

**COLLECTIVE BARGAINING
AGREEMENT**

between

**ArvinMeritor Exhaust Systems of Canada Ltd.
Concord, Ontario.**

And

**United Steelworkers of America
On behalf of Local 8341**

Effective: October 29, 2001
Expires: October 28, 2005

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THIS AGREEMENT dated the 20th day of June, 2001.

BETWEEN:

ArvinMeritor Exhaust of Canada Ltd.

(hereinafter referred to as the "Company")

OF THE FIRST PART

and

United Steelworkers of America

on Behalf of Local 8341

(hereinafter referred to as the "Union")

OF THE SECOND PART.

Article I: Purpose

1.01 The general purpose of this Agreement is to establish mutually satisfactory relations between the Company and its employees and to provide machinery for the prompt and equitable disposition of grievances and to establish and maintain satisfactory working conditions, hours of work and wages for all employees who are subject to the provisions of this Agreement.

Article II: Recognition

2.01 The Company recognizes the Union as the sole bargaining agent for all its employees of ArvinMeritor Exhaust Systems of Canada Ltd. in Vaughan Township, save and except forepersons, persons above the rank of forepersons, office and sales staff, co-op students and students employed during the school vacation period during the months of

July, August and the last two (2) weeks of December. Students shall not be hired as long as bargaining unit employees are on lay off and are available and able to perform the work

2.02 The basic responsibility of supervisory employees is the effective direction of the employees in their assigned groups. It is not the Company's policy or desire to have a supervisory employee normally perform any other function than that for which he/she is responsible subject to the following:

Employees whose regular jobs are not in the bargaining unit shall not perform work normally performed by members of the bargaining unit except for the purposes of instruction, experimentation, emergencies, where regular employees are not available, or on set-ups.

2.03 In the event that the Company ceases its operations and closes its plant and commences a similar type of operation elsewhere in Ontario, the United Steelworkers of America will be recognized by the Company as the bargaining agent for the new operation and any employee who chooses to relocate with the Company will retain his/her seniority. At the moment the Company has no intention to have a second plant. If the Company opens a second exhaust system plant, the Company agrees that it will be appropriate to discuss with the Union about the second plant and it may be appropriate for the Collective Agreement to apply. It may also be inappropriate for the Collective Agreement to apply.

2.04 Before any current bargaining unit O.E.M. production work is contracted out local management will discuss its intentions with the Local Union. In such discussions the Company will explain its reasons for its tentative decision to sub-contract work and give the Local Union an opportunity to suggest ways in which the work might otherwise be performed. The Company will give due consideration to the suggestions of the Local Union before making its final decision as to whether or not to sub-contract. Transfer of work between Arvin facilities is not sub-contracting.

Article III: Relationship

3.01 The parties hereto mutually agree that any employee of the Company covered by this Agreement may become a member of the Union.

3.02(a) The Company, the Union and the employees agree that they are bound by the *Ontario Human Rights Code* and that they will not discriminate on the basis of age, ancestry, colour, ethnic origin, creed, marital status, handicap, place of origin, race, citizenship, religion, sex or sexual orientation, all as defined in the *Code* and subject to the conditions of the *Code*.

(b) The Company agrees that there will be no influence, discrimination, restraints or coercion exercised or practised by it or any of its representatives with respect to any employee because of the employee's membership in or activity in the Union.

(c) The Company, the Union and the employees shall co-operate in maintaining a working environment which is free from sexual and racial harassment:

(i) for the purposes of this clause "sexual harassment" means:
unwanted sexual attention or remarks of a persistent or abusive nature made by a person who knows or ought reasonably to have known that such attention is unwanted, particularly where the person who is the object of the attention has said it is unwanted; or (b) implied or expressed promise of reward for complying with a sexually oriented request;

(c) implied or expressed threat or reprisal, in the form of either actual reprisal or the denial of opportunity for refusal to comply with a sexually oriented request.

(ii) For the purposes of this clause "racial harassment" includes engaging in a course of comment or conduct that is known or ought reasonably to be known to be unwelcome which disrespects an employee because of his/her race, colour, creed, ancestry, place of origin or ethnic origin.

- (d) A complaint of violation of Article 3.02(c) may be made in confidence to the Local Union President, Human Resources Manager or Plant Manager or may be filed as a grievance commencing at Step 2.
- (e) The Company and the Union shall jointly facilitate anti-harassment training to be presented by an agreed neutral trainer to bargaining unit members and management within (4) four months of ratification of the Collective Agreement. Training for persons hired since the completion of the last training and for those who did not receive the last training shall be provided.

3.03 The Union agrees it will not discriminate against, coerce, restrain or influence any employee because of his/her membership or non-membership, his/her activity or his/her lack of activity, in any labour organization.

3.04 The Union will not engage in union activities during working hours or hold meetings at any time on the premises of the Company without the permission of the Plant Manager, Human Resources Manager or his/her designate except as provided elsewhere in this Agreement.

3.05 Each new employee will be introduced to the Local Union President and his/her steward or his/her designate within two (2) weeks of the date the employee commenced working for the Company. The Company will provide up to 45 minutes for a presentation by the Union during the new employee orientation.

Article IV: Management Rights

4.01 The Union acknowledges that it is the exclusive function of the Company to hire, promote, demote, classify, transfer, and suspend employees and also the right of the Company to discipline or discharge any employee for just cause, provided that a claim by an employee, who has acquired seniority, that he/she has been discharged or disciplined without just cause may be the subject of a grievance and dealt with as hereinafter provided.

4.02 The Union further recognizes the right of the Company to operate and manage its business in all respects in accordance with its commitments and responsibilities. The location of the plant, the products to be manufactured, the schedules of production, the methods, processes and means of manufacturing used, the right to decide on the number of employees needed by the Company at any time, the right to use improved methods, machinery and equipment and jurisdiction over all operations, buildings, machinery, tools and employees at its plants in Ontario, are solely and exclusively the responsibility of the Company. The Company also has the right to make, alter from time to time, and enforce reasonable rules and regulations to be observed by the employees.

Such rules and regulations shall not be inconsistent with the provisions of this Agreement. Prior to any changes being made in such rules and regulations such changes will be discussed with the Union. Such notices shall be posted on the bulletin board. The Union will be provided with a copy of such a notice prior to its posting. Such notices will be posted for (5) five working days before it becomes effective except in time sensitive cases.

4.03 Without limiting the generality of the foregoing provisions, it is expressly recognized that breach of any of the plant rules, or of any of the provisions of this Agreement, shall be conclusively deemed to be sufficient cause for disciplinary action of an employee; provided that nothing herein shall prevent an employee going through the grievance procedure.

Article V: Plant Committee

- 5.01** (a) The Company acknowledges the right of the Union to select five (5) stewards for up to two hundred (200) employees, six (6) stewards for 201 to 249 employees, seven (7) stewards for over 249 employees, and up to (8) eight stewards for over 299 employees.
- (b) In matters arising between the parties during the term of the Agreement, including grievances at Step 3, the Union shall be represented by a Plant Committee made up of not more than three (3) permanent members, one of whom shall be the President. In Step 3 grievance discussions the steward in whose jurisdiction the grievance arose shall be added to the Committee.
- (c) All employee union representatives shall have attained seniority.

5.02 The name and jurisdiction of each of the stewards and the names of the chairperson and members of the Plant Committee from time to time selected, shall be given to the Company in writing and the Company shall not be required to recognize any such steward or committeeperson until it has been notified in writing by the Union of the name and jurisdiction of same.

There shall be at least two stewards per day shift and afternoon shift and one for the midnight shift.

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

5.04 The union undertakes to secure from its officers, stewards and members their co-operation with the Company and with all persons representing the Company in a supervisory capacity.

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

- (a) The time shall be devoted to the prompt handling of necessary Union

business.

- (b) The steward concerned shall obtain the permission of the foreperson concerned before leaving his/her work. Such permission shall not be unreasonably withheld.
- (d) The time away from productive work shall be reported in accordance with the timekeeping methods of the department in which the steward is employed.
- (e) The Company reserves the right to limit such time if it deems the time taken to be excessive.

5.06 The Company agrees to recognize a Negotiating Committee of three (3) employees and such employees shall not suffer loss of pay for time spent in negotiating meetings with the Company prior to conciliation. The Union will give due consideration to production requirements in the make-up of such Committee and will notify the Company of the names of the employees at least one (1) week before the meeting. Any problems will be discussed between the parties.

5.07 In order to avoid interruption with operations the Union agrees that there will not be more than one (1) representative away from work on Union business from any one classification at any one time except for general help.

Article VI: Grievance Procedure

6.01 The parties to this Agreement are agreed that it is of the utmost importance to adjust complaints and grievances as quickly as possible.

6.02 No grievance shall be considered where the circumstances giving rise to it occurred or originated more than seven (7) full working days before the filing of the grievance. Employees on vacation or leave of absence shall be entitled to twenty-one (21) full days.

