

Collective Agreement

Between

Fasco Motors Company

and

The National Automobile, Aerospace,
Transportation and General Workers Union of
Canada
CAW, Local 1986

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COLLECTIVE AGREEMENT

between

FASCO MOTORS COMPANY

and

**NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION
AND
GENERAL WORKERS UNION**

OF CANADA

(CAW--CANADA)

LOCAL 1986

This Agreement is made the 1st day of June, 2005, between Fasco Motors Company hereinafter referred to as the "Company" and the National Automobile, Aerospace, Transportation & General Workers Union of Canada, (CAW - Canada), Local Union 1986, hereinafter referred to as the "Union".

ARTICLE 1

PURPOSE

- 1.01** It is the purpose of this Agreement to provide for the terms and conditions of employment of the Company's Bargaining Unit employees and to promote and improve industrial and economic relations between the parties hereto.
- 1.02** It is further understood that the purpose of this Agreement is to provide orderly collective bargaining relations between the Company and its employees represented by the Union, to secure prompt and equitable disposition of grievances and to maintain mutually satisfactory hours, wages, working conditions, and mutual respect between the Company and the Union. Furthermore it is mutually understood and agreed that any action which is instituted for the purpose of defeating or circumventing the intent and purpose of this Agreement will not be condoned by either of the parties signatory hereto.

ARTICLE 2

RECOGNITION

- 2.01** The Company recognizes the union as the exclusive Collective Bargaining Agent for all its employees at its Cambridge plant save and except Supervisors; those above the rank of Supervisor; Chief

Engineers; Security Staff; Sales; Office and Clerical;
Professional and Technical Salaried Staff.

ARTICLE 3

PRODUCTION WORK

- 3.01** It is agreed that employees of the Company who are excluded from the terms and conditions of this Agreement shall not perform any work which is normally performed by employees covered by the Agreement except in cases of emergencies, instructing employees when it is necessary to work out new processes and experiment with new materials in conjunction with bargaining unit employees, and taking of inventory for audit purposes when employees directly associated shall not be laid off as a result of such inventory taking.
- 3.02** The above exceptions shall not be used to deprive any employee of work time. The Company will keep the appropriate Union Representative informed of the nature of such work, wherever possible, prior to the work being performed.
- 3.03** The Company will employ students during the period between May 1st and September 15th in bargaining unit work, for the purpose of accommodating personal leave of absences, other absences, vacations (excluding summer shutdown, unless, less than the required number of employees agrees to work during the summer shutdown), plant and plant grounds

upkeep, other mundane jobs, and for any other purpose which is mutually agreeable between the Company and the Union. In offering employment to summer students, consideration will be given to the hiring of dependents of current employees. It is not the purpose of this Section that summer students are to be used to replace employees on lay off.

ARTICLE 4

UNION SECURITY

- 4.01** All present employees who are covered by the terms of this Agreement shall be required to become members of the Union as a condition of employment for the duration of this Agreement.
- 4.02** Any employee who is hired after the signing of this agreement shall sign an authorization form provided by the Union, at the time of hire, and shall become a member of the Union, and shall be required to continue to be a member of the Union, as a condition of employment for the duration of this Agreement.
- 4.03** The Company will deduct from the pay of each employee the monthly dues and other assessments authorized by the constitution of the Union. The initiation fee shall be taken off of the following pay period after the employee has completed his probationary period but not off the same pay as dues.

The Union dues shall be taken off after an employee

9)6

has worked forty (40) hours in any one month. Union dues shall be calculated on the basis of an employee's normal hourly rate as defined in the constitution of the Union for the previous month.

The Union will notify the Company in writing four (4) weeks in advance of the relevant month of any changes in the monthly deductions to be made.

The Company agrees to include on the employee's T-4 slip for income tax purposes, the total Union dues paid for the year excluding any initiation fee.

- 4.04** Any member who has not worked forty (40) hours by reason of not having been scheduled to work forty (40) hours nor received pay in lieu of work equivalent to forty (40) hours within any calendar month shall be entitled to exemption of payment of regular monthly dues.
- 4.05** The Company agrees to deduct each month the sum equivalent to monthly dues from all employees in the Bargaining Unit and to place in the hands of the Financial Secretary of the Union, not later than the last day of the month in which the deduction was made. The amount forwarded shall be accompanied by an alphabetical listing of the employees for and on whose behalf such deductions were made.
- 4.06** Any dispute as to an alleged breach of the provisions of this Article or as to the interpretation of any of the

terms or conditions thereof shall be dealt with under the grievance procedure beginning at Step Three.

- 4.07** The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that arise out of or by reason of any action taken or not taken by the Company for the purpose of complying with any of the provisions of this Article, or in reliance on any lists, notice of assignment furnished under such provision.

ARTICLE 5

UNION REPRESENTATION

- 5.01** The Union shall be represented as follows:
- a) By seven (7) Stewards on the day shift whose respective areas of representation and jurisdictions are shown in Appendix "C". By one (1) Steward for each fifty (50) employees or a major portion of fifty (50) employees on the afternoon shift whose respective areas of representation shall be established by mutual agreement between the Company and the Union.

 - b) By two (2) Committeepersons on the day shift whose respective areas of representation and jurisdiction are shown in Appendix "C". By one Committeeperson whose area of representation and jurisdiction will be the Skilled Trades. By one (1) Committee person on the afternoon shift whose area of representation and jurisdiction shall cover all

employees on the afternoon shift. Such Committeeperson shall be the Steward when the afternoon shift is comprised of fifty (50) or less employees.

c) By a Committee Chairperson whose area of representation and jurisdiction shall cover all areas of the Company's operation.

d) By one (1) Safety Representative on the day shift and one (1) Safety Representative on the afternoon shift.

5.02 Stewards, Safety Representatives, Committee persons and the Committee Chairperson shall be employees of the Company with at least six (6) months of seniority.

5.03 The Committeepersons in 5.01 b) and the Committee Chairperson shall form the Plant Committee for the purpose of meeting with management in the administration of this Agreement.

5.04 Any increase or decrease in the number of Stewards, Safety Representatives or Committeepersons required due to an increase or decrease in the work force except as provided in 5.01 a) will be made by mutual agreement between the Company and the Union.

5.05 The Plant Committee outlined in 5.03 will

constitute the Bargaining Committee for the purpose of contract negotiations with the Company. Company approved time off for the Plant Chairperson, Committee person or Steward processing in plant grievances or complaints (excluding arbitration) or authorized in plant Union Business or authorized contract negotiations or meeting called by the Company or authorized by the Company will be paid by the Company at their regular hourly rate.

They will advise their Supervisor of the destination of their business and the time anticipated to transact such business. The union recognized that cases may occur where the Company may need a reasonable period of time to provide a replacement; however, permission to transact such Union Business will not be unreasonably withheld. They will report back to their Supervisor or representative at the time they return back to work.

The Union may be represented by other representatives as deemed necessary by the Union including but not restricted to National Representatives.

- 5.06** The Union recognizes and agrees that Union representatives have regular duties to perform in connection with their employment and only such time as is reasonably necessary will be consumed by such persons during regular working hours in order

to attend to in-plant Union business.

- 5.07** When an employee wishes to see his Union Representative he shall notify his foreman who will inform his representative of the request.
- 5.08** The President of the Local Union will be entitled to be present at meetings with management deemed necessary by the Union and provided he is an employee of the Company he will be paid for such time by the Company.
- 5.09** The Committee Chairperson and the Plant Manager or his designate as appropriate, shall arrange in advance all meetings not specified in the Grievance Procedure.
- 5.10** The Union may designate an alternate who will function in the absence from the plant of any Union Representative. Notice of such alternate shall be given to the appropriate management representative in writing before such alternate shall function. There shall be no duplication of payment in the case of a Union Representative being absent from the plant. The alternate must be a seniority employee as per Article 5.02 who is scheduled to work during such absence.
- 5.11** The company will arrange to introduce employees, new to a Steward's area of representation, to the

Steward in that area preferably on the first day in the area or as soon thereafter as possible.

- 5.12** The Company will grant upon request of the President of the Local Union, or the Plant Committee Chairperson permission for up to four (4) Union members in total to leave the plant on Union business, at any one time, without pay, providing such request is made in writing at least five (5) working days in advance to the Plant Manager or his designate. It is understood that in the event of an emergency situation, resulting in less than the required notice, such permission shall not be unreasonably withheld. Such notice will specify the nature of the business, the leaving and returning time of those granted such permission.
- 5.13** The union agrees to notify the Company in writing with the names of Union Representatives and Local executive and any changes in the membership thereof.
- 5.14** The Company shall give the Union a list of management personnel who will be dealing with the Union in the discharge of this Agreement and shall notify the Union of any changes thereto.
- 5.15** The Company shall compensate employee Union Representatives for the time spent during regular working hours which is necessary for the investigation or processing of complaints or

grievances, excluding Arbitration.

- 5.16** The company shall provide an equipped office in the Plant for the use of the Plant Committee and other Union Officials for the discharge of their duties.
- 5.17** The election of Stewards, Committeepersons, and Executive Board members will be held on the company premises. It is understood that such election shall not be held on company time. Prior to each election the committee chairperson and the Plant Manager will determine suitable locations and times for voting.
- 5.18** The Company agrees that where Local Union members are away from the plant on Union business, wages will be paid through normal payroll procedures at the employees' applicable normal rate of pay. Time away from the plant on Union business will be accrued and the Union billed for reimbursement to the Company. Reimbursement will be for the amount of time lost due to Union business multiplied by ("times") the total of the average wage rate plus COLA float plus the average total hourly cost of all fringe benefits provided Company bargaining unit employees.

ARTICLE 6

DISCRIMINATION

- 6.01** There shall be no discrimination or intimidation by

any Company representative during the course of their duties.

- 6.02** There shall be no discrimination or intimidation by Union Representatives against any member or members of Management in the fulfillment of their duties.
- 6.03** No employee shall be intimidated or disciplined for exercising their rights as provided by this Agreement.
- 6.04** All references to employees in the Agreement includes both male and female and whenever the male or female gender is used, it shall be construed to include both male and female employees.
- 6.05** The Company and the Union recognize the potential problem of harassment and such activity will not be tolerated. Complaints and grievances under this clause will be handled with all possible confidentiality. The Company agrees to post a mutually acceptable policy reflecting the intent of the above.
- 6.06** The Company and the Union agree to adhere to Federal and Provincial statutes which prohibit discrimination in the workplace.

ARTICLE 7

MANAGEMENT RIGHTS

7.01 It is recognized that subject to the terms of this Agreement the management of the plant and direction of the working forces are fixed exclusively in the Company which maintains all the rights and responsibilities of management not specifically modified by this Agreement and such rights shall not be exercised in a manner which is inconsistent with the terms of this Agreement.

