

AGREEMENT

BETWEEN



A FULL SERVICE
CERTIFIED MINORITY SUPPLIER

**SKD COMPANY
MILTON DIVISION**

and

**THE UNITED STEELWORKERS
OF AMERICA**

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Local Union No. 7702

December 1, 2002 - November 30, 2005

10984(03)

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AGREEMENT

This Agreement made as of the 1st day of
December, 2002

BETWEEN

**SKD COMPANY
MILTON DIVISION**
(hereinafter called "the Company")

OF THE FIRST PART

and

**THE UNITED STEELWORKERS
OF AMERICA**
(hereinafter called "the Union")

OF THE SECOND PART

ARTICLE I

PURPOSE

- 1.01 This Agreement is entered into for the purpose of promoting and continuing the existing good relationship between the Company and its employees to assure efficient and uninterrupted production, to provide machinery for the prompt and equitable disposition of grievances and to establish and maintain satisfactory working conditions, hours of work and wages for all employees who are subject to the provisions of *this* Agreement.
- 1.02 Wherever the male gender is used throughout the Articles within this Agreement, it is agreed that the feminine gender is an acceptable substitute whenever and wherever the feminine gender is applicable.

ARTICLE II

RECOGNITION

- 2.01 The Company recognizes the Union as the sole bargaining agent for all employees of the Company at Milton, Ontario, save and except supervisors, quality control supervisors, persons above the rank of supervisor, office and sales staff.
- 2.02 In the event that the Company decides to close all or part of its current operations within Milton, Ontario and moves these operations to a new location within a two hundred and fifty (250) kilometer radius of the boundaries of Milton, Ontario, permanent employees displaced by this decision shall be given preferential consideration as a result of such transfer of operations.

This contract will be extended to cover all bargaining unit employees who transfer to the new location and the United Steel Workers of America shall be recognized as the sole bargaining agent.

ARTICLE III

RELATIONSHIP

- 3.01 The Company agrees that all employees covered by this agreement shall become and remain members of the union as a condition of employment.
- 3.02 The Company shall deduct from the pay of each member of bargaining unit, monthly, such union dues, fees and assessments as prescribed by the constitution of the union.
- 3.03 The Company shall remit the amount so deducted, by cheque payable, as directed by the area office, to the International Treasurer and whenever practicable, such remittance shall be made by the fifteenth (15th) day of the month following.
- 3.04 The monthly remittance shall be accompanied by a statement showing the same of each employee from whose pay deductions have been made and the total amount deducted for the month. Such statements shall also list the names of the employees from whom no deductions have been made and the reasons why along with any forms required by the International Union.

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

- 3.06 The Company agrees to record total union dues deductions paid by each employee on his/her T -4 Income Tax Receipt.

- 3.07 The Company agrees to provide the union upon request, but not more often than twice per year, a listing of bargaining unit employee names, addresses and telephone numbers.

ARTICLE IV

MANAGEMENT RIGHTS

- 4.01 Subject to the express terms of the collective agreement, the Union acknowledges that it is the exclusive function of the Company to **hire**, promote, demote, classify, transfer and suspend employees, and also the right of the Company to discipline or discharge any employee **for** just cause, provided that a claim by an employee, who has acquired seniority, that he has been discharged or disciplined without reasonable **cause** may be the subject of a grievance and dealt with as hereinafter provided.
- 4.02 The Union further recognizes the right of the Company to operate and manage their business in all respects in accordance with their commitments and responsibilities. The location **of** the plant, the products to be manufactured, the schedules of production, the methods, processes and means of manufacturing used, the right to decide on the number of employees needed by the Company at any time, the right to use improved methods, machinery and equipment and jurisdiction over all operations, buildings, machinery, tools and employees, at their plant in Milton, Ontario are solely and exclusively the responsibility of the Company. The Company also has the right to make, alter from time to time, and enforce reasonable rules and regulations to be observed by the employees.

ARTICLE V

PLANT COMMITTEESTEWARDS

- 5.01 The Company acknowledges the right of the Union to appoint or otherwise select four (4) stewards and two (2) alternates. It is further understood and agreed that if a regular night shift is instituted one additional steward may be appointed to represent the night shift. All stewards shall be ~~regular~~ employees of the Company actually at work who have completed their probationary period. The Company will recognize and deal with the stewards as hereinafter set forth.
- 5.02 The name and jurisdiction of each of the stewards shall be given to the Company in writing and the Company shall not be required to recognize any such stewards until they have been notified in writing by the Union of the name and jurisdiction of **same**.
- 5.03 The Company undertakes to instruct all members of their supervisory staff to co-operate with the stewards in ~~the~~ carrying out of ~~the~~ terms and requirements of this agreement.
- 5.04 The Union undertakes to secure from its officers, stewards and members their co-operation with the Company and with all persons representing the Company in ~~a~~ supervisory capacity, in the carrying out of the terms and requirements of this Agreement.

- 5.05 The right of stewards to leave work without loss of pay to investigate or adjust grievances in their own departments is granted on the following conditions:
- (a) The steward shall obtain the permission of his supervisor before leaving his work.
 - (b) The time off shall be devoted to the prompt handling of grievances and attending Grievance Step meetings and any preliminary meetings with the management. Except in the case of a discharged employee, employees having grievances shall not leave their work stations to discuss these with the stewards during working hours.
 - (c) The Company reserves the right to limit such time if they deem the time so taken to be excessive.
- 5.06 The Company agrees to recognize and deal with a Negotiating Committee of not more than four (4) employees, who shall be regular employees of the Company along with representatives of the International Union. The Company further agrees to pay the four (4) plant members of the Negotiating Committee their regular day's pay for each meeting day with the Company up to and including conciliation meetings.

The negotiating Committee is a separate entity from other committees and will deal only with such matters as are properly the subject matter of negotiations, including proposals for the renewal or modification of this Agreement.

ARTICLE VI**GRIEVANCEPROCEDURE**

- 6.01 The Company may reserve the right to refuse to consider a grievance, the alleged circumstances of which occurred **more** than seven (7) calendar days prior to the presentation of the grievance in writing.
- 6.02 An employee who believes that he has a **just** request or complaint may discuss the claim or complaint with his supervisor with or without the shop steward present, or a shop steward may discuss such matter with the employee's supervisor. The supervisor shall state his decision or his refusal to make a decision to the aggrieved employee or his shop steward within twenty-four (24) hours.
- 6.03 A formal grievance to be recognized shall be reduced to writing on a form provided by the Union and approved by the Company, and presented to the supervisor concerned within two (2) working days of the supervisor's decision on the verbal complaint.

STEPNO.1

The aggrieved employee either personally or through his steward shall present the grievance in writing, signed by the aggrieved employee, to the aggrieved employee's supervisor. The supervisor shall render his disposition to the grievance in writing **within** two (2) working days.

If satisfactory settlement is not reached, the aggrieved employee or his steward may proceed to the next step of the grievance procedure any time within two (2) working days thereafter.

STEPNO. 2

The steward shall present the written grievance to a designate of the Company, who shall meet with the steward and one other member of the Grievance Committee within two (2) working days after receiving such grievance in an attempt to settle the grievance within a further two (2) working days of such meeting, and failing satisfactory settlement, the grievance may proceed to the next step within two (2) working days thereafter.

