

CONVENTION COLLECTIVE AGREEMENT

**entre/between**

ROLLS-ROYCE (CANADA) **LIMITEE**

et/and

LOGE **2468**/LODGE **2468**

DE/OF THE

**L'ASSOCIATION INTERNATIONALE DES MACHINISTES ET DES TRAVAILLEURS  
DE L'AEROSTRONTIQUE**

INTERNATIONAL ASSOCIATION OF MACHINISTS **AND** AEROSPACE WORKERS

**1990-1993**

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1.00 PURPOSE OF AGREEMENT

1.01 The purpose of this Agreement is to provide for constructive collective bargaining, to promote good **Industrial relations** and economic **conditions** and to **define** the scope of the bargaining **process** between the parties.

2.00 RECOGNITION

2.01 The Company acknowledges that Lodge 2468 of the International Association of Machinists and Aerospace Workers has been **certified** by the Department of Labour of the Province of Quebec as the sole bargaining agent for **collective** bargaining purposes for: All salaried technical and office **employees**, as **defined** in the Labour Code, employed within the Province of Quebec by Rolls-Royce (Canada) **Limited**, of 9500 Côte de Liesse Road in **Lachine**, Quebec. However, the salaried employees performing the following functions **will** be excluded from the subject Bargaining **Unit**:

- a) Positions requiring the employee to be a member of "l'Ordre des Ingénieurs du Québec";
- b) All employees of the Human Resources Department;
- c) Any employee assigned Job Level 14 and above;
- d) **Secretaries** to the Members of the Company's Board of Directors;
- e) Secretaries to the Vice-President Finance and the Vice-President Operations.

The **certificate** of recognition of the above **described** Bargaining Unit has been issued in accordance with the **applicable** provisions of the Labour Code of the Province of Quebec.

3.00 DISCRIMINATION

3.01 There shall be no discrimination, intimidation, interference, restraint or **coercion** by **either** party or its agents, with respect to any employee because of membership or non-membership in the Union.

- 3.02 The Union and Its members **shall** refrain **from** the use of propaganda of a nature **which** attacks the character or reputation of the Company, its officers and supervisory personnel.
- 3.03 The Company, Its officers and supervisory personnel **shall** refrain **from** the use of propaganda of a nature which attacks the character or reputation of the Union, its officers and members.
- 3.04 Either party **shall** not **be** held responsible for the actions of **individual** employees.

4.00 MANAGEMENT PREROGATIVES

- 4.01 It is the exclusive right of the Company to determine its policies, to direct the enterprise and to **retain** all functions not specifically **curtailed** by this Collective Agreement.

5.00 UNION REPRESENTATIVES AND DELEGATES

- 5.01 The Company **shall**, upon request, grant leave of absence without pay to Union delegates, not to exceed four (4) in number at any one **time, to** attend conferences, conventions and/or **seminars, providing** not **more** than one delegate is selected from any one department. **Satisfactory** proof **will** be given to the **Company** for such leave of absence, if required.

However, a request to grant leave of absence for **more** than (1) delegate from any one department can be made to the **Vice-President**, Human Resources Department or his **designate**.

- 5.02 The **Union** delegates for contract **pre-negotiations** and contract **negotiations** **will** not **be** less than three (3) in number and will not exceed four (4) in number.
- 5.03 Prior to the expiration of the present Agreement, the Company **will** allow to the members of the **Negotiating Committee**, as specified in Clause 5.02, twelve (12) **working** days **without** pay, **required** by the Union for **pre-negotiation** meetings. Arrangements for time off **will** be by mutual agreement.

- 5.04 Time off, without pay, **will be** allowed as required by the Lodge **President** or **his** designated representative to transact any Union **business**.
- 5.05 An employee elected to **fill** a full time position as a Representative of the **Union will**, upon a written request to the Company, be granted a leave of absence without pay and with accumulation of **seniority** for the duration of the term of **office**.
- 5.06 The Company may request the Union to suggest alternative delegates or **representatives** on Union business.
- 5.07 The Union **will give** the Company reasonable notice for all leaves of absence for Union business.
- 5.08 The designated Union representatives **shall be** paid for the time spent in **discussions** with the Company representatives.
- 5.09 The **designated** Union representatives **shall be** listed in a letter from the **Union** to the Company.
- 5.10 Upon **obtaining** permission from his supervisor or manager, an employee wishing to discuss a problem with his Union steward shall be allowed reasonable **paid time** off.

6.00 **NOTICE BOARDS AND OFFICE ACCOMMODATIONS**

- 6.01 The Company **shall** provide **suitable** notice boards for the **exclusive** use of the Union. All material **to** be posted on the Union notice boards **shall be** approved by the **designated** Company representative.
- 6.02 The Company will **provide** the Union **with** an **office** on the Company's premises for the purpose of transacting Union **business**.

7.00 **UNION SECURITY AND CHECK-OFF**

- 7.01 The Company **will** deduct **Initiation** Fees and Union Dues **from** employees who are or who become members of the Union upon **receipt** of written **authorization**.

- 7.02 All employees shall be obliged, as a condition of employment, to consent in writing to a deduction of the equivalent dues from the wages and to sign a check-off authorization, copy of which will be forwarded to the Union.
- 7.03 All deductions, pursuant to Clauses 7.01 and 7.02, shall be remitted to the Financial Secretary of the Union before the end of the month following the deduction.
- 7.04 The check-off authorization shall be null and void upon termination of employment or during lay-off.
- 7.05 Check-off authorizations are revocable only from the 90th to the 60th day prior to the date of the expiration of the term of this Agreement.
- 7.06 All revocations of check-off shall be made in duplicate and a copy of such revocations forwarded to the Union.
- 7.07 Employees who have completed their Company Probationary period and have transferred to Lodge 869 or 2235 shall continue to accumulate Union seniority for a period of sixty (60) consecutive working days. Upon completion of the probationary period such persons may revert to their former position or withdraw from the Union (Lodge 2468).
- 7.08 Employees promoted or transferred, with the exception of Clause 7.07, to a position outside the Bargaining Unit will continue to accumulate Union seniority for a period of one hundred and twenty (120) consecutive working days by continuing to pay their Union dues. During this period, such persons may revert to their former position.
- 8.00 JOB DESCRIPTION
- 8.01 Employees shall be classified under a job title and job description appropriate to the occupation in which they are employed.
- 8.02 Each classification shall be placed in an occupational group for the purpose of seniority. A listing of job titles and job levels together with a listing of the

occupational groups will be issued under separate cover concurrent with the Collective Agreement. In addition, the Company will from time to time but not less than twice per year submit to the Union a list of all employees by department showing job titles and Union status.

**8.03** Whenever a new classification is established or an existing classification modified, the parties shall negotiate the incorporation of such classification into an occupational group.

**8.04** An employee who considers that the nature of the work he is performing is at a higher level than his current job level shall submit a written request to his Manager outlining the reason(s).

The Manager must reply in writing within ten (10) working days.

if he fails to reply within this time limit, unless a delay has been agreed to in writing by the Union, the employee may initiate the grievance procedure.

if the review of the job description results in a change of the job level, the effective date of the re-grading will be the date on which the employee requested the review in writing.

**8.05** Where any job is for any reason re-evaluated, re-written or re-rated in such a manner as to cause its exclusion from the Bargaining Unit, the following procedure must be observed:

- a) The Vice-President - Human Resources, or his designated representative must chair the Rating Committee meeting.
- b) Following such a meeting, the re-rated Job must be submitted by Human Resources Department to the Union for approval of its exclusion.
- c) Should the parties disagree, they will present the case to the President for settlement.

d) In the event of further disagreement, the grievance procedure may be invoked.

**9.00 JOB POSTING**

- 9.01** All new and vacant positions covered by the Bargaining Unit will be posted for a period of six (6) working days, **except** for the months of July and August where the new and vacant positions will be posted for a period of eight (8) working days.
- 9.02** The Company will post all vacancies up to and including supervisory level and will, whenever possible, post other vacancies covering positions outside the Bargaining Unit. **Rejection of applications** for vacancies outside the Bargaining Unit will not be subject to the grievance procedure.
- 9.03** Employees with seniority may apply for vacancies by written request to the Personnel Department on form RRC-091-105.
- 9.04** No vacancy shall be permanently filled unless it has been posted in accordance with Clause 9.01.
- 9.05** Applications received after the posting period as specified in Clause 9.01 will be considered with external applications. Rejection of these applications will not be subject to the grievance procedure.
- 9.06** The Recruitment Officer shall review the employee's application and discuss it with the manager concerned and/or the employee if necessary and ensure that all applications are given a written reply within ten (10) working days following the last date of the Job posting with a copy to the Union.
- 9.07** The Company will not conduct the official interview of any qualified internal applicant up to and including supervisory level until such time as the position has been posted. However, interviews of qualified applicants may commence upon receipt of applications.
- 9.08** The Company will withhold any commitment to any applicant until all qualified internal candidates processed by the Recruitment Officer have been interviewed.



- 9.09 If the employee's application has been **rejected**, the employee may invoke the dispute stage of the grievance procedure within two **(2) working** days to determine the **validity** of the dispute over a three **(3)** day working period. If the issue is not resolved at this stage, the Company may proceed with its hiring process.
- 9.10 Notwithstanding the **provision** of Clause **9.09**, the employee retains the right to the grievance procedure.
- 9.11 For the purpose of determining the validity of a grievance, the Company may require an employee to demonstrate his ability to perform said functions over a trial period, not to exceed sixty **(60)** actual days worked.
- 9.12 If the **qualifications** of two or **more** approved applicants are considered by the Company to **be equal**, then the position **will** be awarded to the applicant **with** the longest **RR(C)** service.
- 9.13 The Company may **fill** a vacancy from an outside source after review of the internal applications have failed to produce a suitable candidate.
- 9.14 The Union **will be notified** in writing of the name of the employee selected by the **Company**.
- 9.15 Any vacancies **existing** after periods of forty **(40)** working days **will** be re-posted. Internal applicants **applying** on the second or subsequent postings **will** be considered with external applicants. **Rejection** of these **applications** **will** not be subject to the grievance procedure.

#### 10.00 TEMPORARY APPOINTMENTS

- 10.01 The Company **shall** have the right to make any temporary **appointments** which **shall** carry the applicable job level of the **classification**.
- 10.02 Temporary appointments **shall** not **exceed** ten **(10)** weeks **unless mutually agreed otherwise**.

10.03 All requirements for temporary positions **will** be posted for three (3) **working** days. To be **eligible**, an employee must be working in the same department as the temporary position.

The **senior** qualified applicant **will** become the appointee.

10.04 An employee **filling** a temporary **appointment** **will** continue to accrue seniority in his own permanent **classification**. In the event of a temporary appointment **becoming** a permanent **appointment**, seniority within that classification **shall commence** from the date of the last temporary **appointment**.

