

COLLECTIVE AGREEMENT

Between

DISTINCTIVE DESIGNS FURNITURE INC.

**CLAYSON ROAD PLANT
(hereinafter referred to as the “Company”)**

And

**UNITED STEELWORKERS
(United Steel, Paper and Forestry, Rubber, Manufacturing, Energy,
Allied Industrial and Service Workers International Union)
On Behalf of its LOCAL 8300-17
(hereinafter referred to as the “Union”)**

Effective: February 7th, 2008

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ARTICLE 1

PURPOSE OF AGREEMENT

- 1.01 The purpose of this Agreement is to provide orderly collective bargaining relations between the Company and its employees covered by this Agreement and to secure prompt and fair disposition of grievances, to secure the efficient operation of the Company's business without interruption or interference with work, and to provide fair and equitable wages, hours and working conditions for the employees. It is recognized by this Agreement to be the desire of the Company, the Union and the employees to co-operate fully, individually and collectively for the advancement of these objectives.

ARTICLE 2

RECOGNITION AND SCOPE

- 2.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all of its employees in the Municipality of Metropolitan Toronto, save and except forepersons and persons above the rank of foreperson, office, clerical and sales staff and bargaining units for which a Trade Union already holds bargaining rights.
- 2.02 The parties agree that the Product Development personnel who are excluded from the bargaining unit will continue to perform the same kind and type of work which has customarily been performed by them that is related to the work being performed by those employees included in the bargaining unit. It is understood that this type of work is design, redesign and experimental. Management employees shall not perform regular production work except in cases of experimentation, instruction, demonstration, design and redesign.
- 2.03 The Company agrees to notify the Union prior to contracting out any bargaining unit work. The parties agree that there shall be no contracting out of bargaining unit work if such contracting out will directly result in the layoff of current employees.

ARTICLE 3

RELATIONSHIP

- 3.01 The Company and the Union agree to observe and abide by the provisions of the Ontario Human Rights Code. In particular, the Company and the Union agree that there shall be no discrimination in the administration of the provisions of this Agreement including the promotion, transfer, training, layoff, discharge or discipline of employees because of race, ancestry, place of origin, color, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offenses, marital status, family status or handicap as defined under The Human Rights Code.
- 3.02 The Company agrees it shall not interfere, restrain, coerce or discriminate against their employees and their lawful right to become and remain members of the Union and to participate in its activities.

ARTICLE 4

MANAGEMENT RIGHTS

- 4.01 The Union recognizes the right of the Company to hire, promote, or transfer employees and to suspend, demote, discharge or otherwise discipline any employee for just cause subject to the terms of this Agreement.
- 4.02 The Union further recognizes the responsibility of the Company to operate its business in all respects in accordance with its commitments and responsibilities. The location of equipment, the products to be manufactured, the number of employees, the schedules of production, the methods, processes and means of manufacturing are exclusively the responsibility of the Company.
- 4.03 It is agreed that the above management's rights shall not be exercised in a manner which violates any of the provisions of this Agreement.

ARTICLE 5

NO STRIKES OR LOCKOUTS

- 5.01 In view of the orderly procedure established by this Agreement for the settling of disputes and the handling of grievances, the Union agrees that, during the lifetime of this Agreement, there will be no strike, picketing, slowdown or stoppage of or interference with work or production, either complete or partial, and the Employer agrees that there will be no lockout of employees.
- 5.02 The terms "strikes" and "lockouts" as used above will be defined in accordance with the definitions set out in The Labour Relations Act of the Province of Ontario.

ARTICLE 6

UNION SECURITY

- 6.01 The Company shall deduct Union dues including, where applicable, initiation fees and assessments, on a weekly basis, from the wages of each employee covered by this Agreement. The amount of dues shall be calculated in accordance with the Union's Constitution and shall be deducted as a condition of employment.
- 6.01 All dues, initiation fees and assessments shall be remitted to the Union forthwith and, in any event, no later than fifteen (15) days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the International Secretary Treasurer of the United Steelworkers, P.O. Box 13083, Postal Station "A", Toronto, ON M5W 1V7, in such form as shall be directed by the Union to the Company along with a completed Dues Remittance Form R-115. A copy of the Dues Remittance Form R-115 will also be sent to the Union office designated by the Area Coordinator.
- 6.02 The remittance and the R-115 form shall be accompanied by a statement containing the following information;
- a) A list of names of all employees from whom dues were deducted and the amount of dues deducted and;

b) A list of the names of all employees from whom no deductions have been made and reasons for the failure to deduct.

6.03 The Union shall indemnify and save the Company harmless against all claims or other forms of liability that may arise out of any actions taken by the Company in compliance with this Article.

6.04 The Company when preparing T-4 slips for employees, will enter the amount of Union dues paid by the employee during the previous year.

6.05 **HUMANITY FUND:**

The Company agrees to deduct, on a weekly basis, the amount of (not less than \$0.01) per hour from wages of all employees in the bargaining unit for all hours worked and, prior to the 15th day of the month following, to pay the amount so deducted to the "Humanity Fund" and to forward such payment to United Steelworkers, National Office, 234 Eglinton Avenue East, Suite 800, Toronto, ON M4P 1K7 and to advise in writing, both the Humanity Fund at the aforementioned address and the local union that such payment has been made, the amount of such payment and the names of all employees in the bargaining unit on whose behalf such payment has been made.

ARTICLE 7

UNION REPRESENTATION

7.01 The Company acknowledges the right of the Union to appoint or otherwise select one (1) Chairperson and two (2) Union Stewards for the purposes of representing employees in the handling of complaints and grievances.

