

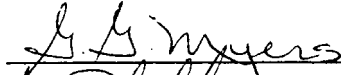
AGREEMENT
between
SHELL CANADA PRODUCTS LIMITED
(Sarnia Chemical Plant)
and
THE ENERGY AND CHEMICAL
WORKERS UNION
LOCAL 800


Effective
February 1, 1990 to January 31, 1992

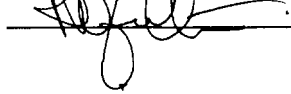
1990

IN WITNESS WHEREOF, THE PARTIES
HERETO HAVE CAUSED THE FOLLOWING
AGREEMENT TO BE EXECUTED THIS 1st DAY
OF
MARCH
NINETEEN HUNDRED AND NINETY

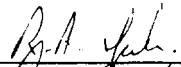
For SHELL CANADA PRODUCTS LIMITED
(Sarnia Chemical Plant)

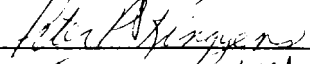


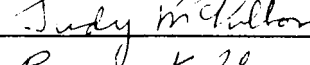


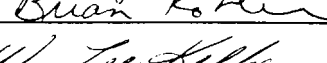



For LOCAL 800, E.C.W.U.

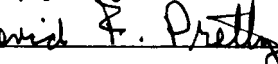


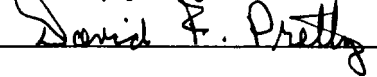












FOREWORD

The purpose of the agreement which follows is to establish an enabling framework within which an organizational system can be sustained that will ensure an efficient and competitive world-scale Chemical Plant operation and provide meaningful work and job satisfaction for employees. Recognizing that there are risks involved and that there are many factors which can place restraints on the extent to which changes can occur, both Management and the Union support and encourage policies and practices that will reflect their commitment to the following principles and values:¹

employees are responsible and trustworthy, capable of working together effectively and making proper decisions related to their spheres of responsibilities and work arrangement - if given the necessary authorities, information and training.

employees should be permitted to contribute and grow to their fullest capability and potential without constraints of artificial barriers, with compensation based on their demonstrated knowledge and skills rather than on tasks being performed at any specific time.

to achieve the most effective overall results, it is deemed necessary that a climate exists which will encourage initiative, experimentation, and generation of new ideas, supported by an open and meaningful two-way communication system.

RECOGNITION

The Company recognizes the Energy and Chemical Workers' Union Local 800 as the sole bargaining agency for all multi-skilled operators (hereinafter referred to as Shift Team Members) and journeymen and craft trainees (hereinafter referred to as Craft Team Members) of the Shell Sarnia Chemical Plant at Corunna, Ontario.

The provisions and intent of the Collective Agreement, and those items jointly developed in the Good Work Practices Guidebook, along with the principles and values of the Philosophy Statement form the foundation for all activities at the plant.

Both parties agree to joint consultation on changes to practices and conditions developed between the parties.

PLANT COMMITTEE

The Company acknowledges the right of the Union to appoint or otherwise select a plant committee. This committee, on behalf of its membership, will be responsible for the negotiating of revisions to the collective agreement where applicable or any other matter which may be mutually agreed between the parties.

The Company agrees to recognize one (1) steward from each shift team and in addition one (1) steward from the craft team.

GRIEVANCES

There has been developed, documented and will be maintained a system to ensure the prompt and equitable resolution of problems at the Chemical Plant. In any event, to augment this system the appropriate provisions of the Ontario Labour Relations Act are available to the parties.

HOURS OF WORK AND RATES OF PAY

All employees covered by this agreement will follow appropriate work schedules that provide for an average basic work week of 37-1/3 hours.

Where circumstances require shifts or schedules other than those in common use, discussion between Management and the Union prior to implementation will occur.

Where a schedule change occurs as per the above whereby the starting or stopping time of an employee is altered by four hours or more, or his/her days off are changed, the employee will be paid, in addition to his/her regular salary, a premium payment of straight time on the first day of his/her new schedule, and his/her days off will become those shown on the new schedule. If an employee works more than 672 hours within a 126-day cycle as a result of a change of schedule exclusive of overtime, the additional hours will be paid at the premium rate. If a change of schedule occurs on a statutory holiday, the premium rate for the change of schedule will be paid on the first day worked on the new schedule, immediately following the statutory holiday.