#### TEMPORARY HIRINGS

10.05 Temporary positions in the **Bargaining** Unit **will** be filled **from** outside sources only after rejection of **applications** **from** the Bargaining Unit **with** the exception of any emergency situations **which** **will** be determined by the Human Resources department in **conjunction** with the **Union**.

10.06 Temporary salaried staff as defined in Appendix 'A' are not covered by this Collective Agreement,

#### 11.00 PROBATIONARY PERIODS

11.01 Company Probationary Period is sixty (60) actual days worked **from** the date of **hire**.

11.02 Job Probationary Period is sixty (60) actual days worked from the date of Job appointment.

11.03 **Seniority** of each employee shall be established after his Company Probationary Period has been completed and commences with the date of hiring.

11.04 The Union **will** have the right to appeal but not grieve on behalf of a new employee during the Company **Probationary** Period.

11.05 Job probationary period for a position **outside** the Bargaining Unit is one hundred and twenty (120) actual days worked from the date of **hire** **with** the exception of Clause 7.07.

11.06 An employee may return to his previous position during the course of a Job probationary period.

If an employee is deemed unsatisfactory during the course of a Job probationary period he will automatically revert to his previous position.

12.00 WORKING HOURS

12.01 The work week will normally be five (5) days, Monday to Friday Inclusive and the work day will be eight (8) hours including a one-half ( $\frac{1}{2}$ ) hour lunch period.

12.02 The standard times in the work hours schedule will not be altered except by agreement with the President and/or the Grievance Committee.

12.03 It was agreed that a Joint Committee be formed to study the concept of a four (4) day work week.

12.04 SHIFT HOURS

The Company reserves the right to introduce an evening and night shift in order to:

- Support shop operations when and where necessary for availability of equipment and to provide customer service.

However, the Company and the President and/or the Grievance Committee must mutually agree on the following before the Implementation:

- Possibility of creating permanent positions on second and third shift, if there is a requirement for such position.
- Establishment of shift rotation.
- Schedule of working hours.

The Company will notify the Union President and/or Grievance Committee forty-five (45) days before the intended introduction of shift hours. Such notice will also be given to the employees concerned thirty (30) days before the introduction of shift hours.

12.05 The work hours schedule in Clause 12.01 is flexible in accordance with Article 13.00.

12.06 There shall be a ten (10) minute period of rest during the morning.

12.07 Shift premium, as defined in Clause 16.10, will be paid where the majority of work hours are outside the normal day shift, as defined in Clause 12.01.

### 13.00 FLEXIBLE WORKING HOURS PROGRAMME

#### 13.01 Introduction

Management reserves the right to determine the manpower requirement in any department during the standard work hours, as defined in clause 13.02.

#### 13.02 Standard Times

These are times which employees would normally work, if not on flexible time, concurrent with Article 12.00.

Day shift: 08.30 hours to 16.30 hours including a 30 minute unpaid lunch break;

Evening shift: 16.30 hours to 00.00 hours including a 30 minute paid lunch break;

Night shift: 00.00 hours to 07.00 hours including a 30 minute paid lunch break.

#### Standard Work

Shift period : 7.50 hours  
 Week period : 37.50 hours  
 BT-weekly period : 75.00 hours  
 Accounting period : 150.00 hours

#### 13.03 Standard Hours

At the end of every Accounting Period (A.P.) of four (4) weeks, the hours claimed by the employee will be approved by the department manager or his designate.

**13.04 Band Hours**

The total time period during the day when employees may record hours towards the standard hours are called "**Band Hours**". This period will be from:

**Day Shift** : 06:30 hours to 20:00 hours, Mondays to Fridays

**Evening Shift**: 15:30 hours to 01:00 hours, Mondays to Fridays

**Night Shift** : 23:30 hours to 08:30 hours, Mondays to Fridays

**13.05 Core Hours**

The mandatory hours in which an employee is required to work are called "**Core Hours**". All employees are required to work a minimum of 4.50 hours Mondays through Fridays during the following hours:

**Day shift** : 09:30 hours to 12:00 hours - 2½ hours  
13:30 hours to 15:30 hours - 2 hours

**Evening shift** : 17:30 hours to 23:00 hours

**Night shift** : 01:00 hours to 06:30 hours

**13.06 Floating Hours**

Periods in which employees can select their starting and finishing times, within the band hours, subject to clause 13.01 are known as "**Floating Hours**".

**Day shift** : 07:30 hours to 09:30 hours  
: 12:00 hours to 13:30 hours  
: 15:30 hours to 20:00 hours

**Evening shift**: 15:30 hours to 17:30 hours  
: 23:00 hours to 01:00 hour

**Night shift** : 23:00 hours to 01:00 hour  
: 06:30 hours to 08:30 hours

Employees on day **shift** can also select **their** lunch time **subject** to clause 13.01 between the following times:

: 12:00 hours to 13:30 hours

Starting and finishing times **will** be to the nearest quarter ( $\frac{1}{4}$ ) hour. All deviations **from starting and finishing times** **will** be agreed **with** supervision.

### 13.07 Lunch Period

A lunch **period** of one half hour is mandatory, The **cafeteria** is reserved for staff employees between the hours of 13:00 hours to 13:30 hours.

### 13.08 Banked Hours

"Banked Hours" are hours worked in excess of the "Standard Hours" of 150 hours per **A.P.**

A **maximum** of fifteen (15) Banked Hours may be carried forward to the next **A.P.**

Banked hours that exceed **fifteen (15)** hours at the end of any **A.P.** will be **forfeited**.

When an employee is in a **credit** position, he can then take a day off **providing** it is mutually agreed with his **supervisor**.

Banked hours **will** be added to the **final** pay upon **termination** of employment.

### 13.09 Short Hours

"Short Hours" result **from** employees working less than the Standard Hours during an **A.P.**

"Short Hours" must not exceed ten (10) hours per **A.P.** and may not be carried for **more** than six (6) consecutive **A.P.s**. A **minimum** of 140 hours must be recorded per **A.P.** **Calculation** to make up "short hours" **will** result in the employee **returning** to standard **time** or other disciplinary action deemed necessary by the Company.

Short hours will be deducted on final pay upon termination of employment.

#### **13.10 Overtime Hours**

All hours worked on Saturdays, Sundays and Statutory Holidays are considered as overtime hours. If an employee is in a debit position at the end of an A.P., overtime hours with the exception of Saturday, Sunday and Statutory Holiday overtime hours, will be transferred to make up at least the limit of 140 hours.

#### **13.11 Vacations**

A total of 7.50 hours shall be credited against each day of approved vacation, in accordance with Article 24.00

#### **13.12 Statutory Holidays**

A total of 7.50 hours shall be credited against each Statutory Holiday, in accordance with Article 25.00.

#### **13.13 Sickness Absence**

A total of 7.50 hours shall be credited against each day of sickness, in accordance with Article 23.00

#### **13.14 Bereavement Leave or Jury Duty**

A total of 7.50 hours shall be credited for each day of Bereavement Leave or Jury Duty, in accordance with Articles 26.00 and 27.00.

#### **13.15 Leave of Absence**

A total of 7.5 hours shall be credited for each day of absence, in accordance with Article 28.00.

#### **13.16 Recording of Standard and Overtime Hours**

The recording of time will be done on RR(C) form #091-112. Each employee will be responsible for maintaining an up-to-date individual Time Record Sheet at all times.

Recorded hours will be in increments of  $\frac{1}{4}$  hours (.25) worked. Authorized overtime hours worked Mondays through Fridays must be recorded on the Time Record Sheet RR(C) form #091-112. These overtime hours will only be considered as authorized when the Time Record Sheet has been signed by the Supervisor or his designate. Saturday, Sunday and Statutory Holiday overtime hours will be authorized on the Authorization of Overtime form RR(C) #012-4.

13.17 If and when deemed necessary, recording of personal attendance will be done by mechanical means.

13.18 Notwithstanding the provision of Clause 13.01, core hours and band hours will be adjusted accordingly for those employees whose standard hours are other than those indicated in Clause 13.02.

14.00 WORK PERFORMED OUTSIDE COMPANY PREMISES

14.01 Employees assigned to perform work outside the Montreal area, will be subject to the terms of Management Procedure No. 101 and 102 as per the appendices.

14.02 On normal working days, personnel called upon to perform work on location shall not be paid for the time spent traveling outside of their normal working hours. However, when an employee is called upon to travel and then work on the same day he will be paid a maximum of fifteen (15) hours at straight time.

In addition, personnel traveling on days other than a normal working day will be paid travelling time up to a maximum of 7.5 hours at straight time.



- 14.03 The Company shall attempt to **give** a minimum notice of twenty-four **(24)** hours to all employees required to proceed on such **assignments**; It is agreed, however, that such minimum notice **will** not be possible in cases of emergency warrant **ing** the departure of employees **with**in the aforementioned delay. In such cases Employees will **be** paid at **their** normal rate of pay for hours spent **travelling** outside of their normal **working** hours.
- 14.04 The employee **shall** have the right to refuse the **assignment** without surrendering **his** right to be selected for future **assignments** if the notice is less than twenty-four **(24)** hours or he has Justifiable compassionate reasons. In the event of such refusals, the Company **shall** have the right to perform the work by other means.
- 14.05 Personnel called upon to **receive training**, at the request of the Company, at a **location outside** the Montreal area, **shall** be entitled to the same rights, privileges and **conditions** as applied to employees proceeding on outside **assignments**.

#### 15.00 SALARIES

- 15.01 From **April 15, 1990** to **April 13, 1991** inclusive, the Company **will** pay a general increase of **5.7%** on the current salary chart **including** progression steps.
- 15.02 From **April 14, 1991** to **April 11, 1992** inclusive, the Company **will** pay a general increase of **4.5%** on the current salary chart **including** progression steps and, a Cost of Living **Adjustment (COLA)** according to the following:

#### Index Points

The Cost of **Living Adjustment** **will** be based on **Points** from the Consumer Price Index **published** by Statistics Canada (1981 = 100).

**Review**

The review of the Cost of Living Adjustment will be done every (3) months with the exception of the month of the general increase.

**Base of calculation**

The average Points for the months of January, February and March 1991 will constitute the base for calculation of the Cost of Living Adjustment.

**Trigger**

The trigger point is 2.5%.

**Adjustment Factors of bi-weekly salary by Job Level**

For every Index Point Increase of 0.125, the bi-weekly salary adjustment will be in accordance with the following chart:

Job Level	Adjustment
3	\$0.48
4	\$0.52
5	\$0.57
6	\$0.62
7	\$0.67
8	\$0.74
9	\$0.81
10	\$0.88
11	\$0.97
12	\$1.06
13	\$1.16

**Formula**

$$\frac{(\text{Index Points}^* - \text{Trigger}) \times \text{Adjustment Factors}}{0.125}$$

\*Index points are reviewed as follows:

<u>Review Date</u>	<u>Index Points</u>	<u>Adjustment Date</u>
June 1991	May 1991	July 1st, 1991
September 1991	August 1991	October 1st, 1991
December 1991	November 1991	January 1st, 1992

15.03 From April 12, 1992 to April 10, 1993 inclusive, the Company will pay a general increase of 3.3% based on the current salary chart in which will be included the COLA and, a Cost of Living (COLA) according to the following:

#### Index Points

The Cost of Living Adjustment will be based on Points from the Consumer Price Index published by Statistics Canada (1981 = 100).

