

COLLECTIVE AGREEMENT

BETWEEN

**TNT LOGISTICS NORTH AMERICA, INC.
(BRAMPTON)**

and

**UNITED STEELWORKERS OF AMERICA
(ON BEHALF OF LOCAL 9042)**



**EFFECTIVE: July 1, 2001
EXPIRES: August 15, 2005**

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ARTICLE 1 - INTRODUCTION

- 1.01 The general purpose of this Agreement is to establish terms and conditions of employment for the employees of the Company and to establish a harmonious co-operative relationship between the Company and the Union. Now, therefore, the parties mutually agree as follows.

ARTICLE 2 - UNION RECOGNITION

- 2.01 (a) The Company hereby recognizes the Union as the sole collective bargaining agent for all employees of the Employer employed at 2600 North Park Drive, Bramalea, Ontario save and except supervisors, persons above the rank of supervisor, office, clerical, sales staff.

Should during the term of this Agreement the operation at 2600 North Park Drive, Bramalea, Ontario be relocated to a new location serving the same customer and performing the same work, the Collective Agreement will remain in force.

The Company further agrees that should the employer move within a 50 km radius of the current location the Agreement shall apply.

- (b) The Company, the Union and the employees expressly acknowledge and agree that the quality of work performed by the Company's employees is absolutely paramount to the ongoing successful relationship with the Company's customer and therefore the ongoing viability of the Company. In this regard, any employee adversely impacting the quality of work or the quality of the product shall be subject to disciplinary action. Such employee shall have recourse to the grievance and arbitration process.
- 2.02 The term "Employee" shall embrace all such employees within said collective bargaining unit. All other employees not within said unit as above set forth are specifically excluded from this Agreement.
- 2.03 The Company and the Union shall comply with applicable human rights legislation in the administration of this Agreement and in relation to the employment of bargaining unit employees.

ARTICLE 3 - MANAGEMENT RIGHTS

- 3.01 The Union recognizes that the management of the operations and the direction of the employees are fixed exclusively in the Employer and shall remain solely with the Employer except as expressly limited by the clear and explicit language of some other provision of this Agreement and without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the employer to:
- (a) maintain order, discipline and efficiency;
 - (b) hire, assign, retire, promote, demote, classify, transfer, direct, lay-off, recall and to suspend, discipline or discharge employees who have successfully completed their probationary period for just cause provided that a claim by an employee who has successfully completed his probationary period that he has been disciplined, suspended or discharged without just cause may be the subject of a grievance and dealt with as hereinafter provided;
 - (c) determine in the interest of efficient operation and high standards of service, the hours of work, work assignments, methods of doing the work, and the working establishment of the service.
 - (d) determine the nature and kind of business conducted by the Employer, the kinds and locations of operations, equipment and materials to be used, the methods and techniques of work, the number of employees to be employed, the extension, limitation, curtailment or cessation of operations or any part thereof, and to determine and exercise all other functions and prerogatives which shall remain solely with the Employer except as specifically limited by the express provisions of this Agreement;
 - (e) make, enforce and alter from time to time reasonable rules and regulations to be observed by the employees which are not inconsistent with the provisions of this Agreement, and may be the subject of a grievance and dealt with under the grievance procedure.

ARTICLE 4 - NO STRIKE/NO LOCKOUT

- 4.01 During the term of this Agreement, it is understood that the Union will not cause, permit, or authorize its members or employees covered by this Collective Agreement to strike, sit down, slow down, or engage in any work stoppage, picketing, or collective activity which will interfere in any way with the Employer's operations.

ARTICLE 4 - NO STRIKE/NO LOCKOUT (CONT'D)

- 4.02 During the term of this Agreement, it is understood that no employee covered by the terms of this Agreement shall strike, sit down, slow down or engage in any work stoppage, picketing or collective activity which will interfere in any way with the Employer's operations.
- 4.03 During the term of this Agreement, it is understood that no Union officer or representative shall authorize, encourage, induce, participate in or assist in any such strike, sit down, slow down, work stoppage, picketing or collective activity which will interfere in any way with the Employer's operation.
- 4.04 The Employer agrees that it shall not lock out employees during the term of this Collective Agreement.
- 4.05 Any employee engaged in an illegal strike as defined above will be subject to disciplinary action.

ARTICLE 5 - UNION SECURITY AND CHECKOFF

- 5.01 The Employer shall deduct from the pay of each member of the bargaining unit, per pay, such union dues, fees, and assessments as prescribed by the Constitution of the Union.
- (a) The Employer shall remit the amount so deducted no later than the 15th day of the month following by cheque to the Peel-Halton Office payable to the International Secretary Treasurer.
 - (b) The monthly remittance shall be accompanied by a statement showing the name of each employee from whom deductions have been made and the total amount deducted for the month.
 - (c) Such statement shall also list the names of employees from whom no deductions have been made and the reason why, along with any forms required by the International Union.
 - (d) The Union agrees to indemnify and save the Employer harmless against all claims or other forms of liability that may arise out of or by reason of deductions made or payment in accordance with this Article.
 - (e) The Employer agrees to record the total dues deductions paid for each employee for the previous calendar year on the T-4 Record of Earnings for income tax purposes.

ARTICLE 6 - SHOP REPRESENTATION

- 6.01 (a) The Employer agrees to recognize the right of the Union to appoint or select one Unit Chairperson and up to three (3) Stewards per shift from the bargaining unit for the purpose of representing employees in the handling of grievances.
- (b) The Employer agrees not to unreasonably interfere with the Stewards in carrying out their required duties provided it does not impair or impede the company's ability to service the customer not to exceed two (2) hours per week.
- (c) The Unit Chairperson and/or the Steward involved in any given grievance must first obtain his supervisor's permission before leaving the workplace and to attend grievance meetings. Such permission shall not be unreasonably withheld.
- (d) The Unit Chairperson and/or the Steward and the grievor (except in case of dismissal) in attendance during the Step 2 grievance meeting with the Company shall receive his regular straight time hourly pay for all regularly scheduled straight time working hours lost due to attendance at such grievance meetings. Following the grievance meeting the Chairperson and/or Steward shall return to the balance of their scheduled shift.
- The employer agrees to pay third shift employees up to two (2) hours at the regular straight time hourly rate to attend grievance meetings scheduled with the employer outside their regular working hours.
- (e) The employer agrees to grant up to two (2) hours with pay per week at the straight time hourly rate for the unit chairperson or their designate to carry out their duties on behalf of the union.
- (f) The Company agrees to provide a work-station for the Unit Chairperson that includes a lockable filing cabinet, a telephone with a code to access it and will make arrangements for private consultations as required. The Company further agrees to provide administrative support (secretary) for the use of the Unit Chairperson as needed and as feasible and approved by Terry Sawyer.
- 6.02 The Union agrees to submit to the Employer in writing on the anniversary date of this Agreement, as well as when any changes occur within union ranks, an up-to-date list of the then current Stewards and Union Officers.

6.03 Negotiating Committee

The Company agrees to recognize a bargaining committee consisting of up to four (4) employees, one being the Plant Chairperson, from the bargaining unit for the purpose of amending or renewing the present Agreement. The Union will notify the Company of the name of such committee members as far in advance of negotiations as possible. Each employee member of the bargaining committee shall receive his regular straight time hourly wage for regular scheduled straight time working hours, up to eight hours, lost due to attendance at up to six meetings in negotiating with management that are scheduled during the employee's regularly scheduled working hours.

ARTICLE 7 - GRIEVANCE PROCEDURE

7.01 For the purposes of this Agreement, a grievance is defined as a difference arising between the parties relating to the interpretation, application, administration or alleged violation of the Agreement including any question as to whether a matter is arbitrable.

