



# **COLLECTIVE AGREEMENT**

Between

**OEM Remanufacturing  
A Finning Enterprise**

And

**Logistics, Manufacturing and Allied  
Trades Union, CLAC Local 56**

**DURATION: January 1, 2018- December 31, 2020**

**14698 (03)**

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**OEM Remanufacturing  
(hereinafter referred to as "the Employer")**

**and**

**Logistics, Manufacturing and Allied Trades  
Union, CLAC Local 56  
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**January 1, 2018- December 31, 2020**

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## COLLECTIVE AGREEMENT

### ARTICLE 1 - PREAMBLE

1.01 We, the Employer and Union hereby establish this Collective Agreement, which has been entered into in good faith, to promote a positive corporate culture by mutually recognizing the respective rights, responsibilities and functions of the parties.

We are committed to:

- the safety, welfare and training needs of the Employees;
- fulfilling the expectations of our customers;
- improving the quality of the products and services supplied;
- establishing just working conditions, including wage rates, benefits, a system for layoff and recall, a prompt procedure for the disposition of disputes and other conditions contained in this Collective Agreement.

To realize the full and fair administration of all the terms and provisions contained in this Collective Agreement, we acknowledge that this can only be achieved when harmonious relationships exist between the Employer, the Union and the Employees.

It is recognized that the Employer, Employees and the Union share a common interest in the success of the business and agree to work together in a conscious effort to promote trust, respect and mutual well-being in the context of a team. It is the intent and purpose of this collective agreement to define certain respective rights and responsibilities and working conditions in support of that common interest.

Now therefore, the parties hereto agree as follows:

## **ARTICLE 2 - RECOGNITION**

- 2.01 The Employer recognizes the Union as the sole bargaining agent for all Employees in the bargaining unit as defined in Certificate Number 145-2015 issued by the Alberta Labour Relations Board, dated September 16, 2015.
- 2.02 This Agreement covers all Employees working in classifications listed in Schedule “A” attached, and such other Employees as the parties may agree to include.
- 2.03 This Agreement can be changed by any mutual agreement in writing between the parties.

## **ARTICLE 3 - MANAGEMENT RIGHTS**

- 3.01 The Union recognizes the right of the Employer to operate and manage its business in all respects, subject only to express restrictions contained in this agreement. This will include, but will not be limited to:
  - a. the right: to maintain order, discipline and efficiency; to make, alter and enforce rules and regulations, policies and practices to be adhered to by its Employees.
  - b. the right: to select, hire and direct the work force; to transfer, assign, promote, demote, classify, temporarily lay off, recall and suspend Employees; to determine the competency and qualification of Employees; to select and appoint individuals both into and out of the Team Leader role; and to retain Employees for positions excluded from the bargaining unit.

c. the right: to operate and manage the Employer's business in order to satisfy its commitments and responsibilities. The right to determine the kind and location of business to be done by the Employer, the direction of the working forces, the scheduling of work, the number of shifts, the methods, processes and means by which work is to be performed, job content, quality and quantity standards, the right to use improved methods, machinery, and equipment, the right to determine the number of Employees needed by the Employer at any time and generally, the right to manage the business of the Employer, and to plan, direct and control the operations of the Employer, without interference.

3.02 It is recognized that from time to time non-bargaining unit employees may perform work similar to that of the bargaining unit for the purposes of training and process improvement. Except in these cases, the Employer will not assign bargaining unit work outside of the bargaining unit.

#### **ARTICLE 4 - UNION REPRESENTATION**

4.01 For the purpose of representation with the Employer, the Union will function and be recognized as follows:

a. The Union has the right to select or appoint a Chief Union Steward and Union Stewards to assist Employees in presenting any complaints or grievances to representatives of the Employer and to enforce and administer the Collective Agreement. The number of Stewards will not exceed a maximum of six (6) with a minimum of one (1) on each shift. The Union will advise the Employer, in writing, of the names of the Stewards.

The Union agrees that a maximum of one (1) Team Leader may be appointed as a Union Steward and that only one (1) Union Steward may be appointed per job classification with the exception of the chief steward and the steward on the Weekend Shift.

The Employer recognizes that when Stewards are acting on behalf of the Union or any of its members, that they are talking to management as representatives of Local 56. The relationship is one of equals, not that of a subordinate talking to a supervisor.

The Chief Union Steward shall be the last Employee remaining on the job within the scope of this agreement.

- b. Duly appointed Representatives of the Union are representatives of the Employees in all matters pertaining to this Agreement, particularly for the purpose of processing grievances, negotiating amendments to and renewals of this Agreement and enforcing the Employees' collective bargaining rights as well as any other rights under this Agreement and under the law. Union Stewards will not act in this capacity. The Union will advise the Employer, in writing, of the names of its duly appointed Representatives.

- 4.02 The Union acknowledges that Stewards have regular duties to perform as Employees of the Employer and those Employees will not leave their regular duties for the purpose of conducting business in connection with the administration of the Agreement or the investigation or presentation of grievances, without first notifying their immediate Supervisor or designate. The Employer will pay Stewards at their regular hourly rate for time spent attending to such duties. Where ever possible, these functions will be carried out by the Chief Steward.

- 4.03 Union Stewards that are called in by the Employer to conduct Union duties will be paid in accordance with Article 10.08.
- 4.04 Representatives of the Union will have access to visit job sites during normal working hours subject to the following:
- a. Permission will first be obtained from the Employer. Such permission will not be unreasonably withheld.
  - b. The Union Representative will identify himself to the Supervisor upon arriving at the workplace.
  - c. In no case will the Union Representative interfere with the progress of work.
- 4.05 The Union has the right to appoint up to five (5) members to a negotiating committee, conditional that no more than one (1) employee is from the same job classification. Employees on the committee will be paid their basic rate of pay for all hours spent negotiating a Collective Agreement up to a maximum of one hundred (100) hours whenever this takes place during the regular working hours of the Employee. Members of the negotiating committee, meeting with the Union in preparation for negotiations will be granted reasonable time off without pay.
- 4.06 Neither the Employer nor the Union will compel Employees to join the Union. The Employer will not discriminate against any Employee because of Union membership or lack of it, and will inform all new Employees of the contractual relationship between the Employer and the Union. Before commencing work, any new Employee will be referred by the Employer to a Steward or a CLAC Representative in order to give such Steward or CLAC Representative an opportunity to describe the Union purpose and representation policies to the new Employee. Stewards will be granted fifteen (15) minutes of paid time at regular rates for this purpose.

- 4.07 The Union agrees that it will make membership in the Union available to all Employees covered by this Agreement on the same terms and conditions as are applicable to other members of the Union.

Employees are required to act in a manner that is consistent with the CLAC Constitution and is in the best interest of the bargaining unit as a whole.

- 4.08 The Union has a conscientious objection policy for Employees who cannot support the Union with their dues for conscientious reasons, as determined by the Union's internal guidelines on what constitutes a conscientious objection.

Employees with such a conscientious objection to supporting the Union may indicate this to the Union in writing, and successful applicants will have the amount equal to Union dues sent to a charitable organization.

- 4.09 The Employer agrees to provide adequate space, in a permanent location acceptable to the Union, for a bulletin board. The Union agrees to remove material which the Employer considers objectionable.

- 4.10 With mutual agreement between the parties, the Employer agrees to allow the Union the use of their premises to conduct ad hoc Union business (annual general meetings, votes, etc) at a time convenient to both parties.

- 4.11 In coordination with the Employer, the Union may conduct votes for Union Stewards and Bargaining Committee members during normal working hours.

## **ARTICLE 5 - STRIKES AND LOCKOUTS**

- 5.01 During the term of this Agreement, or while negotiations for a further agreement are being held, the Union will not permit or encourage any strike, slowdown, or any stoppage of work or other restriction or interference with the Employer's operation through the Employees in the bargaining unit, and the Employer will not engage in any lockout of its Employees or reduce hours except for business requirements.

## **ARTICLE 6 - DUES DEDUCTIONS**

- 6.01 The Employer is authorized to and will deduct from each Employee's pay the amount equal to the Union dues, and where applicable, an amount equal to Union dues arrears or Union initiation fees, effective from the start of employment. Such deductions will be a condition of employment and will be an amount set by the CLAC National Convention.
- 6.02 The total amount deducted will be turned over to the Union's provincial office each month, within two (2) weeks of period end, together with an itemized list of the Employees for whom the deductions are made, the amount deducted for each, and the Employee's identification number. The Union and the Employee agree that the Employer will be saved harmless for all deductions and payments so made.
- 6.03 The Union will promptly notify the Employer, in writing, over the signature of its designated officer, the amount of the deduction to be made by the Employer for regular Union dues and initiation fees. The Employer will have the right to continue to rely on such written notification from the Union.

- 6.04 The Employer will provide the Union with information regarding job classification changes and terminations. The name, address, date of hire, and classification of new Employees will be provided to the Union once monthly.

## **ARTICLE 7 - PROBATIONARY PERIOD**

- 7.01 A newly hired regular Employee will serve a probationary period of six (6) calendar months. The Employer will complete a performance appraisal after three (3) months with another appraisal at the end of the six (6) month period.
- 7.02 While on probation, Employees may be discharged by the Employer without recourse to the grievance or arbitration sections of this Agreement. Upon request from the Union Representative, the Human Resources Representative will discuss the reason for the probationary Employee's release.
- 7.03 Hours worked as a temporary Employee will not count toward completion of a probationary period.
- 7.04 Each full day of absence from work for any reason during the probationary period will extend the probationary period by one (1) day.

## **ARTICLE 8 - DEFINITION OF EMPLOYEE**

- 8.01 Full-time Employee means any Employee who regularly works forty (40) hours per week.
- 8.02 Part-time Employee means a regular Employee who works less than forty (40) hours per week, but must be scheduled a minimum of twenty (20) hours per week. Part time employees will be given a schedule a minimum of seven (7) days in advance. Part-time Employees will be entitled to compensation on a pro-

rated basis under the terms of this Agreement unless the parties agree otherwise. Part-time employees may be called in for additional unscheduled shift(s). Part-time employees will not be employed to reduce the number of Full-time employees.

- 8.03 Casual employees are employees hired to carry out work assignments without a regularly scheduled shift pattern, and may be called for shifts with minimal notice. Casual employees will not be employed to reduce the number of Full-time or Part-time employees.

Part-time employees will be called in before Casual employees.

- 8.04 Should the employer adjust the staffing model to require Part-time and/or Casual employee(s) to a department, the Union will be consulted prior to posting.

- 8.05 Temporary Employee means a person hired with the expectation that their employment will be temporary. They may be either Part-time or Full-time as per articles 8.01 and 8.02 with the exception that they will have a specific employment end date. Temporary Employees will not be employed to reduce the number of Full-time or Part-time employees.

Temporary Employees will be covered under the terms of this Agreement except for:

- Article 7 Probationary Period
- Article 13 Annual Vacations and Vacation Pay
- Article 14 Length of Service
- Article 15 Lay Off and Termination of Employment
- Article 16 Recall
- Article 18 Technological and Mechanical Change

- Articles 21.01, 21.03, & 21.04 Tools and Equipment
- Article 23 Benefit Plans
- Article 25 Pay Provisions for Employees Absent from Duty
- Article 28 Grievance Procedure and Article 29 Arbitration will not apply in the event of termination of employment. The Employer is entitled to cease using a temporary Employee in its discretion at any time.

Temporary Employees will receive four percent (4.0%) in addition to their basic hourly wages on each pay in lieu of the provisions in Article 13 – Annual Vacation and Vacation Pay.

