

**COLLECTIVE  
AGREEMENT**

between

PARMALAT FOODS INC.  
Mitchell, Ontario

-and-

RETAIL WHOLESALE CANADA  
CAW DIVISION  
LOCAL 462

February 13, 2000 to October 31, 2002

## COLLECTIVE AGREEMENT

BETWEEN: PARMALAT FOODS INC - Mitchell  
(hereinafter called the "Company")

AND RETAIL WHOLESale CANADA  
CAW Division, Local 462  
(hereinafter called the "Union")

### ARTICLE 1 – PURPOSE

1.01 Both parties agree that the general purpose of the Agreement is to promote the mutual interests and welfare of the Company and the employees.

### ARTICLE 2 - RECOGNITION

2.01 The Company recognizes the Union as the sole collective bargaining agent for its employees at Mitchell, Ontario save and except supervisors, persons above the rank of supervisor, and office staff.

### ARTICLE 3 - MANAGEMENT RIGHTS

3.01 The union recognizes and acknowledges that the management of the Company and its facilities and direction of the working forces are fixed exclusively in the Company and without limiting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to:

- a) maintain order, efficiency and discipline;
- b) make, alter and enforce, from time to time, reasonable rules and regulations, policies and practices to be observed by the employees;
- c) determine the location of operations, their expansion or curtailment, the direction of the work force, the schedule of operations, the number of shifts, the methods and processes to be employed, job content, quality and quantity standards, the establishment of work on job assignments, job classifications, the subcontracting of work, the qualifications of an employee to perform any particular job, the nature of tools, equipment and machinery used;
- d) use new or improved methods, machinery and equipment, change or discontinue existing tools, equipment, machinery, methods or processes;

- e) determine the number of employees needed by the employer at any time, the number of hours to be worked, starting and quitting times;
- f) have sole and exclusive jurisdiction over all operations, buildings, machinery and equipment; and
- g) select, hire and control the working forces and employees, to transfer, assign duties, promote, demote, classify, lay-off, recall, retire, suspend, discharge, or otherwise discipline employees, provided that a claim that an employee who has completed his probationary period has been discharged or disciplined without just cause or has been dealt with contrary to the provisions of the Agreement may be the subject of a grievance and dealt with as hereinafter provided. Demotion shall not be used as a disciplinary measure.

3.02 The Company agrees that the above rights are to be exercised subject to the applicable provisions of this Agreement, including the grievance procedure.

#### **ARTICLE 4 - UNION COMMITTEE**

4.01 The Company agrees to recognize stewards to represent groups of employees including laboratory and part-time employees.

- a) After obtaining permission from his/her supervisor, a Steward shall be permitted, during regular working hours, to leave his/her regular duties without loss of pay in order to investigate or process a grievance.
- b) If it is necessary for a Steward to leave his/her own area and proceed into another area for purposes of investigating or processing a grievance he/she must first obtain permission from the Supervisor of that area.

4.02 a) There shall be a Grievance Committee which shall be drawn from the Steward group. Third step grievance meetings will be attended by the Chief Steward, Vice Chief Steward, and Secretary, plus the grievor and his/her own Steward.

There shall be a Negotiating Committee which shall be composed of the Chief Steward, Vice Chief Steward, Secretary, and two Stewards.

There shall be a Labour-Management Committee composed of the Chief Steward and up to four stewards. The Labour-Management Committee will meet once per month.

There shall be a Joint Health and Safety Committee with Union representation of four employees and an equal number of Management

representatives.

The Union and Company may also form such other committees as are required, including a Training Committee, and will establish the mandate and composition of such committees prior to their creation.

- b) Employees and Stewards will be compensated for time at Committee meetings.
- c) The Stewards group may meet to conduct the business of representation as is reasonable. The Company will compensate up to seven Stewards, including the Chief Steward, for such meetings.

4.03 All Stewards and Union members of the Negotiating, Grievance, Safety and other Committees shall have at least one year's seniority with the Company, and shall be regular employees of the Company during their terms of office.

4.04 The names of the Stewards and Alternates and the Union representatives on the Negotiating, Grievance and Safety Committee from time to time selected, shall be given to the Company in writing. The Company shall not be required to recognize any such steward or Union selected representative until it has been notified in writing by the Union of the name of same.

4.05 A Union Steward, or in his absence another Union member in the bargaining unit chosen by the employee concerned, shall be present when any member of the bargaining unit:

- a) is accused of a serious breach of conduct or suspected of dishonesty and is questioned regarding the accusation, or,
- b) is given a formal, official reprimand.  
All above in the presence of more than one management person, or
- c) is demoted, suspended or discharged for disciplinary reasons.

4.06 The Company shall provide the Local Union with the following information:

- a) seniority list showing employee's name, classification and seniority date,
- b) copy of job postings and posting awards,
- c) copy of written notice of any disciplinary action taken against an employee,
- d) copy of the Company's rules and regulations and disciplinary procedures.

## **ARTICLE 5 - GRIEVANCE PROCEDURE**

5.01 Should any dispute arise between the Company and an employee, an honest effort shall be made by both parties hereto to settle immediately and without delay such disputes or trouble in respect to which the following steps shall be used:

### **STEP 1**

The employee concerned shall discuss the matter with his or her Supervisor or with the Supervisor's designated representative.

### **STEP 2**

If the Supervisor fails to resolve the matter to the satisfaction of the employee, the employee assisted by his or her steward, shall state the grievance in writing and present it to the Plant Manager's designated representative who shall reply in writing within the proper time limits.

### **STEP 3**

If the above reply is not satisfactory to the Employee concerned, the grievance shall be discussed at a meeting of the Grievance Committee and the Plant Manager (or designated representative) and a Management Committee. A National Representative of the Union shall be present at this meeting at the request of either party.

5.02 If the grievance is not settled to the satisfaction of the employee, then either party may request that the matter be referred to Arbitration in accordance with Article 6 of this Agreement.

5.03 To ensure prompt handling of any alleged grievance, the grievance shall be submitted within five (5) calendar days from the date of the incident. Not more than five (5) working days shall be allowed for consideration under each successive step, except by mutual agreement between the Company and the Union, until the matter is brought to arbitration.

5.04 Any grievance not appealed from the decision in any step in the grievance procedure within the aforementioned time limits shall be considered settled on the basis of the last decision and shall not be subject to further appeal. If the Company fails to reply within the aforementioned time limits, the Union shall have the right to submit the grievance at the next step.

5.05 All times specified in this Article are exclusive of Saturdays and Sundays.

## **ARTICLE 6 - ARBITRATION**

6.01 The party requesting arbitration shall advise the other party in writing stating the issue to be arbitrated and the provision or provisions of the Agreement alleged to be violated.

