

COLLECTIVE AGREEMENT

JULY 1, 2012 TO MAY 31, 2015

BETWEEN



AND



The National Automobile, Aerospace,
Transportation and General Workers Union of Canada
(CAW-Canada)

04233 (10)

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MEMORANDUM OF AGREEMENT made and entered into this 1st day of July, 2012

BETWEEN:

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.

hereinafter designated as the "Company"

OF THE FIRST PART;

- and -

THE NATIONAL AUTOMOBILE, AEROSPACE AND GENERAL WORKERS UNION OF CANADA (CAW-CANADA) and its LOCAL 112

hereinafter designated as the "Union"

OF THE SECOND PART.

Whereas the Union was certified on the 5th day of May, 1970 as the bargaining agent of all employees of TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD. (formerly "Crothers Limited") at Metropolitan Toronto and Concord save and except assistant supervisor, supervisor, persons above the rank of supervisor and office and sales staff;

AND WHEREAS the parties to this agreement agree that the purpose of the agreement is to provide lawful and orderly collective bargaining relations between the Company and its employees covered by this agreement, through the Union, to secure prompt disposition of grievances, to eliminate interruption of work and interference with efficient operation of the Company's business, and to maintain fair wages, hours and working conditions for the said employees, all as set forth in this agreement;

Now THEREFORE the parties hereto agree as follows:

ARTICLE 1 - RECOGNITION

- 1.01 The Company recognizes the Union as the sole collective bargaining agency for all its employees employed at Metropolitan Toronto and Concord, save and except for assistant supervisors, supervisors, persons above the rank of supervisor and office and sales staff.
- 1.02 "Employee" as used in this agreement shall mean those persons described in the bargaining unit set forth in Clause 1.01.

ARTICLE 2 - RELATIONSHIP

- 2.01 It is agreed that all employees of the Company who are members of the Union as of the date of signing of this agreement shall, as a condition of employment, remain members in good standing as provided in the Constitution and By-Laws of the Union. All employees hired after the date of signing of this agreement shall become members of the Union.
- 2.02 All employees covered by this agreement shall authorize the Company in writing to deduct an amount equivalent to regular monthly Union dues for the term of this agreement from the first pay due each calendar month.
- 2.03 The Company agrees during the term of this agreement, to the extent authorized in writing by each employee, to deduct all regular initiation fees and dues in amounts prescribed by the Constitution and By-Laws of the Union from the first pay due in the month following the month in which the employee is first hired and each calendar month thereafter and to remit same not later than the thirtieth (30th) day of the same month to the Secretary Treasurer of Local 112 CAW, 30 Tangiers Road, Toronto M3J 2B2. The Company further agrees to provide the following information:

1. A list of all members in the bargaining unit regardless if they paid dues in the month.
2. Each member's mailing address.
3. Employee numbers.
4. Each member's hourly rate or equivalent.
5. Each member's status (i.e., at work, on vacation, weekly sick benefits, LTD, WSIB, retired in month, any other leave of absence) as soon as information systems permit.
6. Number of hours worked in the month.

2.04 The Company and the Union agree that in accordance with the provisions of the Human Rights Code, every person has the right to equal treatment with respect to employment without discrimination, and the right to freedom from harassment in the workplace, in respect to their training, upgrading, promotion, transfer, layoff, discharge or otherwise because of race, creed, colour, national origin, sex, marital status, political affiliation or sexual orientation, age, disability or family status.

2.05 It is agreed that the Union and the employees will not engage in Union activities during working hours or hold meetings at any time on the premises of the Company without the permission of their respective supervisor.

ARTICLE 3 - MANAGEMENT RIGHTS

3.01 The Union recognizes and acknowledges that the management of the plant and direction of the working force are fixed exclusively in the Company and, without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to:

- a. maintain order and efficiency;

- b. hire, promote, demote, classify, transfer and suspend employees, conduct performance reviews (copy to be supplied to employee) and to discipline or discharge any employees for just cause provided that a claim by an employee who has acquired seniority that he/she has been discharged or disciplined without just cause may be the subject of a grievance and dealt with as hereinafter provided;
- c. make, alter from time to time, and enforce reasonable rules and regulations to be observed by the employees provided such rules are not inconsistent with the terms and provisions of the agreement; all employees must sign the acknowledgement form of the Company Code of Conduct and the Rules of Conduct and return same to their supervisor, when requested;
- d. determine the nature and kind of business conducted by the Company, the kinds and locations of plants, equipment and materials to be used, the control of materials and parts, the methods and techniques of work, the content of jobs, the schedule of production, number of employees to be employed, the extension, limitation, curtailment or cessation of operations or any part thereof, and to determine and exercise all other functions and prerogatives which shall remain solely with the Company except specifically limited by the express provisions of this agreement;
- e. the Company agrees that it will exercise these functions in a manner not inconsistent with the express provisions of this Agreement.

3.02 Without limiting the generality of the foregoing provisions, it is expressly understood and agreed that breach of any of the Plant Rules, or of any of the provisions of this agreement, shall be conclusively deemed to be sufficient cause for discipline or dismissal of an employee; provided that nothing herein shall

prevent an employee going through the grievance procedure to determine whether or not such breach actually took place.

ARTICLE 4 - PLANT COMMITTEE

4.01 The Company acknowledges the right of the Union to appoint or otherwise select a Plant Committee composed of stewards, the basis of representation being one steward per area supervised by one supervisor and in addition to appoint, or otherwise elect a plant chairperson. All stewards shall be employees of the Company during the term of their office. (Notwithstanding the above, any reduction of supervisory personnel will not affect the current number of stewards.)

The name and area of each of the stewards and the name of the chairperson of the Plant Committee from time to time selected shall be given to the Company in writing and the Company shall not be required to recognize any such steward or chairperson until it has been so notified.

4.02 The Company undertakes to instruct all members of its supervisory staff to cooperate with the stewards in the carrying out of the terms and requirements of this agreement.

4.03 The Union undertakes to instruct its officers, stewards and members to cooperate with the Company and with all persons representing the Company in a supervisory capacity.

4.04 Employees having grievances cannot discuss these with their respective stewards during working hours without obtaining prior permission of the supervisor concerned and such permission shall not be unreasonably withheld.

4.05 The right of the stewards to leave their work without loss of basic pay to attend to Union business is granted on the following conditions:

- a. Such business must be between the Union and/or the employee and the management.
 - b. The time shall be devoted to the prompt handling of necessary Union business.
 - c. The steward concerned shall obtain the permission of the supervisor concerned before leaving his/her work. Such permission shall not be unreasonably withheld.
 - d. The time away from productive work shall be reported in accordance with the time keeping methods of the department in which the steward is employed.
- 4.06 The Company agrees to grant reasonable time to stewards for the processing of grievances and the Union agrees that such right shall not be misused and the provisions of Section 4.05 sub-sections (c) and (d) shall apply.
- 4.07 The President of the Local Union, or in his/her absence the Vice-President, will be recognized as an ex-officio member of all committees. The Company agrees to recognize them as such and the Local Union President or Vice-President will be permitted to attend all meetings between Union and Management on all matters arising from the provisions of this agreement. In addition if the Local Union President desires access to the Company plant he/she shall notify the Company Human Resources Manager in advance. He/she will then be granted access provided such access does not unreasonably interfere with the efficient operations of the Company's business.
- 4.08 The Plant Chairperson will be supplied on a monthly basis with written information listing new hires, including department and classifications, discharges, resignations, lay-offs, recalls, changes in classification and transfers for employees covered by this agreement. Said information shall be provided no later than the 15th of any one month. Every six months the Company will supply the Plant Chairperson with a complete current mailing list of the

employees covered by this agreement. The Company agrees to provide the Plant Chairperson with an office that will include a telephone (with voice mail), filing cabinet, desk and chairs. The Company retains the right to withdraw office privileges for misuse or abuse after consultation with the National Union Representative.

The Plant Chairperson will be granted free access to other work areas during his/her working hours provided advance notification is given to his/her supervisor and provided the Plant Chairperson notifies the supervisor of the work area he/she is visiting immediately upon entry to such area. It is understood and agreed that access may be delayed due to pressing customer or other business requirements.

- 4.09 The Company will provide for a one hour orientation period for new employees to be held once per month.
- 4.10 Any employee who is to receive a performance review with an "unsatisfactory" rating, may request their area steward to attend as an observer only.

ARTICLE 5 - GRIEVANCE PROCEDURE

- 5.01 The parties to this agreement are agreed that it is of utmost importance to adjust complaints and grievances concerning the interpretation or alleged violation of the agreement as quickly as possible.
- 5.02 No grievance shall be considered where the circumstances giving rise to it occurred or originated more than five (5) full working days before the filing of the grievance. A grievance shall be deemed to have occurred or originated at such time as the employee ought reasonably to have become aware of it.
- 5.03 Grievances properly arising under this agreement shall be adjusted and settled as follows:

Step No. 1. The aggrieved employee with his/her area steward shall present his/her grievance in writing (on a form supplied by the union) to his/her supervisor. The supervisor shall give his/her decision within five (5) working days following the presentation of the grievance to him/her. If the supervisor's decision is not satisfactory to the employee concerned then the grievance may be presented as follows:

Step No. 2. Within five (5) working days after the decision is given at Step No. 1, the aggrieved employee, with his/her area steward, will present the grievance to the area Manager, who shall consider it in the presence of the person or persons presenting same and the supervisor and render his/her decision in writing within five (5) working days following the presentation of the grievance to him/her.

Step No. 3. - Within five (5) working days after the decision is given under Step No. 2, the aggrieved employee and/or area steward may submit his grievance to the General Manager, or the Manager of Labour Relations and the employee, accompanied by the Chairperson and his area steward, shall meet within ten (10) working days with such persons as management may desire, to consider the grievance. At this stage they may be accompanied by the Local Union President and/or the National Representative if their presence is requested by either party. Management will render its decision in writing within five (5) working days following such meeting.

- 5.04 If final settlement of the grievance is not reached at Step No. 3, and if the grievance is one of which concerns the interpretation or alleged violation of the agreement then the grievance may be referred in writing by either party to a Single Arbitrator as provided in Article 6 below at any time within ten (10) working days after the decision is given under Step No. 3 and if no such written request for arbitration is received within the time limit, then it shall be deemed to have been abandoned.

