

COLLECTIVE AGREEMENT

between

GSW WATER HEATING COMPANY

and

GSW PUMP COMPANY,

Fergus, Ontario

or their successors and/or

their assigns, hereinafter called

“The Company’

of the First Part

and

THE UNITED STEELWORKERS

OF AMERICA

hereinafter called “The Union”

of the Second Part

INDEX

Article	Subject	Page
1	Purpose	11
2	Recognition	11
3	Relationship.....	12
	Humanity Fund.....	13
4	Reservation of Management Rights.....	14
5	No Discrimination	15
6	No Strikes or Lockouts.....	15
7	Union Representation	15
	Negotiating Committee.....	15
	Grievance Committee	16
	Grievance Stewards	16
	Time Study Stewards.....	16
	Compensation Chairman	16
	Duties of Union Officers	17
	Compensation of Union Officers	17
8	Discharge and Disciplinary Procedure.....	18
9	Grievance Procedure	21
	Step One	21
	Step Two	22
	Step Three	23
10	Arbitration	23
11	Seniority	25
	Automation	26
12	Layoffs	27
	Layoff Affecting Union Officers	27
	Layoff Affecting Apprentices	27
	Emergency Layoff	29
	Severance Allowance	29
13	Recall	31
14	Loss of Seniority	31
15	Job Postings	32

INDEX

Article	Subject	Page
16	Temporary Transfers	35
	Transfers from the Union	36
17	Leaves of Absence	37
	Union Leave of Absence	37
	Educational Leave	37
	Maternity and Parental Leave	38
	Bereavement Clause	38
	Court Duty	39
18	Placement of Physically Restricted Employees	39
19	Subcontracting	40
20	Open End Wage Clause	41
21	Bulletin Boards	41
22	Copies of the Agreement	41
23	Schedules and Appendices	41
24	Duration	42

Schedule

A	Agreement Re: Commitment to Quality	5
B	Agreement Re: Safety and Health	6
C	Job Classifications	45
D	Wage Rates, C.O.L.A., Shift Premiums	48
E	Working Conditions, Holidays	57
F	Incentive Plan	63
G	Vacations, Vacation Bonus	72
H	Zones for Stewards	75

INDEX

Article	Subject	Page
Appendices		
I	Insurance Programs	76
	Group Life Insurance.....	76
	A.D.&D.	76
II	Health Benefits	78
	Weekly Indemnity Insurance.	78
	L.T.D.	78
	O.H.I.P.	79
	Blue Cross Benefit Package..	79
	Drug Plan	79
	Dental Plan	81
	Vision Care Plan	81
	Hearing Aid Plan	81
	Safety Benefit.....	81
III	The Pension Plan of the United Steelworkers of America for Employees of GSW Inc.....	82
IV	Apprenticeship Standards	86
V	Letters of Intent	103
	Be: Incentative System — “Change Over”	
VI	Letter of Agreement	111
VII	Glossary of Terms	112

SCHEDULE A - AGREEMENT

RE: COMMITMENT TO QUALITY

The Union and the Company, being desirous of producing product lines of perfect quality, are committed to the proposition that any enhancement as well as any impediment to this end will be addressed by the parties.

It is agreed that quality assurance meetings involving all levels of responsibility will take place between the parties at regular intervals as well as at the request of either party in the event of an emergency situation which adversely affects the quality of any product.

Each of the parties commits, on an ongoing basis, to making all employees of the Company aware of this commitment and the reasons why. The parties will co-operate to the extent possible, to ensure that every unit produced is of a quality standard which is acceptable the first time, in order to avoid the costly exercise of rework and warranty work. The objective is one of zero scrap on all production lines which facilitates the productivity and profitability of the Company and security of our jobs.

It is understood that this declaration in no way amends or affects the operation of the collective agreement.

SCHEDULE B - AGREEMENT

RE: SAFETY AND HEALTH

1:01 (a) NO COMPANY GOAL IS SO IMPORTANT, NO JOB IS SO CRITICAL, THAT WE CANNOT TAKE THE TIME TO WORK **SAFELY**.

(b) In maintaining a proactive focus, the Joint Health and Safety Committee will provide procedures which shall be posted and which will ensure the resolution of health and safety issues that may be outstanding as a result of inspections, safety meetings, incident/accident reports, or the failure or inability of floor management to correct inappropriate conditions, all in accordance with the Occupational Health and Safety Act.

1:02 The Company and the Union shall:

(a) Co-operate in their continuing objective to eliminate accidents and health hazards,

(b) Undertake all efforts to prevent or correct any situation or conduct liable to compromise the health and safety of employees or deteriorate the work environment.

1:03 (a) The Company, the Union, and the employees shall be trained to recognize their obligations under all applicable health and safety legislation.

(b) The Company agrees to provide health and safety job instruction when placing an employee on a new or unfamiliar job.

(c) An employee shall report to his immediate supervisor:

- (i) the absence of, or defect, in any equipment or protective device of which he is aware,
- (ii) any condition which affects the health and safety of the employee,
- (iii) where an employee is being effected by a condition that is not related to his job description.

(d) The supervisor shall respond to the reported concern forthwith.

(e) Failure to resolve the concern will require the Company safety supervisor and the Union Safety Committee member to investigate.

(f) If the Company safety supervisor and the Union member of the Joint Health and Safety Committee fail to resolve the concern, the Company and Union certified safety representatives will respond in accordance with the Occupational Health and Safety Act.

1:04 The Company will reply in writing within five (5) working days to a written complaint regarding safety, health or environmental conditions. All environmental concerns will be dealt with by the Joint Health and Safety Committee.

1:05 (a) The Company and the Union agree to maintain a Joint Health and Safety Committee consisting of five (5) employees selected by the Union and an equal number of management representatives selected by the Company.

- (b) (i) The Joint Health and Safety Committee will appoint a team to make monthly inspections of the plant, as well as inspect new processes and equipment prior to initial operation.
- (ii) The Committee will meet regularly to discuss such health and safety matters which may be brought before it by either the Union or the Company. The parties may meet more often if necessary, but not less than monthly.
- (iii) All accidents involving fatalities and disabling injuries or incidents involving or having the potential for loss of time shall be investigated promptly by a supervisor and the area Union Safety Committee member, and they shall make recommendations for preventative action.
- (iv) Prepare minutes of all meetings and reports of all inspections. These minutes shall be signed by the Joint Health and Safety Co-Chairmen.

(c) The Union Co-Chairman, or his designate, shall be allowed reasonable time off, upon receiving permission from the production supervisor, to attend to matters pertaining to safety and health in the plant.

1:06 The Company shall provide and maintain Certified Member training for a minimum of two (2) Union members and two (2) Company members at all times.

1:07 The Company shall provide health and safety training and orientation programs to new employees prior to job placement. The Union Co-Chairman will participate in this training.

1:08 The Company agrees to provide the protective devices and other equipment necessary to safeguard employees from injury in accordance with prevailing practices.

1:09 The Company shall conduct in-plant air sampling, noise testing and like programs on a schedule approved by the Joint Health and Safety Committee. The area Union Health and Safety Committee member shall be present at the beginning of any such test program. The results of such test program will be made available to the Joint Health and Safety Committee and the Union Local.

1:10 The Company will compensate Health and Safety Committee members of time spent during regular working hours.

1:11 The Company will keep the Local Union and employees informed in writing of all chemical substances, solvents, compounds, etc., that are to be used in the workplace. In addition, information shall be **provided** on the safe handling methods and actions to be taken if exposure occurs.

1:12 Where an employee is employed in a remote area and may not be able to secure close assistance, the Company shall devise some method of checking on the well-being of the employee at intervals which are reasonable and practicable under the circumstances.

1:13 All shifts shall have at least one (1) person certified in first aid and **CPR**, and their name shall be posted.

1:14 The Union Co-Chairman or his designate and the worker Health and Safety Committee member in the area being inspected shall accompany a government inspector on a tour of the plant.

1:15 If an employee suffers a fatal accident or critical injury while at work, the Company shall immediately notify the Union President or his designate.

1:16 The Company will forward copies of all government inspection and industrial hygiene reports to the Union Co-Chairman or his designate.

ARTICLE 1 — PURPOSE

NOTE: For the purpose of this Agreement, the masculine gender shall be applicable to both female and male employees, unless otherwise specified.

1:01 The general purpose of the Agreement is to establish and maintain collective bargaining relations between the Company and its employees, and to provide machinery for the prompt and **equitable disposition** of grievances, and to establish and maintain satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement.

ARTICLE 2 — RECOGNITION

2:01 The Company **recognizes** the Union as the sole and exclusive bargaining agent for all of its employees in **Fergus**, Ontario, save and except production supervisors, persons above the rank of production supervisors and office staff and those exceptions as may be mutually agreed upon from time to time.

2:02 The terms and conditions set forth in this Agreement shall have full force and effect for all employees in the Bargaining Unit as described in the preceding paragraph.

2:03 Persons whose regular jobs are not in the Bargaining Unit shall not work on any jobs which are included in the Bargaining

Unit, except for purposes of instruction, experimenting, or in the case of emergencies, when qualified employees are not available.

ARTICLE 3 — RELATIONSHIP

3:01 The parties hereto mutually agree that any present employee to whom this Agreement applies, may exercise or may refrain from exercising his right to become a Member of the Union.

3:02 All permanent employees covered by this Agreement shall be required to sign an **authorization** form prescribed by the Company providing for the deduction from their wages, the amount of the regular dues and initiation fees.

3:03 An employee will be assessed union dues and initiation fees in accordance with the constitution of the United Steelworkers of America and the Company shall be advised in writing by a representative of the **U.S.W.A.** of the amount of such dues. The dues shall be deducted **weekly**. The Company will transmit by cheque, regularly each month, to the financial secretary, the full amount of monies deducted.

3:04 All new employees hired after the signing of this Agreement shall contribute by check off, an amount equivalent to Union dues.

3:05 Neither the Union nor any employee shall, on Company premises, engage in any activity or proceedings or conduct himself in any manner which adversely affects Company discipline, business or production.

Humanity Fund

3:06 The Company agrees to deduct on a weekly basis the amount of one (\$0.01) cent per hour from the wages of all employees in the bargaining unit for all hours worked and, prior to the fifteenth (15th) day of the month following, to pay the amount so deducted to the "Humanity Fund" and to forward such payment to United Steelworkers of America, National Office, 234 Eglinton Avenue East, Toronto, Ontario, M4P 1K7, and to advise in writing both the Humanity Fund at the aforementioned address and the Local Union that such payment has been made, the amount of such payment and the names of all employees in the Bargaining Unit on whose behalf such payment has been made.

It is understood and agreed that participation by any employee in the Bargaining Unit in the new program of deductions set forth above may be discontinued by any employee in the Bargaining Unit after the receipt by the Company and the Local Union of that employee's written statement of his desire to discontinue such deductions from his pay.

**ARTICLE 4 — RESERVATION OF
MANAGEMENT RIGHTS**

4:01 The Union acknowledges that it is the function of the Company to:

- (a) Maintain order, discipline and efficiency.
- (b) Hire, discharge, transfer, classify, promote, demote or discipline employees, provided that a claim that an employee has been dealt with unjustly ~~may~~ be the subject of a grievance and dealt ~~with~~ as hereinafter provided.
- (c) Generally to manage the industrial enterprise in which the Company is engaged and, without restricting the generality of the foregoing, to determine the number and location of plants, the products to be manufactured, methods of manufacturing, schedules of production, kinds and location of machines and tools to be used, process of manufacturing and assembling, the engineering and designing of its products, and the control of material and parts to be incorporated in the product produced.

4:02 A joint Union/Management Committee composed of the three (3) members of the Negotiating Committee and three (3) ~~representatives~~ appointed by the Company shall meet ~~monthly~~ at a date and time agreed to discuss matters of mutual concern regarding the administration of the Collective Agreement and other matters mutually agreed upon. Each party shall provide the other with its ~~agenda~~ of matters to be discussed at least one (1) week prior to the meeting date.

ARTICLE 5 — NO DISCRIMINATION

5:01 Every employee has the right to equal treatment by the Company with respect to all aspects of the exercise of managerial authority by the Company, which equal treatment shall be without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, religion, political affiliation, sex, age, marital status, family status, handicap, sexual preference, and membership or office in the Union.

ARTICLE 6 — NO STRIKES OR LOCKOUTS

6:01 In view of the orderly procedure established herein for the disposition of employees' complaints and grievances, the Company agrees that there will not be any lockout of its employees for the duration of this Agreement, and the Union agrees that it shall not instigate nor condone any strike which will stop or interfere with production for the duration of this Agreement.