## **ARTICLE 9 - CLASSIFICATION AND WAGE RATES**

9.01 All bargaining unit employees will be compensated based on Schedule “A” of this Collective Agreement.

9.02

- a. The Company will develop and maintain a Job Classification and Skill Level Policy (Job Classifications and Skill Levels Document) which reflects the required skills necessary for an employee to achieve their next pay level. Employees may be required to perform tasks above and beyond those listed in the document.
- b. Development and revisions to the Job Classification and Skill Level Document will include input from Team Leaders in various departments.
- c. The Job Classification and Skill Level Document will be reviewed once per year to ensure it accurately reflects the skills necessary for the levels. This does not prevent the Company from revising the Skills Document more than once per year,

when there are changes to the requirements of the classification.

9.03

- a. Employees who believe they have attained the requirements of the next level in their classification may apply for advancement through the Level Challenge Process. The Company, with input from the employees Team Leader(s) will review the employee's skills based on the criteria in the Job Classifications and Skill Levels Document. The Skills Document will be written to ensure that all levels within a classification will be attainable; understanding that employee training is dependent upon business needs.
- b. Effective September 1, 2018, an employee will be assessed on criteria that will be published within the Job Classification and Skill Level Document for each classification. Assessments will be performed in a manner that is fair, transparent and consistently applied within the classification. The assessment criteria will be created with input from relevant Team Leaders and the Union.

9.04 The Employer will provide the Union with a list of all Active Level challenges monthly.

9.05 Additional classifications may be established by the Employer during the term of this Agreement, and the wage rates for those new classifications will be subject to negotiations between the Employer and the Union. If there is a dispute about the new wage rate, the matter will be brought forward to Mediation. The Job Classifications and Skill Level Document will be revised in accordance with 9.02 above.

- 9.06 a. Any errors on an Employee's pay that results in an Employee receiving less pay than they are entitled to will be processed and submitted to the employee's financial institution within five (5) days of the Employer being notified of the error. The Employer will reimburse the Employee for any substantiated financial losses (NSF's and Late penalties).
- b. The Employee may choose to have an error corrected on the next pay cycle.
- 9.07 Employees will be required to return any overpayment in a manner that is acceptable to the Employer and the Employee upon written consent of the Employee. The Union will be notified prior to any requests for overpayment being made.
- 9.08 Employees assigned to the role of Team Leader:
- a. may be used to assist the Employer in coordinating the activities and training of the Employees.
- b. with the exception of Component Cleaning, and Disassembly level one through four (1 - 4) as reflected in schedule "A", will receive an hourly base rate of pay calculated as: the Employee's applicable Schedule "A" classification rate, based on competency, demonstrated skill, and expectation to train others, x 1.05.
- c. All Team Leaders are eligible to participate in OEM's Performance Bonus Plan.
- 9.09 A temporary Team Leader may be appointed when a Team Leader is expected to be gone for more than two (2) consecutive weeks and will be paid the applicable Team Leader rate.

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

It is recognized that the business of the Employer is conducted twenty-four (24) hours per day, seven (7) days per week, and Employees will be scheduled to work shifts to accommodate the demands of business.

- 10.01 Normal hours of work for full time Employees will be forty (40) hours per week, and eighty (80) hours per pay period. The Employer may institute an averaging agreement to address business needs.

The regular full time shift schedule in place as of January 1, 2015 will not be altered except under the provisions of 10.02.

The Union will be notified of any adjustments to the shift times that extend beyond one week.

- 10.02 Employee Shift Schedules

Day Shift 1: Monday – Friday, 6:00 am – 2:30 pm

Afternoon Shift 1: Monday – Thursday, 3:00 pm – 1:30 am

Day Shift 2: Monday – Thursday, 5:00 am – 3:30 pm

Afternoon Shift 2: Monday – Thursday, 4:00 pm – 2:30 am

Weekend Shift: Friday – Sunday, 6:00 am - 6:30 pm

All Shifts will be static shifts within six (6) months of ratification as per Letter of Understanding #5.

- 10.03 The Employer may introduce additional shift patterns provided the requirements of Letter of Understanding #1 have been met.
- 10.04 An Employee who reports to work when scheduled without having been notified that there is no work available, and who is sent home because of lack of work, will receive a minimum of three (3) hours pay for that day.

10.05 An Employee who commences work and is prevented from completing their scheduled shift because of a lack of work will receive a minimum of four (4) hours pay for that day.

10.06

- a. All “Hours Worked” in excess of the scheduled daily hours (in the case of full time Employees), or more than ten (10) hours per day for all other Employees, and hours worked in excess of forty (40) hours per week, but less than fifty-two (52) hours per week, will be paid at the overtime rate of time-and-a-half (1.5x) their basic hourly rate of pay. Overtime hours worked beyond twelve (12) hours per week will be paid at two times (2x) their regular hourly rate.
- b. “Hours Worked” will be defined as hours physically worked by an employee, banked time, scheduled vacation (that is submitted and approved by management prior to the vacation occurrence) or scheduled statutory holidays. Hours worked will be used for overtime calculation purposes.
- c. “Non-Hours Worked” will be defined as hours not physically worked by an employee, sick time, bereavement leave, and flex time. Non-hours worked will not be used for overtime calculation purposes.
- d. Overtime will be calculated after 40 hours have been worked in a work week. A work week starts on Monday and ends on Sunday.

10.07 At the time the employee is required or requested to work overtime, the employee must advise the employer whether he is opting for banking time off. Overtime submitted without reference on the time sheet to banking the time will be paid out.

- a. A maximum of eighty (80) straight time hours may be held in an employee's overtime bank at any time. Overtime hours will be banked at overtime rates. (ie. 1 O.T. hours = 1.5 or 2 hours of paid time off, as applicable).
  - b. The Employer will make reasonable effort to allow time off when requested by the Employee, but such time must be taken consistent with the efficient operation of the Company; and unused banked overtime will be paid out at the value at which it was earned.
  - c. For those in the non-sponsored apprenticeship programs, an additional eighty (80) straight time hours may be held in an employee's overtime bank to be used only when attending technical training.
- 10.08 Employees who report to work as a result of a call out to work by their Supervisor will be paid for a minimum of three (3) hours. Any subsequent return to work within two (2) hours of the first call out will be considered part of the first call out.
- 10.09 When an Employee's shift cycle is changed without seventy-two (72) hours' notice, the Employee will receive a premium of one half times their basic hourly rate for each hour worked on the first changed day of that shift cycle. This premium would not apply to the second or subsequent shifts in the changed shift cycle. This provision does not apply in cases of emergency, such as fire, flood or other force majeure.
- 10.10 Employees who have completed their scheduled shift and are required to commence their next shift within a ten (10) hour period from the end of the previous shift will be paid a premium of one half times their basic hourly rate for all hours worked prior to the expiry of the ten (10) hour interval in addition to overtime pay that might be payable.

10.11 Employees working the Afternoon Shift pattern will receive a Shift Premium for all hours worked. In circumstances where the Employer requires the Employee to work a shift outside their regularly scheduled Afternoon Shift, the Employee will continue to receive the Afternoon Shift Premium. This premium will not be considered part of the basic rate of pay and will not be payable when the Employee is working daily overtime. It will not be included when calculating an Employee's daily overtime rate of pay.

The Afternoon Shift Premium will be \$2.50 per hour. Upon date of static shift implementation, the Afternoon Shift Premium will be \$3.00 per hour.

10.12 Upon management approval, employees that desire to maintain a rotation may create a shift agreement with another employee in their department.

10.13 Employees who are designated by the Employer to be On-Call during their scheduled days off, and therefore expected to be readily available to respond to any request to report to work will receive a flat fee of forty dollars (\$40.00) per day for each day they are so designated.

10.14 The employer is required to give an employee a minimum of four (4) calendar weeks' notice when there is a need to permanently transfer the employee to a different shift. This notice period can be waived by mutual agreement between the Employer and the employee.

10.15 In circumstances where business need deems necessary, the Employer may adjust Team Leaders regularly scheduled shift to commence thirty (30) minutes prior to the end of the departments regularly scheduled Day Shift, as outlined in Article 10.02.

- 10.16 Vacation will not be used to make up an Employee's pay without the approval of the Employee.
- 10.17 Employees scheduled for training will be paid for their entire scheduled shift, including shift premiums, regardless of the total time spent in the training course. Employees scheduled for training off site will not be required to return to OEM if the training course ends within two (2) hours of the end of their regularly scheduled shift. Employees scheduled for training courses at OEM will be required to return to their regular duties.

## **ARTICLE 11 - REST AND MEAL PERIODS**

- 11.01 Employees will receive two (2) scheduled fifteen (15) minute paid rest periods and one (1) unpaid thirty (30) minute meal break for each shift.
- 11.02 Employees will receive a paid fifteen (15) minute rest period between their regular scheduled hours and the commencement of daily overtime.
- 11.03 Employees working more than two (2) hours, but less than five (5) hours overtime on a scheduled day off will receive a paid fifteen (15) minute rest period. When working five (5) hours or more, the Employee may take an unpaid meal period of thirty (30) minutes. For periods of ten (10) hours or more the Employee will receive meal and rest periods in accordance with 11.01 and 11.04.
- 11.04 Employees working overtime for a period that exceeds two (2) hours following their regularly scheduled shift may take an unpaid meal break of thirty (30) minutes.

## ARTICLE 12 - GENERAL HOLIDAYS AND HOLIDAY PAY

### 12.01

- a. When a General Holiday falls on an Employee’s regular scheduled shift, and if the Employee has worked their regularly scheduled shifts immediately preceding and immediately after the holiday, they will be compensated at their regular basic rate of pay, for the hours of work for the shift rotation they are working, for the following holidays:

Holiday	2018	2019	2020
New Years Day	Mon. Jan 1	Tues. Jan 1	Wed. Jan 1
Family Day	Mon. Feb 19	Mon. Feb 18	Mon. Feb 17
Good Friday	Fri. March 30	Fri. April 19	Fri. April 10
Victoria Day	Mon. May 21	Mon. May 20	Mon. May 18
Canada Day	Mon. July 2	Mon. July 1	Wed. July 1
Civic Holiday	Mon. Aug 6	Mon. Aug 5	Mon. Aug 3
Labour Day	Mon. Sept 3	Mon. Sept 2	Mon. Sept 7
Thanksgiving Day	Mon. Oct 8	Mon. Oct 14	Mon. Oct 12
Remembrance Day	Sun. Nov 11	Mon. Nov 11	Wed. Nov 11
Christmas Eve	Mon. Dec 24	Tues. Dec 24	Thurs. Dec 24
Christmas Day	Tues. Dec 25	Wed. Dec 25	Fri. Dec 25
Boxing Day	Wed. Dec 26	Thurs. Dec 26	Sat. Dec 26

- b. If an eligible employee is not scheduled to work on a general holiday, the employee is entitled to their average daily wage, as per 12.01c.
- c. Average daily wage is calculated as five (5) percent of the employee’s wages, general holiday pay and vacation pay earned in the four (4) weeks immediately preceding the general holiday.