The exercise of such rights shall include:

- a) The right to hire, assign, increase and/or decrease the working forces, promote, demote and transfer employees.
- b) The determination of: the number and location of plants, the products to be manufactured, the methods of manufacturing, schedules of production, kinds and location of machines and tools to be used, processes of manufacturing and assembling, the engineering and design of its products, and the control of materials and parts to be incorporated in the products produced.
- c) The making and enforcing of reasonable rules and regulations relating to discipline, safety and general conduct of the employees and to discharge, suspend or otherwise discipline employees for just cause subject to the right of any employee to lodge a grievance in the manner and to the extent herein

provided. The Plant Committee will be informed of any new or revised rules and regulations before publication.

d) To maintain order and efficiency in all of the operations of the Company.

e) The Company agrees that in the exercising of its management rights and in the administration of this Agreement it shall endeavor to do so in a fair and reasonable manner.

ARTICLE 8

SENIORITY GROUPS

8.01 Seniority Groups as referred to in Article 11, shall be as shown in Appendix "A"

ARTICLE 9

SENIORITY -- PROBATIONARY

9.01 New employees shall be considered probationary until they accumulated forty (40) full shifts worked (or the equivalent of 320 hours worked) in a twelve (12) month period.

9.02 No seniority rights shall be recognized among probationary employees and such employees shall be considered as being employed on a trial basis and may be terminated or laid off without recall rights at the discretion of the Company.

After the accumulation of forty (40) full shifts worked (or the equivalent of 320 hours worked) as noted above, such employees shall be confirmed as regular employees and their seniority shall date back to a date starting with their most recent date of hire.

- 9.03** The Company will assign all current employees an employee seniority number in order of their seniority. When two or more new employees attain seniority on the same date, differentiation shall be made by providing each employee their employee number in alphabetical order of their then existing last name. For the length of the employee's employment their seniority number will not change even if they have a name change.
- 9.04** The Company shall post up-to-date seniority lists once every three (3) months. A copy of such lists shall be supplied to the Union Office and to the committee Chairperson.
- 9.05** The term seniority shall be defined as the status of the employee based upon his established unbroken length of service with the Company from his seniority date as determined under 9.02.

ARTICLE 10

LOSS OF SENIORITY

- 10.01** An employee loses all seniority and is terminated

when:

- a) He voluntarily quits. An employee with seniority shall have twenty-four (24) hours to rescind their resignation once during their employment with the Company.
- b) He is discharged and not subsequently reinstated through the grievance or arbitration procedure.
- c) He is absent for three (3) consecutive work days without notifying the Company unless he is able to provide the Company with a satisfactory reason for his failure to report for work and for his failure to notify the Company.
- d) He fails to report for work following layoff, within seven (7) calendar days following receipt of notice to report, sent by the Company by registered mail to his last known address given to the Company, unless due to illness or other legitimate reason. Should employees be needed because of production requirements prior to the seven (7) calendar day period, but not available immediately, the Company reserves the right to recall less senior employees temporarily, but these employees will be replaced by more senior employees should they report to work within the required period.
- e) He fails to report back to work after the expiration of the term of a leave of absence; unless he is able to provide the Company with a

satisfactory reason for failure to report back to work.

f) When he is retired.

g) He has not worked for the Company as provided below:

He is laid off from the Company with less than twelve (12) months seniority, he will retain seniority rights for twelve (12) months. If he has more than twelve (12) months seniority, he will retain seniority rights for thirty-six (36) months.

He fails to return after a period of absence due to an occupational accident or sickness or non-occupational accident or sickness --if he has less than twelve (12) months of seniority -- he will retain seniority rights for twelve (12) months. If he has more that twelve (12) months but less than twenty-four (24) months of seniority, he will retain seniority rights for twenty-four (24) months. If he has more than twenty-four (24) months seniority, he will retain seniority rights for the basis of one (1) month for each month of seniority, at the time of absence to a maximum of forty-eight (48) months.

10.02 When an employee returns from an absence due to sickness or injury:

a) He shall be reinstated to his former job, provided it exists and subject to his capabilities and health.

- b) If the above is not possible, the employee shall be reinstated to his former classification, based on capabilities, health and seniority.
- c) If an employee is unable to perform his former job classification, he shall be relocated in a similar job classification, at the same pay rate, subject to his capabilities, health and seniority.
- d) It is understood that the employee is required to give one (1) week's notice prior to his expected date of return to work, if absence is two (2) or more weeks.

ARTICLE 11

LAYOFFS AND RECALLS

11.01 All cases of layoff will be discussed with the Plant Committee as far in advance as possible. In cases of a layoff where the duration is expected to exceed ten (10) working days, the Company will give seven (7) calendar days notice or one week's pay in lieu thereof to employees laid off, except in the case of employees absent, employees laid off through bumping subsequent to the original layoff list, and laid off at their own request. The Plant Committee will be given a listing of the employees laid off.

This provision of pay in lieu of pre-layoff notice shall not apply in the event of an Act of God, or reason beyond the control of the Company, or other

causes such as strikes and work stoppages in connection with labour disputes.

11.02 Employees will be laid off and recalled on the basis of seniority, subject to the fact that employees who are retained on the payroll of the Company, or who are recalled from layoff, shall have the ability to perform the work.

11.03 An employee who is reduced from his classification because of a reduction in the workforce as defined in 11.01 or the cancellation of a job may exercise his plant wide seniority by making a choice of the following:

- a) Replace the junior most employee within his classification on his shift;
- b) Replace the junior most employee within his classification on another shift
- c) Maintain their shift and replace the junior most employee within any area of their choice

Should there be no such employee with less seniority on their shift in an area of their choice they will replace the junior most employee on that shift plant wide.

Should there be no such employee with less seniority on their shift; they will replace the junior most

employee within the bargaining unit on any shift.

It is agreed and understood that when replacing any employee due to a reduction in the workforce or the cancellation of a job that the employee must be capable of performing the normal work required of that employee, at the rate of that job.

In lieu of bumping, an employee subject to temporary layoff only may choose to take the layoff. A temporary layoff shall be defined as a maximum of 13 weeks.

- 11.04** The Company shall explain the various options and jobs available at the time the employee is notified of the lay-off. Where more than one employee is affected in the same classification, the options shall be offered in order of seniority.

An employee so notified shall be required to inform the Company of their intent, on the following shift after notification.

An employee who does not notify the Company, or when absent on the following shift, shall automatically be placed by the Company, and the only other option that will remain shall be the option to accept layoff.

- 11.05** a) It is agreed the Company may retain employees out of line of seniority for up to thirty (30) calendar

days, in the following classifications, unless the employee(s) affected by the reduction has the necessary skills and ability to perform the work immediately: Shipper, Receiver, Line Set-Up and Service, Motor Builder, and Special Tech/Instruct.

Employees who exercise their seniority rights into one of the classifications shall have thirty (30) calendar days to demonstrate their ability to perform the work. It is understood that such employees shall be required to show satisfactory improvement during the thirty (30) calendar day period.

In the case of the Line Set-Up and Service, the Company may retain for an additional ten (10) working days for the purpose of training replacements or to maintain continuity and efficiency while introducing new employees to the job.

Employees who bump the classification of Line Set-Up and Service must have previous experience and working knowledge on the jobs in that particular department.

b) It is agreed that at no time shall any employee be able to exercise seniority over any employee in Maintenance "A", Toolmaker or Screw Machine classifications including Master Toolmaker, Master Mechanic, Master Electrician/Electronics, Press Set-Up and Machine Set-Up unless the employee affected by the reduction has the necessary skills

and ability to perform the work immediately.

11.06 Employees exercising bumping rights, and fail to meet a satisfactory standard of performance, within a reasonable length of time, will be laid off, without the seven calendar days notice or pay in lieu of, as referred to in Article 11.01 above.

11.07 Recall shall be in reverse order of lay-off.

11.08 An employee electing to accept a temporary layoff rather than exercising his bumping rights under 11.03, will be recalled on the following basis:

1. will be recalled no later than a maximum of 13 weeks;
2. if available, back to original classification and shift as per 11.07
3. recall based on seniority back to available openings in affected area
4. replace the junior most employee on the shift
5. replace the junior most employee on any shift within the Bargaining Unit

11.09 Normal rules of seniority shall not apply during a temporary reduction in operations. Temporary reductions will be by seniority within the affected department only, provided the remaining employees are able to perform the available work immediately. It is understood that senior employees within the department have the option to accept the temporary

reduction.

A temporary reduction in operations shall be defined as a temporary disruption in production due to abnormal manufacturing related circumstances, for example: lack of parts, power outage, machine problems, failure of delivery of raw materials, etc. A temporary reduction in operations may not exceed forty (40) regular working hours within a four (4) week period of time and a maximum of one hundred and sixty (160) regular working hours over the life of the Agreement. In this regard reductions of less than four (4) hours shall be recorded as four (4) hours, and reductions of more than four (4) hours, but less than eight (8) hours shall be recorded as eight (8) hours. In the case of night shift operations reductions of less than five (5) hours shall be recorded as five (5) hours, but less than ten (10) shall be recorded as ten (10) hours. After the forty (40) hours or eighty (80) hours have been exhausted, a meeting will be held with the Union to determine if the temporary reduction may be continued, or whether a reduction in the work force according to seniority shall be made.

11.10 There shall be no general reduction of hours instituted in the event of a shortage of work, except by mutual agreement between the Company and the Union.

11.11 When a cancelled job is reinstated by the Company,

the affected employees shall revert back to their position in reverse order accordingly. This reinstatement provision will have application only if cancelled jobs are reinstated within two (2) years of being cancelled.

ARTICLE 12

TEMPORARY TRANSFERS AND JOB POSTING

12.01 In the case of temporary transfers of employees, seniority shall be the governing factor where ability and performance are relatively equal between two (2) or more employees.

a) When the Company finds it necessary to temporarily transfer an employee, the employer will only transfer an employee for up to a maximum of thirty (30) working days within a calendar year, unless extended by mutual agreement of the parties to include the affected employee (s), without a temporary job posting. During this period the employer may select the employee to be transferred. Where there is more than one employee selected by the Company for transfer, the Company will consider the senior qualified employee selected, for a choice of the work to be filled.

b) Temporary transfers shall be for periods of thirty (30) calendar days or less and shall not include movement of employees created by production

requirements.

c) The Company will fill any temporary transfer by seniority from the department of their choosing among employees who are able to perform the work without training. The junior employee in the department who is able to perform the work without training may be required to fill the vacancy.

d) An employee temporarily transferred shall receive their own rate of pay or the rate of pay of the job whichever is the greater.

12.02 The posting of job vacancies shall not apply to:

Classifications filled by persons on recall who are returning to their classifications.

The movement of an employee from one classification to another classification and/or one department to another department, created by production requirements.

Temporary transfers that are expected to last less than 30 calendar days created by the absence of a regular employee. Employees temporarily transferred shall revert to their former job within their classification and area at the end of the temporary transfer.

12.03 a) In the event of a job posting, including those

vacancies created by the absence of a regular employee on a Leave Of Absence as per Article 37 or on Sick Leave, in excess of thirty (30) days, the Company will post such vacancy in each case for a period of forty-eight (48) hours, excluding Friday, Saturday, Sunday and a holiday.

b) The Company shall post the vacancy on the designated posting boards in the plant. Each posting notice will define the open position, the classification requirements, the shift the vacancy is on, the area, the time posted, the date posted, and the stage of the posting procedure as set out below.