#### Review

The review of the Cost of Living Adjustment will be done every three (3) months with the exception of the month of the general increase.

#### Base of calculation

The average Points for the months of January, February and March 1992 will constitute the base for calculation of the Cost of Living Adjustment.

#### Trigger

The trigger point is 1.3%.

#### Adjustment Factors of bi-weekly salary by Job Level

The chart of bi-weekly salary adjustment factors by Job Level will be the same as the one used in the second year of the contract as per Article 15.02. However, up to a maximum of 7% will be folded in the salary scale regardless of the Cost of Living Adjustment.

**Formula**

$$\frac{(\text{Index Points} * - \text{Trigger}) \times \text{Adjustment Factors}}{0.125}$$

\*Index points are reviewed as follows:

<u>Review Date</u>	<u>Index Points</u>	<u>Adjustment Date</u>
June 1992	May 1992	July 1st, 1992
September 1992	August 1992	October 1st, 1992
December 1992	November 19 92	January 1st, 1993

**15.04** All employees hired after September 2nd, 1990 will progress **automatically** up to Step 5 Inclusive. All subsequent step increases will be subject to a performance appraisal.

**15.05** When a new **classification is established**, or an existing one **enriched**, a temporary salary will be established by the Company until such time as the job description has been processed through the **Rating Committee**. If the starting salary for the established Job level is higher than that of the temporary salary, the employee's salary will be **adjusted** retroactively.

## SALARY CHART (EXCEPT FOR EMPLOYEES HIRED AFTER SEPTEMBER 2ND, 1990)

B1-WEEKLY SALARY RATES - 5.7% IncreaseApril 15, 1990 to April 13, 1991

STEPS	1	2	3	4	5	6	7
JOB LEVEL	START	6 MONTHS	12 MONTHS	24 MONTHS	36 MONTHS	48 MONTHS	60 MONTHS
3	\$ 645	\$ 669	\$ 693	\$ 715	\$ 734	\$ 763	\$ 781
4	699	726	753	776	802	825	851
5	760	786	816	846	874	901	926
6	826	860	893	924	958	981	1013
7							
8	981	1948	1978	1094	1128	1167	1205
9	1073	1118	1152	1194	1237	1276	1316
10	1170	1215	1259	1304	1353	1396	1440
11	1278	1329	1379	1427	1479	1527	1579
12	1397	1452	1507	1560	1618	1668	1724
13	1528	1589	1646	1709	1769	1828	1887

SALARY CHART FOR EMPLOYEES HIRED AFTER SEPTEMBER 2ND, 1990

BI-WEEKLY SALARY RATES

September 3, 1990 to April 13, 1991

Performance step  
increase for employees  
hired after September  
2nd, 1990.

STEPS	1	2	3	4	5	6	7
JOB LEVEL	START	6 MONTHS	12 MONTHS	24 MONTHS	36 MONTHS	48 MONTHS	60 MONTHS
	\$	\$	\$	\$	\$	\$	\$
3	645	669	693	715	734	763	781
5	699	726	753	776	802	825	851
6	826	860	893	924	958	981	1926
7	902	948	978	1011	1042	1067	1100
8	981	1032	1057	1094	1128	1167	1205
9	1073	1118	1152	1194	1237	1276	1316
10	1170	1215	1259	1304	1353	1396	1440
11	1278	1329	1379	1427	1479	1527	1579
12	1397	1452	1507	1560	1618	1668	1724
13	1528	1589	1646	1709	1769	1828	1887

## SALARY CHART (EXCEPT FOR EMPLOYEES HIRED AFTER SEPTEMBER 2ND, 1990)

BI-WEEKLY SALARY RATES - 4.5% increaseApril 14, 1991 to April 11, 1992

STEPS	1	2	3	4	5	6	7
JOB LEVEL	START	6 MONTHS	12 MONTHS	24 MONTHS	36 MONTHS	48 MONTHS	60 MONTHS
	\$	4	\$	\$	\$	\$	\$
3	675	700	725	748	768	798	817
4	731	759	787	811	839	863	890
5	795	822	853	885	914	942	968
6	864	899	934	966	1002	1026	1059
7	943	991	1023	1057	1089	1116	1150
8	1026	1079	1105	1144	1179	1220	1260
9	1122	1169	1204	1248	1293	1334	1376
10	1223	1270	1316	1363	1414	1459	1505
11	1336	1389	1442	1492	1546	1596	1651
12	1460	1518	1575	1631	1691	1744	1802
13	1597	1661	1721	1786	1849	1911	1972

SALARY CHART FOR EMPLOYEES HIRED AFTER SEPTEMBER 2ND, 1990

BI-WEEKLY SALARY RATES - 4.5% Increase

April 14, 1991 to April 11, 1992

Performance step  
Increase for employees  
hired after September  
2nd, 1990.

STEPS	1	2	3	4	5	6	7
JOB LEVEL	START	6 MONTHS	12 MONTHS	24 MONTHS	36 MONTHS	48 MONTHS	60 MONTHS
	\$	\$	\$	\$	\$	\$	\$
3	675	700	725	748	768	798	817
4	731	759	787	811	839	863	890
5	795	822	853	885	914	942	968
6	864	899	934	966	1002	1026	1059
7	943	991	1023	1057	1089	1116	1150
8	1026	1079	1105	1144	1179	1220	1260
9	1122	1169	1204	1248	1293	1334	1376
10	1223	1270	1316	1363	1414	1459	1505
11	1336	1389	1442	1492	1546	1596	1651
12	1460	1518	1575	1631	1691	1744	1802
13	1597	1661	1721	1786	1849	1911	1972



SALARY CHART (EXCEPT FOR EMPLOYEES HIRED AFTER SEPTEMBER 2ND, 1990)

BI-WEEKLY SALARY RATES - 3.3% increase

April 12, 1992 to April 10, 1993

THE SALARY CHART FOR THIS PERIOD WILL BE DISTRIBUTED  
PRIOR TO THE GENERAL INCREASE OF APRIL 1992.

SALARY CHART FOR EMPLOYEES H RED AFT ER SEPT EMR 2ND, 1990

BI-WEEKLY RY RATES - 3.3% increase  
Apr 1<sup>2</sup>, 1992 to April 10, 1993

THE SALARY CHART FOR THIS PERIOD WILL BE DISTRIBUTED  
PRIOR TO THE GENERAL INCREASE OF APRIL 1992.

15.06 a) An ~~empl oyee~~ whose job level has been upgraded due to enrichment ~~shal l~~ be paid at the same service step of the new job level.

b) An employee whose job level has been downgraded ~~fol-~~lowing t-e-rating at the employee's request or Management's request ~~wil l~~ have his salary "~~red circled~~".

15.07 Pursuant to Clause 9.11, an employee given a trial period ~~shal l~~ be paid at ~~hls~~ existing salary rate for the ~~dura-~~tion of the trial period. Upon acceptance of the employee, should his current salary be higher than the starting rate of the ~~hgher~~ Job level, then his salary ~~wil l~~ be ~~adju~~sted to the next higher service step.

16.00 OVERTIME DISTRIBUTION AND PREMIUMS

16.01 The procedure for distributing overtime shall be as ~~fol-~~lows:

a) When overtime is related to a function performed during the same day or ~~shif~~t:

Those who have worked on that function during the day ~~wil l~~ have first choice by order of seniority. Those who are conversant have second choice, by order of ~~seniority~~.

b) When over ~~ime~~ is not related to a function performed during the same day or shift:

Those who are conversant with the Job requirements, in order of seniority.

16.02 Employees ~~shal l~~ have the right to refuse overtime, but if they all refuse, the overtime ~~wil l~~ be assigned in reverse order of seniority.

16.03 The Company ~~wil l~~ assist an employee on approved overtime to reach the nearest ~~point~~ of public transport, or, if such ~~facilit~~ies are not available, to his home.

- 16.04 An employee requested to work forty (40) minutes or less after the end of a shift shall be paid one (1) hour at straight time.
- 16.05 Overtime shall be paid at time and one half (1.5) in the following cases:
- a) for overtime hours worked in excess of the work day up to a maximum of three and one half (3.5) hours.
  - b) for hours worked on Saturday up to seven and one half (7.5) hours.
- 16.06 Overtime shall be paid at double time (2) in the following cases:
- a) for overtime hours in excess of three and one half (3.5) hours on a normal work day,
  - b) for hours worked in excess of seven and one half (7.5) hours on a Saturday.
  - c) for hours worked on a Sunday and Statutory Holiday up to seven and one half (7.5) hours.
- 16.07 Overtime shall be paid at triple time (3) for all hours worked in excess of seven and one half (7.5) hours on a Sunday or Statutory Holiday.
- 16.08 An employee working overtime after a normal work day in excess of one (1) hour shall be allowed a twenty (20) minute paid break period.
- 16.09 An employee "called back" to work shall be paid for hours worked at time and one half (1.5) or for two (2) hours at straight time, whichever is greater. In addition, he shall be paid one (1) hour at straight time to compensate for time spent traveling to and from the Company.
- 16.10 A shift premium of ~~6%~~ of an employee's salary shall be paid for the second (evening) shift and the third (night) shift.

- 16.11 The shift premium will be paid for all actual hours worked during the shift including overtime; the employee's base rate shall be used for the calculation of overtime.
- 16.12 Union members will not be requested to work overtime at the same time as a general Union meeting except by mutual agreement between the Supervisor and a Member of the Grievance Committee.
- 16.13 The Company will give employees a reasonable advance notice of overtime requirements whenever possible. A reasonable notice will be considered to be two (2) hours before the end of the normal work day and prior to twelve (12:00) noon on Friday, for weekend overtime.

17.00 PHASED INCOME REDUCTION SCHEME

- 17.01 If an employee with seniority, for any reason except by choice, is transferred to a lower Job level, a reduction in salary will be gradually effected by subtracting the nearest lower salary of the new Job level from the salary earned by the employee immediately prior to taking his new Job. The rates of salary adjustments shall be applied in accordance with the following table:

Reduction in excess of	)	25% immediately
\$40.00 bi-weekly	)	25% at the beginning of the
	)	7th A.P.
	)	25% at the beginning of the
	)	13th A.P. until catch up.
Reduction of less than	)	33% immediately
\$40.00 bi-weekly	)	33% at the beginning of the
	)	7th A.P. until catch up.