- 12.02 Holiday pay, as outlined in Article 12.01 will not apply to premium or bonus payments. It will not be included when calculating an Employee's overtime rate of pay.
- 12.03 Employees who are required to work on one of the designated holidays in Article 12.01 will receive overtime pay for all hours worked in addition to the appropriate holiday pay as outlined in Article 12.01a or 12.01b.
- 12.04 The Employer will give advance notice as to which of the above statutory holidays the operation will remain closed. Notice will be posted two (2) weeks prior to closing to enable advance scheduling of the persons assigned to be On-Call.
- 12.05 From time to time the Employer may elect to recognize a General Holiday on a day other than the day it is officially recognized. In the event a General Holiday that officially falls on a weekend is scheduled to be recognized on either the preceding Friday or following Monday, Employees working a normally scheduled weekend shift will have their shift rescheduled to ensure they receive the same number of consecutive days off they otherwise would have received had the General Holiday been recognized on the weekend.
- 12.06 Employees who are not scheduled to work on a Statutory Holiday may elect to take the day off on the day that is recognized as a Statutory Holiday day for the office. Employees will be required to notify their immediate supervisor at least seven (7) days prior to the Statutory Holiday, and use either vacation, banked overtime or flex time pay code.

## ARTICLE 13 - ANNUAL VACATIONS AND VACATION PAY

13.01 As of January 1, 2019\*, regular employees who have completed the required years of continuous service will be entitled to vacation in accordance with the following schedule:

Employment Period	Vacation Entitlement
Start of employment	2 weeks
2 years or more	3 weeks
7 years or more	4 weeks
13 years or more	5 weeks
18 years or more	6 weeks

\*Refer to Notes: 2018 Entitlements

13.02 Employees who are absent from work for vacation leave or any other paid leave including utilization of banked overtime, sick leave, bereavement, statutory holiday pay or to attend a funeral will continue to earn vacation credits during that period of absence.

13.03 Employees who are absent from work for a WCB compensable injury or leave to appear as a Court Witness or to attend Jury Duty/Selection as outlined in Article 24 will continue to earn vacation credits during that period of absence.

13.04 Employees who are absent from work for any leave other than that specified in Article 13.03 or Article 13.04 will cease to earn vacation credits during that period of absence and will have their vacation entitlement pro-rated accordingly.

13.05 A vacation request list will be posted in March of each year and employees can submit their choice for up to two (2) weeks' vacation prior to April 30th. Vacation of Employees will be

scheduled on the basis of the employee's length of service within the various departments.

Vacation requests made after May 1st will be dealt with on a first come first served basis. In the event that multiple vacation requests are made after May 1st that cannot be accommodated, the Union Management Committee will make the final decision.

In all cases vacation requests will be considered subject to the efficient operation of the business, and time off is subject to the express approval of the Employer.

- 13.06 Vacation time, up to forty (40) hours may be carried over to the next calendar year. All requests of additional vacation carry forward, above forty (40) hours, must be approved by the department manager, and submitted to the Human Resources department for final approval.
- 13.07 Employees whose employment ceases for whatever reason, will be paid for all earned and outstanding vacation pay entitlement up to and including the last day worked.
- 13.08 Notwithstanding Article 13.05, vacation requests for the Christmas and New Year season will be awarded on a rotational basis within the various departments.
- 13.09 Team Leaders will earn a minimum of three (3) weeks of vacation entitlement annually.

## **ARTICLE 14 - LENGTH OF SERVICE**

- 14.01 Length of service when referred to in this Agreement will mean the total time employed by an employee in the bargaining unit.
- 14.02 The Employer will maintain up-to-date lists of every Employees' Length of Service Dates and Service Dates, and will provide them

to the Union when requested. These lists will be published by Length of Service Date for each employee.

- 14.03 Any rights associated with Length of Service will cease for an Employee who:
- a. voluntarily terminates his/her employment;
  - b. is discharged and such discharge is not reversed through the Grievance Procedure;
  - c. fails to report on the first day following the expiration of an approved leave of absence, except by mutual agreement or reasonable cause;
  - d. is laid off for a continuous period of sixty (60) days;
  - e. fails to return to work when recalled from layoff.

14.04

- a. Employees who have been temporarily or permanently promoted out of the bargaining unit will have their Length of Service retained for one (1) year or such longer period that may be agreed to with the Union prior to the expiry of the one (1) year window, provided they remain employed with the Employer.
- b. Non-bargaining unit individuals may only return to the bargaining unit through the job posting procedure provided they have retained length of service as described in (a). These individuals will have their Length of Service Date adjusted.
- c. It is agreed that an Employee returning to the bargaining unit after a temporary promotion does not displace a Bargaining Unit Employee, and can be returned to the bargaining unit in their former position.

## ARTICLE 15 - LAY OFF AND TERMINATION OF EMPLOYMENT

15.01 When the Employer deems it necessary to reduce the workforce they will give the Union One (1) weeks' notice of impending permanent layoffs. For example, this notice will not be required when equipment failure, shortage of material, or other reasons beyond the control of the Employer cause a stoppage of operations.

The Employer agrees to notify the Union of the names of Employees laid off within the pay period of the date during which the layoff will occur, together with the Employee's classification and latest available phone number.

15.02 In the event of a temporary or permanent lay-off, employees will be selected for lay off based on the following steps:

**Step 1:** The Employer will select, within each job stream, the number of positions required for layoff. This selection will be determined based on business need.

**Step 2:** Employees will be selected for layoff based on the least Length of Service in a specific Job Stream as outlined in Schedule "B".

15.03 In the event that an Employee's job becomes redundant or reclassified to a lower job grade and the Employee's rate of pay is reduced for any reason such as:

- a. Contracting out of work
- b. Sale of division
- c. Technological or mechanical change

then the severance provisions of Article 15.05 will apply. Employees who wish to be retained will be offered a meeting

between the Union and the Employer to discuss employment options.

- 15.04 An employee who is subject to a temporary or permanent layoff will be given the option of:
- a. receiving a severance as outlined below, paid out within fourteen (14) days of the layoff; or
  - b. maintaining recall rights for a period of sixty (60) days. Employees who are not recalled within sixty (60) days will receive severance as outlined in Article 15.05 following the expiry of the recall time.
- 15.05 Employees with a length of service between three months and twenty (20) years will be eligible for severance pay in the amount of one (1) week per completed year of service. Employees with a length of service twenty-one (21) years or greater will be subject to the table below:

Length of Service (year completed)	Proposed (weeks)
Twenty-one (21) years	22
Twenty-two (22) years	24
Twenty-three (23) years	26
Twenty-four (24) years	28
Twenty-five (25) years or greater	30

- 15.06 There will be no termination of employment because of grounds prohibited by the Employment Standards Code, Labour Relations Code or Human Rights, Citizenship and Multiculturalism Act.

## **ARTICLE 16 - RECALL**

- 16.01 The Employer will not hire into the bargaining unit while there are employees with recall rights capable of performing the work.
- Employees will be recalled in order of Length of Service within the Job Stream they were in at the time of the layoff.
- 16.02 Employees will be notified of recall either in person, by telephone or by regular mail. A copy of the recall notice will be presented to the Union. It is the responsibility of the laid off Employees to keep the Employer informed of their current address and telephone number if they wish to be considered for recall.
- 16.03 Any Employee laid off and recalled for work must return within (2) days after receipt of notice of recall when unemployed and within fourteen (14) days when employed elsewhere, or make definite arrangements with the Employer to return to work at a time which is acceptable to the Employer or the Employee's rights to recall are forfeited.

## **ARTICLE 17 - JOB POSTING**

- 17.01 It will be the objective of the Employer to promote from within wherever possible. The Employer will not hire externally for any vacancy where there are internal candidates that meet the minimum qualifications outlined in the job posting, have applied within the posting timeframe and that are willing to accept the position.
- 17.02 Job postings for positions covered by this Collective Agreement will be posted electronically for ten (10) days, and will include:
- a. Job Classification and Shift
  - b. Minimum Job Qualifications

c. Anticipated job duties

d. Wage rate range

Employees that do not meet the minimum job qualifications outlined in the job posting will not be considered as an eligible candidate for the vacancy.

17.03 The process for determining the successful candidate for a job posting will be documented in the Job Vacancy Awarding Criteria. The process will identify criteria that ensure fairness and transparency in the process while recognizing the skills a candidate has and the operational needs of the Employer.

Length of Service will be one of the selection criteria used to determine the successful candidate.

The process will also include, but not be limited to, selection criteria that have a direct objective relation to the position being awarded.

Should changes to the job vacancy awarding criteria be required, a project team will convene to discuss any recommended changes. The Union will appoint one steward, one CLAC Representative and one hourly employee to the project team, allowing for employee/union participation and input in the creation of the job vacancy awarding criteria. The project team will also consist of five management representatives.

17.04 All unsuccessful candidates will be notified within seven (7) days of the posting being filled or cancelled.

17.05 Vacancies that have been open externally for longer than ninety (90) days (consisting of thirty (30) days posting and up to sixty (60) days administrative) and do not have a suitable candidate identified will be refreshed and posted internally again.

- 17.06 Employees awarded a vacancy will start in their new position within ninety (90) days of being awarded the position.
- 17.07 For recruitment purposes, Sub-Assembly employees will be grandfathered if promoted to Engine Assembly or Engine Inspection.

## **ARTICLE 18 - TRANSFERS**

- 18.01 Employees who have been permanently transferred into another position will be given the right of first refusal, within twelve (12) months of transfer, to return to their former position if it becomes available. If any employee has the right of first refusal, the Employer does not need to post for the vacancy. If more than one (1) Employee has been transferred and has right of first refusal, the Employees will be returned to their former position based upon the following criteria in the following order:
  - a. minimum Level required
  - b. greatest Length of Service
- 18.02 Temporary transfers - Employees that are temporarily transferred to another area will be paid the higher of their regular wage rate grandfathered or the regular wage rate of the temporary classification that they had previously attained. Temporary transfers will be set to an initial maximum of thirty (30) days, renewable as business needs require. Employees will receive written notice of any temporary transfer greater than two (2) weeks.
- 18.03 Permanent transfers – Employees that are permanently transferred to another area will have their wage adjusted according to the following:

- a. Wage Reduction: Appropriate whenever a position transfer is initiated by the employee (also applicable when the employee is being removed from their position because of culpable actions or discipline);
- b. Grandfathering: Appropriate when the Employer requires an individual to move to a lower/different classification because the employee has a skill-set the employer needs elsewhere;
- c. Red Circling: Appropriate when the Employer is restructuring the workplace, and employee(s) are placed into a lower/different classification due to the restructuring – at no fault of the employee.
- d. Displaced or probationary employees will not be promoted as a result of a transfer.

## **ARTICLE 19 - TECHNOLOGICAL AND MECHANICAL CHANGE**

- 19.01 Technological and mechanical changes will be defined to mean the introduction and utilization of machinery and other equipment changes which have not previously been used in the bargaining unit by the Employer and the use of which results in the termination or the lay-off of regular Employees.
- 19.02 All parties to this Agreement recognize that technological and mechanical changes that result in increased efficiency and productivity must be encouraged and further, that all parties have a direct responsibility to reduce to a minimum the adverse effects that may result from such changes.
- 19.03 The Employer will keep the Union informed in advance of the introduction of technological or mechanical changes and the matter will immediately become the topic of general discussion

and consultation between the Employer and the Union, and particularly in regard to:

- a. the effect such changes will have on the number of Employees within the bargaining unit;
- b. the probable effect on working conditions;
- c. any changes in job classifications.

## **ARTICLE 20 - OCCUPATIONAL HEALTH AND SAFETY**

### 20.01

- a. Health and Safety is of paramount importance to all personnel and it is recognized that all employees have obligations under the Alberta Occupational Health and Safety Act (2013). All persons working for the Employer will be expected to observe established health and safety policies and to immediately report unsafe or harmful conditions, equipment, or practices in accordance with the incident reporting procedure where possible to their Supervisor and/or a Health and Safety Committee member who shall investigate, and, if deemed necessary, recommend ways to correct the problem.
- b. The Employer shall ensure that the health and safety at work of every person employed by the Employer is protected.
- c. The Union undertakes to give full support to these objectives by promoting safety consciousness and a personal sense of responsibility amongst its membership.