STEPNO. 3

The steward shall present the grievance to the Plant Manager or his designate, within five (5) working days of receipt of the grievance. The Plant Manager or his designate shall meet with the Grievance Committee (not to exceed three in number), and a representative of the International Union if his presence is requested by either party. The Plant Manager or his designate, will render his disposition in writing to the grievance within three (3) working days subsequent to such ~~meeting~~.

- 6.04 Failing satisfactory settlement, the grievance may be referred by either party to the Arbitrator, in writing, as provided in Article VII, at any time within forty five (45) days thereafter.
- 6.05 If a grievance is not processed or referred to arbitration by the Union within the time limits set forth above, it will be deemed to have been settled on the basis of the last disposition given by the Company. If a grievance is not processed within the time ~~limits~~ set forth above by the Company, it shall automatically proceed to the next step of the grievance procedure.

- 6.06 The time limits in paragraph 6.03 may be extended by mutual agreement in writing
- 6.07 Nothing contained in this Agreement shall be deemed to deprive any employee of his right to discuss any problems without mutual agreement in writing.
- 6.08 If after twelve (12) months from the date of a disciplinary notation, there has been no need for further disciplinary action, the disciplinary notation will be removed from the employee's record.

ARTICLE VII

ARBITRATION

- 7.01 Both parties to this agreement agree that any dispute or grievance concerning the interpretation or alleged violation of this Agreement, which has been properly carried through all the steps of the grievance procedure outlined in Article VI above, and which has not been settled, will be referred to an Arbitrator. The following persons have been agreed to as Arbitrator and shall deal with each arbitration in order in which their names appear in this Agreement:

1. Mr. E.E. Palmer
2. Mr. O.B. Shime
3. Professor G.J.Brandt
4. Mr. M. Teplitsky
5. Louisa Davie

- 7.02 The decision of an Arbitrator, constituted in the above manner, shall be binding on both parties.
- 7.03 The Arbitrator shall not have **any** power to alter or change **any** of the provisions of this Agreement, **or** to substitute any **new** provisions for any existing provisions, not to give any decision inconsistent with the terms and provisions of this Agreement.
- 7.04 Each of the parties to this Agreement will share the expense of the Arbitrator.

ARTICLE VIII**MANAGEMENT GRIEVANCES**

- 8.01 It is understood that **the** Management may bring forward **at** any meeting held under the grievance procedure any complaint with respect to the conduct of the Union, its officers or stewards and that, if such complaint by **the** Management is not settled to the mutual satisfaction of the conferring parties, it may be **treated** as a grievance and referred to arbitration in the same way **as the** grievance **of** an employee.
- 8.02 Should any difference **arise** between **the** Company and the Union as to the interpretation or alleged violation of the provisions of this Agreement affecting the Union **as** such, the Union shall have **the** right to bring forward at any meeting held with **the** Management under **the** grievance procedure any such complaint. If such complaint is **not** settled to **the** mutual satisfaction of the conferring parties, it may be treated **as** a grievance and referred to arbitration in the same way as the grievance of an employee. No such grievance **shall** be filed with respect to the same subject matter that **is** already the subject **of** a grievance filed by an employee under Article **VI** nor shall any grievance filed by an employee with respect to the same subject matter that is already the subject of grievance filed by the Union under **this** Article.

- 8.03 A group grievance which is defined as an alleged violation of this Agreement concerning all or a substantial number of the employees in the bargaining unit in regard to which an individual employee could not grieve or in regard to which a substantial number of employees have signified an intention to grieve, may be brought forward by the Union Grievance Committee, in writing as Step No.2 of the grievance procedure at any time within five (5) full working days after the circumstances giving rise to such policy grievance occurred, and if it is not settled at this stage it may go to Step No.3 of the grievance procedure and ultimately to arbitration in the same manner as a grievance of an employee. If the grievance is one which is filed on behalf of a substantial number of employees, then all of their names shall be inserted in the written grievance at the time it is filed with the Company. If the grievance is one in regard to which an individual employee could not grieve and it is to proceed to arbitration, then at the same time that the grievance is referred to arbitration, the Union shall file with the Company a list of names of the employees known to be affected and at the arbitration the Union will be limited-in its introduction of evidence to the list as filed.

ARTICLE IX

DISCHARGE CASES

- 9.01 In the event of an employee who has attained seniority being discharged from employment and the employee feeling that an injustice has been done, the case may be taken up as a grievance.
- 9.02 All such cases shall be taken up within five (5) calendar days and disposed of within seven (7) working days of the date the employee is notified of his discharge, except where a case is taken to arbitration. A claim by an employee, who has attained seniority, that he has been unjustly discharged from his employment shall be treated as a grievance in a written statement of such grievance is lodged with a designate of the Company within five (5) working days after the employee ceases to work for the Company. All preliminary steps of the grievance procedure prior to Step No. 2 will be omitted in such case.
- 9.03 When an employee has been dismissed without notice, he shall have the right to interview his steward for a reasonable period of time before leaving the plant premises.
- 9.04 If the matter is not settled through the grievance procedure and is taken to arbitration, and it is finally determined by an Arbitrator that the discharge was too severe, the employee shall be reinstated, either with or without compensation for the time lost, or by any other arrangement which the Arbitrator finds just and equitable except for a reduction in seniority.

ARTICLE X

NO STRIKES-NO LOCKOUTS

- 10.01** In view of the orderly procedures established by this Agreement for the settling of disputes and the handling of grievances, the parties agree that during the life of this Agreement there will be no strikes or lockouts within the meaning given to those terms by the Ontario Labour Relations Act.

ARTICLE XI

WAGES

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

Wages will be paid by direct deposit and employees will receive their pay statements in envelopes.

The Company will reimburse discrepancies, other than an employee's failure to clock out, greater than \$100 by Friday of the same pay week.

ARTICLE XII**HOURS OF WORK AND OVERTIME**

- 12.01 The following paragraphs and sections are intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or of days of work per week.
- 12.02 The standard work week shall consist of forty (40) hours per week, with the exception of the midnight shift (see article 12.10 (b)) the standard work day shall be eight (8) hours.
- 12.03 Overtime at the rate of time and one-half of the employee's regular rate shall be paid for hours worked in excess of the normal hours of work per day in any one day from Monday to Friday and all hours worked on Saturday.
- 12.04 Overtime at the rate of two times the employee's regular rate shall be paid for all hours worked on Sundays and for time worked on declared holidays.

- 12.05 (a) For the purposes of overtime payment, overtime will be paid once and shall not be pyramided.
(b) For the purpose of overtime equalization the average overtime hours worked in an employee's classification when said employee is on vacation, sick leave, Workplace Safety Insurance Board compensation etc., shall be added to his overtime hours record upon his return to work.
The parties will meet within 90 day of ratification for the purposes of implementing a protocol for overtime equalization, agreeable to both parties.
- 12.06 Employees shall be granted a ten(10) minute rest period in each half shift and five (5) minutes wash up period at the end of each regular working day. Such rest periods and wash-up periods shall be paid for at the employee's regular rate and shall not result in lengthening the regular working day. Employees are expected to return to work promptly at the end of each rest period.
- 12.07 It is mutually agreed that overtime will be distributed as equitably as possible among employees who normally perform the work. The company agrees to post the record of overtime every two (2) weeks. Any questions in regards to the posting will be brought to management's attention within two (2) weeks from the date of the posting.