- 5.05 Throughout all steps of the grievance procedure, the time limits shall apply equally to the Union and the Company, and they may only be extended by mutual agreement. Such agreement shall be confirmed in writing.

ARTICLE 6 - ARBITRATION

- 6.01 Both parties to this agreement agree that any dispute or grievance concerning the interpretation or alleged violation of this agreement, which has been properly carried through all the steps of the grievance procedure outlined in Article 5 above, and which has not been settled, will be referred to an Arbitrator, at the written request of either of the parties hereto.
- 6.02 The Arbitrator will be selected from the list below, and will rotate in sequential order, commencing from the top.

Wesley Rayner
Jayne Devlin
Joseph W. Samuels
Randy Levinson

- 6.03 The Arbitrator shall not have any power to alter or change any of the provisions of this agreement or to substitute any new provisions for any existing provisions nor to give any decision inconsistent with the terms and provisions of this agreement.
- 6.04 Each of the parties to this agreement will equally share the expenses of the Arbitrator.
- 6.05 The Company will pay the lost wages, if any, for the Plant Chairperson to attend arbitration hearings up to a maximum of two (2) hearings per year.

ARTICLE 7- MANAGEMENT GRIEVANCES - POLICY GRIEVANCES

- 7.01 Any grievances instituted by management may be referred in writing to the Plant Committee within five (5) working days of the occurrence of the circumstances giving rise to the grievance, and the Plant Committee shall meet within ten (10) working days thereafter with management to consider the grievance. If final settlement of the grievance is not completed within five (5) working days of such meeting, the grievance may be referred to a Single Arbitrator as provided in Article 6 at any time within ten (10) working days thereafter, but not later. Should the grievance not be referred within the time frame above, the matter will be considered withdrawn.
- 7.02 A Union policy grievance, which is defined as an alleged violation of this agreement, concerning all or a substantial number of the employees in the bargaining unit, in regard to which an individual employee could not grieve, may be lodged by the Chairperson in writing with the Area Manager at Step No. 2 of the grievance procedure at any time within five (5) working days after the circumstances giving rise to such grievance occurred or originated.

ARTICLE 8 - DISCIPLINE AND DISCHARGE CASES

- 8.01 Where a formal review process has been undertaken for an employee over a specified period of time, the employee will be informed of the areas of concern on a regular basis throughout that period.
- 8.02 A claim by an employee who has completed the probationary period that he/she has been discharged or suspended without just cause shall be treated as a grievance if a written statement of such grievance is lodged with the appropriate Manager within five (5) working days after the employee ceases working for the Company, or is suspended, and then the provisions of Article 5.03 apply beginning at step 3. Such special grievances may be settled by:

- a. confirming the management's action in dismissing or suspending the employee; or
- b. reinstating the employee with full compensation for lost time; or
- c. any other arrangement which is just and equitable in the opinion of the conferring parties or the Single Arbitrator.

8.03 Where an employee is given a disciplinary warning which is to be recorded against him/her, the area steward shall be present, and notice of the discipline will be given to the employee and to the Union.

ARTICLE 9 - NO STRIKES - NO LOCKOUTS

9.01 In view of the orderly procedures established by this agreement for the settling of disputes and the handling of grievances, it is agreed that, during the life of this agreement, there will be no strike, picketing, slowdown or stoppage of work, either complete or partial, and that there will be no lockout.

9.02 The Company shall have the right to discharge or otherwise discipline employees who take part in or instigate any strike, picketing, stoppage or slowdown, but a claim of unjust discharge or discipline may be the subject of a grievance and dealt with as provided in Article 5 above.

9.03 Should the Union claim that a cessation of work constitutes a lockout, it may take the matter up with the Company at Step No. 3 of the grievance procedure.

9.04 The Union agrees that it will not involve any employee of the Company or the Company either directly or indirectly in any dispute which may arise between any other employer and the employees of such other employer.

ARTICLE 10 - WAGES, CLASSIFICATIONS AND AUTOMATIC PROGRESSION

- 10.01 Schedule "A" hereto headed Wages and Classifications is hereby made a part of this Agreement.
- 10.02 a) Employees hired after February 6, 2000 in the position of Partsperson will be hired into Level 1 and will progress to Level 2 after **twenty-four (24) months** worked, providing there has been satisfactory performance in the position.
- b) The Company may promote an employee in lesser time frames commensurate with previous experience and performance.

ARTICLE 11 - HOURS OF WORK AND OVERTIME

- 11.01 The following paragraphs and sections are intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week. The Company will endeavour to staff all shifts on a volunteer basis. In the event that the number of volunteers is less than the shift requirements, all other departmental workers will fill the remaining vacancies on a rotating basis. The Company reserves the right to limit the number of volunteers on any shift, if the combined skill level of a shift is below Company standards. Volunteers steadily employed on any shift other than Shift 1, will not normally be required to participate in any rotation schedule. Leadhands will be exempt from rotation. Employees who have more than 30 years seniority may request permanent assignment to Shift 1. The total number of employees assigned to Shift 1 may not exceed 25% of the total number of departmental employees. Should more employees request assignment than are allowed, requests will be granted on a seniority basis.
- 11.02 a) The standard work week for Shift 1 shall consist of forty (40)

hours per week, Monday through Friday, comprised of five (5) eight (8) hour shifts unless otherwise defined. There shall be one (1) unpaid lunch break of thirty (30) minutes duration, as scheduled by the Company, during each eight (8) hour shift. The hours for Shift 1 shall be scheduled between the hours of 6:00 am and 5:30 pm.

- b) Notwithstanding the above, Shift 1 in the warehouse may be scheduled with start times up to 11:00 am. In the first instance, warehouse vacancies with starting times between 9:01 am and 11:00 am will be filled on a volunteer basis (as stated in 11.01) If the number of volunteers is insufficient, then the Company will fill the remaining vacancies by selecting from other qualified departmental employees on an inverse seniority basis.
- c) Shift 1A, shall consist of forty (40) hours per week, comprised of four (4) consecutive ten (10) hour shifts scheduled Monday to Thursday inclusive, or Tuesday to Friday inclusive, unless otherwise defined. There shall be one (1) unpaid lunch break of thirty (30) minutes duration, as scheduled by the Company, during each ten (10) hour shift. The hours for Shift 1A shall be scheduled to commence between 6:00 am and 7:30 am.
 - i. Where a department implements a Shift 1A and a four (4) day Shift 2, the hours for Shift 2 will be scheduled to commence between 1:30 pm and 5:00 pm.
 - ii. Shift 1A is only applicable in the Truck Shop, Tractor Shop, Undercarriage Shop and Welding Shop.
 - iii. Where a Shift 1A is implemented, a limited number of employees may be granted the ability to remain on Shift 1. The maximum number of employees on Shift 1, determined by seniority, shall not exceed:

<u>Department</u>	<u>Max Employees</u>
Tractor Shop, Undercarriage & Welding Shops (combined)	4
Truck Shop	3

11.03 Shift 2 shall consist of either forty (40) hours per week, Monday through Friday, comprised of five (5) eight (8) hour shifts, or forty (40) hours per week, comprised of four (4) consecutive ten (10) hour shifts scheduled Monday to Thursday inclusive, or Tuesday to Friday inclusive, unless otherwise defined.

There shall be one (1) unpaid lunch break of thirty (30) minutes duration, as scheduled by the Company, during each eight (8) or ten (10) hour shift. If a five (5) day second shift is operated, the hours of work for such second shift shall be scheduled to commence between 2:30 p.m. and 5:00 p.m. If a four (4) day second shift is operated, the hours of work for such second shift shall be scheduled to commence between 1:30 p.m. and 3:30 p.m.

11.04 Shift 3 shall consist of forty (40) hours per week, Monday through Friday, comprised of five (5) eight (8) hour shifts unless otherwise defined. There shall be one (1) unpaid lunch break of thirty (30) minutes duration as scheduled by the Company during each eight (8) hour shift. The hours of work for the third shift shall be scheduled to commence between 10:00 pm and 12:00 a.m.

11.05 Shift 4 shall consist of either thirty-six (36) hours per week, Friday through Sunday, comprised of three (3) twelve (12) hour shifts, or thirty-six (36) hours per week, Saturday through Monday, comprised of three (3) twelve (12) hour shifts. There shall be one (1) unpaid lunch break of thirty (30) minutes duration, as scheduled by the Company, during each twelve (12) hour shift. The hours for Shift 4 shall be scheduled to commence between the hours of 6:00 a.m. and 9:00 a.m.

11.06 Shift 5 shall consist of thirty-six (36) hours per week, Friday through Sunday, comprised of three (3) twelve (12) hour shifts.

There shall be one (1) unpaid lunch break of thirty (30) minutes duration, as scheduled by the Company, during each twelve (12) hour shift. The hours for Shift 5 shall be scheduled to commence between the hours of 3:30 p.m. and 9:00 p.m.

- 11.07 Shift 6 shall consist of either thirty-six (36) hours per week, Sunday through Tuesday, comprised of three (3) twelve (12) hour shifts, or thirty-six (36) hours per week, Thursday through Saturday, comprised of three (3) twelve (12) hour shifts. There shall be one (1) unpaid lunch break of thirty (30) minutes duration, as scheduled by the Company, during each twelve (12) hour shift. The hours for Shift 6 shall be scheduled to commence between the hours of 6:00 a.m. and 9:00 a.m. Vacancies for this shift shall be posted as per Article 19 of this Collective Agreement and such posting shall clearly state the required shift.**
- 11.08 Overtime at the rate of time and one-half the employee's regular hourly rate shall be paid for all work performed in excess of the shift hours set forth in Articles 11.02, 11.03, 11.04, 11.05, 11.06 and 11.07 above.
- 11.09 Overtime at the rate of double the employee's regular hourly rate shall be paid for all work performed in excess of the regular shift assignment as follows:**
- a) for all employees working five-day shifts,
 - i. all hours in excess of eight (8) combined hours on the sixth and seventh scheduled day,
 - ii. all hours on an unscheduled seventh day
 - b) for all employees working four-day shifts,
 - i. all hours worked in excess of eight (8) on the fifth or sixth consecutive day
 - c) for all employees working three-day shifts,
 - i. all hours worked in excess of eight (8) hours on the fourth or fifth consecutive day,

ii. all hours worked on the sixth or seventh consecutive day.

