

COLLECTIVE AGREEMENT

BETWEEN

AMS INDUSTRIES LTD.

AND

**UNITED STEELWORKERS OF AMERICA
(ON BEHALF OF LOCAL UNION 2952)**

April 1, 2003 to March 31, 2007

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COLLECTIVE AGREEMENT

BETWEEN: AMS INDUSTRIES LTD.

(hereinafter referred to as "the Company")

**AND: UNITED STEELWORKERS OF AMERICA
(ON BEHALF OF LOCAL UNION 2952)**

(hereinafter referred to as "the Union")

WITNESSETH:

WHEREAS it is the intent and purpose of the Parties hereto that this Agreement will promote and improve industrial and economic relationships between the Company and the Union, and to set forth herein the basic Agreement covering rates of pay, hours of work, and conditions of employment to be observed between the Parties hereto.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the Parties hereto mutually agree as follows:

ARTICLE 1 - BARGAINING AGENCY AND RECOGNITION

- 1.01 The Company recognizes the Union as the sole and exclusive bargaining agency for its employees, as described in the current Certification issued by the British Columbia Department of Labour, for the purpose of collective bargaining with respect to rates of pay, hours of employment and other conditions of employment.
- 1.02 Persons whose regular jobs are not in the bargaining unit will not work on any jobs which are included in the bargaining unit except for the purposes of instruction and experimentation or in emergencies when regular employees are not available.

If a grievance originates from this subsection it will be instituted at Step #2 of the grievance procedure.

ARTICLE 2 - DEFINITION OF EMPLOYEE

- 2.01 The term "employee" as used in and for the purpose of this Agreement shall include those employees of the Company at and from the Company's present or relocated premises for which the Union is certified, except those employees excluded by the Labour Relations Code of British Columbia.

ARTICLE 3 - MANAGEMENT

- 3.01 Management rights exercised by the Company, unless expressly limited by this Agreement, are reserved to and are vested exclusively in the Company. Provided, however, that this Article will not be used in a discriminatory manner against any employee or group of employees.

ARTICLE 4 - UNION SECURITY PROVISIONS

- 4.01 (a) The Company agrees that any present employee of the Company who, at the date of the signing of this Agreement, is a member of the Union, will, as a condition of continued employment, maintain membership in the Union in good standing.
- (b) All new employees after the renewal date of this Agreement will, as a condition of continued employment, join the Union after completing his probationary period, and as a condition of continued employment maintain membership in the Union in good standing.
- 4.02 (a) The Company agrees to deduct once each month from the earnings of every employee covered by this Agreement such dues as may be fixed by the International Union and communicated to the Company by the Union. The total amount so deducted, with an itemized statement of same in duplicate will be forwarded to the Union in the manner provided for in subsection (d) hereof.
- (b) The Company agrees to deduct an International Union Assessment or Assessments, when advised to do so by the International Treasurer or his Deputy, from the earnings of every employee covered by this Agreement. The total amount so deducted, with an itemized statement of same in duplicate, will be forwarded to the Union in the manner provided for in subsection (d) hereof.
- (c) The Company agrees to deduct an initiation fee in the amount authorized by the employee upon receipt of an authorization, signed by such employee. The total amount so deducted, with an itemized statement of same in duplicate, will be forwarded to the Union in the manner provided for in subsection (d) hereof.
- (d) Cheques will be made payable to Jim English (or his successor), International Treasurer of the United Steelworkers of America. Until further notice from the Union, all cheques will be forwarded to the United Steelworkers of America, Unit D, Box 34223, Vancouver, B.C., V6J 4N1, made payable to the aforesaid and prior to the 15th of the month next following that in which the deductions apply. The monthly remittance shall be accompanied by a completed USWA R115 Form (a summary of the dues calculations made for the month, each month), as deductions have been made and the total deducted for the month. Such statements shall also list the names of the employees from whom no deductions have been made and the reason why, ie. W.C.B., W.I., laid off, etc.
- (e) A duplicate R115 Form and employee deduction statement as in d) above shall be forwarded by facsimile to: United Steelworkers of America, Local Union 2952, Attention: Financial Secretary (604) 525-4568.
- 4.03 The Company agrees to have all present and future employees covered by this Agreement, as a condition of continued employment, sign a check-off card authorizing the Company to implement the provisions of 4.02 hereof, and the Union agrees to indemnify the Company and hold it harmless against any claim which may arise in complying with the provisions of this Article.
- 4.04 Union members are to be supplied with Union deduction totals for income tax purposes. The Company agrees to show on employees' "T4" slips the total Union deductions for the previous taxation year.

ARTICLE 5 - HOURS OF WORK

- 5.01 **DAY SHIFT** The standard work day will consist of eight (8) hours, worked between the hours of 7:30 a.m. and 4:30 p.m. with a designated thirty (30) minute lunch period.

- 5.02 **AFTERNOON SHIFT** Where a second shift is employed, the hours of work will be nine and one-half (9 1/2) for which ten (10) hours will be paid, Monday to Thursday for four (4) shifts per week between the hours of 4:00 p.m. and 2:00 a.m., plus a premium of one dollar (\$1.00) per hour. There will be a thirty minute lunch period.
- 5.03 **CHANGE OF START AND STOP TIMES** By mutual agreement between the Company and the Union Plant Committee the regular starting and stopping times of standard work shifts may be changed.
- 5.04 **REGULAR WEEK** Five shifts, Monday to Friday inclusive, will constitute a regular week's work on all shifts.
- 5.05 **WORK PERFORMED ON SATURDAY, SUNDAY AND PLANT HOLIDAYS**
- (a) Double rate will be paid for work performed on:
- Saturdays
 - Sundays
 - on Plant Holidays as listed in Article 6
- (b) Double rate will not be paid for work performed :
- On a night shift, when completing the fifth weekly shift on Saturday after midnight Friday.
 - On Saturday by employees on a Tuesday to Saturday work schedule, except when such Saturday is one of the Plant Holidays.
 - when commencing on a night shift on a Sunday prior to midnight and ending Monday morning.
- 5.06 **OVERTIME**
- (a) **OVERTIME DAILY** All overtime will be paid for at double rate.
- (b) **OVERTIME - VOLUNTARY** The Parties are agreed that all overtime will be voluntary.
- (c) **OVERTIME MEAL** Employees requested to work more than two (2) hours overtime after completion of their regular shift, will be given one-half (1/2) hour on Company time to eat their lunch and will be given \$7.00 meal money.
- (d) **OVERTIME DISTRIBUTION** Overtime will be distributed equitably among the employees in a particular job classification who have signified voluntarily that they will work overtime. The Company will prepare a list, which will be posted, of such employees, commencing with the most senior employee, and the overtime work will be rotated among the employees on that list commencing with the most senior employee. Employees should not be called in to perform work outside their job classification, except when there are no employees in that job classification available to do the work.
- (e) **OVERTIME - WHERE SHIFT PREMIUM PAID** If overtime is worked on a shift where a shift premium is paid, the shift premium will not be included in the rate for the calculation of overtime.
- 5.07 **REST BETWEEN SHIFTS** Employees will have eight (8) hours rest between shifts. In the event an employee is recalled to work before such eight (8) hours elapse, he will be considered as still working on his previous shift and will be paid the appropriate premium rate for the hours worked.

