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No. OF EMPLOYEES			190
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AGREEMENT

EFFECTIVE OCT. 1st 1996
TO SEPT. 30th - 1999

BETWEEN



HOLLAND LANDING, ONTARIO PLANT

AND

IWA - CANADA

HOLLAND LANDING, ONTARIO PLANT



Holland Landing, Ontario

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AGREEMENT

This agreement has been made between La-Z-Boy Canada Limited of the City of Waterloo, Ontario, hereinafter referred to as the "Company" and LOCAL 400 F.W. INTERNATIONAL UNION OF ELECTRONIC, ELECTRICAL, SALARIED, MACHINE AND FURNITURE WORKERS, AFL-CIO hereinafter referred to as the "Union".

ARTICLE 1

RECOGNITION AND UNION MEMBERSHIP

1.01 The Company recognizes the union as the exclusive collective bargaining agent with respect to all matters arising under this agreement for all its hourly paid and incentive plan employees at Waterloo, Ontario except assistant supervisors, persons above the rank of assistant supervisor, office employees, sales employees, students and temporary employees (own employees or agency's employees).

1.02 At the end of their probation period employees will become members of Local 400 F.W. International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, AFL-CIO and will pay membership dues as a condition of employment. Newly hired employees shall have dues deducted in the week following their first calendar month of employment. Initiation fees shall be deducted in the week following their third calendar month of employment.

1.03 Initiation fees and monthly dues shall be deducted the first pay of each calendar month and shall be submitted within 24 hours to the treasurer of the union. Within 1 week management will provide the union with a list of employees who did not pay union dues and an explanation why union dues were not deducted.

1.04 The Company will give the union treasurer 2 copies of the dues check-off authorization form showing the employee's name, address, phone number, clock number, starting date, department and position. Management will also give the union a copy of the quarterly average earnings report.

ARTICLE 2
RELATIONSHIP

2.01 Both the Company and the union agree that there will be no strikes, slow downs, work stoppages, picketing, or lock-outs as long as this agreement is in force.

2.02 Neither the Company nor the union, nor any employee, shall discriminate against or harass any employee, because of religion, race, creed, colour, age, sex, national origin or because they are physically challenged.

2.03 The management of the Company shall hold a monthly meeting with the executive of the union. The purpose of these meetings is to discuss and solve any problems or changes that will directly or indirectly affect the employees. Each party will be responsible for bringing up subjects for discussion.

2.04 In the absence of the president of the union and the vice-president, a designee will assume responsibilities and have all rights and privileges of the president.

2.05 The management of the Company and the direction of the working forces (except such as are specifically relinquished or modified herein) such as (by way of example and not by way of limitation) the right to select and hire, to promote or discipline and to superintend discipline and efficiency of employees and to determine the schedules of work, the products to be manufactured, the location of plants, the schedules of production, the schedules of hours and shifts, the method, processes, and means of manufacturing and the right to establish reasonable rules of plant conduct, are the sole and exclusive rights and responsibilities of the Company, except as limited or modified by this Agreement provided that a claim by an employee that they have been improperly treated will be dealt with in Article 15.

2.06 It is recognized by both management and the union that absenteeism (including lateness) is detrimental to the efficient operation of the Company and as such the union executive will cooperate with management in reducing absenteeism to the lowest level possible.

ARTICLE 3
WAGES

3.01 Base wages will be according to Appendix I, II and III. The Company may pay wages above the specified amounts.

3.02 (a) During the first calendar month of their probationary period new employees, excluding the skilled trades identified in Appendix III, will be paid \$1.00 per hour less than the job rate or base rate, whichever is applicable. This will not prohibit management from granting the increase sooner or placing the employee on incentive sooner.

3.02 (b) During the first calendar month of their probationary period newly hired employees covered by Appendix III shall be paid no less than 90% of the rate of their job.

3.03 The shift bonus is \$.45 per hour for the second shift and \$.50 per hour for the third shift. Day shift employees working overtime do not receive the shift bonus and second shift employees working overtime do not receive the third shift bonus. Part time employees are eligible for shift bonus.

3.04 Company and union agree that every time an employee is called in to do emergency work after their regularly scheduled working hours and after having left Company premises they will be paid a minimum of 2 hours at time and one half regardless of the hours worked that week. Every time they work longer than 2 hours the additional hours will be paid at double time regardless of the hours worked that week.

3.05 Incentive workers will be paid the base rate for their job unless the collective agreement says otherwise. Average is paid for:

1. Entitled holiday pay
2. Entitled jury duty and witness pay
3. Entitled bereavement pay
4. Entitled by the Occupational Health and Safety Act or The Workers' Compensation Act.

5. When a work group (one or more people) has work available for all of its members but, one or more of them are transferred because they are needed in other positions, the transferred members are paid "average". They are not paid "average" if there is insufficient work available to keep everyone in the work group working.
6. When the employee is assigned to train another employee.
7. When the contract calls for "average pay".

3.06 Whenever the word "average" appears in this agreement, it shall mean the employee's average hourly earnings as determined by clause 3.07.

3.07 (a) New averages will be effective at the start of the Company's fiscal quarter. Management will post the year's effective dates each December.

3.07 (b) If, during the fiscal quarter which is being used to calculate a person's average the person works less than 6 working weeks, those weeks will not be used in determining their new average. 6 working weeks are needed for a person to develop a new average.

3.07 (c) For the purpose of determining average a person will be considered to have worked a working week if they have worked at least 1 full shift during that week.

3.07 (d) Average hourly earnings will be determined by dividing total straight time earnings by the total hours paid, excluding overtime premiums. Excluded will be time on light duty and union time.

