

AGREEMENT

**BETWEEN
HALEY INDUSTRIES LIMITED**

Ana

**UNITED STEELWORKERS
OF AMERICA**

Local 4820

March 16, 2003

March 15, 2006

Contract

PRODUCTION & MAINTENANCE

SEP 13 2003

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**HALEY INDUSTRIES LIMITED
COLLECTIVE AGREEMENT**

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COLLECTIVE AGREEMENT

B E T W E E N

HALEY INDUSTRIES LIMITED
incorporated under the laws of the
Province of Ontario

hereinafter called the "Company"

OF THE FIRST PART

- and -

UNITED STEELWORKERS OF AMERICA
and its Local Union 4820, a
voluntary non-incorporated
association

hereinafter called the "Union"

OF THE SECOND PART

NOW THEREFORE THIS AGREEMENT
WITNESSETH that the parties agree as follows:

ARTICLE 1- PURPOSE

- 1.01 The general purpose of this agreement is to establish and maintain mutually satisfactory bargaining relations between the parties who are subject to this agreement and to provide 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 2 - RECOGNITION

- 2.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all its employees including probationary employees at its plant at Haley, Ontario, save and except assistant foremen, persons above the rank of assistant foreman, office staff, sales staff, guards and students, as certified by the Ontario Labour Relations Board on the 28th day of September, 1951.

ARTICLE 3 - BARGAINING AGENCY

- 3.01 The term "employee" or "employees" wherever used hereinafter in this Agreement shall mean an "employee" or employees" in the above described Bargaining Unit. Whenever the male gender is used throughout this Agreement, it is agreed that the female gender is to be substituted whenever and wherever applicable.
- 3.02 The Company recognizes the Union as the sole and exclusive bargaining agency for the employees of the Company hereinbefore referred to in respect of rates of pay, hours of work and other working conditions.

ARTICLE 4 - NO DISCRIMINATION

- 4.01 There shall be no discrimination by the Company or the Union or any of its members against any employee by reason of being or not being a member of the Union or any employees' organization or because of ethnic origin, age, sex, religious creed or political belief, or performing his lawful Union activities within the terms of this Agreement. It is further agreed

that there shall be no intimidation against any employee for any reason whatsoever.

- 4.02 The Union and the Company recognize that sexual harassment is an unlawful employment practice in violation of the Ontario Human Rights Code which defines it as: "A course of vexatious comment or conduct or a sexual advance or solicitation that is known or ought to be reasonably known to be unwelcome perpetrated by a person's employer, someone acting for the employer, or a co-worker." Complaints of alleged harassment by a member of the bargaining unit will be handled with all possible confidentiality by a joint committee consisting of the Local President of the Union and the Vice President & General Manager of the company. The Union President or Vice President & General Manager can designate an alternate in their absence.

ARTICLE 5 - MANAGEMENT

- 5.01 Nothing in this Agreement shall be interpreted in any way to limit or interfere with the Company's right to extend, limit, curtail or cease its operations, when in its sole discretion it may deem it advisable to do so.
- 5.02 Neither shall anything in this Agreement be so construed or interpreted as to deprive the Company of its rights to hire, retire, reprimand, transfer, direct, demote, promote, classify, lay off, suspend or discharge its employees or be the judge of their qualifications. This judgment shall be exercised in a just and reasonable manner.

- 5.03 It shall be the exclusive function of the Company to manage the enterprise, to maintain order, discipline and efficiency, to determine the extent and location of operations, the kinds and locations of machines or equipment to be used, the schedules of operations, to determine the number of employees needed at any time, and to make reasonable rules of procedure and conduct for its employees, provided however that any claim of improper application of any such rule or regulation against an employee shall be subject to the Grievance Procedure of this Collective Agreement. All Company rules affecting employees will be posted on existing bulletin boards, with any new or amended rules becoming effective only after such posting.
- 5.04 The above clauses are subject to the terms of this Agreement.
- 5.05 In the event the Company introduces new machinery resulting in the redundancy of employees with seniority, the Company will notify the Union at least thirty (30) days in advance of any resultant layoff. During that period the parties will meet and make all reasonable effort to relocate displaced employees in accordance with their seniority and qualifications.
- 5.06 A person whose job is not in the Bargaining Unit shall not work on any job which is included in the Bargaining Unit except for the purposes of instructing, investigating or experimenting or in emergencies when no suitably qualified employee in the Bargaining Unit is available.

ARTICLE 6 - REPRESENTATION

- 6.01 The stewards shall be chosen by the Union and shall be employees of the Company with three (3) months' seniority status, and their number in the aggregate shall not exceed more than one (1) for each twenty-five (25) employees, with a minimum of eight (8) allowed, each Department being represented by the Steward of the Department in which he is employed. One of the eight (8) Stewards may act as Chief Steward and any five (5) of them may act as Grievance Committeemen at any time.
- 6.02 The Company shall be notified in writing by the proper official of the Union of the names of the Stewards and the members of the Grievance Committee, and of any changes in same before the Company is required to recognize them.
- 6.03 A negotiating Committee shall be comprised of the duly elected President or Chairperson of the Local, and four (4) others selected or elected at large. Employees so authorized to conduct negotiations shall be afforded the necessary time off, and on days of direct negotiations prior to conciliation with the Company without loss of basic pay. The Company also agrees to allow this Committee up to one day for proof reading this Agreement without loss of basic pay. In order to deal with issues of special concern, the parties may mutually agree for the attendance of one (1) other union member to a meeting where required to assist the parties.

ARTICLE 7 - GRIEVANCE PROCEDURE AND ARBITRATION

- 7.01 In order to reduce to a minimum any interference with operations, it is agreed that a committee of Union officers (not exceeding three (3) persons on any one day) will be permitted on request to the Personnel Manager to meet between 3:30 p.m. and 4:30 p.m., without loss of basic pay, to process any matters which might lead to grievances. Such meetings shall not exceed three (3) per week and shall take place on Mondays, Wednesdays and Fridays unless otherwise agreed. It is understood that any meetings between the Union and the Company shall take place prior to 3:30 p.m.
- 7.02 It is agreed that grievance work will be done in accordance with Item 7.03. If it is necessary for a steward or committeeman to take time off during working hours to attend to such work, he will arrange with his foreman to be off at a time which will least interfere with his work and will give the foreman as much advance notice as possible. Stewards or committeemen who are required to leave their departments in an investigation of a grievance shall receive permission from their immediate supervisor before leaving their department, and shall obtain permission of the supervisor of the department they wish to visit before entering the department, and shall report back to their immediate supervisor before returning to work. The supervisor involved shall not withhold permission unreasonably.
- 7.03 If an employee has a grievance as to the interpretation, application or non-application or

alleged violation of this Agreement, the matter may be taken up in the following manner, providing it is taken up within ten (10) full working days of the occurrence of the circumstances giving rise to the grievance.

- 7.04 Grievances dealing with safety and health will be dealt with as a third stage grievance. All other grievances properly arising under this Agreement shall be adjusted and settled as follows:

Step No. 1

The aggrieved employee, in the presence of his or her shop steward shall present his grievance orally to his foreman or supervisor in an attempt to resolve. If a settlement satisfactory to the employee concerned is not reached within **two (2)** full working days (or any longer period which may be mutually agreed upon), the grievance may be presented as follows at any time within **two (2)** full working days thereafter.

Step No. 2

The grievance shall be submitted to the Human Resources Manager in writing on a form supplied by the Union and approved by the Company, who shall consider it in the presence of the persons presenting same (including the aggrieved), and the supervisor, and render his decision in writing. Should no settlement 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 Union Grievance Committee shall meet within five (5) working days with management to consider the grievance. At this stage, they may be

accompanied by a representative of the International Organization.

A technical error in the written submission will not cause annulment of the grievance.

7.05 If final settlement of the grievance is not completed within seven (7) working days after the meeting in 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 at any time within twenty-one (21) days thereafter but not later.

7.06 The arbitrator shall be chosen from the list below on a rotating basis provided the arbitrator selected is able to accept the referral in rotation:

- | | |
|------------------|------------------|
| 2. Ken Petryshen | 3. Bernard Adell |
| 4. Pamela Picher | 1. Richard Brown |

7.07 The decisions of the Arbitrator constituted in the above manner shall be binding on both parties.

7.08 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.

7.09 Each of the parties to this Agreement will jointly bear the expenses of the Arbitrator.

7.10 No person shall be selected as arbitrator who has been involved in attempts to negotiate or settle the grievance.

- 7.11 Any differences which arise directly between the Union and the Company concerning the interpretation, application or non application, or violation of this Agreement, instead of following the procedure hereinbefore set out, may be submitted in writing by either of the parties to the other with opportunity to be provided within seven working days for oral discussion between the officers of the Union and the management representatives designated for that purpose by the Company. Failing settlement within seven working days of such first oral discussion, either the Company or the Union may give notice in writing requiring a meeting within seven working days between such management representatives or such other senior officials of the Company as the Company may designate for this purpose and a representative of the International Union of the United Steelworkers of America accompanied if he so desires by a Grievance Committee to discuss the matter. The decision of the party to whom the matter was first submitted shall be given within seven working days after such meeting.
- 7.12 In the event that any difference concerning the interpretation, application or non-application, or violation of this Agreement shall not have been satisfactorily settled under the foregoing provisions, the matter may then, by notice in writing given by one party to the other, within fifteen working days from the giving of the decision of the management representative at Stage Three, or the decision of the Company in the preceding paragraph, be referred to arbitration as hereinafter provided. If no decision be given within seven working days' period allowed above, the notice of arbitration

may be given within fifteen working days after the expiry of such seven working day period.

- 7.13 Where two or more employees in the same department have complaints which are sufficiently common in nature that they may be conveniently dealt with together, such complaints shall constitute a group grievance and shall be handled as follows:

A group grievance shall be presented at Stage Two by a minimum of two (2) employees, accompanied by the appropriate number of Stewards or Grievance Committeemen.

A grievance affecting the entire department, or the plant as a whole, may be taken up by the Union at Stage Three of the Grievance Procedure. If a satisfactory solution is not reached, the matter may be processed, including arbitration.

