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No. OF EMPLOYEES	426		
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COLLECTIVE AGREEMENT

Between:

GRAND & TOY LIMITED

- and -

**UNITED STEELWORKERS OF AMERICA
Local 9197**

(Vaughan Distribution Centre)

**Effective: April 1, 1998
Expires: March 31, 2002**

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.IS AGREEMENT made this 5th day of November , 1998

Between :

GRAND & TOY LIMITED

(hereinafter referred to as "the Company")

-and-

UNITED STEELWORKERS OF AMERICA

(hereinafter referred to as "the Union")

ARTICLE 1

PURPOSE OF AGREEMENT

1.01 The general purpose of this Agreement is to secure the full benefits of orderly collective bargaining, an amicable method of settling any difference which may arise between the parties and to set forth the conditions of employment to be observed by the Company and the Union.

ARTICLE 2

RECOGNITION AND SCOPE

2.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all employees of Grand & Toy Limited at their Distribution Centre at 200 Aviva Park Drive in Vaughan, Ontario and the location at 33 Green Belt Drive in Don Mills, Ontario, save and except for Supervisors, persons above the rank of Supervisors, office, clerical and sales staff, Assistant Supervisor in the Shipping Department, Secretary to the Director, Distribution Centre Operations, security guards, and students employed during the school vacation period.

2.02 If the Company reduces operations at 33 Green Belt Drive and/or 200 Aviva Park Drive and moves to another location within one hundred and fifty (150) kilometre radius of 33 Green Belt Drive and 200 Aviva Park Drive, employees who would otherwise be laid off will be given first opportunity to occupy positions for which they are qualified at the new location.

2.03 a) If the Company closes all or part of the operations at 33 Green Belt Drive and/or 200 Aviva Park Drive and moves to another facility within a one hundred and fifty (150) kilometre radius of 33 Green Belt Drive and/or 200 Aviva Park Drive, this Agreement shall be extended to cover such locations.

b) In the event such closure is implemented, seniority at the new location shall mean length of continuous service at Grand & Toy, notwithstanding Article 12.01 of this agreement.

14 Persons, whether employed by the Company or from outside, who are not members of the bargaining unit, shall not perform work on any jobs which are included in the bargaining unit when such work would result in a reduction on the workforce employed in the job classification or prevent their recall from lay-off.

2.05 The Company and the Union recognize the need for prompt customer service with the use of both full-time and part-time employees in the Distribution Centre and at 33 Green Belt Drive. The Company acknowledges that full-time employees are the primary resource throughout the year. Part-time employees will only be used to supplement the hours of work of full-time employees who are absent (ie. vacations, illness, leave of absence) and for temporary and seasonal surges in business and will not be used to eliminate full-time positions.

a) The Company agrees that part-time employee(s) will be promoted to the status of Temporary Full-time when replacing a full-time employee(s) based on the most senior part-time employee(s) who accepts the position. On return of the full-time employee(s) the part-time employee(s) will return to his position as a part-time employee(s).

b) The Company will provide a bi-weekly summary to the Union listing all of the part-time employees who worked during this two-week period along with the number of hours worked each day.

ARTICLE 3

RELATIONSHIP

3.01 The Company and the Union agree that there shall be no discrimination against any employee because of race, age, sex, creed, religion, colour or national origin. It is understood and agreed that this Article shall not interfere with the Company's policy of normal retirement at age sixty-five (65).

3.02 The Company and the Union agree to observe the provisions of the Ontario Human Rights Code and the Canadian Bill of Rights and Freedoms.

3.03 The Company and the Union agree that neither shall interfere with, restrain, coerce or discriminate against any employee in the exercise of any rights under the Labour Relations Act.

3.04 The Union agrees that, except as provided for in this Agreement, there will be no Union activity on the premises of the Company during the employees' working hours except by agreement with the Company.

3.05 On the date of hire, the Company shall notify the Local Union President and the Unit Chairperson in writing of the name, classification, shift, work area and supervisor of any new employee.

The Supervisor shall introduce the new employee to the steward in his area as soon as practicable.

3.06 The Company will notify the Union within one (1) week of any employee who quits, transfers or is discharged.

ARTICLE 4

MANAGEMENT RIGHTS

- 4.01 The Union acknowledges that it is the exclusive right of the Company to operate and manage its business and exercise all its functions in accordance with the laws under which it operates except to the extent that these functions are specifically modified by this Collective Agreement.
- 4.02 Without restricting the generality of Section 4.01, it is agreed that the location of plants, the products to be manufactured, the schedules of production, the methods of operation, the determination of quality and quantity standards, and the control of material and parts to be used, shall be the exclusive function of management.
- 4.03 It is the exclusive function of the Company to maintain order, efficiency and discipline; to hire or retire; discharge, suspend, discipline or demote for just cause; transfer, classify or promote employees; to increase or decrease the working force; assign employees to shifts and specify job assignments, subject to any part of this Agreement which is relevant thereto.
- 4.04 It is further agreed that the Company may make, alter from time to time, and enforce reasonable plant rules provided such rules are not inconsistent with the provisions of this Agreement.

ARTICLE 5

NO STRIKES OR LOCKOUTS

- 5.01 It is agreed that there will be no strikes during the lifetime of this Agreement.
- 5.02 It is further agreed that management will not lock out its employees during the lifetime of this Agreement.
- 5.03 The word "Strike" and the word "Lock-out" shall be deemed to have the meaning given those words in the Labour Relations Act, S.O. 1995.

ARTICLE 6

UNION URIT

- 6.01 Each employee who is a member of the Union shall remain a member of the Union and each newly hired employee shall become and remain a member of the Union.
- 6.02 The Company shall deduct from the pay of each member of the bargaining unit, weekly, such union dues, fees and assessment as prescribed by the Constitution of the Union.
- 6.03 The Company shall remit the amounts so deducted not later than the fifteenth (15th) day of the month following, by cheque, as directed by the Toronto Area Office, payable to the International Secretary-Treasurer.
- 6.04 The monthly remittance shall be accompanied by a list showing the total amount deducted for the month, together with the names of all employees and the amount deducted, if any, from the wages of each employee for whom a deduction has been

made and the names of employees for whom no deductions were made and the reasons why.

6.05 The Union agrees to indemnify and save the Company harmless against all claims or other forms of liability that may arise out of, or by reason of, deductions made or payments made in accordance with this Article.

6.06 The Company will state the amount of annual dues deductions on each employee's T4 form.

ARTICLE 7

UNION

7.01 The Company acknowledges the right of the Union to appoint or otherwise select Union stewards who have completed their probationary period for the purpose of representing employees in the handling of complaints and grievances.

7.02 a) The Company agrees to recognize a maximum of fifteen (15) stewards, one (1) of whom shall be the Chief Steward. It is further recognized that any stewards will be able to represent any bargaining unit employee.

b) The Company agrees that for every one hundred (100) new employees hired, the Union will be granted one (1) additional steward.

7.03 The Company shall be notified by the Union of the names of the Union stewards

7.04 The Company agrees to recognize and deal with a Union Grievance Committee of not more than four (4) employees plus the Local Union President and unit chairperson.

7.05 When the legitimate business of a Grievance Committee members or Union steward requires him to leave his work station and/or department, he shall first receive permission from his supervisor (such permission shall not be unreasonably withheld).

7.06 The Company agrees that stewards and Grievance Committee members shall not suffer loss of pay for time spent in the handling of grievances. If the Company requires the presence of any members of the grievance committee to a grievance meeting, who is not at work, they shall be paid at time and one half (1 1/2) their regular rate of pay. If the Company has to change the employee's scheduled time of work to attend such meetings, it will be mutually agreed between the employee, union and the Company.