- 11.10 Premiums shall not be paid more than once for any hours worked and there shall be no pyramiding of overtime.
- 11.11 The Company will endeavour to distribute overtime work as equitably as is reasonably possible among employees on the shift who normally perform the work to be done.
- 11.12 a) A shift premium shall be paid for all hours worked on regularly scheduled Shifts 2, 3, 4 or 5 as per the following schedule:

Skilled Trades	\$1.98 /hour
Non-skilled Trades	\$1.67/hour

- b) A shift premium shall be paid for all hours worked on a regularly scheduled Shift 6 of \$1.00 per hour.**
- c) For employees working on Shifts 4, 5 and 6, an additional premium equivalent to four (4) hours at base rate plus applicable shift premium will be paid per scheduled Shift, providing the employee works the entire Shift. Employees working less than the full shift will be paid a prorated premium calculated by dividing the hours worked by 36. Hours paid for statutory holidays will be considered hours worked for the purposes of this additional premium only.
- d) An employee working on Shift 2, 3, 4, 5 or 6 who is required to work overtime shall receive his/her shift premium as defined in 11.11(a) or 11.11(b) and also overtime premium of one and one-half (1.5) times his basic hourly rate.
- e) Where an employee is required to work beyond a double shift and there are less than eight (8) hours from the time he/she completes the overtime until the starting of his/her regular shift,

he/she shall be paid at straight time rate for the hours which encroach on his/her regular shift to a maximum of four (4) hours provided he/she works the balance of his/her regular shift.

- 11.13 In-plant employees shall be paid an allowance up to **\$8.75** in Year 1, **\$9.00** in Year 2 and **\$9.25** in Year 3 after completion of three (3) hours of overtime work beyond the normal work shift as defined in Articles 11.02, 11.03, and 11.04 and the submission of original supporting receipts. Meal allowances will be paid on weekly cheques.
- 11.14 Where a statutory holiday occurs during an employees normally scheduled work week, and falls on a day that has been scheduled as a day off for the employee, the employee will be granted the closest normally scheduled work day off with pay.
- 11.15 The Company agrees to post a six (6) month rotation schedule a minimum of one (1) month prior to its effective date. The schedule will be structured such that the months of March through August inclusive, are shown on the same schedule. Any changes to the schedule require seven (7) days notice.

ARTICLE 12 - VACATIONS WITH PAY

- 12.01 The Company's normal vacation year starts July 1st and runs through to June 30th of the following calendar year. All employees who have been steadily employed by the Company for a period of up to six (6) months prior to July 1st of any year shall be entitled to vacation pay of four percent (4%) of earnings.
- 12.02 All employees who have been steadily employed by the Company for more than six (6) months, but less than one year prior to July 1st in any year shall be entitled to 40 hours of vacation with pay at a time convenient to the Company and shall receive as vacation pay an amount equivalent to 40 hours of pay at the employee's current hourly rate or four percent (4%) of earnings whichever is greater.

- 12.03 All employees who have been steadily employed by the Company for more than one (1) year, but less than five (5) year prior to July 1st in any year shall be entitled to 80 hours of vacation with pay at a time or times convenient to the Company and shall receive as vacation pay an amount equivalent to 80 hours of pay at the employee's hourly rate or four percent (4%) of earnings whichever is greater.
- 12.04 All employees who have been steadily employed by the Company for more than five (5) years, but less than ten (10) years prior to July 1st in any year shall be entitled to 120 hours of vacation with pay at a time or times convenient to the Company and shall receive as vacation pay an amount equivalent to 120 hours of pay at the employee's current hourly rate or six percent (6%) of earnings whichever is greater.
- 12.05 All employees who have been steadily employed by the Company for more than ten (10) years but less than twenty (20) years prior to July 1st in any year shall be entitled to the equivalent of 160 hours of vacation with pay at a time or times convenient to the Company and shall receive as vacation pay an amount equivalent to 160 hours of pay at the employee's current hourly rate or eight percent (8%) of earnings whichever is greater.
- 12.06 All employees who have been steadily employed by the Company for more than twenty (20) years prior to July 1st in any year shall be entitled to 200 hours of vacation with pay at a time or times convenient to the Company and shall receive as vacation pay an amount equivalent to 200 hours of pay at the employee's current hourly rate or ten percent (10%) of earnings, whichever is greater.
- 12.07 An employee who has ceased to be employed by the Company before receiving his vacation pursuant to the provisions of this Article shall be entitled only to receive vacation pay in accordance with the collective agreement, prorated for time worked in the vacation year.
- 12.08 In computation of an employee's earnings for the purpose of

vacation pay, any vacation pay paid by the Company to the employee during the previous fifty-two (52) weeks shall be included.

- 12.09 Employees shall submit vacation requests on or before March 31st for the next vacation year. The Company will post and maintain a Departmental vacation schedule by April 30th. Where more than one (1) employee requests vacation for the same period, seniority will govern. Requests submitted after March 31st will be scheduled on a first come first serve basis. The Company after advising the employee will schedule any outstanding vacation as of January 31st of the current vacation year.

The Company will also allow each employee the ability to request one (1) week of vacation in one (1) day increments, accounted for in hours. The employee will normally give a minimum of one (1) week's notice of such request, and such request will not be unreasonably denied.

- 12.10 An employee's pay shall be paid by direct deposit every week and vacation pay will be owed and paid in the week following the actual week taken off, to provide continuous income.

ARTICLE 13 - PLANT HOLIDAYS

- 13.01 The following plant holidays, regardless of when they fall, will be granted with pay to all employees.

New Year's Day	Civic Holiday
Family Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
	Floating Holidays*

Attached to this agreement, as Schedule "C" is a listing of the

dates upon which it is agreed the foregoing holidays will be celebrated during the life of this agreement.

Payment for such holidays shall be based on the employee's regular hourly rate multiplied by the number of hours he/she would normally have worked on each day.

* Floating holidays will be granted to all employees based on the following schedule:

Employees on 3 day x 12 hr shifts	2 floating holidays
Employees on 4 day x 10 hr shifts	2 floating holidays
Employees on 5 day x 8 hr shifts	3 floating holidays

- 13.02 To be eligible for holiday pay, an employee must have worked his/her last full scheduled working day immediately preceding the holiday and his/her first full scheduled working day immediately following the holiday. Any employee on lay-off at the time a holiday falls, must have performed work for the Company within ten (10) days before or within ten (10) days after the holiday to be eligible for pay for such holidays.

An employee receiving Workers' Compensation or Company Weekly Disability benefits for either of the qualifying days shall be paid the difference between the statutory holiday pay and whatever the benefit for that holiday he/she may receive from either source, provided he/she has been actively at work with the Company within thirty (30) calendar days immediately preceding the holiday.

- 13.03 If an employee works on one of the above named paid holidays, he/she will receive payment at double time for the time actually worked by him/her in addition to receiving his/her holiday pay.
- 13.04 **Floating holidays must be taken by June 30th of the following year. The Company after advising the employee will schedule any outstanding floating holidays as of March 31st.**

ARTICLE 14 - SENIORITY

14.01 Fundamentally, seniority provisions are designed to provide an employee with an equitable measure of security based on length of service. Seniority, as referred to in this agreement, shall be defined as the length of service in the bargaining unit, subject to the provisions in this Article, measured from the date of last hire.

In cases where more than one employee is hired on the same day, employee clock numbers shall be assigned on a lottery basis. Assignment of clock numbers, when done by the lottery system, will be performed in the presence of a union representative.

14.02 An employee will be considered on probation for the first sixty (60) days worked and will have no seniority rights during that period. For clarification, during the employee's probationary period the employee will not be eligible for Benefits of any kind, Pension Plan participation, Safety Footwear Allowance, Prescription Safety Eyewear, until such time as they have successfully completed their Probationary period. **However he/she will be responsible for paying union dues during this time period.** After sixty (60) days worked, his/her seniority shall date back to the day on which his/her employment began. A probationary employee may be discharged by the Company for any reason in the discretion of the Company, provided that such reason for termination is not occupational injury, discrimination prohibited by Article 2.04 or lawful union activity not in violation of this Agreement.

14.03 The Company agrees that there shall be two seniority lists as follows:

- a) Skilled Trades Employees
- b) All other Classifications

Seniority lists will be revised each six months; a copy of the lists will be posted in the plant. If an employee does not challenge the position of his/her name on his/her seniority list within the first ten

working days from the date his/her name first appears on the seniority list or if absent from the plant at the time of posting, within the first five (5) working days after his/her return, then he/she shall be deemed to have proper seniority standing.

Notwithstanding any other provision of this Article 14, in the event of a layoff, an employee on one seniority list shall not be permitted to bump or otherwise displace any employee on the other seniority list, save and except that an employee having more than five (5) years' seniority with the Company may bump an employee on the other seniority list with less than two (2) years' seniority, provided the employees' skill and ability are sufficient to justify the transfer as per Section 14.06 below.

14.04 Layoffs shall be carried out in the following order:

- a) skill level (moving from lowest to highest);
- b) seniority within the skill level (plant-wide seniority applied within the skill level). Recalls after layoff will be in the inverse order.

14.05a) Promotions other than appointments to supervisory, field service, T.A. inspector and lead hand positions shall be based upon the following factors:

- a) skill, competence, efficiency, ability and reliability.
- b) seniority

Where the qualifications in factor (a) are relatively equal, seniority shall govern.

- b) Promotions to field service, T.A. inspector and lead hand positions will be made at the discretion of the Company, taking into account such matters as department and communications skills.
- c) The Company recognizes that leadhands do not have supervisory powers nor do they have the authority to issue disciplinary measures. They are responsible for delegating work and are accountable for advising supervisors of issues on the floor they cannot resolve. In

respect to overtime, ultimately the Company is accountable for the distribution. Leadhands are required to act in the absence of the Supervisor to ensure proper functioning of the area.

14.06a) In the event of a layoff, the provisions of Article 14.04 will be applied within a department until such time as it would be necessary to layoff employees having more than one (1) year's seniority. In such case, if the employee or employees have more than one (1) year's seniority but wish to transfer to a job in another department and the employee's skill and ability are sufficient to justify the transfer, arrangements for such transfer will be made wherever possible provided the job in the other department is not held by an employee on a different seniority list.