6.03 Grievances properly arising under this Agreement shall be adjusted and settled as follows:

Step No. 1: The shop steward with or without the aggrieved employee shall present the grievance orally, or in writing to the employee's foreperson. If a settlement satisfactory to the employee concerned is not reached within two (2) full working days, the grievance may be presented as follows at any time within two (2) full working days thereafter.

Step No. 2: The aggrieved employee may, with his/her steward, present his/her grievance (which shall be reduced to writing on a form supplied by the Union and approved of by the Company) to the Department Manager, who shall consider it in the presence of the person or persons presenting same, and the foreperson, and render his/her decision in writing. Should no settlement satisfactory to the employee be reached within two (2) full working days, the next step in the grievance procedure may be taken at any time within two (2) full working days thereafter.

Step No. 3: The aggrieved employee may submit his/her grievance in writing to the Union Grievance Committee. The Union Grievance Committee shall meet as promptly as possible with the management to consider the grievance. At this stage, they may be accompanied by a representative of the International organization if his/her presence is requested by either party. Either party may request the presence of the grievor.

6.04 If final settlement of the grievance is not completed within seven (7) working days after deliberations have commenced at Step No 3 and if the grievance is one which concerns the interpretation or alleged violation of the Agreement, the grievance may be referred by either party to an Arbitrator as provided in Article VII below, at any time within twenty-one (21) days thereafter, but not later.

6.05 If the Company does not answer the grievance within the time limit the

grievance may be advanced to the next step of the grievance procedure including arbitration.

The parties may extend the time limits in Article VI by mutual agreement.

6.06 Where two (2) or more employees file a grievance on the same alleged violation they may all sign the same grievance and shall be represented by one of the grievors with or without the steward at Step No. 1.

Article VII: Arbitration

7.01 Both parties to this Agreement agree that any dispute or grievance concerning the interpretation or alleged violation of this Agreement, which has been properly carried through all the steps of the grievance procedure outlined in Article VI above, and which has not been settled, will be referred to an Arbitrator, at the request of either of the parties hereto.

7.02 The decision of the Arbitrator shall be binding on both parties.

7.03 The Arbitrator shall not have any power to alter or change any of the provisions of this Agreement or to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement.

7.04 The parties will jointly bear the expenses of the Arbitrator.

7.05 The Arbitrator will be selected from the following list in rotation starting with the first named:

Graeme McKechnie
Rob Herman
Maureen Saltman
Kevin Whittaker.

Article VIII: Management Grievances

8.01 It is understood that the management may bring forward at any meeting held with the Union Grievance Committee any complaint with respect to the conduct of the Union, its officers or stewards and that, if such complaint by the management is not settled to the mutual satisfaction of the conferring parties, it may be treated as a grievance and referred to arbitration in the same way as the grievance of an employee.

8.02 A Union policy grievance which is defined as an alleged violation of this Agreement concerning all or a substantial number of the employees in the bargaining unit in regard to which an individual employee could not grieve or in regard to which a substantial number of employees have signified an intention to grieve, may be brought forward by the Union Grievance Committee, in writing, at Step No. 2 of the Grievance Procedure at any time within five (5) full working days after the circumstances giving rise to such policy grievance occurred or should reasonably have become known to the Union and if it is not settled at this stage, it may go to Step No. 3 of the Grievance Procedure and ultimately to arbitration in the same manner as a grievance of an employee.

8.03 The parties agree that the principle of progressive discipline shall be followed. Normally, before an employee is suspended or discharged an interview between the employee, a management representative and a union representative will take place, but if there is no such interview prior to the suspension or discharge, such an interview will take place within two (2) working days thereafter.

Article IX: Discharge Cases

9.01 In the event of an employee who has attained seniority being discharged from employment, and the employee feeling that an injustice has been done, the case may be taken up as a grievance.

9.02 All such cases shall be taken up within five (5) working days and disposed of

within seven (7) working days of the date the employee is notified of his/her discharge, except where a case is taken to arbitration. A claim by an employee, who has attained seniority, that he/she has been unjustly discharged from his/her employment shall be treated as a grievance if a written statement of such grievance is lodged with the Plant Manager within three (3) working days after the employee ceases to work for the Company. All preliminary steps of the grievance procedure prior to step No. 2 will be omitted in such case.

9.03 Such special grievances may be settled by confirming the management's action in dismissing the employee, or by reinstating the employee with full compensation for time lost, or by any other arrangement which is just and equitable in the opinion of the conferring parties or the arbitrator.

9.04 When an employee has been discharged without notice, he/she shall have the right if he/she is at work to be interviewed by the Local Union President or his/her designate or steward if either is available on the shift.

9.05 Written or verbal warnings shall be given within the time limits in 6.02; that is within seven (7) full working days of the circumstances except where a person necessary to the investigation is on vacation or leave of absence in which case the maximum shall be twenty-one (21) days. In the event a disciplinary warning is given to an employee, such disciplinary warning shall be given to the employee concerned in writing and three (3) copies given to the Grievance Committee. Management shall not consider any disciplinary action involving the employee which occurred one (1) year or more preceding the act which brought about the disciplinary action.

Without limiting the employer's management rights pursuant to the collective agreement, the Union may make recommendations to the employer with respect to the discipline of the individual and/or other resolutions of personal conflicts or differences of opinion.

9.06 The Company shall keep an employee qualification record updated in their

personnel file provided the employee shall add any additional qualifications as they are obtained and to correct any incorrect information. The employee shall have the right to review his/her employee file upon request to the supervisor after working hours not to exceed one hour duration.

Article X: No Strikes—No Lockouts

10.01 In view of the orderly procedures established by this Agreement for the settling of disputes and the handling of grievances, the Union agrees that, during the life of this Agreement, there will be no illegal strike, picketing, slowdown or stoppage of work, either complete or partial, and the Company agrees that there will be no lockout.

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

10.03 Should the Union claim that a cessation of work constitutes a lockout, it may take the matter up with the Company as provided in section 6.03 of Article VI.

10.04 The Union further agrees that it will not involve any employee of the Company at his/her work with the Company, or the Company itself, in any dispute, which may arise between any other employer and the employees of such other employer.

Article XI: Wages

11.01 During the term of this Agreement, the Company and the Union agree that all payments of wages will be made in accordance with the wage rates set forth in Schedule "A" hereto which is hereby made a part of this Agreement.

11.02 Pay cheques or pay stubs will be distributed in envelopes or the Company

will evaluate a direct deposit pay system and may implement it on a voluntary basis.

Article XII: Hours of Work and Overtime

12.01 The following paragraphs and sections are intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or of days of work per week.

12.02 The standard work week shall consist of forty (40) hours per week, Monday to Friday, inclusive.

12.03 Overtime at the rate of time and one-half the employee's basic rate shall be paid for all work performed on Saturday or in excess of the regularly scheduled hours of work for work days from Monday to Friday inclusive. Overtime at the rate of double the employee's basic rate shall be paid for all work performed on Sunday. It is understood and agreed that an employee who, for his/her own convenience, has failed to work the full number of scheduled hours in a given work day shall not be paid overtime premium for work performed beyond the scheduled quitting time for his/her shift on that day until he/she has first completed the full number of hours he/she was scheduled to work on that day, exclusive of overtime. For the purpose of computing overtime pay for time worked on holidays, Saturdays, and Sundays where a shift extends into one of those days, all hours worked by the employees on that shift shall be considered as having being worked on the day the shift began.

12.04 (a) Overtime shall be distributed as equally as is practicable amongst the employees normally doing the work. In the event a request to work overtime is made, the Company will give serious consideration to employee requests not to work overtime because of personal hardship. Where there are not sufficient persons who agree to work the overtime from amongst those employees on the shift who normally perform the work in question, such persons may be required to perform the overtime

in reverse order of seniority.

- (b) Overtime will be distributed as follows:
 - (i) When a new employee is hired or an employee is permanently transferred he/she shall be listed as having worked an amount of overtime hours equal to the employee with the highest number of overtime hours worked amongst other employees normally performing the work.
 - (ii) The Company shall keep a list of all overtime worked or offered and refused and bring such list up-to-date as of the end of the second week prior to the current week.
 - (iii) Overtime shall be distributed as equally as is practicable amongst the employees normally performing the work as in Letter of Understanding #9. Such equal distribution shall be sought based on the last three months. Where an employee has not been assigned as required by this clause he/she shall be given make-up opportunities. It is agreed that it is not practicable to switch employees from one shift to another in order to equalize overtime.

12.05 (a) Employees shall be notified four (4) hours in advance prior to working overtime except where it is not possible to do so. Employees shall be notified of Saturday and Sunday overtime prior to the end of the employee's Thursday shift except where it is not possible to do so.

(b) It is the direct supervisor's responsibility to provide the overtime notice as per Article 12.05(a) herein. If there is repeated failure to provide the required notice the matter will be brought to the Human Resources Manager in writing or, if necessary, to the Plant Manager in writing for explanation and future correction in writing.