A copy of each posting will be delivered to the Committee Chairperson at the time of posting.

All seniority employees in the Bargaining Unit shall be eligible to apply for job postings. Applications received after the job posting has been removed shall not be considered.

The successful applicant shall be the employee with the greatest seniority who is able to perform the job.

c) The Company shall post the resultant vacancy on the designated posting boards in the plant, as above provided.

d) This will complete the cycle under the posting procedure, and the Company will take such steps as

may be required to fill the remaining vacancy, if any.

- 12.04** An employee who is considered the successful applicant on more than one job posting at the same time will have one (1) working day to decide which job he wishes to accept.
- 12.05** No employee will be allowed more than two (2) successful job posting transfers in any twelve (12) month period.
- 12.06** The successful applicant, after being transferred to another job classification, and given appropriate job instruction by the Supervisor or his designate, shall demonstrate his ability to perform the job efficiently within ten (10) working days and twenty (20) working days for jobs covered in 11.05. This training period may be extended by mutual agreement between the Company and the Union.

The employee will receive:

- a) During the training period his former rate of pay.
 - b) Following the training period, the employee will receive a rate of pay as per the normal progression schedule for the new job at a level which is two (2) steps above his former rate of pay.
- 12.07** An employee will have the right to decline a job at any time during the training period, and shall explain to the Supervisor his reasons for declining the job

before reverting to his former job within his classification and area; or should an employee not qualify at the conclusion of the training period, he will be so informed and will revert to his former job within his classification and area.

Such training period shall not count as a movement for the purposes of 12.05.

- 12.08** The Company will give the Committee Chairperson a list of applicants on each job posting.

ARTICLE 13

PREFERENTIAL SENIORITY

- 13.01** Properly elected officials shall exercise preferential seniority in the following order:
- a) The Committee Chairperson and the Committeepersons shall have preferred Bargaining Unit seniority during their terms of office. Each Committeeperson shall have preferred seniority in his area of representation.
 - b) The President, Vice-president, Financial Secretary and Recording Secretary shall have preferred Bargaining Unit seniority during their terms of office.
 - c) The Steward in each area of representation shall have preferred seniority in his area of

representation. The Steward shall be the last employee laid off from his area of representation.

It is understood that the above employees must have the necessary ability to perform the remaining available work.

ARTICLE 14

TRANSFERS IN AND OUT OF THE BARGAINING UNIT

- 14.01** An employee transferred out of the Bargaining Unit may be returned to the Bargaining Unit either at his or the Company's discretion at any time up to three (3) months after the transfer. An employee so transferred shall return to the Bargaining Unit with the seniority which he held at the time of transferring out of the Bargaining Unit. The employee shall displace the most junior employee in the Bargaining Unit provided he has more seniority and has the skill and ability to perform the work.

ARTICLE 15

PAID HOLIDAYS

- 15.01** All seniority employees who have worked during any of the Five (5) calendar days either preceding the paid holiday or preceding scheduled vacation time which precedes a paid holiday shall be paid for the holidays as listed below for the hours they would normally be scheduled to work on such day at their

current regular hourly wage rate. Holidays falling on Friday shall be observed on Thursday for employees on the night shift. If such holidays fall on a Saturday or Sunday they shall be observed on a Monday.

Thanksgiving Day	Good Friday
December 24	Victoria Day
Christmas Day	Canada Day
Boxing Day	Civic Holiday
December 31	Labour Day
New Year's Day	Float Day
3 rd Monday in February, or the day proclaimed as Heritage Day by legislation.	

Notwithstanding the above, employees who qualify for the paid holiday on December 24th, automatically qualify for all holidays at Christmas and New Year's.

Employees laid off between Boxing Day and New Year's will be paid as per Article 15.01 provided they return to work when scheduled unless such failure to return is due to illness or other legitimate reasons.

- 15.02** It is agreed that days absent for jury duty are paid as set out in 18.01 and days absent for bereavement are paid as set out in 17.01 shall be considered as days worked by employees for the purposes of qualifying for paid holiday payment.

It is agreed that days absent due to layoff within

fourteen (14) calendar days of a paid holiday shall be considered as days worked by employees for purposes of qualifying for a paid holiday provided they return to work when scheduled and this return to work is within fourteen (14) calendar days of the paid holiday. Only upon return to work shall the employee be paid for the paid holiday.

- 15.03** When one of the above specified holidays falls in an employee's approved vacation period, he will be paid for such holiday and given an additional day off.

ARTICLE 16

VACATIONS WITH PAY

- 16.01** The following vacations with pay shall be granted to employees, all employees shall take vacation during the shutdown period (except as provided in 16.02) which shall be during the two (2) weeks prior to Civic Holiday.

Gross earnings calculated on the basis of the vacation year, July 1 to June 30, shall mean the total of all amounts paid for actual hours worked, including overtime and shift premiums and also including payments received for vacation pay, paid holidays, jury duty, reporting allowance, call-in pay, day of injury and bereavement.

- a) Employees with less than twelve (12) months of seniority as of July 1 shall receive vacation pay

calculated at 4% of gross earnings.

b) Employees with twelve (12) months but less than five (**5**) years of seniority shall receive eighty (80) hours vacation, with pay calculated at 4% of gross earnings.

c) Employees with five (5) years but less than ten (10) years seniority as of July 1 shall in addition to (b) above, receive forty (40) hours vacation with pay calculated at forty (40) hours times regular hourly wage rate.

d) Employees with ten (10) years, but less than nineteen (19) years of seniority as of July 1, shall in addition to (b) above, receive eighty (80) hours vacation with pay calculated at eight (80) hours times regular hourly wage rate.

e) Employees with nineteen (19) years, but less than thirty (30) years of seniority as of July 1, shall in addition to (b) above, receive one hundred and twenty (120) hours vacation with pay calculated at one hundred and twenty (120) hours times regular hourly wage rate.

f) Employees with thirty (**30**) years or more seniority as of July 1, shall in addition to b) above, receive one hundred and sixty (160) hours vacation with pay calculated at one hundred and sixty (160) hours times regular hourly wage rate.

g) Employees reaching their 5th, 10th, 19th, 25th, and 30th year of seniority with the Company by December 31st of the vacation year shall be permitted to take the added vacation after their anniversary date with pay calculated as per 16.01 c), d), e), f), and h). In the twenty-fifth (25th) year only, employees shall receive two hundred and forty (240) hours vacation with pay calculated at 240 hours times regular hourly wage rate.

h) Regular hourly wage rates for purposes of vacation pay calculation shall mean the employee's regular hourly wage rate in effect at June 30th of the qualifying year.

16.02 All vacations with the exceptions below must be taken within the current vacation year (i.e. they must be taken during the twelve (**12**) month period starting July 1). The following sections which maintain personnel on staff during the normal closedown period may begin scheduling vacations as of May 1:

Stores and Receiving
Maintenance
Shipping

Their two (2) week vacation will be scheduled at a time which is mutually convenient for the Company and the employee.

- 16.03** For the first eighty (80) hours of vacation entitlement:
- a) Vacations must be taken before May 1 of the vacation year
 - b) Vacations shall be a minimum of five consecutive working days.
- 16.04** In all cases where extra vacation time exceeds the normal two week closedown, it shall be taken at a time which is mutually convenient for the Company and the employee. If after a mutual agreement is reached on extra vacation scheduling and there occurs a conflict of vacation period for two or more employees, preference shall be given to the employee with greater seniority, providing he has registered his claim sixty (60) calendar days prior to the commencement of the extra vacation period. Request for extra vacation will be answered in writing with an explanation and a copy will be forwarded to the Committee Chairperson no later than forty-five (45) calendar days prior to the commencement of the extra vacation period. Such request will not be unreasonably denied. An employee requiring an answer earlier than forty-five (45) calendar days due to the need for booking travel arrangements will be given a response no later than ninety (90) calendar days prior to the extra vacation period provided more senior employees in the area were notified of the request in

advance so that there is no conflict with their right of preference.

16.05 A vacation is designed to allow employees a change and a rest and all employees should take time off however, when this is not possible, wages in lieu of vacation are allowed when the vacation exceeds two (2) weeks.

16.06 Vacation payment for which the employee is qualified shall be made on the regularly scheduled pay day prior to the commencement of the employee's vacations. The Company will pay out the employee's full vacation entitlement at this time or upon taking vacation as per 16.01 g) above, unless notified by the employee, prior to June 1st of the qualifying year, that he wishes to defer a portion of his vacation until a later date. Such requests will be confirmed in writing to the employee.

16.07 Employees who terminate their employment with the Company before June 30th of the qualifying year shall receive vacation pay in accordance with the following schedule.

Less than 5 years seniority
--4% of gross earnings

5 Years but less than 10 Years
-- 6% of gross earnings

10 Years but less than 19 years
--8% of **gross** earnings

19 Years but less than 30 Years
--10% of gross earnings

25th Year only
--12% of gross earnings

30th Year or more
--12% of gross earnings

16.08 Vacation credits outstanding at the end of the vacation year will be automatically paid at that time.

16.09 For purposes of determining vacation entitlement for an employee transferred into the bargaining unit in accordance with Article 14, his accumulated seniority as well as the time spent outside the bargaining unit will be accumulated to determine his total vacation seniority.

ARTICLE 17

BEREAVEMENT PAY

17.01 In the event of bereavement in the employee's immediate family which shall include father, mother, current step-parent, current spouse as identified on the Company records, Current mother-in-law, current father-in-law, sister, step-sister, brother, step-brother, child, step-child, grandparent, grandchild, an

employee will be excused from work and will receive payment for the time lost on regular hours for his first three (3) consecutive work days following the date of death. Spouse shall include same sex partner or common law relationship as defined by legislation.

17.02 Bereavement leave with pay for one (1) day will be granted:

a) In the event that the employee did not receive notice of death within the first five (5) consecutive working days following the date of death.

b) On the day of the funeral for an employee's son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the current spouse provided he attended the funeral.

17.03 It is agreed and understood that during employees vacation period, should an incident of bereavement occur, he shall notify the Company at such time and reschedule any remaining vacation time provided it is mutually agreed between the employee and the Company.

17.04 Payment for such lost time shall be made at the employee's normal hours times his current regular hourly wage rate including any applicable shift premiums. There shall be no pyramiding of benefits.

ARTICLE 18

JURY PAY

- 18.01** The Company agrees to compensate employees for earnings lost while serving as a juror or crown witness, such compensation shall be the difference between his court remuneration and normal hours times current regular hourly wage rate. In the case of employees other than day shift employees the Company agrees to allow the equivalent time off and compensation shall be the difference between his court remuneration and normal hours times current regular hourly wage rate.

ARTICLE 19

PAYMENT ON DAY OF INJURY

- 19.01** Employees injured at work and unable to work as certified by a Doctor shall be paid for all such lost time during the normal shift on which they were injured at their current regular hourly wage rate.
- 19.02** An employee injured in the Plant placed on alternate work within his capabilities shall be paid his current regular hourly wage rate or the rate of the job whichever is the greater.
- 19.03** The Company will continue Group Insurance benefits, (Semi-Private, Life Insurance, Dental and Extended Health Care) in effect at the time of commencing WSIB payments during the period of

WSIB provided the employee pays the premium in advance to the Company for Semi-Private and their portion of dental insurance.