ARTICLE 7 — UNION REPRESENTATION

Negotiating Committee

7:01 The Company acknowledges the right of the Union to elect or otherwise select a Negotiating Committee of three (3) members to negotiate on contractual matters with the Company.

Grievance Committee

7:02 The Company acknowledges the right of the Union to appoint or otherwise select a Committee consisting of five (5) employees (one [1] to be a **Shop Steward** concerned with the Grievance) and one (1) member of such committee shall be designated as **Convenor** of the Committee.

Grievance Stewards

7:03 The Company agrees to **recognize** nine (9) Shop Stewards for the **GSW** Water Heating Company and two (2) Shop Stewards for the **GSW** Pump Company on the understanding that further Stewards may be warranted should other departments be created. The zone within which each Steward is to function is determined by Schedule "**H**" attached to this Agreement,

Time Study Stewards

7:04 Two (2) employees who have been selected **by** the Local of the Union will be trained with the Company personnel and kept current on any changes to take part in **B.M.T.** and Time Study applications under the incentive plan.

Compensation Chairman/Benefit Steward

7:05 The Company will **recognize** the Union's Compensation Chairman/Benefit Steward, and in his absence, his delegate.

Duties of Union Officers

7:06 The Union acknowledges that Stewards, as well as other members of the Union Committee and Union Officers, will continue to perform their regular duties on behalf of the Company, and that such persons will not leave their regular duties without notifying their production supervisor or immediate supervisors. When resuming their regular duties after being engaged in duties on behalf of the Union they will report to their supervisor. Any Union representative who is privileged by this Agreement to take up Union business in an area other than his own will notify the supervisor of that area at that time. The Company agrees to allow Union Officers and Stewards time off from night shift work to attend Union meetings.

Compensation of Union Officers

7:07 It is clearly understood that Stewards and other Union Officers will not absent themselves from their regular duties unreasonably in order to deal with grievances of employees, and that in accordance with this understanding, the Company will compensate such employees for time spent in dealing with employees' grievances at the rate of their average hourly earnings, calculated from the last quarter.

7:08 Three (3) members of the Local Union National Negotiating Committee will be granted up to fifteen (15) days' wages for

time lost from their regular scheduled work, when actively involved in negotiations with the Company National Negotiation Committee.

7:09 The Company recognizes the right of the Union to place the President, Chief Steward, and Chairman of the Union Safety and Health Committee on permanent day shift. The Company recognizes the right of the Union to place the Vice-President on day shift during the absence of the President from the plant.

**ARTICLE 8 — DISCHARGE AND
DISCIPLINARY
PROCEDURE**

8:01 When an employee receives a warning, his Steward **must** be present. In the absence of the Zone Steward, the Chief Steward or finally, an Officer of the Union must be present.

8:02 It is agreed that all verbal warnings will be stricken from an employee's record after three (3) months from its occurrence; written warnings will be stricken from an employee's record six (6) months from its occurrence, and suspensions removed from an employee's record nine (9) months from its occurrence.

Once removed, they shall not be used in any future situations.

It is agreed and understood that at the request of the employee, the Company is

prepared to return to the employee any outstanding disciplinary letters.

8:03 Before any employee is discharged or suspended for cause, the Chief Steward shall be notified immediately and where possible, be present at such meeting.

8:04 Any employee whom the Company suspends or discharges, or whom it contends has lost their seniority under Article 14, shall be retained at/or returned to active work until any grievance contesting such suspension, discharge or break in & vice question is finally resolved through the grievance and arbitration procedure.

8:05 However, the employee may be removed from active work (without pay) until the resolution of the grievance protesting the suspension or discharge, if the alleged cause for suspension, discharge or termination presents a danger to the safety of employees or equipment in the plant due to fighting, theft, or concerted refusal to perform their assigned work.

8:06 Grievances involving employees who are retained at work under this provision will be handled in the Expedited Arbitration Procedure unless the Union Staff Representative and the Director of Human Resources mutually agree otherwise. If the Arbitrator upholds the suspension, discharge or break in service of an employee retained at work, the penalty shall be instituted after receipt of the arbitration decision.

8:07 The above references to suspensions, discharges and terminations are examples and are not intended to be all inclusive, but indicate how various types of issues will be handled. .

8:08 If an employee is not to be retained at work in accordance with the above, the employee will be allowed to meet with the Zone Steward (and Chief Steward if on shift) before leaving the premises.

8:09 Any grievance involving suspensions, discharges or terminations shall be filed with the Director of Human Resources at Step Three of the Grievance Procedure within three (3) working days of the action.

Any arrangement considered just by the conferring parties shall dispose of the grievance.

8:10 It is understood that the Company may bring forward at any time any complaint or grievance against the Union, its Officers, Committeemen or Stewards, and if a satisfactory settlement is not reached then the Grievance Procedure may be invoked.

It is also understood that the Union may bring forward at any time any grievance concerning supervisors, safety or problems or complaints of a general nature which may be taken through the Grievance Procedure if not satisfactorily settled.

Any such grievance mentioned in this Article, not involving a production supervisor or supervisor, may commence at Step Three of the Grievance Procedure.

ARTICLE 9 — GRIEVANCE PROCEDURE

9:01 The Company agrees to:

(a) provide the Grievance Committee with as much notice as possible of pending meetings and to schedule and convene these meetings to allow complete discussion of the matter in question and

(b) grant the Grievance Committee reasonable time to consider and discuss the grievance prior to the meeting.

Step One

9:02 It is the mutual desire of the parties that complaints of employees shall be adjusted as quickly as possible. Both parties therefore recognize that production supervisors shall be informed as quickly as possible by the Steward, employee, or both, of any complaint. Under ordinary circumstances, a grievance does not exist until the production supervisor has had adequate time to investigate and deal with the matter.

It shall be mandatory that the production supervisor and the Shop Steward concerned fully discuss the grievance and make a positive effort to resolve it. Grievances pertaining to incentive rates shall be dealt with immediately.

In the event no satisfactory settlement is reached, the grievance shall be put in writing on the appropriate grievance form and presented by the employee(s) and/or the employee's Steward to the production supervisor. The written grievance shall set out the nature of the grievance, the date of occurrence and the redress sought. An answer in writing will be given by the production supervisor and it is understood that two (2) working days will be deemed sufficient time to cover the Step One of the Grievance Procedure in its entirety.

No grievance shall be considered if the circumstances originated or occurred more than fifteen (15) working days prior to the filing of the grievance.

Following the above, if a satisfactory settlement is not reached, then within five (5) working days of receipt of the production supervisor's answer, the grievance shall be presented as follows:

Step Two

9:03 Two (2) members of the Grievance Committee, who may be accompanied by the grievant, shall present the grievance to the designated manager with such explanation and discussion as may be necessary for proper understanding of the matter. The designated manager shall reply in writing within three (3) working days of receipt of the grievance.

Following the above, if a satisfactory settlement is not reached within **five (5)** working days of receipt of the designated manager's answer, the grievance shall be presented as follows:

Step Three

9:04 The President of the Local and two **(2)** members of the Grievance Committee who may be accompanied by the **grievant**, shall present the grievance to the Director of Human Resources with such explanation and discussion as may be necessary for proper understanding of the matter. The Director of Human Resources shall within one **(1)** working day, schedule and within five **(5)** working days, convene a meeting between the President of the Local, the Grievance Committee of the Union, the Director of Human Resources and the Director of Manufacturing.

It is understood the Union may be accompanied by a representative of the National **Organization** and management may be represented by additional personnel.

A final decision will be rendered by management within three **(3)** working days of holding the Step Three meeting.

ARTICLE 10 — ARBITRATION

10:01 Grievances not disposed of under Grievance Procedure, dealing with interpretation, alleged violation, application or

administration, may be taken to arbitration, provided either side gives written notice to the other of their intent to so proceed within thirty (30) working days of receipt of the decision rendered as a result of Step Three of the Grievance Procedure.

The Company and the Union will mutually agree upon a single arbitrator. Should the Company and the Union fail to agree upon an arbitrator within five (5) days, the Minister of Labour for the Province of Ontario shall appoint the arbitrator.

10:02 The arbitrator shall hear the evidence and render a decision as soon as possible, the intention being to have a decision within seven (7) days after the arbitrator's hearing commenced.

10:03 The decision of the arbitrator shall be final and binding upon both parties to this Agreement.

10:04 The arbitrator shall not alter or change any provision of this Agreement or give any decision inconsistent with the terms of this Agreement.

10:05 No person shall be selected as an arbitrator who has been involved in attempts to settle the grievance.

10:06 Each party shall bear the expense of the arbitrator appointed.

10:07 No grievance shall be considered by the arbitrator unless all previous steps of the procedure have been complied with.

10:08 It is understood that any of the time limits expressed in Articles 9 and 10 may be extended or curtailed by mutual agreement of both parties.

ARTICLE 11 — SENIORITY

11:01 The seniority of each employee covered by this Agreement shall be established after a period of twenty-five (25) working days from the date of employment.

11:02 For a period of forty-five (45) working days from the date of employment, an employee will not have recourse to the Grievance Procedure in the event of discharge from the Company's service. However, after twenty-five (25) working days' service from date of employment, an employee will have recourse to the Grievance Procedure for any reason other than discharge.

New employees that are laid off during their probation and rehired within six (6) months and in this way accumulate forty-five (45) days of service over this period will be credited with their full forty-five (45) days' seniority.

11:03 The Company agrees to post lists of all employees quarterly, showing their seniority status and wage group. Two (2) copies of such lists will be given to the Union.

11:04 An employee will continue to accumulate seniority on an approved leave of absence, layoff, long term disability, sickness or accident leave and while receiving Workers' *Compensation benefits provided that the employee's employment status with the Company is maintained.

Automation

11:05 In the event of installation of new mechanical, electronic or automated equipment that will affect the job status of any employee(s) in the Bargaining Unit, the Company will endeavour to:

(a) Give as a minimum, six (6) months advance notice before the installation of such equipment, meet with the Union Negotiating Committee and provide the Committee with data regarding proposed date of installation, number and classification of employees likely to be affected by it and then affected employees will be notified.

(b) This notice is given so that affected employees may bid for other vacancies during this period and the Company agrees to put emphasis on the seniority factor in order that displaced employees may maintain as closely as possible their previous hourly rate, or train these employees on the new jobs that may be created, or allow affected employees to exercise their seniority as in a layoff situation and provide reasonable training on these jobs.

ARTICLE 12 — LAYOFFS

12:01 In the event of a layoff, employees will be laid off on the basis of their seniority, the most junior employees being laid off first, except as provided by Article 12:02 and Article 12:06.

12:02 In all cases of layoff, Local Union Officers, Grievance Committee members, Negotiation Committee members and Stewards shall be retained.

12:03 In the event of a layoff, an employee learning a trade in the toolroom, experimental department or employed under an apprenticeship program shall not be affected by such layoff, unless there is to be a reduction in the staff in the departments concerned, at which time the normal seniority provisions contained in the Agreement will take effect in accordance with the Apprenticeship Plan.

12:04 (a) In the event of a layoff or recall, the Company shall discuss and agree with the Union the question of exclusion or inclusion of specific jobs; this is to be governed solely by the continuation of the Company's efficient operation and shall include consideration of the skill and ability of the employees concerned.

Any such employees retained will work on the job for which they were retained for the majority of the time.



(b) In the event the Company decides there is an excess number of people in a classification, the most junior employees in the classification shall be declared excess. The most senior of these affected employees shall have the first right to exercise their seniority in any one of the following options:

1. Go into any open posting.
2. Displace the junior person in the plant.
3. Displace the junior person in a job where they could demonstrate ability to perform the work.

The next most senior would then exercise his seniority as above.

It is understood and agreed that such action may not always be practical and in these incidences the Company and the Union shall discuss and agree on the question of exclusion or inclusion of specific jobs. This is to be governed solely by the continuation of the Company's efficient operation and shall include consideration of the skill and ability of the employees concerned.

12:05 The Company will give the employee and the Union three (3) working days' notice of layoff from the plant. Where information is available, the Company will endeavour to give five (5) working days' notice of layoff. If the layoff is expected to exceed thirteen (13) weeks, then notice under the Employment Standards Act shall apply.

Emergency Layoff

12:06 In the event of a major machine breakdown, power failure, water failure, fire, or flood, then the Company may lay off the employees affected without regard to seniority and will be permitted up to two (2) working days to determine seniority rights and make proper adjustments to staff, provided that no employee may be laid off out of seniority for more than five (5) working days in a calendar year. In the case of other similar circumstances, beyond the control of the Company, the action to be taken shall be determined by mutual agreement of the parties. The Local Union President, and in his absence, the Vice-President or Chief Steward will be notified immediately, where possible, by the Plant Manager or his superior prior to this clause being invoked. When this clause is invoked, the Union will be notified in writing of the employees affected in a reasonable time.