- (c) Saturday overtime for day shift will commence at 6.00 am unless :
 - (i) The Union agrees
 - (ii) Customer requirements dictate a different time.

12.06 There shall be one (1) ten (10) minute paid rest period in the first half of each shift and one (1) ten (10) minute paid rest period in the second half of each shift to be granted at a time or times selected by the Company.

12.07 A five (5) minute period will be granted prior to the end of each full shift for the purposes of storing tools and equipment, tidying working positions, and washing up.

12.08 When additional shifts are required and do not continue for three (3) consecutive nights, then time and one-half the regular hourly rate will be paid for all hours worked on such shifts unless the Company gives two (2) days' notice. A shift commencing on or after 8:00 p.m. in any calendar day will be considered a third shift.

12.09 In no event shall employees be required to work more than five (5) consecutive hours without one-half ($\frac{1}{2}$) hour off to eat lunch.

12.10 Employees requested to work more than ten (10) consecutive hours shall be given one-half ($\frac{1}{2}$) hour on Company time to eat their lunch.

12.11 In lieu of time off provided in Articles 12.06 and 12.09 there shall be one (1) fifteen (15) minute paid rest period in a Saturday shift of only six (6) hours.

12.12 (a) The Company will confer with the Union at least seven (7) calendar days before changing an entire shift schedule. This does not apply to overtime. In such case the resulting change in shift schedules shall be made and posted not later than Thursday of the preceding week.

(b) In the event of non-compliance with Article 12.12(a), should shift schedule changes other than unplanned shift changes required to replace an absent employee result in any employee receiving less than seventy-two (72) hours' notice prior to the start of his/her first shift in the revised schedule, hours worked during the seventy-two (72) hour notice period will be paid at the rate $1\frac{1}{2}$ times his/her regular straight time hourly rate, except in the case of work performed on a Sunday which shall be paid at double his/her regular straight time hourly rate. In such case when an employee works one of his/her scheduled days off he/she shall not be required to take another day off during his/her

regularly scheduled work week.

12.13 Employees working as part of 3 continuous shifts per day schedule shall be entitled to the following notwithstanding the other provisions of Article 12:

- (a) 20 minute paid lunch break in the second half of each shift;
- (b) One 10 minute paid rest break in the first half of each shift;
- (c) Breaks shall be at a time or times selected by the company;
- (d) Article 12.09 does not apply but there shall be the twenty (20) minute paid lunch within five (5) hours of the ten (10) minute break.

Article XIII: Vacations with Pay

13.01 All employees who have been steadily employed by the Company for a period of twelve (12) months prior to July 1st in any year shall be entitled to two (2) weeks' vacation with pay at a time or times convenient to the Company and shall receive as vacation pay an amount equal to four percent (4%) of such employee's earnings during the twelve (12) months immediately preceding July 1st in that year.

13.02 All employees who have been steadily employed by the Company for a period of six (6) years prior to July 1st in any year shall be entitled to three (3) weeks' vacation with pay at a time or times convenient to the Company and shall receive as vacation pay an amount equal to six percent (6%) of such employee's earnings during the twelve months immediately preceding July 1st in that year.

13.03 All employees who have been steadily employed by the Company for a period of fifteen (15) years prior to July 1st in any year shall be entitled to four (4) weeks' vacation with pay at a time or times convenient to the Company and shall receive as vacation pay an amount equal to eight percent (8%) of such employee's earnings during the twelve (12) months immediately preceding July 1st in that year.

13.04 An employee who resigns his/her employment and gives two (2) weeks

advance notice of such resignation shall be entitled to his/her full vacation pay as in Articles 13.02, 13.03, and 13.05.

13.05 An employee who has at least six (6) months' seniority and who has worked at least 520 hours between the end of the last pay period in November and the end of the last pay period in May shall be entitled to vacation pay for each week of vacation entitlement in an amount equal to at least twenty (20) hours' pay at his/her hourly rate exclusive of shift premium and COLA float. An employee who has at least twelve (12) months' seniority and who has worked at least 1560 hours in the twelve (12) month period ending with the end of the last pay period in November shall be entitled to a total vacation pay for each week of vacation entitlement during that twelve (12) month period in an amount equal to at least forty (40) hours' pay at his/her hourly rate exclusive of shift premium and COLA float, notwithstanding Articles 13.01, 13.02, 13.03 and 13.04. Any overpayment will be deducted from the final regular pay or the next vacation pay.

Hours lost because of imposed short workweeks shall be counted as hours worked for the purpose of Article 13.05 only.

Hours paid for vacation, statutory holidays, bereavement leave and Company paid Union leave shall be counted as hours worked for the purpose of this Article.

13.06 The Company will issue vacation pay cheques no later than June 20th and December 20th in each year in respect of unpaid vacation pay earned to the end of the last pay period in May and November respectively.

Article XIV: Statutory Holidays

14.01 The Company shall recognize the following holidays:

New Year's Day
Good Friday
Victoria Day
Canada Day

Friday before Labour Day
Labour Day
Thanksgiving Day
Christmas Eve Day

Christmas Day
Boxing Day
New Year's Eve Day

2 Floating Holidays to be observed by the work Unit(s) when the customer for that work unit(s) is observing their floating holiday(s)

All employees who have been in the employ of the Company for thirty (30) working days shall receive payment for such holidays regardless of the day on which the holiday falls, based on their regular current hourly rate multiplied by the number of hours they would normally have worked on such day subject to the following conditions:

- (a) To be eligible for holiday pay, an employee must work the full work day immediately preceding the holiday and the full work day immediately following such holiday except for absence or lateness excused by management, or except where absence is due to a layoff commencing less than one (1) week before the holiday or illness verified by a Medical Doctor's certificate.
- (b) If an employee works on one of the above-named statutory holidays, he/she will receive double time for the time actually worked by him/her in addition to receiving his/her holiday pay.
- (c) There shall be no payment for a statutory holiday to an employee who is in receipt of WSIB or weekly indemnity benefits.

14.02 Heritage Day shall be added to the list of holidays if it is declared as a paid holiday by the Government.

14.03 Should any of the above holidays occur during the employee's vacation period he/she shall be given an extra day's vacation with pay for that holiday.

14.04 Payment for any of the holidays above stipulated shall not be voided should such holiday(s) fall on a Saturday or a Sunday when the holiday(s) will be observed on the immediately following Monday or the preceding Friday by mutual agreement between the

Company and the Union.

14.05 In a year in which the Company is shut down from prior to Christmas until after New Year's Day, the Company will, on or before the last working day prior to Christmas, issue a cheque to each eligible employee in the amount of the pay to which he/she is entitled under Article XIV for five (5) statutory holidays during the Christmas-New Year's period; provided that if it is later determined that the employee was not eligible for pay for any or all of such days, the amount so paid shall be deducted from his/her next pay. Or the holiday will be observed by the work unit or the plant on the work day that the work unit's customer observes the holiday.

Article XV: Seniority

15.01 An employee will be considered probationary for the first sixty (60) working days of his/her employment and will have no seniority rights during that period. After sixty (60) working days of service his/her seniority shall date back to the day on which his/her employment began. The Company shall have the right to release any probationary employee for any reason.

15.02 (a) All new jobs and all permanent vacancies in existing jobs shall be posted in the plant for three (3) working days, and employees in the bargaining unit may make application for such jobs. In the filling of these jobs, the Company shall not be limited to selecting employees who have made application but the Company shall be subject to the same limitations as set forth in Section 15.03(b). Employees wishing consideration for such job vacancy shall complete a job posting form prior to or during the posting period. The successful candidate shall be announced within two (2) weeks of the removal of the posting unless the Company demonstrates cause for an extension. The Company will notify the Union in writing of an extension.

(b) It is agreed that employees shall not have the right to bid for vacancies at the

rate for their present job classification within six (6) months of posting into it or at a lower rate; provided that the Company may accept a downward bid for a posted job for legitimate medical reasons certified by a Medical Doctor, subject to Article 15.03(b).

(c) When there is more than one applicant for a job posting, the Company will not repost the same position until all acceptable applicants have been promoted or rejected, left the Company or otherwise been excluded from reclassification, but not longer than a period of three (3) months.

(d) In those cases where no employee with the required skill, efficiency and physical ability bids for the job vacancy, the Company will then proceed to fill the vacancy without restriction and will not be required to post the same position during the next three (3) months.

(e) While an employee is assigned to the afternoon shift or midnight shift and a permanent vacancy occurs in his/her job classification on the day shift, such employee will be given the opportunity to transfer to the day shift in that same classification, once the Company has found a qualified employee to work in that same classification on the off-shift in question. It is understood that if the day shift vacancy is filled in this manner, the job posting will be for the off-shift from which the employee is being transferred.

