

COLLECTIVE AGREEMENT

BETWEEN



CG Power Systems Canada Inc

101 Rockman Street
Winnipeg, Manitoba

AND



**UNITED STEELWORKERS
LOCAL 4297**

**EFFECTIVE
May 5, 2014
to
May 4, 2017**

CG Power Systems Canada Inc

02193(10)

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DEFINITIONS OF TERMS USED IN COLLECTIVE AGREEMENT

Classification	A group of related jobs as outlined in the corresponding job descriptions as determined by the Company from time to time. Each job corresponds to a specific Level. Members of a Classification may be assigned all or part of the duties of the job as set forth in the job description consistent with the Level.
Days	Will be defined as calendar days unless otherwise indicated.
Department	Specific area of manufacture where the employee is working. Departments are as follows: Insulation; Controls Assembly; Moulding & Tapgear Assembly; Machining; Shipping; Receiving & Stores; Winding; Coil Assembly; Core Assembly (including core shear operations); Internal Assembly; External Assembly; Paint; Oil Processing; Test; Maintenance (including janitorial); Welding.
Grievance	A complaint, request or claim concerning unjust suspension, discipline, discharge or involving any matter relating to wages, hours of work, working conditions, including questions of interpretation or application of, or compliance with, the provisions of this Agreement.
Level	A category within a Department which determines an employee's relative position for compensation purposes only.
Masculine Pronoun	Where a masculine pronoun has been used, it has been used for convenience, and not to differentiate between sexes.

Probation Period	Probation Period as provided in the Collective Agreement for newly hired employees during which time the employee is assessed by the Company in terms of suitability for acquisition of seniority.
Process Change	Process change shall mean a change in method of operation or organization of the workplace which may or may not affect current employees.
Plant Manager	Non-bargaining unit employee appointed by the Company with responsibility for overseeing the management of all functions of plant operations.
Production Manager	Non-bargaining unit employees appointed by the Company with responsibility for managing a specified portion of the plant (e.g. assembly operations; operations support functions; and test).
Supervisor	A non-bargaining unit employee appointed by the Company with responsibility for one or more departments.
Technological Change	Technological change shall mean the introduction by the Company into its operations of equipment or material of a different nature or kind than what is previously used and a change in the manner in which the Company carries on its operations that is directly related to the introduction of that equipment or material.
Training/Trial Period	Training/trial period as provided in the Collective Agreement during which time the employee will receive reasonable training and must demonstrate that the employee possesses the skill, ability and physical fitness to perform the job to the required standard.

Trial Period Trial period as provided in the Collective Agreement regarding challenges during which time the employee is entitled to a brief orientation only and then must demonstrate proficiency in the Department and Level that is being challenged.

ARTICLE 1 - GENERAL PURPOSE

1.01 The parties are agreed that the purpose of this Agreement is to establish working conditions, maintain orderly collective bargaining relations between the Company and the Union and to provide an orderly procedure for adjustment of grievances and disputes which may arise between the parties hereto.

ARTICLE 2 - RECOGNITION

2.01 The Company recognizes the Union as the sole collective bargaining agent on all matters pertaining to rates of pay and hours of work for all its employees at 101 Rockman Street, Winnipeg, Manitoba, with the exception of Supervisor, those above the rank of Supervisor, those engaged in a confidential capacity, and all office employees.

ARTICLE 3 - RESERVATIONS OF MANAGEMENT RIGHTS

3.01 The operation of the Company, including the maintenance of order, discipline and efficiency, and the direction of employees, including all matters not specifically dealt with herein, will continue to be vested exclusively in the Company. The Company agrees that these functions will be exercised in a manner not inconsistent with the terms of this Agreement.

3.02 The Company agrees no employee outside the bargaining unit shall perform work which is normally performed by employees within the bargaining unit except in the following cases:

- (a) Where field repair service is concerned;

- (b) In cases of instruction, experimentation, emergency or necessary relief.

3.03 There shall be no reduction of bargaining unit employees due to the application of Article 3.02(b).

ARTICLE 4 - RELATIONSHIP

4.01 The parties hereto agree that there shall be no discrimination or intimidation either by the Company or the Union by reason of any activity or lack of activity, past or future, of any employee in respect to Union activity or membership. Except as hereinafter provided, the employees and the Union will not engage in Union activities during working hours or hold meetings at any time on the premises of the Company, except with the express permission of the Management.

4.02 The Company and the Union agree that there will be no discrimination against any employee because of race, creed, colour, sex, national origin, Union membership or non-membership in any labour organization.

4.03 All individuals in the workplace are entitled to be treated with dignity, free from harassment based on the protected grounds of race, colour, national or ethnic origin, sex, religion, age, marital or family status, sexual orientation, disability, or any other ground prescribed by any law that applies to the Company.

4.04 The Company shall maintain a working environment which is free from general and sexual harassment. For the purpose of this clause, general and sexual harassment means:

- (a) "Sexual Harassment" is any verbal, visual or physical conduct, comment, gesture or contact of a sexual nature or demand for sexual favors real or perceived, that is deliberate and unwelcome, or that should be known to be unwelcome. It creates an intimidating, offensive or embarrassing work environment. It may include but is not limited to the following:

- (I) An implied or expressed promise of reward for complying with a sexual oriented request;
- (II) Implied or expressed threat or reprisal, in the form either of actual reprisal or the denial of opportunity, for refusal to comply with a sexually oriented request;
- (III) Sexually oriented remarks and behaviour which may reasonably be perceived to create a negative psychological and emotional environment for work and study;
- (IV) Pornographic or other offensive materials displayed in the workplace.

4.05 Personal Harassment - involves persistent hostile, obnoxious, or intimidating behaviour that creates an intimidating, offensive or embarrassing work environment. Personal harassment is targeted at a person or group of people because of a personal dislike or personality conflict, and not solely because of race, religion, colour, sexual orientation, or any other of the prohibited grounds under the Manitoba Human Rights Code. It may include but is not limited to the following:

- (a) Unwelcome remarks, jokes, innuendos or taunting about a person's racial or ethnic background, colour, place of birth, citizenship, ancestry or religion;
- (b) Displaying of racist or bigoted ethnic pictures or materials;
- (c) Exhibiting hostile, obnoxious, or intimidating behaviour;
- (d) Unwanted physical contact.

4.06 This policy applies to all persons and Company sanctioned work related activities.

4.07 Procedure

- (i)** The parties agree to hold the original complaint, the Company Report and the Harassment Investigation recommendation confidential.
- (ii)** Any employee who has a complaint shall notify the Human Resources Manager, or any other manager as soon as possible. The employee may also notify the Union Harassment Complaints Counsellor (HCC) in writing.
- (iii)** In any case, the party notified shall ensure that the HR Manager and the HCC are informed immediately provided the employee agrees. The HCC shall not be a compellable witness at any arbitration proceeding between the Company and the Union and the parties agree not to seek to have either give evidence at any arbitration hearing between the parties.
- (iv)** The Human Resources Manager (or designate) will conduct an investigation of the complaint and will advise the HCC of the findings and the proposed corrective action.
- (v)** In the event of a conflict, either party may submit both the original complaint and the Company Report to a mutually agreed upon independent investigator for a non-binding recommendation. The recommendation shall be delivered to the Company and the Company shall forward copies to the HCC and the complainant.

Preventing harassment is everyone's responsibility. Supervisors and managers are expected to act against harassment even without a complaint, and employees are expected to express their disapproval if they encounter harassing behaviour.

Any employee may initiate a grievance under this clause. Grievances under this clause will be handled with all possible

confidentiality and dispatch.

4.08 An alleged offender under this clause shall be entitled; (i) to be given notice of the substance of a grievance under this clause; (ii) to be given notice of and to attend, participate in and be represented at any arbitration hearing which is held as a grievance under this clause.

4.09 For Discipline Arising From a Harassment Complaint

- (a) If any arbitration case arising in the context of any discipline imposed for alleged harassment, the arbitrator is hereby expressly empowered to direct that the alleged harasser be transferred from the place or time of work of the alleged victim of the harassment. The arbitrator may direct the transfer of the alleged harasser without regard to the harasser's seniority.
- (b) The arbitrator may also direct that the victim not be required to work with any employee of the Company found to have engaged in harassing conduct.

An arbitrator, hearing a grievance under this clause, shall have authority to:

- (I) Dismiss the grievance;
- (II) Determine the appropriate level of discipline; and
- (III) Make such further order as may be necessary to provide a final and conclusive settlement of the grievance.

An alleged offender under this clause shall not be entitled to grieve disciplinary action taken by the employer, which is consistent with the award of the arbitrator.

4.10 Any person found to have alleged a false claim against

another individual for harassment or discrimination shall be subject to disciplinary action up to and including termination of employment. It is understood that any such disciplinary action may be subject to the grievance procedure as identified in Article 6 of this agreement.

ARTICLE 5 - UNION OFFICERS, STEWARDS AND COMMITTEE MEMBERS

5.01 The Union agrees to furnish the Company with the names of its duly elected stewards and committee members and representatives appointed to perform any act in connection with the carrying out of this Agreement and undertakes to promptly notify the Company of any change of officers, stewards, committee members or appointed representatives.

5.02 Where a grievance requires a Grievance Committee member or Steward to leave the job, the member shall first inform the Supervisor or Plant Manager and make the Supervisor or Plant Manager aware of any special circumstances regarding his work assignment that may arise during the absence. The Grievance committee member or Steward shall not suffer loss of pay for time spent in the performance of grievance duty during regular working hours. If, in the opinion of the Company, more than a reasonable length of time has been taken by a Shop Steward or Grievance Committee Member to perform grievance duty in connection with this Agreement, the Company may decline to approve payment to such Steward or Grievance Committee Members for such excess time.

5.03 Stewards or Grievance Committee members at the time of their election or appointment shall have acquired seniority with the Company in accordance with this Agreement.

5.04 Joint Committees

- (a) (i) The Contract Negotiating Committee: The Company will pay wages and benefits of six (6) members, appointed by the Union, on days they are in attendance with Company

representatives in negotiations. Such pay will be for time spent during normal working hours.

- (II) The Technological/Process and Outsourcing Committee will comprise a maximum of three (3) members appointed by the Company and three (3) members plus one from the affected area as required by the Union. The need for an additional bargaining unit member will be mutually agreed prior to appointment. It is desirable for the purposes of continuity that at least two (2) of the Union appointees be members of the Contract Negotiating Committee. See Article 27 for the process to be applied.
- (III) The Safety and Health Committee will comprise a membership in accordance with the Manitoba Workplace Safety and Health Act.
- (IV) Job Evaluation Committee will comprise a membership of three (3) members plus one (1) member from an affected area appointed by the Union and three members by the Company. The need for an additional bargaining unit member will be mutually agreed prior to appointment.

(b) Pay for attendance at committees will be as follows:

- (I) **Contract Negotiating Committee** - The Company will absorb the cost of six (6) members appointed by the Union while they are in attendance at Committee meetings. Hours attended on Company time will not exceed four (4) eight (8) hour days for each of the six (6) members.
- (II) **Technological/Process and Outsourcing Committee** - The Company will absorb the cost of three (3) Union appointed members plus one

from the affected area as required while they are in attendance at Committee meetings.

(III) Safety and Health Committee - The Company will absorb the cost of up to four (4) members appointed by the Union while they are in attendance at Committee meetings.

(IV) Job Evaluation - The Company will absorb the cost of up to three (3) Union appointed members plus one member from the affected area as required while they are in attendance at Committee meetings.

Should the length of time of meetings impact an employee's regularly scheduled work day, the employee will be paid for the duration of the meeting and will be expected to return for his normal shift.

5.05 The Company agrees to cooperate and recognize the Union's Compensation Committee Chairperson, and Good and Welfare Committee Chairperson.

5.06 The Company will provide a four (4) drawer locking filing cabinet for the exclusive use of Local 4297 and a location to keep it in, to be booked as needed.

ARTICLE 6 - GRIEVANCE PROCEDURE

6.01 "Grievance" shall mean a complaint, request or claim concerning unjust suspension, discipline, discharge or involving any matter relating to wages, hours of work, working conditions, including questions of interpretation or application of, or compliance with, the provisions of this Agreement.

The Union shall have the right to initiate a group grievance, and either party to this Agreement may file a policy grievance. These grievances shall be filed at step three within thirty (30) days of the occurrence of the incident out of which the grievance is based. A policy grievance is a grievance by one of the parties to

this Agreement arising out of the interpretation, administration or alleged violation of any of the terms of the Agreement. All other grievances shall be processed as follows: All individual grievances must be initiated within five (5) working days of the incident out of which the grievance arose.

All grievances shall be submitted to the Human Resources Manager, who in turn will advise appropriate company representatives at each Step. Company representatives are designated as follows:

Step 1: Supervisor

Step 2: Plant Manager

Step 3: General Manager

For the purpose of meeting with Management representative, the Grievance Committee will consist of not more than three (3) members as designated by the Union, who may, at Stage Three of the Grievance Procedure, be joined by the International Union Representative.

STEP ONE - An aggrieved employee with a Shop Steward or the Shop Steward on behalf of the employee must discuss the employee's grievance with the "Supervisor." The Supervisor shall state his decision to the Shop Steward no later than three (3) working days following the day on which the grievance was discussed with the supervisor.

STEP TWO - If a satisfactory settlement is not reached at Step One the grievance shall be submitted in writing on the approved grievance form to the Plant Manager within four (4) working days after having received the Supervisor's answer at Step One. The Plant Manager shall meet with the Union's Grievance Committee and shall give his decision in writing within five (5) working days after having received the Grievance. At the request of either party, the Union's International Representative may attend this meeting.