Severance Allowance

12:07 (a) Conditions of Allowance

When the Company closes permanently a plant, or discontinues permanently a department or substantial portion thereof and terminates the employment of individuals, an employee whose employment is terminated as a result thereof because he was not entitled to other employment with the Company pursuant to the provisions of the

seniority article of this Agreement, shall be entitled to a severance allowance in accordance with and subject to the following provisions:

(b) Eligibility

Such an employee, to be eligible for a severance allowance, shall have accumulated three (3) or more years of continuous Company service as computed in accordance with the seniority article of this Agreement.

(c) Scale of Allowance

An eligible individual shall receive severance allowance based on one (1) week of pay for each year of continuous Company service up to a maximum of twenty-six (26) weeks.

(d) Calculation of Allowance

A week's severance allowance shall be determined in accordance with the provisions for calculation of vacation allowance as set forth in the vacations article of this Agreement.

(e) Payment of Allowance and Termination

Payment shall be made in a lump sum at the time of termination.

Acceptance of severance allowance shall terminate employment and continuous service for all purposes under this Agreement.

Payments made under this provision will not be duplicated by any monies payable under the Employment Standards Act.

ARTICLE 13 -- RECALL

13:01 Employees on layoff will be recalled in inverse order of seniority with the senior employee being the first to be recalled.

13:02 No new employees will be hired until all laid off employees are offered the opportunity to return to work.

13:03 Employees that are displaced from their job as a result of a layoff must be afforded first opportunity to return to their classification in the area the employee worked, once work becomes available, before any such job is posted.

13:04 Recalled employees must return to their posted for job classification when so requested.

ARTICLE 14 -- LOSS OF SENIORITY

14:01 Seniority shall be lost and the employee considered terminated if he:

(a)resigns;

(b)retires or is retired under the terms and provisions of the pension plan;

(c) on recall from layoff, fails to return to work or advise the Company of his availability to return to work within five (5) working days from the posting date of the registered letter of recall addressed to the employee's last known address shown on the Company records unless reasonable excuse is given;

(d) is laid off through lack of work if not given notice of recall within a period equal to his seniority at date of layoff;

(e) is discharged and such discharge is not reversed through the grievance and/or arbitration procedure;

(f) fails to return to work upon the expiration of a leave of absence unless prevented from doing so for reasons beyond his control.

14:02 After ten (10) years' seniority, there would be no loss of seniority through layoff for lack of work.

ARTICLE 15 — JOB POSTINGS

15:01 A request for a transfer to a different area within an employee's job classification may be filed with the Human Resources Department. When a vacancy occurs within an area, the most senior **employee** who has previously submitted a **transfer** request applicable to such vacancy will be transferred to the area in question. The resulting

vacancy within the classification will then be posted **in accordance with the job posting** procedures.

15:02 All job postings will be posted for three **(3)** working days.

15:03 Postings will be done on a plantwide basis. The Union will receive a copy of the names of the applicants upon completion of the posting period.

Job **postings** will include the **following: classification, GSW Pump Company or GSW Water Heating Company** as **applicable**, rate of job, **whether** incentive or **otherwise**, special requirements and expected start date.

During their interview, employees will be advised of the approximate date when the new job would become effective. The Company will then advise the Union of the successful job applicant once that decision is made and the transfer will then be made as quickly as possible.

15:04 An employee shall not be entitled to bid for such **job** if he has been accepted to a prior **job posting** within a six **(6)** month period, unless agreed upon by the manager for whom the employee works. An employee bidding for such a job must do so by written **notice** to the Human Resources Department within the said period.

Probationary employees will not be allowed to bid for a job posting until the completion of their forty-five **(45)** day probationary period.

15:05 The selection of job posting applicants will be conducted on the basis of seniority. Where lead hands are concerned, it is **recognized** that skill and ability take precedence over seniority, and where two (2) or more employees have approximately equal standing in skill and ability, seniority shall govern.

15:06 Any vacancies resulting from a job posting will be filled in the following order:

- (a) recall
- (b) request for transfer
- (c) job posting procedure.

15:07 During a recall situation, to avoid production delays, the Company may recall an employee and then post for the initial vacancy.

15:08 If for any reason a vacancy within the Bargaining Unit cannot be filled from within the unit, then applications received from Local **6028** will be considered.

15:09 In the event a posting is unable to be filled due to a **lack** of applicants, the Company shall have the right to hire from outside for a period of up to forty-five (45) days. If the forty-five (45) days should expire and the job is not yet filled, then the Company shall **re-post** the job in the plant.

15:10 On any posting, the successful applicant shall, under normal circumstances, be moved to the job within a ten (10) working day period after acceptance onto the job.

The Company is prepared to explain undue **delays** to the Union. If said **employee** is not moved within ten (10) days, the employee shall be paid the rate of the new job from that date, or present earnings, whichever is greater.

ARTICLE 16 — TEMPORARY TRANSFERS

16:01 Provided the employee possesses the skill and ability to perform the work in question, the senior man will be given preference in upgrading and the junior employee in the department will be first to be transferred to a lower rated job. Temporary transfers will proceed as follows:

Temporary Transfers — A temporary transfer will not exceed fifteen (15) **working** days unless by mutual agreement, **after** which time the job shall be posted. An employee temporarily transferred will return to his old job after the completion of his temporary assignment or after a maximum of fifteen (15) working days in the temporary position. An employee so transferred at the Company's request shall be paid his average hourly earnings or the rate of the job to which he is transferred, whichever is the greater.

The Union will be notified immediately when a temporary transfer occurs along with the name of the employee, the job transferred to, the duration, and the wages being paid.

The Parties agree that temporary transfers shall not be abused or invoked to avoid the job posting procedure.

16:02 Permanent work assignments between wage groups shall be made under the Job Posting provisions.

16:03 Work assignments within the same wage group shall be as required. Consideration will be given to incentive earnings when placing a man on a different assignment within a wage group. This clause is not to be used as a disciplinary clause.

Transfers from the Union

16:04 Bargaining Unit employees who are transferred outside the Bargaining Unit and return will lose all Bargaining Unit seniority for purposes of layoff, recall, transfers or job postings, unless they return to the Bargaining Unit within six (6) months. During that period the employee has the right to return to the Bargaining Unit if he so desires, with full seniority.

16:05 Bargaining Unit employees who transferred out of the Bargaining Unit prior to June 1, 1971, and return at some future date, will retain their total seniority when and if they return to the Bargaining Unit. Refer to Letter of Understanding.

16:06 Any such employee returning to the plant Bargaining Unit shall be governed by the same terms as now outlined in Article 3:02.

ARTICLE 17 — LEAVES OF ABSENCE

17:01 Leaves of absence may be granted to employees, upon written request, for personal reasons, without pay. The Company reserves the right to refuse such leaves if production requirements do not permit. The Company's permission will not be unreasonably withheld. The floor supervision shall have the authority to approve leaves of absence of one (1) week or less. Any such approved leave of absence shall not be counted against the employee for disciplinary reasons.

Union Leave of Absence

17:02 Leaves of absence, without pay, will be granted employees for legitimate Union business upon written request from the President of the Local Union.

17:03 Extended leaves of absence, without pay, will be granted to employees elected or appointed to staff positions with the International Union upon written request from the International Union.

17:04 The Local Union President will be notified of all leaves granted.

Educational Leave

17:05 Leaves of absence will be granted at Union request to attend educational classes. Such leave is limited to one hundred and twenty (120) hours in total for Local 3789

U.S.W.A. in any contract year. Such leave will be paid at the employee's average earnings rate.

Maternity and Parental Leave

17:06 Maternity and parental leave shall be granted in accordance with the current Ontario Employment Standards Act.

If verifiable medical complications occur outside of the period of time covered by **U.I.C.** benefits, the Weekly Indemnity plan will become effective.

A female employee returning to work after a maternity leave of absence must provide the Company with a doctor's certificate that she is physically capable of resuming her normal duties.

The above-mentioned employee shall notify the Company's Human Resources Department of her intention to return to work at least two (2) weeks prior to the anticipated date of return.

Bereavement Clause

17:07 (a) Employees shall be entitled to take up to five (5) working days off with pay at their option, in the event of the death of an employee's current spouse, child, mother or father.

(b) In the event of death in an employee's immediate family, up to three (3) working

days leave of absence **will be granted with pay at the employee's option, at the average earnings** for the standard hours of work for the day or days as applicable. By immediate family is meant: mother-in-law, **father-in-law**, brother, sister of the employee, and the grandparents of the employee or spouse, or grandchild.

(c) It is understood and agreed that step-parents, legal guardians and common-law relationships are covered by the above.

Court Duty

17:08 The Company will pay an employee who is required to serve on a jury or appear as a witness, the difference between his normal earnings for the time he was absent and the payment he received for jury duty or appearing as a witness. The employee will present proof of attendance and the amount of pay received.

ARTICLE 18 — PLACEMENT OF PHYSICALLY RESTRICTED EMPLOYEES

18:01 Employees who are unable to perform their regular work as a result of an industrial accident, age or other infirmity, may be exempted from the seniority provisions by mutual agreement between the Company and the Negotiating Committee and the disabled worker involved. The

Company will make every effort to give such employees preference on any work which they are capable of performing.

It is understood that under this clause no employee may displace any employee holding greater seniority.

ARTICLE 19 — SUBCONTRACTING

19:01 The Company intends to keep as much work in the plant as is economically sound, but from time to time competitive costs make it necessary to have work done by other than Bargaining Unit employees. The Company, however, agrees not to contract work out that is normally performed within the plant by Bargaining Unit employees, without giving justification and notice in writing of its intention to do so prior to awarding the contract for the work in question.

19:02 Following receipt of the notice, the Union may request that the Company meet with the Union Negotiating Committee to discuss and consider any proposal of the Union to keep work in the plant. It is understood that the Human Resources Department will convene this meeting immediately upon receipt of such request.

ARTICLE 20 — OPEN END WAGE CLAUSE

20:01 It is agreed that the wage and hours of work structure may be re-opened for discussion at any time during the contract year with reasonable notice.

ARTICLE 21 — BULLETIN BOARDS

21:01 The Company agrees to allow the Union, at Union cost, four (4) bulletin boards at convenient locations, to post Union-approved notices. The Company reserves the right to remove any materials deemed unsuitable.

ARTICLE 22 — COPIES OF THE AGREEMENT

22:01 The Company and the Union desire every employee to be familiar with the provisions of this Agreement, and his rights and duties under it. For this reason-the Company will print the Agreement and management will give a copy to each employee and give copies to the Union such as it may require; also the book shall be printed by GSW, or by a Union shop, and shall be of pocket size.

ARTICLE 23 — SCHEDULES AND APPENDICES

23:01 The following schedules and appendices will be attached to this Agreement and be part of this Agreement:

Agreement Re: Commitment to Quality	Schedule "A"
Agreement Re: Safety and Health	Schedule "B"
Job Classification	Schedule "C"
Incentive Rates, Cost of Living Allowance	Schedule "D"
Working Conditions	Schedule "E"
Incentive Plan	Schedule "F"
Vacations	Schedule "G"
Zones for Stewards	Schedule "H"
Insurance Programs	Appendix I
Health Benefits	Appendix II
Pension Plan	Appendix III
Apprenticeship Program	Appendix IV
Letters of Intent	Appendix V
Letter of Agreement	Appendix VI
Glossary of Terms	Appendix VII

ARTICLE 24 — DURATION

24:01 This Agreement shall remain in effect for thirty-six (36) months from August 1, 1993 to July 31, 1996, and unless either party gives to the other party written notice of termination or of a desire to amend the Agreement

within a ninety (**90**) day period prior to the **termination date, then it shall continue in effect** for a further year without change and so on from year to year thereafter.