(f) The Union recognizes that it may be necessary to train an employee on the day shift, prior to moving the employee to the off-shift. In such a case an employee wishing to move to the day shift shall have to wait until the training is completed.

(g) The Company will promptly forward to the Local Union President or Plant Chairperson copies of all vacancies posted, and the disposition including the name, employment number, and seniority of all applicants.

(h) An employee who is bypassed in favour of an employee with less seniority to fill the vacant job, shall be notified in writing as to the reason(s) he/she was not accepted. The name of the successful applicant(s) shall be posted on the bulletin boards.

(i) Jobs shall not be considered vacant when employees are not at work because of sickness, accident, or leave authorized by this Agreement. However, if it is known that an employee is to be absent from work because of sickness, accident, or on leave authorised by this Agreement for more than sixty (60) calendar days, the job shall be

posted as a temporary job and the provisions of this article shall apply. Upon completion of the temporary assignment the employee shall return to his/her former job.

(j) The Local Union President or Plant Chairperson shall be notified in advance of the names of any employees slated for lay-off and the expected duration of same.

(k) General Help and Machine Operator constitute one classification for the purpose of Article 15.02.

Vacancies in the positions of General Help and Machine Operator need not be posted.

(l) Increasing customer demands for quality require that maintaining quality is part of every employee's job. No premiums will be paid for inspection work, which the customer requires on a special program basis.

15.03 (a) Layoffs

In all cases of layoffs and recalls from layoff and demotions for other than disciplinary reasons the following principles shall govern:

- (i) for the classification "Assembly Mig Welder" and other classifications in which the maximum rate is equal to or greater than the maximum rate for "Assembly Mig Welder" preference shall be given to the senior employee who has previously satisfactorily performed the full job and who has the present skill and ability to perform it.
- (ii) for all other classifications the senior employee who has the present skill and ability to perform the production work including participating in the equipment changeover shall be preferred provided he/she can perform to current production standards within one (1) shift.
- (iii) An employee who becomes redundant shall be able to displace ("bump") a junior employee in the same or a lower level job providing the employee satisfies the criteria in 15.03(a)(i) or (a)(ii).

(b) Promotions

In all cases of promotion other than a promotion to a position outside of the bargaining unit and in cases of filling permanent vacancies in existing jobs in accordance with 15.02 above, the following factors shall be considered:

- (i) for the classification "Assembly Mig Welder" and other classifications in which the maximum rate is equal to or greater than the maximum rate for "Assembly Mig Welder", the following factors will be considered:
 - (a) seniority;
 - (b) skill, ability and efficiency as these factors relate

to the job in question.

It is understood and agreed that where the qualifications referred to in paragraph (b) are relatively equal, paragraph (a) shall govern. If an employee feels that reasonable consideration has not been given to his/her qualifications and seniority he/she may file a grievance under Article VI.

- (ii) For all other classifications the senior employee shall be preferred amongst promotion applicants who have the skill, efficiency and physical ability to perform the work in question according to the current Company standards.
- (iii) Temporary assignments of lower rated employees to set-up work will be distributed amongst employees who have applied in writing and have acceptable skills.
- (iv) **Temporary Special Assignments:**

The Company can assign employees to non-classified work duties to complete special assignments or work on projects that will improve the overall efficiency of the plant. The employees will be paid at their current rate of pay, and they will be subject to the seniority provisions in any layoff situation. The Union will be provided with a list of those employees who are working on special assignments/projects in January and July each year, and also the Company will provide a description of the project or assignment.

Any assignment that will be beyond 60 calendar days will be posted. The Company will select the person whom it feels is most suitable for the original vacancy. Any resulting vacancy will be posted and the selection will be made according to article 15.03 (b) (i) or (ii), as the case may be. An employee temporarily assigned under article 15.03 (b) (iv) may bid for other vacancies.

(c) **Job Posting & Transfers**

The parties agree to co-operate in eliminating any favouritism in the job posting and job transfer procedures and to discuss situations of suspected favouritism promptly with a view to eliminating those situations.

15.04 Seniority and employment shall terminate when an employee:

- (a) quits for any reason;
- (b) is discharged and is not reinstated through the grievance procedure or arbitration;
- (c) has been absent continuously due to layoff, illness or non-compensable accident/injury for more than twenty-four (24) months;
- (d) who has been on layoff for a continuous period of less than twenty-four (24) months and who when notified by registered mail or by telegram addressed to the last address he/she has recorded with the Company, fails to notify the Company within three (3) working days that he/she is intending to return to work and unless he/she returns to work as soon as possible after receiving notice and in any event within four (4) days of the mailing or other communication of such notice, unless he/she shows that he/she is prevented from notifying the Company or from reporting for work by a legitimate sickness or other cause which is reasonable in which case the maximum shall be five (5) working days.
- (e) fails to return to work immediately after the expiration of a leave of absence unless prevented from doing so by illness, or other cause which is reasonable;
- (f) is absent from work for more than two (2) consecutive days unless absent due to verifiable illness or unless there was reasonable justification for such absence.

15.05 An employee who has successfully completed the probationary period shall accumulate seniority under any of the following conditions:

- (a) while he/she is at work for the Company, after he/she has completed his/her probationary period as set out in 15.01 above;
- (b) during any period when he/she is prevented from performing his/her work for the Company by reason of injury arising out of and in the course of his/her employment for the Company and for which he/she is receiving compensation under the provisions of the *Workers' Compensation Act*;
- (c) during any absence due to layoff, illness or non-compensable accident/illness for twenty-four (24) months.
- (d) during the first three (3) months of a written leave of absence.

15.06 Any employee's reinstatement after sick leave will be conditional on his/her supplying, when requested, a certificate from a physician that he/she is fully recovered from the sickness which caused his/her absence.

15.07 Seniority as referred to in this Agreement shall mean length of continuous service in the bargaining unit and shall be on a plant-wide basis.

15.08 Seniority lists will be revised each three (3) months, a copy of the lists will be posted in the plant and three (3) copies given to the Union, and unless objected to within seven (7) days, shall be deemed to be conclusive. Such lists shall contain the employee's name, payroll number, classification and rate of pay. The Company shall provide the Union on diskette a seniority list with all employee names, addresses, classifications, rates of pay and social insurance numbers on July 1 and January 1 each year.

15.09 In the event that an employee covered by this Agreement should be promoted to a supervisory or confidential position beyond the scope

of this Agreement, he/she shall retain the seniority previously acquired and shall have added thereto the seniority accumulated for the first one (1) month while serving in such supervisory or confidential capacity. Such provision shall apply only once for any employee.

15.10 Layoff Notice

Non-probationary employees who are expected to be laid off in excess of fourteen (14) calendar days shall be given one (1) weeks' notice of the layoff where the Company's customer or supplier gives sufficient notice. An employee entitled to notice under this clause may be paid five (5) days' pay in lieu of such notice. This does not apply to an employee who has been recalled temporarily for not more than 1 week.

15.11 The President, Union Certified member and one (1) steward for every forty (40) employees or part thereof remaining at work, shall have top seniority plant wide for layoff purposes each while holding their respective offices in the Local Union; provided however, that they have previously performed the job available or have the skill, ability and aptitude to immediately perform the job available in a satisfactory manner. A list of their names shall be given to the human Resources Manager forthwith after the date of this Agreement and if any of the foregoing ceases to be an appointee in the Union or there are any new appointees the change shall be notified to the Human Resources Manager within one (1) week of such change. As between themselves, relative seniority shall govern.

15.12 Training junior employees who are on layoff prior to senior employees who are on layoff shall not be a violation of the recall sequence provided:

(a) The Company will notify the Union with a list of names of persons to be trained and the nature of the training prior to such training and the duration of training.

(b) The junior employees will not be used for production not offered to the senior employees on layoff;

(c) The senior employees on layoff have already received the same

training.

Article XVI: Bulletin Boards

16.01 The Company agrees to provide the Union with bulletin boards for the purpose of posting Union notices and official papers. Notices will be posted only by officers of the Union and will be in keeping with the spirit and intent of this Agreement, and will first be initialled by an appropriate Company official.

Article XVII: Welfare

17.01 The Company will provide at its own expense life insurance and accidental death and dismemberment on behalf of each employee. The life insurance and accidental death and dismemberment benefit shall be as follows:

Effective	November 1, 2001	\$30,000
	November 1, 2002	31,000
	November 1, 2003	32,000
	November 1, 2004	33,000

17.02 The Company will arrange for a weekly indemnity plan with benefits to commence the first day of accident or hospitalization and the fourth day of sickness for a maximum period of twenty-six (26) weeks for any one claim, at 66-2/3% of normal straight time earnings to the current UIC maximum benefit amount per week. In consideration of this increase in benefits the Union agrees on behalf of itself and the employees in the bargaining unit that the full amount of the UIC premium rebate including that portion which would otherwise accrue to the employees shall accrue to the Company.

The Company will submit claims within two (2) days of receiving a properly completed claim together with necessary documentation from the employee. The Company will take all reasonable steps to expedite the processing of the claim from that point.