3.07 (e) incentive employees who did not work the previous calendar quarter, or for several calendar quarters previously, will use the average developed during the last calendar quarter that they worked and provided they worked in that calendar quarter for at least 6 consecutive weeks.

3.08 (a) When a non-incentive employee is temporarily transferred to another non-incentive job they are paid their regular hourly rate or the hourly rate for the job to which they are transferring whichever is greater.

3.08 (b) When a non-incentive employee is temporarily transferred to an incentive job they will be paid their regular hourly rate or incentive earnings, whichever is greater.

3.09 (a) When there is no work available and an incentive employee is temporarily transferred to another incentive job the employee is paid the base rate of the new job or incentive earnings, whichever is greater.

3.09 (b) When there is no work available and an incentive employee is temporarily transferred to a non-incentive job the employee is paid the time rate for the job.

3.09 (c) Management may decide to give the employee the choice of going home or transferring. If the employee chooses to go home it will not be considered a lay off.

3.10 General wage increases will be applied by increasing the hourly rate of non-incentive employees and the base rate for incentive workers.

3.11 Waiting time is paid at their base rate. If an incentive employee cannot work for reasons not their fault, other than Acts of God, they must notify their supervisor of that fact. Current policy will continue.

3.12 Incentive rates will be set for incentive work. Where there is no rate current policy will apply.

3.13 All meetings will be paid in accordance with past practice.

3.14 (a) When new models are introduced to a work group a temporary rate will be introduced immediately. All the employees in the work group working on that new model will receive 150% of base rate of the job up to their average or incentive earnings, whichever is greater, for one lay. A lay will

consist of no less than 15 units. if, in the event these new models are expanded to another shift, line or team at a later date, the above method of payment will apply.

3.14 (b) When new models are introduced any employee in the affected work group who is on any type of leave of absence, holiday, light or modified duty will have the above method of payment apply on returning to the work group.

3.15 When an experienced team member of a two-person team must work with an inexperienced team member the experienced team member will be paid an additional 10% on the piece work earnings provided total earnings do not exceed their average. This will occur for up to 3 working days.

3.16 Leather sewers will be guaranteed 135% for 90 calendar days after the probation period.

ARTICLE 4 HOURS OF WORK

4.01 (a) The normal work week will be 40 hours and will run from Monday through Sunday.

(b) DAY SHIFT HOURS:

Monday through Thursday: 7.00 a.m. to 4.00 p.m.
Friday 7.00 a.m. to 1.00 p.m.

NIGHT SHIFT HOURS:

Monday through Thursday: 4.30 p.m. to 3.00 a.m.

LUNCH AND BREAKS :

1. 1/2 hour unpaid lunch break, Monday to Thursday, for both the day and full-time night shift.
2. 20 minute break Friday paid at base rate for the day shift.
3. Two 15-minute breaks, Monday through Thursday, paid at base rate for the day shift
4. Three 12-minute breaks, Monday through Thursday, paid at base rate for the full-time night shift.

(c) If the evening shift changes to a regular 5 night week the break periods will change to correspond to the day shift breaks.

(d) The present practice of providing part time workers with breaks will continue.

4.02 Included in the above hours of work will be a 6 minute clean up period paid at average at the end of each shift, Monday to Thursday, and one 6 minute clean up at the end of the 6 hour shift on Friday.

4.03 Janitors and maintenance employees may have hours which vary from the above and may have regularly scheduled hours of work changed on a temporary basis either daily or weekly. Such changes will only be made with the agreement of both the employee and the employee's supervisor. If a change lasts longer than 2 calendar weeks (14 calendar days) the agreement will be put into writing. This does not prevent the company from scheduling overtime or emergency call in hours.

4.04 It may become necessary for a person to work a Split shift. A Split shift is one that starts during the day shift and ends during the evening shift. It may be for a temporary period or an indefinite period. The terms of such Split shift will be made by mutual agreement. When it is no longer necessary for an employee to work a Split shift the employee will be returned to their original shift. If such an employee was hired on to a split shift the employee will be placed on the evening shift. If placing such employee on the evening shift creates an excess employee in that work group the senior employee will be asked to move to the day shift first followed by the next senior and so on. The least senior must go to the day shift if all others refuse.

ARTICLE 5
OVERTIME

5.01 (a) Overtime shall be paid at the rate of time and one half for Saturday after 40 hours per week AND as follows:

Day Shift: after 8 1/2 hours, Monday through Thursday
after 6 hours, Friday.

Night Shift: after 10 hours, Monday through Thursday.

If scheduled vacations, plant holidays, "Acts of God", jury duty and bereavement leave occur in any week in which overtime is scheduled, such time not worked will be treated, for purposes of computing overtime, as if it had been worked.

Medical and dental appointments for the employee, or a dependant requiring the employee's presence, will also be treated as if they had been worked provided some evidence is presented to verify the appointment.

5.01 (b) Overtime shall be paid at double time for Sundays. Pay for stationary engineers is covered in Appendix IV.

5.02 Overtime premium shall be calculated on a weekly basis by dividing the total straight time earnings for the week by the total straight time hours for the week and multiplying the resultant amount by the overtime hours times 50%.

5.03 If an employee works on a plant holiday the employee will be paid 2 times the regular rate for those hours worked in addition to their plant holiday pay. Plant holiday work will be voluntary except for maintenance department's skilled trades.

5.04 (a) Employees will work overtime whenever overtime is scheduled. The maximum overtime an employee is required to work is 8 hours per week to a maximum of 100 hours per calendar year. Overtime hours worked on a voluntary basis count towards the maximum hours specified above.