18.00 SENIORITY

- 18.01 Seniority shall be established after the employee has completed his Company Probation Period (11.01) and shall commence from the date he became a member of the Bargaining Unit (notwithstanding the terms of Article 30.00).

- 18.02 An employee serving a Job Probationary Period (11.02) shall continue to accrue seniority in his previous job. Upon successful completion of the Job Probationary Period, seniority in the new position shall commence from the starting date of his Job appointment.
- 18.03 Notwithstanding the provisions of Clause 7.08 and temporary transfers, the employee permanently transferred outside the Bargaining Unit, except by choice to a non-supervisory position, i.e. Job Level 13 and below, will upon return regain previously acquired seniority following the completion of the probationary period. However, in the case where a position is transferred to the Bargaining Unit, previously acquired seniority will be restored three (3) months from the date of the transfer.
- 18.04 Such an employee may be returned to the Bargaining Unit to an occupation he is able to perform immediately provided:
- a) he does not displace a Bargaining Unit employee with higher seniority, or
  - b) he does not prevent the promotion or transfer of a Bargaining Unit employee with higher seniority and who is qualified for the work to be performed, or
  - c) such transfer back to the Bargaining Unit does not at any time directly result in a lay-off of another Bargaining Unit employee.
- 18.05 Notwithstanding the provisions of Clause 7.08 and temporary transfers, the employees transferred to a supervisory staff position will regain previously acquired seniority upon return to the Bargaining Unit with the following conditions:
- a) For employees transferred prior to April 21, 1984 previously acquired seniority will be restored two (2) years following date of return.

- b) For employees transferred between April 21, 1984 and April 14, 1990, previously acquired **seniority** will be restored three (3) years following date of return.
- c) For employees transferred after April 14, 1990, **previously** acquired seniority **will** be restored three (3) years **following** date of return **provided** such return occurs not later than one (1) year **from** date of transfer.

18.06 An employee **shall** cease to accrue seniority under the following conditions:

- a) any leave of absence without pay of more than thirty (30) calendar days;
- b) after twenty (20) weeks of continuous sick leave (**eligible to L.T.D.**).
- c) lay-off ;
- d) as **specified** in Clause 7.08.
- e) an employee on sick leave, maternity leave, workmen's **compensation** or any other leave of absence **will** cease to accrue **seniority from** the lay-off date specified in the lay-off letter which **would** have been served him had he been at work.

18.07 Seniority **shall** be terminated upon:

- a) resignation;
- b) discharge;
- c) after **recall** rights cease or are waived by the employee.
- d) upon completion of the probationary period as **specified** in Clause 11.05.

- 18.08 Notwithstanding the provisions of Clause 7.08 and temporary transfers, the employee permanently transferred, except by choice to a position outside the bargaining unit, to a member Company within the Rolis-Royce Group will, following date of return, regain previously acquired seniority after two (2) years,
- 19.00 **EMPLOYEE BENEFITS - GENERAL**
- 19.01 When deemed necessary, the Company and the Union will meet to discuss matters of mutual interest in the areas of Group Insurance, Long Term Disability and Dental Plan.
- 19.02 The Company shall continue to assume the full cost of the premiums for the up-keep of the following plans in force at the time of signing of this Agreement for the duration of this Agreement, namely the Group Life Insurance Plan, the Group Health and Non-occupational Accident insurance Plan and the Dental Plan.
- 19.03 The benefits outlined in this Agreement are restricted to the terms contained in the Underwriter's policy which shall be the controlling document for the entitlement to benefits.
- 19.04 The Company Intends to continue these schemes including the benefits for retired employees indefinitely subject only to those limitations which may be dictated by business conditions.
- 19.05 A contractual obligation has been entered into with respect to the continuance of the Group Insurance Plan.
- 19.06 The Company shall apply to the insurance firm for any changes in coverage to the Group Life, Long Term Disability, the Group Health & Non-occupational accident, the Dental and the Pension Plans immediately after the signing of the Memorandum of Agreement, aiming at their becoming effective within fourteen (14) days after the signature.



**20.00 GROUP LIFE INSURANCE**

**20.01** Employees with seniority will be covered by the Group Life insurance Plan.

**20.02** The Life insurance will be an amount of insurance equal to twice the annual basic salary to the next higher multiple of **\$100.00**. Life insurance coverage will be adjusted on a quarterly basis in accordance with employees salary change.

**21.00 GROUP HEALTH, NON-OCCUPATIONAL ACCIDENT INSURANCE,**  
**DENTAL**

**21.01** Employees with seniority will be covered by the Group Health and Non-Occupational Accident Insurance.

**21.02 Dental Plan**

Employees with three (3) months of service will be covered by a Company sponsored Dental Plan. This plan will cover the following as detailed in the policy document.

- 1) Routine treatments with an 80-20 co-insurance with no deductible.
- 2) Major treatments with a 80-20 co-insurance with no deductible.

The maximum coverage for each of these plans is:

- 1) **\$1000.00** per employee and per dependent per Year.
- 2) for those qualifying after the 1st of July of any given year: **\$500.00** per employee and per dependent.

**21.03 Long Term Disability (L.T.D.)**

Participation in the L.T.D. Plan is mandatory upon completion of probationary period for new employees.

The premiums will be paid as follows:

- 1) Employees with less than five (5) years of participation in the plan will pay 50% of the premium.
- 2) Employees with five (5) years and more of participation in the plan will have their premiums paid at 100% by the company.

## 22.00 PENSION PLAN

- 22.01 The Pension Plan shall continue in its present form and as subsequently amended. However, the Company agrees that when deemed necessary the Company and the Union will meet to discuss matters of mutual interest with regards to the Pension Plan.
- 22.02 Participation in the Pension Plan is compulsory following completion of Company probationary period.
- 22.03 Employees will cease contributions after thirty-five (35) years in the plan.
- 22.04 The Company shall apply to the insurance firm for any changes in coverage immediately after the signing of the Memorandum of Agreement, aiming at their becoming effective within fourteen (14) days.
- 22.05 Hourly rated employees transferring to a bargaining unit function will automatically:
- a) become a member of the salaried Pension Plan if they are already a participating member of the hourly rated Pension Plan; or

- b) become a member of the **sal ar I ed** Pension Plan upon completion of two years company service or **alternatively** have the option of Joining the plan following the **probat lonary** period.

#### 22.06 Early Retirement

- 1) There **wi l l** be a penalty of  $\frac{1}{4}$  of **1%** per month for early retirement from age **55** to age **61** inclusive;
- 2) There **wi l l** be no penalty for ear l y retirement from age **62** to **65** inclusive;
- 3) There **wi l l** be a penalty of age differential between spouses in excess of **15** years.

#### 22.07 Employees wishing to work beyond age 65

The benefits for employees wishing to work beyond the normal retirement age of **65**, in accordance with the current **legislation**, is as follows:

##### 1. Benefits

- 1.1 The benefits provision of the Collective Agreement **shal l** continue except for the **fol lowing**:

##### a) Pension

The employee **wi l l** cease to **contr I bute** to the **RR(C)** Pension Plan. When the employee takes his **retirement**, his Pension **wi l l** be increased on an actuarial basis from his normal retirement at age **65**.

##### b) L.T.D.

Employees **wi l l** no longer be **el igible** for Long Term **Disability** at age **65**.

22.08 It is agreed that the terms and conditions for the contribution holiday to the Pension Plan will be as follows:

1. Eligibility date for determining the duration of contribution holiday is October 1, 1990.
2. The start date for the contribution holiday is October 18, 1990, i.e. no contribution to the pension plan by the employee.
3. The terms are as follows:
  - Two (2) years or more of participation in the Plan but less than 5 years: 5 months (10 pay periods).
  - Five (5) years or more of participation in the Plan but less than 10 years: 10 months (21 pay periods).
  - Ten (10) years or more of participation in the Plan: 15 months (32 pay periods).

**23.00 SICK LEAVE**

**23.01** Employees qualifying for sick benefits will receive payment of salary as follows:

**a) Length of Employment**

	At full pay	At half pay	Percentage of Insurable Earnings*
Less than 60 worked days	Nil	Nil	Nil
60 worked days but less than 1 year	3 days	5 days	15 wks. commencing at 3rd wk.

**b) Length of Employment**

OVER	LESS	Number of weeks at full pay	Number of weeks at half pay or percentage of Insurable Earnings*
1 yr	2 yrs	4	16
2 yrs	3 yrs	5	15
3 yrs	4 yrs	6	14
4 yrs	5 yrs	7	13
5 yrs	6 yrs	8	12
6 yrs	7 yrs	9	11
7 yrs	8 yrs	10	10
8 yrs	9 yrs	11	9
9 yrs	10 yrs	12	8
10 yrs	11 yrs	13	7
11 yrs	12 yrs	14	6
12 yrs	13 yrs	15	5
13 yrs	14 yrs	16	4
14 yrs	15 yrs	17	3
15 yrs		18	2
16 yrs		19	1
Over 15 yrs		20	0

\* Payment Will be at one-half (1/2) or at the allowable percentage of the employee's "Insurable Earnings" up to the maximum of U.I.C. as registered with and defined by the Unemployment Insurance Canada Act, whichever is the greater.

- 23.02 Payment of **benefits** as described under Clause 23.01 a) or b) is **contingent** upon presentation of an **"attending physician's statement"** **within ten (10) calendar days** of commencement of the absence due to **illness**. **Failure** to comply **will result in withholding** all payments until the **certificate** is received and may result in **application** of normal **disciplinary** procedure. Further medical **certificates** must be produced as requested by the **Company Medical Director** for continuing payment of benefits.
- 23.03 When deemed necessary by the **Company's Medical Director**, **during the period** of absence due to **illness**, an employee may be **required to submit** to a **medical examination** and/or consult the nurse or the **Company's Medical Director**.
- 23.04 Entitlement as **outlined** under Clause 23.01 **will be readjusted** at the employee's service anniversary date. **Unused sick benefits** may be used by the employee **within the same calendar year** **should he return to work during the period**.
- 23.05 **Full sick benefits will** be reinstated at the beginning of each calendar year **providing** that the employee is then **actively employed** and upon return to **active employment** for those who are **otherwise absent**.
- 23.06 **Within the same calendar year**, employees who **will** have used **their sick leave benefits** as **specified** under Clause 23.01 **will qualify** for a **minimum of fifteen (15) weeks** of **benefits** at the **allowable** percentage of the employees' **"Insurable Earnings"** as defined by the **U.I.C. Act**, one **(1) month** after return to **active employment** in the case of new **disability** or after three **(3) months** in the case of recurrence of a **previous disability**.
- 23.07 Sick leave **benefits will** cease upon **establishing eligibility** for **LTD benefits** (**i.e.** 20 consecutive weeks of sick leave). **Reinstatement to sick benefits will** be in accordance **with Clause 23.05**.