The above will not apply where the shorter second shift hours do not allow eight (8) hours between shifts.

- 5.08 **HOURS BEFORE AND BEYOND REGULAR SHIFTS** Hours worked before regular starting time and beyond regular quitting times shall be considered as overtime and paid as per 5.06(a) for time worked, except when other arrangements are made by mutual agreement between the Company and the Union Plant Committee.
- 5.09 **LUNCH PERIOD** The mid-shift lunch period will be mutually arranged between the Company and the Union Plant Committee. If employees are required to work during the mid-shift lunch period they will be given an alternate lunch period but not more than four and one-half (4 1/2) hours from the shift start time or as mutually agreed upon.
- 5.10 **EMPLOYEE CHANGE OF SHIFTS** If an employee is required to change shifts more than once in a calendar week he will be paid at double rate for the balance of the week, unless the second change is to return to his original shift.
- 5.11 **SHIFT CHANGE** Shift changes, listing individuals, will be posted four (4) calendar days in advance.
- 5.12 **GUARANTEED DAY** Subject to the exceptions set forth in this Section and in Section 5.14, any employee reporting for work at the start of the employees' shift, will be registered eight (8) hours work at the employee's regular job, or pay equal thereto, provided that, if there are insufficient hours of work available at the employee's regular job, the employee will perform such other work as may be assigned to the employee to qualify for such pay. This provision will apply only once each day and it will only apply to an employee's regular shift.

The provisions of this Section will not apply in case of shutdowns necessitated by emergencies beyond the control of the Company, or if the employee:

1. Voluntarily quits
 2. Was previously instructed not to report. In such event or circumstance the employee will then only be paid for the actual time he worked.
 3. Does not work a full shift at his own request.
 4. Reports for work on a shift for which he was not scheduled.
- 5.13 **CALL TIME** Employees recalled to work after leaving the premises of the Company, after completion of their regular shift, will be paid double rate for all hours worked, with a guaranteed minimum payment of two (2) hours at double rate, i.e., four (4) hours at straight time rate.
- 5.14 **WORK SHORTAGE - CREW REDUCTION** In the event of a work shortage or a reduction or discontinuance of operations, the Company will discuss with the Union for the purpose of considering shortening the working hours and/or working week as an alternative to laying off employees.
- 5.15 **MAINTENANCE SHIFTS - TUESDAY TO SATURDAY** By mutual agreement between the Company and the Union a Tuesday to Saturday maintenance shift may be instituted. Where a Tuesday to Saturday shift presently exists it may continue. Employees on this Tuesday to Saturday shift will be paid twenty dollars (\$20.00) bonus for Saturday work.

ARTICLE 6 - PLANT HOLIDAYS

6.01 All employees covered by this Agreement will receive eight (8) hours' pay at their regular straight time rates for each of the following Plant Holidays (regardless of the day on which the holiday falls) in addition to any wages which they may be in receipt of for work performed on such holidays:

- | | |
|-------------------|---------------------|
| 1. New Year's Day | 7. B.C. Day |
| 2. Heritage Day | 8. Labour Day |
| 3. Good Friday | 9. Thanksgiving Day |
| 4. Easter Monday | 10. Remembrance Day |
| 5. Empire Day | 11. Christmas Eve |
| 6. Dominion Day | 12. Christmas Day |
| | 13. Boxing Day |

6.02 When Plant Holidays fall on Saturday or Sunday they will be celebrated on Monday, and when they fall on consecutive Saturday and Sunday or consecutive Sunday and Monday, they will be celebrated on the following Monday and Tuesday.

6.03 Should any of the above holidays occur during an employee's vacation period, he will be given an extra day's vacation with pay for each holiday to be taken at the beginning of or the end of the holiday period.

6.04 In order to qualify for eight (8) hours' pay for the above Plant Holidays the employee must have completed thirty (30) calendar days employment with the Company.

6.05 Disciplinary action may be taken in instances where employees fail to work the day before or the day after a Plant Holiday except where permission was previously obtained or the employee had a justifiable reason for being absent.

6.06 Employees not actively employed because of:

- Lay-off
- Unpaid leave of absence
- Illness) and not eligible for W.C.B.
) payments for the involved
- Injury) Plant Holiday(s)

and who work some time within the fourteen (14) day period prior to, or the fourteen (14) day period following the Plant Holiday(s) in question, will qualify for Plant Holiday pay for such Plant Holiday(s).

ARTICLE 7 - VACATIONS WITH PAY

7.01 (a)

-Less than one year	1 day for each major fraction of month worked (max. 10 working days)	4%
-1 yr but less than 3 yrs	2 weeks	4% or 2 wks*
-3 yrs but less than 8 yrs	3 weeks	6% or 3 wks*
-8 yrs but less than 15 yrs	4 weeks	8% or 4 wks*

-15 years but less than 22	5 weeks	10% or 5 wks*
-22 years and over	6 weeks	12% or 6 wks*

*pay at employee's current classified rate whichever is greater at the time the vacation is taken.

7.01 (b) Any employee hired after date of ratification, having less than two (2) years service will be paid on a percentage of earnings basis only if they work less than 1500 hours in any vacation year (cut-off date to cut-off date).

7.02 **VACATION ALLOTMENT - SICKNESS - INJURY - LAYOFF** Authorized leave of absence for sickness or accident or other causes acceptable to the Company, excluding layoff beyond two (2) months, shall not effect the employee's right in respect to vacations with pay.

7.03 **CUTOFF DATE** Employees vacation years will be adjusted to the employees anniversary date.

7.04 **VACATION PERIOD** Vacations will be scheduled by May 1st of each year for the vacation period of June 1st to September 30th. Employees will have preference of vacation periods in accordance with their seniority within departments and/or job groupings, to the extent that they will not unduly interfere with production schedules.