5.04 (b) If the Company runs into serious production problems Company and union representatives will meet to discuss the problem, work towards a solution and, if necessary, give serious consideration to extending mandatory overtime. Such extension will not be unreasonably withheld.

5.04 (c) When mandatory overtime becomes necessary the most senior employee in the work group will be asked first followed by the next most senior and so on. The least senior must work if the others refuse. If more than 1 employee is needed the next least senior must work if the others refuse and so on. Everyone will work if the entire work group is needed.

5.04 (d) Where it is advantageous to both management and employees, the supervisor of the department and the department steward may make special arrangements for deciding who is to work overtime. Such arrangements must be in writing signed by the supervisor, steward and president. When special arrangements are not agreed to, 5.04(a), (b) and (c) will apply.

5.04 (e) When voluntary overtime becomes necessary the senior employee in the work group will be asked first followed by the next most senior and so on. This will not prevent 5.04(d) from taking place.

5.05 if no notice is given overtime will be on a voluntary basis except for shippers, receivers, yard personnel and maintenance personnel. If the packers are scheduled to work overtime the shippers must also be given the required overtime notice if needed.

5.06 If an employee is scheduled to work overtime as per clause 5.04 and the overtime is cancelled on the day for which it is scheduled the employee will be paid for 1 hours work at straight time in lieu of the overtime. This clause does not apply if the overtime is cancelled due to factors beyond the control of the Company or at the request of employees.

5.07 An employee will not be scheduled to work overtime at the following times:

- (a) The day before summer vacation.
- (b) The day before a plant holiday or the Friday before a plant holiday weekend.
- (c) The hours when the union has called a general membership meeting provided the Company has been given 48 hours notice of such meeting.

The exception to the above occurs when there is an emergency requiring shippers, receivers or maintenance department personnel and then these people may be required to work. If, under this clause, these people are required to work more than one and one half hours overtime they will be paid at double time for the time spent working over one and one half hours.

5.08 Payroll will identify overtime hours for the week and the accumulation of overtime hours for the year.

5.09 Employees taking part in an individual program created by the Return-to-Work Committee or the Workers' Compensation Board shall not work more hours than the maximum working hours defined in their program during the life of that program.

ARTICLE 6 PLANT HOLIDAYS

6.01 The following plant holidays will be observed with pay: New Year's Day, Heritage Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, the day before Christmas, Christmas Day, Boxing Day and a day between Christmas and New Year's. The actual day taken between Christmas and New Year's will be decided between company and union.

6.02 All holiday notices must be posted 1 week prior to the holiday.

6.03 For each holiday the employee will receive 8 hours of pay at their average hourly earnings provided they meet the eligibility requirements.

6.04 Whenever possible, the company will endeavor to combine the 5 Christmas Season holidays with other non-paid holidays so that employees will be off from the day before Christmas through New Year's Day. There will be a maximum of 4 qualifying days. The full scheduled shift before the days off and the full scheduled shift after the days off will always be qualifying days.

When necessary, there will be a maximum of 2 other qualifying days which will be Saturdays in October and/or November before the Christmas Season holidays. There will be 2 weeks notice of which Saturdays are to be worked. Absence on any 1 qualifying day will result in an employee losing 1 of the Christmas Season Holidays unless the employee is laid off on either or both of the qualifying Saturdays but has been recalled and has started to work before the Christmas - New Year's holidays.

6.05 In the event a holiday occurs during the employee's vacation period, the employee will take their holiday at the end of the vacation, unless prior arrangements are made with the supervisor.

6.06 For each holiday part-time employees will be given time off with pay equal to their daily scheduled hours the week of the holiday.

6.07 QUALIFICATIONS FOR HOLIDAY PAY:

- (a) Must have been employed 1 calendar month on the day of the holiday.
- (b) Must not be on a sick leave of absence or any other leave of absence. If their leave ends on the last working day before the holiday or starts the first working day after the holiday they are eligible for holiday pay provided they meet the other requirements.
- (c) Must have worked their scheduled shift the day before and after the holiday unless:
 - (1) they provide evidence from a doctor that they could not have worked on the qualifying day(s) because of a medical problem. Any payments for such evidence is the responsibility of the employee.

- (2) they were excused by management from working on a qualifying day. if such approval is for less than 5 working days in a row it is not considered a leave of absence and the employee's qualifying days become the last day the employee was scheduled to work and the first day the employee was scheduled to work after the holiday.

They have not worked their scheduled shifts if they did not work until the end of the shift on the qualifying day before the holiday or if they were more than 1 hour late on the qualifying day after the holiday.

6.08 If holiday payment is made through group insurance or W.C.B. such payment will be deducted from holiday pay if there is proof of payment.

6.09 An employee who is laid off during the calendar week before a holiday will be eligible for holiday pay provided they meet the other holiday pay requirements. If an employee is on lay off during the holiday but returns to work during the first calendar week after the holiday they will be eligible for holiday pay provided they meet the other holiday pay requirements.

**ARTICLE 7
VACATIONS AND VACATION PAY**

7.01 Employees will be entitled to vacations according to the following schedule.

SENIORITY	VACATION	PAYMENT
Less than 5 years	2 weeks	4%
5 years but less than 10 years	3 weeks	6%
10 years but less than 15 years	4 weeks	8%
15 years but less than 20 years	22 days	8.8%
20 years but less than 25 years	5 weeks	10%
25 years or more	6 weeks	12%

7.02 The plant will close for summer vacation the 2 weeks immediately before the August Civic Holiday and employees must take 2 of their entitled weeks of vacation during this time. Where maintenance employees, stationary engineers, receiving department employees, shipping department employees and customer repair department employees are needed during the shutdown the parties will negotiate an alternate arrangement for working the vacation's shutdown. Production repair employees may be asked if insufficient customer repair people volunteer.