6.02 Within five (5) days, the other party shall reply and agree on an arbitrator selected from a preferred list established by the parties. If none of the arbitrators on the preferred list are available within a three (3) month period, the parties, within a further five (5) days will attempt to agree upon an arbitrator. If the parties cannot agree on an arbitrator, either party may apply to the Ministry of Labour for the Province of Ontario to appoint an arbitrator.

6.03 The arbitrator so appointed shall not be empowered to alter or change the provisions of this Agreement, or to substitute any new provisions in lieu thereof, or to give any decision inconsistent with the terms of this Agreement, but shall base its decision on the contractual rights of the parties as disclosed by this Agreement.

6.04 The parties shall jointly and equally bear the costs and expenses of the arbitrator.

6.05 The proceedings before the arbitrator shall be expedited by the parties hereto, and the decision of the board, if within its terms of reference, shall be binding on the parties hereto and on the employee concerned.

## **ARTICLE 7 - SENIORITY**

7.01 a) Full-time employees shall serve a probationary period of 90 days within a twelve (12) month period and shall have no seniority rights during this period. Upon completion of this probationary period, the employee shall have seniority dated back to the most recent date of hire as a full-time employee. The discharge of a probationary employee shall not be the subject of a grievance and/or arbitration pursuant to the provisions of this Agreement.

b) During the first four-hundred eighty (480) hours worked, a part-time employee shall be considered to be on probation and as such shall not have any seniority rights. Upon completion of the probationary period, the employee's name shall be placed on the seniority list for part-time employees and their seniority shall date from ninety (90) calendar days prior to the day on which they completed the probationary period. Such date shall not go back beyond the date of hire. The four-hundred eighty (480) hours referred to in this section must be accumulated within a period of twelve (12) consecutive months. Upon determination by the Company that the employee on probation is suitable, the employee will have

successfully completed his or her probationary period. The discharge of a probationary employee shall not be the subject of a grievance and/or an arbitration pursuant to the provisions of this Agreement.

- 7.02 a) For regular full-time employees, seniority is defined as length of continuous service with the Company in the bargaining unit including such additional time as required or granted for vacations, leave of absence, sickness and accident, and shall be recognized by the Company.
- b) For part-time employees, seniority is defined as the length of continuous service with the Company including granted vacations, approved leaves of absence, workers' compensation, illnesses and injuries, and provable non-work related illnesses or injuries to a maximum of 24 months.
- 7.03 a) For regular full-time employees, seniority shall be forfeited and the employee's employment deemed to be terminated under the following conditions:
- 1) voluntary termination;
  - 2) retirement;
  - 3) discharge for just cause and not reinstated through the grievance procedure or arbitration procedure;
  - 4) failure to report for duty upon the expiration of a leave of absence;
  - 5) after 24 months of lay-off without recall;
  - 6) after three (3) consecutive days of absence from scheduled work without notifying the Company with a valid reason;
  - 7) failure to return from lay-off where an employee on lay-off has been recalled by telephone, confirmed by registered mail, and failed to advise the Company within two (2) working days of his intention to return to work, or not to return, or having so notified the Company, he does not return to work within five (5) working days of the said notification.
- b) For part-time employees, seniority rights of an employee shall cease and the employee shall cease to be employed if:
- 1) the employee voluntarily terminates his or her employment;
  - 2) the employee is discharged for just cause and is not reinstated through the grievance and/or the arbitration procedure;
  - 3) the employee has not returned or been called to work within a period of nine (9) months;
  - 4) the employee fails to return to work after a lay-off within five (5) calendar days following written notification to the last address recorded by the employee with the Company;
  - 5) retirement;
  - 6) after three (3) consecutive days of absence from scheduled work

without notifying the Company with a valid reason.

7.04 In the event that an employee is transferred out of the bargaining unit, their seniority shall be retained to the date of transfer. Seniority will no longer accumulate, but shall remain at the then attained figure to be applicable, should the employee, within one (1) year of their transfer, revert to a classification covered by this Agreement. Should an employee who has been out of the bargaining unit for a period greater than one (1) year revert to a classification covered by this Agreement they will be credited with their actual service to a maximum of two (2) years.

- 7.05 a) Part-time employees who are successful in obtaining a full-time position shall serve a ninety (90) day probation period. After such period, their seniority date will be as of the first day they moved to a full-time position. A part time employee who proves unsatisfactory during the ninety (90) day probation period will be returned to their original part time position.
- b) New hires from outside the bargaining unit will be on probation for ninety (90) days.
- c) When more than one (1) part-time employee moves to full-time on the same day, their ranking will be determined by their seniority ranking as a part-time employee. New Hires who start on the same day will have their seniority determined by the Union and the Company.
- d) An employee in the full-time bargaining unit who may have their status changed so as to become a part-time employee will retain their seniority and the seniority date as established as a full-time employee, or their previous part-time seniority date, whichever gives the employee the most seniority.
- e) A Student who applies for and is hired as a part time employee will get a new seniority date commencing with the date of part time employment.

7.06 In the event of the reduction in the number of employees in the bargaining unit, it shall be carried out, providing the remaining employees have the necessary qualifications and skills to perform the work required to be done, on the basis of seniority as follows:

- a) Students
- b) Probationary employees (part-time)
- c) Part-time employees
- d) Probationary employees (full-time)
- e) Regular full-time employees

7.07 a) Full-time Employees who are on Layoff and assume part-time hours shall work at the part-time rate and conditions.



- b) Employees on Layoff shall be recalled from Layoff in reverse order to the order in which they were laid off provided they are qualified to do the work available.
- c) In the event a full time employee is laid off or exercises their seniority to bump to another position due to a reduction of staff in the employee's classification, then if a permanent vacancy occurs within twenty-four months following that event, the employee will be offered the first opportunity to return to their former position. If the employee declines the opportunity, the procedure in 7.08 will be followed.

7.08 (a) (1) Subject to 7.07(c), when a permanent vacancy occurs within the operation, the vacancy will be posted for a period of seven (7) calendar days. In filling the vacancy, the most senior applicant with reasonable skill and ability to do the required work will be given preference and will be given a training period to confirm his/her ability to perform the work satisfactorily. The name of the employee selected to fill the vacancy will be posted on the bulletin board within ten (10) working days of the expiration date of the posting. The notice so posted will remain on the bulletin board for a period of seven (7) calendar days. A copy of the notice will be forwarded to the employee selected to fill the vacancy.

(2) The Company is not obliged to provide the training period to an employee who for physical or other reasons, does not have nor is likely to have the necessary ability for the job.