If the individual chooses to transfer to another department they will be entitled to a ten (10) working day evaluation period in that position. In the event that an employee is unsuccessful in completing the evaluation period, they cannot transfer to another position. The Company maintains sole discretion regarding the outcome of the evaluation.

Irrespective of anything outlined above, transfers invoked as the result of layoffs will not be permitted into or out of the Reman Division.

It is agreed that proper consideration will be given to the employee's seniority. An employee who successfully exercises his/her seniority in accordance with this provision and who, in so doing avoids a lay-off must return to his/her original position when given notice of recall to that position.

The Company will advise the employees affected, the appropriate Union Steward and the Plant Chairperson of anticipated layoffs, along with the names of those employees affected, at least five (5) working days prior to the layoff. The notice period will apply only to the original employees affected and not to subsequent

employees utilizing the bumping procedure.

- b) Notwithstanding any other provisions of this Agreement, in any case where a layoff is required in any department where both component rebuilders and journeyperson mechanics are employed, no more than two (2) component rebuilders in the department will be laid off before a journeyperson mechanic in the department with less seniority is laid off.

For the purposes of layoff, employees in the classification of Journeyperson/Major Component Specialist, component specialists will be in the classification of Component Rebuilder.

14.07 Seniority shall accumulate in the following circumstances only:

- a) when off the payroll due to personal leave of absence, then seniority will continue to accumulate for the period of an authorized leave of absence;
- b) when absent on vacation or on plant holidays;
- c) when actually at work for the Company.

14.08 Seniority shall terminate and an employee shall cease to be employed by the Company when he/she:

- a) voluntarily quits his/her employment with the Company;
- b) is discharged and is not reinstated through the grievance procedure or arbitration;
- c) except in the case of layoff, is off the payroll a continuous period of two (2) years or length of time worked, whichever is shorter, save in the case of an employee who is off the payroll as a result of a compensable accident and/or certified illness who shall retain his/her seniority for a period of equivalent to the length of time worked or in the case of a compensable

accident a minimum of two (2) years;

- d) is laid off for a period equivalent to his/her length of time worked;
- e) fails to signify his/her intention to return to work within two (2) working days after being notified by the Company by registered mail following a lay-off, and failure in fact to return to work within a further five (5) working days, without reason satisfactory to the Company;
When the recall is estimated to be for a period of less than six (6) weeks, the employee on layoff will have the right to refuse the recall without jeopardizing future recall rights as defined by this contract;
- f) fails to return to work upon the termination of the authorized leave of absence without reason satisfactory to the Company;
- g) accepts gainful employment while on a leave of absence without first obtaining the consent of the Company in writing.

14.09 a) An employee covered by this Agreement who is transferred to a position outside of the bargaining unit shall be permitted to return to a bargaining unit position with seniority previously acquired if he/she returns within three (3) months of the transfer. In such circumstances, the Union and the Company agree to waive the job posting provisions of the Collective Agreement. However, no bargaining unit employee shall be displaced from his/her classification as a result of the move. After three (3) months, such employee may only return to the bargaining unit as a new hire.

b) Notwithstanding 14.09 (a), an employee covered by this Agreement who is transferred to the position of Technical Trainer or Technical Communicator outside the bargaining unit shall be permitted to return to a bargaining unit position at any time with his/her seniority previously acquired. In such circumstances, the Company and the Union agree to waive the job posting provisions of the Collective Agreement. However, no bargaining unit

employee shall be displaced from his/her classification as a result of the move.

14.10 It shall be the duty of each employee to notify the Company promptly of any change in address. If an employee fails to do this, the Company will not be responsible for failure of a notice to reach such employee.

14.11 a) Any employee's reinstatement after sick leave will be conditional on supplying, when requested, a certificate from a physician that he/she is fully recovered from his/her sickness which caused his/her absence. The Company agrees to pay for medical certificates upon presentation of a valid receipt by the employee up to a maximum of thirty dollars (\$30.00).

b) The Company agrees to pay for the fee charged by a physician to complete Weekly Indemnity forms upon submission of a valid receipt.

14.12 In cases of layoffs, the Chairperson of the Plant Committee and stewards will not be laid off as long as there is work and as long as they are willing and qualified to perform it, regardless of seniority.

14.13 For the purposes of this Article, the Departments are as follows:

1. Tractor Shop
2. Manual Welding
3. Undercarriage Rebuild
4. Tractor Field Service
5. Truck and Coach Shop
6. Reman Engine Shop
7. Reman Transmission and Hydraulic Pumps
8. Reman Machine Shop
9. Reman Hydraulic Cylinders
- 10. Main Warehouse**
- 11. Truck Warehouse**

- 12. Reman Parts and Material Handling
- 13. Reman Engine Machine Shop
- 14. Lube Truck
- 15. Truck and Coach Field Service
- 16. **Maintenance**
- 17. **Lineboring**

ARTICLE 15 - TEMPORARY TRANSFERS

15.01 Any employee who, for the convenience of the company is temporarily transferred to another job classification in which the rate of pay is different from that in effect on such employee's regular job, shall be paid, while so employed, as follows:

- a) If the rate of pay for the job classification to which he/she is transferred is less than the employee's regular pay, he/she shall receive his/her own higher rate of pay;
- b) If the rate of pay for the job classification to which he/she is transferred is higher than the employee's regular pay, he/she shall receive the higher rate of pay for the job to which he/she is temporarily transferred.

Notwithstanding the above, the provisions of 15.01 a) & b) do not apply to Apprentice employees who may be assigned to assist a Field Mechanic out of the shop. In such case, the Apprentice will be paid **the difference, in cents per hour, between the Journeyman rate of pay and the Field Service Level 1 rate of pay for each hour worked.**

15.02 An employee who, for the convenience and benefit of the employee, is temporarily transferred to another job classification instead of being laid off due to lack of work, breakdown of machinery, or other like cause, shall be paid, while so employed as follows:

- a) if the rate of pay for the job classification to which he/she is

transferred is less than the employees' regular rate of pay, he/she shall receive the lower rate paid on the job to which he/she is transferred.

- b) if the rate of pay for the job classification to which he/she is transferred is higher than the employee's regular pay, he/she shall receive the higher rate of pay except in job classifications where more than one level of competence is established in which case he/she will receive the first level of the job title to which he/she is assigned.

15.03 A temporary transfer made pursuant to Section 15.01 other than those made for the purpose of filling a job because of sickness, accident or a leave of absence, shall not exceed thirty (30) working days. **Any extensions beyond thirty (30) days will require the consent of the parties, and such consent will not be reasonably withheld.** The Union will be given written notice of all temporary transfers expected to last in excess of one (1) week.

15.04 a) **The Company will solicit volunteers interested in future temporary assignments to remote sites in January and July of each year. Volunteers will be offered remote site rotations on a rotating schedule based on departmental seniority, site eligibility and skill and ability. Declined site rotations will be treated as accepted rotations.**

b) **An employee who is transferred pursuant to article 15.01, to a remote site which requires overnight stay in a customers 'écamp', will receive a premium of two dollars (\$2.00) for each hour worked at the remote site in addition to any other premiums specified elsewhere in this Agreement.**

ARTICLE 16 - LEAVE OF ABSENCE

- 16.01 The Company may grant leave of absence without pay and without loss of seniority to employees, retroactive when necessary, for legitimate personal reasons provided that this discretion shall not be used in an arbitrary manner.
- 16.02 The Company will grant leave of absence without pay to not more than three (3) employees to attend Union conventions and conferences for a period or periods not exceeding in the aggregate five (5) working days for any one employee in any one calendar year provided this shall not interfere with the efficient operation of the Company and further provided that the Company is requested in writing for such leave of absence at least two (2) weeks before such anticipated leave. The Company may grant an extension of the five (5) working days referred to under this clause provided such an extension does not unreasonably interfere with the efficient operation of the plant, and further provided that the Company is requested in writing for such extension at least two (2) weeks before such anticipated leave.
- 16.03 The Company agrees to abide by the Employment Standards Act for pregnancy leave of absence.
- 16.04 When an employee is on approved Union leave the Company will pay the employee through their payroll system, upon the employee's submission of timecards, ensuring all deductions and remittances are applied to the employee's earnings. The Company will then invoice the gross amount to the CAW Local 112.

ARTICLE 17 - BULLETIN BOARDS

- 17.01 The Company will allow officially signed Union bulletins to be posted on bulletin boards to be provided for the sole use of the Union after such notices have been approved by the Manager of Industrial Relations or his/her designate.

ARTICLE 18 - REPORTING PAY AND CALL-IN ALLOWANCE

- 18.01 An employee who reports in accordance with his/her assigned schedule shall be given a minimum of four (4) hours work, or if no work can be provided he/she shall be paid for four (4) hours at the applicable rate unless he/she has been previously notified by the Company not to report for the shift in question. This provision shall not apply if the failure to receive notice was caused by the employee's absence on the previous day or if the failure to provide work is caused by reason of machinery breakdown, fire, flood, power failure or other causes beyond the control of the Company, or if it is due to absence of other employees in his/her Department.
- 18.02 An employee who was called into work having completed his/her regular shift and left the plant premises, or who is called into work on his/her scheduled day off, shall be paid at the appropriate rate for hours worked and shall be guaranteed a minimum of four (4) hours pay at his/her straight time hourly rate.

ARTICLE 19 - JOB POSTING

- 19.01 All permanent vacancies in new classifications and in existing classifications shall be posted in the plant for a period of five (5) working days and any employee in the bargaining unit may make application for such vacancy. **The Plant Chairperson will be supplied a list of all bargaining unit employees who make application for such vacancy.** In the event an employee successfully fills a vacancy in a lower rated classification they shall be precluded from applying for any new vacancy for a period of two (2) years. In the filling of the vacancies, the Company shall not be limited to selecting employees who have made application, but the Company shall be subject to the same limitations as set forth in Articles 14.05A or 14.05B, whichever is applicable relating to cases of promotion. Nothing herein shall prevent the Company from hiring persons from outside the bargaining unit when no qualified employee applies. Any vacancy may be filled at the

discretion of the Company on a temporary basis after prior consultation with the Plant Committee or a member thereof. In the event that an employee has been selected to fill such a permanent vacancy, then at any time within five (5) working days after being assigned to such vacancy he/she may elect to revert to his/her old classification, and if he/she does so then he/she shall be precluded from applying for any new vacancy for a period of six (6) months.