- 12.08 When an employee is required to work more than two (2) hours of overtime at the end of his regularly scheduled shift, and was not notified prior to coming to work, he shall **be** granted a meal allowance of Five (\$5.00) Dollars.
- 12.09 Where a three shift operation is scheduled, the first regular midnight shift of the week may commence late Sunday. Any such regular time worked on a Sunday and/or a declared holiday (to a maximum ~~of~~ 2 hours) shall be paid at a straight ~~time~~ hourly rate.
- 12.10 (a) Where an employee is scheduled to work a one or **a** two shift operation, ~~he/she~~ shall be entitled to a 30 minute unpaid lunch period, the standard ~~work~~ day shall be:

6:45 ~~am~~ - 3:15 pm Monday through Friday
 3:15 pm - 11:45 pm Monday through Friday

(b) Where **an** employee is scheduled to work a three shift operation, he/she shall be entitled to a 20 minute paid lunch period, the standard workday shall be:

	NIGHTS	DAYS	AFTERNOONS
SUN:	10:45pm-6:45am	6:45am- 2:45pm	2:45pm-10:45pm
MON:	10:45pm-6:45am	6:45am-2:45pm	2:45pm-10:45pm
TUE:	10:45pm-6:45am	6:45am-2:45pm	2:45pm-10:45pm
WED:	10:45pm-6:45am	6:45am-2:45pm	2:45pm-10:45pm
THU:	10:45pm-6:45am	6:45am-2:45pm	2:45pm-10:45pm
FRI:	10:45pm-6:45am	6:45am-2:45pm	2:45pm-10:45pm

(c) An employee requesting a change of shift **must** first meet the following criteria:

1. Application must be submitted one (1) week prior **to** the change.
2. The employee must find a replacement in their own classification.
3. **The** duration of such a shift change shall be no longer than 2 days.
4. Such a change can only take place **five** (5) times per contract year. The above change of shift does not apply to special circumstances for which the company may require proof prior to granting a change of shift.

12.11 Employees with thirty (30) or more years service will be granted one shift preference election during the life of this agreement.

ARTICLE XIII**VACATIONS WITH PAY**

- 13.01 All employees who have acquired one(1) years' seniority with the Company prior to July 1st in any year shall receive two (2) **weeks'** vacation with pay at a time or times convenient to the Company and shall receive **as** vacation pay four (4%) percent of such employee's earnings for time actually worked for the Company during the twelve months immediately preceding July 1st in that year.
- 13.02 All employees who have acquired six (6) year's seniority with the Company prior to July 1st in any year shall receive three (3) weeks' vacation with pay at a time or times convenient to the Company and shall receive as vacation pay six and a 1/2 (6.5%) percent of the such employee's **earnings** for time actually worked for the Company during the twelve months immediately preceding July 1st in that year.
- 13.03 All employees who have acquired twelve (12) years' seniority with the Company prior to July 1st in any year shall receive four (4) weeks' vacation with pay at **a** time or times convenient to the Company and shall receive as vacation pay **nine** and 1/2 (9.5%) percent of such employee's **earnings** for time actually worked for the Company during the twelve months immediately preceding July 1st in that year.
- All employees who have acquired twenty (20) years' seniority with the Company prior to July 1st in any year shall receive four (4) **weeks'** vacation with pay at a time or times convenient to the Company and shall receive as vacation pay ten (10%) percent of such employee's earnings for time actually worked for the Company during the twelve months immediately preceding July 1st in that year.

All employees who have acquired thirty (30) years' seniority with the Company prior to July 1st in any year shall receive four (4) weeks' vacation with pay at a time or times convenient to the Company and shall receive as vacation pay eleven (11%) percent of such employee's earnings for time actually worked for the Company during the twelve months immediately preceding July 1st in that year.

- 13.04 In order to accommodate employee preference for vacation scheduling, the Company **will** canvas all employees commencing with the most senior, between January 3 and April 30 of each year, requesting their choice of vacation dates. In the event of a conflict between two or more employees, seniority will govern. The vacation schedule will be posted May 15 and vacation pay will be issued when the vacation is taken.

ARTICLE XIV

DECLARED HOLIDAYS

14.01 The Company recognizes the following declared holidays and agrees all employees who qualify in accordance with Article 15.01 shall receive payment for such holidays based on their regular rate multiplied by the number of hours in a normal work day. When a declared holiday falls on a Saturday or Sunday, it will be celebrated on the following Monday. Employees required to perform any work on any of these holidays shall be paid at the rate of double their regular rate, in addition to receiving holiday pay.

New Year's Day	Day before Christmas
Good Friday	Christmas Day
	Boxing Day
Easter Monday	Day before New Year's
Victoria Day	Two days to be taken during plant shutdown between Christmas and New Year's Day
Dominion Day	
Civic Holiday	
Labour Day	The third Monday in February.
Thanksgiving Day	

14.02 When one of the holidays listed in Section 14.01 is **observed** during an employee's annual vacation, the employee shall be allowed one additional day's vacation with pay at a time convenient to the Company.

- 14.03 All employees shall be eligible for holiday pay irrespective of whether they are required to work on the holiday or not, subject to the provisions of Section 14.04.
- 14.04 To qualify for holiday pay an employee must work on his last scheduled shift prior to and **his** first scheduled shift after the holiday and on the holiday itself if he has agreed to work, except when an employee's absents on either one or both of the qualifying days is due to certified illness, or as a result of injury received in the course of his employment with the Company and is compensable under provisions of the compliance to the Workers Safety Insurance Act, or is absent with permission from the company. The Company may require a medical certificate as proof of illness. To qualify for the full holiday pay entitlement for a consecutive holiday period an employee must work **his/her shift** on the last regularly scheduled work day prior to and **his/her** shift on the **first** regularly scheduled workday after the holiday period. Failure to work on one of these qualifying days will result in the loss of one day of holiday pay and failure to work on both qualifying days will result in the loss of two days of holiday pay, in both cases the balance of the holiday pay entitlement the period **will** be paid and the **qualification** exceptions in the paragraph above apply.

ARTICLE ~~XV~~

SENIORITY

- 15.01 Employees shall be regarded as probationary until they have worked fifty (50) full days in a six (6) successive month period and they shall have no seniority rights during that period. After completion of the fifty (50) day period as provided above, the employees' seniority shall date back to their date of hire during such six (6) month period.
- 15.02 In all cases of promotion, other than a promotion to a position outside the bargaining unit, and layoffs and recalls from layoff, the following factors shall be considered:
- (a) seniority
 - (b) skill and experience
- It is understood and agreed that where the qualifications referred to in paragraph (b) are relatively equal, paragraph (a) shall govern. If an employee believes that proper consideration of his qualifications has not been given by the Company, he may file a grievance under the provisions of Article VI.*
- 15.03 The Company agrees to allow a total of two (2) lower bids in the plant, per year, for the life of the agreement. All new jobs, including backup and all permanent vacancies in existing jobs shall be posted in the plant for two (2) working days and any employee in the bargaining unit in a lower rated classification may make application for such vacancy by placing his name on the said notice. In the filling of these jobs the Company shall consider the employees who have made application.

If there ~~are~~ no candidates who have the qualifications for the promotion, then the Company shall not be limited to selected employees who have made application. In the event that an employee be precluded from applying for a new vacancy for a period of six (6) calendar months, only the original vacancy shall be posted and ~~all~~ vacancies which may occur as a result of having filled the original vacancy in accordance with the provisions of this clause shall be filled by the Company in accordance with Section 15.02 of this Agreement.

