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THE
ASSOCIATION
OF
UNITED
PARCEL
SERVICE
EMPLOYEES
CONTRACT

*

4-1-96 / 4-1-2000

* THIS COLLECTIVE AGREEMENT entered into this
1st day of April 1996.

BETWEEN:

UNITED PARCEL SERVICE (CANADA) LTD.
(hereinafter referred to as the "Employer")
PARTY OF THE FIRST PART

AND:

UNITED PARCEL SERVICE (CANADA) LTD. STAFF
ASSOCIATION
(hereinafter referred to as the "Association")
PARTY OF THE SECOND PART

MEMORANDUM

This contract will be for a period of four years, ending on March 31, 2000.

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**ARTICLE 1
PURPOSE**

1.01 The purpose of this Agreement is to ~~maintain~~ a harmonious relationship between the Employer and its employees; to define clearly the hours of work, rates of pay and conditions of employment, an amicable method of settling differences, and to promote the mutual interest of the Employer and its employees.

1.02 Wherever the singular or feminine is used in this Agreement the same shall be construed as meaning the plural or masculine unless the context or Parties require otherwise.

ARTICLE 2
BARGAINING UNIT AND RECOGNITION

2.01 The employer recognizes the Association as the sole bargaining authority for, and this Agreement shall apply solely to, employees in the bargaining unit for which the Association is certified under the Canada Labour Code and shall be binding on the Employer and the Association and their respective successors.

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ARTICLE 3
UNION SECURITY

3.01 The employer agrees that all employees upon ~~the commencement~~ of employment shall become ~~and~~ maintain membership in the Association as a condition of employment. ~~This~~ will include all employees (is defined in **ARTICLE 5.02, 5.03, and 5.04** ~~with~~ the exception of temporary employees.

3.02 The Employer ~~further~~ agrees ~~that~~ all new employees **hired subsequent** to the effective date of the Agreement, shall ~~as~~ a condition of employment. become ~~and~~ maintain their membership in ~~the~~ Association.

3.03 Upon written authorization ~~from~~ the employee, ~~the~~ Employer agrees to deduct the ~~amount~~ authorized ~~as~~ Association dues, initiation and/or assessments once each month and to **transmit the** monies so collected to a member of ~~the~~ Association executive ~~by~~ the fifteenth (**15**) of the following ~~month~~, together ~~with a~~ list of employees ~~from whom~~ such deductions were made. The Association agrees that, upon remittance ~~to~~ the Association. the Employer shall be saved harmless ~~for~~ **such** remittance.

ARTICLE 4
EMPLOYER RIGHTS

4.01 The Association acknowledges that the Employer has the exclusive right to operate the business, except where such operation conflicts with this Agreement, including the right to maintain order, discipline, and generally manage the business, sub-contract, or transfer work between operations and hubs and establish and enforce safety and working rules and regulations.

4.02 The employer and the Association agree that members will be given equal opportunity to apply for all job openings with an understanding that the company shall make the final decision.

The Association members who successfully transfer to other UPS jobs will have their wages and benefits governed by the appropriate wage and benefit plan. The employees original employment date will be maintained for the purpose of vacations and retirement plan.

It is further understood that an employee who successfully transfers to another location will no longer maintain membership with the Association.

ARTICLE 5 DEFINITION OF EMPLOYEES

5.01 Probationary Period and Seniority Employees

A new employee shall work ~~under the provisions of this~~ Agreement but shall be employed on a ~~sixty (60)~~ days worked ~~trial~~ basis, during ~~which~~ period ~~the~~ employee may be discharged without further recourse, provided however, ~~that the~~ Employer may not discharge or discipline for the purpose of evading ~~this~~ Agreement or the discrimination against Association members. After ~~sixty (60)~~ working days, ~~the~~ employee will acquire seniority which if effective will be at the date that employment was originated

5.02 Full Time

A Full Time employee is any person employed on a full-time permanent basis whose duties fall ~~within~~ the bargaining unit ~~as defined in~~ **ARTICLE 2** of this Agreement, who has completed the probationary period as ~~set out in~~ **ARTICLE 5.01** and ~~who is hired to work those hours as set out in~~ **ARTICLE 6.01**.