All vacancies which may occur as a result of having filled the original vacancy shall be filled at the discretion of the Company, and shall also be posted.

It is agreed that the Company shall notify all qualified applicants of their interview date within five (5) working days after the posting procedure is completed. The name of the successful applicant, if any, shall be posted within five (5) working days of completion of the interview process. If no person is selected to fill the posting, then this result will also be posted.

An employee, who does not meet the job qualifications for the posted position and will not be interviewed, shall be given a letter from the Company outlining the missing qualifications. Such letter shall be provided within ten (10) working days after the posting procedure is completed.

Any permanent vacancy not filled within three months that continues to exist shall be reposted.

- 19.02 Employees will apply for job postings by submitting a resume through either the Company's internal or external website. Upon request, the Company will provide assistance for employees applying for a posted job by i) supplying a "typical model" resume, ii) supply a hardcopy template to be completed by the employee to create their resume, iii) submitting the employee's resume online and, iv) providing confirmation of submitted job application.**

ARTICLE 20 - INJURY ON THE JOB

- 20.01 An employee injured at work shall be paid his/her occupational rate in full for the day of the accident if he/she is unable to resume work and does not receive pay from the Workplace Safety and Insurance Board for this day.
- 20.02 The Company shall provide transportation and pay for the time spent by employees during their regular shift hours for medical treatment required as a result of an industrial accident or industrial disease which occurred in the course of employment with the Company.
- 20.03 It is agreed and understood between the parties that the Company shall not be responsible for the payment of such time and transportation which is compensated by the Workplace Safety and Insurance Board.
- 20.04 Where an employee has an issue concerning the status of their WSIB claim, the Plant Chairperson can request a meeting between the employee, him/herself and the appropriate Human Resources staff to discuss the issues associated with the employees claim.

ARTICLE 21 - WORK LIMITATION

- 21.01 Employees not included in the bargaining unit shall not perform work normally assigned to employees included in the bargaining unit except under the following conditions:
- a) instruction or training of employees;
 - b) in the performance of necessary work when difficulties or emergencies are encountered on the job;
 - c) when it is necessary to meet emergency requirements to customers and normal direct labour is unavailable (after the

Company has made reasonable effort to inform the regular employee that such work is available);

- d) where a job has to be performed outside of standard work hours which it is expected will require less than one hour to complete. Similar jobs must not accumulate to more than one hour per day.
- e) From time to time a non-bargaining unit employee may assist a bargaining unit employee with a task or assist a customer with a task generally performed by a bargaining unit employee, however, the use of non-bargaining unit employees will not be used in a manner to circumvent the application and intent of this Article.
- f) where the company uses outside contractors to perform work normally performed by the bargaining unit, in either the Weld or Paint Shops, it will notify the Union if it is anticipated that the work will last more than forty (40) consecutive hours.

ARTICLE 22 - JURY DUTY

22.01 Any employee who is required to serve on a jury or who has been subpoenaed as a Crown Witness shall be paid the difference between the amount paid for such service and his/her normal pay computed at his/her normal hourly rate for hours lost from work up to forty (40) hours in a week subject to the following provisions:

- a) Employees must notify their Supervisor within one (1) working day after receipt of notice of selection for Jury Duty or after having been subpoenaed as a Crown Witness.
- b) Any employee called for Jury Duty or having been subpoenaed as a Crown Witness and who is temporarily excused from attendance at Court, must report for work if a reasonable period of time remains to be worked in his/her shift.

- c) Employees selected for Jury Duty or who have been subpoenaed as a Crown Witness and who are on other than the day shift, shall be assigned to the day shift for those days they are required to serve as jurors, or serve in the capacity of Crown witnesses. Where an employee is excused from duty early and serves only a partial day, the employee is required to work or make up that time as per agreement with the supervisor.

In order to be eligible for such payments, the employee must furnish a written statement from the proper public official, showing the date and time served, and the amount of pay received.

ARTICLE 23 - BEREAVEMENT PAY

23.01 a) The Company agrees that in the event of a death of an employee's spouse, child, parent or stepchild, it will grant five (5) working days leave of absence with pay to a maximum of 40 hours at the employee's straight time hourly rate immediately following the notification of death.

b) The Company agrees that in the event of a death of a member of the employee's immediate family, it will grant three (3) working days leave of absence with pay at the employee's straight time hourly rate immediately following the notification of death. The term "immediate family" means brother, sister, parent-in-law, stepbrother, stepsister, grandparent and **grandchild**.

ARTICLE 24 - REST AND WASH-UP PERIODS

24.01 The Company will allow a period of five minutes for the purpose of washing up, putting away tools prior to the end of the first half and last half of each shift.

24.02 For all eight (8) and ten (10) hour shifts there shall be one ten minute rest period in this first half of each shift and one ten-minute

rest period in the second half of each shift. The time the rest periods are to be taken is to be determined by management, but so that they will be approximately in the middle of each shift.

24.03 For all twelve (12) hour shifts there shall be one (1) ten (10) minute rest period in this first half of each shift and two (2) ten (10) minute rest period in the second half of each shift. The time the rest periods are to be taken is to be determined by management, but so that they will be approximately equally spaced throughout the shift.

ARTICLE 25 - BENEFITS

25.01 Schedule "B" hereto headed Benefits is hereby made part of this agreement.

25.02 During the term of the Collective Agreement effective July 1, 2006, the Company will not reduce the level of Insurance Benefits, as provided by the previous carrier (Manulife/Maritime Life Assurance Company).

ARTICLE 26 - PAID EDUCATION LEAVE

26.01 The Company agrees to pay into a special fund **two cents** (2 cents) per hour per employee for all compensated hours for the purpose of providing paid education leave. Said paid education leave will be for the purpose of upgrading the employee's skills in all aspects of Trade Union functions. Such monies to be paid on a quarterly basis into a trust fund established by the National Union, CAW and sent by the Company to the following address: Canadian Paid Education Leave Training Programme, P.O. Box 897, Port Elgin, Ontario N0H 2C0.

The Company further agrees that up to two (2) members of the bargaining unit, selected by the union to attend such courses, will be granted a leave of absence without pay for twenty (20) days of class time, plus travel time where necessary, said leave of absence

to be intermittent over a twelve (12) month period from the first day of leave.

Employees on Paid Education Leave will continue to accrue seniority and benefits during such leave.

No more than two (2) employees will be involved in any twelve (12) month period unless mutually agreed.

ARTICLE 27 - HEALTH AND SAFETY

27.01 A Safety Committee to include representatives of the bargaining unit and representatives of management will be constituted and operate under provisions of the Occupational Health & Safety Act.

If a change occurs to Health & Safety legislation during the term covered by the **2012** Collective Agreement that (1) leaves the workers without the right to refuse unsafe work, and/or (2) removes their right to participate on Joint Health and safety Committees, and/or (3) reduces the provisions that govern Joint Health and Safety Committees, then the Company will recognize the Ontario Legislation in effect on **June 30, 2012** for the duration of the **2012** Collective Agreement.

27.02 Upon ratification, the Company will contribute towards the cost of safety shoes for each employee the sum of **\$160.00** per year with a further allowance of **\$160.00** per year for a second pair of safety shoes where the Company considers this necessary.

27.03 Any employee who has been incapacitated at his/her work by injury of compensable occupational disease while employed by the Company, or suffers a physical or mental disability as defined by his/her physician, and confirmed by the Company physician, and such disability restricts him/her in the performance in the work of his/her normal classification will be employed in other work on a job that is operating in the plant which he/she can do without

regard to any seniority provisions of this Collective Agreement, except that such employee may not displace an employee with longer seniority. The above exceptions shall be made by agreement between the Company and the Bargaining Committee.

27.04 The Company shall pay the wages and registration costs for the JH&SC members to attend mutually agreed upon health and safety training.

27.05 **The Company will support an officially recognized Day of Mourning each year. The plant will observe a minute of silence on April 28th of each year to allow our employees to commemorate workers who have been injured, killed or suffered illness as a result of occupational accidents and hazards.**

ARTICLE 28 - NEGOTIATING COMMITTEE

28.01 The Company will compensate up to five (5) employee Members of the Bargaining Committee for the time spent during regular working hours in negotiating with the Company representatives for renewal of the Collective Agreement up to a maximum of ten (10) working days. If the parties meet for part of a day, the Bargaining Committee shall be compensated for the full day. The Company will pay the cost of a meeting room during collective agreement renewal negotiations.

ARTICLE 29 - SEVERANCE ON PLANT CLOSURE

29.01 In the event that all or part of the Company's Concord operations are closed, the Company agrees to provide to each regular employee who is permanently laid off as a result of the closure and who has not been offered alternate employment within the Concord operation with severance pay as per the following schedule:

Employees with 10 years **or less** of service:

- 60 hours pay per year of service.

**For example: 7.2 years of service = 7.2 years x 60 hrs/year
= 432 hrs**

(Maximum amount @ 10 years = 600 hrs)

Employees with **greater than 10 and 20 years or less** of service:

- as above plus an additional 10 hours pay per year of service for each year between 10 and 20 years.

For example: 18.4 years of service
= 600 hrs + [(18.4 years – 10) x (60 hrs + 10 hrs)/year]
= 600 hrs + [8.4 years x 70 hrs/year]
= 600 hrs + 588 hrs
= 1,188 hrs

(Maximum amount @ 20 years = 1,300 hrs)

Employees with 20 years **or greater** of service:

- will receive those entitlements outlined above plus 80 hours pay per year of service for each year in excess of 20 years.

For example: 30.1 years of service
= 600 hrs + 1,300 hrs + [(30.1 years – 20) x 80 hrs/year]
= 600 hrs + 1,300 hrs + [10.1 years x 80 hrs/year]
= 600 hrs + 1,300 hrs + 808 hrs
=2,708 hrs

For purposes of this Article, “part” shall be recognized as defined in Article 14.13.

The foregoing severance payments will be inclusive of and not in addition to all severance pay requirements of the Employment Standards Act of Ontario as it may be amended from time to time or any other applicable legislated severance pay requirements.

ARTICLE 30 - TERMINATION

30.01 This agreement shall remain in force up to and including the **31st** day of **May 2015**, and shall continue in force from year to year thereafter unless in any year not more than ninety (90) 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.