Date Signed: November **1, 1993**

Signed on behalf of:

THE COMPANY

TERRY G. PARSONS
President

LOU A. SATTLER
Vice-President

ROGER D. J. LIPPERT
Director of Human Resources

GREG G. DUCHARME
Director of Manufacturing

THE UNION

WINSTON CURTIS
Representative

LOUIS RISIDORE
President

RONALD BONNETT
Chief Steward

PETER LAW
Vice President

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Date Signed: November 1, 1993

Signed on behalf of:

THE COMPANY

DARRYL J. STEARLE
President

J. R. B. HANNA
Vice-President

ROGER D. J. LIPPERT
Director of Human Resources

IAN LAMONT
Manager of Production Operations

THE UNION

WINSTON CURTIS
Representative

LOUIS RISIDORE
President

RONALD BONNET-I'
Chief Steward

PETER LAW
Vice President

SCHEDULE C - JOB CLASSIFICATIONS

1.	Service Occupations
Group 1	Labourer
Group 3	Painter/Handyman Trucker-In-Plant
Group 4	Receiver Shipper Storekeeper
Group 5	Maintenance Helper
Group 6	Receiving Inspector
Group 7	Experimental Serviceman
Group 7A	Trucker-Highway
Group 8	Returned Goods Serviceman
Group 9	Quality Assurance Inspector
Group 9A	Repair Welder
Group 10A	Plastics Assembler
Group 11A	Enamel Spray Robot Operator
Group 12A	Turning Centre Operator
Group 13A	Punch and Blast Operator
Group 15	Wire Harness Assembler
Group 16	Quality Integration Co-ordinator
Group 17	Customer Service Technician

2. Incentive Occupations

Group 1	Assembler, Class 2
Group 2	Assembly Line Repairman Assembler, Class 1 Assembly Line Floater Brake & Shear Set-Up & Operate Drills Hand Grinder Machine Operator Punch Press Spray Painter Welder-Spot
Group 3	Cut-To-Length Line Operator, Class 2 Enamel Sprayer (Auto) Enamel Sprayer (Hand) Foam Operator Lathe-Turret, Class 2 Machine Welder Mill Room Attendant Milling M/C Punch Press-Set-Up/Insp.
Group 4	Boring Mill, Class 1 Carando Mill Operator Cut-To-Length Line Operator, Class 1 Lathe-Turret, Class 1 Toledo Press Operator Welder-Arc

3. Skilled Trades

Group S-1 (A & B) Machine Maintenance
Millwright
Preventative Maintenance
Lift Truck Mechanic

Group S-2 (A & B) Welder-Maintenance

Group S-3 (A & B) Electrician
Precision Machinist-
Toolroom

Group S-4 (A & B) Electrician-Electronic
Gauge Room Attendant
Product Developer
Tool & Die Maker

Group S-5(A) Electronic-Electrician
(Welder)

SCHEDULE D - INCENTIVE **RATES**

Effective: AUGUST **1, 1993**

	<u>JOB</u> <u>RATE</u>	<u>SET-UP</u> <u>RATE</u>	<u>BAND</u> <u>RATE</u>	<u>LEAD SET-UP AND</u> <u>LEAD HAND</u> <u>RATE</u>
1.	8.32	N/A	8.50	N/A
2.	8.39	8.57	8.57	8.74
3.	8.45	8.63	8.63	8.80
4.	8.51	8.69	8.69	8.86
3A.	8.63	8.80	8.81	8.98
4A.	8.69	8.86	8.87	9.04

Effective:

Aug. 1, 1993 — three dollars and four cents
(\$3.04) add-on

Aug. 1, 1994 — three dollars and nineteen cents
(\$3.19) add-on

Aug. 1, 1995 — three dollars and nineteen cents
(\$3.19) add-on

NOTE: Wage increase add-ons to be used
when calculating overtime pay and average
earnings.

SKILLED RATES

**YEAR I - AUGUST 1, 1993
TO JULY 31, 1994**

A GROUP

S-1	18.59	18.65	18.71	
S-2	18.79	18.85	18.91	
S-3	18.83	18.93	19.02	19.11
S-4	18.95	19.07	19.19	19.31
S-5	19.15	19.27	19.39	19.51

B GROUP

S-1	18.29	18.35	18.41	
S-2	18.49	18.55	18.61	
S-3	18.53	18.63	18.72	18.81
S-4	18.65	18.77	18.89	19.01

***NOTE: Six (6) month training period for S-5(A) classification.

Lead Hand Allowance for Skilled Trades —
40cents

NOTE: Skilled Trades (A) are tradesmen holding apprenticeships and tradesmen who can verify a minimum of ten (10) years in their trade.

Skilled Trades (B) are tradesmen who have less than ten (10) years in their trade.

SKILLED RATES

**YEAR II - AUGUST 1, 1994
TO JULY 31, 1995**

A GROUP

S-1	18.74	18.80	18.86	
S-2	18.94	19.00	19.06	
S-3	18.98	19.08	19.17	19.26
S-4	19.10	19.22	19.34	19.46
S-5	19.30	19.42	19.54	19.66

B GROUP

S-1	18.44	18.50	18.56	
S-2	18.64	18.70	18.76	
S-3	18.68	18.78	18.87	18.96
S-4	18.80	18.92	19.04	19.16

*****NOTE:** Six (6) month training period for S-5(A) classification,

Lead Hand Allowance for Skilled Trades —
40 cents.

NOTE: Skilled Trades (A) are tradesmen holding apprenticeships and tradesmen who can verify a minimum of ten (10) years in their trade.

Skilled Trades (B) are tradesmen who have less than ten (10) years in their trade.

SKILLED RATES

**YEAR III - AUGUST 1, 1995
TO JULY 31, 1996**

A GROUP

S-1	18.94	19.00	19.06	
S-2	19.14	19.20	19.26	
S-3	19.18	19.28	19.37	19.46
S-4	19.30	19.42	19.54	19.66
S-5	19.50	19.62	19.74	19.86

B GROUP

S-1	18.64	18.70	18.76	
S-2	18.84	18.90	18.96	
S-3	18.88	18.98	19.07	19.16
S-4	19.00	19.12	19.24	19.36

*****NOTE** Six (6) month training period for S-5(A) classification.

Lead Hand Allowance for Skilled Trades -
40 cents.

NOTE Skilled Trades (A) are tradesmen holding apprenticeships and tradesmen who can verify a minimum of ten (10) years in their trade.

Skilled Trades (B) are tradesmen who have less than ten (10) years in their trade.

SERVICE GROUP

**YEAR I - AUGUST 1, 1993
TO JULY 31, 1994**

1. Rates:

Group 1	14.26			
Group 3	14.34	14.40	14.46	
Group 4	14.44	14.50	14.56	
Group 5	14.56	14.62	14.68	
Group 6	14.68	14.74	14.80	
Group 7	14.68	14.78	14.87	14.96
Group 7A	14.93	15.03	15.12	15.21
Group 8	14.80	14.92	15.04	15.16
Group 9	15.83	15.95	16.07	16.19
Group 9A	16.18	16.30	16.42	16.54
Group 10A	16.95	17.07	17.19	17.31
Group 11A	17.40	17.52	17.64	17.76
Group 12A	18.27	18.39	18.51	18.63
Group 13A	17.83	17.95	18.07	18.19
Group 15	16.19			
Group 16	16.46			
Group 17	17.07	17.19	17.31	

2. Lead Allowance — 40 cents

3. Stocktaking — 14.56

NOTE: Service rates by automatic progression on twenty (20) working day periods.

SERVICE GROUP

**YEAR II - AUGUST 1, 1994
TO JULY 31, 1995**

1. Rates:

Group 1	14.41			
Group 3	14.49	14.55	14.61	
Group 4	14.59	14.65	14.71	
Group 5	14.71	14.77	14.83	
Group 6	14.83	14.89	14.95	
Group 7	14.83	14.93	15.02	15.11
Group 7A	15.08	15.18	15.27	15.36
Group 8	14.95	15.07	15.19	15.31
Group 9	15.98	16.10	16.22	16.34
Group 9A	16.33	16.45	16.57	16.69
Group 10A	17.10	17.22	17.34	17.46
Group 11A	17.55	17.67	17.79	17.91
Group 12A	18.42	18.54	18.66	18.78
Group 13A	17.98	18.10	18.22	18.34
Group 15	16.34			
Group 16	16.61			
Group 17	17.22	17.34	17.46	

2. Lead Allowance - 40 cents

3. Stocktaking - 14.71

NOTE: Service rates by automatic progression on twenty (20) working day periods.

SERVICE GROUP

**YEAR III - AUGUST 1, 1995
TO JULY 31, 1996**

1. Rates:

Group 1	14.61			
Group 3	14.69	14.75	14.81	
Group 4	14.79	14.85	14.91	
Group 5	14.91	14.97	15.03	
Group 6	15.03	15.09	15.15	
Group 7	15.03	15.13	15.22	15.31
Group 7A	15.28	15.38	15.47	15.56
Group 8	15.15	15.27	15.39	15.51
Group 9	16.18	16.30	16.42	16.54
Group 9A	16.53	16.65	16.77	16.89
Group 10A	17.30	17.42	17.54	17.66
Group 11A	17.75	17.87	17.99	18.11
Group 12A	18.62	18.74	18.86	18.98
Group 13A	18.18	18.30	18.42	18.54
Group 15	16.54			
Group 16	16.81			
Group 17	17.42	17.54	17.66	

2. Lead Allowance — 40 cents

3. Stocktaking -- 14.91

NOTE: Service rates by automatic progression on twenty (20) working day periods.

SCHEDULE D --

COST OF LIVING ALLOWANCE

2:01

Year I

Based on the July 1993 C.P.I. (1981 = 100), C.O.L.A. will trigger on the basis of one (\$0.01) cent for each 0.15 rise in the C.P.I. after a 3.0 point increase has been reached. C.O.L.A. will be adjusted quarterly to the July 1994 index and will be carried as an add-on.

Year II

Based on the July 1994 C.P.I. (1981 = 100), C.O.L.A. will trigger on the basis of one (\$0.01) cent for each 0.15 rise in the C.P.I. after a 2.5 point increase has been reached. C.O.L.A. will be adjusted quarterly to the July 1995 index and will be carried as an add-on.

Year III

Based on the July 1995 C.P.I. (1981 = 100), C.O.L.A. will trigger on the basis of one (\$0.01) cent for each 0.15 rise in the C.P.I. after a 2.5 point increase has been reached. C.O.L.A. will be adjusted quarterly to the end of the contract at which time C.O.L.A. will be prorated into the incentive rates at an applicable factor to be determined by the parties.

Actual payment of the adjustment will take place on the first pay day following the publishing of the **C.P.I.** for the applicable month.

NOTE: Contract raises which directly affect incentive rates will be carried as an add-on for the duration of the contract. At the end of the contract, these increases will be pro-rated into the base rates consistent with the applicable incentive earnings. Employees will be credited with the contract increases when computing overtime.

Incentive Rates

3:01 Incentive rates will be granted, calculated and paid on a job basis per day.

Shift Premium

4:01 Employees required to work shiftwork will be paid an off-shift premium of fifty-five (**\$0.55**) cents per hour for the second shift and fifty-five (**\$0.55**) cents per hour for the third shift. Employees on two (2) shift basis will be paid an off-shift premium of fifty-five (**\$0.55**) cents per hour.

SCHEDULE E - WORKING CONDITIONS

1. The factory will work on a forty (40) hour week.

The normal shifts will be as follows:

First Shift —

8 hour shift

7:30 a.m. to 4:00 p.m. with one-half (1/2) hour unpaid lunch

10 hour shift

6:00 a.m. to 4:30 p.m. with one-half (1/2) hour unpaid lunch

Second Shift —

4:30 p.m. to 3:00 a.m. with one-half (1/2) hour unpaid lunch

Third Shift —

11:00 p.m. to 7:30 a.m. with one-half (1/2) hour unpaid lunch

It is understood that the workload may necessitate changes in the starting and stopping times of shifts. The Company agrees to notify and explain in advance to the Union the need for such changes.

An employee who is required to change shifts will be given at least one (1) working day's notice of such change. The employee who is prevented by a change in shift, from completing his regular shift, will be paid for the time which was not made available to him.

2. The normal daily hours of work are stated solely for the purpose of calculating overtime and shall not be construed as a guarantee of any minimum nor as a restriction on any **number of** hours to be worked.

3. Overtime of one and one-half (1-1/2) times the regular rate shall be paid to all hourly paid employees for the first four (4) hours worked in excess of the normal daily hours of work and for the first four (4) hours on **Saturday**, with the **exception** of the shifts which normally start or finish on the Saturday.

Overtime at the rate of twice (2) the regular rate will be **paid** to all **hourly paid employees** for continuous hours worked in **excess of four (4) hours** overtime on a daily basis and for all hours worked on a Sunday, excepting the shifts which normally start or finish on the Sunday. After four (4) hours continuous work on a Saturday, double (2) time will be paid.

Incentive workers will be paid overtime at the appropriate overtime rate when applicable, on their incentive base rate and on their incentive earnings earned during the overtime period worked. No overtime premium will be paid on cost of living **add-ons**, lead hand premium or shift differentials.

All overtime is voluntary. When overtime is required, it shall be offered on the following basis:

1. Employees who normally perform the job shall be awarded **first** opportunity to work the necessary overtime.
2. Employees in the same job classification within the department on the same shift.
3. Employees within the department capable of performing the work on the same shift.
4. Employees within the department capable of performing the work off shift if reasonable.
5. Employees outside the department capable of performing the work.