20.02 There will be an established Joint Health and Safety Committee. The purpose of this committee is:

- to be a forum where potential hazards can be identified;
- to evaluate these potential hazards with the Safety department;
- to make recommendations on corrective actions;
- to follow up on the implementation of the recommendations.

20.03 An Employee who is injured on the job will immediately report to the shift Supervisor. If the Employee is required to leave for treatment and cannot return to work they will be paid for the remainder of the shift. An Employee who is injured on the job and who requires transportation from the work site to a local physician or hospital will receive such transportation provided for by the Employer.

20.04 The Employer has a Modified Work Program, and in the event that an Employee is injured on the job and requires medical attention, the Employee will advise the attending Physician of the Program, and have the Physician identify any limitations that the Employer will evaluate in its duty to accommodate in returning the Employee to work.

20.05 The Employer will ensure that all medical information required of an Employee will be kept confidential between the Employee, the Health Professional(s) and management personnel who are required to know this information.

20.06 The parties recognize the need for a safe workplace free of alcohol and drug use, along with employees being fit for duty. To that end, the parties agree that the Employer may develop a Drug and Alcohol Policy that complies with current legislation, and provided that:

- a. Employees will not be required to submit to a test without three (3) trained management representatives, including at least one (1) Area Manager or above agreeing that the situation meets the testing parameters agreed to between the Employer and the Union;
- b. Employees shall be paid for any time the worker would have otherwise worked, including overtime, while waiting for laboratory results; except for suspension. Employees pay will be suspended while waiting for the results of the Drug and Alcohol test.
- c. Employees will not be subject to a search of their personal property without their consent.

20.07 The Union will be involved in any discussions when an Employee will have to be accommodated that may potentially alter their classification, hours of work or rate of pay.

20.08 Employees who are permanently accommodated will be grandfathered at the rate they were receiving for a period of three (3) months after transitioning to their new role.

## **ARTICLE 21 - TOOLS AND EQUIPMENT**

21.01 Employees are required to furnish all hand tools necessary for their job classification as specified by the Tool List provided by the Employer. The Employer will provide a secure personal tool storage for each Employee. Employees are expected to have these tools available and in good working condition at all times. All tools necessary to complete assigned work in addition to those specified by the Tool List will be provided by the Employer. Where the Employer requires the Employee to use impact wrenches or micrometers the Employer will provide those tools. Employees will be held responsible for safeguarding and applying proper care

and attention in the utilization and storage of Employer tools issued to them.

- 21.02 The Employer agrees to maintain equipment that Employees are required to use in a safe condition. Equipment that is not in proper working condition should be reported to the Supervisor who will determine the appropriate course of action. Unsafe equipment may also be reported to the Health and Safety Committee in the event that timely and appropriate corrective action has not been taken.
- 21.03 As of January 1, 2019\*, the Employer will provide an annual boot and prescription safety glasses allowance to all Full-Time and Part-Time Employees who are required to wear safety boots and protective eyewear. This allowance will be set at maximum reimbursement of \$300 per year to be used at the employee's discretion.

Employees that work in Component Cleaning, Component Disassembly, Component Testing, Service Bay, Struts and Cylinders, Paint and Packaging, and employees who are required to work outdoors in the winter will be eligible for an additional reimbursement of \$100 per year for boots.

\*Refer to Notes: 2018 Entitlements

- 21.04 The Employer will provide an annual Tool Allowance to employees in any job classifications which have an Employer required tool list. This allowance will be set at fifty percent (50%) of actual cost for the purchase or repair for any tools listed on the Employees Tool Requirements by Job Classification document to a maximum reimbursement per year as follows:
- \$300
  - \$500 during the first year only when an existing employee is

internally promoted to a new classification requiring significantly different tools

21.05 There will be an established Tool Committee.

21.06 There will be an established Equipment Committee.

## **ARTICLE 22 - UNION MANAGEMENT COMMITTEE**

22.01 The parties to this agreement pledge to work towards the greatest possible degree of consultation and cooperation, believing that the following concepts provide a fundamental framework for improved labour/management relations:

- a. the industrial enterprise is an economically characterized work community of capital investors and workers under the leadership of a management;
- b. the economic character springs from a continuous striving towards efficient use of scarce resources, energy and environment, and in the adequate development of research, production and marketing;
- c. the enterprise requires authority relationships under a strong central leadership of management;
- d. a strong management does not discourage cooperation but stimulates it, recognizing that while leadership without labour can do nothing, labour without management cannot survive.

22.02 In order to further the aims of the enterprise, the parties agree to schedule Union/Management meetings as required, but at least every three (3) months during the life of this Agreement. The meetings will serve as a forum for discussion and consultation about policies and practices not necessarily covered by the Collective Agreement. The areas for discussion may include, but

not be limited to:

- a. hiring policies;
- b. discipline and discharge policies;
- c. training and promotion;
- d. health and safety measures;
- e. matters that affect the working conditions of the Employees;
- f. temporary transfers greater than 30 days;
- g. modifications or introduction of Corporate policies that apply to Bargaining Unit Employees. Management will present the information to the union through alternative communication if required.

22.03 The Employer and the Union will each appoint representatives to the Union/Management Committee. The Committee will decide how to communicate the results of the discussions to all parties.

22.04 A Committee member, attending the Union/Management Committee meetings during regular working hours or outside working hours will be entitled to his regular hourly rate of pay from the Employer.

22.05 The Parties agree that the provisions of this Article are not meant to limit or restrict the right of the Employer to communicate with Employees.

## **ARTICLE 23 - BENEFIT PLANS**

23.01 In order to protect employees and their families from the financial hazards of illness, the parties agree to provide a comprehensive Benefit Plan.

## 23.02

- a. Employees will be eligible for and required to participate in the following Benefit Plans, subject to a three (3) month waiting period for new employees, eligibility criteria and specific terms and conditions outlined under each Benefit Plan. The Employer agrees to maintain the Benefit Plans, with the premium costs fully paid by the employer:
- Basic Group Life Insurance
  - Short Term Disability
  - Basic Accidental Death and Dismemberment
  - Employee and Family Assistance Plan (EFAP)
  - Effective January 1, 2019, Health Spending Account of \$200 per employee per year. (employees who apply for Spousal Exemption for health benefits are not eligible)
- b. Employees will be eligible for and required to participate in the following Benefit Plans, subject to a three (3) month waiting period for new employees, eligibility criteria and specific terms and conditions outlined under each Benefit Plan. The Employer agrees to maintain the Benefit Plans, with the premium costs fully paid by the employee through payroll deductions:
- Long Term Disability
- c. Employees will be eligible for and required to participate in the following Benefit Plans, subject to a three (3) month waiting period for new employees, eligibility criteria and specific terms and conditions outlined under each Benefit Plan. The Employer agrees to maintain the Benefit Plans, with the Employer paying

eighty percent (80%) and the employees paying twenty percent (20%) of the premium cost through payroll deduction:

- Extended Health Care (employees may apply for Spousal Exemption)
- Dental (employees may apply for Spousal Exemption)

d. The Employer has a Modified Work Program, and in the event that an Employee, returning from STD or LTD has limitations that prevent a full return to duties, the Employee will provide to the Employer a Modified Return to Work form completed by a Physician that identifies any limitations that the Employer will evaluate in it's duty to accommodate in returning the Employee to work.

23.03 A benefit advisory committee will be set up to discuss coverage levels, premiums and concerns about benefits coverage on an annual basis and will be comprised of three (3) representatives from the Union and three (3) representatives from the Employer. The committee will meet prior to contract renewal.

In the event either party desire to change benefit service providers, that party shall inform the other party in writing. This written notice will result in both parties meeting to further discuss and in the event that both parties mutually agree the Employer will survey the Employees for final approval. In no event shall either party recommend changing service providers with less than 60 days written notice to the existing benefit service provider.

23.04 Upon hire, the Employer will distribute brochures and other relevant information concerning the above plans. Communication regarding changes to a plan will be distributed to Employees. Copies of these communications will also be provided to the Union.

- 23.05 It is understood and agreed that the Employee is responsible to be familiar with the specific details of coverage and eligibility requirements of all benefits plans. Further, neither the Union nor the Employer has any responsibility for ensuring that all requirements for eligibility or conditions of coverage or entitlement of benefits are met by the Employee, beyond the obligations specifically stipulated in this Agreement.

## **ARTICLE 24 - PENSION PLAN**

- 24.01 Employees covered by this agreement shall participate in a Defined Contribution Registered Pension Plan as outlined below.
- 24.02 Employees will be eligible to participate immediately upon commencement of employment, subject to the other eligibility criteria outlined in the Pension Plan.

Effective January 1, 2019\*, the Employer will contribute four and one-half percent (4.5%) of the Employee's regular wages (including 4 hour weekend premium, as applicable). The Employee may make voluntary contributions to the Pension Plan up to the maximum amount permitted under the relevant pension legislation. For each one percent (1%) voluntary contribution by the Employee, the Employer will contribute an additional one-half percent (½%) of the Employee's regular wages (including 4 hour weekend premium, as applicable), up to an additional maximum of two percent (2%). The total maximum contribution made by the Employer will not exceed six and one-half percent (6.5%) of the Employee's regular wages (including 4 hour weekend premium, as applicable).

Employee's may voluntarily contribute more than four percent (4%) of regular wages without further Employer contributions,

subject to contribution limitations established by relevant legislation and the terms of the Pension Plan.

Employees will become vested immediately upon participation in the Pension Plan.

\*Refer to Notes: 2018 Entitlements

## **ARTICLE 25 - PAY PROVISIONS FOR EMPLOYEES ABSENT FROM DUTY**

### 25.01 Sick Leave

Regular full time employees will be entitled to sick/flex time as follows:

- a. Sick leave is for any leave that pertains to employee health matters and an employee's personal and family responsibility. All sick leave hours will be applied as Personal and Family Responsibility Leave (PFRL).
- b. Employees will receive sixty (60) hours of sick leave January 1st of each calendar year and will be prorated for those hired after January 1st. Sick leave can be taken in one (1) hour increments.
- c. Employees with less than 2 years employment, sick leave will be paid at 75% of their hourly wage. Employees with more than 2 years employment, sick leave will be paid at 100% of their hourly wage.
- d. Employees will be able to carry over a maximum of sixty (60) hours of unused sick leave to the following year. The maximum number of hours at any given time will not exceed one hundred twenty (120) hours.

- e. Notwithstanding employees on the Attendance Management Program, a Supervisor may require a physician's certificate for absences due to personal illness that are longer than three (3) consecutive shifts and will advise the Employee of this requirement prior to their return to work. The employee will bear any costs associated with 25.01 e.
- f. Where an Employee's absence due to illness is frequent, extended, or seriously interferes with the effectiveness of a production unit, a physician's certificate must be produced upon request of the Supervisor. The Employee may also be required to attend a medical consultation with a physician appointed by the Company, at the cost of the Employer.

## 25.02 Flex Leave

Regular full time employees will be entitled to flex time as follows:

- a. Employees who have been employed for two (2) years will receive twenty (20) hours of flex time January 1st of each calendar year and will be prorated for those hired after January 1st. Flex leave can be taken in one (1) hour increments.
- b. Employees that do not fully utilize their bank of flex leave by the end of each calendar year will be paid out, at their regular rate of pay, any remaining balance, in the form of one lump sum payment.
- c. Employees will normally require a minimum of 24 hours' notice when utilizing Flex Time.