No Weekly Indemnity benefits will be paid before the date of the Doctor's Certificate or for any period during which an employee would otherwise have been on vacation.

17.03 The Company will pay one hundred per cent (100%) of cost with respect to billed premiums for thirty-five (35) cent deductible Maritime Life Drug Plan.

Effective November 1, 2001, drug dispensing fees will be capped at \$8.00.

17.04 The Company will pay one hundred per cent (100%) of the premiums for each employee who has completed his/her probationary period for Maritime Basic Dental Plan. Benefits shall be according to current O.D.A. schedules with a one-year lag.

17.05 **LifeLine Foundation**--The Company will make a donation of \$2,000.00 prior to July 1st in each year. Commencing in 2002, the Company will make a donation of \$3,000.00 prior to July 1st in each year.

17.06 The Company shall pay one hundred per cent (100%) of the premiums for a Family Vision Care Plan with a maximum benefit of \$125.00 every two (2) years subject to the conditions of plan.

17.07 A probationary employee will be entitled only to life insurance coverage upon the first day of the calendar month following completion of thirty (30) working days. The Company will pay its share of benefit premiums other than life insurance, commencing with the month in which the employee completes probation where he/she completes it within the first fifteen (15) days of the month; commencing with the month following the month in which he/she completes probation in other cases.

17.08 (a) The Company will continue to pay its share of the benefits provided by this Article to an employee who is otherwise eligible while an employee is absent due to pregnancy leave as provided by the *Employment Standards Act* or is

drawing weekly indemnity benefits.

(b) The Company will continue its practice of providing coverage under the life insurance, drug and dental plans for employees who are not actively at work during any vacation and any leave of absence which does not extend to a complete calendar month or more. Coverage will be continued beyond one month for employees on Pregnancy Leave under the ESA, 2001, receiving WI benefits, and in compliance with the WSI Act.

17.09 The Company shall only be free to change the insurance plan carrier(s) or to self-insure provided that the benefit levels and conditions are equivalent to those negotiated in this Article and the Company has discussed such change with the Union. The Company agrees to inform the Union at least thirty (30) days in advance of such change.

17.10 All employees shall be required to sign the insurance carrier's standard co-ordination of benefits form providing that where the spouse is covered, the spouse's plan would be the primary carrier and the Arvin plan shall pay the balance to the Arvin plan maximum.

17.11 "**Same sex partner**" means either of two persons of the same sex who have cohabited,

1. Continuously for a period of not less than three (3) years, or
2. In a relationship of some permanence, if they are the natural or adoptive parents of a child.

Article XVIII: Union Access to Premises

18.01 Authorized representatives of the Union including the President of the

Local Union or his/her previously designated alternate may enter the plant to discuss Union matters with the employees only with the approval of management.

Article XIX: Bereavement Pay

19.01 Employees with seniority who are actively at work shall, upon request, be granted three (3) days' pay for bereavement leave for funeral attendance and other purposes in case of the death of such employee's spouse, mother, father, sister, brother, mother-in-law, father-in-law, child, or adopted child. Such employees shall, upon request, be granted up to three (3) days' pay for the time necessarily lost from work for the purpose of attending the funeral service of such employee's stepchild, stepfather, stepmother, half-brother, half-sister, grandparent, spouse's grandparent, grandchild, sister-in-law, brother-in-law, daughter-in-law, or son-in-law. A day's pay under this Article shall consist of eight (8) hours at the employee's basic hourly wage rate exclusive of night shift and overtime premiums. Employees who have requested time off under this Article shall, upon request, submit proof of the above relationship to the deceased and of attendance at the funeral upon return from such leave.

Employees required to travel 200 km or more for the above shall upon request be granted an additional day without pay.

Article XX: Jury Duty

20.01 An employee who is required to serve on a jury or is subpoenaed as a crown witness shall be paid the difference between the amount paid to him/her for such services and his/her current hourly rate for the time lost from his/her regularly scheduled work by reason of such service subject to the following provisions:

- (a) employees must notify their foreperson within two (2) working days after receipt of notice of selection for jury duty or receipt of subpoena from the Crown;
- (b) any employee subpoenaed by the crown or called for jury duty and who is temporarily excused from attendance at court, must report for work if more than half of the time remains to be worked in his/her shift;
- (c) in order to be eligible for such payments, an employee must furnish a

written statement from the appropriate public official showing the date and the time worked and the amount of pay received.

The employee shall keep any amount shown on the written statement as reimbursement for expenses.

Article XXI: Recalls and Reporting Allowance

21.01(a) Any employee who has completed his/her regular shift and has clocked out and is recalled to work shall receive a minimum amount equal to four (4) hours' pay at the employee's base rate plus shift premium applicable to the hours worked or shall be paid for the actual hours worked at the applicable overtime premium, whichever is the greater.

(b) Where the employee has clocked out but not left the Company property he/she will be paid at the applicable rate (including overtime premium where applicable) for the time actually worked.

(c) In either (a) or (b) above the employee shall have the option as to whether or not he/she works with consideration being given to the Company's request.

21.02 Employees reporting for work as usual on a regular working day, unless notified by the previous day not to report, and for whom no work at his/her regular job is available, shall be offered at least four (4) hour's employment in other work at the employee's current rate of wages, or, at the Company's option, will be paid four (4) hours' pay 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, machinery breakdown, fire, flood, power failure or other like cause beyond the control of the Company.

Article XXII: Leave of Absence

22.01 The Company may grant a leave of absence without pay to not more

than the number of employees provided in Article 5.01 to attend Union conventions and conferences and such other Union business which may arise from time to time, for a period or periods not exceeding in the aggregate ten (10) working days for any one such employee in any one (1) calendar year, provided that one (1) of such employees may total up to twenty (20) working days in any one (1) calendar year. Not more than one (1) employee may be absent from any one department at any time under this provision. The Company will consider a request for up to five (5) additional days off work for the Local President or alternate to attend the biennial Union convention provided this does not result in an unreasonable interference with production.

(a) The Company agrees to grant a leave of absence to an employee for up to two (2) years to work in an official capacity for the Local Union or the International Union. The request for the Leave of Absence shall be made in writing by the International Union Representative at least two (2) weeks in advance of the commencement of such leave and two (2) weeks notice of return. Seniority shall continue to accrue and accumulate for the employee while on this leave of absence.

22.02 The Company shall consider applications for leave of absence by an employee who has completed his/her probationary period for legitimate personal reasons but such leave of absence shall not be granted except in cases involving exceptional circumstances and shall not interfere with the efficient operations of the plant. Any application for leave of absence shall be approved by the Plant Manager. Such leave of absence shall be for a period not exceeding thirty (30) days but such period may be extended by the Company if it deems such extension to be appropriate. In the event of the death of a member of an employee's family as defined in Article 19.01 and if a leave of absence without pay is required, such leave shall be granted upon request for up to one (1) month and may be granted for an additional two (2) months. Any application for a leave of absence shall be in writing and if approved shall be approved by the Plant Manager in writing.

The President or Plant Chairperson of the Union will be notified of all leaves granted under Article 22.02.

22.03 Canadian Citizenship

The Company agrees to provide leave of absence to employees who wish to apply for the Canadian Citizenship test. It is further agreed that reimbursement of wages shall be paid to employees who complete the Canadian Citizenship test. The reimbursement of wages will be equivalent to eight (8) working hours at the regular rate and applicable shift premium if any.

22.04 Failure to Return from Leave

An employee granted leave under this Article will be considered as having quit if he/she has taken work at the end of the leave, or if he/she has taken a job elsewhere, or if he/she does not return to work immediately after the expiration of the leave as in Article 15.04(e).

22.05 Pregnancy and Parental Leave

The Company agrees to provide Pregnancy and Parental leave in accordance with the Employment Standard Act, 2001 and will post a copy on the bulletin board.

Article XXIII: Union Security

23.01 (a) The Company will not be required to terminate an employee for loss of union membership.

(b) The Company shall deduct from the pay of each member of the bargaining unit weekly, such union dues, and assessments as prescribed in the constitution of the Union.

(c) The Company shall remit the amounts so deducted, prior to the fifteenth (15) day of the month following the deduction, by cheque as directed by the Toronto area office, payable to the International Treasurer.

(d) The Company agrees to provide the employees with a T⁴ slip showing total dues deductions paid by each employee prior to February 28th each year for

the previous calendar year.

(e) The monthly remittance shall be accompanied by a statement showing the name of each employee from whose pay deductions have been made and the total amount deducted for the month. Such statements shall also list the names of the employees from whom no deductions have been made, along with form R-115 as revised 12-01-88.

(f) 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.

23.02 The sole responsibility of the Company under this Article shall be to transmit the monies deducted to such address as the Union may stipulate with a list of the employees for whom the deductions were made and a list of those bargaining unit employees from whom no deductions were made.