(3) The successful candidate will be allowed to job shadow to reconfirm their decision to accept the posting. The job shadow will occur in accordance to the following schedule:

Bagger/Packer	one (1) day (rotate to different lines)
Custodian	one (1) day
Driver	two (2) days (1 city, 1 farm)
Shipping/Receiving	two (2) days (1 days, 1 afternoons)
Operator	four (4) days ( 2 startup, 2 shutdown/washup)

(4) Within 24 hours after completing the job shadow experience if the employee decides not to accept the posting, they will be returned to their former position. Within a further 24 hour period the next most senior employee and the Union will be notified that the next most senior employee is next for the position.

(5) The Company will endeavour to move successful candidates out of their current position to their new position based on the following schedule: Level 1 – 3 months; Level 2 – 2 months; Level 3 – 1 month; Level 4 – 2 weeks, Licenced Trades – 6 months; Drivers – 2 months. If unable to

accommodate within these time frames, thereafter the employee will be paid at the rate of their new position.

- b) No more than three (3) postings will be made arising from any one vacancy.

Applicants will be considered in the following order:

- 1) Full-time employees
- 2) Part-time employees
- 3) Students

While part-time employees will be given priority consideration over outside candidates, part-time employees and students will not be awarded posted full-time positions unless they have first met the Company's hiring requirements for full-time employees.

- c) An employee who is successful in obtaining a position through the posting procedure may be denied the opportunity to bid on other vacancies based on the following schedule:

Level 1	12 months
Level 2	9 months
Level 3	6 months
Level 4 – 6	3 months

The time period shall commence from the closing date of the posting.

7.09 If a reduction of the work force takes place, the more senior employee qualified to do the work available will be retained.

7.10 The following seniority lists will be supplied to the Union and posted on the bulletin board every six (6) months:

- a) Full-time employees
- b) Part-time employees
- c) Students

## **ARTICLE 8 - LEAVE OF ABSENCE**

8.01 A leave of absence without pay, benefits, and Holiday Pay may be granted for a period of twelve (12) months or less for a justifiable cause, provided the request is made by the employee in writing to the Plant Manager and a copy given to the Union Executive. The Plant Manager will reply within ten days, in writing.

8.02 Employees on leave to attend to Union Business will be compensated by the Company, which shall in turn invoice the Union for such expenses.

Prior to an Employee coming out of their position for an extended period to

represent the Union or conduct Union Business, the Company and Union will determine the conditions for this Leave and for the Employee's return to their position at the conclusion of the Leave.

8.03 A part-time employee may request a leave of absence without pay and benefits of up to six (6) months for legitimate reasons and if such leave of absence is granted in writing, the employee's seniority shall continue to accumulate during their absence. An employee who does not return to work at the expiration of their authorized leave of absence will be considered to have voluntarily terminated.

8.04 An employee of the Company who is elected or appointed by the union to engage in union activity may request and be granted a leave of absence in accordance with section 8.01 provided such leave does not create any undue interference with the efficient operation of the plant.

## **ARTICLE 9 - DISCHARGE**

9.01 Should an employee with seniority status be discharged, Management shall notify the Chief Steward or his designate forthwith. If the employee discharged alleges that his discharge is without reasonable cause, such allegation shall be treated as a grievance commencing at Step 3 of the grievance procedure.

## **ARTICLE 10 - HOURS OF WORK**

10.01 a) The normal work week for employees other than drivers consists of 40 hours made up of five 8-hour shifts, or four 10 hour shifts by mutual agreement between the majority of employees in a department and the Company.

b) The normal work week for drivers will be 44 hours.

c) The operation is run on a 7 day work week beginning on Sunday at 12.01 am.

d) Overtime for employees other than drivers will be distributed evenly as possible to available employees who normally perform the work required to be done.

10.02 a) The Company will not normally use part-time employees or students in the place of the hiring of full-time employees and agrees that where this is deemed necessary they will meet with the Union to discuss the circumstances behind the use of such part-time employees and/or students.

Part-time employees and student employees shall not normally work more than 24 hours per week; except for relief work due to vacation, illness, the leave of absence of a full-time employee, and temporary periods of work which are not expected to exceed (8) consecutive weeks. The Company shall notify the Union of the reasons behind the extent of periods of temporary work prior to the commencement of such work.

- b) Part-time employees will be scheduled plant wide on the basis of seniority provided they are available, willing and have the ability and qualifications to perform the work required to be done in a competent manner. Such scheduling will be maintained on one schedule.
- 10.03 a) All time worked in excess of forty (40) hours in any one week for plant employees shall be paid at the rate of time and one half (1½) the regular hourly rate.
- b) All hours worked in excess of regular shift hours as defined in 10.01 (a) shall be at the rate of time and one-half(1½) the regular hourly rate for all employees other than drivers.
  - c) All time worked by drivers in excess of forty-four (44) hours in any one week shall be paid at the rate of time and one-half (1½) the regular hourly rate.

When overtime is required for drivers, they will be scheduled by seniority on a rotation basis provided they are qualified to do the overtime work available. Refusal to accept an overtime assignment will be considered as hours worked for the rotation. The Company will endeavour to equalize the distribution of overtime among the drivers provided that operational requirements permit equal distribution.

- 10.04 a) An hourly shift premium of sixty-eight (68¢) cents shall be paid for all hours worked by full-time employees on shifts between 6:00 p.m. and 6:00 am.
- b) Part-time employees, excluding students and students employed during the school term, working a regularly scheduled work week of twenty-four (24) hours or less will be eligible to receive an hourly shift premium of sixty-eight (68¢) cents per hour. Shift premium shall not be included for the purpose of computing overtime pay, pay for time not worked or any other premium pay.
  - c) A part-time employee or student temporarily working a normal full-time schedule of forty (40) hours a week as the result of the applications of Article 10.02 of this Agreement will be eligible to receive the hourly shift premium of sixty-eight (68¢) cents per hour. Shift premiums shall not be

included for the purpose of computing overtime pay, pay for time not worked or any other premium pay.

- 10.05 a) All work performed on a Saturday by plant employees shall be paid at the rate of time and one-half ( $1\frac{1}{2}$ ) their regular hourly rate.
- b) If during the term of this Agreement the OMMB bulk rate formula is changed to include time and one-half for work on Saturdays, then Saturday work performed by drivers will be paid for at time and one half ( $1\frac{1}{2}$ ).

10.06 An employee who is called in to work overtime will be entitled to overtime pay in accordance with the provisions of section 10.03. However, notwithstanding the provisions of Article 10.03 the minimum payment for an employee called in to work will be equivalent to the payment of four (4) hours work at the employee's regular straight time rate except where an employee starts to work two (2) hours or less before such employee's regular starting time, in which case overtime payment will be based on the hours actually worked. An employee is not called in to work when the employee simply continues beyond the regular finishing time of the shift.