30.02 The Company will be responsible for the printing of the Collective Agreement. A newly negotiated agreement will be distributed within three (3) months of the Union proofing the new agreement.

IN WITNESS WHEREOF each of the parties hereto has caused this agreement to be signed by its duly authorized representatives as of the date and year first above written.

For the Company

For the Union

R. MacNeill

Mike Reuter, National Representative

A. Smith

R. Kiehne

M. Evans

M. Cornwall

F. Karim

K. Ali

R. Sanichar

J. MacDonald

SCHEDULE "A"—WAGES AND CLASSIFICATIONS

Class	Job Title	July 1, 2012	
		Non Skilled	Skilled
1	Shop Helper	\$16.15	
	General Labourer	\$21.23	
2	Partsperson Level 1	\$22.11	
	Material Handler (Reman)		
3	Parts Cleaner (Reman)	\$22.90	
4	Fork Truck Operator	\$23.20	
	Yard Labour		
	Partsperson Level 2 (post July1, 2003)	\$23.10	
	Partsperson Level 2 (pre July 1, 2003)	\$23.10 + \$0.49	
5	Shop Lube Technician (Truck)	\$23.38	
6	Tool Crib Attendant	\$23.66	
	Hose Truck Technician		\$27.43 + \$1.05
	Lube Truck Technician		
	Parts Level 4/Tool Crib Att. (pre July 1, 2003)	\$24.44 + \$1.58	
7	Machine Operator	\$27.81 + \$1.05	
	Undercarriage Rebuilder		\$30.06 + \$1.05
	Painter		
8	Welder		\$32.57 + \$1.05
	Machine Operator (Reman)		
9	Maintenance Mechanic		\$33.01 + \$1.05

10	General Maintenance	\$32.40 + \$1.05	
	Journeyman Mechanic		\$34.15
	Journeyman/Major Component Specialist		\$1.05
	Welder/Fitter		
	General Machinist (Reman)		
11	Field Service Level 1 (Tractor, Truck and Coach)		\$35.09 +
	T.A. Inspector		\$1.05
	Mobile Lineboring Technician		
12	Field Service Level 2 (Tractor, Truck and Coach)		\$36.21 +
	Senior T.A. Inspector		\$1.05
13	Field Service Level 3 (Tractor, Truck and Coach)		\$37.23 +
			\$1.05
	Apprentice Level 1 (70%)		\$23.91 +
			\$1.05
	Apprentice Level 2 (80%)		\$27.32 +
			\$1.05
	Apprentice Level 3 (90%)		\$30.74 +
			\$1.05
	Comp Rebuilder Lev 1 (65%)		\$22.20 +
			\$1.05
	Comp Rebuilder Lev 2 (70%)		\$23.91 +
			\$1.05
	Comp Rebuilder Lev 3 (85%)		\$29.03 +
			\$1.05

Note 1. Progression will be in accordance with the Company Policy on Reman Progression.

Note 2. All Reman employees as of June 30, 2003 in the positions of Apprentice Mechanic, Jr. Component Rebuilder and Component Rebuilder will be grandfathered at their current rate of pay and will progress as per previous policy.

Note 3. Employees as of June 30, 2012 in the position of Parts Level 1, will be permitted to advance to Parts Level 2 after six (6) months service.

SCHEDULE "A"—WAGES AND CLASSIFICATIONS

Class	Job Title	July 1, 2013	
		Non Skilled	Skilled
1	Shop Helper	\$16.47	
	General Labourer	\$21.65	
2	Partsperson Level 1	\$22.11	
	Material Handler (Reman)		
3	Parts Cleaner (Reman)	\$23.36	
4	Fork Truck Operator	\$23.66	
	Yard Labour		
	Partsperson Level 2 (post July1, 2003)	\$23.55	
	Partsperson Level 2 (pre July 1, 2003)	\$23.55 + \$0.24	
5	Shop Lube Technician (Truck)	\$23.85	
6	Tool Crib Attendant	\$23.66	
	Hose Truck Technician		\$28.48 +
	Lube Truck Technician		\$0.55
	Parts Level 4/Tool Crib Att. (pre July 1, 2003)	\$25.23 + \$0.79	
7	Machine Operator	\$28.87 + \$0.55	
	Undercarriage Rebuilder		\$31.16 +
	Painter		\$0.55
8	Welder		\$33.72 +
	Machine Operator (Reman)		\$0.55
9	Maintenance Mechanic		\$34.17 + \$0.55

10	General Maintenance	\$33.55 + \$0.55	
	Journeyman Mechanic		\$35.33
	Journeyman/Major Component Specialist		\$0.55
	Welder/Fitter		
	General Machinist (Reman)		
11	Field Service Level 1 (Tractor, Truck and Coach)		\$36.29 +
	T.A. Inspector		\$0.55
	Mobile Lineboring Technician		
12	Field Service Level 2 (Tractor, Truck and Coach)		\$37.43 +
	Senior T.A. Inspector		\$0.55
13	Field Service Level 3 (Tractor, Truck and Coach)		\$38.47 +
			\$0.55
	Apprentice Level 1 (70%)		\$24.73 +
			\$0.55
	Apprentice Level 2 (80%)		\$28.26 +
			\$0.55
	Apprentice Level 3 (90%)		\$31.80 +
			\$0.55
	Comp Rebuilder Lev 1 (65%)		\$22.96 +
			\$0.55
	Comp Rebuilder Lev 2 (70%)		\$24.73 +
			\$0.55
	Comp Rebuilder Lev 3 (85%)		\$30.03 +
			\$0.55

Note 1. Progression will be in accordance with the Company Policy on Reman Progression.

Note 2. All Reman employees as of June 30, 2003 in the positions of Apprentice Mechanic, Jr. Component Rebuilder and Component Rebuilder will be grandfathered at their current rate of pay and will progress as per previous policy.

Note 3. Employees as of June 30, 2012 in the position of Parts Level 1, will be permitted to advance to Parts Level 2 after six (6) months service.

SCHEDULE "A"—WAGES AND CLASSIFICATIONS

Class	Job Title	July 1, 2014	
		Non Skilled	Skilled
1	Shop Helper	\$16.88	
	General Labourer	\$22.19	
2	Partsperson Level 1	\$22.11	
	Material Handler (Reman)		
3	Parts Cleaner (Reman)	\$23.94	
4	Fork Truck Operator	\$24.25	
	Yard Labour		
	Partsperson Level 2 (post July1, 2003)	\$23.99	
	Partsperson Level 2 (pre July 1, 2003)	\$23.99	
5	Shop Lube Technician (Truck)	\$24.45	
6	Tool Crib Attendant	\$23.66	
	Hose Truck Technician		\$29.74
	Lube Truck Technician		
	Parts Level 4/Tool Crib Att. (pre July 1, 2003)	\$26.02	
7	Machine Operator	\$30.14	
	Undercarriage Rebuilder		\$32.49
	Painter		
8	Welder		\$35.11
	Machine Operator (Reman)		
9	Maintenance Mechanic		\$35.57

10	General Maintenance	\$34.94
	Journeyman Mechanic	\$36.76
	Journeyman/Major Component Specialist	
	Welder/Fitter	
	General Machinist (Reman)	
11	Field Service Level 1 (Tractor, Truck and Coach)	\$37.75
	T.A. Inspector	
	Mobile Lineboring Technician	
12	Field Service Level 2 (Tractor, Truck and Coach)	\$38.92
	Senior T.A. Inspector	
13	Field Service Level 3 (Tractor, Truck and Coach)	\$39.98
	Apprentice Level 1 (70%)	\$25.73
	Apprentice Level 2 (80%)	\$29.41
	Apprentice Level 3 (90%)	\$33.08
	Comp Rebuilder Lev 1 (65%)	\$23.89
	Comp Rebuilder Lev 2 (70%)	\$25.73
	Comp Rebuilder Lev 3 (85%)	\$31.25

Note 1. Progression will be in accordance with the Company Policy on Reman Progression.

Note 2. All Reman employees as of June 30, 2003 in the positions of Apprentice Mechanic, Jr. Component Rebuilder and Component Rebuilder will be grandfathered at their current rate of pay and will progress as per previous policy.

Note 3. Employees as of June 30, 2012 in the position of Parts Level 1, will be permitted to advance to Parts Level 2 after six (6) months service.

SCHEDULE "B"

BENEFITS

1. The Company agrees upon ratification to pay for the term of this agreement, the cost of premiums for a Weekly Indemnity Insurance Plan with the weekly benefits equivalent to 66 2/3% of the employees base earnings up to a maximum of \$700.00 for a period of fifty-two (52) weeks payable on the first day of disability resulting from non-occupational accidents or hospitalization and on the fourth (4th) day of disability resulting from sickness for employees not on three (3) day shifts and the second (2nd) day of disability resulting from sickness for employees on three (3) day shifts.
2. The Company agrees to pay the premiums for a group Life Insurance Plan with a benefit equal to one times base annual wage for each employee
3. The Company agrees to pay for the term of this agreement, the cost of a Major Medical and Drug Plan to include a prescription drug plan based on a **two dollar (\$2.00) deductible per prescription, and a ten dollar (\$10.00) cap for dispensing fees. The Company will provide coverage for i) generic medications at one hundred percent (100%) and, ii) brand name medications at one hundred percent (100%) when "no substitution" is specified by the prescribing practitioner and supported by medical evidence.**

Where no generic drug exists, the Company will cover one hundred percent (100%) of the cost of brand name medications.

Where a generic drug exists and "no substitution" is not specified by the prescribing practitioner, and the employee chooses to have a brand name drug, the difference in cost between the generic and brand name is to be paid by the employee.

The Major Medical will include out-of-province and out-of-country coverage.

The Company also agrees to provide and pay the cost of the premiums for an Extended Health Plan covering physiotherapy and paramedical practitioners to a maximum of \$500.00 per practitioner per year.

4. The Company agrees to pay the premium cost of a dental plan which provides basic dental care and specified restorative services through a carrier selected by the Company. Upon ratification, benefit payments shall be in accordance with the **2011** Ontario Dental Association Schedule of Fees. Effective July 1st, **2013** benefit payments shall be in accordance with the **2012** Ontario Dental Association Schedule of Fees. Effective July 1st, **2014** benefit payments shall be in accordance with the **2013** Ontario Dental Association Schedule of Fees.