7.02 It is the mutual desire of the parties hereto that complaints of employees shall be adjusted as quickly as possible, and it is understood that an employee has no grievance until he has first given his immediate supervisor the opportunity of adjusting his complaint. If an employee has a complaint, such complaint shall be discussed with his immediate supervisor within three (3) working days after the circumstances giving rise to the complaint have originated or occurred. If the immediate supervisor is unable to adjust a complaint to their mutual satisfaction within three (3) working days the employee may proceed with the grievance procedure within five (5) working days following the decision of the immediate supervisor.

7.03 Step No. 1

The Union must submit a written grievance signed and dated by the employee to his immediate supervisor. The nature of the grievance, the remedy sought, and the section or sections of the Agreement, which are alleged to have been violated must be set out in the grievance. The immediate supervisor will deliver his decision in writing within three (3) working days after receipt of the grievance in writing. Failing settlement the next step of the grievance procedure may be taken.

Step No. 2

Within three (3) working days following the decision under Step No. 1, the Union must submit the written grievance to the Plant Manager (or his designate). Within three (3) working days of the receipt of the grievance by the Employer, (or the Union in the case of a policy grievance), a meeting shall be held to discuss the grievance. The grievor may be present at this meeting if requested by either party except in the event of a group grievance where one of the grievors who has signed the grievance form will be selected by the Union as a representative of all signatories to the grievance. Alternatively, the Chairperson may represent the group. A decision in writing shall be delivered by the party receiving the grievance within three (3) working days after the meeting at which the grievance was discussed. Failing settlement, either party may submit the matter to arbitration within thirty (30) working days after the reply at Step No. 2 is given. If no written request for arbitration is received within such thirty (30) working day period, the grievance shall be deemed to have been abandoned.

7.04 Policy Grievance

A grievance arising directly between the Employer and the Union concerning the interpretation, application or alleged violation of the Agreement must be originated under Step No. 2 within five (5) working days of the event giving rise to the grievance. The nature of the grievance, the remedy sought, and the section or sections of the Agreement which are alleged to have been violated must be set out in the grievance. Failing settlement under Step No. 2 within thirty (30) working days, it may be submitted to arbitration in accordance with the terms of this Agreement.

However, it is expressly understood, that the provisions of this article shall not be used by the Union to institute a complaint or grievance directly affecting an employee which such employee could himself institute and the regular grievance procedure shall not be thereby bypassed. A policy grievance cannot result in a compensatory remedy.

7.05 Group Grievance

Where *two* (2) or more employees have identical grievances and each employee would be entitled to grieve separately, all such employees shall sign the grievance form and submit the grievance at Step No. 2 within five (5) working days of the event giving rise to the grievances. The nature of the grievance, the remedy sought, and the section or sections of the Agreement, which are alleged to have been violated must be set out in the grievance. The grievances shall be processed as one grievance subject to all applicable provisions under the grievance procedure.

7.06 Discharge Grievance

A grievance involving the discharge of an employee must be reduced to writing and originated under Step No. 2 within ten (10) working days of the employee being notified of his/her discharge. The nature of the grievance, the remedy sought and the section or sections of the Agreement which are alleged to have been violated must be set out in the grievance which shall be signed by the employee. Notwithstanding anything in this Agreement, a probationary employee may be disciplined or discharged for any reason satisfactory to the Employer as long as the reason is not discriminatory, arbitrary or in bad faith.

7.07 No adjustment under the grievance or arbitration procedures shall be made retroactive prior to the date that the grievance was formally presented to the Employer, or if applicable, the date of the alleged violation provided that it does not exceed the time limits set out in Article 7.02.

7.08 All agreements reached under the grievance procedure between the representatives of the Employer and the representative of the Union shall be final and binding upon the Employer and the Union and the employee or employees involved.

7.09 No Union representative or steward may solicit grievances from employees during the course of their normal duties.

7.10 The Company agrees that no employee shall be required to change shifts because of discipline while there are part time, agency or temporary employees on the disciplined employees shift. Should there be no part time, temporary or agency employees to displace, then the disciplined employee will be laid off for lack of work or voluntarily change shifts. This requirement shall be at the employee's sole discretion.

7.11 The Employer agrees that discipline shall be given within a fourteen (14) day period following the incident attracting the discipline except in circumstances where the employee is not available in which case the fourteen (14) day period shall be extended accordingly.

ARTICLE 8 - ARBITRATION

- 8.01 If the Employer or the Union requests that a grievance be submitted to arbitration, as hereinbefore provided, it shall make such request in writing addressed to the other party to this Agreement and at the same time a Nominee. Within five (5) working days thereafter, the other party shall name a Nominee provided however, that if such party fails to name a Nominee as herein required, the Ministry of Labour shall have power to effect such appointment upon application thereto upon the party invoking the arbitration procedure. The two Nominees shall attempt to select by agreement a Chairperson of the Arbitration Board. If they are unable to agree upon such a Chairperson with a period of fourteen (14) working days, they shall then request the Ministry of Labour to appoint a Chairperson. If the parties mutually agree, a sole Arbitrator may be substituted for a Board of Arbitration. In the event of such mutual agreement, the parties shall exchange names of potential Chairpersons in an effort to reach agreement within a period of fourteen (14) working days. If such agreement is not forthcoming within such time limit they shall then request the Ministry of Labour to appoint a Chairperson. The parties agree that the practice of using a single arbitrator shall be continued for the term of this collective agreement.
- 8.02 No person may be appointed as an Arbitrator who has been involved in an attempt to negotiate or settle the grievance.
- 8.03 No matter may be submitted to arbitration which has not been properly carried through all requisite steps of the grievance procedure.
- 8.04 The Board of Arbitration shall not have any power to amend, alter, modify or add to any provisions of this Agreement or to substitute any new provision for any existing provisions, or to render any decisions inconsistent with the terms and provisions of this Agreement. The parties agree that the practice of using a single arbitrator shall be continued for the term of this collective agreement.
- 8.05 The proceedings of the Arbitration Board will be expedited by the parties hereto and where there is no majority, the decision of the Chairperson will be final and binding upon the parties hereto and the employee or employees concerned. The parties agree that the practice of using a single arbitrator shall be continued for the term of this collective agreement.
- 8.06 Each of the parties hereto will bear the expense of the Nominee appointed by it and the parties will share equally the fees and expenses, if any, of the Chairperson of the Arbitration Board.
- 8.07 The time limits set out in both the grievance and arbitration procedures herein are exclusive of Saturdays, Sundays and paid holidays. Such time limits are mandatory and failure to comply strictly with such time limits except by the written agreement of the parties shall result in:

- (a) if the grievance has not been processed by the Employer within the prescribed time limit, the grievance shall be deemed to be advanced to the next step by the Union within the time limits prescribed.
- (b) if the grievance has not been processed by the Union in accordance with all of the time limits prescribed, the grievance shall be deemed to have been settled and/or abandoned.

8.08 The Arbitrator retains the right to review reasonable timeliness on all grievance and arbitrating matters.

ARTICLE 9 - SENIORITY

- 9.01 (a) Seniority is defined as the length of continuous bargaining unit employment with the Company since the employee's last date of hire including the probationary period (upon completion) and all the time the employee is on an approved leave or lay-off as provided by this Contract. Seniority rights as created by this Agreement exist only to the extent expressed herein and do not survive beyond the terms of this Agreement. Seniority shall not prohibit the Company from discontinuing its operation in whole or in part, It also will not prohibit the Company from discontinuing job classification or rearranging duties within a classification.
- (b) All employees shall be employed on a trial basis for a probationary period of ninety (90) calendar days from the date of hiring by the Company. Such probationary period shall be automatically extended by the number of days an employee is absent from work for any reason including but not limited to layoff and sick days. It is recognized that the probationary period is part of the Company's evaluation and selection process and that transfer, reassignment or retention of an employee during the probationary period shall remain at the sole discretion of the Company. There shall be no responsibility or obligation for re-employment of employees if they are laid off or discharged during their probationary period. Probationary employees shall be deemed to have no seniority during the probationary period. Upon successfully completing the probationary period an employee's seniority shall accrue and be considered as beginning with his/her most recent date of hire.