10.07 For the purpose of computing overtime, a statutory holiday shall be considered as a day worked.

- 10.08 a) Employees working in a classification which carries a lower rate of pay than their normal classification will continue to be paid at the higher rate of pay for a seven day period at which point the rate may be reduced at the discretion of the Company.
- b) An employee who works for more than four (4) hours in a classification that carries a higher rate of pay than his normal classification shall be paid at the higher rate for the balance of the shift or assignment.

10.09 A fifteen (15) minute rest period will be granted in each half shift as close to the midpoint as possible. Each employee will be allowed a half hour unpaid lunch.

- 10.10 (a) All hours worked on Sunday between 12:01 am and 12:00 midnight will be paid at double (2x) the regular hourly rate.
- (b) Part-time employees required to work on a Sunday will be paid at the rate of one and one half ( $1\frac{1}{2}$ ) times their regular straight time hourly rate for the hours worked on the Sunday.

10.11 When two (2) or more types of overtime or premium compensation are applicable to the same hours of work, only one, the greater, will be paid, except that shift premium will be paid in all cases as per 10.04.

10.12 In the event that new job classifications are created in addition to those listed in Appendix "A" or working conditions are substantially changed during the lifetime of this Agreement, the Company agrees to meet with the Union Committee to discuss such changes.

10.13 Any shift worked without an eight (8) hour break between that scheduled shift and the employee's last scheduled shift worked shall be paid for at time and one-half (1½) the employee's regular hourly rate.

- 10.14 a) The Company will post a tentative bi-weekly schedule. A weekly employee work schedule will be posted on Thursday at 3:00 p.m. of the preceding week. Schedules are subject to change in accordance with the requirements of the business.
- b) The Company will post a tentative weekly schedule for part-time employees by 3:00 p.m. on Friday.
- c) Once posted, a production employee changed from one shift to another, other than Acts of God, unexpected changes in milk receipts, at his or her own request, with less than twenty-four (24) hours notice prior to the change taking effect, will be paid at the rate of time and one-half (1½) for the first eight (8) hours of the first shift on the new schedule.
- d) With regard to the Laboratory only, when operating circumstances render it necessary to change existing work schedules, such changes will be the subject of prior consultation with the Union. Should the parties fail to agree, the matter will be subject to the grievance procedure commencing at Step 3.

10.15 The Company agrees to continue the current practice of allowing drivers every second weekend off. However, in the event additional help is needed on a weekend, the Company will first solicit volunteers and failing adequate help will assign the work to the most junior qualified employees.

10.16 The Union and the Company share a strong interest in the ongoing development of the Mitchell operation including the introduction of new products and/or processes. The Union and Company will work together to support activities which promote growth and development in the Mitchell operation.

Pursuant to Section 10.12, the Company and Union agree that in the event that the introduction of new products or processes requires the creation of a new classification(s) the following will apply:

- The Company will provide as much advance notice as is possible of the projected change;
- The Company and Union will meet to develop a process for dealing with the change

which includes:

- i Determining which classification level in the Collective Agreement the new classification(s) fall into;
- ii Applying the appropriate pay rates and working conditions as provided for in the Collective Agreement;
- iii Determining the skill requirements for employees in the new classification(s);
- iv Determining what training would be required to enable existing employees to qualify for those positions which would be created, including the duration of training;
- v If required, determining what options might be workable should the skill requirements and timing of the staffing be problematic with regard to filling positions with current employees;
- vi Establishing training procedures and conditions for employees who wish to prepare for the positions;
- vii Establishing posting procedures as required; and
- viii Dealing with such other issues as are appropriate.

10.17 Provided the Company has been given sufficient time and notice as far in advance as possible of an error in a posted schedule or prescheduled overtime and the error is not rectified by the Company, the Employee affected will be paid for the hours in error at the appropriate rate of pay.

## **ARTICLE 11 - PAID HOLIDAYS**

11.01 The following days shall be deemed to be paid holidays:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	Remembrance Day

Two (2) Floating Days will be given at a time mutually agreed between the Employee and the Company. The employee will make his request at least 2 full weeks prior to the day desired and the Company will respond within 2 working days of receipt of the request. It is understood that should Heritage Day be declared a holiday, it would replace one of the existing two (2) Floating Days.

11.02 The Company agrees to pay all full-time employees who have completed their probationary period their regular rate on the basis of eight (8) hours or ten (10) hours as per 10.01 (a) for plant employees and nine (9) hours for drivers, for the above holiday, if not worked. Employees who are absent on their scheduled working day preceding or the scheduled day following the holiday shall forfeit their right to receive pay for the

holiday unless absence is due to verifiable sickness or accident.

- 11.03 a) When a paid holiday occurs, the Company will attempt to arrange work schedules to give as many employees as possible the holiday. An employee required to work will be paid time and one half (1½) the regular hourly rate for the hours worked on the holiday in addition to his holiday pay. Hours worked at time and one half (1½) shall not be included in hours for the computation of overtime pay.
- b) An employee required as part of their regular schedule to work on a holiday recognized under section 11.01 may request another day off without pay, which day shall be not later than their next annual vacation and at a time mutually agreed between the employee and their supervisor.

11.04 An employee who is required to work on the holiday and who fails to do so without reasonable cause shall not receive holiday pay.

11.05 An employee receiving compensation payments or payments under the weekly Indemnity Plan is not entitled to receive Holiday Pay.

11.06 Floating holidays will be taken prior to December 15th.

11.07 A part-time employee not required to work on a holiday recognized under Article 11.01 shall be eligible for holiday pay at their regular straight time rate based upon the total hours worked in the previous four (4) weeks divided by 12 (to a maximum of 8).

11.08 A part-time employee required to work on a recognized holiday as provided in Article 11.01 shall be paid at the rate of one and one half (1½) their regular straight time hourly rate for the hours worked and, provided they report for and perform the work required, holiday pay as provided in Article 11.07.

11.09 When a recognized holiday so provided in Article 11.01 occurs during an employee's leave of absence or when the employee is being covered by workers compensation benefits, the employee will not be eligible to receive holiday pay.

11.10 Part-time employees, not including employees who are classified as students, who have at least two (2) years of seniority (as per the seniority list) shall earn floating holiday pay as follows:

- Upon completion of 1000 hours paid - 1 day's pay;

These hours will be earned in the calendar year prior to the year in which the holiday pay is taken. It is understood that this floating holiday pay shall be for days not worked and does not entitle the employee to miss a day which is scheduled. This pay is to fill in for a missed day within the Employee's regular scheduled week, not in addition to such hours as are scheduled. If un-used, this day will be paid out.



## **ARTICLE 12 - UNION SECURITY**

12.01 All employees in the Bargaining Unit shall be members of the Union in good standing as a condition of employment thereof.