The Company agrees to pay the cost of the premium to provide a 50% co-payment Orthodontic Plan with a lifetime maximum of \$1700.00 per child.

The Company agrees to pay the cost of the premium to provide a 50% co-payment Major Restorative Dental Plan with a yearly maximum of \$1200.00 per person.

5. The Company agrees to pay the cost of cleaning of coveralls. When shirts and pants have been issued in lieu of coveralls, the Company agrees to pay the cleaning cost. It will remain the Company's decision to whom shirts and pants will be issued.
6. The daily meal allowance for field service where applicable will be up to \$45.00 supported by receipts.
7. All bargaining unit employees must be enrolled in the Toromont Industries Ltd. Pension Plan. Employee contributions to the Toromont Industries Ltd. Pension Plan are mandatory. Employees are required to contribute 5% of earnings each pay period with the

exception of those employees that opted for transitional contribution arrangements. The Company will contribute an amount equal to the amount the employee contributes. All contributions are subject to existing or future limitations imposed by the Canada Customs and Revenue Agency (CCRA), or any other government authority. All employees who wish to retire after reaching the age of 60 and were above the age of 50 and employed by Toromont as of February 8, 1997 will be guaranteed a minimum pension of \$15.00 per month per year of service provided the employee contributed to the maximum limit defined by the plan up to retirement.

As of February 1997, current retirees will also be eligible for the guaranteed minimum \$15.00 per month per year of service benefit, actuarially factored to the CWIPP "Life Only Option" and "Joint and Survivor Option" selected at retirement. It is also agreed that the Company Policy of mandatory retirement will be at the age of sixty-five (65).

For those employees who wish to retire after the age of sixty (60) and have a minimum of twenty (20) years seniority, the Company will pay the premium cost for the following insurance plan benefits, until the retiree reaches the age of sixty-five (65): group life insurance, major medical and drug plan, extended health plan, vision plan and dental plan. This coverage is only applicable to employees who retire after February 8, 2000.

8. The Company agrees to provide Parkas, Raingear and Gloves for the following groups of employees, provided they are required to work outside.

Yard Crew
Machine Operator
Yard Used Equipment Mechanic
All Maintenance Department Personnel

In addition ten (10) Parkas will be inventoried in the tool crib and

two (2) Parkas will be inventoried in the undercarriage department.

9. The Company agrees to pay the premium cost of a Vision Plan to provide up to **\$250.00** for eye exams, prescription glasses and/or laser eye surgery, per family member every two (2) years.
10. The Company will pay the premium cost for an Extended Disability Plan providing a benefit of \$2,000.00 per month. Maximum length of coverage for eligible employees to be equal to employees' length of continuous service less one (1) year. Benefits to end at age sixty-five (65).
11. Employees are permitted to purchase additional insurance coverage from the Company or coverage provider, as offered from time to time.

For active employees sixty five (65) years or older the Company agrees to pay for the term of this agreement, the premiums for a Group Life Insurance Plan with a benefit equal to \$25,000.00. Active employees sixty five (65) years or older are not entitled to any other benefit listed in schedule B of this agreement.

13. If an employee applies for Workers Compensation Benefits and after a period of two (2) weeks has not yet received such benefits, upon request the Company will directly advance him/her monies, equivalent to their maximum Weekly Indemnity benefits, provided the employee files medical proof of disability and signs the required form. Such form will acknowledge his/her commitment to repay the monies advanced from future income. The maximum advance an employee can receive from the Company will be equivalent to four (4) weeks Weekly Indemnity.
14. **The Company agrees to pay for the term of this agreement, the premium cost of an Accidental Death and Dismemberment Insurance Plan with a maximum benefit equal to one times (1X) base annual wage for each employee.**

SCHEDULE "C"

PLANT HOLIDAYS

	2012	2013	2014	2015
New Year's Day		Jan 1	Jan 1	Jan 1
Family Day		Feb 18	Feb 17	Feb 16
Good Friday		Mar 29	Apr 18	Apr 3
Victoria Day		May 20	May 19	May 18
Canada Day		Jul 1	Jul 1	Jul 1
Civic Day Holiday	Aug 6	Aug 5	Aug 4	
Labour Day	Sep 3	Sep 2	Sep 1	
Thanksgiving Day	Oct 8	Oct 14	Oct 13	
Christmas Day	Dec 25	Dec 25	Dec 25	
Boxing Day	Dec 26	Dec 26	Dec 26	
Floating Holidays		See Note Below		

Should Canada Day be generally celebrated by the Company's customers and suppliers on a date different from that shown above, this schedule shall be amended accordingly to conform with such scheduling.

NOTE: The three (3) floating holidays for employees on 5 day x 8 hr shifts, two (2) floating holidays for employees on 4 day x 10 hr shifts and two (2) floating holidays for employees on 3 day x 12 hr shifts are normally scheduled to provide a continuous period of rest between Christmas Day and New Year's Day without loss of basic pay. No employee shall be entitled to receive more than 48 hours of pay at his/her regular hourly rate (or 50 hours of pay in the case of individuals regularly scheduled to work 10 hours per day on a four day week) for the period from Christmas Day to New Year's Day inclusive. Each employee will be required to reschedule one of his/her floating holidays to a day other than during the Christmas period. In addition an employee may reschedule any or all of his/her remaining floating holidays. The employee wishing to do so must notify the Company, in writing, no later than December 1st of his/her request and the Company shall respond within five (5) working days. The employee will be entitled to an equal amount

of day(s) off at a mutually agreeable time provided he/she gives the Company a minimum of seven (7) days notice

LETTERS OF UNDERSTANDING

TOROMONT CAT, A DIVISION OF TOROMONT INDUSTRIES LTD.
hereinafter designated as the "Company" OF THE FIRST PART;

- and -

THE NATIONAL AUTOMOBILE, AEROSPACE AND GENERAL
WORKERS UNION OF CANADA (CAW-CANADA) and it's LOCAL 112,
hereinafter designated as the "Union" OF THE SECOND PART.

1. These letters of understanding shall be attached to and form part of the Collective Agreement made and entered into on this date between the Company and the Union.
2. The Company will replace for equal value the tools of any employee which are broken or stolen while on Company business, provided they were not broken or stolen through personal neglect or carelessness on the part of that employee.

It is also understood that each case will be treated individually by the employee's supervisor and at the discretion of that supervisor.

3. The Company agrees that any employee who has been denied sickness and accident benefits will be entitled to file a grievance with respect to such denial, and further the Company agrees to provide the Union Plant Chairperson access to the insurance carrier concerning sickness and accident disputes.
4. The Union acknowledges that the Company determines the number of Lead Hands it requires from time to time. Leadhands will be paid a premium of \$1.00 for each hour worked.
5. Any employee who accepts alternate employment as defined in Article 29 and who is unable to successfully perform the requirements of the new job, shall be entitled to receive those severance benefits as outlined in Article 29.

6. Except where prohibited by law, whenever the Company transfers operations or departments (in whole or in part) from any Plant covered by this Agreement to another facility within 30 kilometers of the existing Concord facility, employees engaged in such operations or employed in such departments will be offered employment as required to fill all available positions (per Schedule "A") in the new facility, with their full Company seniority, vacation and pension rights as provided for in this Agreement on the basis of length of service and skill and ability to perform the duties for the positions to be filled. All employees who are displaced from their classification level by the transfer of operations who have not been offered employment in their classification at the new facility, will be offered a severance package as per the provisions of Article 29.

Whenever the Company transfers operations or departments (in whole or in part) from any Plant covered by this Agreement to another facility beyond 30 kilometers of the existing Concord facility, employees engaged in such operations or employed in such departments will be offered employment as required to fill all available positions in the new facility with their full Company seniority, vacation and pension rights as provided for in this Agreement. All available positions (per Schedule "A") shall be filled on the basis of length of service and skill and ability to perform the duties for the positions to be filled. Any employees who do not wish to accept this offer of employment or who are displaced from their classification level by the transfer of operations, will be offered a severance package as per the provisions of Article 29.

Any employee who chooses to take severance pay shall be deemed to have terminated their employment with the Company.

In addition to the foregoing, if the new facility to which operations or departments are transferred (in whole or in part) is the new single main branch location will be offered such employment at the wage rate that applied to them in Concord and with benefit coverage as applied to them in Concord in addition to their full

Company seniority, vacation and pension rights as provided for in the preceding paragraphs of this Letter of Understanding.

7. Should a work-sharing agreement be agreed on between the Company and the Union in lieu of lay-offs, employees affected by such an agreement will not be required to work less than 32 hours per week. In the event that reductions to less than 32 hours per week are required, lay-offs will be invoked.

8. CO-OP Students

For the benefit of supporting college technical trainees (CO-OP students) to develop their skills base in a practical setting, the Company shall have the opportunity to hire no more than forty five (45) CO-OP students to work with our skilled trades journeymen.

The following conditions shall apply to all CO-OP students:

- a. CO-OP students and college technical trainees shall pay Union dues according to the CAW constitution.
- b. CO-OP students shall be permitted to work overtime only after it has been refused by the bargaining unit employees who normally perform that work have refused it.
- c. No bargaining unit employee will be laid-off or have their regular scheduled work day or regularly scheduled work week reduced while co-op students in that department.
- d. CO-OP students will not be permitted in a department if that department has any bargaining unit employee on lay-off status.
- e. CO-OP students who immediately accept full time employment with Toromont after having successfully completed their schooling will be exempt from the probationary period, provided that the CO-OP student worked in excess of 60 days during the CO-OP term.

- f. CO-OP students will receive their orientation training upon hiring as per clause 4.09.

9. Summer Students

To provide opportunities for summer vacation the Company shall have the right to hire students to fill bargaining unit jobs at 75% of the classification 1 General Labour rate of pay during the period commencing one month prior to the Victoria Day holiday until August 31.

The above, the following conditions shall apply to all summer students:

- a. Summer students shall pay Union dues according to the CAW constitution.
- b. Summer students shall be permitted to work overtime only after it has been refused by the bargaining unit employees who normally perform that work have refused it.
- c. Summer students employment shall only be permitted provided vacation periods during that term be increased in order to allow permanent employees a greater selection of vacation periods.
- d. Summer employment shall be open to all children of bargaining unit employees provided they are a full time high school senior or attending college/university. Selection shall be done by random draw from all qualified applicants. **The Company will provide to the Plant Chairperson the names of all qualified applicants prior to the draw for verification.**
- e. No bargaining unit employee will be laid-off or have their regular scheduled work day or regularly scheduled work week reduced while using either summer students or co-op students

in that department.