All overtime hours will be paid at double time.

A minimum payment for call-out work will be equivalent to four hours regular pay, except where, with previous notice, an employee starts to work two hours or less before commencement of his/her regular working day.

In addition to the regular monthly salaries outlined in Schedule "A", shift team members while on the shift portion of their work schedule (i.e. on that part of the schedule which requires them to work on a rotating two 12-hour shift basis) shall receive a "shift bonus" as follows:

- A) Hours worked on day shift (7:00 a.m. - 7:00 p.m.)
- 3.00%
- B) Hours worked on night shift (7:00 p.m. - 7:00 a.m.)
- 5.67%

Under no circumstances will shift team members assigned to a regular or temporary day shift schedule or assignment receive the premium in (A) above. Additionally, shift team members on the day assignment portion of their work schedule or when employed on overtime, practising their second skill, will not be eligible to receive the premiums above.

Team members who are placed on a schedule that begins before 6:00 a.m. or ends after 6:00 p.m. will receive 5% of their equivalent hourly rate for each hour worked between 4:30 p.m. and midnight, and 6% of their equivalent hourly rate for each hour worked between midnight and 8:00 a.m.

TWELVE-HOUR SHIFTS

The continuous 12-hour rotating shift schedule will continue providing they result in no increased costs to the Company, and no reduction in operating efficiency. Guidelines for 12-hour shifts and overtime coverage have been developed and documented in the Good Work Practices Guidebook. Each party may at any time elect to revert to the former 8-hour shift schedule by giving the other party 60 days' notice in writing.

DEDUCTIONS OF UNION DUES

The Company will deduct from all employees covered by this agreement an amount equal to the regular monthly dues of the Union and remit the amount deducted, together with an itemized list, to the Secretary-Treasurer of the Union. Two changes in the deduction of dues in any calendar year, as notified by the Secretary-Treasurer of the Union, will be permitted.

SENIORITY

Seniority shall refer to continuous service at Shell's Sarnia Chemical Plant, and for the purpose of establishing seniority of employees at Shell's Sarnia Chemical Plant, the first day of operation shall be deemed to be March 1, 1978.

UNION LEAVE OF ABSENCE

Upon the written application of the Union, an employee who is elected or appointed by the Union to act on its behalf in full-time Union work shall be granted a leave of absence without pay for the term of such office but not to exceed one year, provided that,

- (a) Only one such leave of absence shall be in effect at any time.
- (b) Request for leave is given a minimum of one month prior to the period in which the absence is to be scheduled.
- (c) Such leaves can be granted without additional cost or penalty to the Company, and will be governed by the administrative provisions of the Company's personnel policy on Leaves of Absence beyond 30 days.
- (d) The Company reserves the right to refuse leave to a particular individual when the granting of such leave would interfere with the operation of the Company.

An employee granted a leave of absence under this provision shall continue to accumulate plant seniority, but not Company service, during this leave of absence. However, while on leave of absence, an employee will be given consideration for a promotional vacancy.

SEVERANCE PAY

(a) Permanent Work Force Reduction

In the event of technological change, or the permanent closure of all or part of the plant which, in the opinion of the Company, will result in a permanent work force reduction, the Company will:

1. Notify the Union six (6) months in advance; and,
2. Meet with representatives of the Union to discuss the impact of the change on the work force.

If after using attrition, reduction in the work force is unavoidable, terminated employees will be entitled to severance pay, provided:

1. the employees have not refused to exercise seniority rights to claim other available jobs within the bargaining unit;
2. the employees have not rejected reasonable alternative employment which the Company may offer to the employees;
3. the employees remain available for work until the designated date of termination; and,
4. the employees, by virtue of performance or actions prior to or during the notice period of termination, are not discharged for just cause.

Severance pay will be calculated on the basis of one (1) week's pay per year of service. For the purpose of this calculation, a week's pay is defined as 37.3 hours pay at the employee's straight time basic wage rate at the time of termination. Partial years of service will be prorated for the calculation of severance payments and such payments will be subject to statutory deductions.