5.03 Part Time

A ~~Part~~ Time employee ~~is~~ any person employed who ~~works~~ more than fifteen ~~(15)~~ hours and less than forty ~~(40)~~ hours per week ~~on~~ a regular scheduled basis whose duties fall ~~within~~ the bargaining unit as defined in **ARTICLE 2** of this Agreement and who has completed the probationary period as set ~~out~~ in **ARTICLE 5.01**. The company agrees to attempt to balance ~~the~~ workload of ~~any~~ employees ~~who~~ feel that hours are assigned unevenly.

5.04 Casual Employees and Temporary Employees

A Casual employee or temporary employee may be ~~used~~ to perform ~~the~~ ~~work~~ caused by absence due ~~to~~ vacations, approved leave of absence, sickness, ~~disability~~, holidays, ~~and~~ peak periods volume fluctuation, as outlined in **ARTICLE 22.01**, and **ARTICLE 22.02**.

ARTICLE 6
HOURS OF WORK AND OVERTIME

6.01 Regular Work Day

A regular ~~work~~ day shall consist of forty **(40) hours** per week consisting of eight **(8)** consecutive **hours per** day, and five ~~(5)~~ days in a seven ~~(7)~~ day period.

6.02 Lunch periods will be scheduled by the Employer and shall be unpaid.

6.03 Full-time employees are allowed two **(2)** paid break periods of fifteen ~~(15)~~ minutes each per day. Part-time employees are eligible for one **(1) paid** break period of fifteen ~~(15)~~ minutes per **day**.

~~Break~~ periods will be scheduled ~~at~~ the discretion of the Employer based upon the needs of the operation and service commitments.

~~An~~ additional fifteen ~~(15)~~ minute unpaid break may be ~~taken~~ by part-time employees if ~~their work~~ day exceeds six ~~hours~~.

6.04 Regular Work Week

Scheduling of hours of work or relief periods ~~as~~ provided in ARTICLE 6 ~~may~~ be varied ~~at the~~ sole discretion of the Employer. Whenever possible, the employer will provide notice of changes to the Association. When the ~~company~~ needs employees ~~to work~~ additional hours or to come to work earlier ~~than~~ scheduled, the company will endeavor to give the employee ~~as~~ much notice ~~as~~ possible.

6.05 Overtime Premiums

All time worked in ~~excess~~ of **8 hours** in the ~~regularly~~ established working day shall be considered as overtime ~~and~~ paid at the rate of ~~one~~ hundred ~~and~~ fifty (150%) percent of the employee's pro-rated hourly rate. Overtime may be requested by ~~the~~ Employer, and where available, the ~~Employer~~ will endeavor to assign overtime ~~on an~~ equitable basis ~~amongst~~ the employees having due regard to operating requirements.

**ARTICLE 7
STATUTORY HOLIDAYS**

.01 Subject to Article 7.02 the Employer agrees to provide all employees with the following statutory holidays, without loss of pay:

New Years Day	Good Friday
Victoria Day	Canada Day
Labour Day	Thanksgiving Day
Boxing Day	Christmas Day
Remembrance Day	

any other day that may be stated a legal holiday by the Federal Government will be granted.

The Employer further agrees that should one (1) of the above statutory holidays fall on an employee's regular day off, the employee shall receive an additional day's pay or alternate day (s) off at a time mutually agreed to by the employer and employee, and be in compliance with the current applicable labour Standards of the Canada Labour Code.

02 In order to qualify for holiday pay, an employee must be on the payroll at least thirty (30) calendar days prior to the holiday and must be entitled to at least fifteen (15) days' wages during the thirty (30) calendar days preceding the holiday.

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ARTICLE 7 con't

7.03 In addition to the holidays stipulated in **ARTICLE 7.01**, employees may **qualify** for four **(4)** paid optional days and one **(1)** paid sick day. The employee will have the option of using a paid sick day as a floating holiday between Christmas and the New Year.