7.05 **VACATION EXCEEDING TWO WEEKS** Vacations with pay in excess of two (2) weeks for which employees may be eligible shall be scheduled sufficiently in advance and taken at a mutually agreed upon time, that will not unduly interfere with production schedules.

7.06 **VACATION SHUT-DOWN** The Company reserves the right to shut down a part or all of an operation, for a part or all of a schedule vacation, during the period of July 1st to August 31st. The date of the shut-down period will be announced by April 1st.

7.07 **VACATION PAY - WHEN PAYABLE** Vacation pay will be paid a minimum of one (1) week but in no case more than two (2) weeks in advance of vacation. The amount of the vacation payment will relate directly to the portion of the vacation time entitlement which is being taken at that particular time.

7.08 **VACATION PAY - ON TERMINATION** Employees who leave the employ of the Company will be paid vacation pay at the time of severance on the following percentage basis on the earnings of the employee for which vacation pay has not been previously paid.

- Less than 3 years employment.....4%
- 3 years less than 8 years employment...6%
- 8 years less than 15 years employment...8%
- 15 years and over.....10%

ARTICLE 8 - SENIORITY

8.01 (a) **SENIORITY PRINCIPLE** The Parties recognize that job opportunity and seniority should increase in proportion to length of service. It is agreed that the term "seniority" as used herein, shall have reference to an employee's right to a job based upon his length of service with the Company, and his potential to efficiently fulfill the job requirements.

(b) All promotions, transfers, filling of vacancies, lay-offs, terminations, and rehiring after lay-offs or terminations will be done strictly in accordance with the principles set forth in 8.01(a).

- (c) **PROBATIONARY PERIOD** Seniority of each employee covered by this Agreement will be established after a probationary period of forty-five (45) days worked which may be accumulated over a period of six (6) months.

8.02 **SENIORITY WILL BE MAINTAINED AND ACCUMULATED DURING:**

- (a) occupational injury
- (b) absence from employment while serving in the non-permanent armed forces of Canada.
- (c) absence due to illness or non-occupational injury.
- (d) jury duty, Union gatherings and collective bargaining negotiations.
- (e) authorized leave of absence.
- (f) lay-off for the following periods, after which an employee's seniority will terminate:
 - 1. Less than 12 months seniority - 6 months
 - 2. Over 12 and less than 60 months - 12 months
 - 3. Over 60 months - 24 months

8.03 **SENIORITY STANDING WILL BE CANCELLED IF AN EMPLOYEE:**

- (a) voluntarily leaves the employ of the Company
- (b) over-stays authorized leave of absence except by reasons of force majeure
- (c) is discharged and not reinstated under the terms of this Agreement
- (d) is recalled to work and does not report within six (6) working days of receiving notice by registered mail
- (e) is still on lay-off and the seniority retention period has elapsed as described in 8.02(f)
- (f) leaves the bargaining unit for more than twelve (12) months to work in a supervisory capacity.

8.04 **RECALL PROCEDURE** Laid-off employees with seniority will be given the first opportunity to be rehired. Employees will be notified of recall by telephone, telegraph, or other type of message which will be confirmed by registered mail. An employee being recalled must return to work as soon as reasonably possible after the first notice of recall as described above, but no longer than six (6) working days after receipt of the registered notice. A copy of the notice will be given to the Shop Steward or Union Committeeman.

It is the responsibility of laid-off employees to keep the Company informed of their current address and telephone number.

- 8.05 (a) **SENIORITY LISTS** The Company will prepare Seniority lists of all employees and present to the Union within thirty (30) days of the signing of the Agreement. This list will be posted for a period of sixty (60) days, and will establish the seniority, regular rate and classification of an employee who does not protest his status in writing, within the said sixty (60) days. Said lists will commence with the most senior employee, carry on downward to the most junior employee, and contain the following information:
 - 1. employee's name and clock number
 - 2. employee's starting date
 - 3. employee's length of service in years and days
 - 4. employee's regular classification and regular rate of pay
 - 5. probationary employees will also be shown on the list
- 8.05 (b) **SENIORITY LISTS - ADDITIONAL** Additional revised lists will be furnished to the Union as required from time to time. The Union agrees not to request such lists more frequently than once each three (3) months except during the months of April thorough September when they will be supplied each month if requested.

- 8.06 (a) In the event legislation governing lay-offs is implemented which overrides the Collective Agreement, an employee who is entitled to severance pay as a result of a lay-off may elect to take the severance pay at that time, or at any other time up to the end of the employee's recall rights. In the event the employee accepts such severance pay, the employee's seniority and recall rights shall be terminated.
- (b) Severance pay shall include pay in lieu of notice of lay-off.

ARTICLE 9 - SAFETY & HEALTH

- 9.01 (a) The Company agrees that it is the responsibility of the Company to make adequate provision for the safety and health of the employees during the hours of their employment.
- (b) The Union and the employees agree to co-operate fully with the Company on all matters of health and safety.
- 9.02 **SAFETY COMMITTEE** It is mutually agreed that a Safety Committee consisting of employees selected by the Union will meet with a Management representative or representatives not less frequently than once a month. Minutes of such meetings will be posted on the notice board.
- 9.03 **HOUSEKEEPING AND SANITATION** All employees, as well as the Company, will observe the rules of good housekeeping and sanitation.
- 9.04 **WASHROOM, LUNCHROOM** Adequate washroom, lunchroom and a place to hang clothing will be provided by the Company and kept in a sanitary condition. The Company will supply towels, soap, and other supplies normally found in rest rooms. Employees will co-operate by observing the rules of cleanliness.
- 9.05 **INJURED EMPLOYEE - REPORTING PROCEDURE** Any employee suffering an injury while in the employ of the Company (performing or engaged in any activity which is covered by Workers' Compensation) must report to this Department (Attendant) on returning to work.
- 9.06 **INJURED EMPLOYEE - TRANSPORTATION** Employees injured on the job will be provided free transportation by the Company to and from a doctor's office, or a hospital and will be accompanied by a qualified person with First Aid training, if available on the Company premises. Employees requiring transportation home from a doctor's office or hospital following initial treatment shall be reimbursed for costs of such transportation.
- 9.07 **INJURED EMPLOYEE - DAILY EARNINGS** If an employee is injured on the job and a doctor recommends no further work on that day, the Company will maintain the employee's normal daily earnings for the day of injury.
- 9.08 **EMPLOYEES WORKING ALONE** Where an employee is employed under conditions where he might be injured and not be able to secure assistance, the employer shall devise some method of checking on the well-being of the workman at intervals which are reasonable and practicable under the circumstances.
- 9.09 **SAFETY BOOT ALLOWANCE** The Company will on April 1st, 1998 contribute one hundred dollars (\$100.00) to each employee having completed six (6) months service for the purchase of safety boots. On April 1st, 1999 the contribution will be one hundred five dollars (\$105.00). On April 1, 2000 the contribution will be one hundred ten dollars (\$110.00). On April 1st, 2001 the contribution will be one hundred fifteen dollars (\$115.00). On April 1st, 2002 the contribution will be one hundred twenty dollars (\$120.00).