7.02 The Company shall be notified in writing by the Union of the names of the Plant Chairperson and the Union Stewards and the Company shall not be required to recognize any Plant Chairperson or Stewards until it has been so notified.

7.03 The Company agrees to recognize and deal with a Union Grievance Committee of not more than three (3) employees including the Plant Chairperson.

7.04 When the legitimate business of a Grievance Committee person or Union Steward requires him to leave his workstation and/or department, he shall first receive permission from his foreman (such permission shall not be unreasonably withheld).

7.05 If an authorized representative, who is not employed by the Company wants to speak to local union representatives about a grievance or other official business, he shall request permission in advance from the plant manager, or his designated representative, who shall then call the local union representative to an appropriate place where they may confer privately. These talks will be arranged so that they will not unduly interfere with production and permission shall not be unreasonably withheld.

7.06 The Company agrees that Stewards and Grievance Committee Persons shall not suffer loss of pay for time spent in the handling of grievances in the grievance procedure or for time spent in any other meeting called by the Company with respect to the administration of this Collective Agreement.

ARTICLE 8

NEGOTIATING COMMITTEE

- 8.01 The Company agrees to recognize and deal with a Negotiating Committee of not more than three (3) employees, including a Union Steward, who shall be regular employees of the Company along with representatives of the International Union.
- 8.02 The Company agrees to pay fifty percent (50%) of the wages for the Negotiating Committee for time spent at conciliation and mediation.

ARTICLE 9

GRIEVANCE PROCEDURE

- 9.01 The purpose of this Article is to establish a procedure for the settlement of grievances.
- 9.02 An employee who has a complaint relating to the interpretation, application, administration or alleged violation of this Agreement, must first discuss his complaint with his Supervisor. Such a complaint shall be brought to the attention of the Supervisor within three (3) working days of the incident giving rise to the complaint.

Step 1

Should the employee be dissatisfied with the Supervisor's disposition of the complaint or not receive an answer, he may, with the assistance of his Union Steward, refer such matter on a written grievance form supplied by the Union to his Supervisor within five (5) working days of the incident giving rise to the complaint. The Supervisor shall answer the grievance in writing within three (3) working days. The grievance shall specify the provisions of the Agreement of which a violation is alleged, contain a brief statement of facts relied upon, indicate the relief sought and be signed by the employee.

Step 2

If no settlement is reached at Step 1, the Grievance Committee and representatives of Management shall meet within five (5) working days of receipt of the reply of the Supervisor to discuss the grievance. The Union's Field Representative may be in attendance at this meeting. If the grievance is not settled within five (5) working days, it may be referred to arbitration as hereinafter provided.

- 9.03 The Company shall not be required to consider any grievance which is not presented within five (5) working days after the grievor and the Union first became aware of the alleged violation of the Agreement.
- 9.04 If final settlement of the grievance is not reached at Step 2, then the grievance may be referred in writing by either Party to Arbitration as provided in Article 11, at any time within thirty (30) calendar days after the decision is received under Step 2.
- 9.05 When two (2) or more employees wish to file a grievance rising from the same alleged violation of the Agreement, such grievance may be handled as a group grievance.
- 9.06 The Union or the Company shall have the right to initiate a policy or a grievance of a general nature, and all provisions of the Grievance and Arbitration Procedures shall apply to such grievances.

- 9.07 The time allowance provided in this Article may be extended by mutual Agreement between the parties in writing. Any complaint or grievance which is not commenced or processed through the next stage of the Grievance or Arbitration Procedures within the time specified shall be deemed to have been dropped.
- 9.08 At Step 2 of the grievance procedure or beyond, including arbitration, the conferring parties may have the assistance of the employee(s) concerned and any necessary witnesses and relevant records. All reasonable arrangements will be made to permit the conferring parties, or the arbitrator, to have access to the plant to view disputed operations and to confer with the necessary witnesses.
- 9.09 Any suspension issued will be served on consecutive shifts.

ARTICLE 10

DISCHARGE AND DISCIPLINARY ACTION

- 10.01 A claim by an employee who has completed his probationary period that he has been discharged or suspended, without just cause, shall be a proper subject for a grievance, if a written statement of such grievance is lodged at Step 2 of the Grievance Procedure within ten (10) working days after the employee receives notice that he has ceased to work for the Company or returns to work after a suspension as the case may be.
- 10.02 An employee who has been dismissed without notice, shall have the right to interview his Union Steward, for a reasonable period of time, before leaving the Company premises.
- 10.03 When a derogatory notation is placed against the record of an employee, a copy of such notations shall be given to the employee and the Union. In the event that a period of twelve (12) calendar months has elapsed since a derogatory notation was placed upon an employee's personnel record and no further derogatory notation has been placed against such employee's personnel record during the twelve (12) calendar month period, such derogatory notation shall be removed from the employee's personnel record unless mutually agreed between the parties or in the case of a suspension which an arbitrator imposes.
- 10.04 Probationary employees may have their employment terminated at the sole discretion of the employer and such termination shall not be the subject of a grievance unless the termination was arbitrary, discriminatory or in bad faith. The Company agrees to notify the Union when the employment of a probationary employee is terminated.
- 10.05 A discharge or suspension grievance may be settled as follows:
- a) confirming the management's action in dismissing or suspending the employee or;
 - b) reinstating with full seniority and pay or;
 - c) any other arrangement, which is just and equitable in the opinion of the conferring parties or the arbitrator.