23.03 The Union agrees to indemnify and save harmless the Company for any and all liability growing out of the application of the provisions of this Article. Any calculations errors will be corrected by a method agreed between the parties.

23.04 Union Education Fund

The Company will pay \$3,000.00 to the Union Education Fund on November 1st of each year of the Agreement. Effective November 1, 2004, this amount shall be increased to \$3,500.00 per year.

23.05 Humanity Fund

(a) The Company agrees to deduct on a weekly basis the amount [not less than one cent (1¢)] per hour from the wages of all employees in the bargaining unit for all hours worked and, prior to the 15th day of the month following, to pay the amount so deducted to the "Humanity Fund" and to forward such payment to:

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.

- (b) It is understood and agreed that participation by any employee in the bargaining unit in the program of deductions set forth above may be discontinued by any employee in the bargaining unit after the receipt by the Company and the Local Union of that employee's written statement of his/her desire to discontinue such deductions from his/her pay which may be received during the four (4) weeks preceding the commencement of the deductions or at any time thereafter.

23.06 The Company will deduct from an employee's weekly pay an amount previously authorized in writing by the employee and will remit same to Cangeoco subject to the following conditions:

1. The amount may not be changed more frequently than once per quarter and shall be expressed in even dollars.
2. At least ten per cent (10%) of the bargaining unit must participate.

Article XXIV: Safety and health

24.01 The Company shall make reasonable provisions for the safety and health of the employees during the hours of their employment.

24.02 (a) The Company and the Union shall maintain an Occupational Safety and Health Committee consisting of two (2) members elected or appointed by the Union and two (2) members appointed by the Company.

(b) The Company agrees that the Certified worker representative is an employee that is selected by the Union Safety and Health Committee.

(c) The general duties of the Joint Occupational Health and Safety Committee shall be:

- 1) To make a monthly inspection of the plant or place of employment for the purposes of determining hazardous conditions, to check unsafe practices and to receive complaints and recommendations with respect to these matters. Monthly inspections shall consist of a team of one Union member and one Company member of the JHSC.
- 2) To investigate promptly all serious accidents, and WORK REFUSALS and unsafe conditions or practices which may be reported to it. Such investigation shall include accidents, which might have caused injury to a worker, whether or not such an injury occurred.
- 3) To hold regular meetings at least MONTHLY for the discussion of current accidents, their causes, suggested means of preventing their reoccurrence and reports of investigations and inspections.
- 4) 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 therefor shall be given.
- 5) The Union Chairperson of the Committee or his/her designate shall have the right to accompany all authorized Safety Inspectors on tours of the plant and shall receive copies of any inspections provided he/she is on shift.
- 6) Accidents, injury and occupational illness records shall be kept by the Company and shall be made available to the joint OSHC. 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 descriptions (including chemicals analysis if available) of any compounds

and substances used in the plant.

- 7) No disciplinary action shall be taken against any employee by reason of the fact that he/she has exercised the right conferred upon him/her under the ACT respecting the Occupational Health and Safety Act (Ontario).

24.03 The Company will reimburse employees for the cost of new safety footwear. It shall be a condition of employment that all employees wear safety footwear. In the event that an employee quits or is terminated within six (6) months of such payment, that amount may be deducted from his/her last pay. The amount reimbursed shall be increased as follows:

Effective	October 29, 2001	\$115.00
	October 29, 2002	120.00
	October 29, 2003	125.00
	October 29, 2004	130.00

24.04 Pay on the Day of Injury

An employee injured at work shall be paid for the full day of the injury which he/she otherwise would have worked if he/she does not work because of the injury on the advice of a medical doctor or by decision of the Company. Such payment shall be on a straight-time basis at his/her then current rate of pay. The Company will provide transportation if necessary.

24.05 The Company agrees to furnish gloves, protective clothing and other Safety Devices for such kinds of work as the Company and Safety Committee shall determine require the use of gloves, protective clothing or Safety Devices. The Company agrees to furnish safety glasses at no cost to the employees in those instances in which the Company requires the employee to wear safety glasses. Gloves, protective clothing or Safety devices and safety glasses shall not be supplied more often than necessary and in no event shall such be issued except upon surrender of those previously issued.

24.06 Modified Work

The parties agree to meet within thirty (30) days of ratification of the

Collective Agreement to jointly develop a modified work program for employees who require accommodation under the duty to accommodate as defined by the *Ontario Human Rights Code*, the *Workers' Compensation Act* and case decisions.

24.07 This is to confirm the Company's intention with respect to Protective Clothing.

The Company will make the following protective clothing available:

- (a) waterproof boots and mutually acceptable waterproof clothing for tube mill off-bearers;
- (b) coveralls in necessary sizes and reasonably clean condition for use by personnel when performing unusually dirty maintenance or tool room work when necessary;
- (c) replacement clothing for employees whose clothing becomes unreasonably soiled or wet due to machine failure or pipe rupture;
- (d) parkas in reasonably clean condition and gloves as required for outdoor work in cold weather.

24.08 Prescription Safety Glasses -- The Company will pay 100% of the cost of initial and replacement prescription safety glasses if they are broken on the job or replacement lenses where the prescription is changed provided they are obtained from a designated company supplier and meet CSA and ANSI specifications.

24.09 Day of Mourning

The Company recognizes April 28 as an annual day of remembrance for workers killed or injured on the job. The Company agrees to:

- lower to half mast all flags flown at the workplace;
- stop work and provide a minute of silence for all employees at 11:00 a.m.

in memory of workers killed or injured on the job.

The certified worker selected by the bargaining unit will be provided with paid time off to attend a community day of mourning ceremony including reasonable travel time to and from the Company.

The Company agrees to recognize one (1) minute silence on December 6 each year as an annual Remembrance Day for the Montreal massacre.

24.10 The parties agree to meet no later than July 31, 2001, to investigate methods of improving the parking problems.

Article XXV: Temporary Transfers

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

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

A temporary transfer for the purpose of this section shall include a transfer due to a shortened workweek as provided in Article 15.03.

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

- (a) If the rate of pay in the department to which he/she is transferred is less than the employee's regular pay, he/she shall receive the lower rate paid in the department to which he/she is transferred;
- (b) If the rate of pay in the department to which he/she is transferred is higher than the employee's regular pay, he/she shall receive such higher rate

provided he/she displays efficiency, skill and ability equal to that of the employees in the department to which he/she is transferred; and until such time as he/she displays such efficiency, skill or ability he/she shall continue to receive his/her own regular rate but in no case shall he/she receive less than the starting rate of the job to which he/she is transferred.

Article XXVI: Pension Plan

26.01 The Company will make the following contributions to the C.W.I.P.P. Plan for all hours worked for each non-probationary employee:

Effective: July 1, 2001 -- 85 cents per hour
October 29, 2002 -- 90¢ per hour
October 29, 2003 -- \$1.00 per hour

Application and administration of the plan to be mutually agreed between the parties.

Article XXVII: Technological Change

27.01 The Company and the Union agree that technological change is both necessary and desirable for the viability of the Company and the ongoing security of its employees.

27.02 In recognition of the foregoing the Company will undertake discussion with the Union with a view to steps which can be taken by the Company, the Union and the employees to reduce the negative impact on the employment security and earnings of employees who are laid off or demoted as a direct result of technological change.

27.03 When the Company is planning equipment changes of a new kind or substantial modifications it will notify the Union as soon as reasonably possible after the Company has determined the changes it plans so that such discussions may be held.

27.04 The agreed purpose of this Article is to promote constructive dialogue and agreement between the parties. Accordingly no arbitrator shall have the power to

determine the sufficiency of the discussion, to impose specific obligations or solutions upon any of the parties nor to impose penalties, remedies or directions upon any of the parties with respect to alleged violation of the foregoing provisions of this Article other than a direction to meet and discuss if the parties have not done so.

27.05 The Company and the Union will approach the Provincial or Federal governments to ask for their participation in training or retraining of employees affected by the technological change.

Article XXVIII: Skilled Trades Development

28.01 The parties agree to meet within 60 days of ratification of the Collective Agreement to jointly develop a skilled trades training program.

Article XXIX: Worker Empowerment

29.01 Mission Statement

ArvinMeritor Exhaust Systems of Canada Ltd. and the United Steelworkers of America are committed to creating a facility that will exceed all the requirements of the market.

We will be a world class performer in profitability, customer service and quality. We will establish a work environment which respects the Company, the Union and the Employees, such that we are willing to contribute to our mutual success and long term goals.

29.02 Workplace Reorganization

Workplace reorganization programs will not violate the Collective Agreement.

29.03 Goals and Objectives

- (a) To create better jobs by increasing worker responsibility and involvement in the workplace.
- (b) To create a safe and hazard free work environment.
- (c) To create a work environment that is free of discrimination and provide

opportunities for all workers equitably as provided for in the Collective Agreement.