**23.08** The provisions of Clause 23.01 will not apply in cases covered by the Workmen's Compensation Act.

**23.09** When an employee who has been absent due to illness returns to work, the following rules will apply:

<u>Number of days absent</u>	<u>What the employee must do upon return due to illness</u>
Up to two (2) days	Report to Supervisor
Three (3) days	Report to Medical Centre
More than three (3) days	Report to Medical Centre with a doctors' certificate.

**NOTE:** In substantiated cases of high incidental absences, the Company can request a medical certificate of any absences due to illness.

#### **24.00 VACATION INDEMNITY**

**24.01** Employees, according to their years of continuous service on the 1st of May, will receive vacation with pay as follows:

##### **VACATION PERIODS OF 1990-1991 AND 1991-1992**

May 1, 1990 to April 30, 1991 and May 1, 1991 to April 30, 1992

<u>Years of continuous service on 1st of May</u>	<u>Weeks of vacation entitlement</u>	<u>Vacation Indemnity</u>
1	2	4% of preceding year's earnings or two (2) weeks salary whichever is the greater.

4	3	6% of preceding year's earnings or three (3) weeks salary whichever is the greater.
10	4	8% of preceding year's earnings or four (4) weeks salary whichever is greater. In addition one (1) day accumulation to the 20th year as follows:
11 & 12	4 plus one (1) day	
13 & 14	4 plus two (2) days	
15 & 16	4 plus three (3) days	
17, 18 & 19	4 plus four (4) days	
20	5	10% of preceding year's earnings or five (5) weeks salary whichever is the greater.
35	6	12% of preceding year's earnings or six (6) weeks salary whichever is the greater.



VACATION PERIOD OF 1992-1993

May 1, 1992 to April 30, 1993

<u>Years of continuous service on 1st of May</u>	<u>Weeks of vacation entitlement</u>	<u>Vacation Indemnity</u>
1	2	4% of preceding year's earnings or two (2) weeks salary whichever is the greater.
	3	6% of preceding year's earnings or three (3) weeks salary whichever is the greater.
9	4	8% of preceding year's earnings or four (4) weeks salary whichever is greater. In addition one (1) day accumulation to the 20th year as follows:
10 & 11	4 plus one (1) day	
12 & 13	4 plus two (2) days	
14 & 15	4 plus three (3) days	
16, 17 & 18	4 plus four (4) days	

19	5	10% of preceding year's earnings or five (5) weeks salary whichever is the greater.
35	6	12% of preceding year's earnings or six (6) weeks salary whichever is the greater.

- 24.02 Any employee who has not completed one (1) year of continuous service by May 1st of the vacation year shall be granted one (1) day holiday for each month worked up to a maximum of ten (10) days. Pay for this vacation shall be four percent (4%) of earnings for the period worked prior to May 1st.
- 24.03 The Company will announce its decision by November 30th regarding annual vacations. This announcement will state whether there will be plant shutdown, partial plant shutdown, reduced activity period or staggered vacations. Shutdown or partial shutdown will be for a period not to exceed two (2) weeks, and will occur during July and/or August.
- 24.04 By February 1st, vacation lists will be provided for each department stating the seniority of each employee and their vacation entitlement.
- 24.05 All employees will submit their preferred vacation dates to their supervisor before February 14th.
- 24.06 All location of vacation dates shall be determined as follows:
- a) For employees transferred into the Bargaining Unit prior to April 1, 1990, vacation dates shall be allocated within the department in order of Company service, but taking into account a likely production embarrassment.

- b) For employees transferred into the **Bargaining Unit** after **April 14, 1990**, vacation dates shall be allocated **within** the department in order of seniority, but **taking** into account a **likely** production embarrassment.
  - c) **Employees with vacation entitlement** greater than three **(3)** weeks may be required to arrange their **additional** vacation to **suit** the work schedule.
  - d) For the **period** of a shutdown or **partial** shutdown, the **majority** of employees **within** the **designated** departments **will** be **required** to include **this period** in their vacation **entitlement**.
  - e) Any employee who **wishes** to change his **vacation** dates after **February 14th** shall have no **priority** relating to **his seniority**.
- 24.07** **Vacation Lists, showing** allocated **vacation** dates, shall be posted in each department by **February 28th**.
- 24.08** After the **Lists** of allocated **vacation** dates have been posted any employee who is requested by the Company to work **during** allocated **vacation period** shall choose another **vacation period** **subject** to the **applicable** Management Directive **with** the agreement of **his** supervisor. Such employees shall be paid at the rate of **time** and one quarter **(1/4)** for the regular **shift** hours worked during **his** cancelled **vacation** period, and at normal **overtime** rate for any **overtime** worked **during** the same period. Should such a change involve a loss of money, the **Company** would **reimburse** the employee upon presentation of supporting documents.
- 24.09** Employees **laid off** from the Company due to lack of work, or who **voluntarily** terminated their employment **having given** a **minimum** of two **(2)** weeks' **notice** in **writing** shall receive **their vacation** pay in accordance with the **applicable** legislation or any amendment thereof, and **will** be paid for each of any fourth, **fifth** or **sixth** week of **vacation entitlement** on the **basis** of one **(1)** day of

straight time pay for each complete ten (10) weeks they have been employed by the Company during the vacation entitlement year.

**24.10** Employees **dismissed** for cause, or leaving the Company voluntarily without **giving** two (2) weeks' **written** notice, shall be **limited** to vacation pay in accordance **with** the applicable **legislation** or any amendment thereof.

**24.11** **Notwithstanding** the provisions of Clause 24.02, employees who have been absent on Group Insurance sickness **benefits**, Long Term **Disability benefits**, Workmen's **Compensation**, and Unemployment Insurance **benefits** will be entitled to their full **vacation** based on Company service, and will be paid as **follows**:

- a) For **entitlement** to a **maximum** of three (3) weeks the **indemnity** will be calculated in accordance **with** the applicable **legislation** or any amendment thereof.
- b) For **entitlement** of a fourth, **fifth** and/or sixth week the **indemnity** will be calculated on the **basis** of one (1) day of **straight time** pay for each complete ten (10) weeks the employee has been at work **during** the **previous vacation** reference year.

**24.12** Employees who are absent **from** work during the entire vacation reference year shall not be **entitled** to any **vacation** indemnity.

#### **25.00** STATUTORY HOLIDAYS .

**25.01** The following Statutory **Holidays** (and any day **established** by statute or decree) shall be observed. Employees having completed one (1) calendar month **service** or **more** will be paid for such **holiday**, **providing** they render themselves **eligible** under Clause 25.05:

New Year (2 days)	Dal n Ion Day
Good <b>Friday</b>	Labour Day
Easter Monday	<b>Thanksgiving</b> Day
<b>Victoria</b> Day	Christmas (2 days)
St-Jean <b>Baptiste</b> Day	Floater Day

## 25.02 Christmas & New Year Plant Shutdown

### FIRST YEAR 1990 - 1991

Saturday, December 22nd, 1990 to Tuesday, January 1st, 1991 inclusive. During this closure the following days are considered to be Statutory Holidays:

Christmas : December 25th & 26th  
 Floater : December 27th  
 New Year : December 31st & January 1st

\*Additional Days : December 24th and 28th

### SECOND YEAR 1991 - 1992

Wednesday, December 25th, 1991 to Wednesday, January 1st, 1992 inclusive. During this closure the following days are considered to be Statutory Holidays:

Christmas : December 25th & 26th  
 Floater : December 27th  
 New Year : December 31st & January 1st

\* Additional Day : December 30th

### THIRD YEAR 1992 - 1993

Friday, December 25th, 1992 to Sunday, January 3rd, 1993 inclusive. During this closure the following days are considered to be Statutory Holidays:

Christmas : December 25th & 28th  
 Floater : December 29th  
 New Year : December 31st & January 1st

\*Additional Days : December 30th

\* During the Christmas and New Year plant shutdown, the additional days are not Statutory Holidays. In order to be paid for the four (4) additional days, all employees must exercise one of the following options for 1990 and 1991:

- 1) Bank a total of **7.5** hours in **1990** and a total of **7.5** hours in **1991**. Such banked hours are to be recorded on the "**employee's** personal record of hours **worked**" form. These banked hours are to be deducted from the flex time sheet upon completion of working the **7.5** hours.

Employees have the option of **banking 7.5** hours over and above the **maximum** of **165** hours once and once only during any one **A.P.** In accordance with article **13.08**.

- 2) **Submit** one (1) day vacation in **1990** and one (1) day vacation in **1991**.
- 3) **Combination** of the above, **i.e.** bank **7.5** hours in one year and **submit** one (1) day vacation in the other year. ---

**Failure** to **exercise** one of the above options **will** **indicate unpaid additional** days in the applicable year.

**25.03** In the event that a Statutory **Holiday** falls **within** an employee's scheduled **vacation period**, the employee may add the **additional** day to **his** scheduled vacation **period**.

**25.04** In the event that a Statutory **Holiday** (with the **exception** of St- Jean **Baptiste**, **Christmas & New Year**) falls on a Saturday or Sunday, the **following** Monday **will** be observed in **lieu** thereof.

The days observed in **lieu** when **Christmas** and New Year fall on a Saturday or Sunday **is** negotiated separately and **is** covered under Clause **25.02**.

As decreed by the current **legislation**, St-Jean **Baptiste** **will** be observed on **Friday** if it falls on Saturday and on Monday if it falls on Sunday.

**25.05** To be eligible for pay for any of the Statutory Holidays listed in 25.01, an employee must work the working day immediately preceding and the working day immediately following the Statutory Holiday. An employee shall be paid for any such Statutory Holiday if he can supply the Company with a satisfactory reason for his unavoidable absence.

**26.00 BEREAVEMENT LEAVE**

**26.01** An employee requiring a leave of absence because of family bereavement will make application to the Vice-President Human Resources through his Department Manager.

**27.00 CIVIC DUTIES**

**27.01** Employees subpoenaed as witnesses or for Jury duty will be paid the difference between their normal work day pay and the amount they receive for such civic duties.

**27.02** The Company will grant an employee required time off with pay to be sworn in as a Canadian citizen up to a maximum of seven and half (7.5) hours.

**28.00 LEAVE OF ABSENCE**

**28.01 Random Absences**

All random absences not covered under Clause 13.08 or Articles 23.00, 24.00, 25.00, 26.00 and 27.00 are without pay.

**28.02 Leave of Absence without Pay**

All requests for leave of absence without pay over two days duration will be referred to the Personnel Department by the department head concerned together with the nature and circumstances of the request as it affects both the employee and the Company.

After discussion with the department head, it will be the responsibility of the Vice-President Human Resources to grant or deny the request based upon the general practice followed with regard to similar requests from employees throughout the Company.

A maximum of one (1) week's leave of absence without pay can be granted by the Vice-President Human Resources following agreement with the department head. Any time in excess of one (1) week will be granted only at the discretion of the Senior Vice-President or his designate.