### 25.03 Bereavement Leave

- a. An Employee will be granted three (3) days leave of absence with pay and up to two (2) additional days leave without pay to make arrangements for and to attend the funeral of the Employee's immediate family. Immediate family will be defined as: husband; wife; (including common-law spouse) father; mother; son; daughter; brother; sister; father-in-law; and mother-in-law; sister-in-law; brother in-law, grandparent, or grandparent in-law. Additional time off without pay may be taken with the approval of the Employer.
  
- b. An Employee will be granted one (1) day leave of absence without pay to make arrangements for and to attend the funeral of an individual covered under Alberta Employment Standards definition of family member. Additional time off without pay may be taken with the approval of the Employer.

25.04 Employees may make application for leave of absence without pay for personal reasons or family distress. The Employer will consider length of service, compassionate reasons for the leave and operational requirements in the decision of whether to grant such a leave and the length of time for such leave.

### 25.05 Elections

Employees eligible to vote will be allowed sufficient time off with pay to meet legal requirements for voting purposes. This does not apply to Employees listed as voters at localities other than where they are working.

25.06 Court Witness

- a. An Employee absent from work as a result of a subpoena or summons to appear as a witness will be allowed time off without pay.
- b. An Employee appearing as a witness on behalf of the Company will receive regular wage treatment.

25.07 Jury Duty and/or Selection

An employee receiving a court notice to appear for jury duty and/or selection will inform their supervisor. The employee will receive one hundred (100%) of their regular pay (no premium pay) to a maximum of ten (10) scheduled court days for time when the employee is required to be in attendance for jury duty and/or selection.

25.08 Absence – General

Payment of wages will not be allowed for time lost by any Employee for reasons other than those covered under the terms of this Agreement, or provided by statute.

25.09 Reporting Absence

An Employee who is unable to work for any reason, is required to notify their Supervisor, or designated person as directed by their Supervisor, as soon as possible before work, and in any case within the first two (2) hours of such absence. Failure to report may result in discipline.

25.10 The Union will be involved in the initial review meeting of the Attendance Management Program.

## **ARTICLE 26 - MATERNITY AND PARENTAL LEAVE**

26.01 Leaves for these purposes will be granted in accordance with the Employment Standards Code.

## **ARTICLE 27 - EDUCATION FUND**

27.01 The Employer agrees to contribute \$7,500.00 to the Logistics, Manufacturing and Allied Trades Union, CLAC Local 56 Education Fund annually.

## **ARTICLE 28 - GRIEVANCE PROCEDURE**

28.01 The parties to this Agreement recognize the Stewards and the CLAC Representatives specified in Article 4 as the agents through which Employees will process their grievances and receive settlement thereof.

28.02 “Grievance” will mean a complaint or claim concerning improper discipline, or the interpretation, application, administration or alleged violation of this Agreement.

A “Group Grievance” is defined as a single grievance, signed by a Steward or a CLAC Representative on behalf of a group of Employees who have the same complaint. Such grievance must be dealt with at successive stages of the Grievance procedure commencing with Step 1. The grievors must be listed on the grievance form.

A “Policy Grievance” is defined as one that involves a question relating to the interpretation, application or administration of this Agreement.

A Policy Grievance must be signed by a Steward or CLAC Representative, or in the case of an Employer's Policy Grievance, by the Employer or his representative.

- 28.03 All the time limits referred to in this grievance procedure will mean calendar days exclusive of Employer or General Holidays. If the initiator of the grievance does not advance a grievance from Step 1 to Step 2 within the stated time limits, the grievance must be withdrawn and will be deemed to be abandoned. Failure of the respondent to the grievance to reply to the grievance at any step will automatically permit the grievance to advance to the next step.
- 28.04 The Employer or the Union will not be required to consider or process any grievance which arose out of any action or condition more than fourteen (14) days, before the grievance was filed with the other party.
- 28.05 No Employee will have a grievance until he has discussed his complaint with his immediate Supervisor. If the Employee's Supervisor does not promptly settle the matter to the Employee's satisfaction, an Employee's grievance may be processed as follows:

### **Step 1**

Subject to the conditions of Article 7, if a grievance is to be filed it must, within the fourteen (14) days referred to in Article 28.04, be reduced to writing and be presented to the designated Employer representative by a Steward or CLAC representative. The designated Employer representative must notify the Union representative of his decision in writing not later than fourteen (14) days following the day upon which the grievance was received.

The grievance must identify:

- a. The facts giving rise to the grievance;
- b. The section or sections of the Agreement claimed violated;
- c. The relief requested;
- d. and must be signed by the Employee or Employees involved.

### **Step 2**

If the grievance is not satisfactorily resolved at Step 1, the Union steward shall submit a Step 2 grievance to the designated Employer representative in writing no later than seven (7) days after receiving the reply at Step 1. Within twenty-one (21) days, an official grievance meeting must be held on OEM premises. The designated Employer representative will respond to the Union within seven (7) days of the grievance meeting being held.

### **Step 3**

In the event that the grievance is not settled at Step 2, the party having the grievance must serve the other party with a Step 3 written notice of their desire to arbitrate within fifteen (15) days of the delivery of the decision in Step 2 to the Steward or CLAC Representative but not thereafter.

## **28.06 Union Policy Grievance or Employer Grievance**

A Union policy grievance or an Employer grievance must be submitted to the Employer or the Union, as the case may be, in writing, within fourteen (14) days of the time circumstances upon which the grievance is based were known or should have been known by the grieving party. A meeting between the Employer and the Union will be held within ten (10) days of the

presentation of the written grievance and will take place within the framework of Step 2 of Article 28.05. The Employer or the Union, as the case may be, will give its written decision within seven (7) days after such meeting has been held.

If the decision is unsatisfactory to the grieving party, the grievance may be submitted to arbitration provided that it is submitted within fifteen (15) days of the delivery of such written decision and the arbitration section of this Agreement will then be followed.

The provisions of Article 28.06 will not be used by the Union to institute a grievance directly affecting an Employee or Employees that such Employee or Employees could themselves institute, and the provisions of Article 28.04 and 28.05 hereof will not thereby be bypassed.

- 28.07 The time limits listed in the Articles 27 and 28 are mandatory, however the parties may agree to freeze the time limits in exceptional circumstances. Requests and approval for freezing of time limits must be in writing.
- 28.08 If the Employer does not answer a grievance within the applicable time period, the Union may advance the grievance directly to Arbitration as outlined in Article 29.
- 28.09 Grievances pertaining to suspension or termination will begin at Step Two of the Grievance Procedure.

## **ARTICLE 29 - ARBITRATION**

- 29.01 If the party desiring arbitration does not advance the grievance within the time limits set out in Articles 27 and 28, the grievance will be deemed to be abandoned.

- 29.02 If a notice to arbitrate is served, the two parties will refer the matter to an agreed upon single arbitrator, from an existing pre-selected list, within seven (7) days of service.
- 29.03 The decision of the Arbitrator will be final and binding on the two parties to the dispute.
- 29.04 The Arbitrator shall not, however have the right to alter or amend any provision of this Agreement.

The parties do not have the right to alter the decision of the Arbitrator. If a grievor is found to have been improperly dismissed, suspended, or laid off, the decision of the Arbitrator will be implemented in whole without delay.

- 29.05 Notice of desire to arbitrate and nominations of an arbitrator must be served personally, by fax, or e-mail, provided that the fax or e-mail is confirmed received.
- 29.06 Each of the parties will bear the expenses of the nominee appointed by it, and the parties will jointly bear the expense of the Arbitrator.
- 29.07 The Arbitrator will not be authorized to make any decisions inconsistent with the provisions of this Agreement, or to alter, modify or amend any part of this Agreement, or to adjudicate any matter not specifically assigned to it by the notice to arbitrate or specified in the grievance.

29.08 Expedited Mediation/Arbitration Process

The Union or the Employer may propose an Expedited Mediation-Arbitration Procedure within fifteen (15) days after the reply to a Step 2 grievance. Within seven (7) days of the request for expedited mediation-arbitration, either party must respond as to their decision to proceed to expedited mediation/arbitration or arbitration under 28.01.

The expedited mediation/arbitration procedure will be held within ninety (90) days of the decision to proceed to expedited mediation/arbitration. The selection of mediator/arbitrator will be on a rotation basis of the agreed upon individuals provided the time limits can be met.

The final and binding decision will be presented within thirty (30) days of the completion of the expedited mediation/arbitration.

### **ARTICLE 30 - NON-DISCRIMINATION CLAUSE**

- 30.01 Where the masculine gender is used in this Agreement it will be considered to include the feminine gender.
- 30.02 There will be no discrimination, intimidation or coercion exercised or practiced by the Employer or by the Union, or by any of the representatives, with respect to any person because of race, colour, religious beliefs, gender, gender identity and gender expression, age, family status, marital status, ancestry, or place of origin of that person, source of income, sexual orientation, or to a person having a mental disability or physical disability.
- 30.03 Harassment will not be tolerated in the workplace. Every reasonable effort will be taken to assure no employee is subject to harassment in any form. Both parties will jointly co-operate in resolving and investigating complaints relating to bargaining unit employees in a confidential and appropriate manner.

### **ARTICLE 31 - APPRENTICESHIP PROGRAM**

- 31.01 The parties recognize the importance of developing our workforce through an Apprenticeship Program.

31.02 The Employer agrees to provide opportunities for employees to apprentice in the following trades, subject to availability of eligible work:

- Heavy Equipment Technician/Off-road (3 year program)
- Machinist (4 year program)
- Welder (3 year program)
- Millwright (4 year program)

31.03 The Employer may indenture an employee in either the Sponsored or Non-sponsored apprenticeship programs based on the following criteria:

- a. Sponsored Apprenticeship Program. Employees will be eligible to be indentured in the Heavy Equipment Technician program based on acceptance by Apprenticeship and Industry Training (AIT) if they are a Team Leader in Powertrain or Engine: Disassembly, Inspection, Service Bay, Assembly or Test; Cylinders; Small Components; and Sub Components; in the Machinist program if they are a Team Leader in Cranks, Blocks or Machine Shop. The HET program is also available to employees in Powertrain and Engines: Service Bay and Large Component Testing and Expanded Mining Products.

Employees working in the Welding (Pro and Fab) and Electrician classification who are deemed to be performing compulsory trade work as defined by relevant legislation are required to apprentice.

- b. Non-Sponsored Apprenticeship Program. There will be a minimum of twenty (20) non-sponsored apprenticeship positions. Participation in the Non-Sponsored Apprenticeship Program will be determined through the posting process and

based on acceptance by Apprenticeship and Industry Training (AIT). Apprentice positions will be posted for ten (10) days and will be awarded to the employee that is in an applicable job-stream pertaining to one of the apprentice programs outlined in 31.02 and has the greatest length of service. Employees who have received credit for an apprentice program course and who want to challenge an apprentice exam may also be indentured. An employee who wishes to challenge an apprentice exam will not be considered part of the non-sponsored program for the purpose of receiving time off to attend school.

31.04 In addition to the process described in Article 31.03, candidates for Apprentice positions must meet all government requirements for a registered apprentice, and may be required by management to work in a variety of areas to gain the necessary experience and skills.

31.05 Individuals accepted into the Sponsored Apprenticeship Program will be compensated for all hours worked at their current wage.