ARTICLE 10 - GENERAL PROVISIONS

- 10.01 **CONSULTATION WITH UNION - PRIOR TO CERTAIN CHANGES** The Company agrees to consult with the Shop Steward or Grievance Committeeman if available on the premises prior to discharging, laying-off, transferring, promoting or demoting any employee.
- 10.02 **BULLETIN BOARDS** The Union will have the exclusive use of one Bulletin Board on the premises of the Company and provided by the Company for the purpose of posting official Union notices which may be of interest to Union members. All such material may be posted only upon the authority of the Executive Committee of the Union or Shop Stewards of the plant.
- 10.03 **NOTICES - BETWEEN COMPANY AND UNION** Any notice required to be given to the Company under the terms of this Agreement will be given by registered mail addressed to it at its registered address. Any notice to be given to the Union under the terms of this Agreement shall be given by registered mail addressed to the Secretary of the Union at its registered address.
- 10.04 **UNION ACCESS TO PLANT** Representatives of the Union will have access to the Company's premises by obtaining the permission of the Company's management. Such permission will not be unreasonably withheld.
- 10.05 **BEREAVEMENT PAY** If a death occurs in the immediate family of an employee, the Company will grant paid leaves of absence as follows:
- 3 days if employee attends funeral
1 day if employee does not attend funeral
- of; parents, parents-in-law, wife, husband, children, sister & brother.
- 10.06 **JURY DUTY** If an employee is summonsed or subpoenaed for jury selection or for jury duty, the Company will grant the employee leave of absence with pay, which will be the difference between his regular pay and the monies received for jury duty.
- On any day when an employee is called but not chosen for duty he must return to work for the balance of the shift. He must supply the Company with a statement of time of reporting and release when not chosen for duty and an official statement of payment for duty.
- 10.07 **REST PERIODS** Employees will be allowed two (2) coffee breaks of ten (10) minutes each on Company time; one in the first half of each shift and one in the second half.
- 10.08 **INSTRUCTION PROCEDURE** Employees will take orders from the Plant Manager, or Plant Superintendent, only when the employees' immediate supervisor or Chargehand is not readily available.
- 10.09 **FOREMEN AND CHARGEHANDS IDENTIFICATION** The names of all Foreman and Chargehands, setting forth their official status will be posted on the Company's Bulletin Board(s).
- 10.10 **CLEAN UP** At the Foreman's discretion an employee may be allowed a clean up period of at least five (5) minutes before the completion of his shift for the clean up and stowage of Company equipment and employee's personal tools.
- 10.11 **LAY-OFF NOTICE** In cases of lay-off, the Company will give as much notice as possible.
- 10.12 **UNION APPOINTEES - IDENTIFICATION** The Union will maintain with the Company a current list of the names of Shop Stewards, Committeeman and Staff Representative.

- 10.13 **UNION COMMITTEES** Union Committees as provided for in this Agreement, will be of a size that will not unduly curtail production.
- 10.14 **PICKET LINE** No employee shall be required to cross a legal picket line recognized by the Union.
- 10.15 **PAST PRACTICES** Any rights and privileges of employees now in effect but not specifically mentioned in this Agreement, shall be continued and no changes shall be put into effect unless mutually agreed upon by the Company and the Union.
- 10.16 **GLOVES** The Company agrees to provide gloves to all employees.
- 10.17 **PROTECTIVE CLOTHING** The Company agrees to provide protective clothing to all employees.
- 10.18 **COVERALLS** The Company agrees to cover the cost of coveralls for all employees, one (1) pair per week.
- 10.19 a) **Personnel Records**
- (i) One personnel file shall be maintained by the Employer for each Employee in the bargaining unit. Such file shall contain all records and reports concerning the Employee's employment and work performance.
 - (ii) No negative comments or report about any Employee shall be placed in any personnel file unless the Employee concerned is first given a copy of the information.
 - (iii) Personnel files, as referred to in this Agreement, shall include both hard copy and/or any other methods, systems or forms of maintaining such records and files related to Employees as may be implemented by the Employer.
- b) **Employee Access to Personnel File** An Employee shall have the right to read and review his/her personnel file at any time, upon reasonable notice and by written request to the Employer. On request, and with the Employee's permission, the Union representative shall be provided with copies of any document or record contained in the Employee's personnel file.
- c) **Union Access to Employee Personnel File** A representative of the Union shall have the right to read and review an Employee's personnel file at any time, upon written authorization of the Employee and upon reasonable notice and written request to the Employer. On request, and with the Employee's permission, the Union representative shall be provided with copies of any document or record contained in the Employee's personnel file.
- d) **Discipline**
- (i) The Employer shall only discipline, suspend, discharge or terminate an employee for just cause. The burden of proof of just cause shall rest with the Employer.
 - (ii) Any Employee who is to be interviewed regarding disciplinary action shall be interviewed in the presence of a Shop Steward, grievance Committee member or other Union designee.
 - (iii) The Employee, the Shop Steward or grievance Committee member and the

Local Union President shall receive a copy in writing of any disciplinary action taken including, but not limited to all written reprimands, or notices involving suspension or discharge and the reasons in full for such action within twenty-four (24) hours of the taken action.

e) **Relief**

All written warnings, reprimands, suspensions, and discharges shall be rescinded, and removed from the Employee's personnel file, after a period of twelve (12) months after the date of issued disciplinary action and shall not be used against the Employee thereafter.

10.20 **Severance Pay** An Employee whose services are terminated due to a merger, consolidation, or a permanent suspension of operations, will receive at time of reduction, one week's pay for every year of service.

10.21 **Letters of Understanding and Memorandums**

a) **Form Part of Collective Agreement** The Company and the Union agree that any and all Letters of Understanding and Memorandums of Agreement made between the parties, shall be considered as part of the Collective Agreement.

b) **Copies to Union** The Company agrees to supply the Union with signed copies of all Letters of Agreement, Memorandums of Agreement, and Appendices, which form part of the current Collective Agreement.

c) **Renewal All Agreements**, Letters of Understanding, or Memorandums of Agreement issued prior to the signing of this Agreement, and not renewed, shall become null and void after signing of this Collective Agreement.