ARTICLE 11

ARBITRATION

- 11.01 Where a difference arises between the parties relating to the interpretation, application or administration of this Agreement, including any question as to whether a matter is arbitrable or where an allegation is made that this Agreement has been violated, either party may, after exhausting any Grievance Procedure established by this Agreement notify the other in writing of its desire to submit the difference or allegation to arbitration.
- 11.02 The Arbitration Procedure incorporated in this Agreement shall be based on the use of a single arbitrator.
- 11.03 The grieving party shall submit a list of three (3) arbitrators for consideration. If none of the three (3) are chosen, Then the other party shall within one (1) week of the date of the first list, submit a list of three (3) different names for consideration. If none are selected, either party may ask the Ministry of Labour to make an appointment.
- 11.04 If either party feels that the time taken for a chosen arbitrator to hear the case is too long, they may by mutual Agreement choose another arbitrator or ask the Minister to make an appointment.
- 11.05 Except where otherwise provided for in this Agreement, each of the parties hereto will bear its own expense with respect to any arbitration proceedings. The parties hereto will bear jointly the expenses of the arbitrator on an equal basis.
- 11.06 The Arbitrator shall not be authorized, nor shall the Arbitrator assume authority to alter, or amend any part of this Agreement, nor to make any decision inconsistent with the provisions thereof, or to deal with any matter not covered by this Agreement.
- 11.07 The decision of the Arbitrator shall be final and binding on the Parties.

ARTICLE 12

SENIORITY

12.01 Probationary Employees

Newly hired employees shall serve a probationary period of sixty (60) days worked within a one hundred & twenty (120) day period and shall have no seniority rights during this period. Until a probationary employee shall obtain seniority status as herein before provided his name shall not appear on any seniority list. Upon completion of the probationary period, the employee's name shall be added to the seniority list dating from the first day of hire.

- 12.02 (a) There shall be two (2) types of seniority, being departmental and plant-wide seniority. One main plant-wide seniority list and one departmental seniority list shall be prepared to cover all employees who have completed their probationary period.
- (b) In the event of a layoff or recall for a period which extends beyond the remainder of a working day or a working shift, an employee may exercise departmental seniority. In the event of a layoff or recall for a term in excess of five (5) working days, an employee may exercise

plant-wide seniority. The seniority right for an employee may be exercised provided he has the skill, ability, experience and qualifications to perform the required work. In determining the skill, ability, experience and qualifications of an employee under this Article, the Company agrees that it will not act in an arbitrary manner.

(c) Permanent transfers will be based primarily on the skill, ability, experience and qualifications of the employee concerned, but as between two persons of approximately equal standing based on the above factors, seniority shall govern. The Company shall not discriminate or act in an arbitrary manner and any employee who claims that he has been discriminated against in this regard is entitled to invoke the grievance procedure. The filling of supervisory positions shall not be subject to the provisions of this Agreement. This Article shall not apply to transfers brought about due to layoff or because of a demotion.

(d) The decision as to whether an employee has the skill and ability to perform a particular job will include the expectation that the employee will require up to a one (1) shift familiarization period. This will not be interpreted as a training period. The employee must have the skills necessary to perform the job before the job is awarded.

12.03 (a) Laid off employees shall be called back to work in the inverse order to that in which they were laid off subject to the skill, ability, experience and qualifications of any employee to perform the required work. Should any employee dispute a decision of the Company in this regard, he may present a written grievance.

(b) Whenever there are employees on short term or long term layoff and the Company finds it necessary to hire additional employees for new or unfilled classifications, the employees who are on layoff shall be granted preference by the Company before hiring new employees.

12.04 Seniority shall be maintained and accumulated during;

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

12.05 An employee shall lose his seniority standing and his name shall be removed from all seniority lists and his employment deemed terminated for any one of the following reasons:

1. if the employee voluntarily quits;
2. if the employee is discharged for just cause and is not reinstated in accordance with the provisions of this Agreement;

3. a) If the employee is laid off and fails to return to work within ten (10) working days after he has been notified to do so by the Company by telephone followed by registered mail to his last known address and a copy of such notice shall be sent to the Union. It shall be the employee's responsibility to keep the Company notified as to any changes of his address or telephone number, so that they will be up to date at all times. An employee to whom a registered letter or telegram is sent in accordance with this Article, will have his job held open to him for a further period of ten (10) days provided that he personally contacts the Company within ten (10) working days of receipt of the notice of return to work. The Company shall have the right to have the work performed without regard to seniority pending the return to work of an employee under this Article;

4. If the employee has been on layoff for lack of work for a period of more than eighteen (18) consecutive months or the period equal to his seniority, whichever is lesser;
5. When an employee is absent without leave for a period greater than three (3) working days without providing an explanation satisfactory to the Company;
6. An employee who retires.

12.06 The Union will be provided with plant-wide and departmental up-to-date seniority list for each department on or about June 30 and December 31 of each year. Copies will be posted on the plant bulletin boards for employee inspection and copies of such seniority list shall be mailed to 25 Cecil Street, Toronto office of the Union. The Company also agrees that the seniority list provided to the Union will set out the employee's classification and rate of pay.

12.07 **Notice of Layoff**

An employee who is sent home due to lack of work prior to the end of the employee's regularly scheduled shift shall be given two (2) hours' notice or be paid two (2) hours' pay in lieu of notice at the employee's base rate. It is understood that this provision does not apply in the case of accident or act of God such as power failure or equipment breakdown.

12.08 **Job Vacancies**

(a) Announcements of opportunities for all permanent job vacancies in new or existing jobs within the bargaining unit will be posted on the bulletin boards for a period of three (3) full working days prior to the filling of the job vacancy. Employees desiring consideration in the filling of the job vacancies shall signify their desire by signing the job notice during the period in which it is posted. All jobs will be filled within five (5) days from the date of removal of the job vacancy announcement.