15.04

Seniority shall terminate when an employee:

- (a) quits for any reason;
- (b) ~~is~~ discharged and ~~is~~ not reinstated through the grievance procedure or arbitration;
- (c) has been on layoff for a continuous period

or:

- i) length of service for employees with less than two (2) years service or ii) twenty four (24) months for employees with two (2) or more years service but less than ten (10) years, or iii) thirty six (36) months for employees with ten (10) more years service;
- (d) who ~~has~~ been on layoff for a continuous period ~~as~~ set out in (c) above and who when last notified by registered mail or by telegram addressed or the last address he has recorded with the Company fails to notify the company within five (5) days that he is intending to return to work and ~~unless~~ he returns to work ~~as~~ soon as possible after receiving notice and in any event within seven (7) days of the mailing or other communication of such notice he shows that ~~he~~ is prevented from notifying the Company or from reporting for work by ~~a~~ legitimate sickness, or other cause which is reasonable;

- (e) fails to return *to* work immediately after the expiration of a leave of absence unless prevented from doing so by illness or other cause which is reasonable;
- (f) is absent from work for more *than* two (2) consecutive days unless absent due to a verifiable **illness** or unless there was reasonable justification for such absence.
- (g) **by** agreement among the Union, Company and Employee.

15.05 An employee shall accumulate seniority under my of the following conditions:

- (a) while he is at work for the Company after he has completed his probationary period **as set** out in Section 15.0,
- (b) during my period when **he** is prevented from performing his work **for** the Company by reason of injury arising out of and in the course of **his** employment **for** the Company **and** for which he is receiving compensation under the provisions **of** the Workplace Safety and Insurance Act;
- (c) i) **during a period of** any absence due **to** layoff **equal** to their **length** of service **for** employees with less than two years service, or ii) during the first twenty four (**24**) calendar months of any absence due **to** layoff for employees with two or more years of service but **less** than ten years, or iii) during the **first** thirty six (36) calendar months of any absence due to layoff for employees with ten or more years service;
- (d) i) during a period of any absence due to illness equal **to** their length of service **for** employees with less than two years service, or ii) during the first twenty four (24) calendar months **of** any absence due to illness for

employees with two or more years of service but less than ten years,
or iii) during the first thirty six (36) calendar months of any absence due to illness for employees with ten or more years service;

- 15.06 **An** employee who does not qualify to accumulate seniority ~~under~~ Section 15.05 shall maintain his existing seniority unless he loses same pursuant to Section 15.04
- 15.07 Any employee's return to work after sick leave will be conditional on his supplying, when requested, a certificate from a physician that he is fully recovered from the sickness which caused his absence.
- 15.08 Seniority as referred to in this agreement shall mean length of continuous service in the employment of the Company and shall be on a plant-wide basis. Loss of seniority shall mean termination of employment.
- 15.09 Seniority lists will ~~be~~ revised each six (6) months, a copy of the list will be posted in the plant and a copy given to the Union.

15.10 In the event that **an** employee covered by this Agreement should be promoted in a supervisory or confidential position beyond the scope of this agreement and is later transferred **to** a position within the scope of this Agreement, after a period **of** three (3) months, **unless** extended **by** mutual agreement shall not be treated as an employee with seniority for the purposes of **humping or** displacing an employee in the bargaining unit. The Union will be given written notice of the name, title and effective date of all promotions out of the bargaining unit. If an employee is transferred back within the three (3) month period then the employee must pay retroactive dues for the period missed.

15.11 **The** company agrees to give forty eight (48) hours notice to employees affected by a temporary layoff except where such layoff **is** the consequence of machinery breakdown, **fire**, flood, power failure, availability **of** material or other **like** cause beyond the control of **the** Company.

In the case of temporary layoffs of five (5) days **or** more, the layoffs will start, whenever practicable, at the conclusion of **the** employees' regular work week.

When the Company is required to pay in-lieu of notice for one (1) day, it shall be paid as eight (8) hours at regular pay and shall be assigned to the Saturday of the last **week** of work.

- 15.12 Employees recalled from layoff shall be recalled in order of seniority, provided that they have the ability to perform the work that is available.

In cases where employees are recalled to work to a classification other than the one they held at time of layoff, they shall have the right, based on seniority, to return to their own classification once sufficient work becomes available.

ARTICLE XVI**LEAVE OF ABSENCE**

- 16.01 **The** Company may grant leave of absence without pay to an employee provided that such absence **does** not adversely affect **the** operation of the Plant. Leave of absence may be granted for a
- (a) legitimate personal **reasons** during which time seniority will accumulate provided such leave is requested in **a** letter presented to management and provided the amount of time requested is moderate;
 - (b) attendance at **the** monthly president's meeting or a union annual convention or conference by one employee elected or appointed by the Union provided that:
 - (i) at **least** ten (10) calendar days written notice in advance is given to the Company;
 - (ii) such **leave** of absence will not exceed ten(10) calendar days at anyone time.
- 16.02 **In** cases of pregnancy, employees may **be** required to discontinue working upon entering the sixth month of pregnancy. Employees shall continue to accrue seniority up to the beginning of the third month following delivery at which time the employee **shall** be required to decide whether to return to work or lose seniority as of that date. The Company shall extend **the** period if **an** employee who, if absent more than three (3) months following delivery, indicates **a** desire to return to work within three (3) months.

ARTICLE XVII**BULLETIN BOARD**

- 17.01 The Company will provide a bulletin board at the time clock for the convenience of the Union in posting notices. All such notices must be signed by a proper officer of the Union and submitted to the Plant Manager or his authorized representatives for approval before being posted.

ARTICLE XVIII**BEREAVEMENT PAY**

- 18.01 In the event of the death of a member of an employee's family, the employee will be granted a leave of absence for a reasonable time and will be reimbursed for time necessarily lost from work up to a maximum of three (3) days. The term "member of an employee's family" means a husband, wife, child, parent, brother, sister, mother-in-law, father-in-law. In the event of the death of a grandfather, grandmother or grandchild, the employee will be allowed two (2) days off, with pay, for the purpose of attending the funeral.

ARTICLE XIX**JURY DUTY**

- 19.01 An employee required to serve on a **legally** constituted **jury or** required, **by** writ of subpoena, to appear in court as **a** witness and who attends **in** court during a period when he would otherwise be scheduled to work **for** the Company shall be paid the wages he would have received during this period computed on the basis **of** regular hours and then current **rates of** pay. Such employee will notify the Company **of the** requirement to attend **the** jury and shall furnish adequate proof of **the** amount of jury **pay** received, which shall be deducted from **his next** pay cheque. The Company will **not** require **the** employee to work any **other than** his normally scheduled hours while on jury duty to complete **the** balance of the regular shift.

ARTICLE XX**PAY ON DAY OF INJURY**

- 20.01 An employee injured **at work** shall he **paid** his occupational rate in **full** for the **day** of the accident if **he is unable** to resume **work** and **does** not receive **pay** from the Worker's **Safety Insurance Board** for this day.