STEP THREE - If a satisfactory settlement is not reached at

Step Two, the written grievance shall be referred to the General Manager within four (4) working days after having received the Plant Manager's decision at Step Two. The General Manager shall meet with the Union's Grievance Committee and shall render a decision in writing not later than five (5) working days after having received the Grievance. At the request of either party, the Union's International Representative may attend this meeting.

6.02 (a) Written notification of an intent to arbitrate a grievance by one party to this Agreement to the other party, shall contain that party's request to submit the grievance to a sole arbitrator within forty-five (45) days of having exhausted the grievance procedure established by this Agreement. Grievances referred to arbitration shall be heard by the sole arbitrator. The Company shall, within seven (7) days of the referral to arbitration, select the sole arbitrator, in rotation, from the following panel of individuals:

Arne Peltz, Gavin Wood, Michael Werier

The sole arbitrator shall endeavour to commence the hearing within sixty (60) days of being appointed.

(b) If, after making all reasonable efforts to select a sole arbitrator within the time herein set out, the Company is unable to find any sole arbitrator able or willing to act, the time limit for selection of the sole arbitrator will be extended to the length of time required to obtain the services of a sole arbitrator. If any individual of the above panel, who having been requested in his term to act as sole arbitrator, on arbitration, shall be unable or unwilling to act, he shall not again be requested in his turn to act as sole arbitrator until his name comes up again on the regular rotation of the panel. Where none of the individuals on the panel are able to act as sole arbitrator, a sole arbitrator shall be selected by mutual agreement, failing which

the Chairperson of the Manitoba Labour Board will be asked to make the appointment.

- (c) The sole arbitrator shall then hear and determine the difference or allegation and shall issue a decision, and the decision shall be final and binding upon the parties and upon any employee affected by it, and every party bound by the agreement and every person on whose behalf the agreement was entered into, shall comply with the provisions of the final settlement contained in the Agreement and shall fulfill all other obligations under the Agreement.

6.03 Any arbitrator appointed shall be absolutely impartial and have no interest in the matter being arbitrated, and if it is discovered that any interest, either by such arbitrator being a member of the Union, or past member, or an employee, or a creditor of the Company, then another arbitrator shall be appointed.

6.04 Only one grievance may be heard by one arbitrator. The parties may mutually agree to submit more than one grievance to an arbitrator.

6.05 The sole arbitrator shall have only such jurisdiction and authority to interpret and apply the provisions of this Agreement as shall be necessary to the determination of the arbitrable issue. The sole arbitrator shall not have any power to add to, subtract from, modify or make any decision contrary to the provisions of this Agreement. Judgment upon the award entered may be entered in any court having jurisdiction.

6.06 Saturdays, Sundays, and Holidays shall not be counted in determining the time within which any action is to be taken under this Article.

6.07 If it is determined or agreed at any step in the grievance procedure or decided by the sole arbitrator that any employee has been disciplined or discharged unjustly or that a penalty is too severe, the parties or the sole arbitrator may substitute any

remedy considered equitable in the circumstances. If awarded, back pay will be determined by what the employee would have earned if he would have been working, less any unemployment compensation or earnings from other employers that the employee may have received during the period of time off work.

6.08 The expenses and compensation of the sole arbitrator shall be divided equally between the Company and the Union.

6.09 At any stage of the Grievance Procedure including arbitration, the conferring parties may have the assistance of the employees concerned and any necessary witnesses, and all reasonable arrangements will be made to permit the conferring parties to have access to the plant and to view the disputed operations and to confer with necessary witnesses.

6.10 Time limits set out in this Article may be extended only by mutual agreement of the parties. Should the Union fail to advance a Grievance within the time limited or other time mutually agreed upon, the Grievance shall be deemed to be abandoned. Should the Company fail to answer a Grievance within the time limit, or other time mutually agreed upon, then the Grievance shall be awarded to the Union.

ARTICLE 7 - DISCHARGE AND DISCIPLINARY PROCEDURE

7.01 Management shall not take disciplinary action without warning an employee, unless the circumstances justify immediate discipline or discharge. Any employee who is to receive discipline in the form of a written warning, suspension, or discharge during a meeting shall have a steward or Union executive present in the disciplinary meeting. All warnings shall be confirmed in writing to the employee. The Union shall be provided with a duplicate copy of the notice. The written notice shall contain the reason(s) for the discipline or discharge.

7.02 Twelve (12) months after a written warning is given, it shall be considered inactive. However, if an employee receives a second warning for a related offence during the twelve (12)

month period, it will be considered as a second warning period from the time it occurs and a written warning will be issued. This second warning will remain on the file for a period of twelve (12) months. If a third warning occurs for a related offence during the twelve (12) month period, the employee shall be subject to further disciplinary action which may include discharge.

7.03 An employee shall be entitled to review their personnel file with supervision upon giving at least five (5) days' written notice to the Human Resource Manager. For the purposes of this article, days shall refer to Monday through Friday, not including general holidays. With the consent of the employee, a Union Representative may be present.

7.04 In the event of a claim that an employee who has attained seniority has been suspended or discharged unjustly, unreasonably or improperly, the grievance shall be initiated at the Third Stage of the Grievance Procedure within five (5) working days following the day notice is given to the employee.

7.05 (a) If an employee takes part in fraudulent activity, fighting, violates a major safety rule, or gross insubordination, such behaviour shall be subject to disciplinary action including immediate discharge.

(b) If an employee is found to be under the influence of or consuming alcohol or under the influence of or in possession of substances prohibited by law on Company property, such behaviour shall be subject to disciplinary action which may include discharge.

7.06 In the event that an employee is discharged immediately, the Company and the Union Grievance Committee shall meet immediately but not later than twenty-four (24) hours to ascertain the reasons for the discharge and shall attempt to resolve the issue at that time.

7.07 If it is determined or agreed at any step in the Grievance Procedure or decided by an Arbitrator that an employee has

been disciplined or discharged unjustly, the terms of any such agreement or arbitrator's award will be implemented.

7.08 Discharge Cases: The Company and the Union agree that in the event a discharge case goes to arbitration under Article 6, a sole arbitrator shall be selected by the Company, within five (5) working days of receipt of the referral to arbitration, from the panel set forth in Article 6.02(a). Where none of the individuals on the panel are able to act as sole arbitrator, the time limit for selection will be extended and a sole arbitrator shall be selected by mutual agreement, failing which the Chairperson of the Manitoba Labour Board will be asked to make the appointment.

It is the intent of the parties that the arbitrator who is chosen will endeavour to commence a hearing within forty-five (45) days of his appointment and conclude the hearing as quickly as possible.

ARTICLE 8 - SENIORITY

8.01 The parties recognize that job opportunity and job security shall increase in proportion to length of service. It is therefore agreed that in all cases of vacancy, promotion, transfer, lay-off and recall after lay-off, senior employees shall be entitled to preference.

8.02 In recognition, however, of the responsibility of the Management for the efficient operation of the plant, it is understood and agreed that in all such cases, Management shall have the right to pass over any employee who applies for a posted position if it is established that, based upon the requirements set out in the job description, the employee does not have the skill, ability and physical fitness to perform the work efficiently. A Supervisor will be involved in the above process.

8.03 Seniority of each employee covered by this Agreement shall be established after a probationary period of six (6) months and shall count from the date of employment. The employment of a probationary employee may be terminated by the Company for reason prior to the completion of six (6) months of employment.

The probationary period shall be extended for all continuous absences of five (5) working days or more for a period equal to the length of the absence. The Company may require a pre-employment or post-employment (within the first six (6) months of employment) medical examination of any individual considered for hiring. This examination will be conducted by qualified medical practitioners selected by the Company at the Company's expense.

For the purpose of this Collective Agreement, seniority will be applied on a plant wide basis within Department (Departments are defined on page 1 - Definition of Terms Used in the Collective Agreement). Seniority shall be maintained and accumulated during continuous absences for any of the following reasons:

(a) Absence due to lay-off as described below:

<u>Length of Service at Time of Layoff</u>	<u>Length of Recall</u>
---	--------------------------------

- | | |
|--|-------------------|
| (I) Up to 1 year at time of absence | Length of Service |
| (II) Over 1 year and < 5 years | 24 months |
| (III) Over 5 years | 36 months |

(b) Absence due to sickness or accident (unless there is no reasonable likelihood of the employee eventually returning to employment in any capacity):

<u>Length of Service at Time of Commencement of Absence</u>	<u>Duration</u>
--	------------------------

- | | |
|--|-------------------|
| (I) Up to 1 year at time of absence | Length of Service |
| (II) Over 1 year | 60 months |

(c) Absence due to authorized leave.

- (d) Absence from employment while serving in Canada's Armed Forces during wartime.
- (e) The period of time that an employee runs for or serves the public in political office.
- (f) Absence due to injury covered by Workers' Compensation.

8.04 An employee shall lose seniority standing and the employee's name shall be removed from all lists and his employment terminated for any one of the following reasons:

- (a) If the employee voluntarily quits;
- (b) Where an employee is absent for three (3) consecutive regular working days without notifying the Human Resources Department, the employee shall be considered as having voluntarily terminated their employment;
- (c) If the employee is discharged for proper cause and is not reinstated in accordance with the provisions of this Agreement;
- (d) If the employee is laid off and fails to return to work within seven (7) days after he has been notified to do so by the Company by registered mail to his last known address. A copy of such recall notice shall be sent to the Union. An employee who requires up to seven (7) additional days to provide notice of termination to an employer will be granted the time if it is requested (in writing) during the first seven (7) day reporting period. The employee must be employed during the extended period;
- (e) If the employee is absent for any of the reasons provided in Article 8.03(a) or (b) for a period beyond the applicable seniority retention period.

- 8.05 (a)** If an employee is transferred to a non-bargaining unit position as covered by Article 2 Recognition, the employee shall be excluded forthwith from the provisions of this Agreement. Such employee shall retain seniority in the employee's former occupation and in the event the employee is subsequently transferred back into that occupation, the employee shall thereupon be credited with the seniority held as of the date of the transfer, plus all seniority accumulated while engaged in such non-bargaining unit capacity. Employees transferred from Group Leader positions may only return to such position at the discretion of the Company.
- (b)** Within the first twelve (12) months on the job outside the bargaining unit, an employee who is transferred as outlined in 8.05(a) above shall have the right, unless the employee is guilty of a disciplinary offence, to return to the bargaining unit (at the employee's request) or may be returned to the bargaining unit by the Company or transferred to a new job outside the bargaining unit if mutually agreed by the employee and the Company, where, in the opinion of the Company, the employee is unsatisfactory in the position for reasons other than a disciplinary offence. The transferred employee's bargaining unit position will be filled on a temporary basis for the duration of the twelve (12) months after which the position will be deemed permanent and posted accordingly.
- (c)** An employee returning to the bargaining unit within the first twelve (12) months as stipulated in 8.05(b) will return to their former department position and wage. It is further understood that the returning employee and other employees in the chain of events that occurred as a result of the transfer will

return to their former positions. In no circumstances, unless there is agreement between the parties, will the transferred employee return to the bargaining unit after the twelve (12) month period.

8.06 The Company shall maintain a seniority list for the plant which shall show each employee's date of hire and position. The list shall be revised every three (3) months and the Union shall be provided with a copy. In addition, the Company will provide the Union Executive with a complete listing indicating employee, date of hire, position and hourly rate of pay. This list shall also be revised every three (3) months.

8.07 The Company and the Union further agree that employees whose most recent absence due to injury covered by Workers' Compensation pre-dates the aforesaid date of ratification will be treated in the same manner as employees who suffer a compensable injury subsequent to the date of ratification.

ARTICLE 9 - JOB POSTINGS

9.01 (a) When there is a job vacancy or a newly created job to be filled within the bargaining unit, the Company shall post the position along with the basic job requirements and number of vacancies on all bulletin boards in the Plant for a period of five (5) working days. Any employee desirous of making application for the job or jobs so posted shall do so within the above specified time period on a form provided by the Company. The Company shall have the right to cancel any job postings.

(b) The Company will post a notification of all employees who have received an upgrade from level to level within a department.

9.02 Upon completion of eighteen (18) months' employment, employees are eligible to apply for the job posted. The Company, at their discretion, may waive the eighteen (18) month requirement based on a need to fill basis.

9.03 In making the selection, the Company shall consider the following factors: skill, ability, physical fitness, active discipline record, and seniority. For purposes of this article, active discipline record will not include verbal warnings and written warnings. When the above factors are relatively equal among competing applicants in the judgment of the Company, which judgment shall not be exercised in an arbitrary or discriminatory manner, seniority shall be the deciding factor. Preference will be given to qualified employees currently working in the department.

9.04 The Company shall decide as soon as possible, but not in excess of five (5) working days following the completion of the posting period, on the successful applicant or applicants and shall post the names of the successful applicants on the bulletin board. In the event of extenuating circumstances, the parties may agree to extend the five (5) day period by mutual agreement.

9.05 The Union shall receive a copy of all applications and the name(s) of the successful applicant(s).

9.06 The employee will move to the new position within thirty (30) days of the job award or will be compensated at the new rate accordingly.

9.07 The employee who has been awarded and accepts a posting may decide within the ten (10) working days to return to his previous job.

9.08 If the Company determines during a training/trial period of thirty (30) working days of performing work of the new position that the employee cannot perform the job to the required standard, the Company will return the employee and other employees in the chain of events to the jobs they came from.

For the Winding Department, a training/trial period of ninety (90) working days shall be implemented. It is agreed that an employee may be assigned to the day shift for the training/trial period.

9.09 The Company may refuse to accept an application for a job posting from any employee who has successfully been awarded a job within the last twelve (12) months.