Grievances processed under this section shall comply with the time limits set out above.

7.14 **Time Limits**

Saturdays, Sundays and holidays shall not be counted in determining the time within which any action is to be taken in each of the foregoing stages. Any and all time **limits fixed** by this Article may, at any time, be extended by agreement in writing between the Company and the Union.

- 7.15 It is understood and agreed that the provisions of Section 7.13 of this Agreement may not be used by the Union to process the grievances of individual employees.

- 7.16 Any employee grievance alleging unjust discipline or discharge may be referred to a single arbitrator

as outlined in 7.06. Where an arbitrator determines that a disciplinary penalty or discharge is excessive he or she will have the power to substitute such other penalty for the discipline or discharge as he or she considers just and reasonable in all circumstances.

ARTICLE 8 - NO STRIKES- NO LOCKOUTS

- 8.01 The Company agrees that it will not cause or direct any lockout of its employees and the Union agrees that there will be no strikes or other collective action which will stop or interfere with production.

ARTICLE 9 -DISCHARGE CASES

- 9.01 In the event that an employee be discharged or suspended unjustly from his or her employment after the date of execution of this Agreement, and believes that his discharge or suspension is in violation of the provisions of this Agreement, such discharge, or suspension, shall constitute a matter to be dealt with under the provisions of this Agreement respecting Grievance Procedures. Any such matter may be presented at the Third Stage of the Grievance Procedure within seven (7) days after the date the employee is notified of his discharge or suspension, and not otherwise.
- 9.02 Such special grievance 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.

- 9.03 When an employee is being disciplined, either orally or in writing, it shall be done in the presence of his Departmental Steward or some other Union official if the Steward is not immediately available in the plant.
- 9.04 An employee who has been discharged or immediately suspended from his or her job, shall be permitted to discuss such discharge or suspension with his or her shop steward before leaving the plant premises for a period of time not to exceed one hour.
- 9.05 It is agreed that any written warning or reprimand shall be removed from an employee's record after a period of six (6) months. It is agreed that any suspension shall be removed from an employee's record after a period of twelve (12) months.

ARTICLE 10 - SENIORITY

- 10.01 Seniority will be determined by the employee's length of continuous service in the bargaining unit. New employees in the service of the Company who have put in a period of **two** hundred and forty (240) hours of actual work, will be considered as probationary, and will have no seniority during this period of two hundred and forty (240) hours of actual work. At this time they will be considered as regular employees, and their seniority will date from the time they were employed.
- 10.02 In all cases of promotion, demotion, lay off, recall and transfers to higher paid jobs or better jobs with equal pay within the bargaining unit, the following factors shall be considered:
- (a) seniority;
 - (b) skill and ability.

Where the employee possesses the above minimum requirements, seniority shall govern.

The successful candidate will be given a ten (10) day trial for familiarization and the opportunity to demonstrate his skill and ability to perform the job. During this period the Company shall assess the employee's ability to perform and the employee shall determine if he wishes to remain in the job. An employee who bids into that job shall retain the greater of his or her last rate of pay and the learner rate of pay during the familiarization period. If after the trial period the employee is returned to his job, he will be returned to his former job, and all subsequent employees will be returned to their former job(s).

When management decides that the work force in any bargaining unit area is to be reduced, the President, or Acting President in the absence of the President, and the Chief Shop Steward, as the case may be, shall, after reduction in forces continues to the point where they would otherwise be laid off, be retained at work provided they can perform the work required. The intent of this provision is to retain in active employment the above mentioned employees for the purpose of maintaining continuity in the administration of the collective agreement in the interest of all employees as long as the work force is maintained.

10.02(ii) In the event of a reduction in the workforce, senior employees who are entitled to displace employees with less seniority shall give notice of their intention to displace the less senior employee not later than one (1) week after receiving such notice. An employee who fails or refuses to comply with this provision shall be assigned to a displaced position, if any, by management.

Provided there is no significant disruption to operations of the Company, the President (or if there is not a President, the Unit Chairperson) of the Local shall not be required to work on a shift other than the day shift except with his consent. If a President is in a job with twelve hour rotational shifts (ie heat treat off days), he shall remain on shift and shall have the opportunity to bid on the first available job for which he would qualify under these job posting provisions. In such instances, in order to facilitate the move to the day shift, preference will be given to the President in **filling** such job.

10.03 **Seniority in Re-hiring**

In the event of a layoff for lack of work, the employees most recently laid off shall be the first to be recalled, except for trades and crafts or assigned maintenance, as listed below, where the employees must be qualified to perform the available work.

Any employee who has been laid off but who still retains his seniority and who is notified to return to work by telephone and by registered mail to his last address on record with the Company, will lose his seniority unless he notifies the Company within five working days that he is intending to return to work and unless he returns to work as soon as possible after notification, and in any event within twelve working days after the mailing and other communication of such notice.

10.04 **Temporary or Emergency Recalls**

- (a) Normally the most senior qualified employee will be the first to be recalled by telephone. However, the Company is not bound by this and when circumstances dictate, the Company's selection will be based on the following factors:
 - (1) availability of the employee, and
 - (2) immediate familiarity with the work.

- (b) Where 10.04(a) is applied, such temporary recall shall be for a minimum period of ten working days and may not exceed a period of thirty working days at which time the recall will be considered permanent and the relevant recall provisions shall apply. The parties agree that the temporary or emergency recall procedure shall not be **used** in successive periods in order to avoid the application of the permanent recall procedure. The Company commits to **inform** the employee temporarily recalled as to his/her status five (5) days prior to the expiry of the recall period.
- (c) It is further understood that an employee will not lose his seniority if he refuses a temporary or emergency recall.
- (d) It is further understood that a temporary or emergency recall does not update an employee's seniority status.

NOTE: - The trades or crafts or assigned maintenance shall be any jobs for which are listed:

Casting Welder(light alloys)	Machinist
Electrician	Machinist B
Electronic Repairman	Millwright
F.P.I. Inspector	Patternmaker
Instrumentation Electrician	Toolmaker
Lab Technician	Waste Water Operator
Layout Inspector	

10.05 The Company will post, in each department, a list showing the plant seniority of each employee. These lists will be corrected and brought up-to-date and posted quarterly. The lists will include the employee's telephone number, as referred to in 15.02.

10.06 **Loss of Seniority**

An employee will lose all seniority if he -

- (a) quits;
- (b) is discharged for just cause and is not reinstated through arbitration or the grievance procedure;
- (c) fails to return to work within twelve working days after notice to return to work has been given;
- (d) is laid off by the Company for a period exceeding twelve months if he has two (2) years or less seniority; or is laid off for a period exceeding twenty-four months if he has more than two (2) years seniority; or is laid off for a period exceeding forty-eight months if he has more than two (2) years seniority and the layoff occurs during the life of this collective agreement;
- (e) works for some other employer while on leave of absence from his work, except when the Company approves such other employment.

10.07 An employee who is transferred to a position outside the bargaining unit who is transferred back to the bargaining unit within sixty days, shall on his return, be credited with the seniority which he held at the time of his exit, plus the time spent outside the bargaining unit. All current staff are deemed to have expired this sixty (60) day period, and therefore retain no seniority.

10.08 **Absence**

An employee will not lose any seniority because of absence due to sickness or accident or if given written leave of absence for personal reasons. If an employee finds he is unable to report for work because of sickness or other legitimate reason, he will notify the Company as soon as possible and in any event within one (1) hour after the start of his

shift, unless there are extenuating circumstances making it impossible to report within the hour. Such circumstances must be explained to the satisfaction of the Company.

10.09 Leave of Absence

Employees of the Company may be granted leave of absence up to ~~six~~ months or longer without pay, permission to be obtained in writing, and unless employees on such leave of absence report for work on or before the expiration of such absence, their names shall be taken from the seniority list. Leave of absence under this rule will not be granted for the purpose of engaging in work outside the Company service, except in the case of sickness or other exceptional circumstances but may be granted for the purpose of furthering the employee's education or training. The Company will grant leaves of absence to employees for a reasonable time to attend to Union duties; and to attend educational seminars, subject to the efficient operations of the plant.

Where an employee is a member of the Canadian Armed Forces and is required by proper military authority to be absent from work to attend to essential military duties, he shall be granted leave of absence without loss of seniority.

(a) The Company shall grant one (1) employee leave of absence of up to three (3) years for full time union business, providing the employee and the Union have requested such leave in writing. Leave of absence under this Article 10.09(a) shall be without pay but without loss of seniority. The Employer shall maintain the payment of benefit premiums during such leave and the Union shall reimburse the Employer for such costs.

(b) Within five (5) years of the date an employee would be entitled to normal retirement and upon the employee's written application setting out the commencement and end of a leave, the Company shall grant a one time only leave of absence for up to eighteen (18) consecutive months for pre-retirement planning without pay or benefits and without loss of seniority. An employee who fails to return to active employment upon the expiry of the approved leave shall be deemed to have quit for all purposes. Any employee may continue his benefits for this period by paying the appropriate premiums through the Company at the group rate with the exceptions of weekly indemnity benefits and optional long term disability benefits.

10.10 ~~Seniority~~ shall be maintained and accumulated during:

1. Absence due to layoff, sickness or accident;
2. Authorized leave of absence.

10.11 Any leave of absence permit must be in writing and signed by an authorized Company official, with a copy to the Union.

10.12 (a) Job vacancies occurring within the Bargaining Group Classifications will be posted for a period not exceeding seven (7) days. This procedure is presently Company policy, and will continue for the duration of this Agreement. Any employee off work due to illness or injury will be provided with a form, upon request, allowing him or her to express an interest in selective job postings which may occur during their absence. Should such a posting become available, the Company will contact the employee by phone allowing him the opportunity to apply for the selective postings indicated on the form submitted by the employee, and arising after the Company's receipt of the form. Within a reasonable time after posting a job vacancy, the Company will:

1. Post the name of the successful applicant and within ten (10) working days thereafter assign the successful applicant to the job.
2. If no applicant is successful, a notice to this effect will be posted.
3. In the event of a cancellation of a job posting, notice to this effect will be posted.
4. A further posting will be made if a future need arises for the previously cancelled posting.