Renewed Letters of Understanding shall remain in effect during the terms of this Agreement

10.22 **Union Representation**

a) The Employer acknowledges the right of the Union to appoint or otherwise select Shop Stewards for the purpose of representing employees in the handling of complaints and grievances.

b) The Employer agrees to recognize Shop Stewards, as provided in writing from the Union.

c) The Employer will be notified by the Union of the names of the Shop Stewards, and any changes made thereto.

d) The Employer agrees to recognize and deal with a Union Grievance Committee of not more than _____ Employees plus the Unit President.

e) When the legitimate business of a Unit President, Grievance Committee Member, Shop Steward or Occupational Health & Safety Committee Member requires such Employees to leave their department, the Employee will first receive permission from their Manager. Such permission shall not be unreasonably withheld.

f) The Employer agrees that Unit President, Shop Stewards, Grievance Committee Members and Safety Committee members will not suffer loss of pay for time spent in the handling of grievances and any legitimate union business.

10.23 **Negotiating Committee**

- a) The Employer agrees to recognize and deal with a Negotiating Committee of not more than _____ Employees, who will be regular Employees of the Employer, along with representatives of the International Union.
- b) The Negotiating Committee is a separate entity from other committees, and will deal only with such matters as are properly the subject matter of negotiations, including proposals for the renewal or modification of this Agreement.
- c) The Employer agrees to allow members of the Negotiating Committee the time off work without loss of pay for the purpose of meeting with the Employer in the negotiation of the renewal or modification of this Agreement.
- d) During negotiations for a new Collective Agreement, the Employer shall place employees, members of the Negotiating Committee on the day shift.

ARTICLE 11 - GRIEVANCE PROCEDURE

11.01 **GRIEVANCES WILL BE PROCESSED AS FOLLOWS:**

STEP 1 It is generally understood that an Employee has no complaint or grievance until he, either directly or through the Union, has first given the Employee's Supervisor an opportunity to adjust the complaint.

If, after registering the complaint with the designated Management Representative, and such complaint is not settled within three (3) regular working days or within any longer period which may have been agreed to by the Parties, then the following steps of the Grievance Procedure may be invoked.

STEP 2 The grievance shall be submitted in writing to the designated Management Representative either directly or through the Union. The designated Management Representative will meet with the Employee's Union Steward within three (3) working days of the receipt of the grievance in an attempt to resolve the grievance. The grievor may be present at this meeting, if requested by either Party. The designated management Representative within a further three (3) working days give the Employer's answer on the grievance form, and return it to the Union.

STEP 3 If the grievance remains unsettled at the conclusion of Step 2, the grievance may be submitted to the designated management representative, who shall within three (3) working days, hold a meeting between the Union Grievance Committee (not to exceed three (3) in number) and the appropriate representatives of the Employer, in a final attempt to resolve the grievance. A Staff Representative of the Union and the grievor may be present at this meeting, if requested by either Party. The Employer's representative will within a further three (3) working days give the Employer's decision in writing to the Union on or attached to the grievance form.

If settlement is not reached the grievance will proceed to Step 4.

STEP 4 Arbitration or Expedited Arbitration.

11.02 **TIME LIMITS (WORKING DAYS) AND STEPS WILL BE AS FOLLOWS:**

<u>Appeal to</u>	<u>Time</u>	<u>Answer</u>
<u>Step 1</u>	Within 10 days of the grievor's knowledge of the occurrence of the grievance	3 days
<u>Step 2</u>	Within 5 days of answer	3 days
<u>Step 3</u>	Within 5 days of answer	3 days
<u>Step 4</u>	Within 30 days of answer	

The time limits may be extended by mutual consent if there is reasonable need for extension, and a request for extension made in writing.

- 11.03 **DISCHARGE CASES** If an employee believes that he has been unjustly discharged he may commence grievance procedure and it will be instituted at Step 2.
- 11.04 **WARNING - SUSPENSION - DISCHARGE** Employees may only be warned, suspended or discharged for just cause. Suspension days will run as consecutive working days.
- 11.05 **GROUP OR GENERAL GRIEVANCES** Grievances of a general or group nature will be put in writing and instituted at Step 2.
- 11.06 **TIME LIMITS - FAILURE TO ACT** If either Party fails to act within any of the time limits, or with an agreed upon extension, it will be deemed that that Party has abandoned its position and that the position of the other Party has been established, except in a case where the Union withdraws the grievance.
- 11.07 **GRIEVANCE COMMITTEEMAN AND COMPANY REPRESENTATIVES** At each of the three grievance steps the Company and the Union may have equal representation.
- 11.08 **COMPANY REPRESENTATIVE - STEPS 2 AND 3** If a Company's administrative staff is such that the same Company Representative would be involved in Steps 2 and 3, then Step 2 will not be used, except in 11.03 and 11.05.

ARTICLE 12 - EXPEDITED ARBITRATION

- 12.01 Notwithstanding any other provisions of this Agreement, the following Expedited Arbitration Procedure is designed to provide prompt and efficient handling of routine grievances.
- The Expedited Arbitration Procedure shall be implemented in light of the circumstances existing within the collective agreement, with due regard to the following.
- 12.02 An Arbitrator, shall be appointed by the Vice-Chairman - Mediation Services to hear the cases. Their expenses and fees will be borne by the Parties. The fees are to be in an amount agreed to by all three Parties.
- 12.03 a) Within thirty (30) calendar days after receipt of the Step 3 answer The Company or the Union initiating the grievance shall assess which grievances shall be referred to Expedited Arbitration, and will so notify the other Party, or their designate. Should the representatives of the other Party deem that the issue does not meet the criteria of section 12.06 (a) of this Article, the initiating party will nonetheless proceed to Expedited Arbitration for resolution. In this situation, however, the first issue that must be ruled upon by the Arbitrator is whether or not the subject matter is one that meets the criteria of section 12.06 (a).

If the Arbitrator concludes that the case is not appropriate for the Expedited Arbitration process, the case shall be referred back to the initiating party for further determination as if at the conclusion of the Third Stage of the grievance procedure.