(b) In filling any posted vacancy under this Article, the Company will consider the requirements of operations and the skill, ability, experience and qualifications of the individual to perform the normal required work and where these are, in the opinion of the Company, equal, seniority shall govern. If the job is not filled as a result of the posting or if no suitable applications are received, the Company reserves the right to hire. Except for a vacancy occasioned by the placing of the successful applicant in the position so posted, any further vacancy may be filled by the Company without posting.

(c) Jobs shall not be considered vacant when employees are not at work because of sickness, accident, or authorized leave of absence. However, if it is known that an employee is to be absent from work because of sickness, accident or on leave of absence for more than sixty (60) working days, the job shall be posted and the provisions of this Article shall apply. When the absent employee returns, the employee replacing him shall, if necessary, return to his previous job.

(d) Should any employee selected prove unsatisfactory within ten (10) working days, he may apply or may be required to be returned to his former job when another suitable employee can be found to fill the position. In the event that an employee selected proves unsatisfactory, the vacancy thereby occasioned may be filled without further posting.

(e) Any employee who has successfully bid under this Article shall not be entitled to bid on a posted job for six months from the date of his successful bid except by the mutual Agreement of the Company and the Union.

12.09 Preferential Seniority

The Plant Chairperson and the Steward shall have top seniority in the plant in case of layoff provided they have the skill, ability, experience and qualifications to perform the work in question.

12.10 Employees promoted to supervisory or other positions, which disqualify them from being subject to this Agreement, shall accumulate seniority for a period of six (6) months following such transfer and should such employees decide to return to the bargaining unit or are returned by the Company during the six (6) month period, they shall be returned to the job classification and department held by such employee immediately prior to such transfer. No employee subject to the above may return to the bargaining unit once the six (6) month period has expired, other than as a new employee.

ARTICLE 13**LEAVE OF ABSENCE**

13.01 The Company in its sole discretion may grant a leave of absence of up to forty-five (45) calendar days without pay to employees for legitimate personal reasons. The employee may renew such a leave of absence at the end of the forty-five (45) day period. Leaves of Absence will not be granted to an employee for the purpose of working elsewhere. The Company agrees that its discretion will not be exercised in an arbitrary, discriminatory or bad faith fashion. If an employee feels that the Company's discretion in refusing a leave of absence has been exercised improperly, the employee may ask the Plant Manager to review the refusal by the employer giving full reasons for the leave of absence request and why the employee feels the request was denied improperly.

13.02 Any leave of absence granted by the Company shall be in writing and shall set out the length of the leave of absence granted, the purpose of the leave, and the terms, if any, on which it is granted.

13.03 Employees who have been elected or appointed by the Union to attend Union conventions or conferences or to other union business shall be granted a leave of absence by the Company provided no more than three(3) such employees are absent from work on such leave at any time. The Union will notify the Company in writing, as early as possible prior to the start of the leave, of the names of the members requiring leave. Seniority will accumulate during such period. There will be no more than two (2) employee's from one department.

13.04 The Company agrees to continue the pay of any employee absent from work on Union business leave under Article 13.03 and the Union shall reimburse the Company for such wage payment, including reimbursement for all mandatory deductions and statutory deductions and contributions including E.I, CPP, Employer Health Tax and WSIB premiums, within fifteen (15) days of receipt of a monthly statement.

13.05 The Company agrees to grant an employee leave of absence without pay for up to one (1) year to work in an official capacity for The Union, provided such request is made by an authorized representative of the Union. An extension of up to one (1) year shall be granted if requested in writing. Seniority shall continue to accrue for the employee while on this leave of absence.

ARTICLE 14

BULLETIN BOARDS

14.01 The Company agrees to provide enclosed bulletin boards with a lock in areas accessible to employees in the plant for the purpose of posting meeting notices and official Union information. Notices will be signed and posted only by officers of the Union and will be in keeping with the spirit and intent of This Agreement

ARTICLE 15

SAFETY AND HEALTH

15.01 The Company and the Union shall maintain an Occupational Safety and Health Committee consisting of not more than three (3) members elected or appointed by the Union and not more than three (3) members appointed by the Company.

15.02 The general duties of the Occupational Safety and Health Committee shall be:

- (a) To make a monthly inspection of the place of employment for the purpose of determining hazardous conditions, to check unsafe practices and to receive complaints and recommendations with respect to these matters.
- (b) To investigate promptly all serious accidents and any unsafe conditions or practices which may be reported to it, such investigations shall include accidents which might have caused injury to a workman, whether or not such injury occurs.
- (c) To hold regular meetings at least every three (3) months for the discussion of current accidents, their causes, suggested means of preventing their recurrence, and reports of investigations and inspections.
- (d) To keep records of all investigations, inspections, complaints, recommendations together with minutes of meetings. The minutes shall indicate what action has been taken with respect to suggestions or recommendations previously made, and if no action has been taken, the reasons therefore shall be given.
- (e) The Union Chairperson of the Committee shall accompany all authorized Safety Inspectors and W.S.I.B. personnel on tours of the plant and evaluation of jobs and shall receive copies of any reports sent to the Company pertaining to such inspections.
- (f) Accident, injury and occupational illness records shall be kept by the Company, and shall be made available to the joint Occupational Safety and Health Committee. These records shall include all reports required by The Ministry of Labour under the Occupational Health & Safety Act. The Company also agrees to make available to the Committee upon request, the trade name and or technical description (including chemical analysis, if available) of any compounds and substances used at the workplace.
- (g) The Company agrees to provide the local Union Co-Chair a copy of each Form 7 when it is submitted to the WSIB.