Each supervisor will maintain records of overtime hours worked by his employees. It is understood that if an employee refuses overtime hours which are offered to him, he shall be treated as having worked such hours for the purposes of these records. Employees agreeing to work overtime will be expected to perform such overtime. Employees unable to report for such overtime must notify their supervisor prior to the overtime shift. Employees transferred to a new department will assume departmental overtime average hours.

4. Any employee required to work on a statutory holiday shall be paid one and one-half (1-1/2) times the regular rate for all time worked on such holiday observed by the Company, with the exception of the shift which normally starts or finishes on the holiday.
5. Rest periods of ten (10) minutes in each half of a shift will be allowed.

6. The following holidays will be observed by the Company; namely:

	1993	1994	1995	1996
New Year's Day		Mon., Jan. 3	Mon., Jan. 2	Mon., Jan. 1
Heritage Day		Mon., Feb. 21	Mon., Feb. 20	Mon Feb. 19
Good Friday		Fri., Apr. 1	Fri., Apr. 14	Fri., Apr. 5
Victoria Day		Mon., May 23	Mon., May 22	Mon., May 20
Canada Day		Fri., July 1	Mon., July 3	Mon., July 1
09 Civic Holiday	Mon., Aug. 2	Mon., Aug. 1	Mon., Aug. 7	Mon., Aug. 5
Labour Day	Mon., Sept. 6	Mon., Sept. 5	Mon., Sept. 4	Mon., Sept. 2
Thanksgiving Day	Mon., Oct. 11	Mon., Oct. 10	Mon., Oct. 9	Mon., Oct. 14
Day Before Christmas	Fri., Dec. 24	Fri., Dec. 23	Fri., Dec. 22	Tues., Dec. 24
Christmas Day	Mon., Dec. 27	Mon., Dec. 26	Mon., Dec. 25	Wed., Dec. 25
Boxing Day	Tues., Dec. 28	Tues., Dec. 27	Tues., Dec. 26	Thur. , Dec. 26
Festive Holiday	Wed., Dec. 29	Wed., Dec. 28	Wed., Dec. 27	Fri., Dec. 27
Festive Holiday	Thurs., Dec. 30	Thur. , Dec. 29	Thur. , Dec. 28	Mon., Dec. 30
Festive Holiday	Fri., Dec. 31	Fri., Dec. 30	Fri., Dec. 29	Tues., Dec. 31

7. (a) The Company agrees to pay all employees at their respective average hourly earning basis for the last quarter for the above holidays, provided the employee has twenty-five (25) working days seniority and that he works the scheduled shift before and the scheduled shift after the holiday unless ill, death in the family, or for excused absence on Union or Company business.

(b)All Service Group occupations paid on a day work basis will, subject to the conditions set out in paragraph 7.(a) above, receive their current hourly wage rate for the above holidays. It is understood that employees who have average earnings which are higher than their day work rate will get their average earnings for the above holidays.

8. If an employee is summoned by the Company to return for the performance of any emergency work other than his regular scheduled working hours, he shall be paid at the rate of time and one-half (1-1/2) for all hours worked pursuant to such summons and shall, in any event, be paid for a minimum of four (4) hours work at the rate of time and one-half (1-1/2) even though he may have worked less than four (4) hours.

9. Any employee who reports for work when there is no work available for him, or in the event that only one (1) employee reports for work on the third shift, they shall be paid a minimum of four (4) hours pay at their regular hourly rate.

10. It is understood that employees will not absent themselves from work unnecessarily. Accordingly, an employee who is unable to report for work as scheduled, must notify the Human Resources Department or a shift supervisor prior to or during the first shift of his absence.

11. If an employee remains away from work in excess of two (2) consecutive shifts without permission, or reporting to the Human Resources Department or a shift supervisor, except in cases of emergency, the **employee** will be **subject** to the **steps** of the Absenteeism Control Program and/or disciplinary procedure.

SCHEDULE F - INCENTIVE PLAN

ARTICLE 1

It is agreed that in removing **B.M.T.** from the contract that any existing rates in effect that were established through **B.M.T.** will not be affected by the removal of reference to **B.M.T.** The method to be followed in the taking of time studies when stopwatch times are used.

1:01 A worker when being studied shall perform his work in accordance with the Company's instructions, and shall otherwise co-operate to give a performance which is representative of the actual conditions under which the job is being studied.

1:02 The Union shall have the right to grieve concerning any production standard and any matters relating to a particular time study. If the rate is in dispute, the Union shall have the right to inspect all data pertaining to the standard.

1:03 In the event of a standard being grieved, the Union shall have full opportunity at any time, after the time study is taken, to compare the circumstances and conditions under which the study was taken with the actual operating conditions of the job.

1:04 The Company agrees that, prior to the study, the worker or workers shall be advised.

1:05 In the event of a standard being grieved and a re-time study being decided upon, such re-study will be made within five (5) days of the reply to the grievance or in the case of irregular jobs, shall be re-timed immediately if it is still running, or immediately upon the next startup. Any additional earnings resulting shall be paid retroactively.

1:06 If any observed time is not used in the calculation of the standards, the reason will be stated.

1:07 In the event of a restudy, a minimum of thirty (30) minute study or twenty (20) observations, whichever is the greatest, shall be made unless otherwise agreed.

1:08 In case of dispute of a time study and a restudy is agreed to, a different worker may be used for the restudy if two (2) or more employees are performing the operation with reasonable efficiency, and will be used if the Union so requests.

1:09 All work performed during a time study shall be inspected in the normal way. If the number of rejects is abnormally large to a degree which might affect the validity of the study, then a restudy shall be made.

1:10 Upon conclusion of a time study and before the Company's time study man leaves the operation, he will supply to the worker who was time studied:

1. The exact total period of time over which the time study took place.

2. The number of pieces that were produced during the time study.

In the event of a **re-study**, the Company's time study man will supply to the Steward of the department in which the time study has taken place:

1. The exact period of time over which the **re-study** took place.
2. The number of pieces that were produced during the restudy.
3. The approximate effort rating of the re-study.

1:11 In determining the selected time for each element of an operation, a simple arithmetic average of the retained times shall be used.

1:12 Incentive employees will receive payment based on their average hourly earnings for up to one and one-half (1-1/2) hours of downtime. If the supervisor has no alternate incentive work for the employee and the downtime continues beyond one and one-half (1-1/2) hours, the employee will be paid at one hundred and twenty-five (125%) percent for the balance of downtime on any shift.

1:13 When a **B.M.T.** studied job works through a rest period, the employee will be paid for the rest period at the incentive rate earned on that job..

1:14 Employees will be paid their average hourly earnings when temporarily transferred to jobs without rates.

1:15 Employees assigned to short-run jobs will be paid at average earnings.

1:16 Any adjustments to-employees' time sheets shall be brought to the attention of the employee when the change is made.

ARTICLE 2

2:01 Any alleged unfairness as to incentive standards or any inequities in incentive standards for similar or comparable work shall be dealt with in accordance with the Grievance Procedure hereinbefore provided and, if proven, shall be adjusted accordingly.

2:02 The Company may set production and time standards by any method that is fair to the worker and the Company. Before using a particular method, the Company will advise the Union of its intention, and if the Union so desires, will explain the method.

2:03 The Union shall have the right to grieve any standard that is considered unfair, and if they grieve, shall be entitled to inspect the data pertaining to the standard.

2:04 Established production standards shall remain unchanged except when the Company changes the method, materials, tools, or equipment (other than maintenance, or replacement changes) or inspection

standards and such change or changes affect the production standard to the extent of plus or minus **five (5%)** percent or more, or except in the case of clerical error or when changed by mutual consent. "It is **recognized** that when making such changes in Production Standards, it is desirable to incorporate the revised standards as soon as possible after the changes."

2:05 If the standards, whether temporary or permanent, are not issued within **twenty-four (24)** hours after the study of the operation, the reason for further delay shall be given.

2:06 Temporary standards are intended to be used only in cases where it would not be possible to set a permanent standard on a satisfactory basis at a reasonable cost. Where permanent standards cannot be established the Company will make every reasonable effort to set temporary standards.

2:07 Temporary standards are not to run **beyond** a limited time. "Limited Time" as meant in this paragraph shall be deemed to mean a period of forty **(40)** hours on the operation, or three **(3)** production runs, whichever occurs first, at which time the Company will issue a permanent standard, but if mutually agreed, these specific limitations shall not apply to production lines.

2:08 If a permanent standard is not set at the **expiry** of the "Limited Time", the temporary standard shall be deemed permanent.

2:09 Production standards shall be set on the basis of *one* hundred (100%) percent representing the performance of average experienced workers suited to the job working at a normal **daywork** pace with standard material and equipment and working under the specified standard conditions. Such standards will reward incentive employees with a one (1%) percent increase in earnings over the job base rate for each one (1%) percent increase in production above the level called for by the standards.

Production standards will be set to provide experienced employees of average ability, working at normal incentive pace with a bonus opportunity of twenty-five (25%) percent of the basic hourly rate.

2:10 All new production standards shall include an allowance of twenty-five (25%) percent for machine control time.

2:11 The Company agrees to maintain the existing method of allowance computation on existing jobs and new jobs using the stopwatch method.

2:12 All new Production Standards shall include an allowance for delays and contingencies which occur on the job and which are not paid for separately. Unless a ratio delay or process study indicates otherwise, the allowance shall be five and one-half (5-1/2%) percent.

2:13 When making the time study of a job, the Company's data shall show all of the elements into which the job has been broken down, the element breaking points, the sequence of elements, the method, the motion pattern, the location of tools, equipment, stock, and all other conditions that might have a significant effect on the employee's performance; the study shall specify the speeds and feeds applicable to the machine and the job and shall specify such other constants applicable to the work being performed.

2:14 The method and condition referred to in the foregoing should be recorded in sufficient detail so that the job and significant conditions surrounding it may be reproduced or examined at any time in the future as nearly as possible as they were at the time of the study.

2:15 When an employee is prevented from making the normal incentive rate due to off-standard condition(s) or the use of a non-authorized rate, he may approach his production supervisor and request that a Standards Man check his job. The employee shall be adjusted for wages lost provided, when the job is checked, the condition(s) is shown to have caused the rate to be incorrect. When the off-standard condition(s) is corrected, the standard will be re-implemented. The Union agrees that such requests will not be made without cause. The Company agrees to respond to the employee's request as quickly as reasonably possible. Such adjustment to normal earnings will be made by the following pay period.

ARTICLE 3 - Duties of Time Study Steward

3:01 Two (2) employees who have been selected by the Local of the Union will be trained with the Company personnel and will take part in Time Study application under the incentive plan as set out below:

3:02 Duties and functions of the Time Standard Steward shall include:

(a) When directed by the Union, he shall examine data and elemental time study formula, the basic data on which **they** have been determined, and the principle of the procedure by which they shall be applied to establish Time Standards.

(b) The investigation of all conditions which may be involved in any grievance or complaint in connection with the Time Standard.

1. Investigate the accuracy, completeness and sufficiency of time studies reported to justify the selection of the time values of the elements or motions.
2. Review the composition of analysis of the formula to ascertain the completeness of same with regard to allowance for personal time, fatigue, incidental delays that occur at regular intervals in any job.

(c) Provide the Union Officers, Stewards and members with proper explanations of Time Standards and where changes may be made in the same, due to change of methods, materials, equipment, quality requirements or conditions.

1. Prepare reports of the analysis of time study data used to establish any Time Standard that may be in dispute or under review.
2. Investigate any Time Standard subject to review as directed by the Union and investigate any Time Standards in dispute and submit recommendations for corrective measures.

In accordance with this procedure, if the Time Standards Steward, after investigation, is not satisfied with the Time Standard, he will so report to the supervisor of the department concerned, and the supervisor will arrange to get the Methods and Time Study man responsible for setting the Time Standard in question and the Union Time Standard Steward together, and the three (3) above-named shall endeavour to reach a satisfactory solution to the point or points in question. Should the three (3) above-named be unable to reach agreement on the matter, then the matter may be the subject of a grievance and dealt with in accordance with the provisions of the Grievance Procedure as set out in the Collective Agreement.

3:03 The Time Standard Steward shall at all times have access to all records and papers of the Methods and Time Study Department pertaining and relevant to the Time Standard then being investigated by the above-named Steward.

SCHEDULE G - VACATIONS

- 1.** After completion of one (1) year's service and having worked fifteen hundred (1,500) qualifying hours or more by July 1, two (2) weeks-ten [10] working days) vacation with pay, or four (4%) percent, whichever is the greater, will be granted.

After completion of five (5) year's service and having worked fifteen hundred (1,500) qualifying hours or more by July 1, three (3) weeks (fifteen [15] working days) vacation with pay, or six (6%) percent, whichever is the greater, will be granted.