(b) When a job vacancy has been permanently filled, the Company will immediately notify the Chief Steward of the job that has been filled and the name of the person who has been selected to fill it.

(c) Any employee who has successfully bid under this Article shall not be entitled to bid on a posted job on the same or lower classification for six (6) months from the date of his successful bid except with the Company's permission and other than as provided in (d) below.

(d) When a temporary job opportunity occurs, it shall be clearly posted as temporary, posted and filled using the procedures outlined in paragraph (a) above. Temporary job vacancies shall apply when there is need for a job opening within a department for a minimum period of sixty (60) days to a maximum of six (6) months. An employee who has accepted a job under this paragraph shall retain his existing job of record during the period the job is filled.

10.13 It is agreed that employees who are to be laid off shall receive three (3) days notice of layoff or three (3) days pay in lieu thereof. It is further agreed that any such layoffs shall take place only on a Friday.

ARTICLE 11 - HOURS OF WORK

- 11.01 The following paragraphs and sections are intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week.
- 11.02 The standard work week shall consist of forty (40) hours, made up of five (5) eight (8) hour days from Monday to Friday, inclusive. The normal hours of work will be from 8:00 a.m. to 4:30 p.m. and if there is a second shift from 4:30 p.m. to 1:00 a.m. with one-half hour for lunch. However, if operating conditions warrant it, other schedules **may** be established.
- 11.03 A wash-up period of five minutes will be allowed immediately before the meal break and finishing time. There will be two ten-minute rest periods - one in the morning and one in the afternoon. The work force may be split into two or more groups to avoid overcrowding of the refreshment facilities.

ARTICLE 12 - OVERTIME

- 12.01 Time and one-half will be paid for all work done in excess of eight hours in any one day. Time and one-half will be paid for all work performed on Saturday and double time will be paid for all work performed on Sunday.
- (a) Employees regularly scheduled to work twelve (12) hour shifts in heat treat shall be paid time and one half for all work performed in excess of the employees regularly scheduled shift. Employees regularly scheduled to work twelve (12) hour shifts in heat treat shall be paid time and one half for all work performed in excess of the employees regularly scheduled work week or after forty (40) hours, as the case may be. Time and one half will be paid for all hours

of work performed on Saturday and double time will be paid for all hours of work performed on Sunday, provided that Saturday and/or Sunday is not part of the employees normally scheduled work week. No employee shall be entitled to overtime premium more than once for the same hours worked.

- 12.02 Overtime is on a voluntary basis and the opportunity to share overtime will be equally available to all those employees normally performing the work.
- 12.03 The Company agrees, so far as possible, to avoid scheduling overtime work on the day of the Union's regular monthly membership meeting.
- 12.04 The Company agrees to pay supper allowance of \$5.00 to all employees who work two (2) hours or more daily overtime. The Company shall furnish transportation home if necessary. Employees must receive forty-eight (48) hours notice of change of shift unless mutually agreed on by the Company and the employee. The Company shall furnish transportation home if necessary only if less than one (1) day's advance notice of overtime opportunity is given, except with supervisor's approval.
- 12.05 In the event that an employee agrees to work voluntary overtime and fails to report to work overtime as scheduled, it will be considered an absentee occurrence subject to discipline procedures.

ARTICLE 13 - STATUTORY HOLIDAYS

- 13.01 The following twelve (12) statutory holidays are considered paid holidays for those employees who have completed more than thirty (30) continuous calendar days in the employ of the Company:

New Year's Day	Thanksgiving Day
Good Friday	Day before Christmas Day
Victoria Day	Christmas Day
July 1st	Boxing Day
Labour Day	Day before New Year's Day
Armistice Day	Floater Day

If any of the above holidays falls on a Saturday or a Sunday, they will be recognized and paid for either on the Friday or Monday, after consultation with the Union and two (2) weeks' notice. An employee shall make a written request to the Company at least three (3) weeks in advance of the day to be taken as his or her Floater holiday and shall be subject to the agreement of the Company.

- 13.02 The amount paid to the employee, including employees regularly scheduled on twelve (12) hour shifts, will be equivalent to a full work period of eight (8) hours at his normal hourly rate, provided he works his last scheduled shift prior to and his next scheduled shift after such holiday. In order to qualify for payment of a holiday, the employee must have performed work for the Company within the two (2) calendar weeks prior to or within the two (2) calendar weeks following the holiday, save that employees on sick leave or on compensation will receive payment for any holidays if they return to work within nine (9) months of the holidays.
- 13.03 It is understood that an employee required to work during any of the above holidays will, in addition to his holiday pay, be paid at time and one-half his

hourly rate. An employee required to work during the day before Christmas, Christmas, and Boxing Day, will in addition to his holiday pay, be paid at double his hourly rate; and if required to work on any of the remaining holidays will, in addition to his holiday pay, be paid at time and one-half his hourly rate.

ARTICLE 14 - CALL-OUT TIME

- 14.01 An employee called out for emergency work shall be entitled to be paid for four hours at his applicable hourly rate, regardless of time worked, or to the pay to which he is otherwise entitled under the overtime provisions of Article 12 in respect of the time worked on such call out, whichever is the greater.

ARTICLE 15 - REPORTING ALLOWANCE

- 15.01 If an employee reports for work by punching his time card (this, providing the time clock is operating) and addressing himself to his foreman, supervisor, or failing either, to a management representative, without having been previously notified not to report, he shall be given at least four (4) hours pay at his normal rate. This shall not apply to an employee, who is returning to work, after an absence without leave, or who, if on leave, failed to report for work on his regular work period immediately following the termination of his authorized leave of absence, or, if work is not available, for any cause beyond the control of the Company.
- 15.02 It is the employee's responsibility to keep the Company informed of an up-to-date telephone number at which he can be reached.

ARTICLE 16 - SAFETY AND HEALTH

16.01 The management shall continue to make reasonable provision for the safety and health of the employees during the hours of their employment. Protective devices and other equipment necessary to safeguard employees from injury shall be supplied by the management. Rubber boots and raincoats will be issued to employees if required to work outside on a temporary basis. The Company shall place three (3) appropriate snowmobile type suits in stores. The coats and boots to be returned to stores at the time of completion of specific tasks. In the first year of this agreement, the Company will supply each employee with seniority with a \$115.00 voucher for the purchase of safety boots, and in the second year, a \$120.00 voucher for the purchase of safety boots and in the third year a \$125.00 voucher for the purchase of safety boots. It is agreed that the melt room, maintenance, chipping room, wheelabrator, walk in sandblaster, CNC employees and waste water operator will receive *two* vouchers per year for safety boots. It is further agreed the Company will provide specialized footwear for the pour areas (ie gator type) as necessary. The Company agrees to provide three (3) sets of shirts and pants to employees employed in the melt room and number four area to be maintained and laundered by the employees. The Company agrees to pay 100% of the cost of safety prescription glasses every twenty-four (24) months of this collective agreement, and it is agreed that the Company reserves the right to designate where such glasses will be purchased along with limiting the choice of glasses to a minimum of three (3) selections. The Company shall limit the payment for glasses purchased at other than the designated location to a maximum of \$250.00. The employee shall submit proof of payment to the Company prior to any

reimbursement made. Union and the Company agree to co-operate in maintaining the observance of all health and safety rules.

- 16.02 The Company will ensure that all relevant employees are trained to use any new chemical which is introduced into the Company.
- 16.03 The present Safety Committee established to deal with matters of safety and health within the plant will be continued during the life-time of this Agreement.

It is agreed that the Committee shall meet once a month during working hours without loss of basic pay to the members of the Committee. It is further agreed an agenda will be prepared and circulated in advance of the meeting. The purpose of this meeting will be to inspect the physical condition of the work place and discuss issues relative to Safety & Health. The minutes of the meeting will be circulated prior to the next monthly meeting. In all matters relating to health and safety both members of the Union's Health & Safety Committee may be present during any investigative proceedings. The Company and the Union agree that the functions of the Safety Committee and the Safety Representative will also conform to the Occupational Health and Safety Act of Ontario as to the obligations and responsibilities. The parties will co-operate to carry out their responsibilities under the Act.

An employee may refuse to work or do particular work where he has reason to believe that:

1. Any equipment, machine, device or thing he is to use or operate is likely to endanger himself or another employee.

2. The physical condition of the work place or the part thereof in which he works or is to work is likely to endanger himself; or
3. Any equipment, machine, device or thing he is to use or operate or the physical condition of the work place or the part thereof in which he works or is to work is likely to endanger himself or another employee.
 - (a) If as set down in the above clause, an employee refuses to work or do particular work, he shall promptly report the circumstances of his refusal to his supervisor, who shall forthwith investigate the report with representatives of the Health and Safety Committee.
 - (b) Following investigation and any steps taken to deal with the circumstances that caused the employee to refuse to work or do particular work, if the employee continues to have reasonable grounds to believe that carrying out the work would endanger himself or another employee, then an inspector representing the Ministry of Labour shall investigate the refusal to work and shall give his decision in writing as soon as possible.
 - (c) The employee may be found alternative work until such time the job has been made safe or determined to be safe to work on.

Pending the investigation and decision of the Inspector, no bargaining unit employee shall be assigned to use or operate the equipment, machine, device or thing or to work in the work place part thereof which is being investigated until the job in

question has been deemed safe to operate by the Health and Safety Committee.

No disciplinary action shall be taken against any employee by reason of the fact that he has exercised the right conferred upon him under the Act respecting the occupational health and safety of employees.

16.04 Employees who are injured on Company premises and are sent home or to a doctor, or to the hospital, by the Company because of such injury shall receive pay at their normal rate for the balance of the shift on which the injury occurred and for all days lost due to injury up to the day WSIB kicks in. Where an employee is injured during the performance of overtime work he shall be entitled to be paid the wages he would have earned for the day or shift on which the injury occurred, as though the injury had not occurred.

16.05 If the employee is requested by the Company or the Company's insurer, to produce a certificate or other medical documentation or to submit to a medical examination by a medical practitioner, the cost of same will be borne by the Company. It is understood that an employee because of injury or illness, may no longer be able to perform the duty of their job and may be compelled to transfer to different duties.