15.03 The Company, the Union and the employees will cooperate in the prevention of accidents and

the enforcement of safety rules in the plant.

- 15.04 It is agreed between the parties that no employee shall be penalized by reason of his refusal to operate a faulty machine provided, however, that any employee working on a machine found to be faulty by him will notify management immediately of such fault, and in the event that management does not attempt to rectify such fault when so informed, the earnings of the employee will not be affected during the period of neglect by the Company.
- 15.05 The Company will post Part III of The Occupational Health & Safety Act in prominent places throughout the plant.
- 15.06 The Company shall supply all protective clothing, such as gloves, (but not including safety shoes) which the Company requires employees to wear in order to protect employees from injuries arising from their employment with the Company.

ARTICLE 16

GENERAL

16.01 Gender

Wherever the MALE GENDER is used throughout the Articles within this Agreement, it is agreed that The FEMININE GENDER is an acceptable substitute whenever and wherever the feminine gender is applicable.

16.02 Where the SINGULAR is used throughout the Articles within this Agreement, it is agreed that the PLURAL is an acceptable substitute whenever and wherever the plural gender is applicable.

16.03 The Company agrees to provide lunch room facilities.

16.04 The Company agrees to provide a copy of plant rules.

16.05 The Company agrees to provide tool lockers for employees who are required to provide tools to perform their work or who have been provided by the Company with tools to perform their work. It is also agreed that new employees shall be provided with a set of any tools required by the Company. All employees are responsible for their own tools and for the replacement of lost tools. Tools are not to be removed from the Company premises. Damaged tools will be replaced by the Company provided that the employee turns in the tool to the Company and the Company is satisfied that the tool needs to be replaced due to normal wear and tear. In the event that the employee asks the Company to provide him with a replacement for a lost tool, the Company shall be authorized to deduct the cost of such replacement from the employee's wages.

ARTICLE 17

REPORTING PAY

17.01 Unless employees are notified not to report for work, employees who report for work at their regular starting time and for whom no work is available, shall receive not less than four (4) hours of work that is available at the rate of pay applicable to the job provided, or if no work is available shall receive four (4) hours of pay at their straight time hourly rate.

17.02 The provisions of this Article shall not apply in the event of strikes, power failure, equipment breakdown or any other conditions beyond the control of the Employer which prevent the Employer from providing work or where the Employer is unable to advise the employee or leave a message not to report for work because the employee has not provided his current address and telephone number to the Employer.

ARTICLE 18

CALL-IN PAY

18.01 If an employee is called into work after having left the employers premises after the completion of his regular scheduled shift, he shall receive a minimum of three (3) hours' pay at his straight time hourly rate or three (3) hours at his average hourly earnings based on the preceding thirteen (13) weeks for piece-workers. This provision shall not be applicable to overtime hours worked in conjunction with an employee's regular scheduled shift and there shall be no duplication of the premium with any other premium provided under this Agreement.

ARTICLE 19

PAYMENT FOR INJURED WORKERS

19.01 In the event that an employee is injured in the performance of his duties, he shall, to the extent that he is required to stop work and receive treatment, be paid wages at average earnings for the remainder of his shift if it is necessary. The Company will provide, or arrange for, suitable transportation for the employee to the doctor or hospital and back to the plant and/or to his home as necessary.

ARTICLE 20

JURY AND WITNESS DUTY

20.01 An employee shall be granted leave of absence with pay at his straight time hourly rate, for the normally scheduled number of hours the employee would have otherwise worked for the purpose of serving jury duty, or as a material witness subpoenaed by the Crown; provided that the employee reimburses the Company to the full amount of jury pay or witness fees, excluding the expense allowance received by him.

20.02 Any employee called for jury or witness duty shall be transferred to day shift during the period he is required to serve.

ARTICLE 21

PLANT HOLIDAYS

21.01 (a) The following shall be recognized as holidays to be paid for on the basis of eight (8) hours' pay at the straight time hourly rate for hourly rated workers or eight (8) hours' average hourly earnings for piece-workers based on the preceding thirteen (13) weeks:

New Year's Day
 Good Friday
 Victoria Day
 Canada Day
 Civic Day

Labour Day
 Thanksgiving Day
 Christmas Day
 Boxing Day
 Easter Monday

or days celebrated in lieu thereof, regardless of the day on which it falls.

(b) An employee who has been employed by the Company for more than twenty years shall be entitled to three (3) paid floater days during the Christmas shutdown.

21.02 An employee will be paid for a holiday provided he:

(a) works his last full scheduled shift on the working day which immediately precedes and his first full scheduled shift on the working day which immediately follows such holiday;

(b) is on the active payroll of the Employer and not on leave of absence, sick leave, W.S.I.B. or layoff and;

(c) has completed his probationary period as specified in this Agreement.

(d) If an employee is disqualified from receiving the holiday pay due to an absence while on sick leave or layoff, the employee shall receive the holiday pay provided the employee works at least one (1) day in the week prior to the holiday or at least one (1) day in the week following the holiday and provided the employee provides adequate medical evidence (in the case of sick leave) and any amounts received by an employee from an insurer with respect to the sick leave are deducted from the holiday pay.

21.03 If an employee works on any of the said holidays, he shall be paid for all hours worked on the holiday at one and one-half times his straight time hourly rate of pay in addition to his holiday pay as herein provided for. If an employee who is a piece-worker works on any of the said holidays, he shall be paid at his regular piece-work rate for all hours worked on the holiday with an additional payment of his hours worked on the holiday at one half (1/2) times his straight time hourly rate of pay in addition to his holiday pay as herein provided for.