ARTICLE 8

NEGOTIATING COMMITTEE

8.01 The Company agrees to recognize and deal with a Negotiating Committee of not more than five (5) employees, one of which shall be the Unit Chairperson, plus the Local Union President, who shall be regular employees of the Company, along with representatives of the International Union.

- 8.02 The Negotiating Committee is a separate entity from other committees and will deal only with such matters as are properly the subject matter of negotiations, including proposals for the renewal or modification of this Agreement.
- 8.03 The Company agrees to allow members of the Negotiating Committee the day off without pay on each day the Committee is scheduled to meet with members of management.
- 8.04 The Company will grant up to three (3) days' leave of absence without pay for each member of the Negotiating Committee for the purpose of preparing for and considering revisions to proposed amendments and proof-reading of the finalized Collective Agreement.

ARTICLE 9

GRIEVANCE PROCEDURE

- 9.01 It is the mutual desire of the parties hereto that any complaint or cause for dissatisfaction arising between an employee and the Company with respect to the application, interpretation, or alleged violation of this Agreement shall be adjusted as quickly as possible.
- 9.02 It is generally understood that an employee has no complaint or grievance until he either directly or through the Union, has first given his immediate supervisor an opportunity to adjust the complaint.
- 9.03 If, after registering the complaint with the Immediate Supervisor (Assistant Team Leader) and such complaint is not settled within one (1) regular working day or within any longer period which may have been agreed to by the parties, then the following steps of the Grievance Procedure may be invoked:

Step 1

The Grievance shall be signed by the grievor and submitted to the grievor's Supervisor (Assistant Team Leader) either directly or through the Union, within five (5) working days of the incident giving rise to the grievance. The Supervisor (Assistant Team Leader) shall meet with the employee's Union steward within two (2) working days of receipt of the grievance in an attempt to resolve the grievance.

The grievor may be present at this meeting if requested by either party. The Supervisor (Assistant Team Leader) shall within a further two (2) working days, answer the grievance and return a copy to the Union.

Step 2

If the decision of the Supervisor (Assistant Team Leader) is not satisfactory, the grievance may be submitted to the Manager (Team Leader) within five (5) working days of receipt of the Supervisor's (Assistant Team Leader's) answer at Step 1, in which case the Manager (Team Leader) shall meet with the employee's Chief Steward or designate within two (2) working days. The grievor may be present at this meeting if requested by either party. The Manager (Team Leader) shall, within a further two (2) working days, give his decision in writing to the Union.

Step 3

If the grievance remains unsettled at the conclusion of Step 2, the Union may, within five (5) working days, submit the grievance to the Director, Distribution Centre Operations who shall, within five (5) working days after receipt, set up a meeting between the Union Grievance Committee (not to exceed four (4) in number plus the Local Union President or designate) and the local unit chairperson, and the appropriate representatives of management in a final attempt to resolve the grievance. The Field Staff Representative of the Union and the grievor may be present at this meeting if requested by either party. The Director, Distribution Centre Operations shall give his decision in writing to the Union within two (2) working days after the meeting.

- 9.04 If final settlement of the grievance is not reached at Step 3 then the grievance may be referred in writing by either party to arbitration as provided in Article 1 ■ Arbitration, at any time within thirty (30) calendar days after the decision is received under Step 3.
- 9.05 When two or more employees wish to file a grievance arising from the same alleged violation of this Agreement, such grievance may be handled as a group grievance and presented to the Company beginning at Step 2 of the Grievance Procedure.
- 9.06 The Union or the Company shall have the right to initiate a policy or a grievance of a general nature, beginning at Step 3 of the Grievance Procedure, and all provisions of the Grievance and Arbitration Procedures shall apply to such grievances.
- 9.07 a) The Company shall not be required to consider any grievance which has not been presented within ten (10) working days from the date the matter first became known to the employee or the Union or ought to have been reasonably known by the grievor or the Union.
- b) The time allowance provided in this Article may be extended by mutual agreement between the parties in writing.
- c) If the time allowance, or any extension thereof, is not observed by the party who it is alleged has violated the Agreement, the grievance will be considered as advanced to the next step of this procedure, including arbitration.

ARTICLE 10

DISCHARGE AND DISCIPLINARY ACTION

- 10.01 A claim by an employee, that he has been discharged or suspended, without just cause, shall be a proper subject for a grievance, if a written statement of such grievance is lodged at Step 2 of the Grievance Procedure within five (5) working days after the employee receives notice that he has ceased to work for the Company or returns to work after a suspension as the case may be.

Such special grievance may be settled by:

- a) confirming the management's action to discharge or suspend the employees, or
- b) reinstating the employee with full seniority and compensation for lost wages and benefits. or

c) any other arrangement, except loss of seniority which in the opinion of the conferring parties, or the arbitrator, is just and equitable.

10.02 The Company shall offer an employee who has been dismissed or suspended without notice, the right to meet with his Union steward, for a reasonable period of time, before leaving the Company premises.

10.03 All notices of a disciplinary nature which are intended to form part of the employee's employment record shall be removed from the employee's file after twelve (12) months from the date of issue and destroyed. All disciplinary notices shall be given in the presence of a Union Steward, or in writing, with a copy given to the Union.

ARTICLE 11

ARBITRATION

11.01 When either party to this Agreement requests that a grievance be submitted for arbitration, they shall make such request in writing addressed to the other party to this Agreement.

11.02 The Arbitration Procedure incorporated in this Agreement shall be based on the use of a Single Arbitrator, selected on a rotating basis as follows:

- | | |
|---------------------|---------------------|
| 1. J. Donald O'Shea | 2. Robert Joyce |
| 3. Ross L. Kennedy | 4. Martin Teplitsky |

11.03 Should any of the Arbitrators constituting the above mentioned panel of Arbitrators withdraw or resign from the panel, then the Party who nominated the Arbitrator who has withdrawn or resigned, shall forthwith submit to the other Party to this Agreement, a list of four (4) nominees from which shall be selected one (1) nominee to replace the Arbitrator who has withdrawn or resigned.

11.04 The Arbitrator's shall act singly, and in rotation, with respect to each successive grievance that is referred to Arbitration. Should any Arbitrator be unable to hear a grievance within sixty (60) calendar days after the grievance has been referred to him, then he shall be passed over to the next in line.

11.05 Except where otherwise provided for in this Agreement, each of the Parties hereto will bear its own expense with respect to any arbitration proceedings. The Parties hereto will bear jointly the expenses of the Arbitrator on an equal basis.

11.06 The Arbitrator shall not be authorized, nor shall the Arbitrator assume authority, to alter, modify, or amend any part of this Agreement, nor to make any decision inconsistent with the provisions thereof, or to deal with any matter not covered by this Agreement.

11.07 The decision of the Arbitrator shall be final and binding on the Parties.

11.08 The parties agree to seek the services of a Grievance Mediator while awaiting an arbitration hearing, the cost of which shall be shared equally.