After completion of ten (10) year's service and having worked fifteen hundred (1,500) qualifying hours or more by July 1, four (4) weeks (twenty [20] working days) vacation with pay, or eight (8%) percent, whichever is the greater, will be granted.

After completion of twenty (20) year's service and having worked fifteen hundred (1,500) qualifying hours or more by July 1, five (5) weeks (twenty-five [25] working days) vacation with pay, or ten (10%) percent, whichever is the greater, will be granted.

NOTE:

Retiring Employees

All retiring employees will receive full holiday pay based on their entitlement in the year of their retirement, unless the

employee has used a portion or all of that entitlement during the year.

2. All employees, who by July 1 in a current year have worked less than fifteen hundred (1,500) qualifying hours since the previous July 1, shall receive vacation pay equal to four (4%) percent, six (6%) percent, eight (8%) percent or ten (10%) percent of their earnings according to whether their seniority is as described in paragraph one.
3. The vacation year will be from July 1 to June 30, but by arrangement the Company agrees to extend this vacation period to August 31. Vacations will not accrue from one year to another.

In the event the Company requires an employee to work during the annual vacation shutdown, such employee will be given the opportunity to advance his vacation from July to June for that vacation year.

4. Employees with less than one (1) year's seniority by July 1 will receive four (4%) percent of earnings.
5. Two (2) weeks, ten (10) working days vacation must be taken during the vacation shutdown. The summer vacation shutdown will be established by the Company and posted not later than March 31.

The balance of the vacation, if any, may be taken in accordance with Clause 3 at the employee's discretion. The Company may

schedule the third week of an employee's vacation entitlement, which had not been previously scheduled by the employee, to offset an impending layoff, after discussion with the Union to completely review the circumstances of the layoff. It is, however, agreed and understood, that for the efficient operation of **the plant**, vacations must be taken in an orderly method. If in the opinion of the supervisor, an employee's selection of vacation would seriously affect the operation of the department, then the supervisor may request the employee change his selection.

- 6.** Forty-eight (48) hours' notice shall be given to the production supervisor concerned in these cases, provided, however, that lesser notice will be regarded as adequate when there are extenuating circumstances.
- 7.** An employee's vacation shall be paid as taken, however, at the employee's request, vacation pay shall be paid in full prior to the taking of the vacation if notice is given by the employee two (2) weeks or more in advance of his or her vacation period.
 - (a) Provided an employee has completed a **years** service prior to the vacation, a bonus of ninety (\$90) dollars for each week of vacation will be paid. Employees with twenty (20) years or more- service will receive one hundred twenty-five (\$125) dollars per week of vacation rather than the ninety (\$90) dollars per week.

SCHEDULE H - ZONES FOR STEWARDS

1. Zones for Stewards will be as follows:

GSW Water Heating Company

Zone 1 -Press Shop, Paint Line, Quality Integration (one [1] steward).

Zone 2 -Tank Fabrication, Enamel Mill Room, Cut-to-Length Line, Punch and Blast Line, (four [4] stewards).

Zone 3 -Commercial, Foam and Main Assembly Lines (two [2] stewards).

Zone 4 -Shipping, Receiving, Stores, Highway Truckers, In-Plant Truckers Returned Goods (one [1] steward).

Zone 5 -Skilled Trades, Site Maintenance (one [1] steward).

GSW Pump Company

Zone 1 -Pump Assembly (one [1] steward).

Zone 2 -Pump Machining (one [1] steward).

APPENDIX I

INSURANCE PROGRAMS

ARTICLE 1 - GROUP INSURANCES

1:01 Group Life Insurance

All employees will, after having completed the probationary period, be insured under these plans. In accordance with the conditions set out in Metropolitan Life Group Policy #62157, all active employees shall be entitled to the following:

as of August 1, 1993 —
twenty-five thousand (\$25,000.00) dollars

as of August 1, 1994 —
twenty-six thousand (\$26,000.00) dollars

as of August 1, 1995
twenty-seven thousand (\$27,000.00) dollars

The premiums for this insurance coverage will be one hundred (100%) percent paid by the Company.

1:02 Accidental Death and Dismemberment

In accordance with, and subject to, the limitations as set out in CIGNA Life Group Policy #ABT100902, until April 30, 1994, and thereafter in UNUM Canada Group Policy, all active employees, without exception, shall be entitled to the following:

as of August 1, 1993 —
twenty-five thousand (\$25,000.00) dollars

as of August 1, 1994 —
twenty-six thousand (\$26,000.00) dollars

as of August 1, 1995 —
twenty-seven thousand (\$27,000.00) dollars

The premiums for this insurance coverage will be one hundred (100%) percent paid by the Company.

1:03 In the event of any variation between this summarized information and the provision of Metropolitan Life and CIGNA Group Policies #62157 and #ABT100902 respectively, which are the governing documents, the latter will prevail.

APPENDIX II

HEALTH/SAFETY BENEFITS

ARTICLE 1 - HEALTH BENEFITS

All employees will, after having completed the probationary period, be insured under the terms and conditions of the various health benefits hereafter listed. The Company will pay the premiums for these benefits for the duration of this Agreement and may change carriers with mutual consent.

1:01 WEEKLY INDEMNITY INSURANCE

Weekly Indemnity Insurance on the basis of 1-1-4-39 subject to the terms and conditions of Metropolitan Life Group Policy #62157. The weekly indemnity rate will be four hundred forty-seven (\$447.00) dollars weekly.

1:02 LONG TERM DISABILITY INSURANCE (L.T.D.)

Long Term Disability insurance will be provided on a flat monthly benefit of six hundred (\$600.00) dollars, payable upon certification of disability and following a thirty-nine (39) week waiting period, all subject to the terms and conditions set out in CIGNA Life Insurance Group Policy #ABT100902 until April 30, 1994, and thereafter in Metropolitan Life Insurance Group Policy #62157.

1:03 ONTARIO HEALTH INSURANCE PROGRAM (O.H.I.P.)

The Company agrees to maintain one hundred (100%) percent of the costs of O.H.I.P. for all employees covered by this Agreement.

1:04 BLUE CROSS BENEFIT PACKAGE

The Company agrees to provide the Blue Cross Benefit Package in accordance with the terms and conditions set out in Blue Cross Group Policy **2424** (Water Heating) and **2424E** (Pumps). The basic coverages are as follows:

A. DRUG PLAN

- thirty-five (\$0.35) cent deductible drug plan;
- all employees are to register their spouse and children for positive **enrollment**. Benefits will not be paid for persons not enrolled,
- all maintenance drugs will be dispensed by **Pharmex** Containment Services Inc. (e.g., blood pressure, insulin, birth control, anti-depressants, etc.)

Provision of Prescription Drugs

1. The Company and the Union agree that **Pharmex** Containment Services will be used to provide certain prescription drugs covered under the Blue Cross Drug Plan. The drugs provided through **Pharmex** shall be those drugs that are "maintenance drugs", defined as drugs that are, or are reasonably expected

to be, regularly and repeatedly prescribed over periods of time exceeding sixty (60) days.

It is agreed that employees may use the local pharmacy of their choice if, in the opinion of the employee's doctor, the prescription drug is required immediately. For example, prescriptions for antibiotics for dependent children may be filled by the pharmacy of the employee's choice.

2. The Company agrees to accept delivery of **Pharmex** drugs at the Human Resources office during normal business hours.

The Company will not record or keep any information related to the delivery of drugs to Company premises for any employee. Neither will the Company use information related to the delivery of drugs to any employee in any way in any manner (including discipline or promotion).

3. The Company agrees to provide the Union with copies of all reports on drug usage, drug claims, and service delivery provided by **Pharmex**.
4. The Company and the Union agree that after two (2) years of experience, the service of **Pharmex** will be reviewed and evaluated. It is agreed that during the first six (6) months of the third (3rd) year of the Collective Agreement, all employees will be provided with a questionnaire regarding service quality, jointly designed by the Company and the Union.

B. DENTAL PLAN

No. 7 Dental Plan with Riders No. 1, No. 2, and No. 3 with one (1) year lag on O.D.A. Schedule of Fees; check-ups and cleaning will be covered once every nine (9) months; positive **enrollment** (as per drug plan); effective January 1, 1994, the O.D.A. Schedule of Fees for 1993 will apply; effective January 1, 1995, the O.D.A. Schedule of Fees for 1994 will apply; effective January 1, 1996, the O.D.A. Schedule of Fees for 1995 will apply.

C. VISION CARE PLAN

Effective August 1, 1993, and for the duration of this Agreement, coverage will be two hundred (\$200.00) dollars paid once every twenty-four (24) months (employees and dependents) towards the cost of prescription eyeglasses,

D. HEARING AID PLAN

Effective August 1, 1993, and for the duration of this Agreement, coverage will be six hundred (\$600.00) dollars paid once every thirty-six (36) months (employees and dependents) toward the cost of purchasing a hearing aid.

ARTICLE 2 - SAFETY BENEFIT

2:01 The Company agrees to pay sixty-five (\$65.00) dollars toward the purchase of safety shoes, upon proof of purchase for permanent employees in each year of the agreement.

APPENDIX III

THE PENSION PLAN OF THE UNITED STEELWORKERS OF AMERICA FOR EMPLOYEES OF GSW INC.

1:01 All employees shall be enrolled as members of The Steelworkers' Members Pension Benefit Plan (the "Pension Plan") upon completion of the employee's probationary period.

1:02 The Company acknowledges that the administration of the Pension Plan shall be performed by trustees appointed by the Union. The Company agrees that the administration of the Pension Plan and the benefits to be provided by the Pension Plan shall be determined by the Pension Plan documents adopted by the trustees. The Company agrees that it and the employees shall be bound by and adhere to the terms of such Pension Plan documents, provided however that in no event shall the obligations of the Company to make contributions to the Pension Plan be greater than that set out in paragraph 1:03.

1:03 The Company shall make contributions to the Pension Plan at the rate of zero dollars and ninety cents (**\$0.90**) per hour for each member of the Plan. Such contribution shall be made on the basis of a **forty (40)** hour work week and shall be made **for** fifty-two (**52**) weeks per year provided that such member is on the seniority list in accordance

with the provisions of paragraph 1:04. **Contributions are due on the fifth (5th)** working day of each month following the month for which the contributions are payable. In addition to making contributions, **the** Company shall provide all information which the trustees of the **Pension Plan may** require for the effective administration **of the** Pension Plan including the hours of work for all members, their names, addresses, dates of birth, social insurance numbers, **spousal** status and similar information.

1:04 For the purposes of pension contributions **only**, the **seniority** list shall be deemed to include all **employees** receiving wages or salary, vacation pay, holiday pay, sickness benefits. **Workers' Compensation, LTD.** employees absent for Union business, bereavement and any other approved leave. For the purpose of pension contributions, employees shall **be deemed** to be removed from the seniority list only upon termination of employment or after a layoff. In the event any employee is terminated other than on the last day of a month, a pro-rated contribution shall be made on behalf of that employee based on the number of weeks or partial weeks worked during the month.

1:05 No member contributions to the Pension Plan shall be required.

1:06 The Company agrees that the employees will be able to retire at their option under the terms of the Pension Plan.

1:07 It is the intention of the Company and the Union that pension contributions should be deductible by the Company under the Income Tax Act (Canada). If the Company is not permitted by Revenue Canada to deduct contributions under the Income Tax Act (Canada), the Company and the Union shall meet to discuss and -implement measures which are required to ensure that the contributions are deductible or to agree upon alternate contributions which will be deductible, all of which shall be done to preserve so far as possible the original intent and meaning of the Pension Plan,

1:08 The Company shall pay lost time for two (2) trustees ~~to attend~~ trustees' meetings for a maximum of three (3) days per trustee in each year of this agreement and grant leaves of absence without pay as may be required to permit them to attend a maximum of a further three (3) meetings per trustee in each year of the agreement.. In addition, ~~an~~ employee who is newly appointed as a trustee shall be paid lost time to a maximum of five (5) additional days to permit the employee to attend a training program relating to pension plan administration. The Union agrees to promptly notify, in writing, each GSW operating company of the identity of all employees selected to serve as trustees. The Union further agrees to notify, in writing, each GSW operating company at least two (2) weeks in advance of the time when the trustees will require time off work for the purpose of attending trustee meetings.

1:09 The Company and Union agree to coordinate the payment of benefits to members of the Pension Plan who were also members of former or predecessor pension plans maintained by the Company for employees. When a member is terminating his employment and has a pension entitlement, a representative of the Company's Human **Resources** Department will contact the Union's pension representative to determine the amount of the employee's **entitlement** and pension options, if any. This information will be recorded by the Union's pension representative on a prescribed form and given to the Human Resources Department. The **Human Resources** Department will convey this information to the employee when the employee's termination of employment is being processed.