- (a)** an employee who is hired between July and September and has completed sixty **(60) working** days of employment is entitled to two **(2)** paid optional holidays and one **(1)** paid sick day during the year including October, November and December;
- (b)** an employee who is hired between **January** and June, and has completed sixty **(60) working** days of employment is entitled to four **(4)** paid optional holidays and one **(1)** paid sick day during that year including October, November and December;
- (c)** in each subsequent year an employee will be entitled to four **(4)** paid optional holidays and one **(1)** paid sick day during that year including October, November, and December;

The holidays as set out in **(a)**, **(b)**, and **(c)** will be **known** as optional holidays and sick days **to** be taken each calendar year **at a** time mutually agreeable to the Employer and the Employee. Optional holidays and the paid Sick day may not be carried over to **the** next year.

7.04 In the event any of the holidays enumerated in **ARTICLE 7.01** above occur during the period of an employee's vacation, an additional day's pay or an additional day's vacation with pay may be allowed for each holiday so occurring. The employee must request such a day at the time of vacation selection.

7.05 The employer agrees **to** follow federally mandated laws regarding statutory holiday pay. A days pay will be determined by **the** average hours worked in the previous twenty **(20) working** days **within** a thirty **(30)** day calendar period, to a maximum of eight **(8)** hours a day.

ARTICLE 8
ANNUAL VACATIONS

8.01 Vacation Schedule

<u>Upon Completion of</u>	<u>Vacation</u>
1 year employment	2 weeks
5 years employment	3 weeks
10 years employment	4 weeks
20 years employment	5 weeks
25 years employment	6 weeks

Vacation pay shall be computed in the following manner:

<u>Number of Weeks</u>	<u>% of Gross Earnings since last Computed Vacation Period</u>
2	4.5%
3	6.5%
4	8.5%
5	10.5%
6	12.5%

8.02 Vacations will, as far as practicable, be granted at the time desired by the employees on a seniority basis. However, the Employer reserves the right to designate vacation periods in a manner consistent with efficient operations.

ARTICLE 9 LEAVE

9.01 Bereavement Leave

In cases of death in the immediate family, an employee shall be granted up to three (3) working days leave of absence with full pay starting with the day of death, if not worked, and not extending beyond the day following the funeral.

The immediate family shall mean husband, wife, common-law spouse, son, daughter, stepchild, father, father-in-law, mother, mother-in-law, sister or brother, grandparents, grandchildren, spouse's grandparents or grandchildren.

In the event more time is required for any reason relating to the death, leave of absence may be granted upon request.

9.02 Maternity Leave

Maternity leave shall be granted in accordance with the Canada Labour Code. Seniority shall accrue during maternity leave.

9.03 Jury Duty

An employee summoned to Jury Duty or subpoenaed as a Crown witness shall be paid wages amounting to the difference between the amount paid them for jury service or acting as a subpoenaed witness and the amount they would have earned, had they worked on such days. Jury Duty pay plus regular earnings not to exceed one hundred (100%) percent of normal payroll.

9.04 Voting Rights

The Employer agrees to follow Federally mandated laws regarding voting rights as provided in the Canadian Election Act.

ARTICLE 10
SICK LEAVE AND BENEFITS

10.01 Health Plan

Subject to the plan documents, a Seniority Employee will be eligible to become a member of the UPS Health Care Program on the first (1st) of the month following completion of sixty (60) working days of continuous employment. The Employer agrees to provide a booklet to each employee, which outlines the health and welfare benefits of the plan.

**ARTICLE 11
RETIREMENT PLAN**

11.01 Subject to the plan documents a Seniority Employee will be eligible to become a member of the UPS Retirement Plan. The Employer agrees to provide a booklet to each employee which outlines the benefits of the plan.

ARTICLE 12 SALARIES

12.01 Employees will be hired or classified in accordance with the skills used and shall be paid not less than the salary specified for such classification in accordance with the table of categories and the job descriptions as set forth in Appendix "A", which is attached hereto and made part of this Agreement. Any position not covered by Appendix "A", or any new position which may be established during the life of this Agreement, shall be subject to negotiations between the Employer and the Association. In the event that the Parties are unable to agree as to the rate of pay for the new classification the matter may be submitted to the arbitration procedure, as defined in ARTICLES 16 and 17 of this Agreement,

12.02 The employer reserves the right to institute a merit system of pay based upon the Employee's performance development appraisal. This system may be in the form of incentives, bonuses, or other forms of remuneration to an individual employee and shall remain at the discretion of the Employer.