ARTICLE 12

SENIORITY

- 12.01 a) Unless otherwise provided in this agreement seniority shall mean length of continuous service in the bargaining unit. Seniority shall be applied on a bargaining-unit-wide basis.
- b) The Parties recognize that job opportunity and security shall increase in proportion to length of service. It is therefore agreed that in all cases of vacancy, promotion, transfer, lay-off and recall following lay-off, full-time Employees shall be entitled to preference over part-time Employees in accordance with their seniority.
- 12.02 A new employee shall serve a probationary period of forty-five (45) days worked within a six (6) month period. After the probationary period, the employees shall be granted seniority status dating back to the date of his last hire by the Company.
- a) It is agreed that a period of probation is a period during which the Company has the right to assess an employee to determine whether such employee is, in the opinion of the Company, acceptable for employment. It is therefore recognized that the probationary employee may be released at the discretion of the Company. During the probationary period such release shall be deemed to be for just cause, unless the Union can establish that such release was arbitrary or discriminatory. The Company will give the employee and the Union the reasons for the dismissal in writing.
- b) Whenever a part-time employee(s) moves to a full-time position through the job posting procedure, such employees seniority accrual as a full-time employee commences the day the employee is awarded the position.
- For benefit purposes only part-time employees moving to full-time shall be credited with one weeks service for each forty (40) hours worked as a part-time employee.
- c) Whenever a Full-time employees becomes a Part-time employee, the employees Full-time seniority will be transferred into the Part-time seniority list. The employee and union will be given written notification of his/her seniority status at the time of the change.
- 12.03 Seniority once established for an employee shall be forfeited and the employee's employment shall be deemed to be terminated under the following conditions:
- a) if he voluntarily quits;
- b) if he retires or is retired;
- c) if he is discharged for just cause and not reinstated through the grievance and arbitration procedure;
- d) if he fails to report for duty after a lay-off or leave of absence in accordance with the provisions of this Agreement;
- e) if he has been continuously employed by the Company for a period of up to five years and has been laid off for twelve (12) months or more; or if he has been continuously employed by the Company for a period exceeding five (5) years and has been laid off for eighteen (18) months or more;

- f) if he is absent from work for three (3) consecutive scheduled working days without notifying the Company with a bona fide reason.
- 12.04
- a) The Company shall maintain two seniority lists, one (1) for full-time employees and one (1) for part-time employees, which shall be kept up-to-date and posted on the bulletin board four (4) times a year, with copies to the Union.
 - b) The Company will supply the Financial Secretary to the Local Union, every six (6) months, with a list of all bargaining unit employees along with the current address, classifications, current rate of pay of each employee.
- 12.05
- a) In the case of lay-offs and recalls from lay-off the seniority of an employee shall govern provided that the senior employee already possesses the necessary skill and ability to perform the work available.
 - b) As much notice of lay-off as is possible will be given to full-time employees of less than three (3) months' service. Notice to employees of three (3) months' service or more shall be in accordance with the Employment Standards Act (Ontario). Part-time employees will be notified of layoff after two (2) months without any worked hours.
 - c) Subject to the above, the following procedure shall apply in cases of lay-off:
 - (i) if there is to be a lay-off in any classification, the junior employee(s) shall be displaced;
 - (ii) the junior employee(s) so displaced shall be entitled to displace junior employees in the same job level and where that opportunity has been exhausted, to displace junior employee(s) in the next lower job classification.
 - (iii) the above procedure shall only apply provided that the remaining employees possess the necessary skill and ability to perform the work available.
 - d) The procedures described above in Article 12.05 shall not apply to a lay-off of three (3) working days or less.
 - e) The Local President and the Unit Chairperson shall be notified in advance of names of any employees slated for lay-off and the expected duration of same.
- 12.06
- When recalling an employee after lay-off, he shall be notified by registered mail or telegram and allowed five (5) working days to report for work and, in the meantime, if an employee is recalled and is not immediately available for work, other employees in seniority standing shall be recalled, but shall be temporarily employed until the senior employee reports within the five (5) working day period. It shall be the employee's responsibility to keep the Company notified as to any change of his address or telephone number so that they will be up-to-date at all times.
- 12.07
- All vacancies and newly created jobs of a permanent nature shall be posted for three (3) consecutive working days. Employees may apply for such vacancies by written application. The applicant with the greatest seniority who has the skill and ability to perform the required work shall be awarded the vacancy. Similarly, if there are no acceptable applicants for any vacancy, the Company shall fill the vacancy from outside sources. If the successful applicant for any posted vacancy is unsatisfactory within

thirty (30) days in the new position, the Company shall transfer that employee back to his previous position and fill the vacancy by selecting the next most senior applicant, if any, with the necessary skill and ability to perform the required work.

Full or part-time employees accepting postings for full-time or temporary full-time jobs shall have five (5) working days to decline the position.

- 12.08 New employees shall not be entitled to apply for a posted vacancy for a period of six (6) months after their date of hire. This does not apply to part-time employees moving to full-time positions.
- 12.09 Employees promoted to supervisory or other positions, which disqualify them from being subject to the Agreement shall accumulate seniority for a period of three (3) months following such transfer and should such employees decide to return to the bargaining unit or are returned by the Company during the three (3) months period, they shall be returned to the job classification and department held by such employee immediately prior to such transfer. No employee subject to the above may return to the bargaining unit once the three (3) month period has expired, other than as a new employee. This provision will apply only once to an employee.
- 12.10 Whenever practicable, seniority, skill and ability will be the governing factors for transfers outside of an employee's classification. For the purpose of transfers exceeding five (5) working days, seniority, skill and ability will be the governing factors.
- 12.11 Any employee who is temporarily transferred for the convenience of the Company, to a job for which the regular rate is less than the rate the employee is receiving, he shall retain his former rate and if such transfer is to a job with a higher rate the employee shall receive the higher rate of pay for all time worked on such job.
- 12.12 Local Union Officers, namely, President, Unit Chairperson, Vice President, Recording Secretary, Financial Secretary, and Treasurer shall have top Warehouse Wide seniority in case of layoff and shall be retained by the Company on work if they are willing and able to perform.

ARTICLE 13

LEAVE OF ABSENCE

- 13.01 The Company may at its discretion grant leave of absence without pay to an employee for personal reasons.
- 13.02 The Company shall grant leave of absence without pay to not more than seven (7) employees at any one time for the purpose of attending Union conventions or conferences provided that the absence does not disrupt the efficient operation of the Distribution Centre or 33 Green Belt Drive. This number shall never comprise more than three (3) Drivers. The Company shall also grant a leave of absence to a maximum of thirty (30) days for two (2) employees at a time to attend the official business of the Union or for short term training of stewards. The Union will make such requests to the Company at least two weeks prior to the date of absence.

- 13.03 Where an employee is selected to work as a Union representative he shall be granted a leave of absence for a period of one (1) year, provided, however, that not more than one (1) employee shall be absent on such leave at any one time.
- 13.04 All requests for leave of absence shall be in writing, giving the Company adequate notice of when such is desired and the reasons for which such leave is requested.
- 13.05 The Company agrees to allow an employee a one time leave of absence without loss of pay for the purpose of taking a Canadian Citizenship Examination.

ARTICLE 14

UNION REPRESENTATIVE

- 14.01 If an authorized representative, who is not employed by the Company, wants to speak to local union representatives about a grievance or other official business, he shall make a request of the Director, Distribution Centre Operations or his designated representative which request shall not be unreasonably withheld. These talks will be arranged so that they will not unduly interfere with production and at an appropriate place where the Union representative may confer privately.

ARTICLE 15

BULLETIN BOARD

- 15.01 The Company agrees to provide two (2) sealed bulletin boards at the Vaughan Distribution Centre and one (1) sealed bulletin board at 33 Green Belt Drive in a location which is mutually agreeable to the Company and the Union, for the purpose of posting meeting notices and official Union information. Notices will be signed and posted only by officers of the Union and will be in keeping with the spirit and intent of this Agreement, subject to the prior approval of the Director, Distribution Centre Operations, which approval shall not be unreasonably withheld.