### **28.03 Educational Leave of Absence**

An employee wishing to apply for educational leave of absence will make written application to the Educational Committee through his department head.

The Educational Committee will study the application with the department head and will not ify the employee of its decision, in writing, through the department head, with a copy to the Vice-President Human Resources.

#### **Conditions for awarding educational leave of absence**

- 1) An employee must have two (2) years of continuous service with the Company to become eligible for educational leave of absence;
- 2) The duration of this leave of absence is limited to twelve (12) months;
- 3) Application for an educational leave of absence is limited to:
  - a) one leave of absence in any two (2) year period;
  - b) a maximum of three (3) leaves of absence.

#### **Income levelling process during an educational leave of absence**

An employee granted educational leave of absence can apply for the "Income Levelling Process". The Income Levelling Process allows the employee to arrange for the Company to retain up to a maximum of 50% of his salary earned in a time period immediately prior to the leave of



earned in a time period **immediately prior** to the leave of absence. This prior **period will** not exceed in duration the leave of absence and the employee must give the Company not less than **twelve (12) months' notice** of Intention to apply for the Income Level **ling** Process. The sum **retained** by the Company **will** then be paid to the employee in equal **instalments** on normal pay **periods** during the leave of absence.

It is understood that employees may not be covered by all benefits during the leave of absence.

#### **28.04 Maternity Leave**

For employees with a **minimum** of one (1) year of **service**, a leave of absence without pay for maternity reasons **will be** permitted. The duration of a leave of absence for maternity **will be** arranged between the employee and her manager. However, **maternity** leave may **commence** at a date later than **sixty (60) days** prior to **anticipated certificate**. The unused portion prior to **termination** of pregnancy may be used **following** termination of pregnancy. Total maternity leave **will** not exceed one hundred and **eighty (180)** days.

For employees **with** less than one (1) year of **service**, a **leave** of absence for **maternity** reasons **will be** permitted. This absence **will be** in accordance **with** current **legislation**. Upon return to work all former **rights** **will be re-instated**. Notice of Intention to resume work after termination of pregnancy must be given in writing **prior** to the **commencement** of **maternity** leave.

#### **29.00 TECHNOLOGICAL CHANGES**

**29.01** The Company agrees that it **will** **advise** the Union of any technological changes in advance of **implementation**. In the event that there is a need to **train** an employee(s), the Company agrees not to undertake **this training** prior to the posting of the Job requirement.

29.02 The Company and the Union agree that In the event of a lay-off caused by **technological** change, every effort will be made to al **leviate** its effects upon the employees concerned.

The fol lowing procedure **will** be fol lowed:

1. In the event of a lay-off due to the Introduction of a **technological** change, the Company **will** give the **Union** a **notice** of not less than ninety (90) calendar days prior to implementation of that change.
2. Where **five (5)** or **more** people are Involved In a lay-off, due to technological change, a **re-classification committee** consisting of two (2) representatives each of the Company and the Union **will** be **established** with a **view** t o **finding** solutions to the following quest ions:
  - a) Location of **vacanci** es or potent i al **vacanci** es, **withIn** the Company, for **which** the **individuals** possess the necessary **qualif ications** to be **re-**located.
  - b) Location of **vacancies** or potential **vacancies** with- in the Company, for **which** the Individuals possess the necessary aptitude and **qualif ications** to be **re-trained**.
  - c) **Advisory assistance** leading to **re-location**.
3. The **re-classification** committee **will** be **established** f **fifteen (15)** calendar days after **notification** of **technological** change and **will** continue to meet during the **ninety (90)** days **following** its **establishment**.

### 30.00 LAY OFF

30.01 A . The Company agrees to the fol lowing schedule for a **notice** of lay-off:

Eighteen (18) working days prior to lay-off : Notice to the Union In advance of notice to employees who may be affected by the redundancy In order to determine the employees to be laid-off.

Ten (10) working days prior to lay-off : Written notice to employees who will be laid-off:

## NOTE

Employees affected by a lay-off whilst not at work (sick leave, Workmen's Compensation, Long Term Disability, maternity leave or any other leave) will have the letter of lay-off placed in their personal dossier and will be considered as written notice as per the above.

B. In accordance with current legislation, the Company will give notice as follows:

Two (2) weeks prior to layoff for those employees who have less than five (5) years of continuous service.

Four (4) weeks prior to layoff for those employees who have five (5) years of continuous service, but less than ten (10) years of continuous service.

Eight (8) , weeks prior to layoff for those employees who have more than ten (10) years of continuous service.

C. If the Company is unable to give such notice, the employee will be paid an indemnity corresponding with such notice. The Company will abide with any change in the legislation covering Clause 30.01B.

30.02 In all cases of lay-off the Company will give preference to the employees having greatest seniority subject to the exceptions listed below:

a) The designated Union Officers **wil l** be accorded top **seniority** by the Company at time of lay-off In the following order:

1. Lodge **Pres I dent**
2. Lodge **Vice-President**
3. **Financial** Secretary
4. **Recordi ng** Secretary
5. **Chairman** of the Grievance Committee
6. Member of the **Gri evance Commi ttee**
7. Member of the **Gri evance Commi ttee**
8. **Immediate** past **Chairman** of the Negotiating Committee.

b) The Company may retain eight (8) employees at time of lay-off regardless of **their seniority**.

c) Pursuant to (a) and (b) above, only one (1) employee **wil l** be **retained** by both or **either** parties In departments **with** ten (10) or less employees in the **Bargain- ing** Unit, and two (2) In departments of **more** than ten (10) employees.

30.03 With respect to Clause 30.02 (a), If Union members hold dual **positions** among the listed Union **Officers**, then the number of **employees** protected by the Company **wil l** be decreased to **achieve ba lance**.

30.04 For the purpose of **establi shing seniority** at the **time** of lay-off, the **following** rules apply:

a) An employee **moving** up Job levels **within his** own **oc- cupational** group carries **his seniority** after the time calculated from Column "A" of Clause 30.05.

b) An employee **moving** up, across or down Job levels outside **his** occupational group **carries his** seniority after the **time** calculated from Column "B" of Clause 30.05.

- c) An employee who has changed job levels by upgrading or job enrichment carries **his** seniority immediately.
- d) An employee changing Job but not Job level within **his** own occupational group carries his **seniority** immediately.
- e) An employee **changing** Jobs to one of a lower Job level within his own occupational group carries his **seniority** immediately.

30.05

- A -

- B -

<u>Job Level</u>	<u>Within same occupational Group</u>	<u>To another occupational Group</u>
3 to 5	Six (6) months	Six (6) months
6 to 9	Twelve (12) months	Eighteen (18) months
10 to 13	Eighteen (18) months	Twenty-Four (24) months

30.06 At **time** of lay-off, an employee **will** have a right to exercise his **bumping rights** within any **occupational** group to which he has accrued **seniority** as follows:

- 1) An employee may return to his **previous function provided** his **seniority** is greater than the Incumbent **with** the least seniority.
- 2) An employee may claim the **right** to an equal or lower job level by displacing an Incumbent **with** the least **seniority** in the Job level affected. However, if the employee does not possess the necessary **experience** to **claim this position**, he may work upwards to a **position** suitable to his **experience** within the **respective** occupational group.

- 3) An employee bumping to another **occupational** group may bump only up to the Job level he had attained while in that occupational group.
- 30.07 An employee who, in **exercising his bumping rights**, displaces an Incumbent will have a **maximum** of ten (10) **working** days to demonstrate his **ability** to perform the work to the **satisfaction** of **supervision**, failing which, the employee **will** be placed on lay-off.
- 30.08 Employees bumped from their **position prior** to completion of their Job Probationary Period **will** return to the said position to continue their Job Probationary Period, If the new Incumbent falls to perform satisfactorily within the time limits as defined in Clause **30.07**.
- 30.09 In the event of emergency **conditions** beyond the reasonable control of the Company **which** prevent the **normal operation** of the Company, a temporary lay-off for the **duration** of the emergency may be made, **without** regard to the lay-off provisions of this Article or to Article **18.00**. An employee **laid-off** under this Article **shall** continue to accrue **seniority during** such **period** of temporary lay-off .
- 30.10 An **ex-employee** who had less than two (2) years service at the **time** of lay-off **shall** have **his** seniority and **service** restored to **him** if he is rehired **within** one (1) year of lay-off. An **ex-employee** who had two (2) years service or more at the time of lay-off shall have his former **service** and **seniority** restored to **him** if he is rehired **within** two (2) years of lay-off.
- 30.11 In the event of a lay-off, the Company **will** review sub-contracts and work that is **being** performed by **individuals** hired on a contract basis with a view to any possible **alleviation** of the lay-off.

**31.00 RECALL PROCEDURE**

**31.01** Recall shall be by seniority within group and classification with reference to Article 30.00. An employee's right to recall to the position last held shall not be annulled in exercising this prerogative.

**31.02** Recall shall be by means of a telegram sent to the ex-employee at his last known address registered with the Company. Failure to report for work within ten (10) working days from date the telegram was sent will involve forfeiture of recall rights and seniority. The Union is to be informed of recall by copy of the telegram.

**31.03** The rights to be rehired, as outlined in the present Article are subject to a new medical examination. If the employee is declared permanently unfit for re-employment by the Medical Officer of the Company, his rights as outlined in the present Article are forfeited. If, however, the Medical Officer of Company declares an employee temporarily unfit, he maintains his recall rights until such time as the Medical Officer declares him either fit or permanently unfit. If there is a disagreement on the decision of the Medical Officer of the Company, the employee or the Union can invoke the Grievance procedure.

**32.00 SEVERANCE PAY**

**32.01** An employee with seniority covered by this Agreement, who has completed one (1) year or more of continuous service with RR(C) immediately prior to being laid-off through no fault or action of his own, shall receive severance pay as provided in Clause 32.03 subject to the limitations and conditions set forth herein, but he shall receive no severance pay if any one or more of the following conditions exist:

- a) He exercises his bumping right in order to remain in the employ of the Company or accepts a transfer.

- b) He accepts any other employment **with** the Company or refuses to accept a Job in his own or comparable work **classification** under this Agreement provided the Job offered is not more than one (1) Job level below his current level.
- c) He fails to exercise his bumping rights which would enable him to remain in the employ of the **Company**, provided this right does not carry him **more** than two (2) Job levels below his current level.
- d) He wishes to **retain his recall** rights in accordance with Clause **31.01**.
- e) The lay-off is due to an emergency **condition** as defined in Clause **30.09**, a **national** war emergency, the revocation of the Company's operating **certificates**.
- f) The lay-off results **from** a strike, lockout or the picketing of the Company's premises

**32.02** In **addition, severance** pay **will** not be made to an employee whose service is terminated as a result of **disciplin- ing, retirement,** medical reasons, or resignation other than as a direct result of or **during** a lay-off.