21.04 If any of the above holidays fall or are observed during an employee's vacation, he shall be entitled to an extra day's vacation with pay.

21.05 If any of the above holidays fall on a Saturday or Sunday, then the employer shall designate either the preceding Friday or the following Monday as the holiday and such designated day shall be considered the holiday.

ARTICLE 22

VACATION WITH PAY

22.01 An employee who on the 30th day of June of each year has:

(a) three (3) months of service but less than one (1) year of service shall be paid four percent (4%) of his earnings received from the employer prior to June 30th of that year;

(b) one (1) year of service or more shall be given two (2) weeks of vacation with pay. Vacation pay shall be four percent (4%) of the employee's earnings for the year ending June 30th.

(c) six (6) years of service or more but less than fifteen (15) years of service, shall be given three (3) weeks of vacation with pay. Vacation shall be six percent (6%) of the employee's earnings for the year ending June 30th.

(d) fifteen (15) years or more of service shall be given four (4) weeks of vacation with pay. Vacation shall be eight percent (8%) of the employee's earnings for the year ending June 30th.

22.02 Vacation shall not be accumulated or waived, but must be taken within the current calendar year.

22.03 An employee who leaves the employment of the Company for any reason prior to June 30th (the end of the vacation year) shall receive the vacation pay which he has earned up until the date of termination of his employment.

22.04 Earnings shall mean total taxable earnings from wages and shall exclude contributions to taxable benefit plans.

22.05 Vacation pay and wages shall be paid by separate cheque.

ARTICLE 23

WAGES

23.01 The Company agrees to pay and the Union agrees to accept for the term of this Agreement wages as set out in the wage Appendix "A" attached hereto and forming part of this Agreement.

23.02 The rates for all existing piece-work jobs and all jobs which are converted into piece-work jobs by the Employer in the future shall have their piece-work rate determined in accordance with Appendix "B" attached hereto and forming part of this Agreement. "Piece-work rate" and "incentive rate" are interchangeable terms in this Agreement.

23.03 The starting rate for all new employees will be the rates set out in Schedule "A". New employees on hourly jobs will have their rate adjusted to the job rate upon completion of the probationary period & new employees on incentive will be paid at their probationary rate in Schedule "A" during the probationary period until they have earned standard or better for three consecutive weeks at which time they shall receive incentive rate.

23.04 When the Company introduces a new job classification, the parties agree to meet to negotiate a rate of pay for the new job. If the parties fail to agree on a rate of pay for the new job, then the Company shall have the right to install the rate proposed by the Company and the Union shall have the right to file a grievance. The rate for the new job will be based on the rates for the existing jobs in the plant.

23.05 Employees will be paid on every Thursday and the Company will use its best efforts to provide the pay to employees prior to noon on such days.

23.06 (a) An employee who is temporarily transferred to meet the Company's convenience to another job for which the regular rate is less than that which the employee is receiving shall retain his former rate, and if such transfer is to a job with a higher rate, the employee shall receive the higher rate paid for such job provided the time spent on the new job is one (1) hour or more.

(b) An employee who is temporarily transferred from his regular job due to lack of work shall be paid the rate of pay for the job to which he is transferred provided the time spent on the new job is one (1) hour or more.

23.07 The Company agrees to pay all incentive rate employees their straight time rate for all down time while the employee remains at work.

ARTICLE 24

HOURS OF WORK AND OVERTIME

24.01 The regular work week shall consist of forty (40) hours made up of five (5) days of eight (8) hours each Monday through Friday. The regular schedule of hours of work shall be from 7:30 a.m. to 4:00 p.m. Monday through Friday with a one half (1/2) hour unpaid lunch and two fifteen (15) minute paid breaks. The Company shall post a notice to employees at least forty-eight (48) hours prior to any change in their regularly scheduled hours of work.

24.02 All authorized overtime work performed shall be paid at the rate of one and one half (1 -1/2) times the employee's straight time hourly rate. In the case of employees who are piece-workers, such employees shall be paid at their regular piece-work rate with an additional one half (1/2) times their straight time hourly rate for all authorized overtime hours. For the purpose of this article, authorized overtime work shall be considered to include only the following:

- (a) working hours performed before an employee's normal starting time at the request of the company;
- (b) working hours performed after an employee's normal quitting time, provided the employee has either worked his full normal eight (8) hour shift or commenced to work after his normal starting time at the request of the company;
- (c) working hours on Saturday's and Sunday's

24.03 All overtime must be authorized by the Employer. Overtime shall be voluntary. However, if the Company has insufficient volunteers for overtime work, overtime shall be mandatory with employees with the required skill, ability, experience and qualifications to perform the required work, being required to work in reverse order of seniority Employees shall be entitled to a paid fifteen (15) minute break if required to work two (2) more hours of overtime.

24.04 There shall be no pyramiding of overtime rates or other premiums under this Agreement.

24.05 This Article is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work, regularly assigned hours or for any hours per day or per week or of days of work per week.