ARTICLE 16

REPORTING ALLOWANCE

- 16.01 An employee who reports for work as usual on a regular working day, unless notified not to report before leaving home, and for whom no work at his regular job is available shall be offered at least four (4) hours' employment in other work at the employee's current rate of pay, or, at the Company's option, will be paid for four (4) hours in lieu of work. This provision shall not apply if the failure to provide work is caused by reason of a strike or other work stoppage, fire, flood, power failure, or other cause beyond the control of the Company. Part-time employees shall be offered at least four (4) hours if scheduled for eight (8) hours work or offered at least three (3) hours if scheduled for less than eight (8) hours work.

ARTICLE 17

CALL IN PAY

- 17.01 A full-time employee called for work outside his regular working hours shall be paid four (4) hours at the rate of time and one half (1.5), provided the employee is willing to perform any work assigned to him.
- 17.02 The provisions of Article 17.01 shall not apply when an employee is called to work immediately prior to the start or immediately following the end of his scheduled shift. In all such cases, the employee shall receive his appropriate overtime rate.

ARTICLE 18

PAYMENT FOR INJURED EMPLOYEES

- 18.01 In the event that an employee is injured in the performance of his duties, he shall, to the extent that he is required to stop work and receive treatment, be paid for wages the remainder of his shift. If it is necessary, the Company will provide, or arrange for suitable transportation for the employee to the doctor or hospital and back to the distribution centre and/or to his home as necessary. If it is necessary for an employee to receive medical treatment subsequent to his return to work following an industrial injury, he shall be paid for any time lost from regular shift hours to attend such appointment. This will apply to partial shifts only. Employees missing any full shifts as a result of receiving medical treatment in such cases are entitled to submit a further claim to the Workplace Safety and Insurance Board.

ARTICLE 19

JURY AND WITNESS DUTY

- 19.01 A full-time employee shall be granted leave of absence with pay at his regular hourly rate, for the normally scheduled number of hours the employee would have otherwise worked for the purpose of serving jury duty, or as a material witness subpoenaed by the Crown, provided that the employee shall reimburse the Company to the full amount of jury pay or witness fees excluding the expense allowance received by him.
- 19.02 In order to qualify under Article 19.01, an employee must have completed his probationary period and must inform his immediate supervisor as soon as possible of his selection for service as a juror or crown witness.
- 19.03 A part-time employee who has completed his probationary period must inform his immediate supervisor as soon as possible, of his selection for service as a juror or witness. The employee shall be granted a leave of absence for the required time and shall accumulate their seniority and shall be able to retain any moneys provided to them including witness fees, expense moneys, travel allowance, etc.

ARTICLE 20

SAFETY AND HEALTH

- 20.01 The Company and the Union shall maintain an Occupational Safety and Health Committee consisting of not more than six (6) members elected or appointed by the Union and not more than six (6) members appointed by the Company.

- 20.02 The general duties of the Occupational Safety and Health Committee shall be:
- a) To make a monthly inspection of the plant or place of employment for the purpose of determining hazardous conditions, to check unsafe practices and to receive complaints and recommendations with respect to these matters.
 - b) To investigate promptly all serious accidents and any unsafe conditions or practices which may be reported to it. Such investigations shall include accidents which might have caused injury to a workman, whether or not such injury occurred.
 - c) To hold regular meetings at least monthly for the discussion of current accidents, their causes, suggested means of preventing their recurrence, and reports of investigations and inspections.
 - d) To keep records of all investigations, inspections, complaints, recommendations together with minutes of meetings. The minutes shall indicate what action has been taken with respect to suggestions or recommendations previously made, and if no action has been taken, the reasons therefore shall be given.
 - e) The Union Chairman of the Committee shall have the right to accompany all authorized Safety Inspectors on tours of the plant and shall receive copies of any reports sent to the Company pertaining to such inspections.
 - f) Accident, injury and occupational illness records shall be kept by the Company and shall be made available to the joint Occupational Safety and Health Committee. These records shall include all reports required by the Department of Labour under the Occupational Health and Safety Act. The Company also agrees to make available to the Committee upon request, the trade name and/or technical description, (including chemical analysis, if available) of any compounds and substances used in the plant.
- 20.03 The Company and the Union agree to mutually work towards maintaining high standards of safety and health in the plant in order to prevent industrial injury and illness.
- 20.04 The Company and the Union shall abide in all respects with the requirements of the Occupational Health and Safety Act, 1990 and as may be amended.
- 20.05 The Company agrees to make available protective clothing, including back belts, gloves and other devices, (excluding safety shoes) deemed necessary to protect all employees from injuries arising from their employment with the Company.
- 20.06 The Company agrees to pay on a reimbursement basis up to \$70.00 (effective April 1, 1998), \$80.00 (effective April 1, 1999), \$90.00 (effective April 1, 2000), and \$100.00 (effective April 1, 2001) per full-time Distribution Centre employee per year towards the purchase of safety shoes to all Distribution Centre employees required by the Company to wear safety shoes. The Company agrees that Drivers and Drivers' Helpers shall be entitled to a maximum of \$70.00 (effective April 1, 1998) and \$75.00 (effective April 1, 1999) for safety shoes twice yearly if they so require on a replacement basis. Receipts must be provided in order to receive reimbursement.

The Company agrees to contribute 75% to a maximum of \$70.00 for part-time employees (effective April 1, 1998), \$80.00 (effective April 1, 1999), \$90.00 (effective April 1, 2000), and \$100 (effective April 1, 2001) per part-time Distribution Centre employee per year towards the purchase of safety shoes for all Distribution Centre employees who are required by the Company to wear safety shoes and who have completed their probationary period. Receipts must be provided in order to receive reimbursement.

- 20.07 The Company will provide all drivers with a uniform cleaning allowance of \$20.00 per month. Employee entitlement will only be when the employee is actively at work for the month.
- 20.08 An employee shall not be disciplined, threatened with discipline nor have any penalty imposed upon him because the employee has acted in accordance with the Ontario Health And Safety Act and regulations and, in particular, on account of his refusal to carry out work he believes to be unsafe.
- 20.09 The Company and the Union agree that their respective responsibilities regarding modified duties and return to work under the Workplace Safety and insurance Act (1998) will be administered by the existing Modified Duties Committee which shall operate as a sub-committee of the Health and Safety Committee for the duration of this collective agreement, including:
- Identifying suitable employment that is available and consistent with the worker's functional abilities
 - Where possible, the Health and Safety Committee will identify potential modified work opportunities that represent rehabilitative opportunities for the injured worker, thus promoting a safe and timely recovery.
- 20.10 The Company will provide payment of wages for up to 30 days on an aggregate basis in each year of this agreement for employees selected by the Union for health and safety training.

ARTICLE 21

PAID HOLIDAYS

- 21.01 a) The following shall be recognized as holidays to be paid for on the basis of each employee's regular current straight time hourly rate multiplied by the number of hours such employee would have worked on such day:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	Employee's Birthday (or date mutually agreed upon),

or days celebrated in lieu thereof, regardless of the day on which the holiday falls

- b) Part-time employees shall be entitled to the paid holidays as stipulated in the Collective Agreement with the exception of Employee's Birthday (or date mutually agreed upon), providing the employee has:
- i) completed their probationary period
 - ii) has worked on 10 days of the preceding 30 days preceding the holiday
 - iii) the employee works his scheduled day preceding and following the holiday
 - iv) the entitlement shall be calculated by the total regular hours worked in the previous 30 days divided by the total days worked in the previous 30 days, equals the average, or 4 hours pay whichever is greater.