12.02 a) The Company agrees to deduct monthly Union dues from the wages of each employee in the bargaining unit and further agrees to forward the amount so deducted to a designated officer of the Union together with a list of the employees from whom such deductions have been made.

b) Upon receipt of written authorization, the Company will deduct the amount of initiation fees from the wages payable to employees and remit such deductions to a designated office of the Union together with a list of the employees from whom such deductions have been made.

12.03 The Union will not nor will any employee engage in Union activities during working hours or hold meetings at any time on the premises of the Company without the permission of the Company.

## **ARTICLE 13 - VACATIONS**

13.01 a) Effective in the vacation year commencing January 1, 2000, employees who have completed the minimum service requirements listed below shall be eligible for vacation with pay as follows:

1 Year's service or more 2 weeks  
4% of the earnings on previous T4

5 Year's service or more 3 weeks  
6% of the earnings on previous T4

10 Year's service or more 4 weeks  
8% of the earnings on previous T4

15 Year's service or more 5 weeks  
10% of the earnings on previous T4

27 Year's service or more 6 weeks  
12% of the earnings on previous T4

b) Employees with less than one (1) year's service in the current year shall be granted one-half (½) day's vacation for each completed month of service up to a maximum of five (5) days. Pay for such vacations shall be

four percent (4%) of the employee's earnings for the previous calendar year.

- c) After five (5) years of completed service, and provided the employee has not been laid off for more than thirty (30) days in the qualifying period, an employee's vacation allowance as outlined in section 13.01 will be the greater of the percentage calculation or the vacation entitlement at the employee's straight-time hourly rate based on the employee's normal work week.
- d) Part-time employees who obtain a full-time position will have their vacation credit calculated as follows: Total hours paid for while a part-time employee divided by forty (40) to give a full-time credit for the number of weeks to be credited as full-time as would apply to the full-time vacation schedule.

- 13.02 a)
- (i) Vacation schedules will be developed yearly and the process will commence with the posting of blank vacations schedules in the first week in January.
  - (ii) Vacation schedules will be established as follows based upon seniority and the necessity of maintaining efficient operations:
    - By January 30th employees will select their choice for their first two (2) weeks or less of vacation entitlement. These selections will be reviewed and approved by the Company by Feb 15<sup>th</sup>, following which
    - Those employees who may be entitled to additional vacation will be given until March 30<sup>th</sup>, the opportunity to indicate their choice for the balance of their vacation entitlement.
  - (iii) Provided they are eligible, employees are entitled to have at least two (2) weeks vacation in the period June to September, inclusive.
- b) The final schedule will be posted by April 15th and no changes shall be permitted unless by mutual agreement between the affected employees and the Company;
  - c) Vacations shall not be cumulative from year to year and employees shall not omit vacations and draw pay in lieu thereof.
  - d) If a paid holiday falls within an employee's vacation period the employee will be allowed to a day in lieu at a time that is mutually agreed upon in writing.

13.03 Provided the vacation was previously scheduled and not changed within the fourteen (14) calendar days prior to the commencement of the vacation, an employee

shall receive his vacation pay for the period of vacation being taken with his last regular pay prior to the commencement of his vacation. In January of each year, each employee will receive a statement of vacation pay earned for the vacation year which is the period January 1st to December 31st of the preceding year.

13.04 During the current calendar year, each part-time employee shall be eligible for vacation pay provided the employee has performed work for the company during the qualifying period which commenced January 1st of the preceding year and ends December 31st of the preceding year.

- 13.05 a) A part-time employee will be eligible to receive during the current calendar year four (4) percent of their earnings during the qualifying period;
- b) A part-time employee with one (1) or more years of seniority as of the last day of the qualifying period may request time off for vacation purposes with such time off to be scheduled at a time mutually convenient to both the employee and their supervisor.

13.06 Earnings with respect to the application of this article shall not include taxable benefits or workers compensation benefits or income from any other sources.

13.07 Vacation pay earned during the qualifying period will be paid by January 30th of the current calendar year.

## **ARTICLE 14 - MISCELLANEOUS**

14.01 Full-time - Plant

- a) **PAY DAY**  
The normal work week shall be from 12:01am Sunday to 12:00 Midnight the following Saturday. Employees will be paid through a direct deposit system on Thursday except where a holiday occurs in the week .
- b) **BEREAVEMENT**
- (i) The Company shall pay up to five (5) days pay at the employee's straight time hourly rate for all regular time lost in the event of the death of the employee's spouse, child or stepchild, up to three (3) days pay at the employee's straight time hourly rate for all regular time lost in the event of the death of the employee's father, mother, sister, brother, father-in-law, mother-in-law, or step parent; and one (1) day's pay at the employee's straight time hourly rate for all regular time lost in the event of the death of the employee's son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparents or grandchildren. Payment shall be made only to the extent of regular time lost while making arrangements for and/or

attending the funeral.

When an employee is entitled to three (3) days bereavement leave, it is understood that one (1) day may be the day following the funeral. When an employee is entitled to five (5) days bereavement leave, up to four (4) days may be following the funeral.

- (ii) Bereavement pay under this section will be 8 hours or 10 hours as per 10.01 (a) for plant employees, and 9 hours for drivers.
- (iii) In the event of the death of a person as provided for above while the employee is on their scheduled vacation, any vacation days that would be coincident with any bereavement leave to which the employee would be entitled to under section 14.01 (b) (i) will, at the request of the employee be rescheduled at a time mutually agreeable to the Supervisor and the employee.
- (iv) If requested by a part-time employee, a leave of absence with pay shall be granted to a maximum of one (1) calendar day for the purpose of attending the funeral of a relative listed in section 14.01(b) (i) provided such leave is for a day on which the employee would have otherwise been scheduled to work. Payment shall be made only to the extent of regular scheduled hours lost on the day of the funeral.

c) **JURY DUTY/WITNESS**

- (i) In the event an employee is precluded from working his regular shift or shifts due to being called for and reporting for jury duty or to serve as a subpoena witness, the Company shall make up the difference in pay between the amount received for jury duty and for serving as a witness and the amount the employee would have earned for working his/her regular shift.
- (ii) Employees selected for jury duty or to serve as a witness as above who are on other than the day shift, shall be assigned to the day shift for those days they are required to serve as jurors or appear as a witness.
- (iii) In order to qualify for such compensation, the employee shall give forty-eight hours prior notice to the Company that such leave is required and shall present proper evidence as to attendance and the amount received for such services.

d) **WELFARE AND PENSIONS**

The Company agrees to continue the Welfare and Pension Plans as per the attached Appendix "B".

e) **BULLETIN BOARDS**

The Union may post notices on bulletin boards provided by the Company provided such notices are approved by management.

f) **WORK CLOTHES**

- (i) It is agreed that the present arrangement in respect to overalls, shirts, smocks, and gloves will be continued for the duration of this Agreement.
- (ii) An employee, as a condition of employment, shall be required to wear safety footwear. The safety footwear is to be leather or rubber, steel toed, non-slip and C.S.A. approved.
- (iii) It is agreed that, the company will establish a program for footwear which will provide employees with a selection of boots from which they can choose. Employees will be able to replace worn footwear from this selection by following the process established by the Company. All employees are expected to provide reasonable care in relation to Company-provided footwear.
- (iv) Drivers and Warehouse employees will be eligible to receive the washing of clothes allowance of Two-hundred and fifteen dollars (\$215.00) payable at Christmas time.