12.03 Promotional Increases / Decreases

An employee who is promoted to a higher position shall be placed in the same wage range in the new grade.

An employee who is promoted to a higher position shall complete a thirty (30) working day probationary period prior to receiving an increase in salary. If an employee is not successful in the thirty (30) day probationary period the employee will return to their previous grade level.

Should an employee select and receive a job of a lower classification they shall be placed on a step in the salary range for the new job classification.

ARTICLE 12 con'

12.04 Salary Progression

Employees shall progress **through** the salary **range** for their **job groupings** in accordance with the required service **on** the job. Salary progression may be withheld for **inadequate performance** **so** long as the employee **is** notified **at** least one (1) month in advance. When **the** employee **improves** his/her performance to **an** acceptable level he/she shall then receive the **new** step in the salary range that had been withheld.

12.05 An employee assigned to a higher job classification or temporarily replacing another employee in such higher classification, shall be paid at the higher rate for the period **so** employed, provided **the** employee has the qualifications necessary **and** fulfills **the** duties of **the** higher job. This provision **shall** not apply for brief relief periods of less than one-half (1/2) day except **that** if an employee is required to **work** at a higher classification on a recurring basis i.e., each day, each week or each month, the higher rate of pay shall apply.

12.06 All permanent Association job openings shall **be** posted on all appropriate bulletin boards **in** the designated areas. The **forementioned** openings shall be posted for a period of **no** less than five (**5**) business days **prior** to removal, and the subsequent assignment of the openings to be given **no** later than ten (10) business days **after** **the** posting has been removed.

ARTICLE 12 con't

12.07 The employer shall offer the permanent full time and part time Association members the opportunity to bank overtime hours, in lieu of monetary payment should the employee so desire. The following guidelines will apply:

1. The scheduled time off will be mutually agreed upon between the employer and employee in a manner consistent with efficient operations
2. Overtime hours is defined as hours worked in excess of eight (8) hours in any one day period.
3. Overtime hours proposed to be banked will be signed off daily as worked, by the employee and the supervisor. All banked hours not scheduled by the end of a quarterly period during a calendar year will be paid out at a straight time rate of pay .
4. The employer in its absolute discretion can cancel the opportunity to bank overtime hours, as described in ARTICLE 12.07 (1) (2) (3). However, the employer will not do this until it has a meeting with the guild executive to inform the executive of its decision.

ARTICLE 13
SENIORITY

13.01 Seniority shall mean length of continuous service with the Employer. Vacancies, promotions, lay-off and recall shall be made on the basis of qualifications, ability and experience. In the event two (2) or more employees have the same relative qualifications, ability and experience, seniority will govern.

ARTICLE 14
DISCHARGE AND TERMINATION

14.01 It is hereby **agreed** that the Employer has the **right to discharge** for just cause.

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ARTICLE 15
TECHNOLOGICAL OR PROCEDURAL CHANGES AND
SEVERANCE PAY

15.01 Notice

Wherever possible, the Employer shall provide the Association with notice ~~of intention~~ to introduce automated equipment or reduction of personnel. ~~The Employer and~~ the Association shall meet in ~~an~~ effort to ~~reach~~ a satisfactory ~~agreement~~ for all concerned in the affected operation. The employer agrees to follow federally mandated laws as set forth by the Canal Labour Code.

15.02 Wherever practical employees becoming redundant due to new equipment or procedures, shall be eligible for re-training to equip them for t operation of such ~~new~~ equipment ~~or~~ procedure, or to qualify for ~~new~~ positions. Such re-training will ~~be~~ provided by the Employer without loss c pay, to ~~the affected~~ employees.

