours of accrued employment, such employee shall be paid ninety percent (90%) of the full base rate and COLA of the classification.
- 411 (b) Credit will not be given for any period during which for any reason, the employee does not work except as stated in 15.03(a).
- 412 (c) (1) The first 210 employees recalled after the effective date of **the 2004** agreement shall be recalled at the full base rate of the job classification
- 413 (2) All employees recalled thereafter shall be recalled at a rate equal to seventy-five percent (75%) of the full base rate and Cost of Living Allowance (COLA) of the job classification.
- 414 3) At the completion of 3118 credited hours after the date of recall, such employee shall receive an increase to

eighty-seventy and and one-half percent (87.5%) of the full base rate and COLA of the job classification.

- 415 (4) At the completion of 6235 credited hours after the date of recall, such employee shall be paid the full base rate and COLA of the classification.
- 416 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).
- 417 Effective with the adjustment for the three-month period beginning June 1, 2003, and for the next ten (10) 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.
- 418 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 April, 2002, 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 April, 2002.
- 419 (c) Adjustments during the period of this Agreement shall be made at the following times:

Effective Date of	Based upon Three-Month average of the Combined Consumer Price Indexes for:
First pay period beginning On or after June 1, 2003	February, March, April 2003
Three calendar-month	Three calendar-month

Intervals thereafter to June 1, 2009	Intervals thereafter to February, March, April 2009
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- 420 (d)(i) Effective for the June 1, 2003, 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 (1) cent adjustment for .073 change in the Average Index.
- 421 (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.
- 422 (d)(iii) Effective June 1, 2003 the cost-of-living allowance of twenty-six cents (\$.26) will be diverted leaving the current cost-of-living allowance \$2.40.
- 423 (iv) Effective September 1, 2003 and for the next six (6) three month periods specified in 15.04(d), the cost-of-living allowance determined and re-determined as specified in 15.04 (e) will be diverted as per 2003 Collective Agreement.
- 424 (d) (v) Effective June 1, 2005 and for the next seventeen (17) three month periods specified in 15.04(d), the cost-of-living allowance determined and re-determined as specified in 15.04(e) will be reduced by five (\$.05) cents per quarter but will not go below \$2.40.
- 425 (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.
- 426 (ii) No adjustments 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.

- 427 (f) Each 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".
- 428 (g) 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 third publication of the appropriate Consumer Price Indexes for the third month used for each adjustment period in accordance with section 15.04 (c).
- 429 15.05 New Hires reassigned under the provisions of the collective agreement will receive the rate of pay as described in 15.03(a) for the assigned classification.
- 430 15.06 If an employee is assigned temporarily to day work other than his/her own rate or the maximum of the job rate to which he/she is assigned, whichever is higher for the actual time worked on such temporary assignment.
- 431 15.07 Skilled Trades and Special Equipment (S.E.) employees shall make out their labour sheet daily showing in detail each operation he/she has worked on, and shall submit such labour sheet to the designated location at the end of the shift involved.
- 432 15.08 There shall be no change made on the employee's' daily labour sheet without his/her knowledge. Allowances, authorized by the Supervisor 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.

- 433 All line operators will be made responsible for proper line set and spacing of units on their respective lines.
- 434 The Union will be notified of any changes in controlled line speed.
- 435 15.11 Under unique circumstances where MOST or Standard data cannot be used, estimates will be developed until firm standards can be set.
- 436 15.12 When employees are stopped from their regular occupations and are assigned to inventory work, they shall be paid for the time involved at the "E" labour rate.
- 437 15.13 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/her regular hourly rate.
- 438 If an employee working at premium time suffers an injury, and is unable to return to work, he/she will be paid on a premium basis for the remaining scheduled premium hours.
- 439 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.
- 440 15.14 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 of study.
- 441 15.15 In the event that the Scada system should experience technical difficulties, which would restrict it from displaying line speed information, the Industrial Engineering department will monitor the speeds of these moving lines until the Scada system is reactivated. These readings will be logged in the Industrial Engineering department for Union review.