**32.03** The amount of severance pay due under this **Article** shall be as defined in Article **18.00** of this Agreement, and **shall** be computed on the basis of the employee's regular weekly wages at time of lay-off, as follows:

<u>Years of Service</u>	<u>Indemnity</u>
Under one (1) year	Nil
One (1) to two (2) years	80% of one (1) week's pay for each complete year of <b>serv</b> ice.
Three (3) to four (4) years	90% of one (1) week's pay for each <b>complete</b> year of <b>serv</b> ice.



Five (5) years or more.

100% of one (1) week's  
pay for each complete  
year of service.

32.04 The maximum severance paid will include the indemnity paid in lieu of notice specified in Clause 30.01 C.

### 33.00 DISCHARGE AND SUSPENSION

33.01 No employee having served his Company Probationary Period shall be suspended or discharged except for just and sufficient proven cause.

33.02 Reasonable notice will be given to the President of the Union or his designate of the discharge of any member of the Bargaining Unit prior to the discharge.

In cases of summary discharge, the employee may consult with the Union representative in the confines of the Union Office in agreement with the Vice-President Human Resources or his designate.

33.03 If an employee claims that he has been unjustly discharged, he may invoke the grievance and arbitration procedure.

33.04 An employee reinstated after a discharge which is determined to have been unjust will be reinstated without loss of seniority, pay or benefits. The company will reimburse the employee for lost time but the settlement will not include any overtime which could have been worked. However, deductions shall be made for any compensation from any source which the employee may have received during the period of separation.

### 34.00 DISPUTES AND GRIEVANCES PROCEDURE

34.01 A dispute is defined as any matter concerning the interpretation, application or alleged violation of any provision of this Agreement.

- 34.02 Any dispute shall first be discussed between the Supervisor and the employee. If the employee so desires, he may be accompanied by his Union Steward or, in his absence, by a member of the Grievance Committee.
- 34.03 A dispute must be initiated within sixty (60) calendar days of the event allegedly having occurred, except in cases of Suspension or Dismissal where the dispute must be initiated within fifteen (15) calendar days, after which the grievance procedure cannot be invoked.
- 34.04 The Supervisor must reply to the dispute within four (4) working days. If no settlement is reached at this stage, the dispute shall be discussed at the next Communications meeting. The dispute will be considered resolved if no action is taken by either party within ten (10) working days from the discussion at the Communications meeting. Following resolution, the dispute may then proceed to Step I of the grievance procedure.
- 34.05 The Union will have the right to appeal but not grieve on behalf of a new employee during the Company Probationary Period.
- 34.06 Employees with seniority shall have the right to submit grievances in either the French or English language and replies will be made in the language originally used.
- 34.07 **Grievance Procedure**

**Step I - Departmental Supervisor and/or Manager**  
**Stage**

The Industrial Relations Manager and/or his designate will bring the grievance to the Departmental Supervisor and/or the Manager concerned with the grievance. Any discussion involving the Union will be carried out with the Grievance Committee. The Supervisor or Manager will give written answer within ten (10) working days, unless the parties mutually agree in writing to an extension of time.

34.08 The Grievance Committee may process the grievance to Step II within ten (10) working days following the reply to Step I, unless the parties agree in writing to an extension of time, otherwise the grievance will automatically expire.

34.09 Step II - Group Manager Stage

The Industrial Relations Manager (or his designate) will bring the grievance to the Group Manager (or his designate) concerned with the grievance. The Group Manager (or his designate) will give written answer within fifteen (15) working days, unless the parties mutually agree in writing to an extension of time.

34.10 The Grievance Committee and the President of the Union must give written notice of the Union's intention to proceed to arbitration if the grievance is not settled at this stage. This notice must be given to the Company within twenty (20) working days upon receipt of the Company's Step I reply unless the parties mutually agree in writing to an extension of time, failing which the grievance will automatically become null and void.

35.00 ARBITRATION

35.01 Within ten (10) working days the parties shall mutually agree to the selection of an arbitrator. If unsuccessful, the matter shall be referred to the Minister of Labour by either party within ten (10) working days.

35.02 The arbitrator shall have no power to add to, subtract from or modify any of the terms of this Agreement, but shall have the authority to maintain, reduce or rescind any disciplinary measure and to decide the appropriate compensation, if any.

35.03 The arbitrator's jurisdiction shall be limited to matters concerning the interpretation, application and compliance with the provisions of this Agreement.

**36.00 INTERPRETATION**

- 36.01 In accordance with the provisions of Article 43 of La Charte de la langue française, the French text of this Agreement is the official one as far as the application and the Interpretation of the contract is concerned.
- 36.02 Wherever the masculine gender has been used in this Agreement, it refers equally to male and female employees.
- 36.03 The word "Service" as used in this Agreement shall refer to the total period of employment with RR(C) starting with the hiring date (notwithstanding the terms of Clause 30.09).
- 36.04 The term "Company" as used in this Agreement shall comprise the existing plant locations and in the event that during the term of this Agreement the Company transfers one or more of its present operations to a new location within the Province of Quebec, the present Agreement shall be extended to cover employees engaged in such operations.

**37.00 DURATION OF THE AGREEMENT**

- 37.01 This Collective Agreement shall become effective for a period of three (3) years as follows:
- April 15, 1990 to April 13, 1991
  - April 14, 1991 to April 11, 1992
  - April 12, 1992 to April 10, 1993

**38.00 INTENTION OF NEGOTIATION**

- 38.01 Prior to the expiration of this Collective Agreement, a letter of Intent to negotiate will serve as notification in accordance with the current Labour Code.

In addition, the presentation of the demands will be made within eight (8) calendar days of the issuance of such a letter or at the expiration of the current agreement whichever is earlier.

SIGNED IN LACHINE, PROVINCE OF QUEBEC, ON THIS 31ST DAY OF JULY 1990.

FOR ROLLS-ROYCE (CANADA LTD.

FOR LODGE 2468

.....  
JEAN **GUILBAULT**  
CHAIRMAN AND VICE-PRESIDENT  
HUMAN RESOURCES

.....  
LEE **CAPPADOCIA**  
PRESIDENT AND  
CHAIRMAN

.....  
ALLAN **FLEMING**  
VICE-PRESIDENT-FINANCE

.....  
JEAN **GUY GARNEAU**

.....  
JOHANNÉ **BRANCHAUD**  
HUMAN RESOURCES **MANAGER**

.....  
JACQUES **PELLETIER**

.....  
THOMAS **MOLL**

.....  
VINCENT **BLAIS**  
GRAND LODGE REPRESENTATIVE

APPENDIX "A"EMPLOYMENT OF TEMPORARY SALARIED STAFFPURPOSE

The purpose of this Appendix is to establish procedures governing the Employment of, the payment of salaries, and benefits applicable to temporary salaried staff.

An employee classified as "temporary" shall be one who has been engaged in one of the following categories and shall be entitled to salary and benefits as listed therein.

1. DAILY (TEMPORARY) EMPLOYEES

A dally (temporary) employee shall be one who has been engaged for a short term assignment such as:

- a) replacement for permanent employees away due to vacation, sick leave or leave of absence;
- b) additional staff required for peak load situations; and
- c) part-time employees who have been engaged for a specific task but not necessarily on a consecutive dally basis.

Such assignments will generally be less than one month's duration.

1.1 Salary

Salary for dally (temporary) employees will be calculated on a dally rate basis for time worked only.

1.2 Statutory Holiday days

Not applicable.

1.3 Vacation

Not applicable. However, upon completion of the

temporary assignment the employees will be paid four percent (4%) of basic earnings as vacation **quittance** Indemnity.

#### 1.4 Other Benefits

Employees in this category will not be entitled to participate in, or derive benefit from, any Company benefit plan.

#### 1.5 Union membership

Will not pay Union dues and the benefits to which they are entitled are restricted to the conditions of employment as defined in this Appendix.

### 2. MONTHLY (TEMPORARY) EMPLOYEES

An employee classified in this category shall be one who has been engaged, either as a temporary replacement for a permanent employee or as additional staff, on a long term basis, i.e. for a specific assignment lasting more than one month but generally less than twelve (12) months.

#### 2.1 Salary

Salary for employees in this category will be calculated on a monthly rate basis.

#### 2.2 Statutory Holidays

Eligibility and payment for Statutory Holidays will be as per the provisions of the applicable legislation or any amendment thereof.

#### 2.3 Vacation

Not applicable. However, upon completion of the temporary assignment, the employees will be paid four percent (4%) of basic earnings as vacation **quittance** Indemnity.

#### 2.4 Other Benefits

Employees in this category will not be entitled to participate in, or derive benefit, from any Company benefit plan.

#### 2.5 Union membership

Will pay Union dues for periods of employment greater than three (3) months, however the benefits to which they are entitled are restricted to the conditions of employment as defined in this Appendix.

### 3. STUDENT (TEMPORARY) EMPLOYEES

Employees in this category shall be students who have been engaged by the Company as a result of the Company's practice regarding the hiring of students during academic vacation periods. This practice is as follows:

- a) in January of each year, Management establishes the number and nature of students to be hired and the Department to which they will be assigned;
- b) by the end of March of each year, the Personnel Department will select, from applications submitted, qualified students to fill the established requirements, giving preference to the immediate relatives of employees.

#### 3.1 Salary

Salary for employees in this category will be calculated on a monthly rate basis.

#### 3.2 Statutory Holiday days

Eligibility and payment for Statutory Holidays will be as per the provisions of the applicable legislation or any amendment thereof.



**3.3 Vacation**

Not applicable. However, upon completion of the temporary assignment, the employee will receive four percent (4%) of basic earnings as vacation quitance indemnity.

**3.4 Other Benefits**

Employees in this category will not be entitled to participate in, or derive benefit from, any Company benefit plan.

**3.5 Union membership**

Will pay Union Dues, however, the benefits to which they are entitled are restricted to the conditions of employment as defined in this Appendix.

**4. WORK STUDY**

Employees in this category are undergraduates or post-graduates engaged by the Company as a result of the Company's policy to develop closer relations with the teaching Institute.

**4.1 Work Study Length**

Work study cannot exceed a period of 12 months unless agreed mutually with the Union.

**4.2 Salary**

Salary for employees in this category will be based on a monthly rate basis.

**4.3 Statutory Holidays**

Employees in this category will be paid for Statutory holidays upon completion of one (1) month from the date of hire.

#### 4.4 Vacation

Under completion of the assignment, the employee will receive four percent (4%) of basic earnings as vacation **quittance** Indemnity.

#### 4.5 Other Benefits

Employees in this category will not be entitled to participate in, or derive **benefit from**, any Company **benefit** plan.

#### 4.5 Union Membership

Employees in this category will pay Union Dues if **period** of employment is greater than three (3) months. **How-**ever, the **benefits to which** they are entitled are restricted to the conditions of employment as defined in **the** Appendix.