ARTICLE 17 - BULLETIN BOARDS

- 17.01 The Company will provide one bulletin board in the canteen, for the exclusive posting of non-controversial notices of Union meetings or social affairs, or appointments of Stewards or Grievance Committeemen. Any notice which the Union desires to be posted shall be submitted to the Company for approval and posting.
- 17.02 In view of this method of informing employees, the Union or employees shall not otherwise post, distribute or leave any kind of literature within the Company's property.

ARTICLE 18 - WAGES

- 18.01 The S.E.S. ("Simple Effective Solution") Manual for Production and Maintenance job Descriptions and Classifications is incorporated into this Agreement and its provisions shall apply as if set forth in ~~full~~ herein.

During the lifetime of this collective agreement, the Company agrees to pay, and the Union agrees to accept, the wages as outlined in Appendix "B" in accordance with the Standard Wage Scale.

Note: \$100.00 lump sum payment at summer shutdown.

- 18.02 A shift differential of thirty-five cents (35¢) per hour to be paid for all hours worked on a regularly scheduled second shift, and a shift differential of forty-five cents (45¢) per hour will be paid for all hours worked on a regularly scheduled third shift. For the purposes of payment of shift differential, if a shift starts four (4) hours or more after the regular shift starting time the whole shift shall be considered to be the following shift.

- 18.02 (a) **An** employee on continuous shift schedules who was called in on overtime on his second consecutive scheduled day off shall be entitled to twice his regular hourly rate for each hour worked.
- (b) All wages due and owing to an employee shall be paid by an employer on the regular pay day of the employee as established by the practice of the employer.
- 18.03 Each employee job shall be described and classified and a rate of pay applied to each employee in accordance with the provisions in this Agreement.

STANDARD WAGE SCALE

Effective on March 16, 2003, and continuing until September 15, 2003, the Standard Wage Scale rate for Job Group 1 for the Production and Maintenance employees shall be \$15.17 per hour and all job groups above Job Group 1 shall remain at equal increments of \$0.235 per hour establishing a Standard Wage Scale as follows:

Job Group	Wage	Job Group	Wage
1	\$15.17	16	\$18.695
2	\$15.405	17	\$18.93
3	\$15.64	18	\$19.165
4	\$15.875	19	\$19.40
5	\$16.11	20	\$19.635
6	\$16.345	21	\$19.87
7	\$16.58	22	\$20.105
8	\$16.815	23	\$20.34
9	\$17.05	24	\$20.575
10	\$17.285	25	\$20.81
11	\$17.52	26	\$21.045
12	\$17.755	27	\$21.28
13	\$17.99	28	\$21.515
14	\$18.225	29	\$21.75
15	\$18.46	30	\$21.985

18.04 Effective on September 16, 2003, and continuing until March 15, 2004, the Standard Wage Scale rate for Job Group 1 for the Production and Maintenance employees shall be \$15.17 per hour and all job groups above Job Group 1 shall remain at equal increments of \$0.24 per hour establishing a Standard Wage Scale as follows:

JobGroup	Wage	JobGroup	Wage
1	\$15.17	16	\$18.77
2	\$15.41	17	\$19.01
3	\$15.65	18	\$19.25
4	\$15.89	19	\$19.49
5	\$16.13	20	\$19.73
6	\$16.37	21	\$19.97
7	\$16.61	22	\$20.21
8	\$16.85	23	\$20.45
9	\$17.09	24	\$20.69
10	\$17.33	25	\$20.93
11	\$17.57	26	\$21.17
12	\$17.81	27	\$21.41
13	\$18.05	28	\$21.65
14	\$18.29	29	\$21.89
15	\$18.53	30	\$22.13

18.05 Effective on March 16, 2004, and continuing until March 15, 2005, the Standard Wage Scale rate for Job Group 1 for the Production and Maintenance employees shall be \$15.17 per hour and all job groups above Job Group 1 shall remain at equal increments of \$0.25 per hour establishing a Standard Wage Scale as follows:

JobGroup	Wage	JobGroup	Wage
1	\$15.17	16	\$18.92
2	\$15.42	17	\$19.17
3	\$15.67	18	\$19.42
4	\$15.92	19	\$19.67
5	\$16.17	20	\$19.92
6	\$16.42	21	\$20.17

7	\$16.67	22	\$20.42
8	\$16.92	23	\$20.67
9	\$17.17	24	\$20.92
10	\$17.42	25	\$21.17
11	\$17.67	26	\$21.42
12	\$17.92	27	\$21.67
13	\$18.17	28	\$21.92
14	\$18.42	29	\$22.17
15	\$18.67	30	\$22.42

18.06(i) Effective on March 16, 2005, and continuing until September 15, 2005, the Standard Wage Scale rate for Job Group 1 for the Production and Maintenance employees shall be \$15.17 per hour and all job groups above Job Group 1 shall remain at equal increments of \$0.255 per hour establishing a Standard Wage Scale as follows:

JobGroup	Wage	JobGroup	Wage
1	\$15.17	16	\$18.995
2	\$15.425	17	\$19.25
3	\$15.68	18	\$19.505
4	\$15.935	19	\$19.76
5	\$16.19	20	\$20.015
6	\$16.445	21	\$20.27
7	\$16.70	22	\$20.525
8	\$16.955	23	\$20.78
9	\$17.21	24	\$21.035
10	\$17.465	25	\$21.29
11	\$17.72	26	\$21.545
12	\$17.975	27	\$21.80
13	\$18.23	28	\$22.055
14	\$18.485	29	\$22.31
15	\$18.74	30	\$22.565

18.06(ii) Effective on September 16, 2005, and continuing until March 15, 2006, the Standard Wage Scale rate for Job Group 1 for the Production and Maintenance employees shall be \$15.17 per hour and all job groups above Job Group 1 shall

remain at equal increments of \$0.26 per hour establishing a Standard Wage Scale as follows:

Job Group	Wage	Job Group	Wage
1	\$15.17	16	\$19.07
2	\$15.43	17	\$19.33
3	\$15.69	18	\$19.59
4	\$15.95	19	\$19.85
5	\$16.21	20	\$20.11
6	\$16.47	21	\$20.37
7	\$16.73	22	\$20.63
8	\$16.99	23	\$20.89
9	\$17.25	24	\$21.15
10	\$17.51	25	\$21.41
11	\$17.77	26	\$21.67
12	\$18.03	27	\$21.93
13	\$18.29	28	\$22.19
14	\$18.55	29	\$22.45
15	\$18.81	30	\$22.71

18.07 Effective on the dates specified above all employees shall have their rates of pay adjusted as follows:

- (a) If the employee is not receiving an out-of-line differential prior to the dates specified above, the rate of pay of such employee shall be adjusted to conform to the Standard Wage Scale Rate for that employee's job as provided.
- (b) If the employee is receiving an out-of-line differential prior to the dates specified above, the rate of pay of such employee shall be increased by the amount by which the rate for Job Group 1 has been increased, as provided and the following shall govern:
 - (i) If the employee's new rate resulting from such increase is greater than the standard hourly rate for the job, as provided above, the amount by which such employee's new rate is greater than the rate provided shall become such employee's new out-of-line differential which shall replace the former out-of-line

differential and shall apply in accordance with the provisions of this agreement.

- (ii) If the employee's new rate resulting from such increase is equal to or less than the Standard Wage Scale rate for the job, as provided above, the rate of pay of such employee shall be adjusted to conform to the Standard Wage Scale rate for the job, as provided for above, and the former out-of-line differential shall be terminated.

18.08 As of the date the Standard Hourly Wage Scale becomes effective, the Standard Wage Scale rate for each job group shall be the Standard Wage Scale rate for all jobs classified within such a job group and shall so continue for the duration of the Standard Wage Scale and shall be applied to any employee in accordance with the provisions of this agreement.

18.09 Each standard wage scale rate established above shall be:

- (a) The established rate of pay for all hours paid for a non-incentive job; and
- (b) The established base rate and minimum guaranteed rate of pay under any incentive applied to the job in accordance with the provisions of this Article.

18.10 Except as otherwise provided by this Agreement, the established rate of pay for each Production and Maintenance job, shall apply to any employee during such time as the employee is required to perform such job.

OUT - OF - LINE DIFFERENTIALS

18.11 The Company shall furnish to the Union a list, agreed to by the Company and the Union, of employees who are to be paid "out-of-line

differentials". Such a list shall contain the following information:

- (a) Names of incumbents who will receive "out-of-line differentials".
- (b) Job classifications of the incumbents.
- (c) The amount of such out-of-line differentials.
- (d) The effective date of such out-of-line differentials.

- 18.12 If an employee with an out-of-line differential is transferred or assigned to a job having a higher Standard Wage Scale rate, then the differential shall be reduced by the amount of the increase in the standard wage scale rate.
- 18.13 If, ~~as~~ a result of a layoff and the exercise of seniority rights, an employee with an out-of-line differential is moved to a job having a lower Standard Wage Scale rate, then the out-of-line differential shall be canceled.
- 18.14 If such employee referred to in Sections 18.12 and 18.13 shall be returned to the job for which the out-of-line differential was established, the out-of-line differential shall be reinstated except as it may have been reduced or eliminated by other means.
- 18.15 When an employee would, in accordance with the terms of this Agreement, be entitled to receive their regular rate, they shall also receive any out-of-line differential to which they are entitled.
- 18.16 In addition to the means herein provided, increases in the increment between job groups shall be used to reduce or eliminate out-of-line differentials.
- 18.17 Except for the application of the out-of-line differentials as called for herein, the terms of this Agreement governing transfers shall apply.

TEMPORARY TRANSFERS

18.18 Any employee temporarily transferred from their regular job for the convenience of the Company shall be paid the standard wage scale rate of the job to which they have been transferred, provided such rate is not less than that of their regular job. If the rate of the job to which they have been temporarily transferred, but not a result of a lay-off, is less than the rate of their regular job, they shall be paid the rate of their regular job during the period of such temporary transfer.