9.10 Should there be no candidates for a posted position, the Company shall be free to seek outside applicants.

9.11 The Company may temporarily transfer an employee into a job vacancy for a period of up to three (3) months, or in the case of a job vacated by an employee taking maternity and/or parental leave, or medical leave for the approved period of such absence. After the above defined length of time, the job must be posted.

9.12 If the above-mentioned vacancy was caused by an employee going on sick leave or leave of absence and the employee returns to their job, the sequence of job postings flowing from the original vacancy shall be reversed.

ARTICLE 10 - LAYOFF AND RECALL

10.01 Layoff and Recall Procedure

- (a)** When a long term layoff of employees is necessary, the Company shall notify those employees so affected at least forty (40) working hours in advance of such layoff, or failing to do so, pay the employee forty (40) hours pay in lieu thereof;
- (b)** When a short term layoff of employees is necessary, the Company shall notify those employees so affected at least eight (8) working hours in advance of such layoff or, failing to do so, pay the employee eight (8) hours pay in lieu thereof. "Short term layoff" shall mean more than one (1) but not more than ten (10) working days. The procedure set forth in Articles

10.02-10.06 shall not apply in cases of short term layoff;

- (c) When emergency conditions exist, such as failure to utilities, equipment or services, those departments affected shall be provided with work at the discretion of the Company. If insufficient work is available, the employees so affected will be placed on short-term layoff with a maximum of four (4) working hours notice or pay in lieu of notice.

10.02 If it becomes necessary to reduce the number of employees in a department and/or layoff employees due to a reduction in workforce, the Company will take the following steps:

- (a) Return to their former department and position all employees who are on temporary transfer or who have not completed their training/trial period and/or did not post into the position, unless they were assigned as a result of technological change, process change, duty to accommodate or demotion.
- (b) Determine the percentage reduction (number of employees) required in each department;
- (c) Apply the percentage reduction (number of employees), (b) above, to each department based on plant seniority within the department.

10.03 ASSIGNMENT PROCEDURE The Company will:

- (a) Identify the individuals affected in the reduction;
- (b) Contact the identified individuals and establish if they want to exercise their bumping rights;
- (c) Commencing with the most senior, determine the job with the highest rate of pay that each affected employee can hold (if any) consistent with his seniority,

skill, ability and physical fitness to effectively perform the work;

- 1.** Senior employees will be permitted to bump into Level 2 positions, provided they possess the skill, ability and physical fitness to perform the work efficiently;
 - 2.** Senior employees will be permitted to bump into Level 1 positions consistent with their seniority and known ability;
- (d)** Repeat step (c) for all employees who would be displaced by more senior employees;
- (e)** Adjust all affected employees' rates of pay to reflect the position to which they have been assigned;
- (f)** Determine which employees are to be laid off (if any) because of insufficient seniority or ability to displace other employees or because there are no open jobs left which they have the ability to perform.

Should an employee choose not to evoke their bumping rights, they will be placed on physical layoff.

10.04 LAYOFF The Company will:

- (a)** Provide all affected employees with notification of their layoff;
- (b)** Draw up a "reduction in workforce" list showing the moves described in Article 10.03 above, and said list shall be posted on the bulletin board on the same day as the layoff notification is given;
- (c)** Posting of the reduction in workforce list together with the date of layoff shall be deemed to be notice of layoff to any employee who is laid off, through displacement or notice.

10.05 CHALLENGES

- (a)** An affected employee who does not agree with their status shown on the reduction in workforce list must submit a challenge form to the Company, in writing, within one (1) working day of notification of layoff;
- (b)** Affected employees will be allowed to list for challenge five (5) departments and positions where they have higher seniority than any incumbent in the department and position;
- (c)** Trials will be awarded on the basis of seniority. Each employee is allowed one trial and that trial is to be of three (3) working days duration. During this time, the employee must demonstrate proficiency in the department and position that is being challenged. The level of proficiency will be judged by the Supervisor of the Department in which the job is being challenged plus one technical person to be assigned by the Company;
- (d)** The employee whose position is being challenged shall be given time off with pay for the duration of the trial period and may contact the Human Resources Department for an update on the status of the challenge;
- (e)** Step (a) through (d) shall be repeated for any employee displaced as a result of a successful challenge.

10.06 RECALL

Employees who are not in their original department with their rate of pay prior to layoff are considered on the recall list.

Recall shall be on the following basis of plant seniority and in the following order:

- (a) **Special skills** - Recall shall be on the basis of plant seniority within the department and level in which a need has been identified. Special Skills Departments are defined as minimum Level 2 in any of the following: Winders, Test, Oil Processing, Core Shear Operator, Machinists, Maintenance, Controls Assembler and employees who maintain current and valid CWB welding certificates as required and designated by the Company.
- (b) **Employees who bumped within the bargaining unit** - Those on the recall list outside of their original department who may or may not be rate reduced: This may include those displaced either through or by the bumping process from their department to avoid layoff who may or may not be rate reduced.
- (c) Employees recalled to a different department at a lower rate.
- (d) **Employees on physical layoff** - Employees may be recalled to a department different than the department from which they were laid off. If an employee refuses such recall, Article 8.04(d) shall not apply, but the employee will not receive further notice of recall until an appropriate vacancy occurs within their department.

Employees have a right to return to their original department provided there is an opening. Upon one year of continuous employment into the assigned or bumped department, the employee will have the opportunity to decide to remain in the current department or remain on the recall list.

Once all employees on recall have been solicited for the vacancy and have declined, the Company shall have the right to post for the position, as identified

in Article 9 Job Postings. Proof of solicitation may be required.

Until such time as an opening becomes available in their original department and level they have bumped into, the employee will receive the appropriate rate of the position and is eligible for increases as per Article 19 Wages. If the employee is recalled to their original department, they will immediately receive their original wage rate plus any applicable increases.

No postings will take effect while members are on recall. Once a vacancy arises in a displaced employee's original department, the senior displaced employee will have the first opportunity to return.

10.07 No elected member of the Union's six (6) person Executive shall be subject to layoff, provided the employee has three (3) years or more of seniority, and provided there is work in the plant the employee can satisfactorily perform.

ARTICLE 11 - LEAVE OF ABSENCE

All leaves of absence must be submitted in writing on the form provided by the Company, at least ten (10) working days in advance except in cases of emergency. All requests must state the specific Article under which the leave is requested, the duration of the leave, and the individual(s) for whom the leave is requested. The Company shall reply within two (2) working days.

11.01 (a) Leave for Union Business. The Company agrees to grant Leave of Absence without pay to not more than six (6) duly appointed Union representatives at any one time for the purpose of attending to Union business. Leave granted for the above purpose shall not exceed five (5) consecutive working days. In any event, a maximum number of thirty (30) working days shall be granted under this Article per collective agreement year.

- (b) **Leave for United Steelworkers Southern Manitoba Area Council Policy Conference.** Once in each calendar year, the Company agrees to grant simultaneous leaves of absence of one (1) working day's duration to not more than ten (10) duly appointed delegates to the United Steelworkers Southern Manitoba Area Council Policy Conference.
- (c) One (1) delegate will be allowed a leave of absence for Union business of up to twenty-five (25) working days per twelve (12) month period, and that no other delegate will exceed twenty (20) working days per twelve (12) month period.

11.02 The Company will grant one (1) employee a leave of absence up to one (1) year to work in an official capacity to work for Local 4297 or the International Union. The employee must request the leave in writing and the Union must approve it. Employees returning to work at the end of such leave will do so in accordance with Article 11.07.

11.03 The Company acknowledges that in the case of a Union member receiving a scholarship to attend Labour College, the Scholarship will be limited to one (1) employee per year. The time limits set out in Article 11.02 will be waived.

11.04 The Company acknowledges that in the case of a Union member accepting a Government Board appointment, the Government Board appointment will be limited to one (1) employee per year. The time limits set out in Article 11.02 will be waived.

11.05 Employees involved in Joint Committee meetings or receiving scholarships will not be included in the twenty (20) working days leave of absence allowed for Union business. Employees returning to work at the end of such leave will do so in accordance with Article 11.07.

11.06 Employees granted leave for the purposes of Union business, maternity, government appointment or for education shall be returned to their previous department at their original rate of pay plus any appropriate wages increases. While the employee is on such leave, their position will not be permanently posted and the position may be filled on a temporary basis. It is further understood that the returning employee and other employees in the chain of events will return to their former positions and wage rate.

11.07 Leave for Personal Reasons

- (a)** The Company will grant a leave of absence without pay for bona fide compassionate leave, as requested. The amount of leave granted will depend upon the circumstances.
- (b)** The Company may grant a leave of absence without pay when requested by the employee depending on requirements of production. The acceptance or refusal shall be given promptly to the employee and the reasons for refusal will be stated in writing within five (5) working days of the request for the leave of absence.
- (c)** Employees requesting a leave of absence as an extension to vacation must apply for such leave at the time of booking vacation and in accordance with the Company's vacation planning process as outlined in Article 13.

11.08 An employee will be allowed a Paternity Leave of up to two (2) days with pay to be taken within thirty (30) working days of the time of birth or at adoption. The Company will have the right to request proof of birth or adoption.

11.09 Any leave of absence granted will not affect an employee's seniority rights when used for the purpose granted.

ARTICLE 12 - UNINTERRUPTED PRODUCTION

12.01 During the terms of this Agreement the Company agrees that there shall be no lockout; and the Union agrees that neither it nor its representatives will cause or sanction a slowdown, a strike, or other stoppage or interfere with plant operations.

ARTICLE 13 - VACATIONS

For the purpose of calculating vacation payment, an employee will be paid the greater of forty (40) hours per week or the appropriate percentage of regular gross earnings plus overtime. COLA, prior year vacation pay differential, pay in lieu of vacation and shift premiums will not be included for the purpose of calculating vacation pay.

13.01 (I) Vacation entitlement will be determined by the Company as of May 31 in each year and in accordance with Article 13.02.

(II) The annual vacation year runs June 1 to May 31.

13.02

Length of Service

Less than one year

1 to 3 years

4 to 9 years

10 to 21 years

22 to 25 years

Vacation Entitlement

Vacation pay at the current wage rate for the portion of the previous year's service.

2 weeks with pay, i.e. eighty (80) hours at the current wage rate, or 4%.

3 weeks with pay, i.e. one hundred and twenty (120) hours at the current wage rate, or 6%.

4 weeks with pay, i.e. one hundred and sixty (160) hours at the current wage rate, or 8%

5 weeks with pay, i.e. two hundred (200) hours at the current wage rate or 10%.

Length of Service

26 years or more

Vacation Entitlement

Employees have a choice of either:

a) 5 weeks vacation with 6 weeks pay, i.e. two hundred and forty (240) hours at the current wage rate, or 12%. Payment will be made to eligible employees in the last pay period of June for any employee not having booked their 6th week of vacation per the guidelines below.

b) Subject to production requirements, and in accordance with the 15% rule as per 13.03 (e)(v), employees may apply for a 6th week of vacation during the vacation planning period. Such leave will be granted at the sole discretion of the Company and approved vacation will be paid at the time the vacation is taken.

13.03 An employee shall be deemed to have completed one (1) year's service and to qualify for vacations with pay only if the employee has worked for not less than ninety-five percent (95%) of the regular working hours during the continuous twelve (12) month period immediately prior to May 31st of the vacation year. Such regular working hours for the period shall include the following:

- (a)** The period of the vacation and any period leave of absence for Union business as defined in Article 11.01.

- (b)** The aggregate of periods, not exceeding thirty (30) working days in all, comprising:
- (i)** Time during which the employee has been authorized by the Company to be absent from work.
 - (ii)** Time in respect of which the employee files with the Company a certificate signed by duly qualified medical practitioner showing that the employee was not, in the opinion of the medical practitioner, fit to work during that time by reason of this illness.
 - (iii)** Time lost due to a compensable accident shall not reduce employee's vacation time or pay.
 - (iv)** Leave of Absence for Union business as defined in Article 11.01 shall not reduce the employee's vacation time or pay.
- (c)** An employee who terminates employment or is discharged for cause will be paid only the vacation pay to which the employee is entitled under the *Employment Standards Code*.
- (d)** The Company may require the Plant to be closed for the purpose of providing the vacation period, or at its option may stagger vacation periods of employees so that continuous production may be maintained. The Company shall notify the Union of any shutdown by March 1 of the current year. Should the Company determine that Christmas shutdown will occur, the Company shall advise the employees by October 31 of that year.
- (i)** All employees must take their vacation during the shutdown except departments and levels which are designated by management to work.

- (II)** Where the option exists to work or not to work, preference will be given to the most senior employee(s) who possess(es) skill, ability, physical fitness, and without active discipline record to perform the work available. For purposes of this article, active discipline record will not include verbal warnings and written warnings.
- (e) (I)** Employees interested in a summer/fall vacation, which is June 1 to October 31, will submit vacation requests by March 31. The Company will respond by April 15.
- (II)** Employees interested in a winter/spring vacation, which is November 1 to May 31, will submit vacation requests by October 1. The Company will respond by October 15.
- (III)** For the Christmas period December 15 to January 15, production permitting, the 30% rule as stipulated in 13.03(e)(v) for this period will be relaxed.
- (IV)** For vacation time not scheduled by October 15, the Company at that time reserves the right to schedule all outstanding vacation.
- (v)** There will be a thirty percent (30%) limit on the number of employees in each department away at any one time. However, the Company will endeavour to meet the employees' requests. Although the granting of requests under this paragraph is at the option of the Company, such requests will not be unreasonably withheld.
- (vi)** Vacation time will be scheduled by plant seniority within the department unless otherwise agreed

to by management.