ARTICLE 16
CHECK OFF OF UNION DUES AND INITIATION FEES

- 442 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.
- 443 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.
- 444 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.
- 445** 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 to be deducted in accordance with the provisions of this Article.
- 446 16.04** The Company will, at the time of making each such payment to the Financial Secretary of the Union name the employee from whose pay such payment has been deducted.

447 16.05 If during the pay 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 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 shall be made, and the extra deduction shall be made during the first subsequent month in which the employee has preformed the amount of work required above.

SCHEDULE "A"
NAVISTAR INTERNATIONAL CORPORATION CANADA
CHATHAM PLANT
AUTHORIZATION OF CHECK-OFF DUES

Date _____

To: Navistar International Corp. Canada

448 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 sums 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.

449 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 each applicable collective agreement between the Company and the Union, whichever occurs sooner.

450 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 of Print Name of (Employee Clock No.)
employee)

(Address of Employee) (Date of Signature)

(City, Prov, Postal Code)

INSURANCE PLANS TABLE OF BENEFITS

Effective October 25, 1996, the amount of insurance for employee shall be as follows,

Base Hourly Earnings	(1) Weekly Disability Benefits	Group Term Life Insurance Before 65	AUXJ Before Age 65	(2) Total & Permanent Disability	Monthly LTD Benefits Schedule 1	Monthly LTD Benefits Schedule 2
Less than \$16.40	\$390	\$37500	\$18750	\$750	\$1405	\$1545
\$16.40 but less than \$16.75	\$395	\$38000	\$19000	\$760	\$1435	\$1580
\$16.75 but less than \$17.10	\$405	\$39000	\$19500	\$780	\$1470	\$1610
\$17.10 but less than \$17.45	\$415	\$39500	\$19750	\$790	\$1500	\$1645
\$17.45 but less than \$17.80	\$420	\$40500	\$20250	\$810	\$1530	\$1680
\$17.80 but less than \$18.15	\$430	\$41500	\$20750	\$830	\$1560	\$1710
\$18.15 but less than \$18.50	\$440	\$42000	\$21000	\$840	\$1590	\$1745
\$18.50 but less than \$18.85	\$450	\$43000	\$21500	\$860	\$1620	\$1780
\$18.85 but less than \$19.20	\$455	\$43500	\$21750	\$870	\$1650	\$1810
\$19.20 but less than \$19.55	\$465	\$44500	\$22250	\$890	\$1680	\$1845
\$19.55 but less than \$19.90	\$475	\$45500	\$22750	\$910	\$1710	\$1880
\$19.90 but less than \$20.25	\$480	\$46000	\$23000	\$920	\$1740	\$1915
\$20.25 but less than \$20.60	\$490	\$46500	\$23250	\$930	\$1770	\$1945
\$20.60 but less than \$20.95	\$500	\$47500	\$23750	\$950	\$1800	\$1980
\$20.95 but less than \$21.30	\$505	\$48500	\$24250	\$970	\$1830	\$2015

\$21.30 but less than \$21.65	\$515	\$49000	\$24500	\$980	\$1860	\$2045
\$21.65 but less than \$22.00	\$525	\$50000	\$25000	\$1000	\$1890	\$2080
\$22.00 but less than \$22.35	\$530	\$50500	\$25250	\$1010	\$1920	\$2115
\$22.35 but less than \$22.70	\$540	\$51500	\$25750	\$1030	\$1950	\$2145
\$22.70 but less than \$23.05	\$550	\$52500	\$26250	\$1050	\$1985	\$2180
\$23.05 but less than \$23.40	\$555	\$53000	\$26500	\$1060	\$2015	\$2215
\$23.40 but less than \$23.75	\$565	\$54000	\$27000	\$1080	\$2045	\$2245
\$23.75 but less than \$24.10	\$575	\$54500	\$27250	\$1090	\$2075	\$2280
\$24.10 but less than \$24.45	\$585	\$55500	\$27750	\$1100	\$2105	\$2315
\$24.45 but less than \$24.80	\$590	\$56500	\$28250	\$1130	\$2135	\$2350
\$24.80 but less than \$25.15	\$600	\$57000	\$28500	\$1140	\$2165	\$2380
\$25.15 but less than \$25.50	\$610	\$58000	\$29000	\$1160	\$2195	\$2415
\$25.50 but less than \$25.85	\$615	\$58500	\$29250	\$1170	\$2225	\$2450
\$25.85 but less than \$26.20	\$625	\$59500	\$29750	\$1190	\$2255	\$2480
\$26.20 but less than \$26.55	\$635	\$60500	\$30250	\$1210	\$2285	\$2515
\$26.55 but less than \$26.90	\$640	\$61000	\$30500	\$1220	\$2315	\$2550
\$26.90 but less than \$27.25	\$650	\$62000	\$31000	\$1240	\$2345	\$2580
\$27.25 but less than \$27.60	\$660	\$62500	\$31250	\$1250	\$2375	\$2615
\$27.60 but less than \$27.95	\$665	\$63500	\$31750	\$1270	\$2405	\$2650
\$27.95 but less than \$28.30	\$675	\$64500	\$32250	\$1290	\$2440	\$2680
\$28.30 but less than \$28.65	\$685	\$65000	\$32500	\$1300	\$2470	\$2715
\$28.65 but less than \$29.00	\$690	\$66000	\$33000	\$1320	\$2500	\$2750
\$29.00 but less than \$29.35	\$700	\$67000	\$33500	\$1340	\$2530	\$2780
\$29.35 but less than \$29.70	\$710	\$67500	\$33750	\$1350	\$2560	\$2815