7.03 The cul-off date for vacation purposes will be the Sunday occurring 4 weeks before the start of the vacation period.

7.04 Payment for the 2 week summer shut-down will be at the rate of 4% of gross earnings calculated from the previous years cut-off date to the current year's cut-off date. For employees hired after the previous year's cut-off date, payment will be at the rate of 4% of gross earnings calculated from their starting date to the current year's cut-off date.

7.05 For the year in which an employee becomes entitled to an additional week of vacation, payment will be made at the rate of 2% of gross earnings calculated from the date on which the employee became eligible for the additional week of vacation to the current year's cut-off date. For each of the following years, payment will be made at the rate of 2% of gross earnings calculated from the previous year's cut-off date to the current year's cut-off date.

7.06 Employees may request their vacation pay for the amount of entitled vacation they are taking under these conditions:

1. They must request their vacation pay at least 7 calendar days in advance.
2. if they have not earned sufficient vacation pay to cover the vacation they will receive whatever they have accumulated.

Whatever vacation pay has not been paid out by the time summer vacation comes will be paid in July before the vacation shut-down.

Those employees who are on any type of leave of absence at the time vacation pay is normally made may request their vacation pay when they return from such leave.

7.07 An employee will be eligible for an additional week of vacation upon attaining their seniority date in the required year of service as outlined in 7.01. Such additional week must be taken in the first year eligible between the employees seniority date and the cut-off date unless other arrangements are approved by management. Subsequent vacations run from cut-off date to cut-off date.

7.08 The additional week(s) vacation period must be requested by the employee in writing to their supervisor at least 2 weeks in advance of the time requested, and approval or rejection must be given within 1 week, the exception being if an employee makes a request more than 1 month in advance, it shall be granted. Refusal to reply within 1 week shall be considered as granting of the request.

7.09 if 2 or more employees request the same week for vacation, the vacation will be assigned on a first come first serve basis provided the employees are in the same department. Management will not unreasonably deny other employees who apply for the same week.

7.10 Notwithstanding the foregoing, by agreement between the company, the union and the employee concerned, a special arrangement may be made with respect to vacation permitting it to be granted with less notice than herein before required.

ARTICLE 8 GROUP INSURANCE

8.01 The Group Insurance Plan as outlined in the employees' handbook will continue for the life of this agreement.

ARTICLE 9
LEAVES OF ABSENCE

9.01 Authorization for leaves of absence for personal reasons, without pay, may be granted to an employee upon application to the Company, in writing, giving the reasons and duration of such leave and provided their service can be spared and provided that requests for leaves of absence for periods of 1 day or less need not be in writing. The employee shall attempt to apply for such leave prior to beginning their leave.

9.02 The Company will give a written reply to the employee within 3 working days of such a request stating the duration of such leave if granted. Leaves commencing within 5 days of the request will be answered as soon as possible. Failure to reply to a request for a leave within 3 working days shall grant the leave for the time requested.

9.03 If an employee adopts a child the employee will be eligible for up to 18 weeks parental leave.

9.04 A person who does not return to work when their leave of absence expires or who takes time off when a leave of absence is denied will be terminated unless the employee can provide medical evidence that they could not have returned after the leave or they provide other justified reasons.

9.05 At least 2 union representatives will be granted an unpaid leave of absence to attend 3 of the following: district, international or Canadian labour union convention or a labour conference or an educational conference. Such leave will only be granted if the Company is notified in writing at least 2 weeks in advance. If additional representatives wish to attend 1 or more of the above they may apply through normal channels and approval will be at the discretion of the employee's supervisor. No 2 representatives will be given leave at any 1 time from the same department. If attending a conference/convention/board meeting creates production problems for management the union will Co-operate with management towards resolving the problem which may include working overtime, bypassing the conference/convention/board meeting or some other mutually agreeable method of resolving the

problem. At least 1 representative will be granted an unpaid leave of absence to attend up to 4 district or division executive board meetings.

9.06 One La-Z-Boy employee from the Waterloo plant will be given an unpaid leave of absence, without benefits and insurance coverage, to serve in a full time capacity with the union. Seniority shall accumulate during such leave of absence. if the employee engages in any attempts to organize other La-Z-Boy employees, at any location, the employee's seniority and this clause will terminate immediately.

ARTICLE 10 BEREAVEMENT PAY

10.01 (a) In the event of the death of an employee's father, mother, step-parent, spouse, common-law spouse, children, step-children, brother, sister, legal guardian, grand-parent, father-in-law or mother-in-law, the employee will be entitled to 3 days absence with pay at 8 hours per day. Payment will only be made if the employee goes on the entitled bereavement leave. Employees on lay off, any type of leave of absence, vacation or holiday are not entitled to payment. The employee may be requested to provide the Company with proof of death such as an obituary notice.

10.01 (b) In the event of the death of an employee's brother-in-law or sister-in-law the employee will be entitled to 2 days absence with pay at 8 hours per day. Payment will only be made if the employee goes on the entitled bereavement leave. Employees on lay off, any type of leave of absence, vacation or holiday are not entitled to payment. The employee may be requested to provide the Company with proof of death such as an obituary notice.