- (vii) Employees will receive their full regular pay for vacations as determined in Article 13 as vacation days are taken. Such pay will be received according to the normal pay cycle.

Vacation pay entitlement earned as a result of working overtime will be calculated annually and will be available for payment to employees not later than June 30th of each year. The full entitlement will be paid in one (1) cheque and may be taken at a time chosen by the employee but not later than November 1 of each year.

13.04 An employee who does not qualify for vacations with pay pursuant to the provisions of Article 13.03 shall be entitled to time off and pay calculated on a pro rata basis. All employees must take all vacation for which they are eligible in the current year by May 31 of the following year. Vacations will be paid out at the time vacations are taken. Pay for vacations shall be made in accordance with the provisions of Article 13.03(e)(vii). Vacation pay will not be allowed if vacations are not taken unless:

- (a) an employee's total vacation is for less than one (1) week, in which he may, provided work is available, be permitted to work and be allowed vacation pay.
- (b) A Company-initiated business need dictates the need for additional resources in the department in which the employee resides and the employee has taken a minimum of two (2) weeks' vacation. In such cases, the employee will provide a written request to the Company to receive a pay out.

It is further agreed that vacation cannot be carried forward unless the employee's inability to take vacation was Company initiated as stated in 13.04(b) and the employee's written request to

carry forward vacation is approved by the Plant Manager. As with vacation pay out, an employee must have taken a minimum of two (2) weeks' vacation in the vacation year prior to submitting a carry forward request.

It is further agreed there will be no advancing of vacation days or pay from any future vacation year.

ARTICLE 14 - PAY FOR PLANT HOLIDAYS

14.01 Employees will receive pay for the following fourteen (14) plant holidays, named as follows and to be observed on the following dates:

<u>Day</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
New Year's Day		Jan. 1	Jan. 1	Dec. 30/16
Louis Riel Day		Feb. 16	Feb. 15	Feb. 20
Good Friday		April 3	March 25	April 14
Victoria Day	May 19	May 18	May 23	
Canada Day	July 1	July 1	July 1	
Civic Holiday	Aug. 4	Aug. 3	Aug. 1	
Labour Day	Sept. 1	Sept. 7	Sept. 5	
Thanksgiving Day	Oct. 13	Oct. 12	Oct. 10	
Remembrance Day	Nov. 11	Nov. 11	Nov. 11	
Christmas Eve	Dec. 24	Dec. 24	Dec. 27	
Christmas Day	Dec. 25	Dec. 25	Dec. 28	
Boxing Day	Dec. 26	Dec. 28	Dec. 26	
New Year's Eve	Dec. 31	Dec. 31	Dec. 29	
Floater Holiday	TBD	TBD	TBD	

14.02 Each employee will be paid his regular hourly rate of pay for each of the above-named holidays, subject to the conditions given below:

- (a)** An employee is not entitled to pay if they are required or scheduled to work on the general holiday and are absent on that day.

- (b)** Eligible employees must work the regular shift on the work days immediately preceding and succeeding the statutory holidays in order to qualify for payment, exceptions being made for absence due to:
 - (i)** Death in the immediate family
 - (ii)** Illness as certified by a duly qualified medical practitioner.
 - (iii)** Written permission from the Company or pre-approved vacation/leave of absence.
 - (iv)** The employee being subpoenaed for jury duty or for service as a witness for the Crown in a court of law; and providing the employee has complied with the requirements of paragraph 24.02 of this Agreement.
 - (v)** Other mitigating circumstances which the Company may consider sufficient.

- (c)** An employee who is late on either or both of the days preceding or following a Plant Holiday for any reason, except one of the reasons in clause (b), will lose holiday pay in an amount proportionate to the total time missed expressed as a percentage of one (1) shift. If more than one (1) Plant Holiday is being observed, the employee will lose the applicable percentage of holiday pay for each Plant Holiday. An employee who leaves early on either the day

preceding or the day following a Plant Holiday for any reason, except one of the reasons in clause (b), will forfeit pay for the Plant Holiday(s).

14.03 Employees required to do work on New Year's Eve, New Year's Day, Louis Riel Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Eve, Christmas Day or Boxing Day, will be paid at one and one-half (1½) times their regular hourly rate for the first eight (8) hours worked and two (2) times their regular hourly rate for all hours thereafter. In addition, they will receive the holiday pay that would be paid to them if they had not worked.

14.04 The Company agrees to pay plant holidays based on the same hours as the employees' regular work schedule. Employees on permanent off shift shall receive their hourly shift premium for vacation and plant holidays.

14.05 A fourteenth holiday is added, a floating holiday that is to be scheduled in accordance with Article 13.03(e)(v), at the employee's discretion within the vacation year as per Article 13.01(ii).

ARTICLE 15 - HOURS OF WORK AND OVERTIME

15.01 The standard work week shall consist of forty (40) hours, made up of five (5), eight (8) hour days, Monday through Friday, but this shall not be construed as a guarantee of hours of work per day or per week or of days of work per week.

15.02 Shift and Work Schedules

- (a)** The Company shall arrange regular shifts and work schedules, and shall not make indiscriminate changes of such schedules.
- (b)** In arranging work schedules, an employee's two (2) days off per week shall be consecutive. Saturday and Sunday shall be the regularly scheduled days off.

- (c) Employees assigned to a shift other than the day shift shall not be required to remain on such shift beyond a two (2) week period unless mutually agreed between the Company and a majority of the employees in the department affected. An employee on shift rotation shall be rotated among the shifts in an equitable manner. Maintenance (Trade/Ticketed) employees may be scheduled to regular shift rotations.
- (d) Where the operation of the plant permits a portion of the employees to remain on the day shift, the most senior employees shall be given preference.

15.03 Overtime

- (a) All overtime hours worked shall be voluntary.
- (b) **Hours worked in excess of eight:** The Company shall pay an employee one and one-half (1½) times the hourly rate for time worked in excess of eight (8) hours a day.
- (c) **Hours worked on Saturday:** The Company shall pay an employee one and one half (1½) times the regular hourly rate for the first eight (8) hours worked and double (2) time thereafter, provided that the employee has completed forty (40) hours of regular work in the week.
- (d) **Hours worked on Sunday:** The Company shall pay an employee double (2) time for all hours worked, provided that the employee has completed forty (40) hours of regular work in the week and in addition has worked six (6) hours overtime on the immediately preceding Saturday or has worked forty-six (46) hours during the week.
- (e) Except in emergency cases, overtime will not be

worked on a special Union membership meeting day. This provision shall be waived for the second special membership meeting held in any thirty (30) day period.

- (f) The Union will advise the Company at least ten (10) working days in advance of special Union membership meeting, and the Company will advise the Union as soon as possible when emergency conditions exist requiring overtime.
- (g) When overtime is available in any department, the overtime shall be distributed as equitably as possible based on skill level and training required to perform the work, among the employees in that department. The Company shall keep records of all hours of overtime worked in the department and by whom. The records shall be open to scrutiny by the Union in the event of a complaint or dispute. The supervisor shall be responsible for requesting and distributing the overtime.

15.04 Reporting Allowance. Excepting when emergency conditions exist as per Article 10.01(c), in the event an employee reports for work on a scheduled shift without having been notified not to report, the employee shall be allowed to work the full shift, or if no work is available, the employee shall be compensated for one-half (½) normal shift pay, except that if work is unavailable as a result of causes beyond the control of Management, the Company shall not be so obligated.

15.05 Call In Pay. Any employee who is especially called in to work by a Supervisor at any time after putting in his normal working hours, shall be through when the emergency is over. In the event of the same emergency occurring within three (3) hours from the original call, a second call will not be paid. If the emergency continues beyond three (3) hours, the employee will be paid at the appropriate overtime rate from the original call

until the emergency is resolved. The employee shall be paid at the appropriate overtime rate for all hours worked, but in any event shall receive not less than three (3) hours pay at overtime rate for such recall.

15.06 Pay on Day of Injury. Employees who are injured in the course of their employment and to the extent they are unable to continue working shall receive pay up to the end of the shift on which they were injured.

15.07 Employees requested by the Supervisor to work in excess of a minimum of two (2) hours overtime without advance notice (minimum of one (1) shift) will be granted a meal allowance of ten dollars (\$10.00). Where advance notice of at least one (1) shift has been given by the Company, the meal allowance will not be paid. Employees requesting the ten dollar (\$10.00) meal allowance shall be reimbursed on their next pay cheque by completing and submitting a Supervisor approved Meal Allowance Form.

15.08 In any event, employees shall not be required to work over five (5) hours without a thirty (30) minute meal period.

15.09 Except in cases of emergencies, or other circumstances beyond the control of the Company, all shift changes will be posted one (1) week in advance.

ARTICLE 16 - REST PERIODS

16.01 The Company will allow one (1) ten (10) minute rest period for the first half of the working shift.

ARTICLE 17 - SHIFT PREMIUM

17.01 Shift Premiums

Employees who may be required to work on shifts other than the day shift shall be paid an off shift premium of \$1.05 per hour.

The day shift will include all shifts beginning at 00:01 to 11:59 a.m. In the event a new shift is added during the term of this

Collective Agreement, the parties shall meet to agree on the applicable shift premium.

Maintenance employees may be on call as part of the regular job requirement.

17.02 An on call premium of seventy cents (\$0.70) per hour shall be paid for each hour an employee is scheduled by Management to be on call. The Company and the Union shall agree to develop an on call schedule, procedure and form required for reimbursement. It is agreed that the On Call is separate than scheduled overtime. Once an employee agrees to be on call on a particular On Call schedule, the employee may not withdraw for that specific On Call schedule. Withdrawal and/or failure to respond to calls may be subject to disciplinary action. Only departments and/or positions identified by the Company would be considered on call and eligible for said premium.

17.03 On call duty shall mean any period during which a regular employee is not working but during which the employee is required by the employer to be readily available to respond within twenty (20) minutes to a request for work. When an employee has been designated for each assigned hour of authorized on call duty, an employee shall be paid a premium of seventy cents (\$0.70) per hour.

ARTICLE 18 - TRAINER PREMIUM

18.01 The Company and the Union recognize the benefits of training. It is agreed that an employee who is identified by Management to serve as a trainer to new or existing employees will be provided a trainer premium of fifty cents (\$0.50) per hour for all hours worked as a trainer.

18.02 This premium is only applicable to employees specifically designated as a trainer by the Company. Senior employees will continue to maintain the role of serving as a mentor, providing guidance and sharing of information to new or junior employees.

ARTICLE 19 - WAGES

19.01 The Department and Wages Schedules attached hereto as Appendices A, B, C and D respectively form part of this Agreement.

19.02 Cost of Living Allowance (May 5, 2006 to May 4, 2010). COLA will be calculated and paid on a twelve (12) month basis. Calculation will commence May 1, 2006.

The average wage will be set at \$18.71 per hour for the duration of this Agreement.

Payment of COLA, if any, will commence after the publishing of the Consumer Price Index (CPI 1992=100) for April 2008. If the CPI published for April 2008 exceeds the CPI published for April 2006 by more than 107.0%, employees will receive a COLA adjustment for all hours worked from May 5, 2008 to May 4, 2009.

The next COLA adjustment will be based upon the CPI published for April 2009. If the CPI published for April 2009 exceeds the CPI published for April 2006 by more than 110.5%, employees will receive a COLA adjustment for all hours worked from May 5, 2009 to May 4, 2010.

The next COLA adjustment will be based upon the CPI published for April 2010. If the CPI published for April 2010 exceeds the CPI published for April 2006 by more than 114.0%, employees will receive a COLA adjustment effective May 5, 2010, which will be rolled in as per the 06-10 Agreement.

19.03 COLA adjustments, if any, will be made in the first full pay period of the month the publishing of the CPI for April in each year.

19.04 The Cost of Living Allowance shall be calculated using the following formula:

Percent change in CPI over the trigger point x \$18.71 per hour = COLA for all Levels.

19.05 An annual two percent (2%) increase based on the average wage of \$20.12 will be applied to the department and wage schedules (Appendices A, B, C and D) for each year of the agreement commencing May 5, 2010.

Effective May 5, 2010 - 40¢

Effective May 5, 2011 - 41¢

Effective May 5, 2012 - 41¢

Effective May 5, 2013 - 42¢

19.06 Performance Reviews

- (a) Performance reviews will take place in the following manner:

New hires: At the expiry of the 6 month probationary period;
9 months from the date of hire;
12 months from the date of hire.

All Employees: Performance reviews will be conducted on an annual basis, which date will be determined by the Company.

- (b) If requested by the employee, a Shop Steward will be present. Any disagreement with the evaluation will be handled through the grievance procedure.
- (c) Nothing shall prevent the Company from paying to any new employee amounts in excess of the minimums set forth in Appendices A, B, C and D.

19.07 During the probation period, an employee will receive the minimum rate of the position. After six (6) months following

the completion of the probationary period, an employee will be eligible for review.

19.08 (a) Except for temporary transfers as outlined in Article 9.11, employees will be paid the wage rate corresponding to the department and level of the work they are performing.

(b) Employees will automatically advance through the wage scale of their position in six (6) month increments (effective May 5 and November 5, 2010 and May 5 and November 5, 2011) and shall receive the negotiated increase of twenty cents (\$0.20) per hour added to their hourly rate of pay until such time as they reach the maximum hourly rate assigned to their position. Employees will automatically advance through the wage scale of their position in six (6) month increments (effective May 5 and November 5, 2012 and May 5 and November 5, 2013) and shall receive the negotiated increase of twenty-five cents (\$0.25) per hour added to their hourly rate of pay until such time as they reach the maximum hourly rate assigned to their position.