\$29.70 but less than \$30.05	\$715	\$68500	\$34250	\$1370	\$2590	\$2850
\$30.05 but less than \$30.40	\$725	\$69000	\$34500	\$1380	\$2620	\$2880
\$30.40 but less than \$30.75	\$735	\$70000	\$35000	\$1400	\$2650	\$2915
\$30.75 but less than \$31.10	\$745	\$71000	\$35500	\$1420	\$2680	\$2950
\$31.10 but less than \$31.45	\$750	\$71500	\$35750	\$1430	\$2710	\$2980
\$31.45 but less than \$31.80	\$760	\$72500	\$36250	\$1450	\$2740	\$3015
\$31.80 but less than \$32.15	\$770	\$73500	\$36750	\$1470	\$2770	\$3050
\$32.15 but less than \$32.50	\$775	\$74000	\$37000	\$1480	\$2800	\$3080
\$32.50 but less than \$32.85	\$785	\$75000	\$37500	\$1500	\$2830	\$3115
\$32.85 but less than \$33.20	\$795	\$76000	\$38000	\$1520	\$2860	\$3150
\$33.20 and over	\$800	\$76500	\$38250	\$1530	\$2890	\$3180

451 (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/she been eligible for an Unemployment Insurance Disability benefit on the date he/she first became disabled.

452 (2) Employees may elect payment of life insurance in monthly installments as provided in Article VII (a) of Part II.

453 (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.

454 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 a reasonable justification for such meeting.

ARTICLE 18 – SKILLED TRADES

455 18.01 The purpose of this Skilled Trades Article shall be for defining classifications and apprenticeship and to include all commonly recognized apprenticeable trades.

456 18.02 The term journeyman/journeywoman as used in this article shall mean any person who:

457 1. Is presently working within the journeyman/journeywoman classification in the plant in a skilled trades occupation, or

458 2. Has served a bona fide apprenticeship and has a certificate to substantiate his/her claim of such apprentice service, or

459 3. Has had eight **(8)** years of practical experience in a skilled trades classification in which he/she claims journeyman /journeywoman designation and can prove same, or has a recognized CAW journeyman /journeywoman's card.

460 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.

461

Code No.	Occupational Title
34	Dynamometer & Road Test
37	Machinist-- Development
39	Lift Truck Mechanic
49	Industrial Mechanic (Millwright)
52	Tool & Die
53	Plumber
84E	Electrician

46218.04 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 pool posting procedures from 7.10 will apply using the following procedure.

4631. A departmental pool posting will first be posted in the Skilled Trades department where the vacancy exists and only the employees on the Skilled Trades seniority list for that department will be eligible to apply for that particular pool posting.

4642. If there are 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.

4653. 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.