15.03 In cases where in the opinion of the Employer the re-training of employees is not practical, or where other positions with ~~the~~ Employer are not available, ~~the~~ employee (s) shall elect for termination of employment or shall elect to ~~be~~ placed on a recall list for a period of ~~six~~ (6) months. ~~Reca~~ shall ~~be~~ in accordance with ~~ARTICLE 13.01~~.

15.04 Severance Pay

Employees whose services ~~are~~ terminated because of automation, ~~changes~~ in procedures, mergers or suspension of business, shall receive severance pay. The amount of the severance pay shall be equal to five (5) days pay for every year worked.

ARTICLE 16 GRIEVANCES

16.01 The Employer encourages **and** adheres to **an** open door policy with employees. In the event **a** grievance arises, it **shall be** handled in the following manner. A grievance shall consist of a dispute concerning interpretation **and** application of **any** clauses in **this** Agreement.

Grievances shall be in **writing**. Whenever possible, grievances shall be **discussed** by **the** employees **and** her/his immediate Supervisor. Failing solution, **the** grievance shall be taken up by **an** Association Representative and the Division Manager. **All** grievances must **be** initiated by the employer, Association or Employer, in writing, and dealt **with within** five (5) days of the employee, Association or **the** Employer having reasonable information to initiate **the** grievance.

The **time** limits in the Article *are* mandatory and if not followed, **the** **faulting** parties **shall** be deemed **to** have abandoned the grievance; however, **the** limits **may** be extended upon mutual agreement, in writing, between **the** Association **and** the Employer,

ARTICLE 17 SINGLE ARBITRATOR

17.01 Failing resolution of grievances as set out in **ARTICLE 16**, the Parties to this Agreement may **use** the services of a single arbitrator as a means of settling grievances **and** disputes.

- (a) **The Party** desiring arbitration under **this** Article will notify the other party, in writing, in accordance with the provisions of **ARTICLE 17**, Step 3.
- (b) **The Parties** to the dispute will thereupon meet to decide upon an arbitrator. Failing agreement on **this** within ten (10) working days a party may apply for the appointment of **an** arbitrator.
- (c) Upon agreed appointment of **an** Arbitrator, **the** Arbitrator shall **hear** the Parties, settle the terms of the question to be arbitrated **and** make his/her award **within** fifteen (15) days of the appointment or **within** such extended period as may be mutually agreed to by the Parties to **the** dispute.
- (d) **The** Arbitrator shall deliver his/her award, in writing, **to** each of the Parties **and** **this** award shall be final and binding upon **each** of the Parties and shall be carried out forthwith. The Arbitrator shall **not** have the right **to** alter or change **any** provision in **this** Agreement **or** substitute any new provisions or substitute **any** new provisions in lieu thereof, or **give** **any** decision inconsistent **with** the terms and provision of **this** Agreement. The Arbitrator, however, shall have the power to vary or set aside **any** penalty or discipline imposed relating to the grievance.

17.02 Each **Party** shall pay their own costs **and** expenses of the Arbitration and one-half (1/2) the remuneration and disbursements or expenses of **the** Arbitrator.

ARTICLE 18
GENERAL

18.01 ~~During~~ the life of the Agreement, there shall be no lockout by the employer or any ~~work~~ stoppages or strike by the Association.

18.02 The employer will allow the association to have meetings during working hours. However, this is with *the* understanding that this time will be unpaid and will not adversely impact the operation.

ARTICLE 19
LEAVE OF ABSENCE

19.01 Leave of Absence

Any employee desiring a leave of absence from their employment shall secure a written permission from the employer. The leave of absence must be presented to ~~their~~ immediate supervisor and must have the approval of the department manager and the Human Resources manager. It is understood that the employee shall not engage in other gainful employment during this period of absence. Failure to comply with this provision will result in the complete loss of seniority rights.

A request for a particular vacation or an extended vacation necessitated by prolonged travel shall be considered.

ARTICLE 20
MANAGEMENT - EMPLOYEE RELATIONS

0.01 There shall be a committee composed of members of management and the Association, being equal in number to discuss problems and concerns that may arise. This committee shall meet on a monthly basis unless otherwise so stipulated.