31.06 Individuals accepted into the Sponsored Apprenticeship Program will be compensated while attending school-for eight (8) hours straight time at their regular rate of pay.

31.07 The Employer will reimburse employees in the Sponsored Apprenticeship Program for the cost of tuition fees, textbooks, locker and parking/transit under the following criteria:

- The employee must provide evidence of payments and proof of successful completion of the training course (receipts, transcripts, etc.);
- The employee must return to work for the Employer after completion of the training;

- Locker, parking and/or transit will be reimbursed up to a maximum of four hundred and twenty-five (\$425.00) per term.

31.08 Progression from one level to the next within an Apprenticeship job classification will be based on the employee providing evidence that they have successfully completed all requirements for the applicable program year.

31.09 In the event that an employee who has been accepted into the Sponsored Apprenticeship Program voluntarily terminates employment within 24 months following the completion of any technical training that is funded by the Employer, the employee will be required to reimburse the Employer for tuition fees, textbooks, locker, parking/transit and paid time for attending school based on the following provisions:

- In the event that the employee terminates employment within the first 12 months following completion of technical school training:
  - 50% of the total cost of tuition fees, text books, locker, parking/transit
  - 50% of all paid hours while attending school
- In the event that the employee terminates employment between 13 and 24 months following completion of technical school training:
  - 25% of the total cost of tuition fees, text books, locker, parking/transit
  - 25% of all paid hours while attending school

31.10 Temporary and Part Time employees will not be eligible to apply for Apprenticeship Program job postings.

## **ARTICLE 32 - DISCIPLINARY ACTION**

- 32.01 The parties recognize the importance of undertaking progressive disciplinary action to address job-related behavior in the event that an employee is not meeting expected performance standards, with the objective of correcting behavior and improving employee performance.
- 32.02 The Employer will ensure that a progressive disciplinary action process is in place and applied consistently. This process includes a series of progressive corrective steps (based on the severity of the behavior or conduct in question) to address employee performance concerns or specific incidents.
- 32.03 An employee may be disciplined, up to and including termination, for just cause. Employees receiving such discipline will have access to the Grievance Procedure, subject to Article 7.02 and Article 8.05.
- 32.04 In the event that an employee is to be disciplined, all disciplinary action taken will be in writing to the employee with a copy provided to the Union within twenty-four (24) hours of the discipline occurring, whenever possible.
- 32.05 All disciplinary action taken will be documented in the respective employee's personnel file. Provided that there has been no reoccurrence of discipline issued, discipline letters will be removed from their file:
- a. after twelve (12) calendar months for letters of warning, and
  - b. after eighteen (18) calendar months for suspension.
- 32.06 An employee will be deemed to have voluntarily resigned if they fail to report to work and to notify management of their absence from work for three (3) consecutive work days.

- 32.07 When the employer determines that the actions of an employee may result in a suspension, a Union Steward or Representative will be included in all the investigation interview(s) prior to the discipline being issued.
- 32.08 It is agreed that safety investigation reports will not be included in any employee file nor used to support discipline of any employee except where the information provided by the employee during the Human Resources investigation differs from the information they provided during the safety investigations.
- 32.09 Signing Not Agreement - Whenever an employee signs a document pertaining to discipline, they do so only to acknowledge that they have been notified accordingly.
- 32.10 Suspensions will be administered in hours, not days.
- 32.11 A Union Steward will be present for any disciplinary action.

### **ARTICLE 33 - DURATION OF AGREEMENT**

- 33.01 This Agreement will be effective from January 1, 2018 to December 31, 2020 and for further periods of one (1) year unless notice will be given by either party of the desire to delete, change or amend any of the provisions contained herein, within the period from one hundred twenty (120) to sixty (60) days prior to the renewal date. Should neither of the parties give such notice, this Agreement will renew for a period of one (1) year.
- 33.02 Until a new Agreement has been concluded all provisions in this Collective Agreement will remain in full force and effect.

## ARTICLE 34 - DEFINITIONS

- 34.01 Days when used in this Collective Agreement will mean calendar days, excluding Public Holidays.
- 34.02 Duty to Accommodate: the Employer has a legal duty to take reasonable steps to accommodate individual needs to the point of undue hardship. The reason for the accommodation must be based on a need related to a ground that is protected under the Alberta Human Rights Act.
- 34.03 Business needs, when used in this Collective Agreement, will not be used to restrict the rights of the Employees under this agreement, but rather is intended to capture Management's key concerns pertaining to the business's success, challenges or risks.

DATED at Edmonton, Alberta this 26<sup>th</sup> day of July 2018.

Signed on behalf of

Signed on behalf of

**OEM REMANUFACTURING INC.**

**LOGISTICS, MANUFACTURING  
AND ALLIED TRADES UNION,  
CLAC LOCAL 56**

Per 

Authorized Representative

Per 

Authorized Representative

Per 

Authorized Representative

Authorized Representative

### Schedule "A"

7-Jan-18      7-Jul-19      5-Jul-20  
 \$0.70      \$0.30      \$0.25

<b>MATERIALS MANAGEMENT</b>				
<b>Yard Keeper</b>	Level 1	\$25.59	\$25.89	\$26.14
	Level 2	\$27.32	\$27.62	\$27.87
	Level 3	\$29.20	\$29.50	\$29.75
<b>Material Handler</b>	Level 1	\$25.59	\$25.89	\$26.14
	Level 2	\$27.32	\$27.62	\$27.87
	Level 3	\$29.20	\$29.50	\$29.75
<b>Parts Supply Specialist</b>	Level 1	\$23.95	\$24.25	\$24.50
	Level 2	\$25.59	\$25.89	\$26.14
	Level 3	\$27.32	\$27.62	\$27.87
	Level 4	\$29.20	\$29.50	\$29.75
<b>Parts Receiver</b>	Level 1	\$21.44	\$21.74	\$21.99
<b>Painter/Packager</b>	Level 1	\$23.95	\$24.25	\$24.50
	Level 2	\$25.59	\$25.89	\$26.14
	Level 3	\$27.32	\$27.62	\$27.87
	Level 4	\$29.20	\$29.50	\$29.75
<b>Shipper</b>	Level 1	\$23.95	\$24.25	\$24.50
	Level 2	\$25.59	\$25.89	\$26.14
	Level 3	\$27.32	\$27.62	\$27.87
	Level 4	\$29.20	\$29.50	\$29.75
<b>Core Receiver</b>	Level 1	\$27.32	\$27.62	\$27.87
	Level 2	\$29.60	\$29.90	\$30.15
	Level 3	\$31.98	\$32.28	\$32.53
	Level 4	\$34.41	\$34.71	\$34.96

7-Jan-18                      7-Jul-19                      5-Jul-20  
 \$0.70                              \$0.30                              \$0.25

		<b>MAINTENANCE</b>		
<b>Janitor</b>	Level 1	\$21.44	\$21.74	\$21.99
	Level 2	\$22.26	\$22.56	\$22.81
<b>Machinist Apprentice</b>	Year 1	\$26.08	\$26.38	\$26.63
	Year 2	\$30.68	\$30.98	\$31.23
	Year 3	\$35.30	\$35.60	\$35.85
	Year 4	\$39.93	\$40.23	\$40.48
<b>Facilities Maintenance Technician</b>	Level 1	\$37.06	\$37.36	\$37.61
	Level 2	\$39.33	\$39.63	\$39.88
	Level 3	\$43.43	\$43.73	\$43.98
	Level 4	\$46.84	\$47.14	\$47.39
<b>Electrician</b>	Level 1	\$46.84	\$47.14	\$47.39

		7-Jan-18	7-Jul-19	5-Jul-20
		\$0.70	\$0.30	\$0.25
<b>SALVAGE</b>				
<b>Block Salvage Technician</b>	Level 1	\$32.79	\$33.09	\$33.34
	Level 2	\$34.60	\$34.90	\$35.15
	Level 3	\$37.06	\$37.36	\$37.61
	Level 4	\$39.56	\$39.86	\$40.11
	Level 5	\$41.49	\$41.79	\$42.04
	Level 6	\$43.43	\$43.73	\$43.98
	Level 7	\$46.84	\$47.14	\$47.39
<b>Chrome Technician</b>	Level 1	\$25.59	\$25.89	\$26.14
	Level 2	\$27.32	\$27.62	\$27.87
	Level 3	\$29.60	\$29.90	\$30.15
	Level 4	\$31.98	\$32.28	\$32.53
	Level 5	\$34.41	\$34.71	\$34.96
<b>Crankshaft Salvage Technician</b>	Level 1	\$27.32	\$27.62	\$27.87
	Level 2	\$28.87	\$29.17	\$29.42
	Level 3	\$31.35	\$31.65	\$31.90
	Level 4	\$33.85	\$34.15	\$34.40
	Level 5	\$36.01	\$36.31	\$36.56
	Level 6	\$39.56	\$39.86	\$40.11
	Level 7	\$41.66	\$41.96	\$42.21
	Level 8	\$43.82	\$44.12	\$44.37
	Level 9	\$46.84	\$47.14	\$47.39
<b>Cylinder Head Salvage Tech</b>	Level 1	\$27.32	\$27.62	\$27.87
	Level 2	\$29.60	\$29.90	\$30.15
	Level 3	\$31.98	\$32.28	\$32.53
	Level 4	\$33.92	\$34.22	\$34.47
	Level 5	\$36.01	\$36.31	\$36.56
<b>Cylinder Pack, Valve Mech &amp; Rod Con Technician</b>	Level 1	\$27.32	\$27.62	\$27.87
	Level 2	\$29.60	\$29.90	\$30.15
	Level 3	\$31.98	\$32.28	\$32.53
	Level 4	\$33.92	\$34.22	\$34.47
	Level 5	\$36.01	\$36.31	\$36.56

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		7-Jan-18 \$0.70	7-Jul-19 \$0.30	5-Jul-20 \$0.25
<b>General Salvage Technician</b>	Level 1	\$32.79	\$33.09	\$33.34
	Level 2	\$37.06	\$37.36	\$37.61
	Level 3	\$39.56	\$39.86	\$40.11
	Level 4	\$43.43	\$43.73	\$43.98
	Level 5	\$44.19	\$44.49	\$44.74
	Level 6	\$46.84	\$47.14	\$47.39
<b>Pro/FAB Welding Salvage Technician</b>	Level 1	\$32.79	\$33.09	\$33.34
	Level 2	\$37.06	\$37.36	\$37.61
	Level 3	\$39.56	\$39.86	\$40.11
	Level 4	\$43.43	\$43.73	\$43.98
	Level 5	\$44.19	\$44.49	\$44.74
	Level 6	\$46.84	\$47.14	\$47.39
<b>Welding Apprentice</b>	Year 1	\$28.39	\$28.69	\$28.94
	Year 2	\$35.30	\$35.60	\$35.85
	Year 3	\$42.23	\$42.53	\$42.78
<b>Metal Coating Technician</b>	Level 1	\$28.87	\$29.17	\$29.42
	Level 2	\$31.35	\$31.65	\$31.90
	Level 3	\$33.85	\$34.15	\$34.40