ARTICLE 20

GRIEVANCE PROCEDURE

- 20.01** An employee having a complaint should first take it up verbally with his immediate supervisor, giving him the opportunity of adjusting the condition causing the complaint before lodging a grievance. The employee may request his Union Steward to be present when taking up a complaint with his Supervisor. A grievance may arise only from a dispute concerning the interpretation, application, administration or alleged violation of this Agreement. A grievance shall be processed in accordance with the following steps, or as set out in 20.02 and 20.03.

Any request by an employee to discuss a complaint or grievance with his Union Representative will be granted within a reasonable period of time, without undue delay. The employee will be granted a reasonable period of time, without loss of pay, to discuss or file a grievance in the Union Office.

STEP ONE

All grievances should, as far as is possible, identify the Article, clause or clauses of this Agreement which are alleged to have been violated, describe the specific problems and be signed by the aggrieved

employee. The grievance must be presented in writing by the Steward to the Supervisor within ten (10) working days of the incident giving rise to the grievance, or from the time the employee becomes aware, or reasonably should have become aware of the incident. For grievances involving suspensions or discharge refer to Article 34. The aggrieved employee may be present at this and all subsequent discussions related to the grievance.

The Supervisor shall render his decision to the Steward in writing giving reasons for his decision, within two (2) working days of receipt of the written grievance.

STEP TWO

If the decision of the Company is not satisfactory, the Committee Chairperson shall within five (5) working days of the receipt of the answer in STEP ONE, refer the grievance to the appropriate Department Manager. The Department Manager will meet with the Plant Committee in five (5) further working days to discuss the grievance, and will give its decision in writing giving reasons for his decision to the Committee Chairperson within five (5) working days after the meeting has been held. The Steward may be present at this meeting.

- 20.02** To avoid the necessity of processing numerous grievances concerning the same subject or event, the Company will recognize Group Grievances

provided that each aggrieved employee signs the grievance and the grievance is processed as provided in 20.01.

20.03 If either party has a complaint with respect to a representative of the other, or alleges that there has been a misrepresentation, violation or non-application of this Agreement, or of any of the provisions hereof, then either party may within thirty (30) calendar days of the incident giving rise to the grievance give to the other notice in writing of such grievance. In the case of the Union such grievance must be filed by the Committee Chairperson and for the Company by the appropriate Department Manager. Within three (3) working days of receipt of such notice a meeting will be held between the Department Manager and the Plant Committee. The party against whom the complaint has been made will give an answer in writing giving reasons within three (3) working days after the meeting has been held. If the matter is not settled it may then be referred to Arbitration by either party provided that it is submitted within thirty (30) calendar days following the reply as referred to above and in accordance with Article 21.

20.04 It is understood that the time limits as provided herein may be extended by mutual agreement of the parties. If the time limits provided for above, and any mutually agreed upon time extensions, are not observed by the moving party, the grievance will be

considered as dropped. If such time limits or any agreed upon time extension are not observed by the receiving party then the grievance will be considered to have advanced to the next stage of the above grievance procedure.

- 20.05** After a grievance has been processed through all of the steps provided in this Article and the matter is still in dispute it may then be referred to Arbitration by either party provided that is submitted within thirty (30) calendar days following the reply in STEP TWO and in accordance with Article 21.
- 20.06** Employees will be paid for all time lost from their work at their current regular hourly rate while participating in the grievance procedure up to but not including Arbitration.
- 20.07** The CAW National Representative and/or the Local Union President may be present at STEP TWO of the Grievance Procedure.

ARTICLE 21

ARBITRATION

- 21.01** Where a difference arises as to the interpretation, application, or administration of this Agreement, including any question as to whether a matter is arbitrable, or where an allegation is made that this Agreement has been violated, either of the parties may, after exhausting the grievance procedure

notify the other party in writing of its desire to submit the difference or allegation to arbitration.

- 21.02** A notice of intent to arbitrate, with a sole Arbitrator, shall contain a list of three (3) Arbitrators for consideration. Within five (5) working days from the receipt of the list of recommended Arbitrators, the other party will either accept one (1) Arbitrator from the list, or submit a list of three (3) Arbitrators to the aggrieved party for consideration. If no single Arbitrator can be agreed on from this list, within ten (10) working days, either party may request the Ontario Ministry of Labour to name an Arbitrator.
- 21.03** The Arbitrator shall not have the jurisdiction or authority to alter or modify any of the provisions of this Agreement or substitute any new provisions in lieu thereof, or to give any decision inconsistent with the terms and provisions of the Agreement.
- 21.04** The decision of the Arbitrator shall be final and binding upon the parties and any employee affected by it.
- 21.05** Each party shall bear an equal share of the fees and expenses of the Arbitrator.
- 21.06** No claim for compensation shall be retroactive for more than twenty (20) working days prior to the date of filing of the grievance, except in cases where a clerical error has been made by the Company on

calculating rates of pay or payroll deductions.

ARTICLE 22

STRIKES AND LOCKOUTS

- 22.01** During the term of this Agreement, the Company agrees that there shall be no lockout and the Union agrees that there shall be no strike.

ARTICLE 23

POSTING OF NOTICES

- 23.01** All notices must be submitted to the Human Resources Manager or his designate and, if approved, will be placed upon the bulletin boards provided for such purpose by the Company. There will be no distribution or posting by employees on the Company's property of pamphlets, advertising, or political matter, except where such matter is in connection with the routine administration of Union affairs.

ARTICLE 24

HOURS OF WORK

- 24.01** The regular work week shall be forty (40) hours Monday through Friday.

The starting and stopping time of the regular shifts including a half hour lunch period are:

Day Shift -- 7:00 a.m. to 3:30 p.m.

The Company may schedule a maximum of two (2) employees in each of the following classifications from 4:00 am to 12:30 pm to facilitate Plant startup.

701 - Master Mechanic

638 - Ransburg System Operator

Night Shift -- 3:30 p.m. to 2:00 a.m.

(Monday through Thursday)

24.02 The hours of work for employees working other than the regular shifts, as defined above shall be mutually agreed to between the Company and the Union. Such agreement shall be confirmed between the Union and the Manager, Human Resources. In considering such shift arrangements, the Company will notify the Union as far in advance as is possible.

24.03 A premium of 41 cents per hour shall be paid to all employees working a shift starting on or after 10:00 a.m. but before 3:00 p.m.

A premium of 48 cents per hour shall be paid to all employees working a shift starting on or after 3:00 p.m. but before 11:00 p.m.

A premium of 53 cents per hour shall be paid to all employees working a shift starting on or after 11:00 p.m. but before 4:00 a.m.

24.04 Employees shall be at their place of work ready to

start work at the time the starting signal is given.

- 24.05** Employees shall be at their place of work at the end of their work period until the closing signal has been given.

ARTICLE 25

REST PERIODS

- 25.01** A period of ten (10) minutes shall be set aside in each half of the shift for rest, with one additional ten (10) minute rest period on each night shift. Employees who work overtime at the end of their regular shift without leaving the plant shall receive a ten (10) minute rest period at the end of their regular shift.

ARTICLE 26

OVERTIME

- 26.01** It is recognized that a reasonable amount of overtime is necessary for the efficient operation of the Company's business, and to that end employees are expected to act in the full spirit of cooperation. Employees requested to work overtime will be informed as far in advance as possible (whenever possible the day before.)

Refusal to accept overtime work when requested will not be a matter for disciplinary action, however, when an employee verbally accepts an overtime

assignment he becomes subject to the existing rules and regulations governing attendance on regular shift hours.

As far as reasonably practicable, overtime will be equitably distributed among those employees normally performing the work to be done. An employee who refuses to work overtime shall be credited with the overtime hours so scheduled. The Company will maintain up-to-date records of the overtime worked by employees in each area.

26.02 a) When the Company requires overtime, such overtime will be offered to the employee(s) currently performing the work within the classification on the shift where the overtime is scheduled.

b) If one of the above employee(s) refuses the overtime, the overtime will be offered to another operator, with experience and skill to perform the same or similar work, within the classification, on the shift, with preference given to the employee with the least amount of overtime. In the event two (2) or more employees have an equal amount of overtime, seniority will apply.

c) If there is no such employee available, then the Company will offer the work to a qualified employee, on the shift, plant wide, with preference given to the employee with the least amount of overtime. In the event two (2) or more employees

have an equal amount of overtime, seniority will apply.

d) If there is no such employee available, then the Company will offer the work to the qualified employee, in the classification on any shift, with preference given to the employee with the least amount of overtime. In the event two (2) or more employees have an equal amount of overtime, seniority will apply.

e) If there is no such employee available, then the Company will offer the work to the qualified employee plant wide, on any shift, with preference given to the employee with the least amount of overtime. In the event two (2) or more employees have an equal amount of overtime, seniority will apply.

f) It is agreed that no probationary employee will be offered overtime until the overtime is first offered to all qualified seniority employees.

g) Summer students will not be offered overtime work until all other employees have first been offered the overtime work.

i) Overtime hours will be carried from classification to classification for the duration of each contract year. At the anniversary date of the contract, the overtime records of each employee

will start again at zero.

j) Employees who are unable to work such scheduled overtime will be charged with the hours, provided a minimum of two (2) hours prior notice was provided for daily overtime or twenty-four (24) hours prior notice was provided for the weekend overtime.

k) The Company agrees to maintain overtime records and will on a bi-weekly basis make them available for the Union's review upon request."

26.03 Employees who work overtime and continue working for a period of more than two (2) hours at the end of their regular shift without leaving the plant shall be given a fifteen minute lunch period to be paid at the prevailing overtime rate and the Company will make every attempt to have canteen service available: This paid lunch period is in addition to any rest period that the employee may be entitled to as set out in Article 26.

26.04 Employees working overtime shall be paid:

a) one and a half (1 1/2) times their current regular hourly wage rate for all time worked beyond the regular starting and stopping times as defined under 24.01 or arranged under 24.02.

b) For the day shift, one and a half (1 1/2) times their current hourly wage rate for the first five (5)

hours worked on a Saturday and two (2) times for time worked after five (5) hours.

For the night shift, first five (5) hours worked on Friday one and a half (1 1/2) times their regular hourly wage rate and after the first five (5) hours double time shall be paid.

c) one and a half (1 1/2) times their current regular hourly wage rate for time worked in excess of eight (8) hours in any continuous twenty-four (24) hour period or two (2) times their current regular hourly wage rate for time worked in excess of twelve (12) hours in any continuous twenty-four (24) hour period beginning with the starting time of the employee's shift. Night shift employees shall be paid one and a half (1 1/2) times their current regular hourly wage rate for time worked in excess of ten (10) hours in any continuous twenty-four (24) hour period or two (2) times their current regular hourly wage rate for time worked in excess of fourteen (14) hours in any continuous twenty-four (24) hour period beginning with the starting time of the employee's shift.

d) two (2) times their current regular hourly rate for the time which is worked on a Sunday

e) The night shift will be paid at two (2) times their current regular hourly rate for time which is worked on Saturday, only if they have worked on the Friday evening shift. Night shift employees who did not

work Friday, but who work overtime on Saturday, will be paid one and a half (1 1/2) times their regular hourly wage rate for the first five (5) hours worked on Saturday, double time shall be paid for hours worked after five (5).

f) Two (2) times their current regular hourly wage rate, plus their holiday pay for any hours worked on an agreed Paid Holiday.