21.02 An employee will be paid for a holiday provided he:

- a) works his last full scheduled shift before and his first full scheduled shift after such holiday and works on such holiday if he is scheduled to work, unless he is excused by the Company.
- b) is on the active payroll of the Company and not on a leave of absence (other than leaves of absence pursuant to Articles 8.03, 8.04 or 13.02 or certified sickness), Workplace Safety & Insurance or lay-off; and
- c) has completed his probationary period with the Company, provided that an employee who has successfully completed his probationary period shall be reimbursed for any paid holidays which occurred during his probationary period.

21.03 Payment for work performed on any of the above described holidays shall be on the basis of time and one half the regular rate per hour in addition to the employee's regular holiday pay pursuant to Article 21.01.

ARTICLE 22

VACATIONS

22.01 Any employee who, on the 31st day of March in each year has:

- a) completed less than one (1) year of continuous service with the Company shall receive vacation pay in accordance with the provisions of the Employment Standards Act.
- b) completed one (1) year of continuous service but less than five (5) years of continuous service with the Company shall receive two (2) weeks' vacation per year with pay equal to 4% of the employee's earnings for the previous year.
- c) completed five (5) years of continuous service but less than ten (10) years of continuous service with the Company shall receive three (3) weeks' vacation per year with pay equal to 6% of the employee's earnings for the previous year.

- d) completed ten (10) years of continuous service but less than sixteen (16) years of continuous service with the Company shall receive four (4) weeks' vacation per year with pay equal to 8% of the employee's earnings for the previous year.
- e) completed sixteen (16) years of continuous service but less than seventeen (17) years of continuous service with the Company shall receive four (4) weeks plus one (1) day's vacation per year with pay equal to 8.4% of the employee's earnings for the previous year.
- f) completed seventeen (17) years of continuous service but less than eighteen (18) years of continuous service with the Company shall receive four (4) weeks plus two (2) day's vacation per year with pay equal to 8.8% of the employee's earnings for the previous year.
- g) completed eighteen (18) years of continuous service but less than nineteen (19) years of continuous service with the Company shall receive four (4) weeks plus three (3) day's vacation per year with pay equal to 9.2% of the employee's earnings for the previous year.
- h) completed nineteen (19) years of continuous service but less than twenty (20) years of continuous service with the Company shall receive four (4) weeks plus four (4) day's vacation per year with pay equal to 9.6% of the employee's earnings for the previous year.
- i) completed twenty (20) years of continuous service but less than twenty-five (25) years of continuous service with the Company shall receive five (5) weeks' vacation per year with pay equal to 10% of the employee's earnings for the previous year.
- j) completed twenty-five (25) years or more of continuous service with the Company, he shall be entitled to six (6) weeks' vacation with pay equal to 12% of the employee's earnings for the previous year.

22.02 In preparing vacation schedules, the Company agrees to take seniority by department into consideration, provided that management is able to maintain a qualified work force sufficient to perform the necessary work. Employees must indicate their vacation

preference by April 1st in each year. The vacation schedule will be posted by April 30th and will not be changed without the consent of the affected employee(s) except in emergency situations.

22.03 In the event a statutory holiday falls within an employees vacation period, the employee shall be entitled to another day at a time or times mutually agreed to between the parties.

22.04 If an employee is eligible for at least three (3) weeks of vacation benefits, the employee may request approval to take up to five (5) days of such annual vacation benefits in blocks of days less than one (1) week, up to and including single days.

Requests will be submitted with at least 2 shifts' notice for consideration under this paragraph, and approval of such requests will be at all times subject to operational requirements of the Company.

ARTICLE 23

AGES

- 23.01 The Company agrees to pay and Union agrees to accept for the term of this Agreement, the wages as set out in the Wage Schedule "A" attached hereto and forming a part of this Agreement.

ARTICLE 24

HOURS OF WORK AND OVERTIME

- 24.01 a) The regular work week for full-time employees shall consist of forty (40) hours per week comprised of five (5), eight (8) hour days, Monday to Friday inclusive. The regular shift, starting and quitting times presently in effect shall only be changed by giving the union one weeks notice of such change.
- b) Part-time employees shall be those employees who work twenty-four (24) hours per week or less.
- 24.02 The Company does not guarantee to provide work for an employee for regularly scheduled hours or for any other hours.
- 24.03 The Company will schedule fifteen (15) minute break each half shift and an unpaid lunch period of one half hour as close to the middle of the shift as possible.
- 24.04 The Company will distribute overtime as equitably as practicable among those employees who normally perform the required work.
- 24.05 a) Time and one-half shall be paid for all hours worked (paid) in excess of eight (8) hours per day or forty (40) hours per week and on Saturdays provided that the same hours shall not be counted more than once for overtime purposes. Any work performed on a Sunday shall be compensated at the rate of time and one half.
- b) The Company shall keep up-to-date records of all overtime worked for employees inspection.
- c) Part-time employees who work in excess of eight (8) hours in a day shall be paid the rate of time and one half (1.5).
- 24.06 When overtime becomes necessary and sufficient volunteers are not forthcoming, then the most junior qualified employee(s) within the classification for which overtime is necessary will be required to work. The Company shall endeavour to provide as much advance notice as possible, but except for unforeseen circumstances the Company agrees that no employee will be required to work overtime unless they are notified a minimum of two (2) hours prior to the completion of their scheduled shift.

Notwithstanding the above, drivers and helpers on a daily basis are expected to complete their assignments even if overtime is required. The Company will make the routes as equitable as possible.

- 24.07 If the Company schedules at least two (2) hours overtime prior to or after an employee's regular shift, an appropriate fifteen (15) minute break will be given.
- 24.08 No day shift shall commence prior to 6:00 a.m. or after 10:29 a.m. No afternoon shift shall commence after 8:59 p.m. The night shift shall commence 9:00 p.m. or later,

ARTICLE 25

GENERAL

25.01 Gender

Whenever the male gender is used throughout the Articles within this Agreement, it is agreed that the feminine gender is an acceptable substitute whenever and wherever the feminine gender is applicable.

25.02 Where the singular is used throughout the Articles within this Agreement, it is agreed that the plural is an acceptable substitute whenever and wherever the plural is applicable.

25.03 Within thirty (30) days of ratification of this Agreement, the parties agrees to establish a joint Labour/Management Committee for the purpose of a meaningful interchange of ideas and information on matters of mutual concern to the parties. It is understood and agreed that the committee shall not use this forum to discuss grievances. Meetings shall be held once a month with the Chair alternating between the parties. The Union committee will be paid for time spent at such meetings during regular working hours.

ARTICLE 26

INSURANCE-WELFARE BENEFITS

26.01 The Company agrees that during the term of this Agreement they will provide the Insurance-Welfare Benefits as set out in Schedule "B" attached hereto and made part of this Agreement, for all full-time employees and their eligible dependants.

ARTICLE 27

I PAY

27.01 The Company shall pay an employee up to three (3) days' pay at the employee's regular straight time hourly rate for all regular time lost in the event of the death of the employee's spouse, father, mother, sister, brother, son, daughter, grandfather, grandmother, grandchildren, mother-in-law and father-in-law. Payment shall be made only to the extent of time lost while making arrangements for and or attending the funeral. Should an employee require additional time, such time may be granted without pay.

27.02 Probationary employees shall not be entitled to payment under this Article. However, an employee who has successfully completed his probationary period shall be reimbursed for any lost time due to a bereavement which occurred during his probationary period in accordance with Article 27.01.

ARTICLE 28

REDIT UNION

- 28.01 The Company agrees to deduct from the earnings of each employee who submits a voluntary check off authorization, such amount as the employee has authorized to be transmitted on his behalf to the Toronto Steelworkers Credit Union, provided that the amount is no less than \$5.00 per week. The moneys so deducted weekly shall be transmitted to the Toronto Steelworkers Credit Union monthly together with the list showing the names of the employees for whom the deductions were made and the amount to be credited to the account of each employee. Such check off authorization shall remain in effect until it is revoked or changed by the employee.