Employees who have completed less than six months active service during the calendar year will receive fifty percent (50%) of the washing allowance.

Part-time drivers who work more than one thousand (1000) hours in a calendar year will be eligible to receive the washing of clothes allowance of One Hundred Dollars (\$100.00) payable at Christmas time. Part-time warehouse employees will participate in the laundry program and as such are eligible to receive the washing of clothing allowance.

The Company has implemented a laundry program for the cleaning of Company work clothes for production personnel. This program was implemented for sanitation requirements as work clothes are, as is the present case for safety footwear, to remain on the premises at all times.

- (v) Employees working in the maintenance area are expected to

provide for their own basic tool requirements. The Company agrees to provide specialized tools or equipment needed by such employees to perform their normal duties (which tools shall remain the property of the Company). The Company also agrees to replace the basic tools of Employees as they are broken.

- g) The Company agrees to provide adequate washrooms, properly equipped, a first aid room, and adequate locker room and lunchroom facilities.
- 14.02 a) One (1) unpaid thirty (30) minute lunch period at such intervals as will result in no employee working longer than five (5) consecutive hours without a lunch period.
- b) One (1) paid fifteen (15) minute rest period within every four (4) consecutive hours worked.
  - c) A part time employee replacing a regular full-time employee for a scheduled complete shift of eight (8) or ten (10) hours will observe the rest and lunch period schedule times normally associated with the employee they are replacing.

14.03 Maintenance employees required to be "On Call" for the period Friday night to and including Sunday shall receive on "On Call" payment of \$30.00 effective February 14, 2000.

- 14.04 a) Amendments to this Agreement may be negotiated any time by mutual consent, but failure to agree shall not constitute a grievance nor be submitted to arbitration.
- b) In this Agreement the masculine will mean the feminine and vice-versa.

14.05 As a part of the overall effort to maintain a safe work environment, no employee will be required to work in the plant alone.

## **ARTICLE 15 - NO STRIKE OR LOCK-OUT**

15.01 The Company agrees that it will not lock out its employees during the term of this Agreement.

15.02 The Union and the employees agree that there will be no strike during the term of this Agreement.

15.03 The word "Lock-out" and the word "Strike" shall be deemed to have the meaning given those words in the Labour Relations Act (Ontario).

## **ARTICLE 16 – LABORATORY**

- 16.01 a) Focused on continuous learning and development within the bargaining unit the following development and wage progression system is based upon service requirements, educational achievements, demonstrated task proficiency and successful completion of learning programs.
- b) Employees in the Laboratory Technician 2 classification are expected to achieve proficiency Level I within a reason able period not to exceed thirty (30) months.
- c) Failing to provide the learning opportunities and experiences within thirty (30) months of an employee entering Laboratory Technician 2, the employee shall be eligible to receive the then wage rate for Laboratory Technician 1.

16.02 The Minimum Entry Skills Requirement for Laboratory Technician 2 classification are:

- (i) B.Sc. (relevant science), or;
- (ii) Two (2) years Community College (relevant science) diploma with 2 years laboratory experience or two (2) years dairy experience, or;
- (iii) Five (5) years of dairy lab experience, proficiency in at least two laboratory stations and demonstrated ability to learn other stations and skills in Level 1.

## **ARTICLE 17 - WAGES & CLASSIFICATIONS**

17.01 Wages shall be paid as outlined on Appendix “A” attached.

## **ARTICLE 18 - SEVERANCE**

18.01 A full-time regular permanent employee with two or more years seniority who is permanently laid off and who has waived the right to recall shall receive severance pay based on one (1) week's pay for each complete year continuous service up to a maximum of twenty-six (26) weeks' pay.

18.02 Whereas section 18.01 will not have application in the event of the permanent discontinuance of all or part of the Mitchell operation, it is agreed a full time regular permanent employee with two (2) or more years of seniority who is permanently laid off in the above situations shall be eligible for enhanced severance pay calculated on the basis of two (2) weeks regular pay per year of completed service with the Company up to the date of layoff up to a maximum of fifty-two (52) weeks pay. Such employees must

relinquish seniority and recall rights upon receipt of severance pay.

It is understood that the above provisions would apply to regular part-time employees, being those who are not classified as students and have achieved seniority in excess of two years. Such employees will receive severance on a prorated basis in accordance with the hours they have worked in the last 52 weeks of earnings, times their years of service. The maximum severance would be \$750.00 for any year of service.

18.03 The above fulfils all the Company's obligations under the Employment Standards Act and anyone claiming severance under Section 18.01 or Section 18.02 of this Collective Agreement shall have no further claim to the Company.

## **ARTICLE 19 - WORK BY SUPERVISION**

19.01 The Company shall not permit foremen, those above the rank of foremen and office staff to perform the work customarily performed by employees in the bargaining unit, except:

- a) in cases of emergency;
- b) where aid is requested;
- c) where such work is for the purpose of information, investigation, experimentation or instruction;
- d) where qualified people are not available.

## **ARTICLE 20 – TRAINING**

20.01 The Company and the Union are committed to the continuous development of employees at the Mitchell facility in support of business success and the personal growth and fulfilment of members of the Bargaining Unit. Accordingly the Company and Union will work together to plan for and implement training programming.

The Company and Union will form a Training Committee. This Committee, working with representatives of the Company and the Union as required, will study changing skill requirements and develop plans and programs for employee training including looking at the following:

- Projected skill/knowledge requirements from a Company, Union and Employee perspective;
- Understanding current skill levels;



- The types of training courses that might address the training needs that are identified;
- The training tools and courses which might be available including literacy/numeracy training (ie. Basic Education Skills Training program or equivalent); Apprenticeship Training Programs; Training available through the Company and/or Union, etc.;
- Ways to ensure effective planning for and communications around training;
- And, such other matters as are deemed important.

The Committee will develop a work plan and timetable which shall be reviewed by the Union and the Company.