ARTICLE 27

CALL-IN EMERGENCY WORK

27.01 An employee called in to do emergency work shall be guaranteed a minimum of four (4) hours pay at his current regular hourly wage rate or shall be paid at overtime rates for the time worked, whichever is the greater.

ARTICLE 28

REPORTING FOR WORK ALLOWANCE

28.01 Employees reporting for work at their regular scheduled time, unless advised at least eight (8) hours in advance not to report, shall be provided with at least four (4) hours work in an eight-hour day or shall receive four (4) hours pay at their current regular hourly wage rate.

This provision of pay in lieu of work shall not apply in the event of fire, lightning, storm, flood, power

failure, or mechanical breakdowns, beyond the Company's control, or other causes such as strikes, and work stoppages in connection with labour disputes.

- 28.02** In the event of a storm which results in the partial or total closure of the plant, those employees who report within two (2) hours of their normal starting time will be assigned work or paid as per 27.01.

ARTICLE 29

WELFARE

- 29.01** The Company will provide, at its cost the agreed upon plan for life, weekly indemnity, extended health care insurance and a prescription drug plan until such time as they are replaced by the same benefit being provided through mandatory government legislation. A summary of these benefits is set out in Appendix "D"

These benefits shall become effective the 1st of the 3rd month after the month of hire, providing the employee is actively at work full time on that date; otherwise it shall be the first day after that date, of being actively at work full time.

- 29.02** The full amount of any rebate resulting from the registration of the weekly indemnity insurance plan with the Unemployment Insurance Commission, in accordance with legislation in effect September 1,

1972, shall in its entirety, be the property of the Company.

- 29.03** The Company will maintain in effect the agreed upon pension plan.
- 29.04** Copies of the plan texts or policies related to welfare programs will be supplied to the Union office.
- 29.05** Employees who are absent due to an occupational accident or sickness who are collecting workers' compensation benefits will be eligible for company benefits (life and AD&D insurance, eyeglasses, prescription drug plan, dental, and pension) as provided by this Contract for a period not to exceed thirty **(30)** months, or the completion of the legislative rehabilitation program, whichever occurs first.

ARTICLE 30

HEALTHANDSAFETY

- 30.01** The Company recognizes its obligation to provide a safe, healthful working environment for all employees and therefore will:
 - a) as a minimum, adhere to all current legislation and regulations requirements which apply during the terms of this Agreement to this plant in relation to health and safety.

- b) Appoint a Health and Safety Co-ordinator.
- c) Create a Health and Safety Committee composed of:
 - i) Company Health and Safety Co-ordinator
 - ii) Rotating Company appointees.
 - iii) Union representatives per 5.01 (d)
 - iv) One plant committee representative.
 - v) Two co-chairpersons shall be selected, one by and from the Union, and one by and from the Company.
- d) Post names and titles of members of the joint health and safety committee on appropriate bulletin boards.
- e) Maintain all necessary records and files required per above legislation, plus per investigations, testing and other functions of the Health and Safety Co-ordinator and the joint Health and Safety Committee. All such records will be maintained by the Health and Safety Co-ordinator with access readily available to the joint Health and Safety Committee. Copies of data or files for tests or examinations done on specific employees will be supplied to the employee or his physician if the employee submits a written request to the Company.
- f) Formulate and publish from time to time rules and regulations regarding the safe operation and use of machines or equipment and will inform the

Union of such rules and regulations prior to implementation.

g) Welcome suggestions from employees regarding improvements in conditions considered to be of a hazardous nature.

h) As required by legislation or further as deemed necessary by the company, where the nature of a task requires special clothing, provide such clothing unless otherwise stated in this Agreement.

i) Pay the cost of safety boots to a maximum of one hundred and fifteen dollars (\$15.00) effective June 1st, 2005, upon date of ratification, one pair of shoes per year for employees who have completed the probationary period where it is a requirement of the job to wear safety shoes. Employees who are required to wear safety shoes will be entitled to a second allowance per year provided their shoes have been damaged or worn out during the course of their employment.

j) Provide that Union representatives of the Health and Safety Committee will not suffer loss of pay while carrying out the specified duties of the Committee.

30.02 The Union recognizes its obligation to cooperate in maintaining a safe and healthful working environment and therefore agrees to use their best

efforts jointly with the Company to achieve this environment.

- 30.03** The Union and the Company agree to assist in the early and safe return to work for employee who have an occupation injury or are disabled from their original position or job. Where the employee is medically unable to return to their original pre-injury position, the parties agree to assist in the accommodation of the employee in another position or job in accordance with applicable legislation. The program is designed to facilitate employees to return to their pre-injury level and the resumption of an active role in the workplace.

The company shall develop in consultation with the Union and return to work plan including the schedule, duration, duties and reassessment (where necessary). A meeting shall be held with the employee and the Union to review the plan.

- 30.04** The functions of the joint Health and Safety Committee may be changed by agreement between the Company and the Union and presently include:

a) Meet monthly at a mutually agreed time and place to review, recommend, and participate in the development of plant safety education, information programs, and employee job-related safety training programs.

- b) Make at least monthly inspections of the Plant to review health and safety conditions within the Plant and recommend changes as deemed necessary or desirable.
- c) Accompany the government Health and Safety Inspector during his regular inspection.
- d) Review all incidents of serious or potentially serious injuries resulting from work-related accidents and recommend improvements to avoid similar future incidents.

30.05 The Company will bear the full cost of the first pair of approved prescription safety glasses for the employee to a maximum of one hundred and forty dollars (\$150.00) in any twenty-four (24) consecutive months. Glasses must conform with CSA Industrial Safety Glasses Standards. The Company will assume the cost of replacement of safety glasses if they are damaged on the job.

ARTICLE 31

CONFERENCES

31.01 The Company and the Union recognize the advantage of Management representatives and Union representatives meeting together to discuss problems of general interest and working conditions in the factory. Company Management and the Plant Committee shall meet monthly unless the parties

mutually agree to defer the meeting. The National Representative and/or the President of the Local Union may attend such meetings.

- 31.02** Employees who are required to attend a Labour-Management Committee meeting with representatives of the Company during regular working hours shall be paid for the time spent at their current regular hourly wage rate.

ARTICLE 32

TECHNOLOGICAL CHANGE

- 32.01** If the company anticipates that the introduction of a new technology in the form of new equipment and resulting new systems will result in employees being placed in a different job classification or being removed from their job classification due to lack of work, then when the Company knows the changes expected to apply to these employees it will inform the Union and the employees involved and hold discussions with the Union on these matters.

In such cases senior employees affected by the new technology will be given preferential consideration by seniority providing they are able to be trained in new skills or new jobs that may be required by employees in the bargaining unit.

Should the new technology result in the creation of one or more new classifications, senior affected

employees will be given preference by seniority providing that they are able to perform the job.

ARTICLE 33

DISCHARGE OR DISCIPLINE

- 33.01** When issuing a written warning, suspending or discharging a seniority employee while at work, the Company agrees to have a Union Steward in attendance, providing the employee agrees. Notwithstanding the above, the Company reserves the right, whenever the situation warrants it, to immediately discharge an employee for just cause.
- 33.02** The Company shall notify in writing the Committee Chairperson and the employee discharged within the next working day of the discharge. Notice to the employee discharged shall consist of a termination form given in person, or a registered letter to the employee's last address on record with the Company.
- 33.03** An employee who is discharged may file a grievance at Step Two of the Grievance procedure within three (3) working days after the notice was delivered as referred to in 33.02. Any grievance involving a discharge that is not filed within the above time limit shall not be arbitrated and shall not form a basis for a claim for wages.
- 33.04** All disciplinary notices will be removed from the employee's file twelve (12) months after the date of

the notice.

- 33.05** An employee may have his Steward or committee person in attendance while being disciplined if he so requests.
- 33.06** An employee who is suspended or discharged shall be provided the opportunity to interview with his committee person prior to leaving the Company's premises. However, this provision will not apply when an employee is being suspended or discharged for committing an offense that is of a violent nature and/or may endanger themselves or other employees.

ARTICLE 34

JOB CLASSIFICATION

- 34.01** The schedule of job classifications and rates of pay in effect following the effective date of this Agreement is incorporated into this Agreement as Appendix "B" and shall remain in effect for the duration of this Agreement subject to 34.02 below.
- 34.02** The Company may establish rates of pay for new or changed job classifications and will immediately inform the Union of any such new or changed job classifications. Any complaints resulting from the introduction of such job classifications may be taken up under STEP TWO of the grievance procedure provided it is raised within thirty (30) calendar days after the first employee is classified on the new or

changed job classification, or within thirty (30) calendar days after notice to the Union of the new or changed job classification, whichever is the latest date. Any complaints resulting from the non-introduction of new or changed job classifications may be taken up under section 21.03 of the grievance procedure.

- 34.03** In any arbitration of such grievances, the arbitrator shall be limited to determining whether or not the disputed job classification bears a proper ranking relationship to the schedule of job classifications and wage rates. In reaching its determination the arbitrator will have the authority to determine the job classification grade and corresponding wage rate for the new classification and such wage rate can be effective back to the time when the job classification was filled as of 34.02 above.

ARTICLE 35

WAGES

- 35.01** The regular hourly wage rates and automatic rate progression schedule are agreed upon as set out in Appendix "B". The regular hourly wage rates will be increased through the steps in accordance with the required number of weeks worked at each step and will be effective on the start of the nearest pay period. Employees classified as Special Technical/instruct or Group Leaders will be paid as follows:

Special Technical/Instruct

-- 35 cents above normal classification rate of pay.

Group Leaders --Rate of pay is job rate of Grade 12.

Special Technical/Instruct

Special Technical/Instruct employees shall be selected by seniority among the employees in the classification in the department, providing they are able to perform the job.

This position will perform under the direction of a Supervisor and must be capable of performing all operations within the assigned area and will, under direction:

--start up lines or individual positions in accordance with Industrial Engineering breakdown, and will instruct operators in the required methods and operations in the area.

--influence action by guiding and instructing the workers in his/her assigned area while regularly performing the same duties as the workers.

--fills in for operators as required.

--train new operators.

--may assist in insuring that materials are available

for production runs and in general, directs the operation to insure that production schedules are met.

Group Leader

Group Leaders shall be selected, appointed and removed by the Company. Group Leader positions are not subject to the bidding procedure of this agreement. Group Leaders shall be subject to all terms of the collective agreement and shall be laid **off** and recalled by seniority within their respective classification.