9.02 **Job Vacancies**

- (a) The parties recognize the right and need of the Company to have and maintain at all times the best qualified work force. The parties further recognize that job opportunity and security shall increase in proportion to length of service in accordance with the remainder of this Article.

- (b) The Company will attempt to fill permanent job vacancies through the posting process prior to considering outside applicants. Permanent **job** vacancies, excluding pregnancy leave, long term disability and workers' compensation shall be posted for a period of three (3) working days.
- (c) The Employer shall give the preference, if any, to the senior applicant who has the necessary skill, ability, experience, competence and qualifications to perform the job in question. Should this applicant be unsuccessful the preference shall go to the next senior applicant. Where no applicant has the necessary skill, ability, experience, competence and qualifications to perform the job in question, the Employer shall give the job to the applicant with the greatest seniority, except for driver jobs for which an appropriate license and experience is mandatory. Any employee awarded a job shall be allowed a trial period of up to the first five (5) working days on the job to demonstrate his or her skill, ability, experience and competence to perform all aspects of the job in a manner satisfactory to the Employer. In the event the Employer determines that such applicant is unable to perform all aspects of the job in a manner satisfactory to the Employer or in the event the employee decides that he/she no longer wishes to perform such job, he/she shall be transferred back to his/her previous job and will not be eligible to reapply for any job for a period of six (6) months except in cases of shift change. In such event, the employer shall be entitled to then fill the vacant **job** as it deems appropriate in its sole discretion.
- (d) An employee selected as a result of a posted vacancy shall not be eligible to apply for a further permanent vacancy for a period of six (6) months from that date of his selection except in cases of shift change.
- (e) The Company shall supply a copy of all job postings showing the successful applicant to the Unit Chairperson.
- (f) The Employer agrees that successful applicants to posted jobs shall be moved to that job within ten (10) days.
- (g) The Employer agrees that workers required to be on light duties on a temporary basis shall not be disqualified from posting to another job, providing they will be eligible to perform the duties within a twenty-one (21) day period.

9.03 Temporary Vacancies

- (a) Temporary vacancies lasting twenty-one calendar days or more shall be posted as a temporary vacancy for three (3) work days.
- (b) Employees wishing to apply for a temporary vacancy shall sign the posting and in filling the temporary vacancy the Employer shall give preference to the senior applicant who is currently performing the same job on a different shift. Should there be no applicant on a different shift then the Employer shall award the temporary vacancy to the senior applicant who has the necessary skill, ability, experience, competence and qualifications to perform such job.
- (c) Upon completion of the temporary posting employees shall return to their last posted position.
- (d) The parties agree that the original temporary vacancy plus one subsequent vacancy will be posted.
- (e) Vacancies lasting less than twenty-one (**21**) calendar days shall be filled at the sole discretion of the Company.

9.04 An employee shall lose all service and seniority and shall be deemed to have terminated if he:

- a) voluntarily quits,
- b) is discharged for just cause,
- c) fails to notify the Company of his intent to return to work upon recall from lay-off within three (3) scheduled working days or failure to return to work upon recall from lay-off within three (3) scheduled working days after being notified to report to work unless prior arrangements have been made with the Company. Such notification to return to work shall be given by courier (delivery or attempted delivery) and/or by registered mail (delivery or attempted delivery) addressed to such employee at his/her last address filed with the Company.
- d) is absent from scheduled work for three (3) or more scheduled work days without notifying the employer and without providing a reasonable excuse to the employer. This provision shall not be construed in any way to modify the Company's right to discipline employees for unexcused absence.

- e) fails to return to work upon expiration of a leave of absence, or utilizes a leave of absence for purposes other than that for which it was granted.
- f) seeks or engages in gainful employment while on an approved leave of absence, except when on an authorized union leave of absence.
- g) is laid-off or absent for any reason for a period of the length of service to a maximum of two (2) years as of his last day of work, whichever period is shorter.
- h) reaches age 65 or retires earlier.

9.05 The Company shall post on the bulletin board an up-to-date seniority list within fifteen (15) days after the execution of this Agreement and thereafter shall compile and composite an up-to-date seniority list once each six (6) months. In addition, the Company shall furnish a copy of the same list to the Union upon reasonable request. Seniority dates of employees shown on the posted list shall be considered permanently established seniority dates except as may be corrected as a result of a protest filed within thirty (30) calendar days after posting. Such protests shall be confined to names added or deleted since the last posting and errors in copying of the list. Upon timely presentation of the proof of error such error will be corrected. Any assignments made during the period of protest and correction provided herein, may be made on the basis of seniority status as reflected on the seniority list as published without giving rise to any monetary or reassignment obligations on the part of the Company and without recourse to the grievance procedure.

9.06 For all new hires after the date of signing this Collective Agreement, the relative seniority of employees hired on the same day shall be determined by alphabetical order of employees' surname.

9.07 An employee covered by this Agreement who transfers out of the bargaining unit shall lose his or her seniority status and the employee's name shall be removed from the seniority list after ninety (90) working days.

9.08 **Layoffs and Recall**

The Company shall, in its sole discretion, determine when the layoff or recall of employees is necessary. When the Company decides to layoff or recall employees, it shall layoff employees in reverse order of seniority and recall employees in order of seniority provided that the employees remaining after a layoff and the employees being recalled, as the case may be, have the necessary skill, ability, experience, competence and qualifications to perform the available work.

Notwithstanding the foregoing, the Company may layoff employees for periods of up to five (5) working days as it deems appropriate in its sole discretion and without regard to the seniority of the employees.

The Unit Chairperson and Stewards shall, however, have super seniority within his/her classification in the event of a layoff.

This provision can only be applied when a department and or contract of the employers operation has been forced to cease for a period of not more than five (5) days, requiring those employees to be temporarily laid off.

This provision shall not be used to lay off employee(s) without a curtailment of a portion of the employer's operation.

An employee that is being displaced as a result of a reduction in the work force shall be required to fill any open position or any temporary positions that hasn't been filled by a senior employee on the shift that they are currently working.

If there are not open positions, then the employee may exercise their seniority on their own shift first starting from the lowest seniority employee on that shift providing they have the necessary skill and ability to perform that job.

Should there be no junior employee on that shift the above procedure shall be repeated on another shift or elect to take a voluntary lay-off.

ARTICLE 10 - BULLETIN BOARDS

10.01 All bulletins to be posted shall be submitted to a manager of the Company prior to posting. Management will designate two (2) bulletin boards including one of the current bulletin boards by the punch clock for use of the Union pursuant to the provision of this Article. Union notices shall be restricted to the following:

- (a) notices of Union recreational and social affairs;
- (b) notices of Union elections, appointments and results of Union elections;
- (c) notice of Union meetings as well as communications from the Local and or the International Union.

ARTICLE 11 - SAFETY COMMITTEE

- 11.01 (a) The parties agree to comply with the provisions of the Occupational Health and Safety Act (Ontario), as amended, concerning occupational health and safety matters in the workplace.
- (b) The Company shall allow Union members of the Joint Health and Safety Committee up to one (1) hour preparation time during working hours prior to attending scheduled Joint Health and Safety Committee meetings with the Company, without loss of regular pay.
- (c) Meetings of the Joint Health and Safety Committee shall take such reasonable amount of time as is reasonably necessary to deal with current issues pertaining to health and safety in the workplace.
- (d) The Joint Health and Safety Committee shall meet on a monthly basis.
- (e) The Company agrees that when WSIB or Health and Safety inspectors visit the work place, the employee representatives and employer representatives of the Health and Safety Committee shall be present.

11.02 Safety Shoes

- (a) For employees who are specifically required by the Company to wear safety shoes, a shoe allowance will be provided. Such employees must wear CSA approved footwear as required. The employee shall purchase CSA approved footwear from a Company approved supplier. The following allowance shall be given as a credit during the term of the Collective Agreement with the employee being responsible for the balance of the cost, if any. The employee must supply proof of purchase. If purchased, it is mandatory that the shoes be worn at work.
- (b) The Company agrees to reimburse up to one hundred (\$100.00) dollars towards the purchase of safety shoes each year. In the first year of the agreement the \$100.00 dollars may be carried over to the second year.
- (c) Mark's Work Warehouse will be one of the locations where employees can purchase safety shoes.