10.01 (c) In the event of the death of an employee's grandchild the employee will be entitled to 1 days absence with pay at 8 hours per day. Payment will only be made if the employee goes on the entitled bereavement leave. Employees on lay off, any type of leave of absence, vacation or holiday are not

entitled to payment. The employee may be requested to provide the company with proof of death such as an obituary notice.

10.02 The Company will notify the union treasurer of the death on the same day it is notified by the employee. The union executive will notify the Company of the death on the same day it is notified by the employee.

10.03 In the event that a reasonable extension of a bereavement leave without pay is requested it will be granted.

10.04 If a death as per clause 10.01 occurs during the employee's vacation or holiday the employee may delay their vacation or holiday until later. Such vacation or holiday time must be requested in the same manner as a leave of absence in accordance with article 9. The method of payment for the holiday or vacation will be determined by the payroll department. There will be no pyramiding of payments.

ARTICLE 11 JURY DUTY AND WITNESS PAY

11.01 The Company will pay an employee who is subpoenaed for jury duty or is subpoenaed as a witness what they would have received had they worked that day without overtime, less the amount paid by the courts. The employee will be required to submit proof of service. In determining what the employee would have earned the scheduled hours for the day will be multiplied by the employee's average hourly earnings.

ARTICLE 12 BULLETIN BOARDS

12.01 The company will furnish a main bulletin board outside the cafeteria. Employees must have their supervisor's approval before posting any notice.

12.02 A bulletin board for union notices will be made available at a central location approved by union and management. Notices on this board must be in good taste and not be defamatory to the Company. The union must approve all notices placed on this board.

12.03 A bulletin board will be placed in a visible location in each department for such items as rate change notices and seniority lists. Employees must have their supervisor's approval before posting any notices.

12.04 Union notices may be posted at each time clock in an area set aside for union notices.

12.05 All notices must be in good taste and not defamatory to the Company or the union.

ARTICLE 13 HEALTH AND SAFETY

13.01 The Safety Committee consisting of bargaining unit employees appointed by the union, 1 member of the union executive and Company representatives will continue and will hold regular monthly meetings. These meetings will be held to promote the prevention, correction and the elimination of hazardous and unhealthy working conditions and practices. Both the Company and the union recognize their obligations to work for prompt and efficient solutions to health and safety problems. The number of committee members may be changed by agreement between Company and union.

13.02 The union shall submit to the Company in writing the names of the members representing the employees and the union on the Safety Committee.

13.03 Non prescription safety glasses will be provided by the Company except as outlined below and they will remain the property of the company.

13.04 Employees will be required to reimburse the Company for non-prescription safety glasses if the employee loses or damages the glasses unless the damage occurred during an industrial accident or through normal wear and tear.

13.05 Where prescription safety glasses are required the company will reimburse employees up to \$33.00 per calendar year for such glasses. The 3-year total amount, or portion thereof, may be reimbursed at any time during the life of this agreement upon presentation of receipts. Prescription safety glasses must meet C.S.A. specifications for Industrial Prescription Safety glasses.

13.06 Where safety shoes are required the company will reimburse employees up to \$47.00 per calendar year for such shoes and \$63.00 per calendar year for yard employees, millwrights, electricians, tool & die makers, production welders, Wood Finishing Department and Shipping Department employees. The 3-year total amount, or portion thereof, may be reimbursed at any time during the life of this agreement upon presentation of receipts.

13.07 An employee may be transferred, or may request to be transferred, to other available and suitable work if the employee cannot perform their work satisfactorily at their present job because of health, physical or mental condition. Employees may have their transfer, posting and bumping rights limited by mutual agreement. If no suitable work is available the employee may be laid off without bumping rights. Such action must be reasonable, and must be discussed between the parties. In the event agreement is not reached, the employee and/or union may grieve. Once an employee has a doctor's certificate stating they are capable of performing normal duties in the job from which they were removed because of their handicap they will return to their former job unless bumped from it through normal lay off procedures. If there is only 1 person doing the employees former job that person will be laid off and may bump regardless of seniority. If there is more than 1 person doing the employees former job the least senior will be laid off.

13.08 An employee who has been medically diagnosed to a drug or alcohol dependency and it affects their work or relationships at work may be required to take part in a company-sponsored assistance program. If the employee refuses to take part in the program or fails to co-operate with it the employee will be permanently laid off with no opportunity to return.

ARTICLE 14
HIRING AND DISCHARGE

14.01 All new employees and those transferred into a department shall be introduced to their department steward and safety representative during their first week in the department.

14.02 Notice of dismissal, written warnings and suspensions are to be discussed with the appropriate union steward or union executive before and during the discipline interview. If an employee is not at work when discipline is required management will discuss with the union how to relay the discipline to the employee before taking action. When a verbal warning is given the employee's union steward will be notified. If it is necessary to have someone leave the premises immediately in order to avoid physical confrontation or damage to Company or personal property neither a union steward nor union executive need be present but the employee's steward will be notified of the action immediately after the person leaves. This procedure will only be followed if the union representative was not available.

14.03 During the probationary period, employees may be terminated for any reason the Company in its sole discretion deems appropriate. Management will notify the union when probationary employees are discharged and the reason(s) for the discharge.

ARTICLE 15
GRIEVANCE PROCEDURE

15.01 The Company acknowledges the right of the union to appoint a chief steward and such number of stewards as may be agreed upon between the Company and the union to assist employees in presenting their grievances to the Company.

15.02 The union shall keep the Company notified, in writing, of the names of the authorized stewards and other officers and the respective dates of their appointments.

15.03 The Company shall keep the union advised of the names of those representing it in factory supervisory positions.

15.04 The Grievance Committee shall consist of the Chief Steward (or designee) and the President (or designee) and the appropriate steward.