This position will perform under the general direction of a Supervisor in conducting the activities of a group of employees.

--assists in planning the work of the group to ensure that they are constantly and gainfully employed.

--receives production schedules from the supervisor and implements action to have work performed.

--checks quality, job cards, time cards, etc. to audit production quantities and investigate reasons for schedule delays, but will have no authority for direct discipline.

--complete shortages by obtaining necessary material from source.

--assists in maintaining good housekeeping, safe work habits of the operators, and safe conditions of tools and machines.

--instructs and trains operators.

--assigns work and re-arranges help in case of absence, relief, etc. and may fill in as an operator.

35.02 Employees will normally be hired at the first step for the job grade in which their job classification falls, with previous time and experience being recognized to the extent that a rate above the first step may be paid.

35.03 Employees shall be paid on Company time, before quitting, time by cheque, in a sealed envelope, dated and received on Thursday of each week.

35.04 Notwithstanding the above, employees may request payment by bank deposit.

ARTICLE 36

LEAVE OF ABSENCE

36.01 An employee with seniority may be given a leave of absence of up to thirty (30) calendar days for valid personal reasons provided he applies in writing to his Supervisor at least fourteen (14) calendar days prior to commencement of the leave. The application and the Company's reply shall set out in writing the

reasons for the proposed leave, the last day to be at work and the day of return to work, a copy of the leave application will be forwarded to the Local Union Office. The Company shall have the right to refuse the application for leave of absence in the event that the absence of the employee would unduly interfere with the Company's operations or for an invalid personal reason, it is however, agreed, that the Company will not exercise such right to refuse leave of absence in an arbitrary or discriminatory manner. The requirement of giving fourteen (14) calendar days notice may not be applied under circumstances where compassionate leave of absence is justified. Any leave of absence may be extended by mutual agreement upon there being a written request for an extension and any extension granted shall be made in writing with a copy forwarded to the Committee Chairperson. Excused temporary absence up to five (5) working days is not considered formal leave of absence and may be granted by an immediate Supervisor.

- 36.02** Any employee with seniority elected or appointed to Union Office or selected for other Union activities by the National Union, the Ontario Federation of Labour, Canadian Labour Congress and/or Local Union, shall be granted a Leave of Absence for a period of one (1) year, with extension privileges provided, however, that such employee shall renew his Leave of Absence annually.

Any employee with seniority elected or appointed to any public office of the Municipal, Provincial or Federal Government, shall be granted a Leave of Absence for a period of one (1) year with extension privileges, provided however, that such employee shall renew his Leave of Absence annually.

36.03 Employees returning from Union Office or Public Office leaves shall notify the Company of their availability and desire to return to work, and the Company shall have ten (10) working days to return the employee to work following such notice.

36.04 Any employee will be granted emergency leave, pregnancy leave, parental leave and / or family medical leave in accordance with the applicable provisions of the Ontario Employment Standards Act. In addition, the employee must make application for the applicable government subsidy.

Before returning to work following the pregnancy leave, the employee must provide the Company with a Physician's certificate stating that she is fit to return to normal duties.

36.05 An employee with one (1) or more years seniority wishing to further his education by full time attendance at a recognized college, university, trade or technical school, may be granted a leave of absence for up to one (1) year under the following conditions:

- a) Before receiving the leave, or an extension, the employee shall provide the Company with satisfactory evidence he has been accepted as a student by the recognized college, university or school.
- b) On expiry of each term or semester the employee shall provide the Company with proof of attendance.
- c) Leave may be extended for additional periods not to exceed one (1) year each.

36.06 The Company agrees to pay into a special fund one cent (\$.01) per hour per employee for all Compensated hours for the purpose of providing paid education leave. Such 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, C.A.W. and sent by the Company to:

C.A.W. Leadership Training Fund
R.R.#1, CAW Road 25
PORT ELGIN, Ontario
NOH 2C5

The Company further agrees that 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.

- 36.07** Seniority shall accumulate during the period of an approved leave of absence for seniority employees.

ARTICLE 37

COST OF LIVING ALLOWANCE

- 37.01** All employees in the Bargaining Unit shall be granted a cost-of-living allowance for each hour actually worked or for time when the employee receives pay in lieu of work, such cost-of-living allowance to be determined in the following manner.
- 37.02** The cost-of-living allowance shall be computed according to the Canada Wide Consumer Price Index as published by Statistics Canada. For reference purposes it is agreed that the base year shall be 1992 with the Consumer Price Index equal to 100 base points.
- 37.03** The cost-of-living allowance for this 3 year agreement shall be calculated quarterly based on one cent (\$0.01) for each .0827 change that the value of the consumer Price Index (C.P.I.) for the appropriate quarter is above the base month:
- a) During the first year of the agreement effective June 1, 2005 one cent (\$0.01) for each .0827 C.P.I.

change.

b) During the second year of the agreement effective June 1, 2006 one cent (\$0.01) for each .0827 C.P.I. change.

c) During the third year of the agreement effective June 1, 2007 one cent (\$0.01) for each .0827 C.P.I. change.

37.04 The C.O.L.A. float as of \$1.06 as of May 31, 2005 has been folded into the base wage.

37.05 The effective dates of adjustments for the COLA payouts shall be the 1st Monday of each quarter starting in June 2005.

The adjustment periods for each year will be:

June: based on January CPI to April CPI
(currently published in May)

September: based on April CPI to July CPI
(currently published in August)

December: based on July CPI to October CPI
(currently published in November)

March: based on October CPI to January
CPI (currently published in
February)

37.06 The cost-of-living allowance for this three year agreement shall be considered an "add-on" to the base rates as outlined in Appendix "B" and shall be paid in the form of a "float" to the base rates. The

cost-of-living allowance shall not be considered as an integral part of such base rates.

C.O.L.A. shall not be included in the computation of overtime premiums; however it shall be included in the computation of statutory holiday pay, vacation, bereavement, jury duty pay and Union business absence.

ARTICLE 38

DOMESTIC VIOLENCE

38.01 The parties hereby recognize and share the concern that employees may face situations of violence or abuse in their personal lives that may affect their attendance or performance at work.

An employee who is in an abusive or violent personal or domestic situation will not be subjected to discipline, provided prior adequate verification from a recognized professional (i.e., doctor, lawyer, professional counselor) has been submitted to the Company, without giving full consideration to the facts in the case of each individual and the circumstances surrounding the incident otherwise supportive of discipline.

This statement of intent is subject to a standard of good faith on the part of the Employer, the Union and the affected employees and will not be utilized by the Union or the employees to subvert the

application of otherwise appropriate disciplinary measures.

ARTICLE 39

APPENDICES

- 39.01** Attached hereto and forming a part of this Agreement is Appendix "A" covering Seniority Groups.
- 39.02** Attached hereto and forming a part of this Agreement is Appendix "B" covering Regular Hourly Wage Rates and Job Classifications.
- 39.03** Attached hereto and forming a part of this Agreement is Appendix "C" covering areas of Union Representation.
- 39.04** Attached hereto and forming a part of this Agreement is Appendix "D" covering the Welfare Benefits.
- 39.05** Attached hereto and forming a part of this Agreement is Appendix "E" covering various Letters of Understanding.

ARTICLE 40

TERMINATION AND MODIFICATION

- 40.01** This agreement will be binding on the parties hereto and become effective from June 1, 2005 unless

otherwise indicated and will be in full force and effect until May 31, 2008 and unless either party gives to the other written notice of termination or modification within sixty (60) days prior to May 31, 2008, or any subsequent renewal date, then it will continue in effect for a further year without change, and so on from year to year thereafter unless terminated or modified as provided for herein.

This Collective Agreement is hereby duly executed by the said parties this 31st day of May 2005.

Signed on behalf of the
Company
Mike Foreman
Frank Wisniewski
Nancy Stachowski

Signed on behalf of the
Union
Bill Gibson
Leonard Lee
Jim Bresseau
Wendy Moffat
Mary Noseworthy
Sharon Cook

APPENDIX "A"

1. Maintenance

- i. 604 Master Toolmaker
- ii. 637 Maintenance "A"
- iii. 701 Master Mechanic
- iv. 702 Master Electrician

Employees hire into Skilled Trades into a Master Classification must:

- a) Have served a bona-fide apprenticeship of four (4) years – 8,000 hours and hold a certificate which substantiates his claim of such service or,
- b) Have eight (8) years of practical experience in the Skilled Trades classification in which he claims journeyman's designation and can prove same or,
- c) Have obtained his U.A.W. or C.A.W. Journeyman's card.

For employees hired into the Skilled Trades into a Master Classification, the Company when requested **by** the Union will provide access to the documents relating to the hiring of all new Master Skilled Trades employees for the purpose of verifying Journeyman's status.

2. Stores

- i. 612 Trucker
- ii. 619 Shipper
- iii. 703 Maintenance & Stores Person
- iv. 726 Runbuilder
- v. 728 Receiver

3. Quality Assurance

- i. 628 Quality Audit Technician
- ii. 630 QC Incoming Inspection Technician
- iii. 631 Quality Control Technician

4. Feeder

- i. 601 General Process
- ii. 612 Trucker
- iii. 614 Line Set Up
- iv. 617 Welder
- v. 634 Press Operator
- vi. 638 Ransberg System Operator
- vii. 700 Screw Machine Operator
- viii. 716 Press Set Up Heavy
- ix. 720 Press Set Up Light
- x. 722 Machine Set Up

5. Sub-Assembly

- i. 601 General Process
- ii. 613 DC Field Winder
- iii. 615 Winding Technician
- iv. 635 Magnetizer
- v. 722 Machine Set Up
- vi. 731 Turn & Test
- vii. 732 DC Armature Winder

- 6. Final**
- i. 601 General Process
 - ii. 707 Test & Repair
 - iii. 710 Stock Supplier
 - iv. 727 Motor Builder

APPENDIX "B"
SCHEDULE OF REGULAR HOURLY WAGE RATES
"EFFECTIVE JUNE 1, 2005 THROUGH MAY 31, 2006"