1:10 The Company agrees that it is responsible for and agrees to indemnify and save harmless the Pension Plan, Union and trustees from, against in respect of any and all claims that the Plan, Union or trustees may suffer or incur in connection with pension benefits attributable to the period prior to August 1, 1990, and based on the Pension Plan provisions in effect as of July 31, 1990.

1:11 The Company will pay one hundred (100%) percent of cost for one thousand dollars (\$1,000.00) life insurance for retirees.

APPENDIX IV
STANDARDS OF APPRENTICESHIP

INDEX

	Page
Definitions	88
Application	89
Apprenticeship Eligibility Requirements .	90
Credit for Previous Experience & Academic Training	91
Term of Apprenticeship	91
Probationary Period	92
Hours of Work.....	92
Ratio	92
Discipline	93
Wages	94
Academic Training.....	96
Joint Apprenticeship Committee	96
Supervision of Apprentices.....	98
Consultants	99
Seniority	99
Apprenticeship Agreement.....	100
Certificate of Completion of Apprenticeship	101
Schedule of Work Processes	101
General	102

APPRENTICESHIP STANDARDS

The following standards of apprenticeship covering the employment and training of **apprentices** in the trades included in these standards have been agreed to by the Company and the International Union, United Steelworkers of America and its Local 3789.

PURPOSE

The purpose of these standards is to make certain that extreme care is exercised in the selection of apprentices and that the methods of training are uniform and sound with the result that they will be equipped for profitable employment, and to further the assurance to the Company of proficient workmen at the conclusion of the training period.

APPRENTICESHIP STANDARDS

ARTICLE 1

DEFINITIONS

1:01 The term "Company" shall mean **GSW** Water Heating Company and/or **GSW** Pump Company, Hill Street, **Fergus**, Ontario.

1:02 The term "Union" shall mean the duly **authorized** representatives of the International Union, United Steelworkers of America and its Local **3789**.

1:03 "Registration Agency" on labour standards shall mean the Industrial Training Branch, Ontario Ministry of Labour. "Registration Agency" for the apprentice as a student covering related instruction, shall mean ordinarily a secondary or technical school under the jurisdiction of a Board of Education in the Province of Ontario.

1:04 "Apprenticeship Agreement" shall mean a written agreement between the Company and the person employed as an apprentice, and his parent or guardian if he is a minor, which agreement or indenture shall be reviewed by the Joint Apprenticeship Committee and registered with the Registration Agencies.

1:05 "Apprentice" shall mean a person who is engaged in learning and assisting in the trade to which he has been assigned under

these standards and who is covered by a written agreement with **the** Company providing for his training in accordance with these Standards of Apprenticeship and who is registered with the Registration Agencies,

1:06 "Committee" shall mean the Joint Apprenticeship Committee **organized** under these standards.

1:07 "Supervisor of Apprentices" shall mean the person employed as such or the person assigned the responsibility by the Company to perform the duties outlined in these Standards of Apprenticeship.

1:08 "Standards of Apprenticeship" shall mean this entire document, including these definitions.

ARTICLE II APPLICATION

2:01 Application for apprenticeship will be received by the Human Resources Department of the Company from applicants considering themselves eligible under the program of training. These applications of prospective apprentices will be reviewed by the Joint Apprenticeship Committee. However, it is understood that the final selection and hiring of the apprentices is the sole responsibility of the Company. It is also

agreed that when an applicant who is an employee is *not* selected for an apprenticeship, this does not constitute a matter for grievance under the Collective Agreement. Any rejection of an employee shall be based strictly on qualifications.

ARTICLE III

APPRENTICESHIP ELIGIBILITY REQUIREMENTS

3:01 In order to be eligible for apprenticeship under these standards, the applicant should meet the following qualifications:

(a) He must have a secondary school diploma or its educational equivalent.

(b) Preferred age is between eighteen (18) and twenty-six (26) years; however, age will not restrict consideration.

(c) Notwithstanding other provisions of this Agreement, any employee, other than those classified as apprentices, may file an application for an opening in the apprentices program. Where the qualifications of the employee-applicant and the **non-employee**-applicant are approximately equal, the employee-applicant will be given preference. An employee accepted for apprentice training shall have his wage rate adjusted to the starting rate of the apprentice rate schedule.

Exceptions to these requirements may be made **by the Company upon the recommendation** of the Committee for applicants who have unusual qualifications.

It is understood that all applicants must successfully pass the Company's regular employment requirements.

ARTICLE IV

CREDIT FOR PREVIOUS EXPERIENCE AND ACADEMIC TRAINING

4:01 At the discretion of the Committee, credit for prior experience in the applicable trade may be given after evaluation. Review will be made after completion of the apprentice's probationary period. Credit is to be afforded based on a scale which evaluates substantiated applicable experience, and extent of academic achievement in a secondary school providing a **recognized** science and technology academic schedule.

ARTICLE V

TERM OF APPRENTICESHIP

5:01 The term of apprenticeship shall be established by these Standards of Apprenticeship in accordance with the schedule of work processes and related instruction as outlined in the Appendix attached hereto.

ARTICLE VI
PROBATIONARY PERIOD

6:01 The first five hundred (500) hours of employment for every apprentice shall be a probationary period. During this probationary period, the apprenticeship agreement with an apprentice may only be cancelled by the Company after advising the Committee. The Registration Agencies shall be advised of all such cancellations.

ARTICLE VII
HOURS OF WORK

7:01 Apprentices shall work the same hours and be subject to the same conditions regarding overtime rates as the journeymen employed by the Company. In case an apprentice is required to work overtime he shall receive credit on the term of apprenticeship for only the actual hours of work. Apprentices may work overtime hours providing that the proper ratio of apprentices to journeymen established by these standards is maintained.

ARTICLE VIII
RATIO

8:01 The ratio of apprentices to journeymen shall be determined by the employee requirements in the trade in which men are apprenticed.

8:02 If layoffs become necessary, apprentices shall be laid off to maintain the established ratio. For the trade of toolmaker, the ratio shall not exceed one (1) toolmaker apprentice to three (3) journeymen toolmakers. For the trade of electrician, the ratio shall not exceed one (1) electrician apprentice to three (3) journeymen electricians. For the trade of millwright, the ratio shall not exceed one (1) millwright apprentice to three (3) journeymen millwrights.

ARTICLE IX

DISCIPLINE

9:01 The Committee shall have the authority to recommend discipline and/or cancellation of the apprenticeship agreement of the apprentice to the Company at any time for such cause as:

- (a) inability to learn,
- (b) unreliability,
- (c) unsatisfactory work,
- (d) lack of interest in his work or education,
- (e) improper conduct, or
- (f) failure to attend classroom instruction regularly.

It is understood that the final decision on disciplinary action is the responsibility of the Company.

ARTICLE X

WAGES

10:01 Apprentices in each of the trades covered by these standards shall be paid a progressively increasing schedule of wages as follows:

- First one thousand (1,000) hours — not less than sixty-five (65%) percent of the journeyman's wage rate.
- Second one thousand (1,000) hours — not less than seventy (70%) percent of the journeyman's wage rate
- Third one thousand (1,000) hours — not less than seventy-five (75%) percent of the journeyman's wage rate
- Fourth one thousand (1,000) hours — not less than eighty (80%) percent of the journeyman's wage rate
- Fifth one thousand (1,000) hours — not less than eighty-five (85%) percent of the journeyman's wage rate
- Sixth one thousand (1,000) hours — not less than ninety (90%) percent of the journeyman's wage rate
- Seventh one thousand (1,000) hours — not less than ninety-five (95%) percent of the journeyman's wage rate
- Eighth one thousand (1,000) hours to successful completion of final exam — not less than ninety-five (95%) percent of the journeyman's wage rate.

The apprentice shall also receive the annual **increases** pro-rated at **the above percentages**, accorded all other plant employees, where such contract provisions exist. Cost of Living Allowance will be paid in full amount, not pro-rated.

10:02 Hours of work spent in classroom instruction shall not be considered hours of work in computing overtime.

10:03 Apprentices who are given credit for previous experience shall be paid, upon receiving such credit, the wage rate for the period to which such credit advances them. This shall not be made retroactive.

10:04 When an apprentice has completed eight thousand (8,000) hours of training, passed the final examination, and after recommendation for journeyman's certificate by the Committee, the apprentice is to receive not less than the minimum rate to skilled journeymen in the trade in which the apprenticeship has been served. This rate shall be **retro-active** to the completion of the eight thousand (8,000) hours of training, provided all the previously stated conditions are met.

10:05 Apprentices shall not be paid for attendance **at** night school unless they are employed on the night shift and are required to attend night school, in the same manner as a day course. If an applicant is required to attend a day school course in addition to his

night school training, he shall receive the difference between the pay appropriate to his apprenticeship period and any compensation paid to him by any government agency.

ARTICLE XI

ACADEMIC TRAINING

11:01 Apprentices are required as a condition of apprenticeship to receive and attend classroom instructions at a technical or similar school. The schedule of work processes and related instructions are attached to this apprenticeship plan. Modifications may be made to the schedules on the recommendation of the Committee, subject to final approval by the Company.

The Company shall notify the Registration Agencies of such changes. Credit for time spent in academic training is given in the calculation of the hours of apprenticeship served and shall be applied against the period total.

ARTICLE XII

JOINT APPRENTICESHIP COMMITTEE

12:01 There is hereby established a Joint Apprenticeship Committee as defined in Article I. This Committee shall be composed of six (6) members, three (3) representing the Company and three (3) employees representing the Union. The chairman shall be the Supervisor of Apprentices and shall be a member of the Committee. The Committee

shall meet once a month unless otherwise agreed. It shall be the duty of the Committee:

1. To see that each prospective apprentice is interviewed and impressed with the responsibilities he is about to accept as well as the benefits he will receive.
2. To accept or reject applicants for apprenticeship subject to final approval by the Human Resources Department of the Company as provided in Article II.
3. To hear and decide on questions involving apprentices which relate to their apprenticeship.
4. To determine the scale of credits for previous experience and academic training.
5. To determine whether the apprentice's scheduled wage increase shall be withheld in the event that he is delinquent in his progress.
6. To offer constructive suggestions for the improvement of training on the job.
7. To certify the names of graduate apprentices to the Registration Agencies and recommend that a Certificate of Apprenticeship be awarded upon satisfactory completion of the requirements of apprenticeship established herein. No certificate will be issued by the Registration Agencies unless recommended by the Committee.
8. To review the supervisor's monthly report on each apprentice.

9. In general, to be responsible for the successful operation of the apprenticeship standards in the plant and the successful completion of the apprenticeship by the apprentices under these standards.

ARTICLE XIII

SUPERVISION OF APPRENTICES

13:01 Apprentices shall be under the general direction of the Supervisor of Apprentices and under the immediate direction of the production supervisor of the department to which they are assigned. The Supervisor of Apprentices is **authorized** to move apprentices from one department to another, in accordance with the predetermined schedule of work training. Where an apprentice is retained unavoidably on a scheduled work process for a period longer than the maximum time scheduled for such work process, an explanation shall be sent to the Supervisor of Apprentices who will place it before the Committee for their review at the next meeting.

13:02 The Supervisor of Apprentices or an individual charged with this responsibility in consultation with the Committee, shall prepare adequate record forms to be filled in by the production supervisor under whom the apprentices receive direction, instruction and experience. Supervisors shall make a report at least every thirty (30) days to the Supervisor of Apprentices on the work and

progress of the apprentices under their **supervision**. These reports shall be **submitted** to the Committee for review.

ARTICLE XIV

CONSULTANTS

14:01 The Committee may request interested agencies or **organizations** to designate a representative to serve as Consultant. Consultants may be asked to participate without vote in conferences on problems related to apprenticeship training which affect the agencies they represent.

ARTICLE XV

SENIORITY

15:01 The apprentices will exercise their seniority in their own group. For example, if there are four (4) apprentices in the trade such as "Toolmaker" and a reduction in this number is required due to lack of work, the first hired or classified as an apprentice shall be the last laid off and the last laid off shall be the first reinstated.

15:02 Notwithstanding the provisions of the Collective Agreement, dated June 4, 1971, between the **Company** and the Union, of which these Apprenticeship Standards shall henceforward be a part, an employee with seniority who is selected for an apprenticeship shall be permitted, if affected by lay-off during the first five hundred (500) hours

of the apprenticeship, to return to his former job classification with the seniority date that he held immediately prior to becoming an apprentice.

After five hundred (500) hours as an apprentice, an apprentice shall have as his seniority date the date he was accepted as an apprentice and shall not acquire or retain seniority rights to bump into any classification outside that of apprentice.