11.03 Town Hall/Safety Meetings:

- (1) The Company has the right to cancel/postpone quarterly town hall meetings with twenty-four (24) hour notice provided it is due to production issues at the Brampton facility plant.

- (2) Employees not attending must request a leave in writing seven (7) days before and no disciplinary action will be taken.
- (3) The Company agrees that there shall be no town hall/safety meetings scheduled during inclement weather.

11.04 The parties agree that quarterly town hall/safety meetings are mandatory and employees are required to attend. It is further agreed the employees will be paid at the applicable hourly rate for the time spent at the meeting.

11.05 The Company agrees to allow union members of the Joint Health and Safety Committee up to ten (10) days in order to attend training courses.

ARTICLE 12 - PAID HOLIDAYS

12.01 (a) The Company agrees that probationary employees who have not completed thirty (30) calendar days are not entitled to pay for a general holiday, all other employees shall receive the following holidays off, with holiday pay on the basis of eight (8) hours of pay at their respective regular straight time hourly rates. The Company agrees to pay the normal scheduled hours of work for Statutory Holidays.

New Year's Day
 Good Friday
 Victoria Day
 Canada Day

Labour Day
 Thanksgiving Day
 Christmas Day
 Boxing Day

(b) The definition of the exact dates for each holiday will be scheduled by the customer serviced under this Agreement. The parties further agree that pursuant to the provisions of the Canada Labour Code the parties agree to substitute the Friday before Labour Day for Remembrance Day to be consistent with and to meet the needs of our customer. In the event the customer no longer observes the Friday before Labour Day as a Paid Holiday, another day shall be substituted by the Employer. The employees shall be notified by May 1 of each year of the substituted date.

12.02 Should during one of these paid holidays, a customer schedule work, employees that volunteer for work will be paid (2x) double time plus the regularly scheduled hours at straight time for the paid holiday.

- 12.03 If at any time the customer schedules work and the work on the paid holiday becomes mandatory for an employee he will be paid double time and will be eligible to take a holiday at a later date paid his regularly scheduled hours times the applicable hourly rate.
- 12.04 To be eligible for holiday pay the employee must work on the nearest scheduled work day both preceding and following the holiday unless the Company in its sole discretion agrees otherwise. Employees who have not worked twelve (12) days in the preceding four (4) weeks are not entitled to holiday pay. Employees on vacation when holidays occur will have their vacation extended by one (1) day either at the beginning or end of that vacation with the agreement of the Employer.
- 12.05 Notwithstanding the forgoing, an employee shall not be eligible for holiday pay for any holiday that falls during the employee's absence from work by reason of layoff, sick leave, suspension without pay or any other reason other than a leave of absence with or without pay for Union business which has been approved in accordance with this Agreement.

ARTICLE 13 - VACATIONS

- 13.01 The vacation year is June 1st through May 31st.
- 13.02 Employees shall be entitled to vacation days computed on the following basis as of the cut-off date of May 31st each year.
- (a) Employees who have completed less than one year of continuous service as of May 31st shall be entitled to annual vacation of .833 days for each complete calendar month of service.
 - (b) Employees who have completed one or more years of continuous service, but less than six (6) years of continuous service as of May 31st shall be entitled to an annual vacation of two (2) weeks.
 - (c) Employees who have completed six (6) or more years of continuous service as of May 31st shall be entitled to an annual vacation of three (3) weeks.
 - (d) Employees who have completed ten (10) or more years of continuous service as of May 31st shall be entitled to an annual vacation of four (4) weeks.

- 13.03 Vacation shall not be cumulative from year to year. It shall be compulsory for all employees to take their vacations and they must be taken in the current calendar year.
- 13.04 Vacation pay shall be based upon the employee's regular hourly rate at the end of the vacation year and shall be paid at the rate of four (4%) percent of total wages paid to the employee during the vacation year for employees with less than six (6) years of service as of May 31st, and at the rate of six (6%) percent of total wages paid to the employee during the vacation year for employees who have completed six (6) or more years of continuous service as of May 31st and at the rate of eight (8) percent of total wages paid to the employee during the vacation year for employees who have completed ten (10) or more years of continuous service as of May 31st. "Total wages" excludes fringe benefits expenses and travel allowances.
- 13.05 Employees who terminate with less than one (1) year of service will receive 4% of total wages paid during their employment. "Total wages" excludes fringe benefits, and expenses or travel allowances and previous year's vacation pay.
- 13.06 Vacation pay shall be paid by the Employer to the employee no later than June 30 of the current vacation year.
- 13.07 It is understood and agreed that vacation time off shall be scheduled during Plant shutdown periods first. It is understood and agreed that ~~no~~ more than two (2) weeks vacation time off shall be scheduled during Plant Shutdown periods first. Any excess vacation over and above Plant shutdown periods shall be scheduled by mutual agreement of the parties.
- 13.08 The Company reserves the right to determine when vacation will be taken in the event that the employee has not indicated a preference before March 15. Further, the Company will notify all employees of said rule by notice no later than February 1st of each calendar year.
- 13.09 To take earned vacation an employee must have completed six (6) months of active credited service.
- 13.10 The Company shall notify the Union of the timing of the annual shutdown as soon as possible after its customer has designated its shutdown provided that the timing of the shutdown may change at any time, including after the giving of such notice, based on the needs of the customer in which event the Company will inform the Union of any such change as soon as possible.
- 13.11 Vacation pay cheques shall be paid in blocks of one (1) for each week of vacation entitlement.

ARTICLE 14 - WAGES

- 14.01 Classifications and wage rates are set out in Schedule "A" attached to this Agreement.
- 14.02 For the duration of this Agreement all temporary employees shall be compensated at the probationary rate per hour for the applicable year with union dues being deducted at the agreed upon rate for all hours.

ARTICLE 15 - HOURS OF WORK - OVERTIME

See Letter of Understanding re Three Shift Operation Attached

- 15.01 (a) The Employer does not guarantee any hours of work per day or days of work per week with respect to any employee covered by this Agreement, nor shall any of the following provisions be construed as a guarantee of work.
- (b) For employees other than truck drivers, standard hours of work shall be eight (8) hours per day and forty (40) hours per week. Standard hours for Truck Drivers defined by the Ministry of Transportation of Ontario and Labour Canada shall be nine (9) hours per day and forty (40) hours per week. Starting and stopping times for all employees shall be scheduled by the Company to meet varying production demands.
- (c) An employee (except Truck Drivers) will receive one and one-half (1-1/2) times the hourly rate for every hour worked in excess of forty (40) hours in one payroll week or in excess of eight (8) hours of one work day. Truck Drivers will receive one and one-half (1-1/2) times the regular hourly rate for every hour worked in excess of forty (40) hours in one payroll week or in excess of nine (9) hours in one work day. All employees will receive a thirty (30) minute unpaid lunch break. (See Letter of Understanding – Three Shift Operation)
- (d) It is understood and agreed that there will be no duplication of premiums under this Agreement nor pyramiding of overtime and or premium pay.
- (e) The Employer reserves the right to schedule the work, including where necessary, overtime and to assign employees to perform such work as the Employer deems necessary. It is agreed and understood that overtime is mandatory up to forty-eight (48) hours of work per week when required by the Employer. When overtime over forty-eight (48) hours per week is needed Management will ask for volunteers from the top seniority list down on a rotating basis. If there are insufficient volunteers, the

Employer will have the right to select employees for overtime from the bottom of the seniority list up. **All** overtime work will be assigned by classification noted elsewhere in this Agreement in a manner such that Drivers only will be considered for driving assignments, and warehouse employees only will be considered for warehouse overtime.