A transfer will be considered temporary for a period of up to 14 days of actual work on the job transferred to. Whenever possible in the application of this clause, seniority will be given preference provided it does not interfere with the efficient operations of the plant. Where an employee is temporarily transferred from a job in which he has not completed the learner period, it is agreed that the time spent on the job to which the employee is temporarily transferred will count as time worked on his original job for the purpose of pay rate progression only.

INCENTIVES

18.19 Should the Company desire to establish an incentive system to cover any jobs, the following shall govern:

- (a) The Standard Wage Scale rates for the respective jobs shall be the base rates and minimum guaranteed rates for such incentives; and
- (b) The Company shall first discuss with and explain to the Union the development of any incentive plan and reach mutual agreement with the Union regarding such incentive plan before it is installed.

GENERAL

- 18.20 Any mathematical or clerical errors made in the preparation, establishment or application of job descriptions, classifications or Standard Wage Scale rates shall be corrected to conform to the provisions of this Agreement.
- 18.21 The Company and the Union shall designate in writing to each other their committee members for handling job descriptions and classifications. It is agreed that there shall be not more than six (6) committee members in the aggregate from the Production and Maintenance unit. Additionally, and included in such designation, there shall be a referee from the Company and a referee from the Union.
- 18.22(a) Learner rates will be applied to the jobs listed in Appendix "C". Jobs may be added to or deleted from the list by mutual agreement between the Company and the Union Job Evaluation Committee. Each learner rate period shall have a maximum duration of 520 hours and the difference in rate of pay between learner periods shall be two (2) job classes. Trade" jobs will not have learner periods. Craft** jobs shall have learner periods.
- 18.22(b) Learner jobs are not independently described and classified as such, but a schedule of learner period classifications is applied as set forth in Appendix "C" of the collective agreement.
- 18.23 The Utility positions are multi-skilled jobs which exist to perform all processing related tasks when required and all foundry related tasks when required to allow for efficient workload allocation and which is necessary due to short term production surges, vacations, illnesses and/or

accidents. It is understood the work required to be performed does not ordinarily exceed sixty(60) calendar days, and is not intended to replace the provisions of Article 10.12(d). The **only** reason for which the 60(sixty) calendar day period is extended is to address an unforeseen extension of the incumbent employee's leave.

- 18.24 While there are employees on bump as a result of a layoff and work is required as contemplated under Article 18.23, a Utility person may be used in jobs for which they were qualified and held during the four years prior to becoming a Utility person. In all other instances, the work will be performed by the most senior qualified employee who is immediately available in the plant and has as his job of record the position in which the work is required. The Utility person will fill the reassigned employee's position. Should the reassignment be declined, the Utility person will perform the work. This article will apply provided the work to be performed is not for a period of more than seven working days. Following the seven day period, the position shall be filled by way of a temporary transfer for up to seven working days. If the position remains open after the temporary transfer period, the position shall be filled in accordance with the job posting provisions of the collective agreement.

For greater clarity, the parties agree that the intent of this Article 18.24 is to provide:

- (i) For working days 1 to 7, a Utility worker will be assigned to perform the work;
- (ii) For days 8 to 14, the temporary transfer provisions will be followed; and
- (ii) For days 15 to 60, the job posting provisions of the collective agreement will apply.

ARTICLE 19 - VACATIONS

19.01 Employees with less than one year's continuous service shall be granted vacations in accordance with the Employment Standards Act of Ontario.

Employees with one (1) year's continuous service will be granted ~~two~~ (2) weeks' vacation with pay.

Employees who have five (5) or more, but less than nine (9) years of continuous service will be granted three (3) weeks' vacation with pay. Employees who have had nine (9) or more years continuous service but less than fifteen (15) will be granted four (4) weeks' vacation with pay. Employees who have had fifteen (15) or more years of continuous service will be granted five (5) weeks' vacation with pay.

June 30th in any year is the date to be used in determining the length of service of any employee for the purpose of establishing the amount of vacation with pay to be granted. The payment for two (2) weeks' vacation will be based on 4%, for three (3) weeks' vacation on 6%, for four (4) weeks' vacation on 8%, for five (5) weeks' vacation on 10%, and for six (6) weeks' vacation on 12% respectively of such employee's total earnings in the twelve-months period immediately preceding June 30th.

Employees will be provided with a statement of earnings prior to receiving their vacation pay.

If a paid holiday falls within an employee's approved vacation period, the employee will be allowed an extra day off with pay at a time convenient to the employee and to the Company, providing the employee otherwise qualifies for payment for the holiday.

It is agreed that the annual vacation shutdown,

where business conditions permit, will be the last week of July and the first week of August. If the Company deems it necessary to change the vacation period, the Union will be notified at least three (3) months in advance. Employees who have twenty (20) or more years of continuous service on or after ratification of this Agreement shall be entitled to one (1) additional day's vacation for each year of service in excess of twenty (20) years to a maximum of five (5) days.

- 19.02 Employees entitled to vacation with pay must take their vacation during the vacation year. The vacation year will be considered to be from July 1st of one year to June 30th of the following year.
- 19.03 In the case of absence of an employee through illness or accident for a period of more than one (1) month, with presentation of suitable evidence that he was unfit for work during the period of such absence, he will be credited with the current percentage of his wages for that period towards his vacation pay for the current year only.
- 19.04 Employees entitled to more than two (2) weeks' vacation will be allotted available vacation periods on the basis of seniority. It is understood that there shall be a two (2) week summer shutdown in each year of this Agreement. It is further agreed that a vacation bonus of \$100.00 will be paid to each employee for each full calendar week of vacation taken between January 1st and April 30th in the vacation year.
- 19.05 Where an employee suffers a bona fide illness during his vacation, the diagnosis and terms of which is clearly verified in writing by a medical practitioner, the employee shall be permitted to reschedule vacation provided that the rescheduling shall be subject to not more than ten percent (10%)

of the employees in the department being scheduled for vacation at any one time, in accordance with Company policy.

- 19.06 Employees having twenty-five (25) or more years service shall be entitled to one vacation bonus comprising two (2) weeks vacation. This bonus has a one-time application and applies retroactively to twenty-five (25) years of service and may be taken at the employee's discretion immediately, or in the future, or the employee may elect to receive the corresponding two weeks vacation bonus pay upon retirement.

ARTICLE 20 - DUES CHECKOFF

- 20.01 The Company shall deduct Union dues including, where applicable, fees and assessments, on a weekly basis, from the wages of each employee covered by this agreement. The amount of dues shall be in accordance with the Union's Constitution.

All dues, fees and assessments shall be remitted to the Union forthwith and in any event no later than 15(fifteen) days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the International Secretary Treasurer of the United Steelworkers of America, AFL-CIO-CLC, PO Box 13083 Postal Station " A , Toronto, Ontario M5W 1V7 in such form as shall be mutually agreed upon between the Union and the Company. A completed Dues Remittance Form R-115 (in the form attached as Appendix P) shall accompany such remittance, with a copy to be sent to the Union office so designated by the Union.

The remittance and the Form R-115 shall be accompanied by a list of the names of employees

and amount so deducted for each employee, in form mutually agreed to by the Company and the Union.

The Company, when preparing T-4 slips for the employees, will enter the amount of union dues paid to the employees for the previous year.

20.02 Payroll deductions will continue for the duration of the contract unless by mutual agreement this Collective Agreement is sooner terminated. If the parties should agree to extend the Collective Agreement beyond its normal term, the check-off arrangement will also be extended unless altered by mutual consent.

20.03 No person shall be required, as a condition of employment, to become or remain a member of any union or other employees' organization and no statement or representations to the contrary shall be made.

20.04 No employee shall solicit members, collect monies or engage in any Union activity during his working hours, or on Company time, save as expressly provided by this Agreement, nor shall any employee or Union official solicit members, collect monies, or engage in any Union activity on Company premises in such manner, place or time as to interfere with other employees during the working hours of the latter, save as expressly provided by this Agreement, nor shall the Union or any of its members hold meetings at any time on the Company premises except as permitted by the Company, the place for such meetings to be designated by the Company.

20.05 In the event of a plant closure, consideration shall be given to an employee's application to a vacant position, at another location of the Company, for

which the employee is qualified, and subject to any condition precedent by law, including immigration laws.

ARTICLE 21 - EMPLOYEE BENEFITS

21.01 Subject to the provisions of this section, the Company agrees to pay one hundred percent (100%) of the premium cost of the existing benefit plans for employees as follows:

- (a) Effective March 16, 1998 weekly indemnity on a 1-1-4-52 basis to sixty percent (60%) of regular wages per week effective from notification to the insurer.
- (b) The plan includes optional major medical benefits which includes a pay direct drug card.
- (c) Group Life and Accidental Death and Dismemberment Insurance \$35,000.00 one week after ratification. Effective March 16, 2004 - \$40,000.00. Effective March 16, 2005 - \$50,000.00.
- (d) Basic Dental Plan (one year drag): Maintain 1 (one) year gap from current O.D.A. Schedule in each year of agreement.

21.02 The Company and the Union agree to change the carriers of these plans if more attractive coverage and premiums can be arranged.

21.03 Because of the delay for employees who are entitled to weekly indemnity and Workers' Compensation payments, the Company will make arrangements at the request of the employee to provide advance payments on a weekly basis for an amount equal to his entitlement under the Insurance Plan. See form letter attached as Appendix "L" to this Agreement.

21.04 If the Company is able to effect any savings in premium cost without decreasing the benefits such

savings shall accrue to the Company

- 21.05 March 16, 2003 - The monthly multiplier shall be increased to \$32.00 with back service to 1979 (representing the equivalent of 19 cents per hour).
March 16, 2004 - The monthly multiplier shall be increased to \$34.00 with back service to 1979 (representing the equivalent of 22 cents per hour).
March 16, 2005 - The monthly multiplier shall be increased to \$36.00 for current and back service to 1979 (representing the equivalent of 26 cents per hour). There shall be no reduction in pension for retirement if the employee has attained the age of 64 after September 16, 2005. For such employees, employee benefits ~~of~~ major medical and dental shall be continued to normal retirement age of 65.