7-Jan-18      7-Jul-19      5-Jul-20  
 \$0.70      \$0.30      \$0.25

<b>CYLINDERS AND SUPPORT AREAS</b>				
<b>Component</b>	Level 1	\$23.95	\$24.25	\$24.50
<b>Cleaner -</b>	Level 2	\$25.59	\$25.89	\$26.14
<b>Support</b>	Level 3	\$27.32	\$27.62	\$27.87
<b>Production</b>	Level 1	\$21.44	\$21.74	\$21.99
<b>Assistant- Sub Assembly</b>	Level 2	\$22.26	\$22.56	\$22.81
	Level 1	\$27.32	\$27.62	\$27.87
	Level 2	\$29.60	\$29.90	\$30.15
	Level 3	\$31.98	\$32.28	\$32.53
<b>Small</b>	Level 4	\$34.41	\$34.71	\$34.96
<b>Component</b>	Level 5	\$36.01	\$36.31	\$36.56
<b>Rebuild Tech</b>	Level 6	\$39.21	\$39.51	\$39.76
	Level 7	\$42.65	\$42.95	\$43.20
	Level 8	\$46.84	\$47.14	\$47.39
	Level 9	\$49.13	\$49.43	\$49.68
	Level 1	\$27.32	\$27.62	\$27.87
<b>Roller &amp; Idler</b>	Level 2	\$29.60	\$29.90	\$30.15
<b>Rebuild Tech</b>	Level 3	\$31.98	\$32.28	\$32.53
	Level 4	\$34.41	\$34.71	\$34.96
	Level 1	\$28.87	\$29.17	\$29.42
	Level 2	\$31.35	\$31.65	\$31.90
<b>HVOF/ Strut/Cylinder</b>	Level 3	\$33.85	\$34.15	\$34.40
<b>Technician</b>	Level 4	\$36.01	\$36.31	\$36.56
	Level 5	\$39.56	\$39.86	\$40.11
	Level 6	\$41.66	\$41.96	\$42.21

		7-Jan-18	7-Jul-19	5-Jul-20
		\$0.70	\$0.30	\$0.25
<b>POWERTRAIN</b>				
<b>Production</b>	Level 1	\$21.44	\$21.74	\$21.99
<b>Assistant</b>	Level 2	\$22.26	\$22.56	\$22.81
<b>Component Cleaner</b>	Level 1	\$23.95	\$24.25	\$24.50
	Level 2	\$25.59	\$25.89	\$26.14
	Level 3	\$27.32	\$27.62	\$27.87
	Team Lead	\$35.51	\$35.81	\$36.06
<b>LC DisassemblyTech</b>	Level 1	\$29.60	\$29.90	\$30.15
	Level 2	\$33.85	\$34.15	\$34.40
	Level 3	\$36.01	\$36.31	\$36.56
	Level 4	\$38.83	\$39.13	\$39.38
	Level 5	\$43.43	\$43.73	\$43.98
	Team Lead	\$44.75	\$45.05	\$45.30
<b>NDT Test Technician</b>	Level 1	\$36.01	\$36.31	\$36.56
	Level 2	\$39.21	\$39.51	\$39.76
	Level 3	\$42.65	\$42.95	\$43.20
<b>Powertrain Inspector</b>	Level 1	\$36.01	\$36.31	\$36.56
	Level 2	\$38.83	\$39.13	\$39.38
	Level 3	\$42.65	\$42.95	\$43.20
	Level 4	\$46.84	\$47.14	\$47.39
	Level 5	\$49.13	\$49.43	\$49.68
<b>Powertrain Assembly Technician</b>	Level 1	\$36.01	\$36.31	\$36.56
	Level 2	\$38.83	\$39.13	\$39.38
	Level 3	\$42.65	\$42.95	\$43.20
	Level 4	\$46.84	\$47.14	\$47.39
	Level 5	\$49.13	\$49.43	\$49.68
<b>HET Apprentice - PWRT SB</b>	Year 1	\$29.75	\$30.05	\$30.30
	Year 2	\$34.60	\$34.90	\$35.15
	Year 3	\$39.44	\$39.74	\$39.99
	Year 4	\$44.28	\$44.58	\$44.83

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		7-Jan-18	7-Jul-19	5-Jul-20
		\$0.70	\$0.30	\$0.25
<b>Service Bay Technician - PWRTN</b>	Level 1	\$39.56	\$39.86	\$40.11
	Level 2	\$43.21	\$43.51	\$43.76
	Level 3	\$46.84	\$47.14	\$47.39
	Level 4	\$49.13	\$49.43	\$49.68
	Level 5	\$51.53	\$51.83	\$52.08
<b>Component Tester</b>	Level 1	\$46.84	\$47.14	\$47.39
	Level 2	\$49.13	\$49.43	\$49.68
	Level 3	\$51.53	\$51.83	\$52.08

		7-Jan-18	7-Jul-19	5-Jul-20
		\$0.70	\$0.30	\$0.25
<b>Expanded Mining</b>				
<b>Expanded Mining Component Rebuild Tech</b>	Level 1	\$39.56	\$39.86	\$40.11
	Level 2	\$43.21	\$43.51	\$43.76
	Level 3	\$46.84	\$47.14	\$47.39
	Level 4	\$49.13	\$49.43	\$49.68

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		7-Jan-18	7-Jul-19	5-Jul-20
		\$0.70	\$0.30	\$0.25
<b>ENGINES</b>				
<b>Production Assistant</b>	Level 1	\$21.44	\$21.74	\$21.99
	Level 2	\$22.26	\$22.56	\$22.81
<b>Component Cleaner</b>	Level 1	\$23.95	\$24.25	\$24.50
	Level 2	\$25.59	\$25.89	\$26.14
	Level 3	\$27.32	\$27.62	\$27.87
	Team Lead	\$35.51	\$35.81	\$36.06
<b>LC Disassembly Tech</b>	Level 1	\$29.60	\$29.90	\$30.15
	Level 2	\$33.85	\$34.15	\$34.40
	Level 3	\$36.01	\$36.31	\$36.56
	Level 4	\$38.83	\$39.13	\$39.38
	Level 5	\$43.43	\$43.73	\$43.98
	Team Lead	\$44.75	\$45.05	\$45.30
<b>Hardware Inspector</b>	Level 1	\$25.59	\$25.89	\$26.14
	Level 2	\$27.32	\$27.62	\$27.87
<b>Engine Inspector</b>	Level 1	\$36.01	\$36.31	\$36.56
	Level 2	\$38.83	\$39.13	\$39.38
	Level 3	\$42.65	\$42.95	\$43.20
	Level 4	\$46.84	\$47.14	\$47.39
	Level 5	\$49.13	\$49.43	\$49.68
<b>Engine Sub-Assembly Technician</b>	Level 1	\$36.01	\$36.31	\$36.56
	Level 2	\$37.82	\$38.12	\$38.37
	Level 3	\$40.70	\$41.00	\$41.25
<b>Engine Assembly Technician</b>	Level 1	\$36.01	\$36.31	\$36.56
	Level 2	\$37.82	\$38.12	\$38.37
	Level 3	\$39.56	\$39.86	\$40.11
	Level 4	\$41.49	\$41.79	\$42.04
	Level 5	\$43.21	\$43.51	\$43.76
	Level 6	\$45.01	\$45.31	\$45.56
	Level 7	\$46.84	\$47.14	\$47.39
<b>HET Apprentice - ENG SB</b>	Level 1	\$29.75	\$30.05	\$30.30
	Level 2	\$34.60	\$34.90	\$35.15
	Level 3	\$39.44	\$39.74	\$39.99
	Level 4	\$44.28	\$44.58	\$44.83

OEM Remanufacturing  
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		7-Jan-18	7-Jul-19	5-Jul-20
		\$0.70	\$0.30	\$0.25
<b>Service Bay Technician - ENG</b>	Level 1	\$39.56	\$39.86	\$40.11
	Level 2	\$43.21	\$43.51	\$43.76
	Level 3	\$46.84	\$47.14	\$47.39
	Level 4	\$49.13	\$49.43	\$49.68
	Level 5	\$51.53	\$51.83	\$52.08
<b>Component Tester</b>	Level 1	\$46.84	\$47.14	\$47.39
	Level 2	\$49.13	\$49.43	\$49.68
	Level 3	\$51.53	\$51.83	\$52.08

## Schedule “B”

For the purposes of Layoffs, the parties have agreed that the bargaining unit will be organized into the following job streams.

### PRODUCTION DEPARTMENT STREAMS

- Powertrain (includes)
  - o NDT
- Engines, Sub Assembly and Small Components
- Welding (made up of)
  - o Production Welding
  - o Fabrication Welding
  - o Metal Coating
- RUC – serve different industry than the rest of the shop.
- Cylinders
- HVOF
- Chrome
- Machine Shop
- Blocks & Cranks
- Cylinder Packs and Heads
- Cleaning, Hardware Inspection, Production Assistant

It is agreed that Cleaning, Hardware Inspection and Production Assistant are entry level positions and any other Production Department Stream may displace an employee with less Length of Service in this stream.

#### MATERIALS DEPARTMENT STREAMS

- Material Handling
- Core Receiving, Paint and Package, Shipping and Yard keeping
- Parts

It is agreed that Parts is an entry level position and any other Materials Department Stream may displace an employee with less Length of Service in this stream.

#### MAINTENANCE

- Maintenance
- Electrician
- Janitorial

It is agreed that Janitorial is an entry level position and any other Maintenance Stream may displace an employee with Less Length of Service in this stream.

## Notes: 2018 Entitlements

*The following articles are in effect from January 1, 2018 to December 31, 2018:*

- 13.01 Regular employees who have completed the required years of continuous service will be entitled to vacation in accordance with the following schedule:
- a. During the first (1st) year up to and including the third (3rd) year of employment, an employee will earn two (2) weeks (eighty (80) hours) of paid vacation;
  - b. During the fourth (4th) year up to and including the ninth (9th) year of employment, an employee will earn three (3) weeks (one hundred and twenty (120) hours) of paid vacation;
  - c. During the tenth (10th) year up to and including the fourteenth (14th) year of employment, an employee will earn four (4) weeks (one hundred and sixty (160) hours) of paid vacation;
  - d. During the fifteenth (15th) year and subsequent years of employment, an employee will earn five (5) weeks (two hundred (200) hours) of paid vacation;
  - e. After completion of an employee's twentieth (20th), twenty-fifth (25th), thirtieth (30th) and thirty-fifth (35th) years of service, an employee will receive on a one-time basis, one (1) supplementary week of paid vacation.

21.03 The Employer will provide an annual Boot Allowance to all Full-Time and Regular Part-Time Employees who are required to wear safety boots. This allowance will be set at fifty percent (50%) of actual cost to a maximum reimbursement of eighty dollars (\$80.00). The allowance may be carried over for one year.

Employees that work in component cleaning, component disassembly, component testing, the Service Bay, Cell Bay, Struts and Cylinders, Paint and Packaging, and employees who are required to work outdoors in the winter will be eligible for a fifty percent (50%) of actual cost maximum reimbursement of One Hundred Sixty dollars (\$160.00) per year.

24.02 Employees will be eligible to participate immediately upon commencement of employment, subject to the other eligibility criteria outlined in the Pension Plan. The Employer will contribute three percent (3%) of the Employee's regular wages (including 4 hour weekend premium, as applicable). The Employee may make voluntary contributions to the Pension Plan up to the maximum amount permitted under the relevant pension legislation. For each one percent (1%) voluntary contribution by the Employee, the Employer will contribute an additional one-half percent (½%) of the Employee's regular wages (including 4 hour weekend premium, as applicable), up to an additional maximum of one and one-half percent (1.5%). The total maximum contribution made by the Employer will not exceed four and one-half percent (4.5%) of the Employee's regular wages (including 4 hour weekend premium, as applicable).

Employee's may voluntarily contribute more than three percent (3%) of regular wages without further Employer contributions, subject to contribution limitations established by relevant legislation and the terms of the Pension Plan.