Notwithstanding anything else in this provision with respect to overtime assignments, the overriding requirement is skill and ability within the classification to do the work available.

- (f) It is expressly understood and agreed that overtime must be authorized by the employee's immediate supervisor before overtime rates become effective.
 - (g) An employee will receive one and a half times the regular hourly rate for every hour in excess of forty (40) hours in one week for Saturday work hours. An employee will receive two times the regular hourly rate for every hour in excess of forty (40) hours in one work week for Sunday work hours. If an employee's regular shift starts after 8:00 p.m. on Sunday this provision does not apply. (See Letter of Understanding re: Saturday Overtime.)
 - (h) All regularly scheduled working hours spent on Company approved Union leave shall be deemed to be hours worked solely for the purpose of determining entitlement to overtime pay.
 - (i) Short term shutdowns (1 day) due to the Chrysler Brampton facility shutdowns shall be deemed as hours worked in order to qualify for overtime for the bargaining unit.
 - (j) The Company agrees to give two (2) hours notice when feasible of any overtime that is a result of any employees calling off for the next shift. The Company agrees to pay the half hour idle time between shifts provided the employee is in the work place and gets prior consent.
- 15.02 All employees shall report to work at the beginning of their designated shift to be determined by the Company. Any deviations from the regular schedule are to be communicated to the employee **as** soon as possible. Any employee reporting for a schedule shift assignment will be guaranteed four **(4)** hours work, or if no work is available anywhere at the discretion of the Employer, will be paid for four **(4)** hours at the regular straight time hourly rate. This reporting allowance will not apply:

- (i) to safety meetings where employees shall be compensated in accordance with applicable rates;
- (ii) if an employee has received prior notice not to report for work;
- (iii) where work is not available due to no electricity, fire, flood, weather conditions or any other Act of God.

15.03 Break Periods

All employees will be allowed two (2) fifteen (15) minute breaks each day. The scheduling of breaks will be at such time as to least interfere with production, with one (1) the first four (4) hours in the work day and one (1) the second four (4) hours in the work day, whenever possible.

15.04 Pay Periods

Wages are paid weekly. Pay periods will reflect a week commencing Sunday morning and ending Saturday midnight. Wages will be paid each Thursday. Should a pay day fall on a holiday, cheques will be available on the first regular work day preceding the holiday. Employees must provide written authorization if someone other than the employee is to pick up the pay cheque. Employees being short paid shall receive a manual cheque not later than Friday following the short pay, however, this shall only apply to short pay amounts of \$100.00 or more. The Company shall implement direct deposit for employees pay at such time as direct deposit is made generally available for Company employees in Canada.

15.05 Call-in Pay

Should for any reason an employee be called in for work on a non-scheduled day he/she will be guaranteed a minimum of four (4) hours pay per occurrence.

15.06 Shift Premiums:

Twenty-five (.25¢) cents for the warehouse – midnight shift.

15.07 Training

The Company agrees to provide forklift training a minimum of two (2X) times per year for five (5) employees each time and for a minimum of eight (8) hours.

ARTICLE 16 - BEREAVEMENT

16.01 In the case of death in the “immediate family” of an employee covered by this Agreement, the employee will be protected against loss of his regular straight time hourly pay for schedule work up to a maximum of three (3) consecutive days prior to and inclusive of the day of the funeral for the purpose of making arrangements for and/or attending of the funeral. The term “immediate family” means the employee’s wife, husband or spouse as defined in the Family Law Act, mother, father, stepparent, brother, sister, child, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparents (including spouse’s grandparents) and grandchildren.

16.02 Day of Mourning

The Company agrees that one member of the Union shall be allowed to attend day of mourning functions on behalf of the Local for up to four (4) hours. This shall be on paid time.

ARTICLE 17 - MISCELLANEOUS

17.01 This Agreement shall constitute the entire agreement between the two parties, and will create no rights or obligations beyond those specifically set forth in this Agreement. The Letters of Understanding Nos. ■through 6 attached hereto shall form part of this Agreement.

17.02 If any provision of this Agreement violates any federal or provincial law or administrative regulation, the remaining provisions shall remain in full force and effect.

17.03 The Union recognizes that a productive and efficient workforce is essential to maintaining Company profitability and competitiveness, which in turn guarantees the employees continued job opportunities. All employees will produce a full day’s work for a full day’s pay. The Company encourages all employees to suggest how to improve production efficiency, plant safety and working conditions.

17.04 The Company will provide a complete list of employees covered by this Agreement to the Union, when requested, showing their names, dates of hire, length of service, Social Insurance Number and address. Employees have the responsibility of notifying the Employer of any change of address.

17.05 Wherever the MASCULINE 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.

- 17.06 Where the singular is used throughout these Articles within this Agreement, it is agreed that the plural is an acceptable substitute whenever and wherever the plural gender is applicable.
- 17.07 The Company will provide a total of six (6) shirts to be provided after a ninety (90) day probationary period with a replenishment of two (2) shirts per year on the anniversary date of the Collective Agreement. Such shirts must be worn during all working hours and must be properly maintained by the employee.
- 17.08 The Company will provide lockers in an approved area.
- 17.09 It is understood and agreed that tow motor drivers are included in the warehouse classification and are not a separate classification under this Agreement. The Company will, however, endeavour to provide training opportunities to warehouse personnel to learn to become tow motor drivers to a reasonable extent taking into account its need for tow motor drivers and will post permanent vacancies for tow motor driving jobs which become available in the warehouse to provide warehouse personnel with an opportunity to bid on such vacancies in accordance with this Agreement.

17.10 Personal Days

Employees of the bargaining unit shall be allowed one (1) personal day unpaid in every three (3) month period. These days must be requested prior to using them and shall be granted at the Company's discretion. These personal days shall not be included for calculating overtime eligibility and shall not be used for discipline.

- 17.11 ■ The Company shall provide the Union with a copy of its current policy concerning distribution of overtime.
- 17.12 The Company shall, effective as soon as practicable following a settlement of all matters in dispute, implement for all non probationary full-time employees in the bargaining unit a Group RRSP plan pursuant to which employees may, by payroll deduction, elect to contribute wages to the Group RRSP (subject to Revenue Canada maximums) and the Company shall contribute on an employee's behalf to the Group RRSP an amount equal to 25% of the first 6% of wages which have been contributed by the employee to the Group RRSP.

ARTICLE 18 -HUMANITY FUND

18.01 Effective September 4, 1995, the company agrees to deduct from the wages of each employee in the bargaining unit an amount of forty (\$0.40) cents per week 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 the 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. The Company agrees to include the employee's total yearly donation on the employee's T4 slip as a charitable donation. Charitable tax registration number 0744722-03-13.

ARTICLE 19 - HEALTH AND WELFARE

19.01 EHT

The Company agrees to continue EHT coverage at 100%.

19.02 Dental

The **Company will** pay benefits for the following procedures

(a)	Type I (ex preventive or diagnostic)	100%
(b)	Type II (ex routine restorative)	80%
(c)	Type III (ex major restorative)	50%

Type II and Type III procedures are subject to a \$50.00 deductible. Dental benefits for new employees commence after ninety (90) calendar days. Effective July 1, 2001 the Dental Plan shall be amended to provide an increase in the annual maximum benefit from \$1,500 to \$1,750.

19.03 Vision Care

The Company to provide one hundred (**\$100.00**) dollars per employee for vision care effective the first year of the Agreement. All employees of the Company shall be eligible for up to one hundred (**\$100.00**) dollars towards vision care every twenty-four (24) months.

19.04 Driver Medicals

The Company agrees to reimburse drivers up to one hundred (\$100.00) dollars once during the life of this agreement.

19.05 Life Insurance

The Company shall provide life insurance coverage for each employee under its American Heritage Life Insurance Company Policy commencing ninety (90) calendar days after the employee's date of hire, in the amount of \$15,000.00 during each year of the operation of this Agreement.