GRADE	CLASSIFICATION	3 WEEKS	6 WEEKS	9 WEEKS	12 WEEKS	20 WEEKS	JOB RATE
4	601 GENERAL PROCESS	\$ 15.63	\$ 15.72	\$ 15.84			\$ 15.96
5	617 WELDERS	\$ 15.65	\$ 15.78	\$ 16.01			\$ 16.18
	634 MACHINE OPERATORS (PRESS)	\$ 15.65	\$ 15.78	\$ 16.01			\$ 16.18
	635 MAGNETIZER	\$ 15.65	\$ 15.78	\$ 16.01			\$ 16.18
	710 STOCK SUPPLIER	\$ 15.65	\$ 15.78	\$ 16.01			\$ 16.18
	727 MOTOR BUILDER	\$ 15.65	\$ 15.78	\$ 16.01			\$ 16.18
	731 TURN & TEST ARMATURE DC	\$ 15.65	\$ 15.78	\$ 16.01			\$ 16.18
6	707 PRODUCT INSPECTOR TEST / REPAIR	\$ 15.77	\$ 15.91	\$ 16.02	\$ 16.24		\$ 16.38
	732 DC ARMATURE WINDER	\$ 15.77	\$ 15.91	\$ 16.02	\$ 16.24		\$ 16.38
7	612 TRUCKER	\$ 15.87	\$ 15.98	\$ 16.20	\$ 16.41		\$ 16.58
	614 LINE SET-UP & SERVICE	\$ 15.87	\$ 15.98	\$ 16.20	\$ 16.41		\$ 16.58
8	613 DC FIELD WINDER	\$ 15.96	\$ 16.11	\$ 16.32	\$ 16.68		\$ 16.83
	703 MAINTENANCE & STORES PERSON	\$ 15.96	\$ 16.11	\$ 16.32	\$ 16.68		\$ 16.83
9	726 RUNBUILDER/STORES PERSON	\$ 16.18	\$ 16.32	\$ 16.50	\$ 16.88		\$ 17.03
10	615 WINDING TECHNICIAN	\$ 16.35	\$ 16.53	\$ 16.74	\$ 16.98	\$ 17.17	\$ 17.29
	619 SHIPPER	\$ 16.35	\$ 16.53	\$ 16.74	\$ 16.98	\$ 17.17	\$ 17.29
	638 RAMSBURG SYSTEM OPERATOR	\$ 16.35	\$ 16.53	\$ 16.74	\$ 16.98	\$ 17.17	\$ 17.29
	720 SET-UP "(PRESS LIGHT)"	\$ 16.35	\$ 16.53	\$ 16.74	\$ 16.98	\$ 17.17	\$ 17.29
	722 MACHINE SET-UP	\$ 16.35	\$ 16.53	\$ 16.74	\$ 16.98	\$ 17.17	\$ 17.29
	728 RECEIVER	\$ 16.35	\$ 16.53	\$ 16.74	\$ 16.98	\$ 17.17	\$ 17.29
11	628 QUALITY AUDIT TECHNICIAN	\$ 16.51	\$ 16.70	\$ 16.86	\$ 17.10	\$ 17.30	\$ 17.44
	630 Q.C. INCOMING INSPECTION TECHNICIAN	\$ 16.51	\$ 16.70	\$ 16.86	\$ 17.10	\$ 17.30	\$ 17.44
	631 QUALITY CONTROL TECHNICIAN	\$ 16.51	\$ 16.70	\$ 16.86	\$ 17.10	\$ 17.30	\$ 17.44
12	716 PRESS SET-UP "(HEAVY)"	\$ 17.29	\$ 17.43	\$ 17.59	\$ 17.83	\$ 17.97	\$ 18.30
13	637 MAINTENANCE "A"	\$ 19.84	\$ 19.98				\$ 20.85
	700 SCREW MACHINE "A"	\$ 18.79	\$ 18.93				\$ 19.80
	604 MASTER TOOLMAKER	\$ 21.80	\$ 21.74				\$ 22.81
	701 MASTER ELECTRICIAN	\$ 21.80	\$ 21.74				\$ 22.81
	702 MASTER ELECTRICIAN / ELECTRONICS	\$ 21.85	\$ 21.99				\$ 22.86

Schedule of Apprenticeship Regular Hourly Wage Rates
"Effective June 1, 2005 Through May 31, 2006"

- 65% of journeyman rate for 1st 1000 credited hours
- 70% of journeyman rate for 2nd 1000 credited hours
- 75% of journeyman rate for 3rd 1000 credited hours
- 80% of journeyman rate for 4th 1000 credited hours
- 85% of journeyman rate for 5th 1000 credited hours
- 90% of journeyman rate for 6th 1000 credited hours
- 95% of journeyman rate for 7th 1000 credited hours
- 95% of journeyman rate for 8th 1000 credited hours

Journeyman rate refers to 604 Master Toolmaker rate or 701 Master Mechanic rate.

It is understood that the weeks shown are the number of weeks to be worked in each step. Progression through each step shall be automatic.

APPENDIX "B"
SCHEDULE OF REGULAR HOURLY WAGE RATES
EFFECTIVE JUNE 1, 2006 THROUGH MAY 31, 2007

GRADE	CLASSIFICATION	3 WEEKS	6 WEEKS	9 WEEKS	12 WEEKS	20 WEEKS	JOB RATE
4	601 GENERAL PROCESS	\$ 15.78	\$ 15.87	\$ 15.99			\$ 18.13
5	617 WELDERS	\$ 15.80	\$ 15.93	\$ 16.16			\$ 18.33
	634 MACHINE OPERATORS (PRESS)	\$ 15.80	\$ 15.83	\$ 16.16			\$ 18.33
	635 MAGNETIZER	\$ 15.80	\$ 15.83	\$ 16.16			\$ 18.33
	740 STOCK SUPPLIER	\$ 15.80	\$ 15.93	\$ 16.16			\$ 18.33
	727 MOTOR BUILDER	\$ 15.80	\$ 15.93	\$ 16.16			\$ 18.33
6	731 TURN & TEST ARMATURE DC	\$ 15.80	\$ 15.93	\$ 16.16			\$ 18.33
	707 PRODUCT INSPECTOR TEST / REPAIR	\$ 15.92	\$ 16.06	\$ 16.17	\$ 16.39		\$ 18.53
	732 DC ARMATURE WINDER	\$ 15.92	\$ 16.06	\$ 16.17	\$ 16.39		\$ 18.53
7	612 TRUCKER	\$ 16.02	\$ 16.13	\$ 16.35	\$ 16.56		\$ 16.73
	614 LINE SET-UP & SERVICE	\$ 16.02	\$ 16.13	\$ 16.35	\$ 16.56		\$ 16.73
8	613 DC FIELD WINDER	\$ 16.11	\$ 16.26	\$ 16.47	\$ 16.83		\$ 16.98
	703 MAINTENANCE & STORES PERSON	\$ 16.11	\$ 16.26	\$ 16.47	\$ 16.83		\$ 16.98
9	726 RUNBUILDER/STORES PERSON	\$ 16.39	\$ 16.47	\$ 16.65	\$ 17.03		\$ 17.18
10	615 WINDING TECHNICIAN	\$ 16.50	\$ 16.68	\$ 16.89	\$ 17.13	\$ 17.32	\$ 17.44
	619 SHIPPER	\$ 16.50	\$ 16.68	\$ 16.89	\$ 17.13	\$ 17.32	\$ 17.44
	638 RANSBURG SYSTEM OPERATOR	\$ 16.50	\$ 16.68	\$ 16.89	\$ 17.13	\$ 17.32	\$ 17.44
	720 SET-UP "PRESS LIGHTY"	\$ 16.50	\$ 16.68	\$ 16.89	\$ 17.13	\$ 17.32	\$ 17.44
	722 MACHINE SET-UP	\$ 16.50	\$ 16.68	\$ 16.89	\$ 17.13	\$ 17.32	\$ 17.44
	728 RECEIVER	\$ 16.50	\$ 16.68	\$ 16.89	\$ 17.13	\$ 17.32	\$ 17.44
11	628 QUALITY AUDIT TECHNICIAN	\$ 16.68	\$ 16.83	\$ 17.01	\$ 17.26	\$ 17.45	\$ 17.59
	630 O.C. INCOMING INSPECTION TECHNICIAN	\$ 16.68	\$ 16.83	\$ 17.01	\$ 17.26	\$ 17.45	\$ 17.59
12	719 PRESS SET-UP (HEAVY)	\$ 17.44	\$ 17.59	\$ 17.73	\$ 17.98	\$ 18.12	\$ 18.45
13	637 MAINTENANCE "A"	\$ 18.99	\$ 20.13				\$ 21.00
	700 SCREW MACHINE "A"	\$ 18.94	\$ 19.08				\$ 19.95
	604 MASTER TOOLMAKER	\$ 21.75	\$ 21.89				\$ 22.76
	701 MASTER MECHANIC	\$ 21.75	\$ 21.89				\$ 22.76
	702 MASTER ELECTRICIAN / ELECTRONICS	\$ 22.00	\$ 22.14				\$ 23.01

Schedule of Apprenticeship Regular Hourly Wage Rates
 *Effective June 1, 2006 Through May 31, 2007

- 65% of journeyman rate for 1st 1000 credited hours
- 70% of journeyman rate for 2nd 1000 credited hours
- 75% of journeyman rate for 3rd 1000 credited hours
- 80% of journeyman rate for 4th 1000 credited hours
- 85% of journeyman rate for 5th 1000 credited hours
- 89% of journeyman rate for 6th 1000 credited hours
- 93% of journeyman rate for 7th 1000 credited hours
- 95% of journeyman rate for 8th 1000 credited hours

Journeyman rate refers to 604 Master Toolmaker rate or 701 Master Mechanic rate.

It is understood that the weeks shown are the number of weeks to be worked in each step.
 Progression through each step shall be automatic.

APPENDIX "B"
SCHEDULE OF REGULAR HOURLY WAGE RATES
"EFFECTIVE JUNE 1, 2007 THROUGH MAY 31, 2008"

GRADE	CLASSIFICATION	3 WEEKS	6 WEEKS	9 WEEKS	12 WEEKS	20 WEEKS	JOB RATE
4	601 GENERAL PROCESS	\$ 15.88	\$ 16.07	\$ 16.19			\$ 16.33
5	617 WELDERS	\$ 16.00	\$ 16.13	\$ 16.36			\$ 16.53
	634 MACHINE OPERATORS (PRESS)	\$ 16.00	\$ 16.13	\$ 16.36			\$ 16.53
	635 MAGNETIZER	\$ 16.00	\$ 16.13	\$ 16.36			\$ 16.53
	710 STOCK SUPPLIER	\$ 16.00	\$ 16.13	\$ 16.36			\$ 16.53
	727 MOTOR BUILDER	\$ 16.00	\$ 16.13	\$ 16.36			\$ 16.53
	731 TURN & TEST ARMATURE DC	\$ 16.00	\$ 16.13	\$ 16.36			\$ 16.53
6	707 PRODUCT INSPECTOR TEST / REPAIR	\$ 16.12	\$ 16.26	\$ 16.37	\$ 16.59		\$ 16.73
	732 DC ARMATURE WINDER	\$ 16.22	\$ 16.33	\$ 16.55	\$ 16.76		\$ 16.93
7	612 TRUCKER	\$ 16.22	\$ 16.33	\$ 16.55	\$ 16.76		\$ 16.93
	614 LINE SET-UP & SERVICE	\$ 16.31	\$ 16.46	\$ 16.67	\$ 17.03		\$ 17.18
8	613 DC FIELD WINDER	\$ 16.31	\$ 16.46	\$ 16.67	\$ 17.03		\$ 17.18
	703 MAINTENANCE & STORES PERSON	\$ 16.53	\$ 16.67	\$ 16.85	\$ 17.23		\$ 17.38
9	728 RUNBUILDER/STORES PERSON	\$ 16.70	\$ 16.88	\$ 17.09	\$ 17.33	\$ 17.52	\$ 17.64
	615 WINDING TECHNICIAN	\$ 16.70	\$ 16.88	\$ 17.09	\$ 17.33	\$ 17.52	\$ 17.64
10	619 SHIPPER	\$ 16.70	\$ 16.88	\$ 17.09	\$ 17.33	\$ 17.52	\$ 17.64
	638 RAMSBURG SYSTEM OPERATOR	\$ 16.70	\$ 16.88	\$ 17.09	\$ 17.33	\$ 17.52	\$ 17.64
	720 SET-UP "(PRESS LIGHT)"	\$ 16.70	\$ 16.88	\$ 17.09	\$ 17.33	\$ 17.52	\$ 17.64
	722 MACHINE SET-UP	\$ 16.70	\$ 16.88	\$ 17.09	\$ 17.33	\$ 17.52	\$ 17.64
	728 RECEIVER	\$ 16.70	\$ 16.88	\$ 17.09	\$ 17.33	\$ 17.52	\$ 17.64
11	628 QUALITY AUDIT TECHNICIAN	\$ 16.86	\$ 17.05	\$ 17.21	\$ 17.45	\$ 17.65	\$ 17.78
	630 Q.C. INCOMING INSPECTION TECHNICIAN	\$ 16.86	\$ 17.05	\$ 17.21	\$ 17.45	\$ 17.65	\$ 17.78
	631 QUALITY CONTROL TECHNICIAN	\$ 16.86	\$ 17.05	\$ 17.21	\$ 17.45	\$ 17.65	\$ 17.78
12	716 PRESS SET-UP "(HEAVY)"	\$ 17.84	\$ 17.78	\$ 17.93	\$ 18.18	\$ 18.32	\$ 18.65
13	637 MAINTENANCE "A"	\$ 20.19	\$ 20.33				\$ 21.20
	700 SCREW MACHINE "A"	\$ 19.14	\$ 19.28				\$ 20.15
	604 MASTER TOOLMAKER	\$ 21.95	\$ 22.09				\$ 22.96
	701 MASTER MECHANIC	\$ 21.95	\$ 22.09				\$ 22.96
	702 MASTER ELECTRICIAN / ELECTRONICS	\$ 22.20	\$ 22.34				\$ 23.21