ARTICLE 29

HUMANITY FUND

- 29.01 The Company agrees to deduct on a weekly basis the amount of \$0.01 per hour from the wages of all employees in the bargaining unit for all hours worked and, prior to the fifteenth day of the month following, to pay the amount so deducted to the Humanity Fund and to forward such payment:

United Steelworkers of America, National Office, 234 Eglinton Avenue East, Toronto, Ontario. M4P 1K7

and to advise in writing both the Humanity Fund at the aforementioned address and the local union that such payment has been made, the amount of such payment and the names of all employees in the bargaining unit on whose behalf such payment has been made.

ARTICLE 30

LIFELINE PROGRAM

- 30.01 In addition to any Employee Assistance Program which may be implemented by the Company, the Company and Union agree to enter into a joint program which allows employees with alcohol, drug or mental problems to avail themselves of the assistance of Lifeline and further the Company agrees to contribute financial support to the Lifeline Foundation on the following basis:

The sum of \$5.00 for each bargaining unit employee per year based on the average number of employees in the bargaining unit for the twelve month period April 1st to March 31st payable each year on or before May 1st. Company agrees to include part-time employees.

- 30.02 The Union agrees to contribute financially to the Lifeline Foundation at a rate established by the Toronto Area Council of the United Steelworkers of America.



ARTICLE 31

TERMINATION

- 31.01 This Agreement shall become effective on the 1st day of April, 1998 and shall continue in effect up to and including the 31st day of March, 2002.
- 31.02 Either party desiring to renew or amend this Agreement may give notice in writing of its intention during the last ninety (90) days of its operations.
- 31.03 If notice of the intention to renew or amend is given by either party pursuant to the provisions of the preceding paragraph, such negotiations shall commence not later than fifteen (15) days after such notice or as soon thereafter as is mutually agreed,
- 31.04 If pursuant to such negotiations, an Agreement is not reached on the renewal or amendment of the Agreement prior to the current expiration date, the Agreement shall continue in effect in accordance with the terms of the Ontario Labour Relations Act.

SCHEDULE "A"

RADE	JOB TITLE	EFFECTIVE DATE	START	STEP 1	STEP 2	TOP
3	Van Washer Cleaner	April 1, 1998	\$12.16	\$12.46	\$12.79	\$13.10
		April 1, 1999	\$12.49	\$12.79	\$13.12	\$13.43
		April 1, 2000	\$12.82	\$13.12	\$13.45	\$13.76
		April 1, 2001	\$13.18	\$13.48	\$13.81	\$14.12
4	Assistant Shipper	April 1, 1998	\$13.08	\$13.40	\$13.76	\$14.12
	Bunker	April 1, 1999	\$13.41	\$13.73	\$14.09	\$14.45
	Out-of -Town Mail Clerk	April 1, 2000	\$13.74	\$14.06	\$14.42	\$14.78
	Driver's Helper	April 1, 2001	\$14.10	\$14.42	\$14.78	\$15.14
	Control Office Clerk 1					
	Packer					
	Order Filler					
	Replenisher Replenisher- Returns					
4a	Receiver Returns Repairs	April 1, 1998	\$13.39	\$13.72	\$14.08	\$14.84
		April 1, 1999	\$13.72	\$14.05	\$14.41	\$15.17
		April 1, 2000	\$14.05	\$14.38	\$14.74	\$15.50
		April 1, 2001	\$14.41	\$14.74	\$15.10	\$15.86
5	Receiving Clerk	April 1, 1998	\$14.12	\$14.47	\$14.86	\$15.25
	Control Office Clerk II	April 1, 1999	\$14.45	\$14.80	\$15.19	\$15.58
	Warehouse Person	April 1, 2000	\$14.78	\$15.13	\$15.52	\$15.91
	Stock Placer	April 1, 2001	\$15.14	\$15.49	\$15.88	\$16.27
	Shipping Clerk					
	DZ Driver's Helper - Furniture					
	DZ Driver's Helper Office Supplies Out-of-Town Shipper					
5a	High Bay Forklift Operator	April 1, 1998	\$14.64	\$15.11	\$15.55	\$16.01
		April 1, 1999	\$14.97	\$15.44	\$15.88	\$16.34
		April 1, 2000	\$15.30	\$15.77	\$16.21	\$16.67
		April 1, 2001	\$15.66	\$16.13	\$16.57	\$17.03
5b	Cycle Counters	April 1, 1998	\$14.80	\$15.26	\$15.74	\$16.21
		April 1, 1999	\$15.13	\$15.59	\$16.07	\$16.54
		April 1, 2000	\$15.46	\$15.92	\$16.40	\$16.87
		April 1, 2001	\$15.82	\$16.28	\$16.76	\$17.23
6	Driver Checker	April 1, 1998	\$15.23	\$15.64	\$16.05	\$16.48
		April 1, 1999	\$15.56	\$15.97	\$16.38	\$16.81
		April 1, 2000	\$15.89	\$16.30	\$16.71	\$17.14
		April 1, 2001	\$16.25	\$16.66	\$17.07	\$17.50
6a	DZ Driver Service Person- Furniture Service Co-ordinator	April 1, 1998	\$15.71	\$16.20	\$16.69	\$17.17
		April 1, 1999	\$16.04	\$16.53	\$17.02	\$17.50
		April 1, 2000	\$16.37	\$16.86	\$17.35	\$17.83
		April 1, 2001	\$16.73	\$17.22	\$17.71	\$18.19

<u>GRADE</u>	<u>JOB TITLE</u>	<u>EFFECTIVE DATE</u>	<u>START</u>	<u>STEP 1</u>	<u>STEP2</u>	<u>TOP</u>
7	Tractor Trailer Driver	April 1, 1998	\$16.82	\$17.34	\$17.87	\$18.40
		April 1, 1999	\$17.15	\$17.67	\$18.20	\$18.73
		April 1, 2000	\$17.48	\$18.00	\$18.53	\$19.06
		April 1, 2001	\$17.84	\$18.36	\$18.89	\$19.42
8	Installer	April 1, 1998	\$18.03	\$18.60	\$19.21	\$19.77
		April 1, 1999	\$18.36	\$18.93	\$19.54	\$20.10
		April 1, 2000	\$18.69	\$19.26	\$19.87	\$20.43
		April 1, 2001	\$19.05	\$19.62	\$20.23	\$20.79
	Maintenance Technician	April 1, 1998				\$21.83
		April 1, 1999				\$22.16
		April 1, 2000				\$22.49
		April 1, 2001				\$22.85
	Maintenance Mechanic	April 1, 1998				\$18.40
		April 1, 1999				\$18.73
		April 1, 2000				\$19.06
		April 1, 2001				\$19.42
	Mechanic's Helper	April 1, 1998				\$13.93
		April 1, 1999				\$14.26
		April 1, 2000				\$14.59
		April 1, 2001				\$14.95

Apprentice: (percentage of Maintenance Mechanic rate (above))

Period 1 - 60% Period 2 - 70% Period 3 - 80% Period 4 - 85% Period 5 - 90%

PART-TIME EMPLOYEES - WAGE SCHEDULE

Part-time employees shall be remunerated according to the following scale:

	<u>Effective Date</u>	<u>Start</u>	<u>3 Months</u>	<u>6 Months</u>	<u>9 Months</u>
Part-Time	April 1, 1998	\$10.19	\$10.51	\$10.72	\$10.94
	April 1, 1999	\$10.52	\$10.84	\$11.05	\$11.27
	April 1, 2000	\$10.85	\$11.17	\$11.38	\$11.60
	April 1, 2001	\$11.21	\$11.53	\$11.74	\$11.96