- b) The list of arbitrators shall be maintained alphabetically to be used by fixed rotation. The next arbitrator shall be contacted and requested to serve on the case or cases designated for Expedited Arbitration at a time and place agreed upon by the Company and Union Representatives. The date of the hearing shall be within ten (10) calendar days of the appeal unless an extension of time is mutually agreed upon by all three parties.
- 12.04 Grievances shall be presented in the Expedited Arbitration Procedure by a previously designated Shop Committee member and a designated representative of the local Plant Management. Attendance of other persons at the Arbitration hearing shall be limited to those who have personal knowledge of the grievance being presented.
- 12.05
- a) The hearing shall be informal
 - b) No briefs shall be filed or transcripts made
 - c) There shall be no formal evidence rules
 - d) The Arbitrator shall have the obligations of assuring that all necessary facts and considerations are brought before him by the representatives of the parties. In all respects, he shall assure that the hearing is a fair one.
 - e) If the Arbitrator or the parties conclude at the hearing that the issues involved are of such complexity or significance that the case should require further consideration by the parties, the case shall be referred back to the initiating party for final deposition.
 - f) The Arbitrator shall render his written decision within five (5) workdays following the date of the hearing. Their decision shall be based on the facts presented by the parties at the hearing, and shall include a brief written explanation of the basis for their conclusion. These awards will not be cited as a precedent at any discussion of any other grievances at any stage of the grievance procedure or in any subsequent Arbitration, and will be considered binding by both parties.
- 12.06
- a) Grievances subject to this Expedited Arbitration Procedure must be confined to issues which do not involve novel problems and which have limited contractual significance or complexity.
 - b) The Arbitrator under this Expedited Arbitration Procedure shall have the same powers as granted to the Arbitrator under Section 13 of this Agreement.

ARTICLE 13 - ARBITRATION

- 13.01 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 of the parties may after exhausting the grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference or allegation to arbitration.
- 13.02 Any matter referred to arbitration, as provided in 13.01 hereof, shall be submitted to a single arbitrator selected from the following list:
- 1. Dalton Larson

2. Vince Ready
 3. Stephen Kelleher
 4. Don Munroe
 5. Colin Taylor
- 13.03 The arbitrator shall have the authority to act as a mediator/arbitrator upon application of either party and will hear and determine the difference or allegation, and will issue a decision, and the decision is final and binding upon the parties, and upon any Employee affected by it.
 - 13.04 The arbitrators will rotate on each subsequent arbitration, but should anyone be unable to act within thirty (30) calendar days, the Arbitrator shall be passed over to the next on the list.
 - 13.05 The arbitrator will have the right to enter any premises where work is being done or has been done by the Employee, or in which the Employer carries on business, or where anything is taking place or has taken place concerning any of the differences submitted to the Arbitrator and inspect and view any work material, machinery, appliance or article therein, and interrogate any person respecting any such thing or any of such differences.
 - 13.06 If, during the life of this Agreement, one of the Arbitrators named in 13.02 hereof withdraws from the list, the Parties will appoint a replacement by mutual agreement in writing.
 - 13.07 Except where otherwise provided for in this Agreement, each of the Parties hereto will bear its own expenses with respect to any arbitration proceedings. The Parties hereto will bear jointly the expenses of the arbitrator on an equal basis.
 - 13.08 No matter may be submitted to arbitration which has not first been properly carried through all preceding steps of the Grievance Procedure.
 - 13.09 The Arbitrator will have jurisdiction and authority to interpret and apply the provisions of this Agreement insofar as it may be necessary for the determination of a grievance referred to it, but will not have the jurisdiction and authority to alter to amend any of the provisions of this Agreement.
 - 13.10 A claim by an Employee that the Employee has been unjustly discharged, suspended or laid-off may be settled by confirming the Employer's decision in discharging, suspending or laying-off the Employee, or by reinstating the Employee with such compensation, either full, partial or such other settlement as may be agreed upon by the conferring parties or determined by the Arbitrator as the case may be.
 - 13.11 At arbitration the Employer will compensate the grievor, the grievor's steward, the local union president and up to three necessary witnesses for time spent at the arbitration hearing, including an allowance of one-half hour for time used by such employees to travel from work to the hearing, and one-half hour for time used to return to work.
 - 13.12 It is hereby agreed by both parties that the Employer will not subpoena or call as a witness in an arbitration proceedings any employee from the bargaining unit, or use a signed affidavit or deposition from a bargaining unit employee. It is also agreed that the union will not subpoena or call as a witness in such proceedings any Manager of the Employer, or use a signed affidavit or a deposition from a Manager of the Employer.

ARTICLE 14 - INSURANCE AND MEDICAL PLAN

- 14.01 A Medical and Insurance Plan will be maintained in accordance with the following:
- 14.02 **COVERAGE**

MEDICAL The medical coverage will be equivalent to that supplied by the Medical Services Plan of British Columbia.

VISION CARE - \$200.00 per Employee and their dependents, every two years effective April 1, 1999.

EXTENDED HEALTH BENEFITS

AETNA NET to be established April 1, 1999.

INSURANCE COVERAGE

1. Life Insurance Effective April 1, 1998 \$40,000
 Effective April 1, 1999 \$50,000
 Effective April 1, 2000 \$60,000
 Effective April 1, 2001 \$70,000
 Effective April 1, 2002 \$80,000

2. A.D. & D. Effective April 1, 1998 \$40,000
 Effective April 1, 1999 \$50,000
 Effective April 1, 2000 \$60,000
 Effective April 1, 2001 \$70,000
 Effective April 1, 2002 \$80,000

3. Weekly Indemnity - \$500.00 (1-4-26)*

 *Indexed to UIC maximum if amount above exceeded.

4. Sub-sections 2 and 3 above will not apply when Workers' Compensation is payable.

14.03 **GENERAL PRINCIPLES**

1. Premium costs of both Medical and Insurance Plans will be paid:

 Employer.....100%

2. Participation in the Plan will be a condition of employment.

3. (a) Coverage will be provided during lay-off, up to a cumulative maximum of three (3) months, in a calendar year, beyond the current month of lay-off.

 (b) Coverage during lay-off will be supplied without charge to the parties.

14.04 **INSURANCE COVERAGE COMMENCES:**

-Immediately for employees presently covered and on layoff from another Company participating in this Plan.

-Three (3) month waiting period for employees first entering the employee of a Company participating in this Plan.

-Three (3) month waiting period for employees who have been on lay-off beyond their seniority retention period.

ARTICLE 15 - DENTAL PLAN

15.01 The Employer will supply a dental plan as follows:

Plan A - Basic Dental - 100%

Plan B - Prosthetic Appliances and Crown and Bridge Procedures - 50%

Effective April 1, 1999 - Plan C - 50%
Lifetime maximum on Plan C of \$2000.00

15.02 **PREMIUM DIVISION**

Employer.....100%

15.03 **PARTICIPATION**

A condition of employment.