- (d) To create an environment of enhanced security.
- (e) To enhance customer satisfaction, quality improvement, process improvement, financial development and employee development.
- (f) To enhance our competitive position in the market.

29.04 Employment Security

The parties recognize that employment security depends on the Company to effectively compete in the world market by satisfying the customers' requirements and complying with the Collective Agreement.

29.05 The **Labour Management Committee** shall consist of three (3) representatives appointed by the Company and three (3) employees appointed by the Union. The Committee shall meet monthly for the first four (4) months and bimonthly thereafter or monthly if the agenda requires to discuss matters relating to the goals and objectives and including training or retraining of employees.

In addition the Company agrees to consult with the Labour Management Committee prior to any layoff of more than one (1) week.

The Company further agrees that no employee shall suffer a loss of pay while participating in such a Committee.

Article XXX: Duration of Agreement

30.01 This Agreement shall be effective from October 29th, 2001, to and including October 28th, 2005, and shall be renewed automatically from year to year thereafter unless either party gives notice of amendment to the other party within one hundred and fifty (150) days prior to the anniversary date in any year. In the event that either party serves notice to the other party of its desire to amend the Agreement, then this Agreement shall continue in effect until such time as a new agreement has been reached or until the conciliation procedures, as required by legislation, have been completed. If there is no settlement prior

to September 10th in the negotiating year the parties agree that they will make a joint application for conciliation.

The changes negotiated in the 2001 settlement will not take effect until October 29, 2001 except as expressly provided.

30.02 If any Court or Board should hold any part of this Collective Agreement invalid, such decision shall not invalidate any other part of this Collective Agreement or any collective agreement signed pursuant thereto.

IN WITNESS WHEREOF the parties hereto have executed this Agreement this day of , 2001.

ArvinMeritor Exhaust Systems of Canada Ltd.

**United Steelworkers of America,
Local 8341**

Schedule "A" — Classifications and Wages

<u>28/04</u>	<u>June 23/01</u>	<u>Effective</u>	<u>Oct. 29/02</u>	<u>Oct. 29/03</u>	<u>Oct.</u>
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Tool Maker 27.13	24.41 - 24.77	25.15 - 25.51	25.92 - 26.28	26.77 -
Electro-Mechanical Technician 27.13	24.07 - 24.77	24.81 - 25.51	25.58 - 26.28	26.43 -
Tool Room Machinist 24.15	21.54 - 22.05	22.20 - 22.71	22.88 - 23.39	23.64 -
Maintenance Mechanic 24.15	21.54 - 22.05	22.20 - 22.71	22.88 - 23.39	23.64 -
Electrician 24.15	21.54 - 22.05	22.20 - 22.71	22.88 - 23.39	23.64 -
Trainee-Tool Room Machinist	18.24 - 19.37	18.82 - 19.95	19.42 - 20.55	20.09 -
Trainee—Maintenance Mechanic 21.22	18.24 - 19.37	18.82 - 19.95	19.42 - 20.55	20.09 -
Trainee—Electrician 21.22	18.24 - 19.37	18.82 - 19.95	19.42 - 20.55	20.09 -
Tube Mill Operator	19.95 - 21.57	20.60 - 22.22	21.27 - 22.89	22.01 - 23.63
Layout & Gauge Inspector 22.73	20.53 - 20.75	21.15 - 21.37	21.79 - 22.01	22.51 -
Floor Inspector 20.37	18.46 - 18.60	19.02 - 19.16	19.59 - 19.73	20.23 -
Set-Up 20.37	17.91 - 18.60	18.47 - 19.16	19.04 - 19.73	19.68 -
Assembly MIG Welder 20.16	18.11 - 18.41	18.66 - 18.96	19.23 - 19.53	19.86 -
MIG Welder Loader 19.48	17.61 - 17.79	18.14 - 18.32	18.69 - 18.87	19.30 -
Tool Crib Attendant 19.84	17.83 - 18.12	18.37 - 18.66	18.93 - 19.22	19.55 -
Stock Room Attendant 19.84	17.99 - 18.12	18.56 - 18.66	19.09 - 19.22	19.71 -
Forklift/Crane Operator 19.62	17.77 - 17.91	18.31 - 18.45	18.86 - 19.00	19.48 -
General Help/Machine Operator 19.04	17.11 - 17.38	17.63 - 17.90	18.17 - 18.44	18.77 -

Lead Hand: fifteen (15) cents per hour over highest rate supervised.

Shift Premium: Thirty (30) cents per hour second shift; thirty-five (35)cents per hour third shift.

Starting Rates

Employees hired after October 15, 1991 shall start at Two dollars (\$2.00) per hour below the top rate for their classification except for those hired into Trainee classifications or classifications in which the maximum rate is greater than the maximum rate for a Trainee.

Effective June 30th, 1997, such employee would receive a fifty cent (50¢) raise for each thirteen (13) weeks of work until reaching the maximum rate for the classification and the employee's rate will be adjusted

accordingly.

If such employee is transferred permanently to a new classification he/she shall be paid the same amount less than the top rate in the new classification as he/she was being paid in the former classification.

A.01 If any new job classifications are to be established, or if there is a significant change in the job content of any job classification(s) set forth in this Agreement, or if any job classification(s) have been overlooked in this Agreement, the Company will notify the Union of the proposed changes and the parties hereto will negotiate a rate for the job(s) in question and where required, select a suitable job title. The wage rates for new jobs shall be in line with those existing in the Company and throughout the industry considering differentials between the other classifications within the Company and its competitors for similar classifications provided that nothing herein shall prevent the Company from determining the job classification and pay rate and assigning employees to the work in question during the time of the aforesaid negotiations and/or arbitration.

If the parties are unable to reach agreement, then the dispute shall be settled through the grievance and arbitration procedures of this Agreement.

A.02 (a) All employees who have completed three (3) months' service and are receiving less than the maximum rate for their classification shall, in the case of the following classifications be automatically increased by twenty-five (25) cents per hour each three (3) months to the maximum provided that since these increases are automatic they shall not be deemed to be evidence of satisfactory performance. Classifications so affected are:

- Maintenance Mechanic and Trainee
- Electrician and Trainee
- Electro-mechanical Technician
- Layout and Gage Inspector

(b) An employee classified as set-up who has completed three (3) months' service and is receiving less than the maximum rate for that classification shall be increased by fifteen (15) cents per hour each three (3) months to the maximum provided that since these increases are automatic they shall not be deemed to be evidence of satisfactory performance. Without restricting management's right to deal with unsatisfactory performance in other classifications it is agreed that a set-up employee who has not reached the maximum rate for such classification may be removed from such

classification for unsatisfactory improvement in performance and returned to his/her former classification by displacing his/her successor.

(c) All employees who have completed three (3) months' service and are receiving less than the maximum for their classification shall, in the case of all other classifications, receive the top rate for their classification commencing at the start of the pay period following completion of three (3) month's service from date of hire.

(d) Employees transferred to higher rated classifications through the job posting procedure shall receive a minimum increase of twenty-five (25) cents per hour [fifteen (15) cents per hour for set-up] and then continue on as outlined in A.02(a)(b) and (c).

A.03 COLA

Although the following language shall remain in this Agreement it shall not operate from October 29, 2001, until the legal strike deadline in 2005.

Effective July 15, 1982 there shall be a cost of living allowance (COLA) as follows:

"CPI" shall mean All-Canada Consumer Price Index, 1971 = 100.

On July 15, 1982 there shall be paid in addition to the hourly wage rate a COLA in the amount of one (1) cent per full .4 of a point increase or decrease in the CPI from the March 1982 index to the June 1982 index. Thereafter adjustments to the COLA shall be made as follows:

On October 15, 1982 for increase or decrease from June, 1982 to September, 1982.

On January 15, 1983 for increase or decrease from September, 1982 to December, 1982.

On April 15, 1983 for increase or decrease from December, 1982 to March, 1983.

On July 15, 1983 for increase or decrease from March, 1983 to June, 1983.

On October 15, 1983 for increase or decrease from June, 1983 to September, 1983.

The COLA amounts calculated above shall be a "COLA float" which is not part of the hourly rate for overtime or other purposes until it is folded into the hourly rate at the end of each collective agreement year.

In the event that the CPI is discontinued the parties shall agree on a reasonably comparable basis of calculation.

A.04 Production Tool Allowance

The Company will continue the practice of supplying to production employee the tools required for their work provided the employee shall replace lost or stolen tools and the Company shall replace worn or broken tools upon submission of the old tool.

Letter of Understanding #1

Between:

ArvinMeritor Exhaust Systems of Canada Ltd.

And

United Steelworkers of America

Re: **Article 15.03**

The parties agree that a shortened work week of no less than three (3) days does not trigger the layoff procedures of Article 15.03 provided that no employee is affected more than ten (10) days per contract year. Where the work week is shortened for some employees but not for all, the work available on those days on which all employees are not working will be distributed during successive short weeks as equitable as possible amongst those employees who have performed the work as a regular part of the job at the Company within the preceding six (6) months.