Employees will become vested immediately upon participation in the Pension Plan.

### **Memorandums to CBA**

1. [REDACTED] & [REDACTED] will receive their next levels upon ratification.
2. Art 17.02 - It is understood that "electronically" means shown on a dedicated TV in the lunchrooms and posted in Workday.
3. OEM commits to maintaining status quo on doctor's notes reimbursements. Further, OEM commits to tracking doctor's notes reimbursements going forward including how many are submitted each year, how many paid in full and how many fully/partially declined so that both OEM and the Union have a complete understanding of use.
4. OEM agrees to change Benefit Providers from Industrial Alliance to SunLife for Basic Life, Dependent Life, Long Term Disability, Short Term Disability, Extended Health Care and Dental; and AIG for Accidental Death and Dismemberment within four (4) months from the date of ratification. Effective the date of implementing a new benefit provider the elimination period for Short Term Disability will change to one (1) week.

5. Benefit Plan Enhancements under Sunlife:

- Life insurance increased from 1x to 2x annual earnings
- STD waiting period reduced to 7 days and paid out at 80% of wage (taxed when benefit received)
- Glasses increased from \$200 to \$300 every 2 years
- Dental: Basic and Comprehensive increased from combined \$2000 to a combined \$3000 max/person/yr. Orthodontic increased from \$2000 to \$3000 lifetime maximum.
- LTD reduced from max \$6000 to max \$4000 per month

6. Union and Employer to maintain an existing pre-selected list of agreed upon arbitrators outside of the CBA.

7. OEM will amend Job Classification and Skills Document to reflect cylinder tech requirement to learn HVOF skills.

8. Effective the signing of this agreement, current Metal Coating employees will be grandfathered at their current rate.

## **LETTER OF UNDERSTANDING #1**

### **SHIFT PATTERNS**

In recognition that the Employer may introduce additional shift cycles, the parties agree that in order to accommodate the requirements of the Employer's business and the impact that additional shift cycles has on employees and their families, and the effects that shift work has on the overall health and wellbeing of an employee, the parties agree that in developing appropriate additional shift cycles the following will apply:

1. The Employer will create a project team to review and recommend changes to shift patterns. The union may appoint up to five (5) representatives to sit on this project team. The project team will seek the input from as many employees as possible that may be impacted by the shift pattern change.
2. No shift pattern will be developed without the assistance of fatigue experts and any other outside expert that the committee agrees are appropriate. The recommendations of the experts consulted will be the considered in the formation of additional shift patterns.
3. Any shift pattern implemented will adhere to all requirements of the Collective Agreement and any appropriate legislation.
4. In the event that consensus cannot be reached on the shift pattern to be implemented, the Employer will retain the right to select the schedule that is most effective, guided by the recommendations of the experts consulted, subject to review as outlined in point 7 below.

5. A communication plan will be developed to involve employees who are impacted by the changes, which will include a Letter of Understanding outlining the parameters of the new shift structure.
6. The shift pattern recommended from the project team will not be implemented without a minimum of ninety (90) days' notice.
7. Within the first ninety (90) days of an additional shift pattern beginning, the project team as outlined in (2) above will meet a minimum of two (2) times to review the cycle and make any recommended changes to the cycle that may be required.
8. If the first additional shift pattern is limited to specific areas, and the employer wishes to introduce additional shift patterns in other areas or plant wide, the committee will be reconvened to determine if the initial pattern is appropriate or if another pattern needs to be developed using the parameters of this letter of understanding.

## LETTER OF UNDERSTANDING #2 CONTRACT WORKERS

Whereas, the parties agree on a without precedent or prejudice basis that:

- Due to the volatility in the predictability, volume, and nature of the work of the Employer, that under certain circumstances, the Employer may require employees to fill temporary positions for short term production needs and as further defined in Article 8.03;
- There may be occasions it is in the best interests of both parties to utilize a third-party contracted labour provider to supply “contracted-in” workers for some of these short term needs; and
- That, while such “contracted in” workers are direct employees of the third-party labour provider, the Union maintains its recognition rights on the scope of work as defined in Article 2 of the current collective agreement, even if being performed temporarily by “contracted in” workers.

Therefore, the following conditions will apply when workers are contracted-in (sourced and retained through third-party labour providers or personal services agreements) to perform work normally performed by employees in the bargaining unit:

- They would be restricted to performing principal duties in only the following job classifications:
  - o Parts Supply Specialist (24 hours’ notice is required with reasons in writing)
  - o Painter/Packager
  - o Component Cleaner

- The Employer will notify the Union of their intent to utilize contracted-in workers no later than five (5) days prior to the effective date;
- The duration of any contracted-in work assignment will be a maximum of 60 days;
- The contract with the labour provider shall be structured to ensure that the individual(s) will be remunerated at the applicable wage rate from the Collective Agreement for the classification of work they are performing, less the equivalent of union dues on the hourly rate;
- The Employer will remit to the Union an amount equivalent to union dues for all contract labour hours worked based on the applicable wage rate paid to the contracted individual worker;
- The use of such contracted-in workers will not result in the reduction of hours worked or decrease the amount of reasonable overtime work opportunities for any bargaining unit employees;
- During any period of time where the Employer has elected to utilize contracted-in workers, the Employer will make every reasonable effort to recruit for and staff any position vacancies with direct hire temporary or permanent workers;
- Contracted-in workers are external candidates regarding any posted job position at OEM.



**LETTER OF UNDERSTANDING #3**  
**LEVEL 5 POWERTRAIN ASSEMBLY/INSPECTION**

Management agrees to appoint one employee per shift at level 5, from either power train assembly or power train inspection.



**LETTER OF UNDERSTANDING #4  
Alternative Shift Pattern**

Whereas the business of the Employer is conducted twenty-four (24) hours per day, seven (7) days per week, and Employees will be scheduled to work shifts to accommodate the demands of the business;

Whereas it is important to recognize the impact of changes to shift schedules on the balance of work and family life for OEM Employees;

Whereas the current Collective Bargaining Agreement provides structure for the introduction of an Alternative Shift Pattern;

Therefore, OEM is introducing an Alternative Shift Pattern in addition to the current two shift pattern. The Alternative Shift Pattern will be structured as follow:

Alternative Shift Pattern	Week							
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	
Day Shift 2	10	10	10	10				
Weekly total								<b>40</b>
Weekend Shift					12	12	12	
Weekly total								<b>36</b>
Afternoon Shift 2	10	10	10	10				
Weekly total								<b>40</b>

The details of the Alternative Shift Pattern are as follows:

1. An additional day shift (the Weekend Shift) will run Friday, Saturday and Sunday scheduled for 12 hours per shift.
2. The Weekend shift will be a static shift cycle.
3. The current day shift will change from Monday through Friday scheduled 8 hours to Monday through Thursday scheduled 10 hours (Day Shift 2).
4. Day Shift 2 and Afternoon Shift 2 will rotate every two weeks; however these shifts may be changed to static shifts at a later date.
5. Hours listed above are working hours and exclude unpaid lunch breaks.
6. The start and end times of each shift will be:

New Shift Pattern	Start	End	Working Hours
Day Shift 2	5:00 am	3:30 pm	10 hours
Weekend Shift	6:00 am	6:30 pm	12 hours
Afternoon Shift 2	4:00 pm	2:30 am	10 hours

In order to accommodate the Alternative Shift Pattern in addition to the current two shift pattern; the following modifications to the Collective Bargaining Agreement (January 1, 2015 – December 31, 2017) applicable to the Alternative Shift Pattern are agreed:

*Article 10 – HOURS OF WORK AND OVERTIME are agreed to:*

- *Article 10.05 (a) All “Hours Worked” in excess of the scheduled daily hours (in the case of full time Employees), or more than ten (10) or twelve (12) hours per day for all other Employees, and hours worked in excess of forty (40) hours per week, but less than fifty- two (52) hours per week, will be paid at the overtime rate of time-and-a-half (1.5x) their basic hourly rate of pay. Overtime hours worked beyond*

*twelve (12) hours per week will be paid at two times (2x) their regular hourly rate.*

- *Although actual hours worked for Weekend Shift are 36 hours in the scheduled work week, in the event an Employee physically works all 36 scheduled hours in the work week or has the equivalent of 36 hours worked (see definition of hours worked under Article 10.05 (b)), he shall be remunerated 40 hours for said work week.*
- *Failure to work (or utilize authorized paid absence leave) for all scheduled 36 hours on the Weekend Shift will result in that corresponding amount of hours to be paid. Paid absence leave includes paid vacation leave, paid sick leave, flex time, utilization of banked overtime, or any other paid absence leave approved by the employer.*
- *Overtime pertaining to the Weekend Shift will be calculated after 36 hours have been worked in a work week. A work week starts on Monday and ends on Sunday.*

*Article 11 – REST AND MEAL PERIODS are agreed to:*

- *Article 11.01. During the Weekend Shift employees will receive three (3) scheduled fifteen (15) minute paid rest periods and one (1) unpaid thirty (30) minute meal break for each shift.*

All other terms and conditions of employment remain in accordance with the Collective Agreement.

OEM will provide notice of the implementation of the alternative shift pattern schedule through a letter to the individual or department impacted.

## **LETTER OF UNDERSTANDING #5**

### **Rotation/Static Shift Structure**

The Parties will create a project team that will implement a static shift structure based on the existing two (2) shift patterns and will be implemented within six (6) months of ratification:

Day Shift 1 – Monday – Friday, 6:00 am – 2:30 pm

Afternoon Shift 1 – Monday – Thursday, 3:00 pm – 1:30 am

Day Shift 2 – Monday – Thursday, 5:00 am – 3:30 pm

Afternoon Shift 2 - Monday – Thursday, 4:00 pm – 2:30 am

The project team will be tasked to determine process for:

- Assignment of shifts (volunteers and assignment based on length of service)
- Transition notice periods
- Appropriate skill distribution across shifts
- Training opportunities/requirements
- Request for accommodation

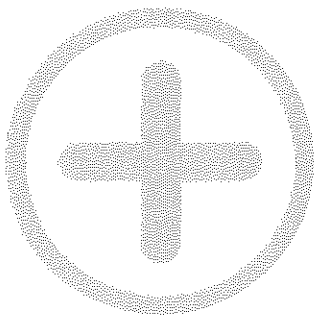
The Union will appoint one steward, one CLAC Representative and one hourly employee to the project team, allowing for employee/union participation.

The project team will also consist of four management representatives. Where consensus of the team cannot be achieved, the majority of the team will determine the final direction.

The principles outlined in Article 10 will be used as guiding principles for the project team.

Upon management approval, employees that desire to maintain a rotation may create a shift schedule agreement with another employee in their department.

# WE'RE COMMITTED TO YOU



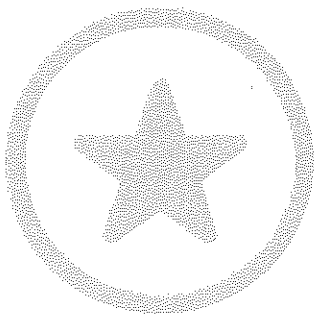
## **Positive Work-Life**

We are a modern union with a modern attitude. We don't just help create a better workplace, but a better work-life, helping you get the most out of every day.



## **Champions of You**

We make your voice heard. We lead positive change. And through it all, we keep you working.



## **Everyday Greatness**

We believe that greatness is in all of us. That when you enjoy what you do, when you feel valued and respected, supported and secure, everyone—you, your family, and your community—benefits.

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