15.04 **EFFECTIVE DATE**

For new employees dental coverage will commence on the first of the month following three (3) months of employment.

15.06 An annual financial statement will be supplied to any Union whose members are covered under this Plan and a named Union representative may obtain knowledge of the Plan and discuss claims with the underwriter.

ARTICLE 16 - LEAVE OF ABSENCE WITHOUT PAY

16.01 **LEAVE FOR PERSONAL REASONS**

- (a) An employee may be allowed a leave of absence without pay for up to thirty (30) days for personal reasons if:
 - (i) he requests it from the Company in writing, and
 - (ii) the Company believes the leave is for a good reason and does not interfere with the Company's operations.

If the employee takes a job elsewhere during this leave of absence without joint approval of the Company and the Union, he will be considered as having terminated his employment.

- (b) A leave of absence may be extended up to thirty (30) calendar days if there is a good reason and the Company and the Union committee agree to it. The employee must request the extension in writing before his first leave period has terminated.
- (c) The Union will be notified of all leaves granted under this Section.

16.02 (a) Employees who have been elected or appointed by the Union to attend International, National or Local gatherings will be granted leave of absence without pay for this purpose. Not more than two (2) employees may take such leave at one time and they must give the Company notice in writing at their earliest opportunity but no later than ten (10) working days prior to the leave. This notice must be confirmed by the Union. Leave will not exceed three (3) weeks, plus reasonable travel time.

- (b) Leave of absence will be granted on request to not more than two (2) employees who have been selected by the Union to attend collective bargaining sessions or emergency gatherings of the Union.

16.03 **LEAVE FOR UNION BUSINESS**

The Company shall grant an employee a leave of absence of not more than three (3) years to work in an official capacity for the Local or International Union. The employee must request the leave in writing and the Union must approve it. This leave shall be extended for additional three (3) year periods.

ARTICLE 17 - WAGES

17.01 **WAGE SCHEDULE**

- (a) The job classification and rates of pay listed in the attached Wage Schedule is agreed upon by both parties and is part of this Collective Agreement.
- (b) The rates set forth in the attached Wage Schedule may not be used in any way for the purpose of reducing the wage rate(s) presently received by an employee(s).
- (c) The rates for the classification set forth in this Agreement, and for any subsequent mutually agreed upon additions thereto, are the agreed upon rates for those classifications, and therefore no employee may perform work within the classifications for a rate other than the rate set forth in this Agreement, subject only to the provisions of daily rate retention. The refusal of any employee to perform work contrary to the provisions of this Section, shall not constitute grounds for any reprimand or any form of disciplinary action, or dismissal by the Company.

- 17.02 (a) **NEW OR CHANGED JOB CLASSIFICATION** If any new job classifications are established, or if there is a significant change in the job content of any job classification(s) set forth in this Wage Schedule, or if any job classification(s) have been overlooked in this Wage Schedule, the Parties hereto are agreed to negotiate a rate for the job(s) in question.

- (b) If the Parties are unable to reach agreement then the dispute will be settled through the Grievance and Arbitration procedures of this Agreement.

- 17.03 **DAILY RATE RETENTION** Employees will be allowed daily rate retention at the rate of the highest rated classification worked by them during each shift, and such rate shall be used as the basis to calculate overtime.

- 17.04 **CHEQUE ISSUE - NO DELAY** The Company will make provisions so that there will be no undue delay in issuing cheques on pay day.

- 17.05 **STATEMENT OF EARNINGS** The rate or rates of pay, hours of work, details for overtime hours and all necessary and pertinent information will be furnished to each employee on his pay statement so that the employee can clearly understand how his total pay was calculated.

17.06 **FIRST AID ATTENDANTS**

\$.35 per hour over occupational rate - Level I
\$.75 per hour over occupational rate - Level II

The First Aid Certificate requirement of the Workers' Compensation Board for each individual Company will determine the premium that will be paid.

The Employer will pay course fees and cost of books for employees successfully completing First Aid Courses.

Employees required to attend First Aid courses will be reimbursed regular wages for lost time while in attendance at a course.

Where the employee has received a premium noted above for more than two (2) days in the pay period in which a general holiday occurs, the employee shall receive the premium for the general holiday.

17.07 **PAYMENT OF WAGES - IRREGULAR** Any employee being discharged, laid off, or leaving of his own accord will be paid all wages due to him as promptly as possible, or, in any event, within forty-eight (48) hours of the expiration of the next working day.

17.08 **LEAD HAND AND CHARGE HAND DEFINITIONS**

- (a) **LEAD HAND** is an employee who is assigned to instruct others in the performance of their work but will not be held responsible for the quality and quantity of work.
- (b) **CHARGE HAND** is an employee who is assigned to instruct others in the performance of their work and may be held responsible for the quality and quantity of work.
- (c) **PREMIUMS**

Lead Hand	.50 per hour
Charge Hand	.80 per hour
Shift Charge Hand	1.00 per hour

Red-circle where the classification of Working Foreman presently exists as a classification.

An employee working as Lead Hand, Charge Hand, or Shift Charge Hand will receive the appropriate premium above the highest classification supervised or above his own rate, whichever is greater.

17.09 **TRAINING PROGRAMME FOR GROUP 1 JOBS**

Start to 6 months	60%
6 months to 12 months	65%
12 months to 18 months	70%
18 months to 24 months	75%
24 months to 30 months	80%
30 months to 36 months	85%
36 months to 42 months	90%
42 months to 48 months	95%

Employees with some shop experience will be slotted in the appropriate level according to their ability. An employee's progress may be accelerated if they show proficiency.

ARTICLE 18 - JOB POSTING

18.01 **JOB OPENING (NOT TEMPORARY)**

All job postings (not temporary) in the bargaining unit, will be posted on the Bulletin Board for three (3) working days. In operations where department seniority exists job openings will be

posted on a departmental basis. If no applications are received the job will be posted on a plant basis for two (2) working days.

18.02 **JOB OPENINGS (TEMPORARY)**

- (a) Job openings in the bargaining unit not subject to the Job Posting Procedure shall mean:
Those job openings resulting from absences allowed under the terms of this Agreement up to a maximum of thirty (30) days.
- (b) All job openings (temporary) shall be filled in accordance with the principle established in 8.01 (a) and (b) of the collective agreement.

18.03 **JOB APPLICATIONS (DELAYED)**

If an employee is not at work, for the following reasons, when a job is posted, he may apply for the job, if he does so within three (3) working days of his return to work.