(c) Red Circle Bonus

Red circle means a wage rate whereby an employee's current wage rate is higher than the wage rate assigned to his current position. In this instance, the employee's current wage rate will remain the same until the time the wage scale matches the rate held by the employee.

A red circle bonus of two hundred and twenty-five dollars (\$225.00) shall be paid May 5, 2006, November 5, 2006, May 5, 2007 and November 5, 2007.

A red circle bonus of two hundred and fifty dollars (\$250.00) shall be paid May 5, 2008, November 5, 2008, May 5, 2009 and November 5, 2009.

Once an employee has reached the maximum level assigned to the position, the employee will be red circled. Once an employee is red circled, the employee will receive the full red circle bonus for the duration of the contract. A pro-rated red circle bonus will be provided to individuals who receive a partial increment increase.

- (d) The rate which the employee will be paid will be determined as follows:
- (I) placement through job posting for a lateral or higher level position: current hourly rate of pay plus fifteen cents (\$0.15) per hour or the minimum hourly rate identified in Appendices A, B, C or D Wage Scale, whichever is greater;
 - (II) placement through demotion: minimum rate of pay for the position as identified in Appendices A, B, C or D Wage Scale;
 - (III) job posting to a lower level position: employees who voluntarily apply for and receive a job posting to a lower position will assume the minimum hourly wage of the new position (identified in Appendices A, B, C or D Wage Scale).

19.09 Once an employee has reached the maximum rate assigned to a Level 1 position, a performance review will be conducted. Providing the results of the performance review are acceptable, the employee will be placed in a training program of thirty (30) days (ninety (90) for winding) and upon successful completion, will be awarded the position of Level 2. Wages will be increased back to the initial placement date and will be the

current hourly rate plus fifteen cents (\$0.15) per hour or the minimum hourly rate identified in Appendices A, B, C or D Wage Scale, whichever is greater.

19.10 Any error in payroll calculation by the Employer of two hundred dollars (\$200) gross or more shall be paid to the employee within four (4) business days of the error being brought to the Payroll Department. Saturdays and Sundays are not included as business days.

ARTICLE 20 - SAFETY AND HEALTH

20.01 (a) The Company will ensure, so far as is reasonably practicable, the safety, health and welfare at work of all its workers, and comply at all times with existing legislation in respect to plant safety and health.

(b) The Company and the Union mutually agree to co-operate in attaining a high standard of safety and health practices, in order to prevent occupational and non-occupational injuries and illnesses. The Company and the Union mutually agree to continue to develop and provide information to the Workplace Safety and Health Committee and the employees of measures and precautions to be taken regarding safe operation of equipment, safe job practices, known hazardous substances and installations of new equipment.

(c) The Company shall ensure that all its workers, supervisors, lead hands or similar persons, are acquainted with any safety or health hazards which may be encountered by the workers in the course of their service, and that workers are familiar with the use of all devices or equipment provided for their protection.

20.02 (a) The Company shall furnish and continue to furnish, at no cost to the employee, equipment and supplies necessary to protect employees from injury. Such items are as follows:

- (I)** Leather welding gloves for Arc Welders
 - (II)** One pair of gloves to each Welder and replaced every two (2) months when worn or damaged gloves are returned to the Company
 - (III)** Insulated boots and outer garments will be provided to all employees required to work outside during the winter
 - (IV)** Rubber boots and rain gear will be provided to all employees required to work outside during the summer
 - (V)** Three (3) pairs of coveralls for Painters
- (b)** Employees must turn in damaged articles in order to be eligible for a replacement. Employees transferring to another department or terminating employment must return all articles of safety apparel or be charged for the cost of the item(s).

20.03 (a) The Company and the Union agree to name a Safety and Health Committee comprising an equal number of Company and Union representatives.

- (b)** The Company and Union mutually agree that employee “tool box talks and safety programs” are beneficial in the promotion of a safe and healthy workplace. The programs shall be coordinated through the Workplace Safety and Health Committee for the development and promotion of education and information concerning safety and health in the

workplace and directed by the individual supervisor concerned.

- (c) The Workplace Safety and Health Committee will review the safety of new equipment, materials or processes and make recommendations accordingly.
- (d) The Safety Manual shall contain a listing of all protective devices, wearing apparel and equipment necessary to protect employees from physical and health hazards, and rules pertaining to same.
- (e) The Safety Committee shall also be responsible for review of present safety rules and protective devices and for drawing up new rules when required. There shall be a general review and update of the Safety Manual every six (6) months or as required.
- (f) The Safety Committee shall make monthly inspections of the plant and equipment and hold regular monthly meetings. The reports of the Safety Committee meetings shall be signed and posted on approved bulletin boards, signed by both Committee Co-Chairs.

20.04 (a) The wearing of personal protection equipment is compulsory. Non-compliance to mandatory wearing of personal protection equipment will be subjected to corrective discipline. New employees are expected to purchase safety shoes as a condition of employment. If prescription glasses are required, a new employee is required to purchase these as a condition of employment. Hard hats will be provided by the Company.

- (b) Upon presentation of receipt immediately following purchase, the Company will reimburse the initial

cost of safety boots/shoes purchased during the probationary period. However, employees will be deducted said amount should the probationary period not be successfully completed. Employees in full time positions in the following areas will be allowed two (2) paid safety boots/shoes per contract year: Painting, Internal Assembly, External Assembly, Oil Processing, Maintenance and those holding valid CWB welding tickets. Safety shoes/boots will be reimbursed one hundred and twenty dollars (\$120.00) per pair. Within the above reimbursement for safety shoes/boots, employees may purchase insoles but in any event, the maximum amount to be reimbursed will be one hundred and twenty dollars (\$120.00) *per pair* in any contract year.

- (c) The Company will provide employees with prescription safety glasses through AO Safety. Employees will be eligible every two (2) years for a new purchase of prescription safety glasses.

20.05 The Union recognizes the Company accepts the responsibility to make adequate and reasonable provisions for the safety and health of the employees during the hours of their employment.

20.06 The Union and the Safety Committee shall be notified immediately of each accident or injury. Supervisors and Group Leaders under the guidance and direction of the Safety Committee shall investigate and report as soon as possible on the nature and causes of the accident or injury. Reports of all disabling accidents shall be available to the Safety Committee chairpersons. In addition, all reports of “near miss” accidents with potential disabling consequences shall be made available to the Union and the Safety Committee without unnecessary delay because of the serious nature of these incidents.

20.07 During an in-plant inspection, a Union representative

of the Safety Committee will accompany a Safety and Health Inspector representing a branch of the Federal, Provincial or City Governments. Copies of any resulting reports will be available to the Safety Committee.

20.08 In the event it is found necessary for the Company to close down a Department to correct a pollution problem, any employees unable to carry on with their normal duties shall fall under clause 10.01(c).

20.09 (a) Safety Education and Training: Recognizing that education and training is a vital step, each party must assume some responsibility for this aspect.

(b) The Company will train at their expense a majority of its Group Leaders/Supervisors and Safety Committee members during the life of this contract. The Union will train at their expense, and in accordance with Article 11.01, a majority of its Safety Committee members during the life of this contract. The Company will grant educational leave for this purpose without loss of pay or other benefits in accordance with the terms of The Workplace Safety and Health Act and Article 11.01.

(c) The Company shall provide a safety orientation program for all employees at the time of hire. The Company reserves the option of nominating certain employees to attend educational functions from time to time as deemed desirable, e.g. St. John Ambulance courses, IMMS Accident Prevention program for Fork Lift Operators. Cost to be borne by the Company.

20.10 When employees are required to work outside when this is not part of their normal jobs, they shall be given the shift notice, so that they may come to work properly dressed. Failure to notify shall result in the Company providing proper wearing apparel.

20.11 Right to Refuse Unsafe Work

No employee shall be required to perform work that poses an immediate danger to his physical safety beyond normal requirements of his job (Section 43, W.H.S.A.) and his refusal to do so shall not constitute a basis for discharge or any other corrective action, if he has advanced a valid or reasonable reason for refusing. In all cases of refusal, an immediate conference with the Co-Chairs of the Health and Safety Committee, Shop Steward if requested by the worker, the worker involved and supervisor shall be held to determine whether or not an unduly hazardous condition does exist, and if so, what can be done. If a mutual agreement cannot be reached among the parties, then the Workplace Safety and Health Committee will be called together for consultations and direction. If the matter remains unresolved, the Workplace Safety & Health Committee will report the matter to a Provincial Workplace Safety and Health Officer under the provision of the Manitoba Workplace Safety and Health Act, who will consult with the Workplace Safety and Health Committee and if necessary, make a determination regarding the employee's refusal to perform the work in question.

20.12 In recognition of the Company's and the employee's desire to maintain a good standard of personal health, it is agreed that all employees who have attained seniority be allowed three and one-half (3½) hours paid leave of absence in each contract year for the purpose of attending a medical practitioner for an annual medical. This leave of absence will not be taken prior to or immediately following a statutory holiday or annual vacation. Proof of attendance must be submitted prior to payment for this leave of absence.

ARTICLE 21 - BULLETIN BOARD

21.01 The Company agrees to reserve a bulletin board in the main entry to the plant for the exclusive use of the Union. All material shall be approved by Management prior to posting. This is in support of the Visual Factory (Lean) initiative.

ARTICLE 22 - UNION SECURITY

22.01 (a) During the lifetime of this Agreement, the Company shall deduct from the wages of each bargaining unit employee, monthly Union Dues in the amount certified by the Union to the Company, to be currently in effect according to the Constitution of United Steelworkers. Such deductions shall be made from wages earned in the first pay period of each calendar month and shall be remitted within fifteen (15) days, by cheque made payable to:

International Secretary-Treasurer
United Steelworkers
Box 9083, Commerce Court Postal Station
Toronto, ON M5L 1K1

The monthly remittance shall be accompanied by a completed USW R115 Form (a summary of the dues calculations made for the month, each month), as well as a statement showing the names of each employee from whose pay deductions have been made and the total deducted for the month. Such statements shall also list the names of the employees from whom no deductions have been made and the reason why, i.e., W.C.B., Weekly Indemnity, etc.

(b) A duplicate R115 Form and employee deduction statement as in (a) above shall be forwarded to:

- (i)** United Steelworkers, Local 4297
404-275 Broadway, Winnipeg Manitoba
R3C 4M6
Attention: Financial Secretary
- (ii)** United Steelworkers, Servicing Staff Officer
By facsimile - (204) 942-1882

22.02 The Company agrees that when an employee is away on authorized leave of absence for Union business, the Company will

pay the employee and invoice the Union at the employee's base rate, plus the Company cost of fringe benefits, plus a ten (10%) percent administration charge. The Union shall remit the agreed amount of payment within thirty (30) days from the receipt of invoice.

22.03 The Company agrees to report the amount of Union dues collected on the employee's T4 slip.

ARTICLE 23 - BEREAVEMENT PAY

23.01 When a death occurs in the family of an employee, such employee shall be granted, without loss of pay:

- (a)** Five (5) working days' bereavement leave, for the following members of the employee's immediate family. An employee's immediate family shall be considered as being spouse, common law spouse, mother, father, children, brother and sister.
- (b)** Three (3) days' bereavement leave, to be taken either on or immediately following the day of notification of the death, or the day of the funeral or service for the following family members: Grandparents, grandchild, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law and guardian. Priority consideration will be given to leave of absence requests submitted under Article 11 for additional time required for bereavement leave purposes.
- (c)** The Company will have the right to request proof to support leave or supporting relationship to the deceased.

23.02 An employee will not be eligible to receive payment under this Article for any period in which he is receiving other payments in the form of disability benefits or Workers Compensation.

23.03 In the event an employee is on vacation and a death in

the employee's family occurs, at the request of the employee, bereavement leave in accordance with 23.01 shall be granted and the employee's vacation period shall be adjusted to reflect the paid leave. In the event production requirements prohibit the employee from extending the vacation period by the paid leave provided under 23.01, the additional days shall be used to increase the employee's unused accumulation of vacation days.

23.04 In the event a death in the employee's family occurs on a plant holiday(s), bereavement leave in accordance with 23.01 shall be granted and the employee will be provided with a day(s) in lieu of the plant holiday(s) to reflect the paid leave. Such day(s) will be taken as mutually agreed upon by the Employer and the employee.

23.05 If an employee gives false information with respect to an application for leave under this Article, it shall be cause for disciplinary action including immediate discharge.

ARTICLE 24 - JURY DUTY

24.01 The Company shall pay an employee who has been subpoenaed for jury duty or for service as a witness for the Crown in a court of law, for each day of such duty or service, the difference between his regular daily earnings and the payment he receives, excluding expenses provided for by the Crown, for such duty or service.

24.02 In order to qualify for payment under this Article the employee must give the Company prior notice of the requirement to serve, and must present proper evidence of the service performed and of the fee received.

ARTICLE 25 - DUTY TO ACCOMMODATE

25.01 The Company acknowledges that it has an obligation to make reasonable accommodation of the special needs of its employees as defined by the Human Rights Code. As a result, the Company agrees to offer modified duties to disabled employees

at a rate of pay commensurate with the duties being performed, as modified.

25.02 An employee who suffers from an illness, non-occupational injury, injury sustained at work or becomes affected by an occupational disease during the course of employment will be offered modified duties, if available, subject to the seniority provisions of Article 8. This will include but not be limited to:

- (a) The employee is able to perform the job after a reasonable training/trial period;
- (b) The employee is able to function independently in the designated duties;
- (c) The employee does not endanger the safety and health of self or other employees.

it is understood that employees recovering from illness or injury are often best rehabilitated through a gradual return to work program. The employee will be required to provide a written consent from the attending physician outlining the restrictions in order to ensure a safe return to work schedule. Cost of this written consent will be borne by the Company up to a maximum of twenty dollars (\$20).