- 24.06 During slack periods, the Company agrees that if employees in a department are provided work less than thirty-two (32) hours per week for a period of three (3) consecutive weeks or any four (4) out of any consecutive six (6) week period, employees will be laid off pursuant to the terms of the Collective Agreement in order to increase the average hours of work for employees in the department providing the remaining workforce has the skill, ability, experience and qualifications to meet the production needs of the company.
- 24.07 Overtime required to be performed Monday to Friday inclusive shall be requested from employees in the following order of preference:
- (a) to the employee who is performing the particular work that will still be in progress in the overtime hours;
 - (b) according to departmental seniority to those employees who are willing and have the required skill, ability and qualifications to perform the overtime work assignments. Overtime required to be performed on a Saturday, Sunday or a holiday (excluding any regular shift which commenced on or ends on one of these days) shall be requested from employees in order of departmental seniority provided that the employees are willing and have the skill, ability and qualifications to perform the overtime work assignments.
- 24.08 The following special provision shall apply with respect to the afternoon shift and the night shift notwithstanding any other provisions in the collective Agreement.
- a) Employees working on the afternoon shift, which is currently scheduled from 4:00 p.m. to 12:00 midnight Monday through Friday, shall have a paid fifteen (15) minute break in the first half of the shift and an unpaid twenty (20) minute lunch period with a fifteen (15) minute paid break in the second half of the shift. Employees working on the afternoon shift shall receive a 25-cent per hour premium for all hours worked on that shift.
 - b) Employees working on the night shift, which is currently scheduled from 12:00 a.m. to 7:30 a.m., Tuesday through Friday and 12:00 a.m. to 10:00 a.m. on Saturday, shall have a paid fifteen (15) minute break in the first half of the shift and an unpaid twenty (20) minute lunch period with a paid fifteen (15) minute break in the second half of the shift. Saturday hours on the night shift are paid at straight time. Employees working on the night shift shall receive a forty (40) cent per hour premium for all hours worked on that shift.

ARTICLE 25

HEALTH AND WELFARE

- 25.01 (a) The Employer shall pay 100% of the monthly premium costs for all employees who have completed their probationary period and are not on leave of absence or layoff for the following benefit plans:
- (i) Group life insurance (\$25,000.00);
 - (ii) Accidental death and dismemberment (\$25,000.00);
 - (iii) Drug Plan (Ontario Drug Benefit Formulary, approved drug list unless drug is specifically excluded by physician - 80% co-insurance - family coverage);

- (iv) Dental Plan (80 % co-insurance except as otherwise stated) (family coverage)
 - Current ODA fee guide
 - six month recall
 - basic dental (cleaning, fillings, x-rays and exams)
 - level II dental (root canal, etc)- 50% co-insurance \$1,500 per year maximum for each family member
- (v) Eye Glasses (family coverage)
 - \$200 once every 24 months
- (vi) Weekly Indemnity
Carve out plan with employment insurance program, waiting period: 7 illness, 0 day accident or hospitalization. 26 week maximum

25.01 The Company will match an employees contribution to a group RRSP account of 1% of employee's gross earnings.

25.02 It is understood that the obligation on the part of the employer to pay the monthly premium costs for any benefit for any employee or his/her dependent shall not apply in the event that the employee or his/her dependents are covered for any one or more of the benefits under a policy or plan which is provided for and paid for by the employer of the husband or wife of any employee.

25.03 It is further understood that the payments made by the employer as outlined above shall constitute the total and full responsibility of the employer during the term of this Agreement toward the cost of the fringe benefit program.

25.04 Benefit plan documents and policies shall be provided upon request to the Union Staff Representative.

25.05 The Company agrees to pay the premiums as outlined above for eligible employees who are absent from work while on WSIB benefits or verified illness to a maximum of six (6) months or the period prescribed by statute, whichever is longer.

25.06 The Company agrees to pay the premiums as outlined above until the termination of employment of an employee except for employees on layoff for whom premiums shall be paid until the end of the month in which they are laid off.

ARTICLE 26

FUNERAL LEAVE

26.01 The Employer shall pay an employee up to three (3) 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 wife, husband, father, mother, mother-in-law, father-in-law child, brother or sister. Payment shall be made only to the extent of the time lost while making arrangements for and/or attending the funeral. In order to qualify the employee must have completed his probationary period and may be required by the Employer to provide satisfactory proof of death. Employees who are unable to attend the funeral but otherwise qualify for funeral leave, shall be entitled to one day off with

pay at the employee's straight time hourly rate for all regular time lost in the event of death of one of the individuals covered by this Article.

ARTICLE 27

MISCELLANEOUS PAYMENTS

27.01 The Employer agrees to pay to each employee who is required to wear safety boots by the Employer and who provides an adequate receipt to substantiate his claim up to \$100.00 every one (1) year for the purchase of safety boots which meet the requirements of the Employer.

27.03 The Employer agrees to provide a pair of non-prescription safety glasses to all employees who are required to wear such safety glasses by the Employer.

ARTICLE 28

TERMINATION

28.01 This Agreement shall become effective on the 7th day of February, 2008 A.D., and shall continue in effect up to and including the 6th day of February, 2010 A.D.

28.02 Either party desiring to renew or amend this Agreement may give notice in writing of its intention during the last ninety (90) days of its operations.

28.03 If notice of the intention to renew or amend is given by either party pursuant to the provisions of the preceding paragraph, such negotiations shall commence not later than fifteen (15) days after such notice or as soon thereafter as is mutually agreed.

28.04 If pursuant to such negotiations, an Agreement is not reached on the renewal or amendment of the Agreement prior to the current expiration date, the Agreement shall continue in effect in accordance with the terms of the Ontario Labour Relations Act.

Duly executed by the Parties hereto this 17th day of June, 2008 A.D.