20.02 In support of the increased, quality training of employees and the increased role and responsibility of the Union in this area the Company agrees to contribute to the Union's Education Training Trust Fund. The Union agrees to provide the Company with information on the activities of this Fund, including the development and delivery of training courses available through the Fund.

## **ARTICLE 21 - DURATION OF AGREEMENT**

21.01 In the event any of the provisions of this Agreement shall be altered by legislation, such things will not affect the remainder of the provisions thereof.

21.02 This Agreement shall remain in full force and effect from February 13, 2000 to October 31, 2002 and from year to year thereafter except as provided by Section 21.03.

21.03 Either party wishing to amend this Agreement shall give notice in writing of such desire to the other party not more than ninety (90) days prior to the termination date of this Agreement.

21.04 Notwithstanding Sections 21.02 and 21.03, the Agreement shall remain in full force and effect until such time as an agreement has been reached in respect to a renewal, amendment or substitution hereof, or until such time as the parties are authorized to declare a strike or a lock-out, provided that this Agreement may be further extended from time to time by mutual agreement.

21.05 The notice required in Section 21.03 of this Article shall be sufficient if sent by registered mail addressed to the representative of the Union and if to the Company, the Director of Operations, Parmalat Foods Inc., Mitchell, Ontario.

DATED at Mitchell, Ontario this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

FOR THE UNION:

FOR THE COMPANY:

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**APPENDIX “A”**

**Article 1 - Classifications and Rates**

	Effective	14/2/00	29/10/00	4/11/01
<b>1.01 Licenced Maintenance</b>				
Electrician + PLC		\$21.72	\$22.26	\$22.81
Refrig B + Industrial Mechanic (Mill)		\$21.72	22.26	22.81
General Maintenance + Refrig B		\$20.70	21.22	21.75
<b>1.02 Laboratory</b>				
Lab Technician 1		\$19.03	19.50	19.99
Lab Technician 2		\$18.31	18.77	19.24
<b>1.03 General Plant</b>				
<u>LEVEL ONE:</u>		\$19.03	19.50	19.99
Evaporator Operator				
Evaporator Relief Operator				
<u>LEVEL TWO:</u>		\$18.67	19.14	19.62
Instant Operator				
Instant Relief Operator				
Butter Maker				
Cream Cheese Operator				
Cream Cheese Relief Operator				
Special Products Operator				
Blending Operator				
Dryer Operator				
<u>LEVEL THREE:</u>		\$18.31	18.77	19.24
Butter Printer Operator				
Cream Cheese Packaging Oper				
Instant Packaging Operator				
Milk Receiver**				
Shipper**				
Drivers**				
Dryer Relief Operator				
<u>LEVEL FOUR:</u>		\$15.00	15.38	15.76
Bagger				
Packer				
Custodian				
Entry				
<u>LEVEL FIVE:</u>				

Part-time**	\$13.00	13.33	13.66
<u>LEVEL SIX:</u>			
Student	\$10.00	10.25	10.51

NOTES:

(A) Lead Hands shall receive a twenty-five (25¢) cent per hour premium for all hours worked;

(B) \*\* Full time and part time employees in possession of a valid "AZ" Driving License who are performing responsibilities that require an "AZ" driving license shall receive a fifteen (15¢) cents per hour premium for all hours worked.

1.04 A part time employee who obtains a full time position will be paid at the Entry rate for the probation period, then move to the full time rate of their classification.

1.05 A new full time employee hired from outside the bargaining unit will be paid the Entry level rate of pay for the following time periods:

General Plant	
Level 1	90 days
Level 2	90 days
Level 3	90 days
Level 4	Employees in this Level will be paid at this rate so long as they work in these classifications
Licensed Maintenance	Full rate from the date of hire
Lab Technician 1	Full rate from the date of hire
Lab Technician 2	Full rate from the date of hire

1.06 All employees on the payroll at February 13, 2000 will be paid a lump sum of \$175.00 upon the signing of the Collective Agreement.

## APPENDIX "B"

### WELFARE PLAN

The cost of the following welfare coverage for employees and their dependants is to be paid by the Company with the employee contributing at the current rate (ie. 17 cents/\$1,000.00 plus applicable taxes).

#### 1. GROUP INSURANCE

a) Life Insurance

Employee - two (2) x employee basic yearly earnings.

Employees who retire shall receive a \$4,000 paid-up life insurance policy in addition to semi-private and major medical coverage. Retiree health benefit coverage will be available upon an employee achieving a combination of age plus service equalling 80 (including age 55).

b) A.D.&D.

Employee - two (2) x employee basic yearly earnings plus \$25,000 Business Travel.

c) Dental Plan

Basic plan with periodontic and endodontics are 100%; Restorative and orthodontic 60% (max. \$5,000.00 over 3 years).

Effective on the first day an employee is actively at work coincident with, or immediately following the first of the month subsequent to the date of ratification the dental plan coverage will be based on the current O.D.A. Fee Schedule which shall be maintained during the term of this Collective Agreement.

d) Semi-Private Hospital Benefit Plan

Included in the provisions of the semi-private hospital benefit plan is out of country coverage of the benefits for covered employees and dependants.

f) Ontario Health Insurance Plan

g) Vision Care

Effective March 1, 2000, One-hundred and fifty (\$150.00) dollars every twenty-four consecutive months for adults. One-hundred and fifty (\$150.00) dollars every twelve consecutive months for employee's children under eighteen (18) years of age.

- h) 1) Weekly Indemnity Benefit Plan  
66 2/3% of Salary for 26 weeks.

1st Day Accident  
1st Day Hospitalization  
4th Day Illness

- 2) Sick Leave

At the commencement of each calendar year full-time, permanent, employees will receive a sick leave credit of \$500.00. Employees absent from regularly scheduled work for health reasons may draw from their credit \$100.00 for the scheduled day of work missed. At the end of the year, employees will receive a payment for the un-used amount of their original credit. Employees eligible for such a payment shall receive the payment in January of the following year. (Percentage reimbursement under this section does not necessarily indicate that the Employee has maintained an acceptable standard of attendance).

- i) Long Term Disability  
After 26 weeks 66 2/3% of salary, no cap.

- j) Pension Plan

Name of Plan: Retail Wholesale Canada, Canadian Service Sector,  
Division of United Steelworkers of America Pension  
Plan

Type of Plan: Money Purchase Pension Plan

Policy Number: 500390-023

Effective Date: October 1, 1995

Eligibility: Full-time: 1 year of continuous service

Part-time: 2 calendar years in which the employee earns  
at least 35% of the YMPE each year or worked 700 hours in  
each year.

Contribution: Members - 3%

Parmalat Foods Inc. - 4%

Members may make Additional Voluntary Contributions  
(AVCs) with no company matching.