- 20.02 The Company shall provide transportation and pay for the time spent by employees during their regular shift hours for medical treatment required as a result of an industrial accident or industrial disease which occurred in the course of employment with the Company.
- 20.03 It is not the intent of the above provisions to make the Company responsible for the payment of such time and transportation which is compensated by the Worker's Safety Insurance Board.
- 20.04 The Company agrees to establish a Reinstatement Committee comprised of two (2) representatives of the union and two (2) representatives of the Company. The Committee's terms of reference are to identify the rehabilitative opportunities for workers injured by accident arising out of and in the course of employment (within the meaning of the Workers' Safety Insurance Act) based on the medical restrictions of the workers by:
- i) assessing the opportunities to modify the worker's own job,
 - or
 - ii) assessing the opportunities to modify other jobs,
 - or
 - iii) identifying suitable temporary light duty work,
- in order to come up with work compatible with their restrictions and which would facilitate their early return to their regular job and to make recommendations accordingly, to management.

The Company will provide this committee with a copy of the Workers' Safety Insurance Board Form 7 (Employer's Report of Accidental Injury or Industrial Disease) as well **as** a copy of the Workers' Safety Insurance Board notice to the Company on an employee's ability to perform modified work.

ARTICLE XXI

HEALTH AND SAFETY

- 21.01 The Company and the Union agree that they mutually desire to maintain high standards of safety and health in the plant.
- 21.02 The Company undertakes to continue to provide safety equipment required for safe working conditions.
- 21.03 The Company and the Union agree to a Joint Health and Safety Committee, consisting of three (3) members elected, or appointed by the Union and three (3) members appointed by the Company who will meet regularly and ~~make~~ inspections of the plant from time to time.

- 21.04 The Joint Health and Safety Committee will carry out its functions as follows:
1. The Committee shall have the two co-chairmen, one representing management and one representing workers.
 2. The co-chairmen will develop an agenda for each meeting and circulate the agenda to all Committee members one week in advance of the meeting.
 3. The Company will provide a person to attend all meetings of the Joint Health and Safety Committee to take minutes. That persons shall not be a member of the Committee.
 4. The minutes shall be typed in draft form and reviewed by the co-chairmen before final typing and circulated to the Company. Union, Committee members and posted on Company bulletin board one week following the meeting. **All** minutes shall be signed by both co-chairmen.
 5. Joint Health and Safety Committee meetings shall be held monthly on a **date** to be decided by the co-chairmen. There should be a fixed time and date. Matters of an emergency nature may require special meetings as determined by the co-chairmen
 6. Work place inspection shall be conducted monthly by the co-chairmen. Date for these inspections are to be determined by the co-chairmen. The co-chairmen or their designate will accompany the Ministry of Labour inspector on his inspection tour.

7. The Committee shall select one worker representative and one management representative to investigate **all** accidents **as** required by the Act, in the work place and submit the necessary **reports** to the Company, Union, Joint Health and Safety Committee and the Director of the Industrial **Health** and Safety Branch of the Ministry of Labour.
8. All health and safety concerns shall be forwarded and handled by the Joint Health and Safety Committee before referral to the Ministry of Labour inspector.
9. Only matters of health and safety shall be discussed at Joint Health and Safety Committee meetings. Matters unrelated or of a collective bargaining nature shall be ruled out of order by the chairman.
10. Health and safety matters on **the** meeting agenda may from time to time require input from persons with certain expertise, or someone with special knowledge or authority to assist in resolving any Health and Safety matters. This is allowed **as** determined by the co-chairman.
11. All matters raised and discussed by the Joint Health and Safety Committee shall be resolved by consensus.
12. The Committee having reached a consensus shall *make* recommendation to management in writing. It is understood that management retains the right and discretion **as** to whether or not to implement such recommendation.
13. The **Joint** Health and Safety Committee should oversee and monitor all education and **training** programs relating to health and safety of workers in the bargaining unit to ensure their value and accomplishment in accident prevention.

14. Members of the Committee shall first obtain permission of management **for** necessary time away from **work** to attend meetings and **carry** out other responsibilities as Committee members **as** outlined in the Occupational Health and Safety Act and time necessarily lost **from** normal scheduled hours shall be paid at the appropriate rate.
15. The names of the members of the Joint Health and Safety Committee shall be posted, as required, and only members **of** the Committee shall **carry out** the assigned responsibilities.
16. The Union must submit the names **of** their Committee representatives in writing to the Company before they are **recognized**.

ARTICLE XXII

WELFARE BENEFITS

- 22.01 Schedule "B" contains a summary of welfare benefits that shall be provided to employees for the term of this Agreement. It is understood that the specific provisions of these benefits shall be incorporated into a Group Insurance Agreement to be signed by the parties.
- 22.02 The parties agree that any rebate or premium reduction resulting from the provisions of the Employment Insurance Act will be used by the Company towards the cost of maintaining coverage for the employees covered by the Collective Agreement under the aforesaid Group Insurance Agreement.

ARTICLE XXIII

PENSION BENEFITS

- 23.01 Schedule "C" contains a summary of the pension plan that shall become effective on December 1, 1990. It is understood that the terms and conditions of this plan will be incorporated into a Pension Agreement to be signed by the parties.

SCHEDULE "A"

EFFECTIVE

	12/1/02	12/1/03	12/1/04
Operator	19.45	20.05	20.65
Set-Up	20.77	21.37	21.97
Lift Truck/ Crane Operator	20.00	20.60	21.20
Shipper/ Receiver	20.30	20.90	21.50
Utility	19.45	20.05	20.65
Tool & Die Repair	23.97	24.57	25.17
T & D leader Maintenance	25.12	25.72	26.32
Mechanic Maint. Mech.	23.97	24.57	25.17
Leader	25.12	25.72	26.32

The afternoon shift premium for employees assigned to the afternoon schedule will be forty (45¢) cents per hour worked.

The midnight shift premium for employees assigned to the midnight schedule will be eighty (85¢) cents per hour worked.

NEW HIRE WAGE RATE,

Newly hired employees, with the exception of those hired into the skilled trades classifications, will begin in the operator classification.

The ~~starting~~ wage will be \$13.50 per hour, and provide that the said employee will receive ~~their~~ classification rate within ~~nine (9) months~~ from that date of hire. This rate will be increased by \$1.00 after the completion of the probationary period and thereafter will be adjusted by the wage rate increase(s) negotiated the life of the agreement for the operator classification. ~~In~~ addition, wage adjustments of 50 cents per hour will be made at the completion of each quarter thereafter for two quarters with a third and quarterly adjustment nine months after the completion of the probationary period, bringing the rate up to the job rate of the classification held ~~a~~ time. Should an employee who has yet to reach the ~~full~~ job rate post to a higher paying classification, ~~he/she~~ will receive the classification differential.

ARTICLE XXIV**REPORTING ALLOWANCE**

- 24.01 An employee reporting for work as usual on a regular work day, unless notified on the previous day not to report, for whom no work at his regular job is available, shall be offered at least four (4) hours employment in other work at the employee's current rate of wages, or, at the Company's option will be paid four (4) hours' pay in lieu of work. This provision shall not apply if the failure to provide work is caused by reason of a strike, fire, flood, power failure or any other reason beyond the control of the Company.

ARTICLE XXV**CALL IN PAY**

- 25.01 An employee who has completed his regular shift and leaves the premises and is then recalled to work shall receive minimum of four (4) hours pay at the employee's regular straight time rate or one and half times the employee's rate for hours actually worked whichever greater.

ARTICLE XXVI**GENERAL**

26.01 In the event of a layoff, the Union Committee consisting of **the** following four members, President, Financial Secretary,

Recording Secretary, and Vice-president shall be retained by the Company so long as work is available for which they have the skill, competence and efficiency to perform notwithstanding their position on the seniority list. The names **of** the Union Committee shall be submitted by the Union to the Company in writing.