### 5. APPLICATION TO PERMANENT STAFF

Temporary employees may, should a vacancy arise, make application for any permanent position **which** they feel they are qualified to **fill**. Such **application will** be made by **com-****pleting** form RRC-091-105 and **submitting** same to Personnel.

These employees will be **considered with** external applicants and all **conditions pertaining** to a new **hire** will apply.

APPENDIX "B"EMPLOYEE EDUCATIONAL ASSISTANCE SCHEME1. GENERAL

- 1.1 The purpose of this Appendix is to establish policy and procedure whereby permanent employees may receive financial assistance to attend courses of training either directly applicable to their work or considered to be relevant to the Company's operations as a whole.
- 1.2 The granting of financial assistance will only be considered for improving the ability of employees in their existing jobs and/or develop potential ability which may be required by the Company in future operations.
- 1.3 The scheme does not apply to cases where Management instructs an employee to undertake a specific course of study.
- 1.4 The administration of this scheme is delegated to the Director Personnel Services.
- 1.5 The Committee is not empowered to depart from the following conditions without reference to the Management Committee.

2. CONDITIONS FOR RECEIVING FINANCIAL ASSISTANCE

2.1 Assistance will be granted for:

2.1.1 courses leading to a university degree; or

2.1.2 courses leading to a C.E.G.E.P. diploma;

2.1.3 courses leading to a high school leaving certificate; or

2.1.4 courses which are related to the type of work the employee is doing or, in the opinion of the Educational Committee, would be of particular benefit in the execution of his/her duties.

- 2.2 To qualify, the employee must obtain approval for financial assistance before commencement of the course. Such approval cannot be granted before the employee has **satisfactorily** completed his probationary period with the Company.
- 2.3 The **extent** of the Company support **will** not exceed seventy-five **percent (75%)** in total of the **tuition** fees, the examination fees and the **miscellaneous** charges with the exception of student association fees and such support **will** only be given upon **satisfactory** proof of successful **completion** of the course. **It** should be noted that, in accordance with current regulations of the Taxation Division, Department of National Revenue, Government of Canada, all assistance grants paid by the Company **will** be added to the income of the employee for tax purposes.
- 2.4 The program **will** apply to courses sponsored by **recognized** educational **institutions** as **well** as correspondence courses approved by the **Ministry of Education**.
- 2.5 For the purposes of the scheme, the Director Personnel Services may not **commit** the Company to expenditures in excess of **\$7,500** in any calendar year. Of this amount, a maximum of **\$1,500** **will** be allocated to high school **leaving tuition**.
3. **CONDITIONS FOR RECEIVING INTEREST-FREE LOAN**
- 3.1 Employees whose **applications** for assistance are approved **will** also be able to apply for an Interest-free loan **from** the Company to help defer the cost of **tuition**.
- 3.2 Upon approval, the Company **will** advance to the employee an Interest-free loan up to **100%** of the total cost of tuition, but not to exceed **\$400** at any **given time**.
- 3.3 The employee must **submit** to the Company a receipt of **tuition** payment **from** the educational institution **within** seven **(7)** days **following** the granting of the loan.

3.4 The full amount of the loan **will be** repaid by regular salary or wage deductions in equal payments **commencing** with the first pay day following the **granting** of the loan, the total to be **completed prior** to the end of the course or **within 26 weeks** whichever occurs **first**.

4. PROCEDURE

4.1 An employee wishing to apply for educational assistance will make a **written** application to the Director Personnel through **his** Department Head, using an "Application for **Educational Assistance**" form.

4.2 The Director Personnel **Services** will study the application with the Department Head concerned and will notify the employee of its **decision** in **writing**, through the Department Head, with a copy to the Personnel Manager.

4.3 Upon termination of the course, the employee will **submit** to the Director Personnel **Services** proof of satisfactory completion, as **well** as of actual fees paid. Proportionate reimbursement will only be made upon **fulfillment** of these conditions.

MANAGEMENT PROCEDURE NO. 101

TRAVEL ON COMPANY BUSINESS

MANAGEMENT AND SALARIED STAFF

1. GENERAL

- 1.1 All travel must be approved by the appropriate signing authority.
- 1.2 All travel arrangements must be made through the Company's Travel Office, unless prior agreement is obtained from the President.
- 1.3 Any changes to travel arrangements during a trip must be not if led to the approving authority and the Travel Office.
- 1.4 Travel accident insurance coverage is supplied by the Company. Details of this coverage are available on request to the Director Accounting. Any additional coverage is purchased at the employee's own expense.
- 1.5 Expense claim covering any trip must be submitted within one week of return to base or before next trip if earlier.
- 1.6 For details of appropriate hotel, meal and entertainment allowances see Management Procedure No. 102.

2. BY AIR

- 2.1 When available, air travel is preferred, using economy or excursion class' seating.
- 2.2 Business or first class seating can only be selected with the prior approval of the President or Senior Vice-President.

2.3 When making bookings the Travel Office will select the most direct route, having regard firstly to cost and secondly to the traveler's preference. When possible, customers airlines will be selected.

### 3. BY RAIL

3.1 Travel by rail is permissible when proven to be expedient.

3.2 The cost of the class of travel selected will not exceed the cost of economy class air fare.

### 4. BY CAR

#### 4.1 Personal Car

4.1.1 With the approval of the department head, employees are permitted, on occasion, to use their own car for local travel. The department head must ensure that the driver has:-

- a) a valid driver's license;
- b) current registration or license for the car;
- c) the financial responsibility required by law;
- d) public liability coverage for a minimum of \$100,000.

4.1.2 Employees required or approved for the regular use of their own car for Company business must conform to the requirements of 4.1.1, and, in addition, must acquire adequate insurance coverage. Such employees are recommended to secure a minimum of \$300,000 P.D./P.L.

The Company will contribute up to a maximum of \$150.00 per annum to upgrade automobile insurance from pleasure to business classification, on submission of the appropriate substantiating documentation.

**4.1.3** Use of a personal vehicle for any round trip in excess of 250 KM must have the prior approval of a Director or Vice-President. For a round trip in excess of 750 KM prior approval of the President or Senior Vice-President is required.

**4.1.4** All employees using their own car on Company business should be made aware by the Department Head that :-

a) the Company denies responsibility for damages that are borne by the employee and/or recovered in part under the collision section of their insurance;

b) employees are recommended to secure a minimum of \$300,000 P.D./P.L.

c) the Company carries appropriate liability insurance to protect the Company's interests, but does not provide protection for the car or driver.

**4.1.5** A standard kilometer allowance is notified to all members of the Staff Committee and updated, as appropriate, by the Director, Personnel Services.

## **4.2 Company Vehicle**

**4.2.1** When available, a Company car can be assigned to an employee for a local business trip; such use is normally restricted to business hours.

**4.2.2** Department Head must ensure the employee holds a valid drivers license, before making application for use of a Company vehicle.



**4.2.3 Application** for use of a Company vehicle by any employee must be made to the Department Head to the Management - Storage and Movement.

**4.2.4 Joint** approval of the **Senior** Vice-President or his designate and one other Director or **Vice-President** is **required** for the use of a Company vehicle outside normal business hours.

#### **4.3 Rental Cars**

**4.3.1** Rental cars must be booked through the Company Travel Office whenever possible.

**4.3.2** When **available** compact cars should **be** used. **Intermediate size** cars can be used for groups of three or four.

**4.3.3 Full collision** insurance coverage for the rental car should be purchased from the agency. However, personal accident insurance need not **be** taken, as personnel are **fully** covered by the Company's insurance.

#### **5. CREDIT CARDS**

**5.1 Appropriate credit** cards can be made available to employees for specific business trips through **application** to the **Director** Accounting by the Director or Vice-President.

**5.2** Use of such credit cards is restricted to **official** Company business.

MANAGEMENT PROCEDURE NO. 102

ROLLS-ROYCE (CANADA) LIMITED

HOTEL, MEAL AND ENTERTAINMENT

MANAGEMENT AND SALARIED STAFF

**1. GENERAL**

**1.1** Prior **authori zat ion** for expenses related to accommodation, meals and entertainment is required; with the **appropriate authorization.**

**1.2** Expense claims must be submitted **within** one week of the event.

**1.3** For related travel **pol icy** see Management Procedure No. 101.

**2. ALLOWANCES**

**2.1 Hotel**

**2.1.1** **Hotel** reservations **shou ld** be made through the Company Travel office, whenever possible.

**2.1.2** Only the cost of **room** and related taxes should be claimed against hotel expense. All other charges on a hotel **bl l l** must be recorded under the **appropri ate** category.

**2.2 Meal and Miscellaneous Allowances**

**2.2.1** A maximum daily allowance of **\$40.00** can be claimed for all out of town **trips**. **This al low-ance wll l** be paid in Canadian Dollars for travel in Canada and in U.S. **Doll ars** for travel outside Canada.

**2.2.2** The daily allowance covers all expenses for meals, gratuities, personal phone calls, laundry and other, routine expenses. This allowance is based upon the following approximations:

Breakfast	\$ 7.00
Luncheon	\$10.00
Dinner	\$17.00
Miscellaneous	\$ 6.00

Meal allowances include gratuities.

**2.2.3** No duplicate charges should be made in an expense claim. Therefore, meals included in entertainment should be deducted from the daily allowance.

**2.2.4** Should an occasion arise that the actual costs exceed the daily allowance, then all expenses must be detailed with the supporting receipts.

### **2.3 Additional General Expenses**

**2.3.1** These expenses will cover items not included in the daily allowance and claims should be supported with receipts.

**2.3.2** Such expenses are local transportation, tolls, parking, gasoline and official telephone calls.

### **2.4 Alternative Living Accommodation**

**2.4.1** If an employee chooses to reside with family or friends rather than in a hotel, a daily allowance of \$38.00 can be claimed.

**2.4.2** This allowance covers all expenses normally claimed in 2.1 and 2.2 above. However, the actual cost of any meals bought out may also be charged.

### 3. ENTERTAINMENT

- 3.1 When deemed appropriate, the Company **will** reimburse an employee for costs incurred for the entertainment of guests related to Company business. Approval for such **entertainment** should be obtained in advance, from the appropriate Director or Vice-President.
- 3.2 When two or **more** Company personnel are involved, the **senior** member of the party must **submit** the **claim**.
- 3.3 Claims for **entertainment** expenses must identify members of the party by name and **Company affiliation**.
- 3.4 All claims for entertainment costs must **be** approved by a Director or Vice-President.
- 3.5 Particular restraint should be **exercised** when **entertaining** Government/**Military** personnel and personnel from other **Rolfs-Royce** Companies.

### 4. CREDIT CARDS

- 4.1 Appropriate credit cards can **be** made available to employees for **specific** events through application to the **Comptroller** by the Director or Vice-President.
- 4.2 Use of such **credit** cards is restricted to **official** Company business.