SCHEDULE "A"

Notes:

1. Any employee who, as at April 1st, 1991, is being paid at a rate higher than that specified in this Agreement for the job which he is performing, shall be red circled. Any employee so red circled shall receive only fifty (50%) percent of the negotiated increases referred to above until the negotiated rate for the employee's job classification equals or exceeds his actual rate, in which case he shall be paid the negotiated rate.
2. A new employee shall be paid the start rate for the classification to which he is assigned. Thereafter, he shall receive the appropriate increases for his grade level every three (3) months until he has reached the top rate for his classification. However, the Company may withhold, for unsatisfactory performance, an increase for any employee who has not reached the top rate for his classification, provided that any such decision on the part of the Company may be subject to the grievance and arbitration procedures set out in this Agreement.
3. Employees designated by the Company as First Aid Attendants shall be paid a premium of ten dollars (\$10.00) per week.
4. During the term of this Agreement, the parties will meet with a view to negotiating any amendments which may be considered appropriate with respect to the classifications set out above. Such amendments, if any, shall be incorporated into this Collective Agreement after they have been agreed upon.
5. The premium rate for Grade 4, 4A, 5, 5A, 5B is for hourly rate purposes only and does not suggest any difference from other Grade 4 and 5 jobs.
6. Effective November 14, 1998, the Night Shift Premium for Full-Time employees will increase from 65 cents per hour to 80 cents per hour. Effective April 1, 2000, it will be increased to 85 cents per hour, and effective April 1, 2001, it will be increased to 90 cents per hour.

Effective November 14, 1998, establish new Shift Premiums for Part-Time employees of 65 cents per hour (afternoons) and 80 cents per hour (nights). Effective April 1, 2000, the Night Shift Premium will be increased to 85 cents per hour, and effective April 1, 2001, the Night Shift Premium will be increased to 90 cents per hour.
7. Regularly classified "DZ" Drivers shall not be subject to rate adjustment in the event a vehicle requiring a DZ license is not available to drive. Spare "G" Drivers with a "DZ" license will receive the top rate of the "DZ" classification only while driving a vehicle that requires a "DZ" license.

SCHEDULE "B"

Employee Benefits

1. The Company shall contribute sixty-six and two-thirds percent (66-2/3%) of the premium cost of the existing major medical plan (including private coverage and prescribed drugs) for all employees who have completed their probationary period (including prescription eye glasses at \$150.00 every twenty-four (24) months) and waive the annual deductibles.
2. Non-probationary employees shall receive Life Insurance equal to two times salary and Accidental Death and Dismemberment coverage equal to two times salary with a employee contribution of \$9.00 per month.
3. The Company shall pay the full premium cost of the existing London Life weekly indemnity disability plan for all employees who have completed their probationary period. Effective January 1, 1999, the Company will initiate a 5-day sick leave policy.
4. The Company shall pay the full premium cost of the existing London Life dental plan for all employees who have completed their probationary period.
5. The Company's share of the premium cost shall be paid for employees on lay-off only to the end of the month in which lay-off has commenced.
6. All of the benefits referred to in this Schedule shall be as more particularly described and set out in the respective plan documents and/or policies of insurance. The Company reserves the right to change insurance carriers at any time, provided that the level of benefits is maintained or increased.
7. The Company shall continue its current Tuition Assistance Plan.
8. Sick day benefits as outlined in the collective agreement shall apply to full-time employees.

LETTER OF INTENT

Re: Courier Drivers

Between:

GRAND & TOY LIMITED

Hereinafter called the "Employer"

and:

UNITED STEELWORKERS OF AMERICA

Hereinafter call the "Union"

With respect to the issue of "Couriers" in the GTA, the Company agrees to reduce the current use of contract courier delivery services in the Greater Toronto Area, and increase the number of Grand & Toy Drivers. This will be accomplished as follows:

- 4 Full-Time "Office Supply" (O/S) Driver positions will be posted within 10 days of ratification (which includes the one current posting for a full-time Driver position)
- A secondary pool of 5 O/S Drivers will be created on a pilot project basis, subject to review within 6 months of creation. The aim of the review process will be to facilitate continuous improvement in the operation of the secondary driver pool, and will be jointly undertaken by 2 Management representatives in the Delivery Department and 2 Union representatives (one of which shall be an existing full-time Grand & Toy Driver (to be designated by the Union).
- The same committee will convene a meeting(s) within 30 days of ratification to detail and document the operational process in connection with these changes, including (and not limited to):
 - route training and orientation
 - operation of the secondary O/S Driver pool
- The parties agree that required qualifications for candidates for the secondary O/S Driver pool are:
 - valid driver's abstract with no violations
 - ability to pass Grand & Toy driving test
 - participate in all required G&T - provided Driver training

These qualifications shall be interpreted as "skills and ability" in the context of Article 12.07.

LETTER OF INTENT

Re: Distribution of Overtime

Between:

GRAND & TOY LIMITED
Hereinafter called the "Employer"

and:

UNITED STEELWORKERS OF AMERICA
Hereinafter called the "Union"

This is to confirm the discussions and understanding reached between the Company and the Union regarding the distribution of overtime amongst Distribution Centre employees.

Specifically, the parties agree to the following:

- It is to the parties' mutual advantage that overtime be distributed across the workforce as equitably as possible.
- Overtime will be scheduled by Management.
- The amount of overtime required will be determined by Management.
- Management can assign and re-assign employees working overtime as required.
- The process for allocating overtime will be as follows:
 1. When overtime is required, Management will offer overtime to those qualified full-time employees within the classification and shift where the work is available according to seniority.
 2. In the event a full-time employee declines an offer to work overtime, the next most senior qualified full-time employee within the classification on the shift will be offered overtime.
 3. In the event Management is unable to fill the overtime opportunities from within the classification on that shift, it will offer the overtime opportunity to the most senior qualified full-time employee available on that shift.
 4. If management is unable to fill the overtime requirements through the above process, part-time employees within the area on that shift will be offered the opportunity to work the overtime according to seniority.
 5. In the event that management is unable to fill the overtime requirements through the above process, the most senior qualified part-time employee on that shift will be offered the opportunity to work the overtime.
- When the next opportunity to work overtime becomes available, it will be extended to the qualified full-time employee on the shift within the classification where the work is available starting at the location on the seniority list where the last offer was made and accepted.
- The following will constitute an offer for overtime and will result in an employee becoming ineligible for overtime until their turn comes up again:
 1. Asked and accepted
 2. Asked and declined
 3. Absent from work for any reason
- All offers of overtime and their commitment or rejection thereof will be recorded by management and initialed by the employee.
- All overtime shifts are considered regularly scheduled shifts. Failure to report for a scheduled overtime shift to which the employee has committed will be counted as an absence.
- In the event of any disputes regarding overtime allocation, the Union may review applicable overtime allocation records with reasonable notice.
- This agreement does not apply to Drivers.
- Where an employee ought to have been selected for an overtime opportunity, the Company will continue with the current practice of making the next overtime opportunity available to the employee so disadvantaged.
- This agreement will be on a trial basis until June 30th, 1999.

LETTER OF INTENT

re: Miscellaneous

Between:

GRAND & TOY LIMITED
Hereinafter called the "Employer"

and:

UNITED STEELWORKERS OF AMERICA
Hereinafter called the "Union"

The parties hereto agree as follows:

1. Part-time employees may maximize their hours up to twenty-four (24) hours in a week. However, in order to maximize hours, employees may be required to work in a number of work areas.