The values of 19 cents per hour in year 1, 22 cents per hour in year 2, and 26 cents per hour in year 3, respectively, shall be attributed after each corresponding 5 year amortization period to purchase additional past pension benefits. The value of 32 cents per year and 28 cents per year corresponding to back services for March 16, 2001 and March 16, 2002, respectively, shall be attributed after each corresponding 5 year amortization to purchase additional past pension benefits.

ARTICLE 22 - BEREAVEMENT PAY

- 22.01 In the case of a death in the immediate family of an employee, the Company shall grant three (3) days leave of absence with pay to compensate for time lost in normal working days. "Immediate family" shall be meant to include mother, father, mother-in-law, father-in-law, sister, brother, daughter-in-law, son-in-law and grandchildren.
- 22.02 In the case of a death of a grandmother, grandfather, brother-in-law or sister-in-law the

Company shall grant bereavement leave of one (1) day with pay.

- 22.03 In the case of the death of an employee's spouse or child, the Company shall grant five (5) days leave of absence with pay to compensate for time lost in normal working days.

ARTICLE 23 - JURY DUTY

- 23.01 The Company will pay the difference between normal pay and the pay received for jury duty or being subpoenaed as a Crown witness, for all working time lost.

ARTICLE 24 - TERMINATION

- 24.01 This Agreement shall become effective on the 16th day of March 2003, and shall remain in full force and effect until the 15th day of March, 2006.
- 24.02 Either party may on ten (10) calendar days notice require the other party to enter into negotiations for the renewal of this Agreement within the period of three (3) months prior to the expiry date, and both parties shall thereupon enter into such negotiations in good faith and make every reasonable effort to secure such renewal.

DATED THIS 18th day of July, 2003.

HALEY INDUSTRIES LIMITED

UNITED STEELWORKERS OF AMERICA,

and its Local Union 4820

Robert Parnaud

[Signature]

James Miller

Eric L. Brown

Ken Francis

General Carthy

United Steelworkers of America,
Local 4820

LETTER OF INTENT - INCENTIVES

The Company will meet and negotiate with Union officials of Local 4820 prior to the installation of any Incentive Plan for hourly rated employees.

Each standard hourly rate established under Appendix "C" shall be the established hourly base rate and minimum guaranteed rate of pay under any incentive applied to the job.

This clause will not limit the scope or type of any Incentive Plan which may be instated in the future.

P.J. Clark

APPENDIX "B"

JOB TITLE	ESSENT B CLASS	RATE MARCH 16/03	RATE SEPT 16/03	RATE MARCH 16/04	RATE MARCH 16/05	RATE SEPT 16/05
		0.235	0.240	0.250	0.255	0.260
Instrumentation Electrician	24	\$20.58	\$20.69	\$20.92	\$21.04	\$21.15
Patternmaker	23	\$20.34	\$20.45	\$20.67	\$20.78	\$20.89
Millwright (Propane)	22	\$20.11	\$20.21	\$20.42	\$20.53	\$20.63
Electronic Repairman	22	\$20.11	\$20.21	\$20.42	\$20.53	\$20.63
Toolmaker	21	\$19.87	\$19.97	\$20.17	\$20.27	\$20.37
waste water operator	21	\$19.87	\$19.97	\$20.17	\$20.27	\$20.37
Machinist	20	\$19.64	\$19.73	\$19.92	\$20.02	\$20.11
Millwright	20	\$19.64	\$19.73	\$19.92	\$20.02	\$20.11
Foundry Utility Person	20	\$19.64	\$19.73	\$19.92	\$20.02	\$20.11
Electrician	20	\$19.64	\$19.73	\$19.92	\$20.02	\$20.11
Layout Inspector	19	\$19.40	\$19.49	\$19.67	\$19.76	\$19.85
Casting Welder	19	\$19.40	\$19.49	\$19.67	\$19.76	\$19.85
Large casting Cell operator	19	\$19.40	\$19.49	\$19.67	\$19.76	\$19.85
Process Technician	19	\$19.40	\$19.49	\$19.67	\$19.76	\$19.85
Process Utility Person	19	\$19.40	\$19.49	\$19.67	\$19.76	\$19.85
Melter Pours	18	\$19.17	\$19.25	\$19.42	\$19.51	\$19.59
Dry Sand Assembler	17	\$18.93	\$19.01	\$19.17	\$19.25	\$19.33
Machinist "B"	17	\$18.93	\$19.01	\$19.17	\$19.25	\$19.33
Inspector Fluorescent Penetrant	17	\$18.93	\$19.01	\$19.17	\$19.25	\$19.33
Dimensional Check Inspector	16	\$18.70	\$18.77	\$18.92	\$19.00	\$19.07
Precision Fitter	16	\$18.70	\$18.77	\$18.92	\$19.00	\$19.07
Visual Inspector	16	\$18.70	\$18.77	\$18.92	\$19.00	\$19.07
Laboratory Technician	16	\$18.70	\$18.77	\$18.92	\$19.00	\$19.07
Automatic Machinist (CNC)	15	\$18.46	\$18.53	\$18.67	\$18.74	\$18.81
Truck Driver	15	\$18.46	\$18.53	\$18.67	\$18.74	\$18.81
Heat Treat Attendant (Off-shi	15	\$18.46	\$18.53	\$18.67	\$18.74	\$18.81
saw Operator	15	\$18.46	\$18.53	\$18.67	\$18.74	\$18.81
Heat Treat Attendant (Day-shi	15	\$18.46	\$18.53	\$18.67	\$18.74	\$18.81
Boroscope Operator	15	\$18.46	\$18.53	\$18.67	\$18.74	\$18.81
Metal Stores Clerk	15	\$18.46	\$18.53	\$18.67	\$18.74	\$18.81
Radiographer Helper	15	\$18.46	\$18.53	\$18.67	\$18.74	\$18.81
Storeman	14	\$18.34	\$18.34	\$18.42	\$18.49	\$18.55
Shipper / Receiver	14	\$18.23	\$18.29	\$18.42	\$18.49	\$18.55
Pattern Repairman	14	\$18.23	\$18.29	\$18.42	\$18.49	\$18.55
Router Operator	14	\$18.23	\$18.29	\$18.42	\$18.49	\$18.55
Process Development	14	\$18.23	\$18.29	\$18.42	\$18.49	\$18.55
Pattern Storeman	13	\$18.34	\$18.34	\$18.34	\$18.34	\$18.34
Landfill Operator	13	\$17.99	\$18.05	\$18.17	\$18.23	\$18.29
Core Assembler	13	\$17.99	\$18.05	\$18.17	\$18.23	\$18.29
Coremaker Machine Operator	13	\$17.99	\$18.05	\$18.17	\$18.23	\$18.29
Fitter	13	\$17.99	\$18.05	\$18.17	\$18.23	\$18.29
Processing Auxilliary Service	13	\$17.99	\$18.05	\$18.17	\$18.23	\$18.29
Mechanical Repairman Helper	13	\$17.99	\$18.05	\$18.17	\$18.23	\$18.29
Foundry Auxilliary Services	13	\$17.99	\$18.05	\$18.17	\$18.23	\$18.29
Techniques support	12	\$17.76	\$17.81	\$17.92	\$17.98	\$18.03
core Storeman	12	\$17.76	\$17.81	\$17.92	\$17.98	\$18.03
X-Ray Machine Operator	12	\$17.76	\$17.81	\$17.92	\$17.98	\$18.03
Core Blower Machine Operat	11	\$17.52	\$17.57	\$17.67	\$17.72	\$17.77
Core Stores Helper	11	\$17.52	\$17.57	\$17.67	\$17.72	\$17.77
Core Finisher	10	\$17.29	\$17.33	\$17.42	\$17.47	\$17.51
Material Handler	9	\$17.05	\$17.09	\$17.17	\$17.21	\$17.25
Casting Dipper & Washer	9	\$17.05	\$17.09	\$17.17	\$17.21	\$17.25
Dark Room Attendant	8	\$16.82	\$16.85	\$16.92	\$16.96	\$16.99
RMH Mach Op	8	\$16.90	\$16.90	\$16.92	\$16.96	\$16.99
Dip Room Attendant	8	\$16.82	\$16.85	\$16.92	\$16.96	\$16.99
Pan & Corebox Clean	7	\$16.58	\$16.61	\$16.67	\$16.70	\$16.73

**LEARNER PERIOD
(520 HOURS MAXIMUM)**

<u>JOB DESCRIPTION</u>	<u>LEARNER PERIODS</u>
Core Assembler - Core Shop	3
Core Fitter - Core Shop	1
Core Finisher	1
Coremaker - Machine Operator	3
Core Blower Machine Operator	1
Core Storeman	2
Helper Core Stores	0
Dry Sand Assembler	4
Foundry Service Auxiliary	2
Melter/Pourer	2
Metal Stores Clerk	2
Metal Recovery	1
Pattern and Corebox Cleaner	0
Fettler	1
Precision Fettler	2
R.M.H. Machine Operator	0
Sand Blast Operator, Cabinet Type	0
Grinder (Pedestal)	1
Saw Operator	1
Router Operator	2
Casting Welder (Light Alloys)	3
Heat Treat Attendant (Days)	2
Heat Treat Attendant (Off Shift)	1
Inspector (Fluorescent Penetrant)	**
Casting Dipper and Washer	0
Dip Room Attendant	0
Visual Inspector	3
Inspection Helper	0
X-Ray Machine Operator	2
Radiographer's Helper	3
X-Ray Room Inspection Helper	1
Dark Room Attendant	0
Dimensional Check Inspector	3

JOB DESCRIPTION**LEARNER PERIODS**

Shipper	3
Shipper's Helper	1
Layout Inspector	4*
Patternmaker	
Pattern Storekeeper	2
Pattern Store Helper	1
Toolmaker	*
Laboratory Technician	3
Storeman	3
Storekeeper's Helper	1
Truck Driver	1
Electrician	*
Machinist	*
Machinist "B"	*
Carpenter	*
Welder	*
Mechanical Repairman "Millwright"	*
Mechanical Repairman's Helper	1
Electronic Repairman	*
Maintenance Electrician	*
Electrician's Helper	1
Maintenance Labourer	0
Automatic Machinist (CNC)	3
Boroscope Operator	3
Material Handler	1
Calibration Coordinator	3
Foundry Utility Person	5
Process Utility Person	5
Waste Water Operator	*

- * Government Approved Apprentice Program
- ** Certified Level II Liquid Penetrant Testing Inspector. All Level II Inspectors will be provided with the opportunity to write and pass the Level III exam, if requested by the employee.