ARTICLE 21
DURATION

21.01 This Agreement will be in full force and effect on and after the 1st day of April, 1996, to and including the 31st day of March, 2000, and shall automatically be renewed from year to year thereafter, unless either Party serves written notice to commence collective bargaining upon the other Party hereto, at least sixty (60) days prior to the 31st day of March, 2000, or sixty (60) days prior to the 31st of March, in any year subsequent thereto.

ARTICLE 22 CASUAL

22.01 Casual Employees

Casual employees may be used **to** perform the work caused **by the** absence due **to** vacations, approved leave of absence, sickness, disability, holidays, and peak periods volume-fluctuations.

Employees hired **as** casuals will **not** be entitled **to** any daily, weekly, or reporting guarantees.

Time worked as a casual shall not accrue **towards** seniority. Vacations, holidays, **jury** duty, and other benefits provided for seniority employees shall not apply to **such** casuals.

Casual employees shall not be used in any job in which qualified seniority employees are **laid off**.

Seniority employees cannot be **laid off** and replaced by **a casual** employee.

Casual employees **are** paid the **starting** wage of the job classification that they are covering. They **are** not entitled **to any** increases.

Casual employees based on length of service will be **given** the opportunity to fill permanent Association positions in accordance with **ARTICLE 13.01**.

22.02 Temporary Employees

Temporary employees **from an** outside agency may be used to perform the **work caused by** the absence due **to** vacations, approved leave of absence, sickness, disability, holidays, **and** peak periods volume fluctuations.

Seniority employees **cannot** be **laid off** and replaced by **a temporary** employee.

The company also agrees **that** if it needs **to** work temporary employees from an outside **agency** more **than** thirty (30) **days, this must** be approved by the Association executives.

**APPENDIX "A"
ASSOCIATION
WAGES**

	1996	1997	1998	1999
GRADE 1	\$10.60	\$10.60	\$10.80	\$11.00
GRADE 2	\$12.95	\$12.95	\$13.15	\$13.35
GRADE 3	\$13.62	\$13.62	\$13.82	\$14.02
GRADE 4	\$15.00	\$15.00	\$15.20	\$15.40

Effective **April 1, 1996** employees being paid a higher **wage** rate than the job classification currently **being worked** will have **their** wages reduced to **.50** cents per hour on **April 1**, each year for **the** life of the contract or until their **wage** is equal to **the maximum** that year **as** outlined in Appendix "A". On **April 1, 1999** all employees on the payroll **as of** the contract ratification date of **January 22, 1996** will be **at** the **maximum** wage for their **grade** as set forth in Appendix "A".

All employees in progression **as of** the contract ratification date **January 1996** will receive **up to** a **\$ 0** cent per hour increase in **the** following contractual years **April 1, 1996, April 1, 1997, April 1, 1998** with the understanding that **no** employee will **exceed the maximum** wage in their grade per Appendix "A". On **April 1, 1999** all employees in progression and not in their grade **maximum** will be given **an** increase **that** will take them to the current grade **maximum** as set forth in Appendix "A".

Employees **that** are being paid the **maximum** in their grade level **as set forth in APPENDIX "A"** will be given **a contractual** increase of **.20** cents per hour on **April 1, 1998** and **.20** cents per hour on **April 1, 1999**.

APPENDIX "B"
ASSOCIATION
NEW HIRE SCHEDULE

	GRADE 1	GRADE 2	GRADE 3	GRADE 4
HIRE	\$ 7.75	\$ 8.65	\$ 9.70	\$10.90
3 MONTHS	\$ 8.10	\$ 9.10	\$10.20	\$11.40
6 MONTHS	\$ 8.50	\$ 9.50	\$10.65	\$11.95
12 MONTHS	\$ 8.90	\$ 9.95	\$11.15	\$12.50
18 MONTHS	\$ 9.15	\$10.25	\$11.50	\$12.90
24 MONTHS	\$ 9.45	\$10.55	\$11.85	\$13.30
36 MONTHS	\$ 9.75	\$10.85	\$12.20	\$13.70

It is understood that any new employees hired between January 22, 1996 and April 1, 1996 will as of April 1, 1996 fall into the wage progression schedule as outlined in APPENDIX "B".

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