- f. Summer students will not be permitted in a department if that department has any bargaining unit employee on lay-off status.

10. Trainees

Non- bargaining unit trainees, for the purpose of acquiring knowledge of the Company, it's products, and services, subject to the Local Union's approval shall be allowed to work in conjunction with bargaining unit employees up to a maximum of two (2) weeks in any given department per trainee.

- 11 a) Workers hired prior to February 8, 2000 will not be required to rotate into Shifts 4 and 5 more than ten (10) times in each year of the contract.

The total number of employees scheduled to Shifts 4 and 5 combined at any one time will not exceed the number indicated in the table below:

Department	Max Employees
Reman	10
Concord Tractor Service	16
Truck Division	10
Warehouse	8

- b) During the term of this agreement, the Company will not require any current employee to serve on Shift 5 in any department.
- c) During the term of this agreement, the Company will not require any current employee to serve on Shift 3 in any department.
- d) During the term of this agreement, the Company and Union agree that for the Gatehouse employees, the start time of Shift 1 may be changed to 5:00 am. Staffing for this start time will be done by volunteers first and if the number of volunteers is insufficient, then the Company will fill the remaining vacancies by selecting from

other qualified gatehouse employees on an inverse seniority basis.

12. A productivity improvement of 10% over June 30, 2000 in the warehouse continues to be expected.

Productivity improvements will only be considered to have been realized when coupled with the achievement of the WAREHOUSE STANDARDS on a consistent basis. These acceptable standards of performance in the Warehouse include amongst other things;

1. superior service to our customers and our branch operations
2. accuracy
3. quality
4. cleanliness
5. attendance and punctuality
6. adherence to the principles of "proper inventory management"

13. Reman Productivity

REMAN has several issues that are different from the standard type of repair facility/shop at Concord.

- 1) We operate in a semi-manufacturing environment.
- 2) We lack an enthusiasm to meet the goals and objectives required to justify the existence of the business.
- 3) We seem to have some old standing employee/ union/ management issues that inhibit our ability to operate with efficiency, consistent quality and a focus on customer service

We will create 10 Teams, co-ordinated and supporting the objectives of one another to meet our customers' needs. We will establish and communicate our objectives. We will measure and report our progress toward meeting these objectives.

The 10 teams will be:

- | | |
|---------------------------------|--|
| 1. Engine Assembly | 6. Machine Shop - Engine |
| 2. Transmission and Fluid Power | 7. Cylinder Heads |
| 3. Hydraulic Cylinders | 8. Short Blocks |
| 4. Machine Shop – Hydraulics | 9. Fuel Lab |
| 5. Material Handling and Paint | 10. Pistons, Rods, Liners,
Water Pumps, Turbochargers |

Each team has their respective supervisor/manager and will be judged on:

1. Quality 2. Timeliness 3. Delivery.

Quality

Quality will be judged by incidents occurring monthly.

- Each team will be allowed 2 misses per month as their target number.

Note: An incident is anything from an oil leak to a loose bolt to a more serious failure.

Times

Time to do the repair or perform the task. Each job will have a time associated with it based on the supervisor's assessment and TRG's established within our industry.

- Each team will be allowed 5 misses per month as their target number.

Note: A miss is based on labour only a parts hold-up will not count towards a missed time.

Delivery

Promised date to customer/branch.

- * No more than 3 missed promises per month,

14. Upon ratification, the Company and Union bargaining committees agree to meet on a quarterly basis to discuss Company issues. The agenda for each meeting must be approved by both parties a minimum of three (3) days prior to the meeting and will contain only non-grieveable matters.
15. **Warehouse employees who, due to their seniority are eligible to request a different shift assignment, will have the opportunity to request a change to their current shift assignment effective at the beginning of either January or July of each year, subject to complying with any applicable clauses of the Collective Agreement covering shift staffing. Employees requesting a change in shift assignment shall submit such request in writing to their departmental supervisor a minimum of six (6) weeks prior to the effective shift change date. The Company will notify the employee and any subsequently affected employee(s) of shift changes a minimum of four (4) weeks prior to the effective date of the change.**
16. **Retirement Transition Program**
- In order to i) retain and further engage our employees, ii) provide options for employees nearing retirement and, iii) provide opportunities to hire new workers, a reduced work week program will be made available on a volunteer basis as follows:
- a) program is available to all bargaining unit employees,
 - b) individual employee entry into the program will be at the sole discretion of the Company, based on the operational needs of the business, employee skill set and requested work week.
 - c) employees will have until September 30, 2012 to submit requests to enter this program at which time all requests will be considered based on departmental seniority. After September 30, 2012 employee requests will be administered departmentally on a “first come, first served” basis,

- d) nature of work to be performed by the employee will be related to work performed prior as determined by Management,
- e) employees must be 60 years of age or older to participate,
- f) the work schedule can include full or partial working days and will be pre-arranged and determined between branch management and the employee,
- g) employees will work a minimum of 24 hours per week, between Monday and Friday, and with a maximum of eight (8) hours per day between 6:00am and 5:30pm,
- h) employee will not normally be considered for overtime work however, should the employee work overtime, the applicable overtime rate will be as per the Collective Agreement based on an employee on Shift 1.
- i) All overtime must be pre-approved by the employee's supervisor,
- j) employee would remain eligible for all benefits, wages and provisions of collective agreement unless superceded by a specific item in this program,
- k) statutory holiday pay to be calculated as per Employment Standards,
- l) vacation pay will be equivalent to normally scheduled work week pay,
- m) employee is ineligible to apply for any posted job vacancies,
- n) bereavement entitlement based on scheduled hours missed during entitlement specified in collective agreement,
- o) severance on plant closure will be pro-rated for years on this program (full entitlement for full time years of service),
- p) employees may withdraw from this program and move into retirement at any time after providing the Company reasonable notice, however in any case no employee shall remain on the program for longer than 5 years.

17. Banked Time Program

1. Employees covered by this agreement who wish to participate in this program will be required to enroll in the banked time program by completing an enrolment form and forwarding to the Payroll Department in Concord.
2. Once enrolled employees will be able to elect to deposit and withdraw overtime hours from their bank at any time.
3. Banked overtime will be deposited as equivalent regular time hours (ie: 1 hr of overtime is banked as 1.5 regular hours, 1 hr of double time is banked as 2 regular hours).
4. Employees will be allowed to bank up to 80 hours per calendar year, however no more than 80 hours may be in an employee's bank at any time.
5. Deposits to banked time will be indicated utilizing the proper code (see below) on the employee's timecard and withdrawals will be requested through the local branch payroll administrator.

Blank or 0	Regular time
1	Overtime
2	Double time
B	Banked Overtime
C	Banked Doubletime

6. Withdrawals will be paid on the employee's next regularly scheduled paycheque.
7. The current dollar value of the overtime bank will be printed on each regular paycheque stub.
8. All vacation time must be taken or scheduled before banked time off can be used, except for those instances where banked time is being used to supplement occasional losses in basic pay due to medical appointments, sick days, etc.
9. Banked time is not to be considered as a guarantee of equivalent time off work. The ability to grant banked time off is subject to local management discretion taking into account the needs of the business.

APPENDIX

SKILLED TRADES APPENDIX

1. The skilled trades covered by this Appendix are as follows. Any reference in the general agreement to the term “skilled trade” includes only employees classified in the listed trades.

The skilled trades covered by this Appendix constitute those trades for which an apprenticeship is usually served, together with those classifications which form a part of an apprenticeable trade.

Journeyman Mechanic

Welder Fitter

Maintenance Mechanic

Junior Component Rebuilder

Component Rebuilder

Journeyman/Major Component Specialist(Reman)

Welder

Undercarriage Rebuilder

Painter

Field Service Mechanic

T.A. Inspector

General Machinist

Machine Operator (Reman)

Hose Truck

Lineboring

2. The Company agrees to deduct Canadian Skilled Trades Council dues in the amount of one-half hour pay per year upon receipt of individual authorization cards signed by the employee.
3. The Company will advance the payment of EI allowances to apprentices while attending school on the understanding that payments from EI will be signed over to the Company.
4. Progression of Apprentices and Component Rebuilders: Refer to the Company Policy.

5. Where an employee wishes to upgrade their skills by attending training courses in addition to those offered by the Company, the Company will assist the employee with the cost of the training program. All Company participation is subject to the employee's successful completion of the course. The area supervisor or manager will assist the employee in assessing the type of programs that are most relevant for them and the degree of Company compensation that applies. The amount of financial assistance provided will vary depending on how relevant the program is to the employee's work. The following examples can be used as a guide:
- Toromont will pay 100% of the cost of a program, including text books, where the employee is required by the Company to attend. The activity in this case must be directly related to their present work and will be considered necessary in order to keep them up-to-date and a well-informed employee.
 - The amount of financial assistance provided for other personal development including career advancement courses will be determined jointly between the Department Manager and the Industrial Relations Manager.

June 26, 2006

To: Toromont CAW Bargaining Committee

From: Briane Doherty

Reference: Company Uniforms (coveralls)

The Company would like to take this opportunity to clarify our position relating to company uniforms in our shop areas. The standard company uniform for these areas is coveralls which are supplied and cleaned by the Company.

During our recent collective bargaining talks you have indicated to us that the employees have made you aware of concerns that appear to be a result of our uniform. Specifically the problems were identified as: i) during hot weather employees have been noted removing the top portion and tying it around their waist thus creating a potential safety hazard and ii) some employees feel that the coveralls may be causing skin irritations. While we have not yet confirmed that "coveralls" are the root cause of these problems, upon ratification of the new collective agreement, the Company is willing to undertake a project to resolve these issues. The scope of this project will include, but may not be limited to, coverall style, fabric, weight, supplier, and cleaning process. It will be the mandate of this project to determine if there is an improved uniform available for our employees. In addition, regardless of the outcome of this project, if there are still employees who have medical conditions as a result of wearing the company uniform we will address them on an individual basis. These will be brought to the attention of the Company Industrial Relations Manager by the Plant Chairperson.

I trust you find this commitment satisfactory.

Yours truly,
TOROMONT CAT

Briane Doherty
Manager, Industrial Relations