15.05 The union acknowledges that the members of the Grievance Committee have their regular duties to perform on behalf of the Company and that such persons will not leave their regular duties without receiving permission from their supervisor. They shall state the nature of their business to their supervisor and shall report again to their supervisor at the time of their return to work.

15.06 The Company and union agree that employee complaints should be settled as quickly as possible. When there are complaints union and management will investigate and attempt to resolve the problem.

When an Employee has a Grievance:

STEP 1 The employee and the appropriate steward must discuss the grievance with the employee's supervisor within 5 working days of the incident, or awareness of the incident, giving rise to the grievance. The supervisor shall meet with the steward and the employee and give an answer within 2 working days after receiving the request. If someone from the Human Resources Department or a manufacturing manager is present the steward may have either the chief steward present or someone from the union executive in addition to the steward. If the employee is still dissatisfied the grievance may go through the procedure outlined below.

STEP 2 If the decision of the supervisor is not acceptable, it will be appealed in writing by the employee through the Chief Steward, to the Plant Superintendent within 2 working days from the receipt of the supervisor's decision. The Superintendent will meet with the Chief Steward, appropriate Steward and the grievor within 2 working days of receipt of the grievance and give an answer in writing within 2 working days following the date of the meeting. In the Shipping

Department Step 1 of the grievance procedure will be heard by the Traffic and Warehousing Manager.

STEP 3 if the decision of the Plant Superintendent is not acceptable the decision will be appealed in writing by the employee through the Chief Steward to the Human Resources Manager within 2 working days from receipt of the Superintendent's decision in Step 1 above. The Human Resources Manager will arrange a meeting with the Grievance Committee within 2 working days of receipt of the written appeal by the Chief Steward. The Human Resources Manager will reply in writing within 3 working days following the date of the meeting. The union may request the grievor be present.

PRE-ARBITRATION: Any grievance unsettled in Step 3 will be discussed at a pre-arbitration meeting. The company will be represented by its Plant Superintendent and Human Resources Manager. The union will be represented by its Local President and/or Chief Steward and the International Representative and/or Business Representative. This paragraph is not considered a Step in the grievance procedure and will not delay the processing of the grievance from Step 3 to Step 4.

STEP 4 in the event that arbitration of the grievance is desired by either party, the other party will be notified in writing no later than 10 working days after receipt of the Human Resources Manager's reply. The parties will agree on a single arbitrator. If no agreement can be reached on an arbitrator either party may then request the Minister of Labour for the province of Ontario to appoint one. The decision of the arbitrator will be final and binding upon the parties and upon any employee affected by it. The grievor or employees involved with the grievance may be called in with their approval as reference at any time during the grievance procedure. The arbitrator shall not have jurisdiction to alter or change any

of the provisions of this agreement nor substitute any new provisions in lieu thereof nor to give any decision inconsistent with the terms and provisions of this agreement nor to deal with any matter not covered by this agreement. The fees and expenses of the arbitrator shall be shared equally by the parties.

15.07 A grievance is a dispute concerning the interpretation, application or administration of the Agreement or alleged violation of it.

15.08 No grievance will be considered if it has not been processed according to the above provisions of this procedure. If a grievance is not processed within the time limits as set forth in all the provisions of Article 15 the said grievance will be considered to have been dropped. If management fails to answer a grievance within the time limits set forth in the provisions of this article then said grievance will be moved up to the next step. If management cannot meet within the time limits it will schedule the grievance meeting(s) during working hours. Whenever possible grievance meetings will be held outside of working hours but where such meetings, or portions thereof, are held during working hours employees will be paid at base rate.

15.09 Nothing contained in this article prohibits the parties from agreeing to amend the time limits contained herein.

15.10 Grievance forms will be provided by the company.

15.11 All grievances must be made out in quadruplicate. 2 copies are to go to the union, 1 copy for the Human Resources Manager and 1 copy to the Plant Superintendent. Grievances must be signed by the grievor(s) when possible except where the grievance affects the entire department or plant. All grievances must explain what the problem is and what remedy is being sought.

15.12 Probationary employees are on a trial period. Therefore, they will not file grievances as defined in Article 15.07 and no grievance will be filed on their behalf if they are discharged.

15.13 In the event of the dismissal of an employee having seniority the grievance procedure will automatically begin with Step 3 of Article 15.06.

15.14 The company or the union may have such counsel or other assistants present as they may desire when grievances are taken up.

15.15 The Local President will have up to 4 hours paid for conducting union business per week (non-accumulative). The Chief Steward will have up to 2 hours paid per week for conducting union business (non-accumulative). The President and Chief Steward may allocate portions of their time to other executive members. Payment for all hours used in this clause shall be at base rate. The Chief Steward and Local President will get permission from their respective supervisors when leaving their job during working hours and obtain permission from the supervisor of the department that they are entering. Permission will not be unreasonably denied.

15.16 Pre-arbitration meetings and settlement officer meetings will be paid at base rate if held during working hours.

ARTICLE 16 SENIORITY AND EMPLOYMENT

16.01 A part time employee is one who is scheduled to work less than 25 hours per week. If such an employee in fact, averages 25 hours per week or more over a period of 4 weeks, the employee shall be deemed a full time employee until their average number of actual hours worked returns to less than 25 hours averaged over a period of 8 weeks. It is the responsibility of such an employee to notify the Human Resources Department, in writing, whether or not they wish to be enrolled for Group Insurance as a full-time employee.