25.03 In the implementation of this Article, the Union agrees to waive the job posting provisions of this Agreement.

25.04 The rate of pay will be determined by the Company, who may utilize the services of an independent job evaluator. If the employee is dissatisfied with the rate of pay so determined, the employee may grieve.

25.05 To satisfy the provisions of this Article, the Company may offer the employee a job not covered by this Collective Agreement.

25.06 An employee who, pursuant to this Article, works modified duties and/or works less than the total regular hours per day,

will receive benefits and pay (such as vacation and statutory holidays) on a pro rata basis.

ARTICLE 26 - EMPLOYEE BENEFITS

26.01 Employees will be eligible to participate in the plans as follows:

Extended Health Care	6 months of continuous employment
Dental Health	12 months of continuous employment
Life Insurance	12 months of continuous employment
Accidental Death	12 months of continuous employment
Weekly Indemnity	12 months of continuous employment
Long-Term Disability	12 months of continuous employment

26.02 The following is intended to be a general overview of benefits provided. All conditions and details to the listed benefits shall be in accordance with the Group Benefit booklet as provided and administered by the insurance carrier and as outlined in this collective agreement.

- (a)** The Life Insurance policy is in the amount of \$100,000.00. The Company will pay 100% of the cost of the premiums.
- (b)** Accidental Death Insurance policy with dismemberment is the same as (a) above.
- (c)** Weekly Indemnity shall be sixty-six and two-thirds (66 2/3%) percent of the employee's salary to a maximum of his insurable earnings by EI per week, payable on first day of accident, first day of hospitalization, fourth day of sickness, for a maximum of fifty-two (52) weeks. The Company will pay 100% of the cost of the premiums.
- (d)** Hospitalization - No benefit shall be payable under this section for the first three (3) days of a period of disability due to a clinical condition unless the

employee is an in-patient in a hospital for at least twenty-four (24) consecutive hours or undergoes surgery in a hospital for which a benefit of twenty-five (\$25.00) dollars or more is scheduled or payable, then benefits under this title shall be payable from the first day of hospitalization or the day such surgery is performed. This also applies to employees undergoing minor surgery in a doctor's office providing such employee gives a minimum of five (5) working days' notice of such surgery to the Company.

- (e)** Company Dental Plan applies as presented, including dentures. The combined annual maximum is \$2,500.00 per person per calendar year. The Company will pay 100% of the cost of the premiums. All eligible employees must join the Dental Plan. The current Manitoba Dental Association Fee Schedule shall apply:

 - (I)** The Company shall provide coverage for major restoration work – crowns and bridges at 50% of eligible expenses;
 - (II)** The Company will provide coverage for endodontic services and periodontic service will also be provided. Coverage will include root canal treatment and diagnosis and treatment of gum tissue. Orthodontia coverage will also be provided. Reimbursement will be shared 50/50 with a \$3,000.00 lifetime maximum;
- (f)** The Company will provide an extended Health Care Plan, which will include a comprehensive drug benefit and supplementary health care. This includes ambulance and semi-private hospital coverage. The individual deductible is twenty-five (\$25.00) dollars and the maximum family deductible is fifty (\$50.00) dollars. For EHC and semi-private hospital, there will

be no deductible, 100% reimbursement;

- (i) The deductible for prescription drugs is eliminated. A prescription drug card will be provided with the following provisions:
 - 80% co-insurance with a \$7.00 maximum dispensing fee
 - Coverage pertains to drugs requiring a prescription
- (ii) The Plan also includes a vision care benefit with reimbursement up to \$250.00 every two (2) calendar years for prescription glasses or contact lenses for each family member with no deductible.
- (iii) Out of province medical insurance will be provided to a maximum of \$1,000,000.00 per person lifetime maximum;
- (iv) Paramedic coverage will be provided to a maximum of \$350.00 per person per practitioner per year;

*Deductibles do not apply to prescription drugs, hospital, vision and out of country insurance.

- (g) The current long term disability plan shall be continued. They will provide for a benefit of sixty-six and two-thirds (66 2/3%) percent of monthly earnings, rounded to the nearest dollar, up to a maximum benefit of \$2,600.00 per month – waiting period fifty-two (52) weeks, benefit payable to age sixty-five (65), definition of disability: “own” occupation for twenty-four (24) months. Offsets shall apply. Partial disability benefits will be provided to eligible employees who return to limited gainful employment.

26.03 During the terms of this Agreement, the Company will not make changes to existing significant terms and conditions relating to the above benefits, including eligibility for and level of benefits, which are unfavourable to employees, without the agreement of the Union, which agreement shall not unreasonably be withheld.

26.04 A copy of the plan text, as well as updated benefit booklets shall be provided to the Union.

ARTICLE 27 - TECHNOLOGICAL CHANGE AND PROCESS CHANGE

27.01 Technological change shall mean the introduction by the Company into its operations of equipment or material of a different nature or kind than was previously used and a change in the manner in which the Company carries on its operations that is directly related to the introduction of that equipment or material.

27.02 The Company and the Union specifically waive Sections 83, 84 and 85 of The Labour Relations Act.

27.03 Process change shall mean a change in method of operation or organization of the workplace which may or may not affect current employees.

27.04 In the event of a technological or process change occurring during the life of this Agreement, the Union shall be given at least one (1) month's notice prior to the change being implemented.

27.05 If a new department is established or an existing department is modified by the Company during the term of this Agreement, the Company will notify the Union as to the proposed job content and will refer the matter of rate of pay to the Job Evaluation Committee which will attempt to reach agreement as to the appropriate rate of pay.

27.06 If the parties are unable to reach agreement on the proposed rates of pay, the matter will be referred to provincial

mediation, failing the mutual agreement at mediation, the matter will then be referred to arbitration as outlined in Article 6, Grievance Procedure.

27.07 The Company and the Union agree that further to Article 27.03 of the Collective Agreement, a Technological & Process Committee will be struck to deal with all issues arising out of the proposed implementation of a technological or process change. The Technological & Process Committee shall be comprised of members as outlined in Article 5. In addition, the Plant Manager shall chair the Committee. The Technological & Process Committee will meet with the employees from the affected area to explain the change.

The parties agree that all new jobs will be posted and selections shall be made in accordance with the provisions of Articles 8.02, 8.03 and Article 9, except that only employees from the affected area will be eligible to apply. If there are no successful candidates from the affected area or an insufficient number to fill the available positions, then the positions will be posted plant wide.

If, following the completion of the posting process there are available positions, displaced employees may be assigned by the Company to such positions. In making such assignments, the Company shall consider the employees' known skill, ability, physical fitness, appropriateness for training, and seniority.

The Company undertakes to develop an appropriate In-Plant Training Program for eligible employees who are designated by the Technological & Process Committee as being appropriate for training in order to equip them to perform efficiently the requirements of the position to which they are assigned.

During the term of this Agreement, no employee who has attained seniority will be laid off due to technological or process change.

Notwithstanding the provisions of Article 19.08, for the duration of this Agreement, all changes to employees' hourly rates, resulting

from technological or process change, downwards will be frozen until May 4, 2014, at which time they will be implemented.

27.08 Departmental Closure

Employees with more than one (1) year of service whose employment is terminated as a result of permanent closure of the whole or any part of a department of the plant has the following options available:

- (a)** If available, another position within the plant. If the employee's wages are above the Wage Scale identified in Appendices A, B, C or D for the position, the employee will be red circled and subject to the provisions of Article 19.08(c) Red Circle Bonus.
- (b)** Accepting a layoff as per the provisions of Article 10 Layoff/Recalls.
- (c)** Accepting a permanent layoff with the entitlement of the severance provisions outlined in Article 31.

ARTICLE 28 - GROUP LEADER DUTIES

28.01 (a) A Group Leader will be responsible for performing the following functions:

- 1.** Plan and coordinate the work to be performed by the group of operators, therefore assigning jobs to the group members and instructing accordingly.
- 2.** Prepare jobs to be executed by checking specific drawings and engineering instructions and joining the necessary design review meetings (in mutual agreement with Supervisor).
- 3.** Arrange and ensure that all supplies, tools, parts and space are available to perform the job.

4. Record all necessary product related data to accommodate internal procedures regarding monitoring and quality.
 5. Inspect and assess whether a job is done according to the existing specifications/work instruction and function description. Lead hands do not inspect or assess the employee.
 6. Provide recommendations to Supervisors for needed capacity.
- (b) Such direction does not include the following activities:
1. Hire, promote, demote, suspend or discharge members of the bargaining unit.
 2. Represent the Company in handling employee grievances.
 3. Determine the schedule of hours, days and weeks during which members of the bargaining unit shall work
 4. Performance of other general supervisory Company functions.

28.02 Effective May 5, 2006, an employee who is designated by the Company for the position of Group Leader will be paid a premium of one dollar and fifty cents (\$1.50) per hour. This premium will be added to the employee's current hourly rate.

ARTICLE 29 - DEPARTMENT AND LEVELS

29.01 If a new department is established or an existing department is modified by the Company during the term of this Agreement, the Company will notify the Union as to the proposed job content and will refer the matter of rate of pay to the Job Evaluator Committee which will attempt to reach agreement as to the appropriate rate of pay.

29.02 If the parties are unable to reach agreement on the proposed rates of pay, the matter may be referred to arbitration as outlined in Article 6, Grievance Procedure.

ARTICLE 30 - OUTSOURCING

30.01 The Company and the Union are committed to the safe, productive, efficient operation of our facility.

30.02 The Company understands that our employees can be affected by outsourcing decisions made by the Company.

30.03 The Union understands that outsourcing decisions are Management's responsibility to ensure a continuous supply of technical data, component assemblies and other material to support production activities in an efficient and cost-effective manner. Further, the Union understands certain outsourcing decisions may be made on an emergency basis to react to changing internal or external conditions affecting production continuity.

30.04 The Company agrees, when full details are known, at the regular monthly labour/management meetings, to discuss with the Union the effect of outsourcing decisions.

30.05 The Company further agrees to fully utilize the resources of a union appointed committee, including one member from the affected area. This committee will be responsible, along with management representatives, to analyze the potential outsourcing situation and to make recommendations to senior management for consideration and decision, who, in turn, will not turn down any reasonable recommendation which meets the business needs.

30.06 In order to allow full use of resources for analysis and recommendations, the Company agrees to provide the Union with as much notice as possible in the event of any temporary outsourcing situation, and a minimum of one month's notice in the event of any contemplated permanent outsourcing situation.

30.07 In the event of a shortage of work which may result in a reduction in production or a layoff, the Outsourcing Committee will meet. The Company will endeavour to stop outsourcing and the work will be returned to the bargaining unit if economically feasible.

ARTICLE 31 - SEVERANCE PAY

31.01 Severance pay will be in accordance with the Employment Standards Code except that the amount of payment will be equal to the greater of the Code or one (1) week's regular pay for each year of employment up to a maximum of twenty-six (26) weeks. Part years will be calculated in twelfths of a year.

31.02 No severance pay or pay in lieu of notice is required in the event of termination during the probationary period or pursuant to the provisions of Article 8.04.

ARTICLE 32 - DURATION OF AGREEMENT

32.01 This Agreement shall remain in full force and effect for a period commencing May 5, 2014 (except where otherwise specifically provided) and shall continue in force until May 4, 2017 and shall renew itself automatically from year to year from the date last aforesaid, provided that either party may, at any time during the two (2) months preceding the date of expiry of this Agreement, give to the other party written notice of its intention to terminate or seek amendment of this Agreement.

32.02 Within ten (10) working days after receipt of such notice of intention, negotiations for renewal of the Agreement shall begin between the Company and the Union.

32.03 If negotiations continue beyond the termination of this annual period, either party may then terminate this Agreement at any time upon ten (10) working days written notice to the other party.