1. vacation
2. authorized leave of absence not exceeding thirty (30) days
3. absence resulting from an accident or illness not exceeding thirty (30) days

18.04 **SELECTION OF SUCCESSFUL APPLICANT**

Preference will be given to applications from the most senior employees in accordance with the principles established in Section 8.01(a) of this Agreement.

18.05 **TRIAL PERIOD** The successful applicant may be entitled to up to thirty (30) working days and not less than five (5) working days trial period.

If under Article 8.01 an employee who applies and is the senior applicant but is denied the job on the basis of the Company's assessment, that employee will be afforded a trial period of up to five (5) days.

18.06 **RETURN TO FORMER JOB**

- (a) In the event that an employee is promoted in accordance with the provisions of this Article and within thirty (30) days of such promotion he is not performing efficiently, or the employee wishes to do so, he will revert to his immediate previous job, without loss of seniority.
- (b) If additional people are required, they will be drawn from the previous posting, provided, however, there are enough applicants on the previous posting to fill the vacancy.

18.07 **SUCCESSFUL APPLICANT NOTICE** The name of the successful applicant will be posted no later than five (5) days after the removal of the Job Posting notice.

All job postings not filled by successful applicants within thirty (30) days are considered void.

18.08 In the event that none of the applicants meet the requirements of the job in relation to Section 8.01 (a) of this Agreement, the Company may fill the vacancy from any available source.

ARTICLE 19 - PENSION

19.01 The Pension Plan Agreement made between the Company and the United Steelworkers of America on the 16th day of November A.D. 1969 (including any subsequent amendments

thereof) a copy of which is annexed hereto, is a part of this Collective Agreement and the Parties to this Collective Agreement are bound by the terms thereof.

19.02 The Union shall have sole responsibility for the naming of trustees and the operation of the Pension Plan and the Company shall have no responsibility for the operation of the Pension Plan save for the payment of contributions as set forth in this Article. Amendments to the Pension Plan made by the trustees after (whatever date the Plan is amended), which may have an effect upon the Company's responsibility toward the Plan, over and above the contributions required in this Article, shall have no effect on the Company unless specifically agreed to be the Company prior to the amendment being made.

19.03 The Company will pay pension contributions on behalf of members of the Pension Plan as follows: Both Parties shall execute the required documents to allow the Union to appoint 100% of the Trustees.

Effective April 1, 2003 \$2.30 per hour

Effective April 1, 2004 \$2.40 per hour

Effective April 1, 2005 \$2.50 per hour

Effective April 1, 2006 \$2.60 per hour

19.04 The Company will pay the pension contribution for employees granted leave of absence under Section 16.02 - Leave to Attend Union Gatherings. The Company will be reimbursed for the Company contributions from the employee's first pay cheque after the leave of absence.

ARTICLE 21 - SAVINGS CLAUSE

21.01 Should any part of this Agreement or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any judgment or order of a court, tribunal or board of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and such remaining portions shall continue in full force and effect.

ARTICLE 22 - EDUCATION AND TRAINING FUND

22.01 The Employer will contribute \$100.00 per employee each year of the Collective Agreement, payable April 1st of each such year.

22.02 The money shall be made payable to USWA Local Union 2952 Education and Training Fund, 7820 Edmonds Street, Burnaby, B.C. V3N 2B8 and the Employer shall provide the necessary information regarding amounts paid for each employee.

22.03 Upon request, but no less than once each contract year the Union shall provide the Company with an account of the Fund disbursements.

ARTICLE 23 - DURATION OF AGREEMENT

- 23.01 This Agreement shall be for the period from and including April 1, 2003 to and including March 31, 2007 and from year to year thereafter subject to the right of either Party to the Agreement at any time within the four (4) month period immediately preceding the date of expiry of this Agreement, which is March 31, 2007, or at any time thereafter, by written notice to require the other Party to the Agreement to commence collective bargaining.
- 23.02 Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike or the Employer shall give notice of lockout or the Parties shall conclude a renewal or revision of this Agreement or a new Collective Agreement whichever shall first occur.
- 23.03 The operation of Section 50 (2) and (3) of the Labour Code of British Columbia is hereby excluded.

IN WITNESS WHEREOF: The Parties have executed this Agreement this 1st day of May, 2003.

AMS INDUSTRIES LTD.

**UNITED STEELWORKERS OF AMERICA
(ON BEHALF OF LOCAL UNION 2952)**

Don English
President

Randy Gatzka
Staff Representative

Don Percifield
Consultant – Power Labour Relations

APPENDIX "A"

WAGE SCHEDULE

AMS INDUSTRIES LTD.

<u>GROUP</u>	<u>CLASSIFICATION</u>	<u>Apr 1/03</u>	<u>Apr 1/04</u>	<u>Apr 1/05</u>	<u>Apr 1/06</u>
1	Spinner I Lathe Operator Set-up Man	\$26.14	\$26.66	\$27.46	\$28.28
2	Spinner 2	\$23.78	\$24.26	\$24.99	\$25.74
3	Shipper Receiver	\$21.68	\$22.11	\$22.77	\$23.45
4	Material Handler	\$20.82	\$21.24	\$21.88	\$22.54
5	Helper	\$16.42	\$16.75	\$17.25	\$17.77

LETTER OF UNDERSTANDING NO. 2

BETWEEN: AMS INDUSTRIES LTD.

(hereinafter termed the "Employer")

**AND: UNITED STEELWORKERS OF AMERICA
(ON BEHALF OF LOCAL UNION 2952)**

(hereinafter termed the "Union")

RE: COMPANY POLICY ADDRESSING WORK-RELATED HARASSMENT

With respect to the above cited subject matter, the Employer and the Union, hereinafter referred to as the "Parties", do hereby expressly and mutually agree as follows:

- (1) The Employer undertakes to develop and implement by not later than March 31, 2004 a company policy addressing the matter of work-related harassment.
- (2) As part of the aforesaid policy, the Employer will define that a harassment free workplace shall preclude any discrimination on any of the prohibited grounds prescribed by the Human Rights Code of British Columbia.
- (3) It is mutually agreed by and between the Union and the Employer that the company policy referred to in this letter of understanding shall not be considered under any circumstances to form part of or be incorporated into the collective agreement.
- (4) This Letter Of Understanding may be changed at any time by the written mutual agreement of the Employer and the Union.
- (5) This Letter Of Understanding shall be deemed to be incorporated into the Collective Agreement between the Employer and the Union as if set forth in full therein in writing, and shall so apply.

Signed this _____ day of _____, 2003.

AMS INDUSTRIES LTD.

**UNITED STEELWORKERS OF AMERICA
(On behalf of Local Union 2952)**