No steward shall be transferred from his department without prior notification being given to the Union.

It is agreed and understood that a supervisor shall not be assigned work which is regularly performed by employees in the bargaining unit except in cases of emergency, troubleshooting, inspection or experimentation

It is agreed that if the temperature rises over ninety (90) degrees Fahrenheit in the plant, any employee who so desires to leave the plant may do so without any disciplinary action being taken against any employee. It is further understood that any employee will not be paid for such time.

The President of the Local Union shall remain on day shift,

ARTICLE XXVII**SAFETY SHOE ALLOWANCE**

- 27.01 It is understood and agreed that the wearing of **safety** shoes (steel toe caps) and safety glasses in the manufacturing area of the plant shall be mandatory for all employees.
- 27.02 Effective with this agreement, the Company shall provide to each employee who has attained seniority **a** safety shoe allowance of one hundred and fifteen (\$115.00) dollars in the first year of the agreement one hundred and twenty (\$120) in the second **year** of the agreement, and one hundred and twenty five (\$125.00) dollars in the third year of the agreement, which sum shall be paid to each employee once during each calendar year.

In the case of employees hired during the current year, seniority must be attained prior to September 30th in order to be eligible for the safety shoe allowance that **year**. Shoe allowance will be paid by the second pay in January.

27.03 Prescription Safety Glasses - Where corrective lenses are required, the Company will supply and pay for **one** pair of prescription safety glasses at intervals of 2 years, if required,

However, the two year interval will not apply where:

- (a) a prescription change necessitates replacement within the 2 year period in which case the Company will replace without cost to the employee, or
- (b) frames and/or lenses are accidentally damaged during the course of employment, in which case the employer shall repair or cause to be repaired or replace without cost to the employee.

Replacement will not be made for breakage or damage due to personal negligence or carelessness.

ARTICLE XXVIII**TERMINATION**

- 28.01 This Agreement shall become effective on the 1st day of December, 2002 and shall continue in effect up to and including the 30th day of November, 2005
- 28.02 Either party desiring to renew or amend this agreement may give notice in writing of its intentions during the last ninety (90) days of its operation.
- 28.03 If notice of the intention to renew or amend is given by either Party pursuant to the provisions of the preceding paragraph, such negotiations shall commence not later than fifteen (15) days after such notice or as soon thereafter as is mutually agreed.
- 28.04 If pursuant to such negotiations, an Agreement is not reached on the renewal or amendment of the Agreement prior to the current expiration date, the Agreement shall continue in effect in accordance with the terms of the Ontario Labour Regulations Act

IN WITNESS WHEREOF each of the parties hereto has caused this Agreement to be signed by its duly authorized representatives at Milton, Ontario, this 1st day of December, 2002.

FOR SKD MILTON DIVISION

E. COORAY
A. SHOEMAKER
J. RAPP
V. AMBUTAS
E. CATENACCI

THE UNITED STEELWORKERS OF AMERICA:

J. HARVEY
N. MORRIS
E. STEFANIDIS
J. WALKER

SCHEDULE 'B'
SUMMARY OF WELFARE BENEFITS

This Summary is provided solely for the purpose of explaining the principal features of an employee's welfare benefits. All rights with respect to such benefits will be governed by the Group Insurance Agreement.

1. Weekly Indemnity Benefits

- i) 66-2/3% of classified earnings up to 60 percent of the UIC maximum insurable earnings. The maximum insurable earnings level is \$800.00 in the first year, and \$850.00 in the third year of the contract.
- ii) Benefits paid on the 1st day of absence due to accidental injury, and the 5th day of absence due to sickness; upon written proof of payment, the Company will pay the cost of any and all medical documentation, if requested by the insurance carrier or the Company, to a maximum of \$100.00 in any contract year, which amount if exceeded in any contract year, the Company will evaluate the excess amount on an individual basis under exceptional circumstances.
- iii) Maximum period of coverage is fifty-two (52) weeks;
- iv) To qualify for payment, the employee must be under the care of a legally licensed medical doctor.

2. Hospital Benefit

- i) The employee will be reimbursed for expenses over and above public ward rate and up to the semi-private room rate;
- ii) Coverage includes emergency treatment while treatment outside Canada.

3. **O.H.I.P.**
 - i) Employees' Health Tax (OHIP) coverage will be provided for all active employees through Company contributions. Should there be a change to the current legislation, the coverage provided will be maintained at the level stipulated in the 1989-90 collective agreement.

4. **Supplemental Health Care**
 - i) \$10.00 (single) and \$25.00 (married) annual deductibles.
 - ii) 100% reimbursement of the following:
 - (a) nursing care services
 - (b) hospital expenses
 - (c) ambulance charges
 - (d) hospital services and supplies
 - (e) accidental dental injury
 - (f) diagnostic x-ray and Laboratory expenses
 - (g) out-of-province emergency treatment
 - (h) physiotherapy
 - (i) speech therapy
 - (j) clinical psychology
 - (k) hearing aids
 - (l) paramedical services
 - iii) The above covers the principal features of this benefit only. Specific provisions are contained in the Group Insurance Agreement.

5. **Vision Care Plan**

Pay the cost of a vision care benefit effective December 1, 2002 providing up to \$210.00 every 24 months for each eligible family member for prescription glasses, effective December 1, 2003 up to \$215.00 and effective December 1, 2004 up to \$220.00.

6. **Drug Plan**

Greenshield Extended Health Service Plan T4 or its equivalent (35¢ per prescription deductible). The drug plan will continue for early retirees to age 65. Lifestyle drugs are not covered under the prescription drug programs unless deemed medically necessary by a Physician. Smoking cessation drugs will be covered only for one continuous program throughout the life of the agreement.

7. **Dental Plan**

- i) Effective December 1, 2002. Basic plan including preventative, minor restorative, endodontics, periodontics, oral surgery, dentures and major restorative including orthodontics. The orthodontic benefit provides a 50% reimbursement up to a maximum lifetime benefit per child of \$1800.00 and is available to dependent children up to age 21 extended to age 25 if a full-time student or handicapped and is not subject to deductible. Effective December 1, 2004 the orthodontic maximum lifetime benefit per child will be \$2,000.00 Effective December 1, 1994, upgrade reimbursements for dentures and bridges to ninety (90%) percent. (See Insurance Carrier Exhibit).
- ii) With the introduction of the 1997 ODA schedule, the plan will be based on the current ODA schedule, and will be amended annually, for the life of the agreement.
- iii) Annual deductibles of \$25.00 (single) and \$50.00 (family)

8. **Life Insurance**

- i) Life insurance payable to age 65
\$36,000 effective December 1, 2002
\$38,000 effective December 1, 2003
\$40,000 effective December 1, 2004
- ii) Upon attainment of age 65, the Employee Group Term Life Insurance and Employee Accidental Death and Dismemberment Benefit amounts will be reduced 50%

9. **Accidental Death and Dismemberment Insurance**

- i) Provisions equivalent to No.8, Life Insurance (above)

10. **Dependent Life Insurance**

- i) Spouse coverage of \$10,000 effective December 1, 2002,
- ii) Child 6 months to age 21 (age 25 if a student): coverage of \$7,000 effective December 1, 1999.
- iii) Child 15 days to 6 months: coverage of \$5,000 effective December 1, 1999.

SCHEDULE "C"
SUMMARY OF PENSION BENEFITS

This summary is provided solely for the purpose of explaining the principal features of an employee's pension benefit. All rights with respect to such benefit will be governed by the Pension Agreement.