- 466 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.
- 467 In the event of a reduction of available work in the 52-K Tool & Die Classification the most senior employee whose job has been discontinued may displace the most junior employee in the 37-K Machinist Development, provided the employee has the seniority to do so.
- 468 All other trades classifications will not be eligible to displace junior employees in other classifications regardless of their qualifications under Art. 18.02.
- 469 In the event a former 52-K Tool & Die employee is subsequently being reduced from a job he/she had previously obtained through the provisions of this section, he/she shall have the right to return to the 52-K Tool & Die classification if his/her seniority warrants.
- 470 Non-Skilled Trades employees will carry service but not seniority at lay-off or transfer, into the Skilled Trades classification as listed in Section 18.03. Non-Skilled Trades employees are accepted into the Skilled Trades areas and within sixty (60) days are unsuccessful, will be returned to available work in line with the seniority he/she had prior to entering into the Skilled Trades
- 471 Skilled Trades employees will carry service, but not seniority, at lay-off or transfer into Non-Skilled Trades classifications, except those who transfer due to medical restrictions. Should a Skilled Trades Classification be discontinued, the affected employee(s) will carry service and seniority upon transfer, and will then exercise seniority as outlined in Article 7.

- 472 Should a skilled Trades employee become medically unfit and unable to follow his/her trade, he/she will be assigned to other suitable employment as outlined in Article 7, Section 7.10.
- 473 18.06 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 Committeepersons mentioned in Article 3.
- 474 18.07 Tools – The Company will assume the responsibility for the replacement of tools and tool boxes belonging to skilled tradesmen 70J 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 Six Thousand Dollars (\$6000) for each such employee.
- 475 18.08 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.
- 476 18.09 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/her regular department upon correction of the condition.
- 477 18.10 All Maintenance Department Skilled Trades will work during the Company designated vacation shutdown period.

Vacation granted to these employees on these weeks will be subject to the same maximums as other weeks outside of the vacation shutdown(s).

47818.12 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/her department, (prior if possible, to 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 exist. Union representative's hours will not be recorded for overtime purposes and if, during the year, he/she leaves office, he/she will carry his/her own accumulated hours into his/her new position.

47918.13 Newly hired employees, and employees recalled where their layoff was in excess of thirty (30) calendar days and was not due to a partial or temporary shutdown, will be credited with an amount of overtime hours equal to the average of all employees within the trades classification. The Skilled Trades Committeeman and the departmental Superintendent will first agree that the overtime records are up to date. The Skilled Trades Committeeman will then make the calculations and advise the Superintendent in writing of the averages to be applied to each trades classification. The Company will not be held liable in the event of any error relating to this initial crediting of overtime hours.

ARTICLE 19 – BENEFIT PLANS

480(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
- (ii) Canadian Legal Services Plan Agreement – Exhibit B
- (iii) Supplemental U.I.C. Benefit Plan – Exhibit C
- (iv) Non-Contributory Retirement Plan – Exhibit D

(v) Retirement Savings Plan For Represented Employees Of International Truck And Engine Corporation Canada (Exhibit A);

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

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

ARTICLE 20 – GENERAL PROVISIONS

48320.01 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 Company-owned machines, tools or equipment maintained by the Company employees.

484 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.

485 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 the 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.

486 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.

487 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.

488 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.

489 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.

490 20.04 In the event of transfer of Chatham operations 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.

491 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.

492 20.06 New hires will be introduced to their respective initial departmental shift Union representative.

**ARTICLE 21
RIGHT TO AMEND AND SUPPLEMENT**

493 21.01 The parties reserve the right to amend and supplement this contract by mutual agreement any time during the duration thereof.

**ARTICLE 22
DURATION OF AGREEMENT**

494 22.01 This Agreement shall remain in full force and effect until **12:01 am June 30, 2009**, 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.