19.06 Weekly Indemnity – 100% Employee Paid Benefit

- (1) This benefit will not apply to you if you are a part-time employee.
- (2) 66-2/3% of weekly earnings rounded to the next higher \$1.00 (if not already a multiple) up to a maximum of \$1,000.00 or if greater, an amount equal to the maximum employment insurance benefit.
- (3) The Weekly Indemnity Benefit will provide you with regular weekly income while you are absent from work for brief periods of disability that occur while you are insured under this benefit. To qualify for benefits, you must be under the regular and personal care of a physician and your disability must prevent you from performing your regular job.
- (4) Payments will start after the elimination period or if later, the day you first consult a physician and will continue as long as you remain disabled, up to the maximum benefit period shown in the Benefit Schedule.
- (5) If you continue to be insured while on maternity or parental leave and you become totally disabled while on such leave, the elimination period of that disability will begin the day you are scheduled to return to work, provided you are still unable to work on that day due to the same disability.

19.07 Carve Out with Employment Insurance Act

- (1) The weekly benefit is reduced by any income replacement benefit payable under the Employment Insurance Act.

Elimination Period - 3 days for accident and 3 days for sickness.
Benefit Period - 17 weeks.

Benefit terminates at age 70.

- (2) However, if you are disabled prior to age 70 and on attaining age 70 you are still so disabled and have not yet received 15 weeks of benefit payments, payment for the balance of the 15 weeks will be continued as long as your disability remains and you do not retire.

19.08 Reduction of Benefit

Your weekly benefit will be reduced by any amount payable to you as a result of your disability under:

- a) Any Workers' Compensation Act (or similar legislation); and
- b) If the benefit period of this plan exceeds 17 weeks, the Canada or Quebec Pension Plan (excluding benefits for dependents and any subsequent increase in benefits due solely to cost of living).

Your benefit amount will also be reduced by any indemnity for loss of time payable to you under the Quebec Automotive Insurance Act, the Ontario Motorist Protection Plan or any other no-fault automobile insurance plans indicated in the group policy.

19.09 Limitations

No payments will be made:

- a) During a formal maternity or parental leave as provided by law.
- b) During a maternity leave:
 - Beginning on the earlier of the elected date and the date of birth of your child; and
 - Ending on the earlier of the elected date of return to work and the actual date you return to work with your Employer; (Elected dates are dates that are mutually agreed to by you and your Employer.)
 - During a parental leave as mutually agreed to by you and your Employer.
 - Any income replacement benefits paid to the Participant under the Employment Insurance Act of Human Resources Development Canada, if this benefit, in accordance with the Benefit Schedule, is carved out with the Employment Insurance Act as a supplementary plan.

19.10 No payments will be made during a period during which you are entitled to any group long term Disability payments.

19.1 ■ No benefits are payable for total disability period for which Employment Insurance Act benefits are effectively paid by Human Resources Development Canada, if this benefit, in accordance with the Benefit Schedule, is carved out with the Employment Insurance Act, as a standard wrap around plan.

19.12 Exclusions

No payments will be made for any disability resulting directly or indirectly from:

- a) intentionally self-inflicted injuries while sane or insane;
- b) war (declared or not), military service, or participation in a riot, insurrection or civil commotion;
- c) committing, or attempting to commit a criminal offence;
- d) medical or surgical care which is cosmetic but excluding cosmetic care required as a result of an accident sustained while insured; or
- e) any gainful employment, if at the time of commencement of total disability, you were eligible for, but not insured for, coverage under any Worker's Compensation Act, (or similar legislation).

19.13 Recurrent Disability

If, within 14 days of returning to work you are again disabled due to the same or related cause, payments for the balance of the benefit period will resume immediately.

19.14 Extension of Benefit After Termination

If you are disabled on the date your insurance terminates, you will continue to be covered for that disability as if the benefit were still in force, provided the disability continues uninterrupted and premiums continue to be remitted.

19.15 How to Claim Benefits

Claim forms are available from your Employer and should be submitted to Imperial Life within 60 days of the date your disability commenced. Proof of a continuing disability will be required from time to time.

19.16 Dispensing Fee for Prescription Drugs

Each full time employee is entitled to a Prescription (PC) Card. For each prescription drug purchased the card must be given to the pharmacist and a deductible of \$2.00 paid. The Company shall pay up to \$10.00 of the dispensing fee for prescription drugs and the Employee must pay the amount of each dispensing fee in excess of \$10.00. There are no other charges and the PC card may be used as many times as necessary throughout the year. Prescription card benefits for new employees commence after ninety (90) calendar days.

19.17 It is understood and agreed that only full time employees who have successfully completed the probationary period shall have access to the benefit plans in this Article as provided by the insurer and outlined in the benefits booklet attached to this agreement as Appendix "A". The employer may substitute another carrier provided the benefit levels remain the same.

19.18 For employees who have completed probationary period, coverage under the aforementioned benefit plans shall continue during a period of layoff to the end of the calendar month following the month of the layoff and during a period of absence due to illness, to the end of the third calendar month following the calendar month of the commencement of such absence.

ARTICLE 20 -JURY DUTY

20.01 Each seniority employee who is summoned to and reports for jury duty, or as a court witness, as prescribed by applicable law (subject to the eligibility requirements in (a), (b) and (c) shall be paid by the Company the difference between the employee's regular base rate, exclusive of premiums for the number of hours up to eight (8), regardless of shift, that he otherwise would have been scheduled to work and the daily jury fee paid by the Court (not including traveling allowance or reimbursement of expenses). The Company's obligation to pay an employee for jury duty under this Section is limited to a maximum of thirty (30) days in any calendar year and in order to receive payment under this Section, an employee must meet all the following eligibility requirements:

- (a) The employee shall have given twenty-four (24) hours notice to the Company that he has been summoned for jury duty.
- (b) The employee shall furnish satisfactory evidence to the Personnel Manager that he reported for and performed jury duty on the days for which he claims payment.
- (c) The employee would otherwise have been scheduled to work for the Company on the day or days for which he claims payment.

ARTICLE 21 – LEAVE OF ABSENCE

21.01 Personal Leaves

An employee may be allowed a maximum of forty (40) calendar days leave of absence once over the life of the Collective Agreement without pay for personal reasons if:

- (a) They request it in writing from Management.
- (b) The leave is for a good reason, except in emergency situations when leave shall be granted in any event. An employee requesting such a leave should give as much notice as possible and except for emergencies must make his request at least fourteen (14) days prior to the date upon which leave is to commence.
- (c) Not more than three (3) employees from the plant and not more than one (1) employee from any one (1) department may be on such leave of absence at any one time for personal reasons.
- (d) Any unscheduled vacation entitlement must be exhausted before any leave of absence will be granted.

21.02 An employee shall not be granted a leave of absence for the purpose of taking other employment and the employee shall be deemed to be terminated if he accepts other employment during the leave of absence.

21.03 A leave of absence may be extended for additional time or additional leave may be requested in emergency situations if the circumstances are beyond the control of the employee. The employee must request this extension in writing, or by another communication means, as soon as possible prior to the termination of their leave. The approval by the Company will not be unreasonably withheld.

21.04 The Unit Chairperson will be notified of all leaves granted under this section.

21.05 Union Leave of Absence

- (a) Employees who have been elected or appointed by the Union shall be granted an unpaid leave of absence by the Company to conduct Union business and to attend Union conventions or conferences. This leave will be limited to a total of two (2) employees at any one time.

- (b) The Unit Chairperson may apply in writing to the Contract Manager of the Company to take Union leave without pay for the purposes of attending Union sponsored conventions, seminars or training sessions. Such application must, whenever possible, be made at least four weeks in advance of the proposed leave. The Contract Manager shall not unreasonably deny the leave application taking into account operational needs. The Unit Chairperson may take up to a maximum of sixty (60) working days of such leave without pay per calendar year.

21.06 The Union will notify the Company in writing, as early as possible, but not later than five (5) days prior to the start of the leave, of the names of the employees requiring leave, except in cases of emergency where the leave shall be granted in any event. Seniority, Group RRSP Plan and all other benefits will accumulate during such period.