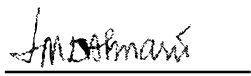
For the Company:



Jim Nielsen
Plant Manager



Neeraj Baxi
General Manager



Marigrace Almaria
Human Resources Manager

For the Union:

LOCAL 4297



Gord Fergusson
President



Cliff Anderson
Bargaining Committee



Glerin Casalla
Bargaining Committee



Anthony Galang
Bargaining Committee



Frank Pulciano
Bargaining Committee



Jeff Windsor
Bargaining Committee



Leslie McNabb
Staff Representative

cope 343

APPENDIX "A"
WAGE SCALE AT MAY 5, 2014

DEPARTMENT:

	<u>L1 Mat Handler</u>	<u>L2 Mat Handler</u>	<u>L3 Stores</u>	<u>Receiver</u>
	Min Max	Min Max	Min Max	Min Max
RECEIVING	\$15.05 \$20.34	\$16.42 \$21.71	\$18.53 \$24.45	\$21.71 \$26.41
	<u>L1 Shipping</u>	<u>L2 Shipping</u>		
	Min Max	Min Max		
SHIPPING	\$15.37 \$20.65	\$18.00 \$23.29		
	<u>L1 Coil Assemb</u>	<u>L2 Coil Assemb</u>	<u>L3 Coil Assemb</u>	
	Min Max	Min Max	Min Max	
COIL	\$15.37 \$20.65	\$18.00 \$23.29	\$19.17 \$24.45	
	<u>L1 Core Shear Op</u>	<u>L2 Core Shear Op</u>		
	Min Max	Min Max		
CORE SHEAR	\$18.00 \$23.29	\$20.54 \$25.81		
	<u>L1 Core Assemb</u>	<u>L2 Core Assemb</u>		
	Min Max	Min Max		
CORE ASSEMBLY	\$15.05 \$20.34	\$18.00 \$24.45		

OIL PROCESSING	<u>L1 Oil Processor</u>		<u>L2 Oil Processor</u>		<u>L3 Oil Processor</u>	
	Min	Max	Min	Max	Min	Max
	\$15.89	\$21.18	\$18.00	\$23.29	\$20.54	\$25.81
INTERNAL ASSEMBLY	<u>L1 Int Assembler</u>		<u>L2 Int Assembler</u>		<u>L3 Int Assembler</u>	
	Min	Max	Min	Max	Min	Max
	\$15.89	\$21.18	\$18.00	\$23.29	\$20.54	\$25.81
CONTROLS ASSEMBLY	<u>L1 Ctis Assembler</u>		<u>L2 Ctis Assembler</u>		<u>L3 Ctis Assembler</u>	
	Min	Max	Min	Max	Min	Max
	\$15.05	\$20.34	\$18.00	\$23.29	\$20.54	\$25.81
EXTERNAL ASSEMBLY	<u>L1 Ext Assembler</u>		<u>L2 Ext Assembler</u>		<u>L3 Ext Assembler</u>	
	Min	Max	Min	Max	Min	Max
	\$15.05	\$20.34	\$18.00	\$23.29	\$20.54	\$26.75
WINDING	<u>L1 Winder</u>		<u>L2 Winder</u>		<u>L3 Winder</u>	
	Min	Max	Min	Max	Min	Max
	\$15.89	\$21.18	\$18.00	\$23.29	\$20.54	\$25.81
TEST	<u>L1 Test Tech</u>		<u>L2 Test Tech</u>		<u>L3 Test Tech</u>	
	Min	Max	Min	Max	Min	Max
	\$18.00	\$23.29	\$21.71	\$25.81	\$24.08	\$26.77

METAL SHOP

	<u>L1 Painter</u>		<u>L2 Painter</u>	
	Min	Max	Min	Max
PAINTING	\$15.37	\$20.65	\$18.00	\$23.29

	<u>L1 LO Fitter Welder</u>		<u>L2 LO Fitter Welder</u>	
	Min	Max	Min	Max
LO FITTER WELDING	\$18.85	\$24.13	\$21.47	\$26.75

	<u>L1 Welder</u>		<u>L2 Welder</u>	
	Min	Max	Min	Max
WELDING	\$17.16	\$22.45	\$19.60	\$24.88

	<u>L1 Metal Fab.</u>		<u>L2 Metal Fab</u>		<u>L3 Metal Fab</u>	
	Min	Max	Min	Max	Min	Max
METAL FABRICATION	\$17.16	\$22.45	\$19.60	\$24.88	\$21.47	\$26.75

	<u>L1 Plasma Op.</u>		<u>L2 Plasma Op.</u>	
	Min	Max	Min	Max
PLASMA	\$18.85	\$24.13	\$21.47	\$26.75

	<u>L1 Shotblaster</u>		<u>L2 Shotblaster</u>	
	Min	Max	Min	Max
SHOTBLAST	\$17.16	\$22.45	\$19.60	\$24.88

MAINTENANCE

	<u>L1 Mtce Technician</u>		<u>L2 Mtce Technician</u>	
MAINTENANCE (No Ticket)	Min	Max	Min	Max
	\$17.48	\$22.76	\$22.76	\$28.05
	<u>L1 Machinist</u>		<u>L2 Machinist</u>	
MACHINIST (No Ticket)	Min	Max	Min	Max
	\$17.48	\$22.76	\$22.76	\$28.05
	<u>L1 Tapgear</u>		<u>L2 Tapgear</u>	
TAPGEAR / MOULDING	Min	Max	Min	Max
	\$17.16	\$22.45	\$22.76	\$28.05
	Min	Max		
Machinist (Ticket)	\$22.76	\$28.05		
Millwright (Ticket)	\$23.29	\$32.24		
Electrician (Ticket)	\$23.29	\$32.24		
Janitor	\$13.78	\$19.07		

APPENDIX “E”

PART A - PENSION PLAN

The Company agrees to provide a Pension Plan. The terms and conditions of the Pension Plan are set out in the plan text (as amended) for the *Pension Plan for Hourly Paid Employees of CG Power Systems Canada Inc, Winnipeg Plant (USW Local 4297)*, Registration No. 577981, referred to hereinafter as the “Pension Plan.” The Pension Plan is incorporated into this Agreement and is subject to the grievance procedure. The Pension Plan may only be amended with the mutual consent of the Union and the Company. In the event of any conflict between any provision in the Pension Plan and this Agreement, the terms of the Pension Plan shall govern.

Definitions

The following definitions shall apply in interpreting this Appendix “E”:

- (I) “Actuary” means an actuary retained by the Company who is a Fellow of the Canadian Institute of Actuaries.
- (II) “Base Rate” means the hourly wage rate identified in Appendix A. If a member is on an approved period of absence due to disability, the Base Rate shall be deemed to be the hourly wage rate in effect for the disabled member immediately prior to the time the member commenced the approved period of absence due to disability.
- (III) “Collective Agreement” means this collective agreement and all its appendices.
- (IV) “Conversion Value” for each active and disabled member of the Pension Plan on May 5, 2010 means the greater of their individual Going-Concern Basis Liability and their Termination Basis Liability.

(v) “Credited Service” under Part II (DB portion) of the Pension Plan, after the effective date of the Pension Plan up to and including May 4, 2010 is to be calculated in years to the nearest tenth as follows:

- Any calendar year in which the employee’s Pension Plan Hours equal or exceed 1800 hours of work shall constitute one year of credited service.
- A proportionate year of service shall be credited for each calendar year in which the employee’s Pension Plan Hours are less than 1800 hours.
- During approved periods of absence due to illness or injury, an employee shall have deemed regular hours of work added to his Pension Plan Hours whether he is actually paid or not. For approved absences due to illness or injury commencing after September 1, 1994, deemed hours will be limited to the first eighteen (18) months of approved absence.

Notwithstanding the above, in the calendar year 2010, Credited Service under Part II (DB portion) of the Pension Plan shall be determined as the ratio of the employee’s Pension Plan Hours to 1800 hours. In determining this ratio, an employee’s Pension Plan Hours shall be their regular hours worked accrued to and including May 4, 2010 limited to no more than 704 hours.

(vi) “Going-Concern Basis Liability” means a liability determined by the Actuary using assumptions and methods that are suitable for the purpose of the liability determination and acceptable to the Manitoba Pension Commission and to the Canada Revenue Agency and reflect anticipated future experience of Part II (DB portion) of the Pension Plan, assuming that it is a going concern.

- (vii)** “Part I of the Pension Plan” means the History and Application section of the Pension Plan.
- (viii)** “Part II (DB portion) of the Pension Plan” means the Defined Benefit Component of the Pension Plan.
- (ix)** “Part III (DC portion) of the Pension Plan” means the Defined Contribution Component of the Pension Plan.
- (x)** “Pension Plan” means the Pension Plan for Hourly Paid Employees of CG Power Systems Canada Inc, Winnipeg Plant, (USW Local 4297).
- (xi)** “Pension Plan Hours” means the number of hours during a calendar year for which a Pension Plan member is paid at the Base Rate, and excludes all other hours for which any other kind of remuneration is received in place of, or in addition to, the Base Rate. Pension Plan Hours:
 - (A)** Shall include hours worked on general holidays as defined in Article 14.03;
 - (B)** Shall be limited to a maximum of 2080 hours in any calendar year; and
 - (C)** Shall, if a member is on an approved period of absence due to disability, be deemed to accrue at a rate equal to the average weekly Pension Plan Hours accrued by the member in the twelve (12) months immediately preceding the period of absence due to disability.

Once the first eighteen (18) month period of the approved period of absence due to disability has expired, a disabled member shall cease accruing Pension Plan Hours. A member of the Pension Plan, who on September 1, 1994 was on an approved period of absence due to disability, is not subject to

the eighteen (18) month limit on deemed Pension Plan Hours.

- (xii) “Pensionable Earnings” means, for an individual, the number of Pension Plan Hours worked during a calendar year multiplied by the Base Rate.
- (xiii) “Termination Basis Liability” means a liability determined by the Actuary using assumptions and methods that are suitable for the purpose of the liability determination and acceptable to the Manitoba Pension Commission and to the Canada Revenue Agency and that assume that each member’s employment had terminated on the date at which the liability is determined.
- (xiv) “Transfer Deficiency” has the meaning as set out in the Manitoba Pension Benefits Act and Regulations. For an individual, it will be determined at the time the initial portion of a member’s Conversion Value is transferred from Part II (DB portion) of the Pension Plan to Part III (DC portion) of the Pension Plan.

PART B - PENSION BENEFITS

1. Effective Date of the Pension Plan – July 1, 1977. Accrual of defined pension benefits ceased under Part II (DB portion) of the Pension Plan on May 4, 2010 and accrual of defined contributions under Part III (DC portion) of the Pension Plan commenced on May 5, 2010.
2. Text of the Pension Plan – The following description of the Pension Plan is a synopsis and not to be taken as the text. If the employee wishes to examine the official Pension Plan text, he may do so by making a request with the Company. In any case where there is a discrepancy between this synopsis and the official Pension Plan text, the latter shall apply.

3. Conversion of the Pension Plan

- (I)** On May 5, 2010, the accrued defined benefits under Part II (DB portion) of the Pension Plan of active and disabled members who, on December 31, 2010, would not have met the eligibility requirements to retire early, were converted to defined contribution benefits under Part III (DC portion) of the Pension Plan.
- (II)** On May 5, 2010, the accrued defined benefits under Part II (DB portion) of the Pension Plan of active and disabled members who, on December 31, 2010, would have met the eligibility requirements to retire early, were converted to defined contribution benefits under Part III (DC portion) of the Pension Plan, or at the member's request, were retained under Part II (DB portion) of the Pension Plan.

A member is deemed to be eligible to retire early on December 31, 2010 if the employee would have attained age 55 and have completed at least 10 years of continuous service on December 31, 2010 as if the member's employment continued to December 31, 2010.

- 4.** Eligibility for Membership – employees of the Company who are members of the USW Local 4297 or are intended to become members of the USW Local 4297 upon completion of a probationary period are required to become members of the Pension Plan on their date of hire.
- 5.** Normal Retirement Date – The normal retirement date of a member is the first day of the month coincident with or next following the member's 65th birthday. Retirement may be deferred beyond the normal retirement date, but in any event not later than December 1st of the calendar year during which the member attains age 71. In the event an employee works beyond the mandated retirement date, he shall be considered retired for the purposes of the Pension

Plan and shall accumulate no further benefits.

6. Deferred Vested on Separation – Full pension rights vest in the employee immediately.
 - (I) Under Part II (DB portion) of the Pension Plan, an employee terminating with vested rights is entitled to a deferred vested pension payable at age 65, or a reduced pension commencing as early as age 55.
 - (II) Under Part III (DC portion) of the Pension Plan, an employee terminating with vested rights is entitled to the total value of the employee's account including employee and employer contributions and investment income on those contributions.

7. Pension Benefits

- (I) Under Part II (DB portion) of the Pension Plan, every member of the Pension Plan who retires on or after his normal retirement date is entitled to a monthly lifetime pension, depending on his credited service earned to and including May 4, 2010. If a member retires from active service between the ages of 60 and 65, an additional monthly bridge pension is also payable to the earlier the member attains age 65 or dies. Members retiring prior to age 60 and members entitled to a deferred vested pension do not receive a bridge pension when they retire. The applicable monthly lifetime and bridge pension amounts are shown below:

Normal Pension In Dollars (\$) Per Month Per Year Of Credited Service

Lifetime	\$45.75
Bridge	\$26.00

(II) Under Part III (DC portion) of the Pension Plan:

Required Contributions

- A member is not required to contribute to the Pension Plan.
- The Company is required to contribute 7.5% of each member's Pensionable Earnings to each member's respective account.

Optional Contributions

- A member may make optional contributions of 0.5%, 1.0%, 1.5%, 2.0%, or 2.5% of their Pensionable Earnings.
- The Company will match 100% of the member's optional contributions up to a maximum of 2.5% of each member's Pensionable Earnings.

Voluntary Contributions

- A member may make voluntary contributions up to the limits imposed by the Income Tax Act.
- The Company will not contribute any additional contributions.

Contributions to Part III (DC portion) of the Pension Plan may not exceed the limits on contributions imposed by the Income Tax Act.

8. Early Retirement – An employee may retire from active service as of the first day of any month between age 55 and 65 after having completed 10 years of continuous service. After May 31, 2010, an employee may retire from active service as of the first day of any month between age 55 and 65.

(I) Under Part II (DB portion) of the Pension Plan, if the employee retires early from active service, the member's accrued normal retirement lifetime pension will be reduced by ½ of 1% for each month that the

commencement date precedes the normal retirement date. However, this reduction is limited to being no greater than an actuarial equivalent reduction.

Unreduced Pension – Under Part II (DB portion) of the Pension Plan, an employee retiring from active service who has attained age 62 and has completed 30 years of continuous service, will receive an unreduced normal retirement lifetime pension.

- (II) Under Part III (DC portion) of the Pension Plan, the employee may elect to purchase an annuity with the value of the employee's account. Alternatively, with a waiver from the employee's spouse, the employee may transfer the value of his account to an arrangement that is acceptable under law and permitted by the Pension Plan.