DATED at Concord, Ontario, this day of , 2001.

ArvinMeritor Exhaust System of Canada Ltd

**United Steelworkers of America,
Local 8341**

Letter of Understanding #2

Between:

ArvinMeritor Exhaust System of Canada Ltd.

And

United Steelworkers of America

Re: **Article XI Schedule "a"**

The parties agree that the M.I.G. Welder Loader job specified in Schedule "A" of the above article applies to loading operations on the following jobs:

- { Loading of the pipe components for the manual M.I.G. welding of the "Y" joint in "Y" pipe assemblies.
- { Loading of the muffler and pipe components for the manual M.I.G. welding of the Joints in muffler-pipe assemblies.
- { Loading and operation of the automatic M.I.G. welding machine.
- (Loading an automatic MIG welder in unit 30 for welding sensors or collectors and in unit 70 for welding nipples and flanges, when this work is not part of the usual rotation in the area, is paid at the General Help rate. This no longer affects 14 employees but only the occasional person who is not rotating.

DATED at Concord, Ontario, this day of , 2001.

ArvinMeritor Exhaust System of Canada Ltd

**United Steelworkers of America,
Local 8341**

Letter of Understanding #3

Between:

ArvinMeritor Exhaust System of Canada Ltd.

And

United Steelworkers of America

RE: ARTICLE 3.01

The Company will not be required to terminate an employee for loss of Union membership.

ArvinMeritor Exhaust System of Canada Ltd

**United Steelworkers of America,
Local 8341**

LETTER OF UNDERSTANDING # 4

BETWEEN:

ARVINMERITOR EXHAUST SYSTEM OF CANADA LTD

AND

UNITED STEELWORKERS OF AMERICA

RE: TRADEMAN'S LICENSE

In the future an employee in one of the following classifications must hold the appropriate Tradesman's License:

E.M.T.	Electrician's License.
Electrician	Electrician's License
Maintenance Mechanic	Millwright's License

This does not apply to persons in Skilled Trade positions as of June 15, 2001.

ArvinMeritor Exhaust System of Canada Ltd. United Steelworkers of America
Local 8341

LETTER OF UNDERSTANDING # 5

BETWEEN

ARVINMERITOR EXHAUST SYSTEM OF CANADA LTD

AND

UNITED STEELWORKERS OF AMERICA

RE: MAINTENANCE TRAINEE

The parties agree that it is desirable to have a person (s) who will work in the Maintenance Department without the full skills of a Certified Maintenance Mechanic. The title Trainee does not limit the work which can be assigned to the person and does not imply any formal training obligation on the part of the Company.

ArvinMeritor Exhaust System of Canada Ltd

**United Steelworkers of America
Local 8341**

Letter of Understanding # 6

Between:

ArvinMeritor Exhaust System of Canada Ltd.

And

United Steelworkers of America

Re: **Accommodation of Handicapped Workers**

The Union and the Company recognize the duty to accommodate handicapped workers under the *Human Rights Code*. They recognize that undue claims on this duty by some employees may reduce the Company's ability to accommodate other workers.

ArvinMeritor Exhaust System of Canada Ltd.

**United Steelworkers of America,
Local 8341**

Letter of Understanding # 7

Between:

ArvinMeritor Exhaust System of Canada Ltd.

And

United Steelworkers of America. Local 8341

Re: **Changeovers**

An employee classified other than as "set-up" shall not be entitled to the set-up rate for doing changeovers provided that the Set-up classification shall not be eliminated.

ArvinMeritor Exhaust System of Canada Ltd.

**United Steelworkers of America,
Local 8341**

Letter of Understanding # 8

Between:

ArvinMeritor Exhaust System of Canada Ltd.

And

United Steelworkers of America, Local 8341

Re: **Union Counsellor**

The parties agree that there shall be co-operation between the Company and the union counsellor in counselling the employees with personal needs.

ArvinMeritor Exhaust System Of Canada Ltd.

**United Steelworkers of America,
Local 8341**

Letter of Understanding # 9

Between:

ArvinMeritor Exhaust System of Canada Ltd.

And

United Steelworkers of America, Local 8341

Re: Overtime Distribution

During 1994 negotiations the parties agreed to the following guidelines for developing an overtime distribution practice for weekend/holiday overtime for direct labour excluding set-up.

1. Same shift overtime will be performed by the person on the job on that shift and weekend overtime will be performed by the person who normally performs that work.
2. Reasonable administrative burden on the Company.
3. The parties will meet within two (2) weeks of ratification to work out the details of the new practice. The new practice will be implemented no later than the first week of January, 1995. Any elements of the practice not agreed (except training requirements in excess of four (4) hours per welder and one (1) hour for others) will be implemented as proposed by the union.
4. The sign up process will require attendance commitment.
5. Overtime will not be shared between pipe/muffler assembly and any future muffler fabrication.
6. Practice must provide sufficient employees to meet requirements.
7. Commencing with the month of March, 1995, if the weighted average productivity on weekend overtime shifts for a month does not equal at least 95% of the weighted average on weekday production the new practice will be discontinued and the current practice (Summer-Fall 1994) will be maintained.
 - such weighted averages shall be reviewed each month based on a three (3) month moving average basis

- current quality levels must be maintained on the same basis or the new practice will be discontinued.

ArvinMeritor Exhaust System of Canada Ltd.

**United Steelworkers of America,
Local 8341**

Letter of Understanding # 10

Between:

ArvinMeritor Exhaust System of Canada Ltd.

And

United Steelworkers of America, Local 8341

Re: **Assembly MIG Welders**

Any Assembly MIG Welder who is not performing his/her job to normal process specifications or productivity standards will be advised of his/her deficiencies and given reasonable training. No current MIG Welder will be affected until such training is completed. The Company will notify the Union of the completion of the training.

ArvinMeritor Exhaust System of Canada Ltd.

**United Steelworkers of America,
Local 8341**

LETTER OF UNDERSTANDING # 11

BETWEEN:

ARVINMERITOR EXHAUST SYSTEMS OF CANADA LTD

AND

UNITED STEELWORKERS OF AMERICA

Re: PAY FOR SKILLS

- The Pay for Skills Training Program will be based on the CD-ROM based Electro-Mechanical Technician Training Program provided by George Brown College.
- The Company will add fifty (50) cents per hour to the employee's current rate for every six (6) units completed in the program until the 24 units are completed.
- For Maintenance employees who have achieved the pre-entry increment rate in the discontinued program, that rate will stay until June 30, 2002 or until the employee has completed six (6) units of the George Brown E.M.T. Program.
- For Maintenance employees who have achieved the Level 1 increment rate in the discontinued program, that rate will stay until December 30, 2002 or until the employee has completed twelve (12) units of the George Brown E.M.T. Program.
- Exams for the George Brown E.M.T Program will be completed at the Concord Plant.
- Employees enrolling in the program will be eligible for tuition reimbursement.
- Completion of the George Brown E.M.T. Program is not a substitute for language of Article 15.03 (a) (i).

ArvinMeritor Exhaust System of Canada Ltd

**United Steelworkers of America
Local 8341**

Letter of Understanding #12

between:

ArvinMeritor Exhaust System of Canada Ltd.

and

United Steelworkers of America, Local 8341

Re: Gainsharing

The Company may introduce or alter or terminate a Gain Sharing program after consultation with the Union. The Company agrees to provide the Union with information on the Gain Sharing Plan.

ArvinMeritor Exhaust System of Canada Ltd.

**United Steelworkers of America,
Local 8341**

Letter of Understanding #13

between:

ArvinMeritor Exhaust System of Canada Ltd.

and

United Steelworkers of America, Local 8341

Re: Discontinuation of Group Leader

During the 1997 negotiations the classification of Group Leader was discontinued. Persons in that classification at that time shall be reclassified as set up but shall retain the premium of \$1.20 per hour over the Set Up rate and will be given the negotiated increases as long as he/she remains as Set Up.

ArvinMeritor Exhaust System of Canada Ltd.

**United Steelworkers of America,
Local 8341**

LETTER OF UNDERSTANDING # 14

BETWEEN:

ARVINMERITOR EXHAUST SYSTEM OF CANADA LTD

AND

UNITED STEELWORKERS OF AMERICA

RE: CUSTOMER MATCHING HOLIDAYS.

An employee working a floating holiday scheduled to match a customer's holiday will be entitled to:

1. Overtime at double time if he/she actually works on the day scheduled as a floating holiday for him/her, but not if he/she works on the date at Christmas time from which the floater switched.
2. Written notice at least one week in advance to the employee of the day to which the holiday was switched and the date from which the floating holiday was switched. A copy of this notice shall be given to the Union.
3. If an employee and the Union are not notified by posted notice according to point 2 above such employee will not be required to switch.

ArvinMeritor Exhaust System of Canada Ltd.

**United Steelworkers of America
Local**

8341