21.07 The Company agrees to continue the pay of any employees absent from work on Union business and the Union will reimburse the Company for such wage payment upon receipt of a monthly statement. A leave of absence form must be completed and authorized by the Union and Company prior to any absence for Union business. The Union agrees to save the Company harmless from any liability arising from making the payment hereunder.

ARTICLE 22 – ANTI-SEXUAL & ANTI-RACIAL HARASSMENT POLICY

22.01 The employer shall maintain a working environment which is free from sexual and/or racial harassment. Harassment is a form of unlawful discrimination. For these purposes the term “harassment” includes but is not necessarily limited to:

- Demanding or requesting sexual favours with an implied threat or overt threat concerning the terms or conditions of someone’s employment.
- Unwelcome sexual advances or propositions made by a person who knows or ought reasonably to know that such attention is unwanted.
- Verbal comments, including joking or teasing about someone’s body clothing or **sexual** activity.
- Unwelcome physical contact, implied or expressed promise of reward for complying with a sexually oriented request.
- Repeated demeaning of a person or persons on the basis of a prohibited ground.
- Sexual and/or racial remarks and behaviour which may reasonably be perceived to create a negative psychological and emotional environment for work.

ARTICLE 23 – WSIB PROCEDURE

23.01 The Company will provide the injured worker with the “WSIB Functional Abilities” form to take to the treating physician. Upon return of the form the Employer will attempt to provide such suitable and meaningful work as is available.

23.02 Payment for Injured Employees

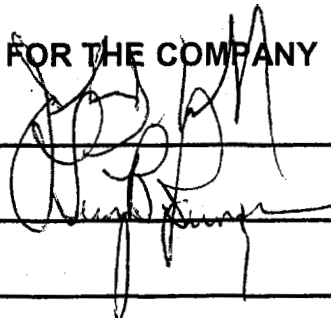
In the event that an employee is injured in the performance of his duties, he shall, to the extent that he is required to stop work and receive treatment, be paid for wages for the remainder of his shift. If it is necessary, the employer will provide, or arrange for, suitable transportation for the employee to the doctor or hospital and back to the workplace and/or to his home if necessary.

ARTICLE 24 - DURATION

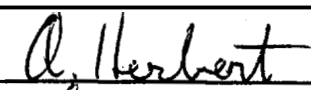
24.01 This Agreement shall remain in effect **up** to and including August 15, 2005. Notice to bargain shall be sent to the other party within ninety (90) days of the termination date of this Collective Agreement noted herein.

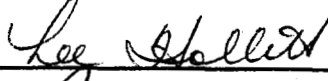
DULY EXECUTED BY THE PARTIES HERETO AT BRAMPTON, THIS 26TH
DAY OF AUGUST, 2002.


FOR THE COMPANY



FOR THE UNION







SCHEDULE "A"

WAGES

WAGES	Current Rate	JULY 1, 2001	JULY 1, 2002	JULY 1, 2003	JULY 1, 2004
DRIVERS	\$15.20	\$16.50	\$16.75	\$17.00	\$17.20
WAREHOUSE	\$12.95	\$14.05	\$14.40	\$14.70	\$15.00

Tier Rates**I. Warehouse – Full Time**

The rates of pay for warehouse full-time employees during the first eighteen (18) months of employment with the Company shall be at the following percentage of the above-noted rate of pay for warehouse full-time employee:

<u>Period of Employment</u>	<u>Applicable Percentage</u>
First Six Months of Employment	85%
7 to 18 th Month Inclusive of Employment	92 ½ %
18 Months on of Employment +	100%

2. Driver – Hourly – Full-Time

The rates of pay for driver-hourly full-time employees during the first twelve (12) months of employment with the Company shall be at the following percentage of the above noted rate of pay for driver-hourly full-time employee:

<u>Period of Employment</u>	<u>Applicable Percentage</u>
First Six Months of Employment	90%
7 to 12 th Month Inclusive of Employment	95%
After 12 Months Employment	100%

Part Time/Temporary Employees

In accordance with Article 14.02 all part time or temporary employees shall be compensated at eighty-five percent (85%) of the warehouse rate of pay if assigned as a warehouse part time or temporary employee and at ninety percent (90%) of the driver rate of pay if assigned as a driver.

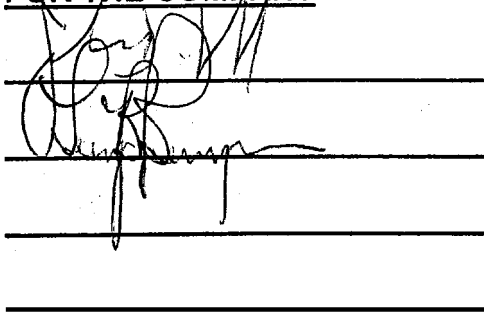
LETTER OF UNDERSTANDING NO. 1

RE: OVERTIME

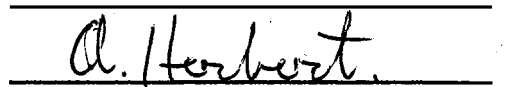
It is understood that by ratification of this Agreement that TNT LOGISTICS NORTH AMERICA, INC. will be applying for an Ontario Provincial Permit for an extension on the maximum hours of work to allow for a maximum of one hundred (100) hours of overtime per employee per year.


The ratification signifies the employee's understanding and agreement as required by the Ontario Government for permit purposes.


FOR THE COMPANY



FOR THE UNION







LETTER OF UNDERSTANDING NO. 2**RE: USE OF AGENCY PERSONNEL**

1. It is understood and agreed that the Company's primary mandate is to maintain a work force sufficient in numbers to serve the needs of the customer, which are paramount, at all times. It is also recognized that the needs of the customer may fluctuate from time to time and the Company must be able to meet these fluctuating needs.
2. It is recognized that the Company has, in the past, used individuals supplied by an Agency for driving purposes and/or warehouse purposes and shall continue to do so subject to the terms of this Letter of Understanding.
3. It is agreed and understood that individuals supplied by an Agency for driving and/or warehouse purposes are not employees of TNT LOGISTICS NORTH AMERICA, INC. pursuant to the terms of any labour legislation or this Collective Agreement, either directly or indirectly. Individuals supplied by an Agency are therefore not covered by the terms of this Collective Agreement and are not entitled to any of its provisions.
4. It is agreed and understood that the operation of this Letter of Understanding shall not result in any overtime or other premium pursuant to the terms of the Collective Agreement for any employees of the Company, except as expressly provided for herein.
5. It is agreed and understood that based on the Company's primary mandate stated above, the use of agency individuals will be restricted to the extent necessary to maintain a sufficient workforce as determined by the Company to meet the customer needs, as they may fluctuate from time to time. Agency personnel will therefore be utilized in cases of illness, vacation, workers compensation leaves, pregnancy and parental leave, personal leaves of absence or any other absence from the workforce which leaves the Company short of necessary personnel to meet the Customer's needs. Agency personnel shall also be used in circumstance where, despite the Company's efforts it is unable to recruit sufficient personnel determined by the Company to meet its needs.

6. The parties agree that any given Agency individual will be utilized to a maximum of three (3) continuous calendar months. This restriction shall not apply to an individual supplied by the Agency to replace an employee on pregnancy/parental leave or on a workers' compensation leave. At the beginning of the three continuous calendar month period, the Agency individual will be given the opportunity to apply for a position. If not accepted by the Company in its sole discretion, the Agency individual will be returned to the Agency at the end of the third continuous calendar month period. For current Agency individuals the three (3) month time period shall commence on the date of signing the new Collective Agreement.

7.
 - (a) If an employee is absent for any reason, except in the case of a permanent vacancy, the Employer will first make an offer to a part-time employee in the classification required by the employer who is not scheduled to work the required shift. The part time employee's hours shall not exceed the maximum hours permitted by the Ministry of Transportation of Ontario and/or Labour Canada.