“Earnings” are defined as gross compensation received by a member  
for services rendered to the Company, excluding taxable  
benefits as determined by the Company.

Investment

Options: The Pension Committee determines the investment  
allocation.

100% 5 Year GIC

Vesting: 2 years plan membership

Termination: A member will cease to be a member of the plan, upon termination of employment with the Company.  
A vested member who terminates before retirement is entitled to:

- a) transfer the full account balance to a locked-in RRSP or a LIF;
- b) transfer to another company plan if that plan allows it; or
- c) purchase an immediate or deferred annuity.

Non-vested members (members with less than two years plan membership) forfeit all company contributions.

Member

Statements: Annual Member Statements Summary Detailed

Retirement

Date: Normal: On the first day of the month co-incident with or immediately following your 65th birthday. Early: On the first day of any month co-incident with or following your 55th birthday.

Amount of Retirement

Pension: The pension that can be purchased with your Account Balance at the actual time of retirement.

## **APPENDIX “C”**

### **SAFETY COMMITTEE**

A joint Health & Safety Committee will be established and maintained in accordance with the Occupational Health and Safety Act (1978), as amended through Bill 208.



## LETTER OF UNDERSTANDING #1

The Company intends to manage operations in the most efficient manner possible in order to remain competitive.

In the event that it becomes necessary for the Company to make major changes to its trucking operation, the Company will meet with the Union to discuss the changes with a view to exploring all avenues to retain Stacey Brothers existing truck drivers. If it becomes necessary to franchise the routes of existing drivers, Stacey Brothers drivers will have the first right refusal to become franchisees.

Drivers who are displaced by franchising (who have chosen not to become franchisees) and who further have chosen not to exercise seniority rights to take another position within the bargaining unit will have the right to terminate their employment and receive severance pay consisting of one (1) week of regular base pay for each completed year of the effected employee's service.

It is understood that this letter applies to full time Stacey Brothers drivers at the date of ratification. This letter does not limit the Companies flexibility to franchise with respect to new or added trucking operations or when an existing driver leaves the Company.

DATED at Mitchell, Ontario this 1st day of March, 1985.

FOR THE COMPANY:

Gilbert Deelen  
B.F. Batte  
Murray Bartja  
J.C. Henry

FOR THE UNION:

T.E. Collins  
International Representative

Ab. Player  
Area Representative

Ruth Innis  
Gary Quance  
Rod Bowes  
Walter Scherbarth  
John W. Smith

## **LETTER OF UNDERSTANDING #2**

### **VACATION & FLOATER HOLIDAY SCHEDULING IN THE MONTH OF DECEMBER.**

#### **FLOATING HOLIDAYS**

Floating Holidays will be taken prior to December 15th.

#### **CHRISTMAS VACATION**

Due to the heavy workload during the Christmas vacation period, and the fact that we would like to provide a maximum number of employees with time off in lieu of working the holidays, one (1) employee from each of the following:

- drivers
- shipping-receiving

and four (4) employees from the plant with not more than one(1) from any one area, may schedule vacation during each of the two weeks during the period from approx. December 15th through to the first week of January.

Consideration will be given, based on seniority and departmental requirements, to the additional scheduling of vacation during this period should a major shift occur in the work load.

### **LETTER OF UNDERSTANDING #3**

During the term of the Collective Agreement which expires October 31, 2002, in the interest of maintaining good relations between the parties, the company is agreeable to extending the courtesy of allowing the in plant union executive use of an available office and current equipment . It is understood by both parties that no person in the employ of the company has a right to the use of an office or equipment and such may be withdrawn or changed as required by the company.

## LETTER OF UNDERSTANDING #4

The parties hereto agree that:

Whereas it is the responsibility of those performing duties that require an "A" provincial motor vehicle drivers license to maintain a valid "A" permit the Company will upon successful completion of the provincial licensing requirements reimburse once in every thirty-six (36) consecutive months

- up to thirty (\$30.00) dollars for licensing fees
- the actual time spent taking the examination or two (2) hours pay, which ever is less, at the employee's regular straight time hourly rate.
- effective February 14, 2000, up to ninety dollars (\$90.00) dollars for payment of fees to a licensed physician for the completion of the required medical examination.

## **LETTER OF UNDERSTANDING #5**

The parties hereto agree that overtime shall first be distributed among the employees who normally perform the work required to be done in accordance with the relevant sections of Article 10 of the Collective Agreement.

Should the overtime not be found from within the group of employees who normally perform the work required to be done, the overtime will be offered on the basis of seniority to employees from the work area who are willing and qualified to perform the work required to be done.

Should the overtime not be found from the employees within the work area the supervisor will refer to the master schedule, on the basis of seniority, offer the overtime to those employees on the master schedule willing and qualified to perform the work required to be done. Failing this, the most junior qualified available employee from the work area will be required to perform the work.

Overtime will be tracked and reported at least monthly including overtime, Saturday and Sunday hours worked, and the reasons for such overtime.

Subject to the provisions of the Collective Agreement, including the above, employees in departments, working with Management, will establish a system for allocating overtime.

## LETTER OF UNDERSTANDING #6

The Union and the Company acknowledge the difficult competitive environment impacting on the transportation group at Mitchell. The Union and the Company also recognize the importance of this group and their mutual desire to see this group remain a strong part of the Mitchell operation.

In order to improve competitiveness, as well as the ability of the transportation group to maintain current business and/or attract new opportunities, the Union and Company agree to the following provisions impacting on the driver classification group:

- A) The Company will work with the Union to maintain those positions in the current full-time driver employee group (as of rectification), understanding that the loss of volume or business affecting the transportation group, plant or Company, the sale or transfer of aspects of the Company's business, and other such activities which are outside of the normal influence of management group in Mitchell can restrict the Company's ability to provide hours and/or ongoing employment over the course of the Collective Agreement;
- B) In order to achieve the optimum allocation of work within the transportation group the Union and Company agree to work with the driver group to develop a method of allocating hours that ensures:
- A normal allocation of 44 hours per week is achieved including the use of equalization period;
  - Part-time hours are subsequent to the normal allocation of hour to full-time employees and are not in excess of 24 in any week except where a part-time employee is performing relief work (vacation, illness, injury, leave of absence etc.);
  - Overtime is allocated in accordance with the fit of such hours to drivers' routes and schedules but is equalized respecting seniority over a set period of time.

The system developed shall be agreeable to the Union, Company and employees in the driver group and shall be deemed to be consistent with all terms of the Collective Agreement.

- C) Where the work available to the full-time driver group decreases over a continuous period and a lay-off of full-time drivers is deemed likely, and prior to action being taken by the Company, the Company and union agree to meet to discuss steps which may be taken to deal with this problem.

**MITCHELL  
COLLECTIVE AGREEMENT**

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