Schedule of Apprenticeship Regular Hourly Wage Rates
"Effective June 1, 2007 Through May 31, 2008"

- 65% of journeyman rate for 1st 1000 credited hours
- 70% of journeyman rate for 2nd 1000 credited hours
- 75% of journeyman rate for 3rd 1000 credited hours
- 80% of journeyman rate for 4th 1000 credited hours
- 85% of journeyman rate for 5th 1000 credited hours
- 90% of journeyman rate for 6th 1000 credited hours
- 95% of journeyman rate for 7th 1000 credited hours
- 95% of journeyman rate for 8th 1000 credited hours

Journeyman rate refers to 604 Master Toolmaker rate or 701 Master Mechanic rate.

It is understood that the weeks shown are the number of weeks to be worked in each step. Progression through each step shall be automatic.

APPENDIX "C"

AREAS OF UNION REPRESENTATION

- a) Plant Committee Chairperson
--Bargaining Unit Wide

- b) Committee Persons --Four (4)
 - 1--Committee Person (day shift) –
D.C. Area and A.C. Area

 - 1--Committee Person (day shift) –
Press/Paint Area
Rotor Area
Shaft/Machine Shop Area
Shipping, Receiving, Stores, Q.A. Area

 - 1--Committee Person
(Skilled Classification)

 - 1 --Committee Person (night shift)
Plant Wide

- c) Stewards --Seven (7)
 - 1 - Steward (day shift)--
Shipping, Stores, Receiving, Q.A.

 - 2 --Stewards (day shift) -- D.C. Area

 - 2 --Stewards (day shift) -- A.C. Area

1-- Steward (day shift) --Press/Paint,
Shafts/Machine Shop, Rotors

1--Steward (night shift)-- Plant Wide
increasing as per clause 5.01

APPENDIX "D"

**SUMMARY OF
HEALTH CARE BENEFITS**

EFFECTIVE JUNE 1st, 2005

LIFE INSURANCE

Each Employee

\$26,500

\$5,000 Paid Up Life Insurance at Retirement

A.D.&D.

Each Employee

\$26,500

EFFECTIVE JUNE 1ST, 2006

LIFE INSURANCE

Each Employee

\$27,000

\$5,000 Paid Up Life Insurance at Retirement

A.D.&D.

Each Employee

\$27,000

EFFECTIVE JUNE 1ST, 2007

LIFE INSURANCE

Each Employee

\$27,500
\$5,000 Paid Up Life Insurance at Retirement

A.D.&D.

Each Employee
\$27,500

WEEKLY INDEMNITY

- A. 66 2/3 % of regular weekly earnings, based on regular hourly wage rate in effect at time of absence. Benefits are subject to income and other applicable tax deductions as required by legislation.
- B. Payments start from the 3rd full regular working day of disability for non-occupational sickness or accident for a maximum of 38 weeks (190 work days), and if admitted to hospital or into a crisis shelter as of the 1st day of admittance.

EXTENDEDHEALTHCARE

- 1. Eyeglasses (includes contact lenses) up to \$180.00 - per twenty-four (24) month period per insured person. The aforementioned may also be applied toward the cost of laser eye surgery. The employer shall also cover the full cost of an eye examination one time during the life of the collective agreement.-- No Deductible.
- 2. Prescription drug plan covering drugs, injectibles,

serums, insulin and diabetic supplies purchased on the prescription of a medical doctor. Each prescription is subject to a \$0.35 deductible after which 100% of the cost will be paid.

3. The benefits listed below are subject to a \$25.00 deductible per family per twelve (12) consecutive month period after which 100% of eligible expenses will be paid.

-ambulance charges when not paid by O.H.I.P.

-difference between semi-private and private hospital room charge

-private nursing care

-prescription medical appliances and equipment

-physiotherapist charges when not paid by O.H.I.P.

-dental and plastic surgery, required as the result of an accident and when not paid by O.H.I.P.

-up to \$10.00 per day for 120 days in a licensed private hospital

-special cancer treatment when not paid by other government or private agencies

-hearing aids up to \$500.00 per insured person for

the lifetime of the policy

4. The Company agrees to provide basic preventative Dental Care Benefits based upon the 2003 O.D.A. Fee Schedule (effective June 1st, 2005--2003 O.D.A. Fee Schedule and effective June 1st, 2006--2004 O.D.A. Fee Schedule and effective June 1st, 2007—2005 O.D.A. Fee Schedule) plus endodontic, periodontic, denture repairs and 50% reimbursement of denture purchase. The maximum per insured is \$2,000.00.

The company will pay 80% of the premium cost and will arrange for the employee contribution to be deducted through payroll deductions on a regular basis.

NOTE

Extended Health Care and Dental Benefits will apply to dependents to the age of 21 or to age 25 if in full time attendance at school or university.

PENSION PLAN

For the normal retirement benefit employees will receive:

Effective June 1st, 2005 a monthly pension amount of \$22.00 for each year of service with the Company. Old Age Security and Canada Pension Plan benefits are received in addition to this monthly amount.

Effective June 1st, 2006 a monthly pension amount

of \$23.00 for each year of service with the Company. Old Age Security and Canada Pension Plan benefits are received in addition to this monthly amount.

Effective June 1st, 2007 a monthly pension amount of \$24.00 for each year of service with the Company. Old Age Security and Canada Pension Plan benefits are received in addition to this monthly amount.

PENSION INFORMATION:

The Company will provide a number of information documents as outlined under separate cover.

GENERAL:

The above benefits are subject to the provisions and regulations as set out in the group policies through which these benefits are provided.

APPENDIX “E”

LETTERS OF UNDERSTANDING

A. PAID HOLIDAYS

The Company will continue the past practice of not requiring employees to take an additional day off when a paid holiday falls in an employee’s approved vacation period.

The Company will grant, where practical and within production requirements, leave of absence without pay for employees requesting such on Remembrance Day.

B. CLEANUP PERIOD

Where **is** deemed, by Management to be necessary, employees shall be allowed sufficient time to put away tools and clean up their work area prior to quitting time.

C. TEMPORARY REDUCTION

During the course of the current negotiations the parties mutually recognized the desirability of minimizing, wherever possible, the hardships caused by temporary reductions in the work force.

In this regard the Company agrees that when temporary reductions in work force are necessary efforts will be made to locate alternative employment for employees so affected or to locate employees who wish to accept layoff voluntarily.

D. LUNCH PERIODS

Providing employees do not leave the property during lunch period, punching out and punching in will not be required. **If** this understanding is violated the company will have the

right to reinstate punching out and punching in during lunch periods.

E. OVERTIME

It is not the intent of the Company to schedule overtime while seniority employees are laid off. However in the event production overtime becomes necessary the Company will discuss the reasons for such work with the Union.

F. TOOL ALLOWANCE

The tool allowance of \$220.00 is subject to the tradespersons having, or purchasing the required tools of their trade as agreed by the parties during negotiations.

G. PLANT CHAIRPERSON

For the Term of this Agreement --the Plant Chairperson will be allowed sufficient time on his regular shift for the purpose of action as expressly provided in the Agreement at the Local Union Office when related to in-plant problems and he has received the prior permission of the Plant Manager or his designate.

H. SAFETY TRAINING

For Members of the Health and Safety committee and the Plant Committee, the Company agrees to pay for time off to attend Safety Training of not more than thirty (30) hours during the life of this Agreement. Wages will be at regular hourly wage rate (including COLA).

The Union shall be responsible for providing and paying Instructors and the Company will be responsible for the

expense of materials required in the program at cost.

I. SMOKING ROOM

The Company agrees to maintain two (2) designated smoking areas, located one (1) with a walled off area in the cafeteria (with increased ventilation) and one (1) outside the plant, provided they do not violate present or future government legislation.

J. PLANT CLOSURE

In the event of closure which results in the permanent lay-off of any employees, the Company agrees to pay each employee so affected the following:

- Less than five (5) completed years of service: according the Employment Standards (if any).
- More than five (5) completed years of service: five (5) weeks for the first five (5) years of service plus one and a half (1.5) weeks per completed year of service for each subsequent year up to a maximum of thirty (30) weeks in total.

K. LATERAL TRANSFERS

For the purpose of allowing for the possibility of lateral transfers within classifications of Grade 5 or higher, any employee desiring a lateral transfer within the classification can submit a written request to their immediate Supervisor. In the event a new vacancy occurs and prior to posting, the most senior employee in the classification who submitted such a request will be given the first right of refusal. Lateral moves shall be limited to one (1) transfer in any twelve (12) month period. The subsequent vacancy created by such a

move shall be posted. This opportunity does not imply job ownership and/or limit in any way the Company's ability to assign employees to perform work elsewhere as the Company deems necessary.

L. CONTRACTING OUT

It is the Company's intent that whenever possible, work regularly performed by Bargaining Unit employees in Cambridge, will not be contracted to an outside source provided the work can be performed in an efficient, economic and competitive manner as related to quality and cost. Outside source excludes any Company and/or subsidiary of Fasco Motors or Tecumseh Products Company.