APPENDIX "D"

ATTENDANT HEAT TREATMENT (OFF SHIFT)

Whereas in the course of negotiations for a renewal collective agreement for the Production and Maintenance unit, the parties hereto agree that during the life of the renewal collective agreement, the application and interpretation of the agreement, as it applies to Attendant Heat Treatment (Off Shift), shall be governed by the following Approvals from the Ministry of Labour: and the corresponding joint Applications to the Ministry by the parties hereto:

1. Approval under Section 22 of the Employment Standards Act, dated September 6, 1991, regarding eating periods.
2. Permit to Work Excess Hours under Section 20(1) of the Employment Standards Act, dated September 6, 1991: Permit 11977.
3. Approval for Averaging Hours, dated September 6, 1991, Approval Number 2949.

The Company and the Union have agreed that an additional thirty cents (\$.30) per hour for all hours will be paid to employees employed as Attendant Heat Treatment Off shift. This additional premium is to compensate these employees for the fact that their regular scheduled shift, at present, necessitates their working Saturday and Sunday.

In the event that the attendant Heat Treatment Off Shift are no longer required to work Saturday and Sunday, which would be a change in the present scheduled shifts so that Saturday and Sunday are no longer part of their regular work week, then the additional thirty cents (\$.30) per hour will be discontinued.

APPENDIX "E"

STATEMENT OF UNDERSTANDING

Employees shall be directly responsible only to their departmental supervision.

P.J. Clark
Vice President & General Manager

APPENDIX "F"

COST OF LIVING (C.O.L.A)

- (i) Following the release by Statistics Canada of the Consumer Price Index (Base 1971-100) for June 15, 2003, the Company shall compare such index figure with the Consumer Price Index for ~~March~~ 15, 2003. A Cost of Living Allowance of one cent for each full .28 point by which the June 15, 2003 index is higher than the ~~March~~ 15, 2003 index will be paid in lump sum the first pay period of the month following the release of figures which is July 2003. Further adjustments ~~will~~ be made at ~~three~~ (3) month intervals.
- (ii) An increase calculated in accordance with (i) above shall trigger only when the formula generates an increase in excess of \$0.30 per hour in each year respectively. (E.g. if formula generates \$.35, then \$.05 per hour would be paid commencing the month following the month in which the formula generates the increase. Increases are to be reviewed monthly and folded in quarterly as calculated in (i) above, where applicable.) During the life of this contract only, the amount of excess so calculated will not be paid. It is agreed the formula will be maintained for the purpose of establishing future base line values.
- (iii) The adjustments will be calculated on the basis of the normally scheduled straight time hours and overtime hours worked and will not form part of the employee's pay for any other purpose and will not be used in the calculation of any other pay, overtime premium, allowance or benefit. It is agreed that the cost of living accumulated, if any, in each year of the agreement will be folded into the base pay effective March 16, 2004 and March 16, 2005 respectively, subject to the limitations established in (ii) above.

APPENDIX "G"

ATHLETIC ASSOCIATION

The Company agrees to deduct dues in an amount determined by the Athletic Association from the pay of employees who are members of the Athletic Association on the written authorization ~~of~~ such employees and remit such deductions to the Joint Athletic Association.

SHIFT CHANGES (UNION EXECUTIVE OFFICERS)

The Company agrees to arrange shift schedules on days of regular monthly Union meetings to permit Union executive officers to attend such meetings.

TOOL INSURANCE

Where employees are required to provide tools of their trade and keep an up to date list of such tools on file with their foreman, the Company agrees to provide adequate Company insurance to protect said employees against financial loss resulting from fire, explosion, theft or breakage, provided the tools are kept in a secure place during non-working hours and negligence on the part of the employee is not a factor.

APPENDIX "J"

CONTRACTING OUT

The Company agrees that it will not contract out **work** normally performed by Members of the Bargaining Unit to the extent that it results in the layoff or displacement of Members of the Bargaining Unit.

**REQUEST FOR ADVANCE ON PAYMENT OF
WEEKLY INDEMNITY OR WORKERS'
COMPENSATION AND EMPLOYEE
AUTHORIZATION TO DEDUCT FROM EARNINGS
OR OTHER CREDITS**

Please advance \$ _____ against indemnity or compensation due me for the period to _____. In consideration of the advance, I hereby authorize and direct the Insurance Company or Workers' Compensation Board, as the case may be, to direct the proceeds of my entitlement, payable to Haley Industries Limited. The Company agrees to pay me any amount received as my entitlement that is in excess of any advance paid to me by the Company.

In the event that the Company makes an advance to me and no entitlement is approved, or in the event that the Insurance Company or the Workers' Compensation Board refuse to honour my direction, and entitlement is paid to me, I hereby agree to reimburse the Company immediately for such advance(s) made to me. In the event I am unable to repay the advance for any reason, I hereby authorize the Company to deduct the amount advanced from my earnings or other credits payable to me.

Haley Industries Limited

Signed: _____

Clock No: _____

Witness: _____

Date: _____

WAGE BANKING

Upon an employee's written request on the designated form, filed not later than 4:00 p.m. on Monday of the pay week, the Company will hold in trust that portion of the employee's wages as designated by the employee. Upon the employee's written request on the designated form, filed in the same manner, the Company shall pay to the employee, that portion of the employee's wages held in trust as is designated by the employee. In all cases, the monies designated to be held or paid out shall be in multiples of at least \$25.00 and not more than one (1) transaction shall occur in a pay period except under extenuating circumstances.

BUMPING PROCEDURE

The following bumping procedure applies in the event of layoffs in the Production and Maintenance Unit:

1. The Company has permitted bumping laterally or down, except that bumping up has been permitted only where the employee bumping was previously qualified to bump into the position sought. "Previously qualified" for this purpose means the job sought by the employees bumping was, at one time, the employee's job of record at top rate or has been previously temporarily transferred to that job within the most recent two(2) years and has completed the required learner periods of the job to which he was transferred and was at top rate.
2. Except for skilled trades and apprentices, the Company has always given notice of layoff starting with the least senior employee and working up the seniority list.
3. Shortly after notice(s) of layoff is issued, the Company then gives notice to bump to employees entitled to bump and the Company identifies the open classification available. The employee given notice to bump may choose where he bumps provided the Company is able to fill positions through the bumping process that the Company has indicated as open and available.
4. **An** employee only has the right to bump in the event of layoff or redundancy. **An** employee does not have the right to elect to remain on layoff when recalled.
5. In the event of unique or special circumstances that may arise during this procedure, the parties agree to meet and endeavour to resolve such circumstances by mutual agreement.

TRAINING/TESTING

If passing a test is required to qualify for a particular position, all such tests shall be conducted in a manner that will provide a fair evaluation of all applicants. It is further agreed that all such tests shall be based on the requirements of the position which is being posted and shall not be in contravention with any other relevant term of the collective agreement. The requirement of a test shall be noted on the posting for a job requiring the successful completion of testing. The employee shall be provided with information and material uniformly available to all candidates no less than **two** weeks prior to testing. Candidates will be entitled to review and discuss their test result with the examiner and a union representative delegated by the Union.

Should it be determined that an employee has not met minimum standards required to be successful, the employee shall be provided with information and material uniformly available to fairly enable the employee to meet the standards required for the position.

Such information shall be given upon request of the employee, and such employee will be allowed to re-write the test within 30 days of receiving such information. The successful re-write of a test shall not qualify an employee for a job posting already awarded to a successful bidder.

JOB EVALUATION MANUAL

PREAMBLE

The contents herein are titled "SES Manual" for (Haley Industries Limited) and the United Steelworkers of America, Local Union #4820 for Job Descriptions, Classifications and Wage Administration, herein after called "the Manual".

The Manual is a supplement to the Collective Bargaining Agreement currently in effect between Haley Industries Limited, hereinafter called "the Company" and the United Steelworkers of America, Local Union #4820, hereinafter called "the Union".

ARTICLE I - PURPOSE

1.01 This manual is designed to assist the Company and the Union to:

- (a) Establish and maintain an equitable gender-neutral wage structure.
- (b) Establish and maintain detailed job descriptions and classifications
- (c) Establish a procedure to maintain a gender-neutral compensation system that reflects changes in job requirements and working conditions.

ARTICLE II - DEFINITIONS

2.01 Definitions of terms used in this manual are as follows:

- (a) "Basic Agreement" - Collective Bargaining Agreement between the Company and the Union relating to wages and other terms and conditions of employment.

- (b) "Employee" or "Employees" - all Production and Maintenance employees of the Company in Local Union #4820 that the Union is the bargaining agent for as provided in the Basic Collective Bargaining Agreement.
- (c) "Job" - an assignment of a number of duties to an employee. More than one employee may have the same job.
- (d) "Job Content" - the requirements of a job as to skill, effort, responsibilities and working conditions.
- (e) "Job Description" - the official record of a job noting: Purpose of the Job, Qualifications for the Job, Materials, Equipment and/or Product used as well as Specific Duties and Responsibilities.
- (f) "Classification Record" - the Job Content Analysis and evaluation of job requirements considering skill, effort, responsibilities and working conditions using either;

A Full Factor System of 17 Factors.

SKILL

SK1: Previous Training and/or Education.

SK2: On-the-job Experience and Training.

SK3: Interaction with Others.

SK4: Movement Skills.

SK5: Decision Making.

RESPONSIBILITIES:

RE1: Responsibility for Information.

RE2: Responsibility for Materials, Equipment and/or Product.

RE3: Responsibility for Safety of Others.

RE4 Financial Responsibilities.

RE5 Manage or Direct Others.

EFFORT

EF1: Movement and Concentration.

EF2: Lifting, Carrying or Repetitive Motion.