9. Employees wishing to retire must notify the Company, in writing, at least three (3) months prior to retirement.

10. Form of Payment:

- (I) Under Part II (DB portion) of the Pension Plan, the Normal Form of Pension is payable for the remaining lifetime of the member. Optional forms of pensions are available which provide death benefits. If the member has a spouse at the date of pension commencement, an actuarially reduced pension shall be paid in the form of a joint and survivor pension with payments reducing to $66 \frac{2}{3}\%$ (60% for retirements after May 31, 2010) to the surviving spouse after the death of the member. The mandatory joint form of pension for members with a spouse may be waived if both the member and the spouse sign a waiver form, thus enabling the member to choose an optional form of pension.

(II) Under Part III (DC portion) of the Pension Plan, the Normal Form of Pension for a member with a spouse is payable for the remaining lifetime of the member. Upon the member's death, the member's spouse at the date of pension commencement will receive payments reducing to 66 2/3% (60% for retirements after May 31, 2010). The mandatory joint form of pension for members with a spouse may be waived if both the member and the spouse sign a waiver form, thus enabling the member to choose an optional form of pension. The Normal Form of Pension for a member without a spouse is payable for the remaining lifetime of the member. Optional forms of pensions are available which provide death benefits.

11. Death Benefits While Employed – Death benefits are those called for under the Manitoba Pension Benefits Act.

PART C - TERMS AND CONDITIONS RELATING TO THE PENSION PLAN

- 1.** In the event the Pension Plan is wholly terminated, 40% of any Surplus remaining after all accrued benefits have been paid out and after all plan expenses and wind-up expenses are satisfied, shall belong to the Company, and the remainder shall be distributed to the members and beneficiaries of the Pension Plan. However, should legislation or regulatory authority policies be introduced under which the Company must on Pension Plan wind-up be responsible for funding any Plan deficit, then the Company shall on a full wind-up be entitled to 100% of any Surplus remaining after accrued benefits have been paid out.
- 2.** The Company will fund Transfer Deficiencies in accordance with the Manitoba Pension Benefits Act and Regulations.

PART D - RETIRING ALLOWANCE (BRIDGE) ARRANGEMENT

In recognition of employees' service with the Company, a retiring allowance arrangement has been established, which purpose is to provide a bridge benefit. The complete terms and conditions of the arrangement are set out in the *Retiring Allowance (Bridge) Arrangement for Hourly Paid Employees of CG Power Systems Canada Inc, Winnipeg Plant (USW Local 4297)*, referred to hereinafter as the "Retiring Allowance Bridge Arrangement."

The Retiring Allowance Bridge Arrangement is incorporated into this Agreement and is subject to the grievance procedure. The Retiring Allowance Bridge Arrangement may only be amended with the mutual consent of the Union and the Company. In the event of any conflict between any provision in the Retiring Allowance Bridge Arrangement and this Agreement, the terms of the Retiring Allowance Bridge Arrangement shall govern.

1. Definitions

The following definitions shall apply in interpreting Parts D and E of this Appendix "E":

- (I) "Retiring Allowance Bridge Arrangement" means the *Retiring Allowance (Bridge) Arrangement for Hourly Paid Employees of CG Power Systems Canada Inc, Winnipeg Plant (USW Local 4297)*.
- (II) "Retiring Allowance Bridge Arrangement Credited Service" after the effective date of the Retiring Allowance Bridge Arrangement is to be calculated in years to the nearest tenth as follows:
 - Any calendar year in which the employee's Retiring Allowance Bridge Arrangement Hours equal or exceed 1800 hours of work shall constitute one year of Retiring Allowance Bridge Arrangement Credited Service.

- A proportionate year of service shall be credited for each calendar year in which the employee's Retiring Allowance Bridge Arrangement Hours are less than 1800 hours.
- During approved periods of absence due to illness or injury, an employee shall have deemed regular hours of work added to his Retiring Allowance Bridge Arrangement Credited Service Hours whether he is actually paid or not. For approved absences due to illness or injury commencing after September 1, 1994, deemed hours will be limited to the first eighteen (18) months of approved absence.

Notwithstanding the above, in the calendar year 2010, Retiring Allowance Bridge Arrangement Credited Service shall be determined as the ratio of the employee's Retiring Allowance Bridge Arrangement Hours, accrued after May 4, 2010, to 1800 hours, not exceeding one.

Service before the effective date of the Retiring Allowance Bridge Arrangement is the member's accrued Credited Service under Part II (DB portion) of the Pension Plan up to and including May 4, 2010. For certainty, a listing of each member with Credited Service before the effective date of the Retiring Allowance Bridge Arrangement is listed in the Retiring Allowance Bridge Arrangement.

(III) "Retiring Allowance Bridge Arrangement Hours" means the number of hours during a calendar year for which member is paid at the Base Rate, except for hours worked on general holidays as defined in Article 14.03. For a disabled member, if the member is on an approved period of absence due to disability which commenced after September 1, 1994, Retiring Allowance Bridge Arrangement Hours will be deemed

to accrue for the regular hours of work for the first eighteen (18) months of his disability. Once the eighteen (18) month period of the approved period of absence due to disability has expired, a disabled member shall cease accruing Retiring Allowance Bridge Arrangement Hours. A member of the Pension Plan, who on September 1, 1994 was on an approved period of absence due to disability, is not subject to the eighteen month limit on deemed Retiring Allowance Bridge Arrangement Hours.

PART E - RETIRING ALLOWANCE BENEFITS

- 1.** Effective Date of the Retiring Allowance Bridge Arrangement – May 5, 2010. Benefits payable from this Retiring Allowance Bridge Arrangement will be paid directly by the Company.
- 2.** Text of the Retiring Allowance Bridge Arrangement – The following description of the Retiring Allowance Bridge Arrangement is a synopsis and not to be taken as the text. If the employee wishes to examine the official Retiring Allowance Bridge Arrangement text, he may do so by making a request with the Company. In any case where there is a discrepancy between this synopsis and the official Retiring Allowance Bridge Arrangement text, the latter shall apply.
- 3.** Eligibility for Membership – employees of the Company who are members of the USW Local 4297 or are intended to become members of the USW Local 4297 upon completion of a probationary period are required to become members of the Retiring Allowance Bridge Arrangement on their date of hire.
- 4.** Retiring Allowance Benefits – Under the Retiring Allowance Bridge Arrangement, every member of the Retiring Allowance Bridge Arrangement who retires from active service between the ages of 60 and 65 after having completed 10 years of continuous service, a monthly

amount is payable to the earlier the member attains age 65 or dies. Members retiring prior to age 60 or members who retire with less than 10 years of continuous service do not receive any such benefit when they retire. The applicable monthly amounts are shown below:

Retiring Allowance Benefit In Dollars (\$) Per Month Per Year Of Retiring Allowance Bridge Arrangement Credited Service

Retirement on or after:

May 5, 2010	\$27.00
May 5, 2011	\$28.00
May 5, 2012	\$29.00
May 5, 2013	\$30.00

The monthly benefit payable from this Retiring Allowance Bridge Arrangement shall be offset by the monthly bridge pension accrued to the member under Part II (DB portion) of the Pension Plan for Credited Service up to and including May 4, 2010 for which a liability was included in the member's Termination Basis Liability. For certainty, a listing of each affected member's amount of accrued bridge pension is listed in the Retiring Allowance Bridge Arrangement.

5. Employees wishing to retire must notify the Company, in writing, at least three (3) months prior to retirement.
6. Forms of Payment:
 - (I) The Normal Form of Retiring Allowance Payments is a monthly benefit payable to the earlier the member attains age 65 or dies.
 - (II) A member may elect to receive the actuarial present

value of the normal form of retiring allowance payments. The actuarial present value shall be determined by an Actuary in accordance with the terms of the Retiring Allowance Bridge Arrangement.

**NUMBER 1
LETTER OF UNDERSTANDING**

between:

CG POWER SYSTEMS CANADA INC
Winnipeg, Manitoba

(Hereinafter referred to as “the Company”)

- AND -

**UNITED STEELWORKERS
LOCAL 4297**

(Hereinafter referred to as “the Union”)

Re: Cross Training

The Company and the Union recognize the benefits of cross training. Cross training is a temporary situation that is meant to provide an opportunity for employees to increase their skill sets and knowledge.

It is agreed that when cross training is contemplated, a sign-up sheet indicating the department and position cross training opportunities exist will be posted for a period of ten (10) calendar days. During this time frame, all bargaining unit employees will have the opportunity to sign indicating interest. Employees on the sign-up sheet will be selected, starting with the most senior. In the event no interest is expressed, the Company reserves the right to designate employees for cross training, starting with the least senior in the department, providing that employee has completed the probation period, is fully trained in their own position and has not posted into their position within the previous twelve (12) months (per Article 9 Job Postings).

Employees on cross training will maintain their current hourly wage rate.

The Company and the Union will meet on a quarterly basis to review the training process and progress.

**NUMBER 2
LETTER OF UNDERSTANDING**

between:

CG POWER SYSTEMS CANADA INC
Winnipeg, Manitoba

(Hereinafter referred to as “the Company”)

- AND -

**UNITED STEELWORKERS
LOCAL 4297**

(Hereinafter referred to as “the Union”)

Re: Cost of Living Allowance

As part of the negotiated settlement package which includes wages, pension improvements, benefit improvements and elimination of the two tier system, the parties have agreed that the Cost of Living clauses as identified in Article 19, will not apply for the duration of this Agreement (May 5, 2006-May 4, 2010).

**NUMBER 3
LETTER OF UNDERSTANDING**

between:

CG POWER SYSTEMS CANADA INC
Winnipeg, Manitoba

(Hereinafter referred to as “the Company”)

- AND -

**UNITED STEELWORKERS
LOCAL 4297**

(Hereinafter referred to as “the Union”)

Re: Retiring Allowance

Valid for the period of May 5, 2010 until May 4, 2014, all employees who are or will be sixty-two (62) years of age and have a minimum of thirty (30) years of service will be eligible to receive a lump sum retiring allowance in the amount of seven thousand five hundred dollars (\$7,500.00).

In order to receive this lump sum retiring allowance, eligible employees must retire in the year in which they turn sixty-two (62) years of age provided the employee has a minimum of thirty (30) years of service.

Employees who exceed sixty-two (62) years of age and have a minimum of thirty (30) years of service at May 5, 2010, must retire the first year of the Collective Agreement (May 5, 2010 to May 4, 2011) in order to receive this allowance.

Should an employee choose not to retire within the year of turning sixty-two (62) years of age, they will not be eligible to receive the retiring allowance.

For the purpose of this letter, a year is defined as the Collective Agreement year (May 5th to May 4th).

**NUMBER 4
LETTER OF UNDERSTANDING**

between:

CG POWER SYSTEMS CANADA INC
Winnipeg, Manitoba

(Hereinafter referred to as “the Company”)

- AND -

**UNITED STEELWORKERS
LOCAL 4297**

(Hereinafter referred to as “the Union”)

Re: Wage Rates, Increments and Red Circle Bonus

As part of the negotiated settlement package, the parties have agreed that during the life of this collective agreement, (May 5, 2014 to May 4, 2017):

All employee hourly wage rates will remain the same as the employee’s specific rate of pay as at May 4, 2014 and will continue at this rate throughout the life of this collective agreement. With the following exceptions:

- As a result of a job posting.
- In the case of new hires, the employee will remain at the wage rate at time of hire for the duration of the contract.
- **19.08 (d)(II)** placement through demotion: minimum rate of pay for the position as identified in Appendix ‘A’(May 5, 2014).
- **19.08 (d)(III)** job posting to a lower level position: employees who voluntarily apply for and receive a job posting to a lower position will assume the minimum hourly wage of the new position in Appendix ‘A’(May 5, 2014).

- o **The Company agrees that there will be no demotions, except for just and reasonable cause.**
 - There will be no automatic advance or progression through the wage scale and classifications as set forth at Appendix 'A' as per the new collective agreement (May 5, 2014 to May 4, 2017) and or Appendix 'D' as per the old collective Agreement (May 5, 2010 to May 4, 2014) throughout the life of this collective agreement
 - There will be no annual increase to the hourly wage rate throughout the life of this collective agreement, except for as agreed under payment for ratification acknowledgement.
 - There will be no Red Circle Bonus of any sort paid or payable throughout the life of this collective agreement, except for as agreed under payment for ratification acknowledgement.
 - **All other provisions of the collective agreement containing any form of wage or premium payment, including vacation pay differential, will remain at the dollar value set forth under the collective agreement as at May 4, 2014.**

For general reference, the points above will override and supersede any payments, increases, amounts or entitlements set forth under the following articles of the collective agreement (May 5, 2010 to May 4, 2014):

- Article 19.05, 19.06(a) (performance reviews shall not result in progressions through levels or wage rate through the duration of this contract), 19.06(b), 19.06(c), 19.07 (performance reviews shall not result in progressions through levels or wage rate through the duration of this contract), 19.08(a), 19.08(b), 19.08(c), 19.08(d)(i), 19.08(d)(ii), 19.08(d)(iii)
- Appendix 'D' classification
- Or any other articles *pertaining to wage rates, increments, and red-circle bonus*

**NUMBER 5
LETTER OF UNDERSTANDING**

between:

CG POWER SYSTEMS CANADA INC
Winnipeg, Manitoba

(Hereinafter referred to as “the Company”)

- AND -

**UNITED STEELWORKERS
LOCAL 4297**

(Hereinafter referred to as “the Union”)

Re: Ticketed Trades' Wage Rate

Whereas the parties have undertaken to create and establish competitive wage rates *within the Winnipeg area* for ticketed trades employees, it is agreed:

1. The Company and the Union will meet and negotiate to establish competitive wage rates that reflect the current job market for millwright (ticketed), electrician (ticketed), machinist (ticketed).
2. The parties agree to meet within sixty (60) calendar days of the ratification of the new collective agreement to agree upon the competitive wage rates.

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