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

FOR THE COMPANY:

T.HENNIGAN
D.BOLAND
B.MORRIS
K.SHERRING
C. DAY
R.MARTENS
R. POOLMAN
S.CURRY
T.ARMSTRONG
J.GILLIS
M.JARRICK

FOR THE UNION:

B. CHERNECKI
J.McCABE
D.DENEAU
G.CARON
T. JOHNSTON
R. HOTTOT
B. CARNIE
D. ROBINSON
R.O'MARA

APPENDIX "A" POOL ASSEMBLY
 LOCAL 127 HOURLY RATE RANGES
 FOR EMPLOYEES HIRED ON OR AFTER 9/8/2003
 FOLLOWING RATED ARE IN EFFECT UNTIL
 EXPIRATION 1/31/2007

Labour Grade	Effective	MIN NEW HIRE	STEP 1 RATE	STEP 2 Rate After 18 Months	Max Rate After 36 Months
A	9/8/2003	New Hire	17.18	18.78	20.61
		Active/Recall	17.18	20.04	22.90
B	9/8/2003	New Hire	17.85	19.52	21.42
		Active/Recall	17.85	20.83	23.80
C	9/8/2003	New Hire	17.95	19.62	21.54
		Active/Recall	17.95	20.94	23.93
D	9/8/2003	New Hire	18.00	19.68	21.60
		Active/Recall	18.00	21.00	24.00
E	9/8/2003	New Hire	18.13	19.82	21.75
		Active/Recall	18.13	21.15	24.17
F	9/8/2003	New Hire	18.21	19.91	21.85
		Active/Recall	18.21	21.25	24.28
G	9/8/2003	New Hire	19.01	20.78	22.81
		Active/Recall	19.01	22.17	25.34
H	9/8/2003	New Hire	19.33	21.13	23.19
		Active/Recall	19.33	22.55	25.77
J	9/8/2003	New Hire	19.64	21.47	23.56
		Active/Recall	19.64	22.91	26.18
K	9/8/2003				28.87

APPENDIX J
JOB CLASSIFICATIONS

JOB NO.	JOB TITLE	LABOUR GRADE
003	General Cleaning and Painting	E
125	Paint Mixer	E
061	Paint Blender	F
011	Receiver	E
040	Shunt Driver	E
016	Stock Chaser	E
097	Material Handler Production	E
008	Stock Status Verification	E
125	Assembly	E
97P	Principal Clerk	G
123	Masker Paint	F
107	Utility Person	F
023	SPC & Torque Auditor	G
035	Paint Repair	H
063	Paint Equipment Maintenance	G
149	Spray Painter	H
38E	Electronic / Repair Monitor	G
73B	Quality / Repair Monitor	G
24D	Vendor Quality Assurance Desk	H
SP6	Work Standard/Ergonomic Rep.	J
029	Inspector Layout	J
068	Quality Electronics Diagnostics	J
070	Mechanic All Purposes Production	J
SP4	Near Coordinator	J
SP7	Second Shift Committeeperson	J
spa	Second Shift Safety Representative	J
149T	Spray Paint Trainer	J
035T	Paint Repair Trainer	J
034	Dyno & Road Test	K
037	Machinist Development	K
039	Lift Truck Mechanic	K
049	Industrial Mechanic Millwright	K
052	Tool & Die	K
053	Plumber	K
84E	Electrician	K
SP1	Plant Chairman	K
SP2	Plant Vice Chairman	K
SP3	Plant Safety Chairman	K

*Each pool will consist of only one classification and labour grade.

APPENDIX L
VOLUNTARY OVERTIME
MEMORANDUM OF UNDERSTANDING
INTRODUCTION

- 496 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. 64 RE OVERTIME LIMITS).
- 497 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.
- 498 Compulsory overtime under this memorandum will only be implemented in the case of the normal operator (subject to Letters 4 and 63).
- 499 (1) DAILY OVERTIME- Daily hours in excess of ten (10) hours worked per shift Monday through Thursday shall be voluntary except as otherwise provided in this Memorandum of Understanding (subject to Letter 63). Voluntary overtime worked by an employee will not affect the employee's obligation to work contractual mandatory overtime within the same week.
- 500 (2) WEEKEND OVERTIME – Overtime work on 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 nine (9) 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 are necessary to bring the total hours worked in that work week to forty-nine (49) 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 – Final Quality Centre). Voluntary overtime worked by an employee will not affect the employee's obligation to work contractual mandatory overtime within the same week.

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

502 (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 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/her to discipline. If employees who are scheduled to work overtime fail or refuse 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

503 (5) In deciding which employee shall be offered overtime work, the provisions of the collective Agreement detailing Equitable Distribution of Overtime shall apply.

504 (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.

505 (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 with employees on such operations.