Should the Company be required by law or otherwise to make any payments by reason of layoff or termination of any employee exclusive of:

- earned vacation
- pension payments
- sickness or disability insurance payments
- workers' compensation

such payments shall be deducted from the severance payment provided for herein.

(b) Layoffs Due to Lack of Work

In the event of a layoff, reverse-order seniority will be followed, provided that remaining employees are capable of fulfilling all **job** requirements.

In the event of a layoff due to lack of work for a continuous period which exceeds six (6) months, the laid off employee will be terminated and be entitled to severance pay as provided in (a) above.

(c) Recall

Employees laid off due to lack of work retain recall rights for a period of six (6) months from date of layoff. Recall shall be in accordance with plant seniority, subject always to the same provisions as outlined in (b) above.

VACATIONS

Every employee covered by this agreement will have the following vacation entitlement:

- Completion of one full years' service - three weeks' vacation with pay
- Completion of ten consecutive years' service - four weeks' vacation with pay
- Completion of twenty consecutive years' service - five weeks' vacation with pay
- Completion of twenty-five consecutive years' service - six weeks' vacation with pay

STATUTORY HOLIDAYS

Days designated as Statutory Holidays are as follows: New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving, Remembrance Day, Christmas Day and Boxing Day. In addition, every regular employee will be entitled to an 11th and 12th statutory holiday, to be taken as a personal floater, subject to the guidelines contained in the Good Work Practices Guidebook.

Statutory holiday pay and pay for work performed on a statutory holiday are distinct and separate. Team members required to work their regular shift and/or overtime on a statutory holiday will be paid at double time their regular salary rate in addition to receiving their 8 hours statutory holiday pay.

HEALTH AND SAFETY

The Company agrees that the Union, in consultation with team representatives, may appoint two representatives on the Health and Safety Committee, and that that these representatives shall be notified in advance of meetings of this committee which have been called for purposes of Health and Safety or to investigate accidents involved in injury to employees.



TERMINATION

This agreement shall remain in force for a period from the 1st day of February, 1990, up to and including the 31st day of January, 1992, and shall continue in force year to year thereafter unless in any year not more than one hundred and twenty (120) days, and not **less** than thirty (30) days, before the date of its termination, either party shall furnish the other with notice of termination of, or proposed revision of, this agreement.

SCHEDULE "A"

BASIC MONTHLY SALARIES February 1, 1990 & February 1, 1991

	Feb. 1, 1990	Equivalent Hourly Rate	Feb. 1, 1991	Equivalent Hourly Rate
SHIFT TEAM MEMBERS				
Phase 12...	\$3,804	\$23.45	\$4,032	\$24.86
Phase 11...	\$3,684	\$22.71	\$3,905	\$24.08
Phase 10...	\$3,562	\$21.96	\$3,776	\$23.28
Phase 9 ...	\$3,449	\$21.26	\$3,656	\$22.54
Phase 8...	\$3,302	\$20.36	\$3,500	\$21.58
Phase 7...	\$3,151	\$19.43	\$3,340	\$20.59
Phase 6...	\$3,038	\$18.73	\$3,220	\$19.85
Phase 5...	\$2,918	\$17.99	\$3,093	\$19.07
Phase 4...	\$2,800	\$17.26	\$2,968	\$18.30
Phase 3...	\$2,681	\$16.53	\$2,842	\$17.52
Phase 2...	\$2,564	\$15.81	\$2,718	\$16.76
Phase 1...	\$2,480	\$15.29	\$2,629	\$16.21
CRAFT TEAM MEMBERS				
Journeyman	\$3,522	\$21.71	\$3,733	\$23.01
Craft Phase 5	\$3,280	\$20.22	\$3,477	\$21.44
Craft Phase 4	\$3,038	\$18.73	\$3,220	\$19.85
Craft Phase 3	\$2,918	\$17.99	\$3,093	\$19.07
Craft Phase 2	\$2,741	\$16.90	\$2,905	\$17.91
Craft Phase 1	\$2,564	\$15.81	\$2,718	\$16.76