WORKING CONDITIONS

WO1: Temperature, Noise and other
Environmental Conditions.

WO2 Hazards.

WO3: Nature of Job Monitoring.

WO4 Work Interruptions and Distractions.

WO5: Social Disruption required by Work
Scheduling.

- (g) "Trade Job" - Due to the nature of work performed in construction, production, rehabilitation of facilities, and in repair and maintenance, the job content requirements of trade jobs vary from time to time. The description of a trade job reflects the scope of duties a fully qualified trades person may be called upon to perform. The classification is therefore required to reflect the job content requirements of a fully qualified trades person and applies to any of the following jobs:

Patternmaker	Instrumentation Electrician
Machinist B	Machinist
F.P.I. Inspector	Electronic Repairman
Toolmaker	Layout Inspector
Millwright	Casting Welder (light alloys)
Waste Water Operator	Lab Technician

- (h) "Group Leader" - a job that has combined responsibility for directing a group of employees as well as performing some of the same work as the group.

"Direction" includes:

- i) Planning work to be performed by group.
- ii) Determining on-the-job working procedures.
- iii) Arranging for necessary supplies, tools or equipment.
- iv) Assigning or instructing members of the group; and
- v) Inspecting, co-ordinating or recording work performed by group.

"Direction" does NOT include:

- i) Hiring, promoting, demoting, suspending or discharging members of the group.
- ii) Representing the Company in employee grievances.
- iii) Determining schedules or hours, days or weeks of when members of the group shall work; and
- iv) Performing other general supervisory or management functions.

(i) "Trainee Job" - a job established to provide training to eligible employees as set forth in the Basic Collective Bargaining Agreement. Trainee jobs are not independently described and classified.

(j) "Apprentice Job" - a job established for an apprentice in a work assignment to a given trade to qualify as a trades person in that trade. Apprentice jobs are not independently described and classified. A training period schedule and classification guide is set out in this manual, or as otherwise agreed by the parties.

(k) "Instructor Job" - a job established to train other employees or persons.

(l) "Standard Wage Scale" - a scale of rates established for job groups. Once jobs are described and classified, they are assigned to a job group within the Standard Wage Scale.

(m) "Out-of-line Differential" - prior to the application of SES, the amount an employee's pay exceeds the amount set out in the Standard Wage Scale.

ARTICLE III - JOB DESCRIPTIONS AND CLASSIFICATION

3.01 Accurate evaluations, comparisons and grouping of jobs is dependent on the collection and maintenance of accurate and up-to-date information about job requirements when the job is performed at a normal pace. Therefore, job descriptions are used not only to record current requirements but they also provide a base from which to judge changes in requirements or conditions.

Job descriptions note:

- (a) Job Title.
- (b) Location of job.
- (c) Date of Description.
- (d) Purpose of the Job.
- (e) Qualifications for the Job.
- (f) Materials, Equipment and/or Product used.
- (g) Specific Duties and Responsibilities.

3.02 DESCRIPTIONS

(a) The Company shall prepare proposed job description as provided for in the "S.E.S." software and in accordance with the requirements of this manual.

(b) The Company job evaluation representatives and the Union Job Evaluation Committee shall

review the proposed job descriptions and attempt to reach agreement. The Union Job Evaluation Committee shall have reasonable opportunity to conduct on-the-job reviews of job descriptions with workers involved in the jobs. The Company and Union Committee members shall each retain a copy of the agreed to job descriptions.

3:03 CLASSIFICATIONS

Following agreement on job descriptions:

(a) The Company shall prepare a proposed job classification as provided for in the "S.E.S" software and in accordance with the requirements of this manual.

(b) The Company and Union Job Evaluation Committee members shall review the job classifications and attempt to reach agreement. The Company and the Union Committee members shall each retain a copy of the agreed to classifications

(c) Jobs are to be placed at the appropriate level in each factor considering the requirements of each job.

3.04 GENERAL

(a) If the Company and Union Job Evaluation Committee members fail to reach agreement on a job description, classification or assignment of employees, the matter will be referred to the referees specified in the Collective Bargaining Agreement and the following shall apply.

(i) The two referees shall meet within sixty (60) days of the date the matter was referred to them and they shall attempt to finalize the description, classification or assignment of employees. Agreement between the two referees shall be final and binding.

(ii) If after following all the steps outlined in this article, the Company and Union cannot reach agreement, the union shall within thirty (30) days of the referees report, notify the company of its intention to submit the matter to an arbitrator under the appropriate provision of the grievance procedure provided for in the current Collective Bargaining Agreement.

(b) Agreement on descriptions and classifications shall be indicated by signatures of designated representatives of the Company and Union.

ARTICLE IV - APPLICATION

4.01 The following shall apply in the application of job descriptions and classifications:

(a) It is the "job" that is under consideration, not the individuals in the job.

(b) Jobs shall be classified without regard to existing job rates.

4.02 Job descriptions and classifications of jobs, determined in accordance with the foregoing Articles, apply to assign each job to its appropriate Job Group within the Standard Wage Scale. The Collective Bargaining Agreement currently in effect establishes the Standard Wage Scale and governs the application of rates to employees.

4.03 The Standard Wage Scale of rates begins with Job Group 1. The Wage Scale then progresses upward from Job Group to Job Group by equal increments.

4.04 Application of wage rates shall not result in a reduction for any employee who is currently receiving more pay than what is provided for in the Standard Wage Scale, "out-of-line

differentials" will be established for such employees. In addition to other means that may be provided for in the Collective Bargaining Agreement, increases in the increment between job groups shall be used to reduce or eliminate out-of-line differentials.

- 4.05 The job descriptions and classifications of each job shall be consistent with and conform to the job descriptions and classification of jobs already agreed to, and also with the appropriate "benchmark" job descriptions and classifications.

ARTICLE V - MAINTENANCE

- 5.01 Maintaining up-to-date and accurate job descriptions and classification records ensures continuation of an equitable gender-neutral wage structure. As job requirements and conditions change, so must job descriptions and classifications. Failure to maintain job descriptions and classifications will cause injustice to the employees, the Company or both.

- 5.02 Agreed-to job descriptions and classifications currently in effect and any that may subsequently be agreed to, shall stay in effect unless:

- (a) Job content changes to the extent of one full job group, or more;
- (b) The job is terminated; or
- (c) The job description or classification is changed by mutual agreement of the Company and Union.

- 5.03 Whenever the Company establishes a new job or changes the requirements of an existing job to the extent of one full job group or more, upwards or downwards, a new job description and classification for the new or changed job shall be prepared as follows:

- (a) The Company will develop a job description and classification of the job in accordance with the provisions of Article III.
- (b) The job description and classification will be proposed to the Union for approval in accordance with the provisions of Article III.
- (c) The job will be assigned to a Job Group and the rate as set out in the Standard Wage Scale shall be effective as of the date the new job was established or on the date the requirements for an existing job were changed.

5.04 If the Company and Union cannot agree on the job description and/or classification, the following apply:

- (a) The Company shall complete the job description and classification and assign the job to a Job Group. The wage rate shall be effective as set forth in Section 5.03(c).
- (b) The Union shall then proceed to referees and arbitration as outlined in Article III of this Manual.

5.05 If the Union alleges that the Company has established a new job or changed the requirements of an existing job to the extent of one full job group or more and has failed to submit a job description or classification, it shall notify the Company in writing of such allegations. The Company and Union Job Evaluation Committee shall meet within thirty (30) days of receipt of such notice to discuss the matter. Following this meeting, the Company shall have fifteen (15) days to respond, in writing, to the Union's allegations. If the Union is unsatisfied with the response, it will refer the matter to the referees as outlined in Article III. Any

change in Job Group resulting from such an allegation shall become effective in accordance with Article 5.03, provided that retroactivity shall not apply for more than six (6) months prior to the date the Union notifies the Company of the allegations.

5.06 When the Company changes the job requirements by less than one full Job Group, an amendment notice shall be prepared. This amendment, as provided for in the "S.E.S. software, assists the Company and the Union to ensure that all job descriptions and classifications are up-to-date. An amendment notice shall be prepared as follows:

- (a) The Company shall prepare an amendment notice and submit it to the Union for approval in accordance with the provisions of Article III.
- (b) When, and if, job content changes of less than a full Job Group accumulate to a total of one Job Group or more, the job shall be re-described and reclassified in accordance with the provision of Article III. The new job rate will take effect as of the date of the most recent change in job content.
- (c) If the change results in a lower classification, any incumbents of such jobs shall receive an "out-of-line differential" equal to the difference between the rate for the job before the change and the rate thereafter.

5.07 When the Company terminates a job, an amendment notice shall be prepared noting cancellation of the job description and classification. This notice will include a statement of causes or reasons for termination. This amendment notice will be submitted to the Union as set out in Article III.

5.08 The "S.E.S. Software" used by the parties herein shall not be changed, amended or upgraded without the written mutual consent of the Company and the Union.

APPENDIX "P"

UNITED STEELWORKERS OF AMERICA, AFL - CIO - CLC SUMMARY OF UNION DUES

(Completed form must accompany your payments)

COMPANY NAME: Haley Industries Limited

PLANT LOCATION: Haley, Ontario K0J 1Y0

Form Completed by _____ Telephone- (613) 432-8841

LOCAL UNION NUMBER 4820

Pay Period Beginning _____ Pay Period Ending _____

Dues for the Month of _____

1. Number of Members in Bargaining Unit _____

2. Number of Members Paying Dues _____

3. Earnings _____ x 1.3% = _____

4. Number of Hours Included in Earnings _____

5. Per Hour Dues-No. of Hours _____ x .02 / hr = _____

6. Initiation Fees - Number of New Members _____ x \$ _____ = _____

7. Lump Sum Earnings \$ _____ x 1.3% = _____

8. Miscellaneous _____

TOTAL REMITTANCE BY CHECK OR DIRECT DEPOSIT _____

MAIL COMPLETED FORM AND DUES PAYMENT TO.

United Steelworkers of America,

P.O. Box 13083, Postal Station "A"
Toronto, Ontario, Canada M5W 1V7

Form R-115- Revised 11/15/98

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