16.02 All new employees will have a probationary period of 3 calendar months.

16.03 When their probationary period ends employees will have seniority rights dating from the day on which they started their employment. Probationary employees have no seniority rights other than those specified elsewhere of this agreement.

16.04 During their probationary period the employees will not be members of the union. The union will not represent such employees except as indicated in this Agreement. Fringe benefits shall not apply to probationary employees except for bereavement and jury duty. Probationary employees will be eligible to receive holiday pay after 1 calendar month. Failure to provide these fringe benefits will allow the union to grieve for these benefits on behalf of the probationary employees.

16.05 A person assigned to La-Z-Boy by an agency will have the time spent working for La-Z-Boy count as probationary time as per the other clauses of this Article. If they are subsequently hired by La-Z-Boy their seniority date will be the day they were first paid by La-Z-Boy. Their waiting time for group insurance will begin on the day they were first paid directly by La-Z-Boy.

16.06 Students shall not take work away from a bargaining unit employee except by agreement between management and union and shall only be employed for their seasonal vacations or their school's work term. Students shall not have seniority rights or other benefits under the contract. They shall not be employed when bargaining unit employees are laid off except by agreement between management and union.

16.07 The company will make available in the canteen 2 current seniority lists of all employees, departmental lists on departmental boards monthly and give copies of same to the union executive. The first will be overall seniority starting with the most senior employee to the least senior employee according to starting dates. The second will provide not only names and starting dates but will also include department and work group.

16.08 Seniority will be cancelled if:

- (a) the employee quits
- (b) the employee is discharged for just cause
- (c) the employee retires
- (d) the employee has been laid off for a maximum of 24 months or the life of this agreement, which ever is greater.

- (e) the employee fails to return to work within the time limits specified in article 19.11.
- (f) the employee's leave of absence, W.C.B. leave, pregnancy leave or sick leave expires and the employee does not return immediately following the leave unless there is justifiable evidence for not returning.
- (g) the employee is absent without reporting for 5 consecutive working days for whatever reason or 3 consecutive working days without just cause.

16.09 It is the employee's responsibility to keep the company and the union informed in writing of the employee's current address and phone number and failure to do so will negate all clauses of this agreement where either the company or union is required to contact the employee.

16.10 If a discharged employee is re-instated by the company during the settlement of a grievance the employee will keep their seniority and will be deemed to have accumulated seniority for the time they were absent except where required otherwise by an arbitrator.

16.11 if a member of the bargaining unit is hired into a full time salaried position they may return to the bargaining unit within 6 months if they so wish and with the approval of both management and the union executive. In returning to the bargaining unit they will return to their former position and the person in that position will return to their own former position and so on. Seniority will not be considered in these movements. Job posting time limits will not be applied to employees forced to return to their former positions because of a person returning to the bargaining unit. If, through a job posting, a person is awarded a position that was held by someone who moved to a salaried position the time limits specified in Article 16 will not apply for the salaried person's trial period.

16.12 Employees must retire from the company (terminate their employment) by the end of the 3rd month following their 65th birthday.

16.13 When 2 or more employees have the same starting date the most senior will be the person who started on the first shift followed by the person who started on the second shift, followed by the date the application was filled out.

16.14 Seniority will commence from the most recent starting date of continuous employment regardless of whether the employee worked any or all the time on a part time basis.

ARTICLE 17

RATES, RATE GRIEVANCES AND JOB EVALUATIONS

17.01 (a) In order to ensure the accuracy of rates the company will review rates when any of the below occur and where necessary adjust them.

1. if there is a change in manufacturing procedures.
2. If there is a change in work content.
3. If there is a change in material or equipment.

New rates may be issued per the above if such changes affect a majority of elements in the rate.

Where a rate must be changed the affected time study elements will be adjusted by the amount of the change in the changed elements.

17.01 (b) Once a new rate becomes permanent, employees may develop methods of improving production without negatively affecting quality, safety or causing damage to equipment or machines. These employee initiated improvements will not be the basis for restudy unless changes to equipment or machines is necessary or the change negatively affects others.

17.01 (c) A "permanent" rate set by time study becomes permanent as soon as issued.

17.01 (d) If a rate is implemented, and a review of the rate is requested, Time Study will restudy the rate within the next 3 lays of said model. Each lay must have at least 15 units.

Restudy requests must be made in writing within 6 calendar months of the date the rate is issued. Where there are no lays of at least 15 units each, the rate will be restudied within 3 calendar months. In departments where lays are not used past practice will continue. If after 6 months there is a problem with the rate a management-union rate team will investigate the problem and decide whether a restudy is to be done.

17.01 (e) If the restudy is unacceptable, the union time study specialist will review the study. If the union time study specialist agrees with the rate, it will be regarded as completed.

17.01 (f) If there is a difference of opinion between the Company and union time study persons, the rate will be subject to the grievance procedure.

17.02 A temporary rate may be issued for up to 2 calendar months. Management and union may agree to further extensions.

17.03 Clerical errors will be corrected whenever they are discovered and may be grieved if the rate is altered because of the correction. Clerical errors will not be corrected on any rate that has been arbitrated.

17.04 Changes in the procedures of piecework jobs will be recorded and a copy given to the appropriate steward within 5 working days after the changes have been made.

17.05 Notification that a rate has been set or changed will be given to the department's steward, the union president and all employees affected.

17.06 The employee affected by a rate change may examine the time study data in the time study office with the department's steward and/or union time study expert.

17.07 Instead of an arbitration panel the grievance will be referred to a single arbitrator experienced in industrial engineering and chosen by agreement between Company and union. Where no agreement can be reached the Ministry of Labour will be asked to appoint an arbitrator who is experienced in industrial engineering.