ARTICLE XVI

APPRENTICESHIP AGREEMENT

16:01 “Apprenticeship Agreement” shall mean a written agreement between the Company and the person employed as an apprentice and his parent or guardian (if he is a minor), which agreement shall be approved by the Supervisor of Apprentices and registered with the Registration Agencies.

16:02 The following shall receive copies of the Apprenticeship Agreement:

1. the apprentice
2. the Company
3. the Committee
4. the Registration Agencies
5. the Local Union
6. United Steelworkers of America.

ARTICLE XVII
CERTIFICATE OF COMPLETION
OF APPRENTICESHIP

17:01 Upon completion of the apprenticeship under these Apprenticeship Standards, the Supervisor of Apprentices will recommend to the Industrial Training Branch, Ontario Ministry of Colleges & Universities, that a certificate, signifying completion of the apprenticeship, be issued to the apprentice. No certificates will be issued by the Apprenticeship Branch, Ontario Department of Labour unless recommended by the Committee.

ARTICLE XVIII
SCHEDULE OF WORK PROCESSES

18:01 The schedule of work processes and related training shall be established by the Company and the Union for the following trades:

Tool & Die Maker
Electrician
Precision Machinist
Millwright

18:02 In the event the Company decides to employ apprentices in other trades, and after consultation with the Joint Apprenticeship Committee, the Company, the Union and the International Union will meet to approve such modifications to the Apprenticeship Standards.

18:03 In the event of the introduction of new techniques, processes or innovations in the **Fergus** plant, which in the interests of the **parties require** modification to the schedule-of work processes set forth in the Apprenticeship Agreement, which have been so recommended by the Joint Apprenticeship Committee, the Company, the Union and the International Union will meet to approve such modifications to the Apprenticeship Standards. A copy of such amendments will be furnished to each apprentice employed by the Company, together with the Registration Agencies.

ARTICLE XIX

GENERAL

19:01 The apprentice shall be required to provide himself with a toolbox and a complete set of tools of his trade.

19:02 The schedule of work processes attached as Appendix I and Appendix II serves only as a guide and may be altered as outlined in Articles XII and XVIII to meet the requirements of the trades in the **Fergus** plant.

APPENDIX V

LETTERS OF INTENT

Re: New Divisions

1. The parties agree that in the event of the introduction of additional divisions to the **Fergus** site, any personnel employed in Union jobs will be kept on a separate seniority list for a period of three (3) years to allow the division to consolidate. At the end of the three (3) year period, seniority will be integrated with the **Fergus** site seniority.

Re: Ten (10) Hour Shifts

2. Without prejudice or precedent to either party, the Company and the Union agree that beginning Monday evening, November 19, 1973, the hours of work for the second shift, the afternoon shift, will be from 4:45 p.m. to 3:15 a.m. Tuesday, with a lunch break of one-half (1/2) hour. The said work week shall consist of four (4) ten (10) hour shifts, Monday to Thursday, inclusive. All hours so worked will be at regular rates of pay applicable to the job.

Any hours worked in excess of the regularly scheduled hours of work herein defined, will be paid at overtime rates as defined in the Collective Agreement, **except** that in the case of a week where a statutory holiday falls. The statutory holiday will be counted as an eight (8) hour day only and two (2) days of

that said week will be designated as eleven (11) hour shifts, at straight time, to make up the forty (40) hour week.

This agreement is made on the understanding that productivity and attendance will be maintained at a satisfactory level. In the event of unforeseen problems, the Company or the Union reserve the right to cancel this agreement at any time, after giving notice to the other party.

Re: Calculation of Lead Hands

3. The Company is prepared to use the figure of forty (40%) percent as the minimum figure for assessing departmental bonuses when calculating the rates of pay of lead hands and set-up men.

Re: Vacations

4. As discussed on June 7, 1974, with the Negotiation Committee, the vacations will generally be taken as follows:

Those with two (2) weeks vacation will normally take their vacation during the plant shutdown.

Those with over two (2) weeks vacation entitlements will take vacations as per Schedule G, paragraph five.

Consideration will be given to requests by employees for four (4) hour periods of vacations if the department supervisor agrees with the request.

Re: Welders and Welder Trainees

5. As discussed with the Bargaining Committee of Local **3789** re the shortage of available welders in the **Fergus** area, the Company is prepared to initiate the following measures to ensure an availability of welders in the future.

(a) Contact the employees in the shop who have welding skills or an interest in learning to weld by notice on the notice boards and by personal letter to the employees.

(b) Provide a training course in arc and machine welding to enable interested employees to upgrade their skills in welding.

(c) Protect the seniority of any employee electing to take welder's training or accepting a welder's job for a period of forty-five (45) working days. Should the employee decide during this period he wishes to return to his former job, he will be returned with no loss of seniority at his request. The Company reserves the right to return any employee during this period to his former job with no loss of seniority to the employee after reason has been explained to the employee involved.

If, after the forty-five (45) day period, the employee elects to remain on the welding job, his seniority will be moved to that classification and division to which he has been assigned.

The Company will pay Group 3 Machine

Welders and Group 4 Arc Welders a supplementary allowance of twenty-five (**\$0.25**) cents per hour as an add-on.

Further to the above, the Company is prepared to upgrade all Group 2 Machine Welders to Group 3 and henceforth will use the Group 2 welding position as a lead-in classification to **train** Machine Welders. Group 3 Arc Welders will be upgraded to Group 4 Arc Welders. Group 3 Arc Welders will become a lead-in classification to train arc welders.

It is the desire of the Company to provide a formal long range training program to enable employees to secure welders certificates and upgrade welding certificates **recognized** by the Canadian Welding Bureau.

Re: Alcohol and Drug Addiction Program

6. Between Local 3789 U.S.W.A. and GSW Water Heating Company and GSW Pump Company, Hill Street Site, Fergus, Ontario.

The Company and the Union, recognizing the need for a program to cover situations arising from employees who have unsatisfactory work performances due to alcohol or drug addiction, agree to the following amendments to the Collective Agreement:

(a) The Company and the Union agree to cooperate to the fullest extent in the program of rehabilitation of employees referred to the program in the manner herein set forth.

(b)(1) In the case of an employee whose work performance is unsatisfactory and strong evidence exists that the unsatisfactory work performance is due to an addiction problem, the employee concerned will receive a corrective interview from his immediate supervisor as per Clause 8:01 of the Collective Agreement.

(2) In the event the unsatisfactory work performance continues, the employee will receive a second interview with his immediate supervisor, the Director of Human Resources and the President of the Local. If at this meeting, in the opinion of the supervisor, the Director of Human Resources, and the President of the Local or their alternates, the need for a medical opinion is evident, the employee will be referred to the Company doctor for a complete medical diagnosis.

(3) If in the opinion of the Company doctor, treatment is required for addiction and that indeed is the problem, the employee will attend a further meeting with the Director of Human Resources and the President of the Local. At this meeting he will be asked to accept assistance from a professional **organization and a commitment** to follow any prescribed program of treatment recommended by such **organization**.

(4) An employee consenting to take treatment will be informed that he must follow

explicitly the schedule of treatment outlined by the assisting agency or physicians working with the agency. Failure to comply with prescribed treatment will result in the normal disciplinary procedures being followed.

(5) If the employee does not agree to accept such treatment at this meeting, the employee will be informed that unsatisfactory work performance will be dealt with under the normal disciplinary procedures followed by the Company.

(c) In the case of an employee voluntarily seeking assistance for an addiction problem, the procedure will be as follows:

(1) The employee will contact the Director of Human Resources, who after consultation will recommend the employee be examined by a physician of his choice.

(2) If, in the opinion of the physician, the employee requires treatment, the employee will be referred to the appropriate agency.

IT IS AGREED AND UNDERSTOOD ALL INFORMATION INVOLVING EMPLOYEES ON THIS PROGRAM WILL BE HELD IN STRICTEST CONFIDENCE.

The consulting agencies will be as follows, with the provision that further agencies may be used by mutual agreement between the

parties: Addiction Research Foundation of Ontario, Addiction Services of the Wellington Dufferin Health Unit and the Lifeline Program of the U.S.W.A.

Re: Retention of Stewards in Their Zones

7. The Local 3789 asks that Stewards be retained in the zone for which they are Stewards, providing that they are capable of performing the work that is being performed in the zone.

If they are unable to perform the work in the zone, then they will be transferred under Article 12:02 and will be treated the same as any other employee.

Re: Incentive System - "Change Over"

8. The Company and the Union agree that it would be mutually beneficial to convert the present incentive pay system to an hourly pay system. To this end, the parties agree to form a joint Labour/Management Committee (three members each) with the mandate to develop a methodology for this conversion. The Committee will meet once monthly as a minimum or more often as required (3 to 4 month time frame would be ideal).

The methodology developed by the Committee will be submitted to the Company presidents for final approval. The approved hourly pay system will be implemented not later than August 1, 1994, or sooner if possible.

It is agreed that upon implementation, the hourly pay system language, job **classifications**, and pay rates will supersede the existing incentive pay system, language, job classifications, and pay rates.

It is further agreed that in the event an hourly pay system cannot be **mutally** agreed to, the existing incentive pay system will remain in effect until such time as agreement can be reached or the contract expires, whichever comes first.

APPENDIX VI

LETTER OF AGREEMENT

Under the terms of Schedule D, Article 2:01 of the **GSW** Water Heating Company and **GSW** Pump Company/U.S.W.A. 3789 August 1, 1990 - July 31, 1993 Collective Agreement, accumulated **add-ons** totalling three dollars and four (**\$3.04**) cents, comprised of two dollars and sixty (**\$2.60**) cents pay increases and forty-four (**\$0.44**) cents C.O.L.A., were to be pro-rated into the base rates.

The parties agree, however, that this three dollars and four (**\$3.04**) cents will continue to be carried as an add-on to the incentive rates during the term of the August 1, 1993 Collective Agreement. The parties further agree that the three dollars and four (**\$3.04**) cents will be used when calculating overtime premiums, vacation pay and holiday pay.

APPENDIX VII

A GLOSSARY OF TERMS

The following words and phrases are given definition and meaning to clearly indicate the common and consistent interpretation to be placed on them by all persons using the description:

Ability

A sufficiency of skill or competence to satisfactorily perform the work required of a job.

Average Earnings

An average of the hourly earnings, calculated quarterly by taking the total earnings over the previous three (3) month period, excluding overtime payments, and dividing by the actual number of hours worked.

Base Rates

The timed incentive rate placed on a job.

B.M.T.

Refers to Basic Motion Time study method used to calculate incentive rates.

Call-In

When an employee is asked to return to work for the performance of any emergency work in other than his regular scheduled working hours.

Plant Manager

The plant **official** in charge of manufacturing.

Down Time

On an incentive job, down time will be defined as forced idle time not within the worker's control and not included in the Time Study Rate.

Experimenting

Testing to see if a method to be used in manufacture is practical; not to be used for production.

Grievance

A real or imaginary cause for complaint for which redress is requested.

Instruction

The action of demonstrating, physically or verbally, the method or procedure to be followed.

Job Rate

The rate an employee is hired under; not to be confused with base rate.

Layoff

Termination of an employee's work due to work reduction and under which the employee possesses specific rights of recall.

Lead Hand

A lead hand is a person selected to lead a group of employees in a department because of leadership qualities and the ability to understand and perform the work of the department. A lead hand has no disciplinary authority; however, he will assign work as required and report job failure. A lead hand will assist or replace employees within the department as required.

Machine Control Time

The time in which a machine or process is operating and the operator is waiting, is a time which the operator cannot change.

Maintenance**(a) Preventive Maintenance**

Covers oiling, changing of belts, shear pins, repairs to machines, to maintain machines in normal working order to prevent major machine failure. Could be required to assist site maintenance personnel on major repairs.

(b) Site Maintenance

Covers building, majormachine repairs, electrical installation, pneumatic, hydraulic, boiler room, power plant, janitorial services and ground maintenance.

Qualifying Hours

Shall be all hours worked, all hours of earned vacations, statutory holidays, excused absence for Company or Union business, all hours for which compensation was received, and all hours for which weekly sick benefits are paid.

Short Run Job

An incentive job that when run at a normal incentive pace would be completed in three (3) hours or less.

Suspend

Temporary termination of an employee's work as a disciplinary measure.

Vacation Week

Shall consist of average earnings based on the last quarter of the vacation entitlement year (April-May-June), or two (2%) percent, whichever is the greater.

Wage Rates - Incentive

The established lowest rate for an incentive worker under Schedule D of the Agreement for a given classification. This rate is used when calculating incentive rates of pay.

Working Days

Days on which work shifts are scheduled.