SIGNED ON BEHALF OF THE COMPANY

SIGNED ON BEHALF OF THE UNION

APPENDIX "A"

Straight Time Hourly Rate	Feb. 7, 2008	Feb 7, 2009
General Labour\Skilled	\$11.19	\$11.41
Cushion\Back Filling – Leather	\$11.19	\$11.41
Springers	\$10.52	\$10.73
Inspectors	\$11.19	\$11.41
Operators – Leather	\$12.43	\$12.68
Lining Cutter	\$11.62	\$11.85
Cutters Helper	\$12.03	\$12.27
Hand Leather Cutter	\$15.17	\$15.47
Die Press Cutter	\$11.32	\$11.55
Seat Maker Trimmer	\$14.68	\$14.97
Upholsterer	\$15.67	\$15.98
Upholstery Repair Helper	\$12.57	\$12.82
Utility	\$17.13	\$17.47
Taurus Operator	\$12.12	\$12.36
Motion Assemblers	\$12.32	\$12.57
Final Inspector	\$12.05	\$12.29
Fabric Sewers	\$11.39	\$11.62
Fabric Cutter / Machine Operator	\$13.76	\$14.04
Gluer	\$12.03	\$12.27

** Start rates 50 cents less than straight time hourly rate.

NOTES:

- 1) Lead Hands shall receive a premium of 10% of the applicable straight time hourly rate and this premium shall be included in the lead hand's straight time hourly rate for the purpose of Articles 17, 18, 20, 21, 24 & 26.

- 2) Operators – Leather who are doing sample sewing shall receive a premium of 10% of the applicable straight time hourly rate while working on samples and this premium shall be included in the employee’s straight time hourly rate for the purpose of Articles 17, 18, 20, 21, 24 & 26 where applicable.
- 3) Employees in non-piece-work jobs as of the date of ratification, shall have their current straight time hourly rate red circled for all non-piece-work performed during the life of this contract for all work performed in their current classification.
- 4) Employees in piece-work jobs as of the date of ratification, shall have their current straight time hourly rate red circled during the life of this contract for all work performed in their current classification.
- 5) Wage increases shall be made during the life of this contract in accordance with Schedule “A”.
- 6) It is specifically agreed that the following individuals shall be red circled under notes (2) and (3) and shall continue to receive their current rate of pay, despite the fact that it is higher than the rates set out in Appendix “A”, and shall also be entitled to receive any wage increases (5 above) during the life of this contract:

Employee Name	Classification	Rate
Rampadarat, Fred	Upholsterer	17.19**
Oswald, Hubert	Springer	11.59**

**Straight Time hourly rate only. Piecework will be paid as per the contract.

APPENDIX “B”

TIME STUDY OBSERVATIONS

The Company agrees that whenever time study observations are taken the following conditions shall prevail.

- a) The Company shall notify Department Stewards or the Chairman prior to the taking of a time study.
- b) The Operator shall have knowledge that the observation is being made.
- c) Employees who are to be studied for the purpose of incentive rates shall be average, experience employees working on the particular operation.
- d) Time studies shall be taken under normal working conditions when using stock and material that the operator can normally expect to receive. All information pertinent to the work performed and being studied, shall be recorded in detail showing all the elements into which the operation has been broken down, the element and points, the sequence of elements, the methods, the motion pattern, and a sketch showing the location of tool, equipment and stock.
- e) Whenever a time study is made of any task of operation, the time study person shall before leaving the particular work site, furnish in writing the Union Official involved, the following information:
 - (i) the duration of the time study;
 - (ii) the number of units produced during that time; and
 - (iii) the level at which the employee's performance rated

The final tabulation, expressed in minutes, will be provided within two (2) working days.

- f) The Department Steward of an employee may, in his discretion, check to confirm that the above conditions have been complied with.
- g) The Company will provide time study data (as opposed to predetermined time) to the Union Staff Representative of Chief Steward.
- h) All incentive rates shall enable the average worker working the normal incentive pace to make between twenty percent (20%) and thirty percent (30%) above base rate while working on incentive. The incentive rate shall include a fifteen percent (15%) allowance that is built into all standards for personal time, fatigue and unavoidable delays when calculating incentive rates for fabric upholstery. A twenty percent (20%) allowance will be used in calculating incentive rates for leather upholstery.
- i) Incentive workers on new jobs such as new styles or new methods will receive their average hourly earnings for piecework based on the preceding 13 weeks until a final rate is set by the Company.
- j) All incentive standards in effect at the signing of this Agreement shall not be changed for other than one or more of the following reasons:
 - i) a change in tools or equipment, layout, materials, design, methods (but not the

employee's coordination and proficiency), sequence of operations, or other factors which have an effect equal to at least five percent (5%) of the existing standard for The Operation Variations of less than five percent (5%) may be accrued and an adjustment rate made when the accrued changes amount to five percent (5%) of the existing standard. It is understood that where such job changes have occurred, the changes in the incentive rate will be limited to those parts of the job changed. It is further understood that a change in name or style number does not constitute a change;

(i) to correct obvious errors or omissions; or

(ii) the parties agree that no incentive standards existed at the time of setting the rates for "old" styles ("old" styles are defined as styles for which no documented time study exists and the list of "old" styles is attached to this Agreement as Appendix "C"). The parties further agree that all rates in effect at the signing of the Agreement for "old" styles will not be changed and that all new styles which are introduced during the lifetime of this Agreement will have rates set with proper time study observations and standards being developed utilizing the procedures set out in paragraphs (a) through (i) above.

APPENDIX "C"

SPRINGING DEPARTMENT

331	334	335	402	403	405	406	426	440	456
501	705	747	766	990	994	2222	2585	3334	3336
3350	5501	8750	8752	9043	9044	9075	9233	9249	9264
9265	9328	9337	9338	9348	9350	9368	9422	9424	9440
9441	9446	9455	9456	9457					

UPHOLSTERY DEPARTMENT

331	334	335	405	406	426	440	501	747	766
990	994	2222	3336	8750	9075	9233	9249	9264	9265