17.08 The arbitrator's task will be to determine if the work measurement is equitable and properly based on the correct application of the time study principles used by the Company.

17.09 The arbitrator's fees and expenses will be shared equally by the parties.

17.10 Except as noted above, and the addition of the industrial engineer and a union time study analyst to each step of the grievance procedure, the terms and procedures for rate grievances will be identical to grievances outlined in Article 15.

17.11 No time studies will take place during the first half hour of a shift or during overtime.

17.12 (a) It is the Company's responsibility to make sure all jobs are graded. Jobs will be graded by management in accordance with the job evaluation manual used in June, 1987. If the union disagrees with the grading a Job Evaluation Committee composed of 2 management and 2 union representatives will re-evaluate the job. If there is still disagreement an independent arbitrator, experienced in job evaluation, will be asked to evaluate the jobs and the decision will be binding. If the Company and union cannot agree on an arbitrator the Minister of Labour will be asked to appoint an arbitrator experienced in job evaluation. The request to go to arbitration must be made within 10 working days of the re-evaluation of the job by the Job Evaluation Committee. If the evaluation is taken to arbitration the grading as it stood prior to the change will remain until the arbitrator's decision unless there is agreement between Company and union to do otherwise. The arbitrator's grading will be effective the date management originally determined the new or re-evaluated grade should be effective.

17.12 (b) Official requests for a re-evaluation or for a first time evaluation are made by completing a Job Evaluation Review Request form and giving it to the Time Study Department. If a job grade increases, arrears are paid back to the date of the official request. If a grade moves down the

effective date will be the Monday following the date of the official request. Any employee request must be signed by the Local's president.

17.12 (c) The joint evaluation committee shall meet no less than twice yearly to ensure that job evaluations, job descriptions and bumping codes are appropriate. Any changes made by the joint evaluation committee will be posted.

17.13 When it becomes necessary to train someone as the union's time study person the Company will train that person at a school selected by management. The employee will be selected by management from a list of candidates presented by the union.

17.14 The Company agrees to permit the union's time study people access to time study records and to perform such studies as are necessary to carry out this function and to pay these people "average" while doing so. The union time study people will not abuse this privilege and will obtain the supervisor's approval before undertaking these duties. The union shall be given a copy of all standard data used by the Company. Similarly, the union time study people will give the Industrial Engineering Department access to their time study data if there is a disagreement over the results.

17.15 A temporary rate may be replaced by another temporary rate only after a request for a review of the rate is received from an incentive employee or if 17.01(a) occurs.

17.16 In order to allow adequate healing employees returning to work to an incentive job from a repetitive strain injury will be required to take the letter in Appendix V to their doctor. The employee will not be permitted to return to work without this letter being returned to the Company.

17.17 (a) When the question arises of whether the work content of a new model is identical or different than the work content of a current model the decision will be made by a group composed of a supervisor, someone from the Industrial Engineering Department, a union time study analyst and someone appointed by the union president who is familiar with the

work content of the current model. The union president will provide the industrial engineer with an up-to-date list of his appointees for each work group.

17.17 (b) If, in the introduction of a new model, a majority of the elements are identical in comparison to one existing model then those elements will be used in calculating the new rate and the balance of the elements will be studied. On issue of the new rate the issue sheet will indicate what model the existing elements were taken from. If the employees in the work group feel that the comparison should be with a different model then the group will decide if this should have been done. If agreed upon then it will be done. If no agreement can be made then the original permanent rate of the new model will be used. If the new model is identical then the rate of the existing model will be used. If it is not identical a temporary rate will be issued and clause 3.14 will apply. It may also be decided that, in creating a new rate, the previously developed standard data is applicable for all or a portion of the work content of a new model.

17.17 (c) If possible the decision will be made before the new model is put into production.

17.17 (d) It is recognized that separate decisions may have to be made for each operation.

17.17 (e) If the union time study person verifies that a rate is unreasonably inaccurate then clause 3.14(a) will apply. A rate is unreasonably inaccurate if it is more than 10% above or below the rate in question.

ARTICLE 18 NON-BUMPING TEMPORARY TRANSFERS

18.01 Management may temporarily transfer an employee, without regard to seniority, if that person's specific skills are needed in another job. When 2 or more employees from the same work group have the same specific skills the most senior

will be offered the job first. Such transfers are not to exceed 3 calendar weeks unless agreement has been made with the union.

18.02 Payment for a non-bumping temporary transfer will be according to Article 3.

18.03 If employees are required to work inventory management will determine who is qualified and those qualified will be selected by seniority. A list of those selected to work inventory will be posted. An employee may question, within 3 working days of the posting, why they weren't selected. Management will give the person a reply. Previous inventory experience does not automatically make a person qualified.

18.04 Inventory pay will be in accordance with past practice and shall continue for the duration of the Agreement.

**ARTICLE 19
INDEFINITE LAY-OFFS AND RECALLS**

- 19.01 (a)** Notification of an indefinite lay off must be given to the affected employee, at least 1 calendar week before the effective date. Within reason the company must inform the employee as to the duration of the lay off. If the employee cannot be notified at work or by a phone call a letter may be sent to the employee and clause 16.09 will apply.
- (b)** On or following the date of notification of lay off company representative(s) and the appropriate union representative(s) as assigned by the union will meet with the most senior employee to be laid off and discuss the employee's options. This process will then continue with each employee to be laid off.
- (c)** Any employee who bumps to another shift is allowed until their next scheduled shift in accordance with 4.01(B) before they must give their