Retirement	At age 65 with 10 or more years of continuous service. At age 60 with 28 or more years of continuous service (unreduced pension)
Vesting	Upon termination of employment after attaining 2 or more years of continuous service.
Amount of Benefit	Effective December 1, 2002 the benefit will be \$32.00 multiplied by years of continuous service. Effective December 1, 2003 the benefit will be \$34.00 multiplied by years of continuous service. Effective December 1, 2004 the benefit will be \$38.00 multiplied by years of continuous service. The benefit plan will recognize all years of continuous service with the Company.
Disability Retirement Benefit	Effective December 1, 1999 an employee who is <u>permanently</u> and totally disabled and who has 10 or more years of credited service shall be eligible to receive a disability retirement benefit. The benefit shall be computed in the manner <u>as</u> the basic benefit based on the rate payable at the date of disability <u>and</u> the credited service at the date of disability.

LETTER 1

December 1, 2002

Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W 1Y5

Dear Mr. Harvey:

Re: Weekly Indemnity Claims,

Further to the settlement of our collective agreement, this letter is to confirm that the Company will take such steps as are within its power to assure the efficient processing by the insurance company of legitimate weekly indemnity claims filed by employees.

As a benchmark it was agreed that in most cases the first W.I. cheque ought to be in hand within two weeks of the claimant having submitted properly completed forms.

It was also agreed that a meeting would be arranged between the insurance company claims personnel and union and company representatives in a further effort to expedite legitimate claims. The Company will advance weekly indemnity benefits that are delayed as a result of the Insurance carrier's error on a case by case basis. The Employee will reimburse the Company the advance benefit immediately upon payment from the Insurance Carrier.

Yours truly
Ed Cooray,

Director of Operations,
SKD Milton

LETTER 2

December 1, 2002

Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
LAW IY5

Dear Mr. Harvey:

Re: Lead Hand Duties & Pay

Further to the settlement of **our** collective agreement, we wish to confirm that the position of Lead Hand Toolroom will be established.

The premium rate of pay while performing this function shall be \$1.15 per hour worked while performing this function. Further, it is understood that this premium rate will not impact overtime or statutory holiday pay.

Appointments to these positions and shift assignments will be at the discretion of the Company. The responsibilities of the lead hand include:

- (a) Supervising other tool and die personnel in the absence of their supervisor.
- (b) Assisting in the training and development of the other tool & die personnel
- (c) Activities associated with shipping and receiving dies or die sections going to, or coming from outside repair services
- (d) Other duties as may be assigned by management.

Yours truly,

Ed Corray,

Director of Operations.
SKD Milton

LETTER 3

December 1, 2002

Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W 1Y5

Dear Mr. Harvey:

Re: Skills Development

During the negotiations resulting in this agreement, the parties discussed the ways and means of enabling current employees to qualify for higher rated skilled or semi-skilled jobs within the bargaining unit.

Training programs ranging from basic literacy skills to skilled trades apprenticeship programs were identified as appropriate. The Ontario Skills Development Office and the Halton/Peel Community Industrial Training Committee have been contacted to assist in a needs assessment study and the development of a training plan.

Yours truly,

Ed Cooray,
Director of Operations,

SKD Milton

55
LETTER 4

December 1, 2002

Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W1Y5

Dear Mr. Harvey:

Re Humanity Fund

The Company agrees to deduct on a weekly basis the amount of (not less than \$0.01) per hour from the wages of **all** employees in the bargaining unit for all hours worked and prior to the 15th day of the month following to pay the amount so deducted to the "Humanity Fund" and to forward such payment to United Steelworkers of America National Office, 234 Eglinton Avenue East, Toronto, Ontario M4P1K7. and to advise in writing both the Humanity Fund at the aforementioned address and the local union that such payment has been made, the amount of such payment, and the names of all employees in the bargaining unit on whose behalf such payment has been made. The first "Humanity Fund" deduction as aforesaid shall be for the fifth week following ratification of this agreement.

It is understood and agreed that participation by any employee in the bargaining unit in the program of deduction set forth above may be discontinued by any employee in the bargaining unit after the receipt by the Company and the local union of that employee's written statement of his /her desire to discontinue such deduction from *his/her* pay which may be received during the four weeks following ratification of this agreement or at any time thereafter.

Yours truly,

Ed Cooray,

Director of Operations,

LETTER 5

December 1, 2002

Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Acrowood Dr.,
Mississauga, Ontario
L4W 1Y5

Dear Mr. Harvey:

Re: New or Revised Job Classifications

During these negotiations, the parties agreed that prior to the implementation of new job classifications or major changes to existing classifications union and management representatives will meet for the purpose of coming to a mutual agreement on wage rate.

Yours truly

Ed Cooray

**Director of Operations,
SKD Milton**

LETTER 6

December 1, 2002

Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
LAW 1Y5

Dear Mr. Harvey:

Re: Summer Student Hiring

This will confirm the understanding reached between union and management on the hiring of students as vacation replacements during the summer period.

It is agreed that:

1. The purpose of hiring students during the summer months is to maximize **the** vacation opportunities for full-time bargaining unit employees,
2. The period of employment for temporary summer employees will be between April 1st and September **15th**.
3. Those hired under this program shall be employed on a "term or task" basis based on the requirements of the business and shall be subject to termination at any time.
4. Those hired under this program shall not accumulate seniority nor will they be covered under group insurance provisions of the collective agreement save for the minimum statutory requirements.

5. The rate of pay shall be the new hire rate but the subsequent rate increases will not apply.
6. Union dues will be deducted for the full period of employment.
7. Those hired under this program will share in the available overtime only after the opportunity has been offered to all eligible full time employees.
8. All safety apparel other than safety shoes will be provided by the company.
9. First consideration will be given to employees' children who may apply.

Yours truly,

Ed Cooray

Director of Operations,
SKD Company

LETTER 7

December 1, 2002
Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W 1Y5

Dear Mr. Harvey:

Re: Lead Hand Position

The Company will issue a letter to the Union containing the names of the lead hands, who shall be paid the lead hand rate. **The first** letter will be issued December 1, 2002. Letters will be issued to update any changes in lead hand **status**. The current lead hands **are**:

EVANGELOS STEFANDIS (Production)
DALJIT NIJJAR (Production)
HERLO HATJE (MaintenanceMechanic)
STAN BUNEA (Tool & Die)
TIM ZAGURA (Tool & Die)
LEONARD WILLIAMS (Production)

Yours truly,

Ed Cooray

Director of Operations,
SKD Milton

LETTER 8

December 1, 2002

Mr. J. Harvey
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W 1Y5

Dear Mr. Harvey:

Re: Feeder Operator, Robot Operator and Mig Welding, Packers
skid plate 1600 and packers 3000.

After a series of discussions and a study of these operations, the parties agreed that certain aspects of feeder work and robotic welding justified a wage premium over that of the other operator positions.

FEEDER OPERATOR

1. Feeder must load his of her own cradle, therefore must have crane training.
2. Feeder must have knowledge of progressive dies in general.
3. Feeder must have knowledge of equipment (press) since he can set press mode, etc. Single stroke -auto -jog.
4. Feeder must have knowledge of operation of cradle, feeder, and conveyors.
5. Feeder must show ability to make own adjustments to equipment and material and die, etc.