2. Vacation Lieu Days:

Employees may accrue vacation days:

- (a) Employees who accrue one (1) to two (2) vacation days and wish to take such days off work, must notify the Company one (1) week in advance. The selected day must be jointly agreed to by the parties.
- (b) Employees who accrue three (3) to five (5) days and wish to take such days off work, must notify the Company two (2) weeks in advance. The selected days must be jointly agreed to by the parties.

Seniority shall govern.

Vacation during the month of January:

- 1) Shipping/Packing - 2 employees each department per week
- 2) Order Filling - 3 employees per week
- 3) Bunking/Receiving/Stock Replenishing/Stock Placing/Cleaners/Checkers - 1 employee per week per department

The allocation of time will be by seniority.

3. For the duration of the current collective agreement, bargaining unit employees shall be entitled to continue to participate in the Company's EVA Bonus Plan and Group Registered Retirement Savings Plan (RRSP)/Deferred Profit Sharing Plan (DPSP) on the same basis as employees in similar positions.
4. In the event that, during the term of this agreement, the Company implements a policy of allowing employees at 33 Green Belt Drive and/or 200 Aviva Park Drive to leave, with pay, one hour early on Fridays, bargaining unit employees shall be extended the same benefit.
5. The Company undertakes not to move any of the current driving jobs from 33 Green Belt Drive and/or 200 Aviva Park Drive for the life of this collective agreement.
6. For the duration of this agreement, Peter Cherry, Gary Mowers and Ted Ramos will receive afternoon shift premium at the grandfathered rate of \$0.75 per hour as long as they remain on that shift.
7. The Company agrees to a cap of one hundred and twenty (120) part-time employees. This number will be subject to review by the parties at any other time mutually agreed to.
8. The parties agree that the grievance committee will not be convened until there is an accumulation of four (4) grievances between the operations and/or at any other time mutually agreed to between the parties, the exception to this understanding is where a grievance has been filled with respect to termination.

LETTER OF INTENT
re: Temporary Full-Time Employees

Between:

GRAND & TOY LIMITED
Hereinafter called the "Employer"

and:

UNITED STEELWORKERS OF AMERICA
Hereinafter called the "Union"

The parties hereto agree as follows:

- It is recognized by the parties that during the months of January, September and November, there may be a need to identify a number of part-time employees required to work in excess of twenty-four (24) hours per week in the status of *temporary full-time* with the appropriate wage. The parties agree to meet to determine the required number. If such a need is required during months in addition to those identified above, the Company and Union will meet to discuss the situation, and the request will not be unreasonably denied by the Union.
- In the event additional part-time employees are required to work in excess of twenty-four (24) hours per week in the status of *temporary full-time* during the months of January, September and November, as outlined above, the Company guarantees up to the end of the second year of this agreement (March 31, 2000) that five (5) percent of the number of those positions will be transferred in accordance with Article 12.07 to full-time status following each such event.
- Commencing April 1, 2000, and to the end of this agreement, the parties agree to transfer to full-time status, in accordance with Article 12.07, between zero (0) percent and ten (10) percent of the number of positions required to work in excess of twenty-four (24) hours per week during the months of January, September and November, provided that, on each occasion, the productivity levels in the Distribution Centre, as measured by lines paid per hour, have shown improvement in the three (3) months immediately preceding the month of any such requirement. The details of the range shall be determined by the Company and the Union, prior to April 1, 2000 based on the interim productivity data collected.

LETTER OF INTENT

Re: Job Content & Classification Committee

Between:

GRAND & TOY LIMITED

Hereinafter called the "Employer"

and:

UNITED STEELWORKERS OF AMERICA

Hereinafter called the "Union"

The parties agree to establish a committee comprised of up to two (2) members of Management and up to two (2) members of the Union to meet, within one (1) month of the date of ratification, to discuss job content and classification issues, and consequent economic adjustments thereto, in the Vaughan Distribution Centre. (Details set out below).

This is to outline the terms and conditions of the committee that is to be struck, as per the Letter of Intent, to discuss job content and classifications issues, and consequent economic adjustments thereto, in the Vaughan Distribution Centre. They are as follows:

1. The Committee will be comprised of up to two (2) representatives from Management and up to two (2) representatives from the Union.
2. The Committee will meet within one (1) month of the date of ratification of this agreement.
3. A mutually agreeable Position Profile (job description) format will be developed. This is to be completed by no later than two (2) months following the date of ratification of this agreement.
4. A Position Profile (job description) and Physical Demands Analysis for all existing classifications will be completed within seven (7) months of the date of ratification of this agreement.
5. A Physical Demands Analysis will be developed for each existing classification by a committee comprised of 1 member of Management and 1 member of the Union, at the same time as the job content and classification issues are under review.
6. The Company will determine the job evaluation process to be used.
7. The Committee will resolve all job content and job classification issues by no later than one (1) year from the date of ratification, including vacant job classifications.
8. Any economic adjustments to certain classifications resulting from this review:
 - are subject to confirmation by the Senior Management Team; and
 - shall be derived from (and limited in total by) the reserve created for that purpose during 1998 collective agreement negotiations.
9. In the event there is an unused balance from the reserve, the parties will mutually determine where such excess is to be spent.

LETTER OF INTENT

Re: Harassment Policy

Between:

GRAND & TOY LIMITED
Hereinafter called the "Employer"

and:

UNITED STEELWORKERS OF AMERICA
Hereinafter called the "Union"

The following policy with respect to harassment in the work place is endorsed by both parties:

Grand & Toy Limited and the United Steelworkers of America believe that the human rights of all employees must be protected, so as to ensure that every person is treated with dignity and respect.

No individual should suffer or be exposed to harassment at work, based on that person's race, colour, or creed. Harassment is a course of conduct or comment that offends or abuses a person on any of the grounds stated above, where such behaviour is known or ought reasonably to be known to be offensive and unwelcome.

Sexual harassment is another objectionable type of conduct or comment which cannot be tolerated, as it represents an unwarranted intrusion upon an employee's personal dignity. Sexual harassment may take a variety of forms such as unsolicited or unwelcomed gender-based comments, gestures and physical contact, or the control or alteration of working conditions so as to coerce submission to sexual advances.

In order to ensure the consistent application of this policy, it is both the right and the responsibility of any employee who has been subjected to harassment as defined above to immediately report such concerns to the Manager of Human Resources or his designate. All complaints will be fully investigated in a confidential manner, The complainant will be advised of the results of the investigation.

Any employee who, as the result of a full investigation is determined to be in violation of this policy may be subject to disciplinary action up to and including discharge from employment.

It is understood and agreed that the procedure established herein to investigate and resolve harassment complaints does not deny any employee the right to pursue his or her complaint through the applicable legislative procedure and the internal procedure is intended only as alternative process which the individual may elect at his or her option.

LETTER OF INTENT

Re: Theft Policy

Between:

GRAND & TOY LIMITED

Hereinafter called the "Employer"

and:

UNITED STEELWORKERS OF AMERICA

Hereinafter called the "Union"

THEFT POLICY

Whereas it is in the interest of the Company and the Union to protect the assets of both the Employer and the Employees, it is hereby mutually agreed that proven theft or pilferage of Company property, or a fellow employee's personal belongings will be considered just cause for discipline up to and including discharge.

Witnessed at Vaughan, this 2nd day of February, 1999.

FOR THE COMPANY:

 Hagel

 Dean

 Winkack

 Maid

 Lee Moxon

FOR THE UNION:

 Terry Bradley

 Chuck Nijfsal

 Dorothy Bausawitta

 Maud Cameron

 Jack Gye

 Steven E. Hartley

 Hargreaves (Staff)