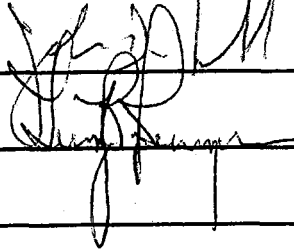
 - (b) If no part-time employee is available to work the Employer will give the opportunity to an Employee in the classification required by the Employer to cover for his relief, and to continue to work beyond his regular shift into the next shift to the extent that such additional hours, together with that employee's scheduled hours for that week do not exceed the maximum hours permitted by the Ministry of Transportation of Ontario and/or Labour Canada.

 - (c) Once paragraphs (a) and (b) have been applied, additional hours not covered shall be covered by the use of agency personnel.


 - (d) In the event of a permanent vacancy, the Employer will cover the hours by applying (b) (only Full Time Employees) and then (c) (Agency individuals) above.


8. It is agreed and understood that this Letter of Understanding supersedes any and all settlements and/or arbitration awards concerning the use of agency personnel and in particular an award of Roger Young dated November 24, 1993 incorporating a settlement dated November 18, 1993. It is also agreed and understood that grievances 202, 204, 92994 and 111694 and any continuing grievances that are incorporated into these grievance currently before Roger Young are hereby withdrawn by the Union and the Company is under no liability whatsoever with respect to the issues raised in these grievances.


FOR THE COMPANY



FOR THE UNION







LETTER OF UNDERSTANDING NO. 3

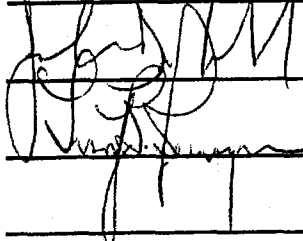
**RE: ARTICLE 15 – HOURS OF WORK – OVERTIME
THREE SHIFT OPERATION**

It is acknowledged and agreed by the parties that the Company has the management right to, from time to time, schedule different hours of work and shifts in order to meet its obligations to its customers. The Company has informed the Union of the necessity of implementing a three shift operation replacing the current two shift operation, effective in or about July, 1998 on an indefinite basis. To this end, while the three shift operation is in effect, all of the existing provisions of Article 15 – Hours of Work – Overtime of the Agreement shall continue to apply, subject to the following provisions which shall apply to give effect to the three shift operations:

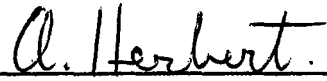
1. There shall be a continuous operation of three eight (8) hour shifts, Monday to Friday with starting and quitting time to be as determined by the Company from time to time.
2. While on the three shift operation, all affected employees will be allowed on each shift two (2) ten (10) minute paid breaks and a twenty (20) minute paid meal break, with all breaks to be scheduled by the Company at such times as to least interfere with productions on the same basis as breaks as scheduled pursuant to Article 15.03.
3. The Company may, at any time, terminate the three (3) shift operation in which case the provisions of this Letter of Understanding will cease to apply until such time as the Company chooses to resume the three shift operation.


NOTE: The forgoing hours of work do not have to apply to all employees. For example, certain truck drivers will continue to work shifts of ten (10) hours or more including a thirty (30) minute unpaid meal break.


FOR THE COMPANY



FOR THE UNION





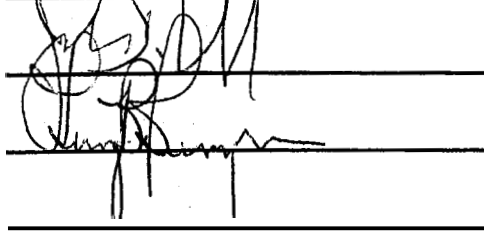


LETTER OF UNDERSTANDING NO. 4

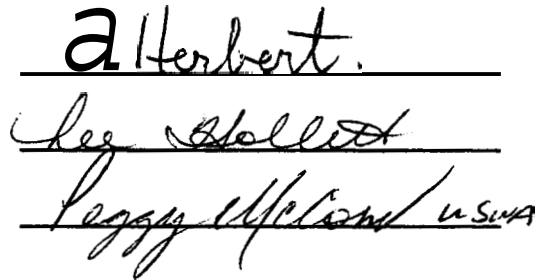
RE: WAGES HOLDBACK

If the Company should go to an additional week hold back of wages, the Company and the Bargaining Committee will agree to negotiate on how to transition this change. Both parties must agree on the method before any change can be made.

FOR THE COMPANY



FOR THE UNION



LETTER OF UNDERSTANDING NO. 5**RE: SATURDAY OVERTIME**

It is understood and agreed that pursuant to Article 15 – Hours of Work – Overtime, employees are only entitled to receive overtime pay for hours worked on a Saturday which are in excess of forty (40) hours in one payroll a week or in excess of eight (8) hours worked in one work day (in excess of nine (9) hours worked (in the case of truck drivers). Notwithstanding this, the parties agree that where a warehouse employee would have been entitled to be paid at the applicable overtime rate for work on a Saturday but for the fact that his/her hours in the payroll week do not exceed forty (40) hours worked solely because the employee lost regular hours during that payroll week by reason of downtime at the Customer's plant, then such employee shall be deemed to have worked such hours lost due to such down time not for the purpose of entitlement to payment for such hours, but solely for the purpose of the entitlement to payment of overtime at the applicable rate on Saturday.

FOR THE COMPANY

FOR THE UNION

A. Herbert.

Lee Adell

Peggy Meloni uswa

LETTER OF UNDERSTANDING NO. 6

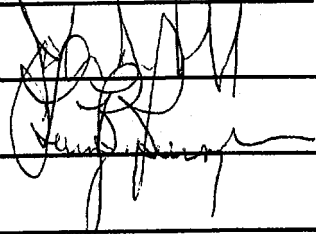
RE: SHUNTERS

This Agreement shall form part of the Collective Agreement, effective January 19, 1999.

Whereas, the Company has advised the Union that it intends to cease contracting out of shunting work:

1. The parties hereby confirm their agreement that such shunting when performed by employees of the Company is Bargaining Unit work.
2. Such Bargaining Unit positions shall be filled in accordance with the Collective Agreement.
3. Should the Company be unable to fill these vacancies with seniority employees the Company may fill any remaining vacancies in accordance with the Collective Agreement.

FOR THE COMPANY



FOR THE UNION

A. Herbert.

Lee Ballard

Peggy McLeod uswa.

Example #1

Earnings \$560.00/week

\$560.00	X	66 2/3%	=	\$373.35	
\$373.35		rounded to nearest \$1	=	\$373.00	eligible benefit
\$373.00	-	10 X 0.25	=	\$ 9.32	
		plus 8% PST		<u>\$ 0.75</u>	
				\$10.07	monthly premium
\$10.07	X	12	=	\$120.84	annual cost
\$120.84	-	52	=	\$ 2.32	weekly cost
\$2.32	-	40	=	\$0.058	hourly cost

Example #2

Earnings \$800.00/week

\$800.00	X	66 2/3%	=	\$533.36	
\$533.36		rounded to nearest \$1	=	\$533.00	eligible benefit
\$533.00	-	10 X 0.25	=	\$13.33	
		plus 8% PST		<u>\$ 1.07</u>	
				\$14.40	monthly premium
\$14.40	X	12	=	\$172.80	annual cost
\$172.80	-	52	=	\$3.32	weekly cost
\$3.32	-	40	=	\$0.083	hourly cost

Example #3

Earnings \$1,000.00/week

\$1,000.00	X	66 2/3%	=	\$666.70	
\$666.70		rounded to nearest \$1	=	\$667.00	eligible benefit
\$667.00	-	10 X 0.25	=	\$16.68	
		plus 8% PST		<u>\$ 1.33</u>	
				\$18.01	monthly premium
\$18.01	X	12	=	\$216.12	annual cost
\$216.12	-	52	=	\$4.16	weekly cost
\$4.16	-	40	=	\$0.104	hourly cost