All these positions will be filled by operators, based on seniority. Those presently performing the jobs on the 3000 ton and 1600 ton press will continue to perform those duties on these presses.

cont...

Robotic Welding Operator

1. Robot operator must be able to change tips.
2. Robot operator must be able to reset steppers
3. Robot operator must be able to **make** minor adjustments to the program when required.
4. Robot operator must be able to replace gas cylinders.
5. Robot operators must be able to properly load and have knowledge of the weld process.

Accordingly, it was agreed that a 25 cent per hour wage premium would be paid to those employees performing feeder operator work, or robotic welder operator work, packers skid plate 1600 and packers 3000.

The premium is to be paid while performing feeder operator or robotic welder operator work and for the balance of the shift on which the employee performing such work is reassigned.

While performing mig welding work the rate of pay shall be \$.90 above the Operator hourly wage rate.
All positions identified in this letter shall be filled by operators based on seniority.

Yours truly,

Ed Cooray
Director of Operations
SKD Milton

LETTER 9

**December 1, 2002
Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W 1 Y5**

Dear Mr. Harvey:

Re: Steady Shifts

It was agreed by the parties that there shall be a steady midnight shift for all operators.

Yours truly,

Ed Cooray,

**Director of Operations,
SKD Milton**

LETTER 10

December 1, 2002

Mr. J. Harvey
Staff Representative
United Steelworkers of America
J 158 Aerowood Dr.,
Mississauga, Ontario
L4W 1Y5

Dear Mr. Harvey:

Re: Employee Safety Orientation

The company agrees to provide each new employee with eight (8) hours of orientation training with two (2) of those hours pertaining to safety related matters. Orientation training will be completed during the first week of employment. The Company agrees to pay eight (8) hours straight time regardless of the time of the day or the day of the week that such training takes place.

Yours truly,

Ed Cooray,

Director of Operations,
SKD Milton

LETTER 11

December 1, 2002

Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W1Y5

Dear Mr. Harvey:

Re: Certified Health and Safety Representatives

During these negotiations the parties discussed the role of the Certified Health and Safety Representative.

The Company committed to the expeditious completion of certification training through the program offered by the Workers Health and Safety Centre, and it was agreed that upon completion of the training, the Joint Health and Safety Committee will develop guidelines for the role of the Certified Representative appropriate for the Milton Division.

Yours truly,

Ed Cooray,

Director of Operations.
SKD Milton

LETTER 12

December 1, 2002

Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W 1Y5

RE: Severance Language

1. General Intent

Providing job security is a goal shared by the Union and the company and it is recognized by the parties that job security and avoiding layoffs is best achieved when management and labour work together to identify and implement continuous improvement programs in all areas of the organization.

2. Notice of Closure or Partial Closure

In the event of the closure or partial closure of the Milton Division of SKD Company, the Company shall give notice of its intention as soon as practical. The notice shall specify the operation of facilities involved, the nature of the work affected, and the reasons for the Company's decision.

The Company shall pay for the time for work performed by the Union members of the Adjustment Committee to a maximum of forty-eight (48) hours in a calendar month for each member of such Committee unless extended by mutual agreement.

3. Adjustment Committee Structure

A Committee shall be established and responsible for consideration of alternatives to the intended permanent lay-offs and the planning and execution of assistance to the employees affected by the lay-off or shutdown, obtaining such financial assistance as available from government programs and other sources to support the adjustment program, counseling employees affected by the lay-off or shutdown, determining training programs and individual training assignments that would be eligible for funding.

The Committee shall consist of four(4) members, two (2) from the Company and two (2) from the Union. It is understood that additional members may be added to the Committee depending on the circumstances associated with the particular shutdown or closure as mutually agreed to by the parties.

The Company shall provide to the Committee such information as the Committee may require to complete its work including:

- i) information as to alternatives considered by the Company's decision and the Company's reasons for rejecting such alternatives, and
- ii) information regarding the employees affected such as age, service, pension status etc.

4. Rights of Employees Under Notice of Lay-off as a Result of Facility Shutdown or Closure

When an employee has received notice of lay-off, such employee shall be afforded the opportunity to change shifts for the purpose of attending job interview subject to the needs of the particular operation up to a maximum of sixteen (16) hours per month or failing that, time off the job. The Company shall pay such employee for one-half of such time at the employee's average hourly rate in the preceding pay period.

5. Funding of Adjustment Program

The Adjustment Committee shall explore the various levels of government for funding where applicable, consider and recommend possible Company contributions as may be required to attract the maximum available public funding

6. Preferential Hiring

Employees laid off by the Company shall have preferential hiring rights for a period of time equal to their recall rights.

Yours truly

Ed Cooray

Director of Operations,
SKD Milton

LETTER 13

December 1, 2002

Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario.
L4W 1Y5

Dear Mr. Harvey:

R E Backup Procedure

During these negotiations, the parties discussed the increasing use of backups (backups being defined as employees trained and capable of performing the duties of a classification other than their own), and it was agreed to implement the following procedure for the filling of backup positions and the assignment of backup work.

During a shift, if the supervisor on duty receives actual notice of an unscheduled absence on the following shift, scheduled or unscheduled in the case of lift truck drivers, and set-up persons, a backup is required for that particular job, the current employee working on that job shall be offered the option of "staying over" for a maximum of four (4) hours, before a backup person on the next shift is utilized. Actual notice is defined as a verbal conversation between the supervisor on duty and the employee.

(a) **POSTING FOR BACKUPS:**

The Company will determine the number of backup positions required, and the resultant openings will be posted and filled in accordance with article 15.03. Backups will be given preference in filling full-time openings posted in the relevant classification.

(b) **WORK ASSIGNMENTS AND PAY RATE:**

Successful applicants will receive the requisite training and, once qualified, will be assigned to temporary vacancies on shift arising from absences due to vacations, leaves of absence, illness, injury, etc. or from temporary surges in the shift workload.

Backup work will be assigned as equitably as possible and backups will receive the rate of pay of the relevant classification while performing backup work.

(c) **OVERTIME:**

The company must give priority to the employee working on that particular press if extra help other than back-up is needed. Overtime opportunities in the relevant classification will be offered to backups only after the provisions of Article 12.07 have been fulfilled.

Yours truly

Ed Cooray
Director of Operations,
Milton Division

LETTER 14

December 1, 2002

**Mr. J. Harvey,
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W 1Y5**

Dear Mr. Harvey:

Re: Office Space Availability

As discussed during the recent negotiation process, SKD will make available, office space to conduct confidential union business, upon request.

Yours truly,

Ed Cooray,

**Director of Operations,
SKD Milton**

LETTER 15

December 1, 2002

**Mr. J. Harvey
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
LAW 1Y5**

Dear Mr. Harvey;

Re: Early Signing Bonus

There will be a \$600.00 Early signing bonus payable in 1st pay period following ratification, with the understanding that this amount will be included in gross earnings for each employee and will be subject to taxation.

Yours truly,

Ed Cooray

**Director of Operations
SKD Milton**

LETTER 16

December 1, 2002

Mr. J. Harvey
Staff Representative,
United Steelworkers of America,
1158 Aerowood Dr.,
Mississauga, Ontario
L4W 1Y5

Dear Mr. Harvey;

Re: Tool Allowance

There will be a one-time payment, in the amount of \$200.00, paid to all Tool Room and Maintenance personnel. This payment will be made on the first pay period following December 1, 2002.

Yours truly,

Ed Cooray

Director of Operations,
SKD Milton

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