

## GRIEVANCE HANDLING - JURISPRUDENCE (ARBITRATIONS & CASE LAW)

### KVP PRINCIPLES

KVP CO. LTD AND  
LUMBER & SAWMILL WORKERS' UNION  
LOCAL 2537, [1965] 16 L.A.C. 73

**PRINCIPLES an employer must satisfy to fulfill their responsibility to achieve mutual agreement “whenever possible”.**

1. **The employer’s rule cannot be inconsistent with the collective agreement.** It doesn’t make sense to have a contract that sets out how things will be done, if the employer can turn around and make a rule that contradicts it.
2. **The rule cannot be unreasonable.** The rule must seem reasonable; i.e., there must be a valid operational reason for the rule, or it may comply with a legal requirement.
3. **The rule must be clear and unequivocal.** Terms or directions must be clearly stated before employees can be expected to observe them. It’s that simple.
4. **The rule must be brought to the attention of employees before the company can act on it.** Management cannot introduce a rule; fail to tell an employee about it, and then discipline for violating it. This applies to new work rules more than to old ones.
5. **The employee must be notified of the consequences of failure to abide by the rule.** For example, that a breach of the rule could result in discipline, if the rule is to be used as the reason. (Even then, a union may still contest a penalty it considers unreasonable.)
6. **A rule must be consistently enforced by the company from the time it is introduced.** It doesn’t mean that everyone must receive the same punishment for a violation – progressive discipline still applies, for instance. However, employees cannot be singled out or penalized in a discriminatory manner.

Note: KVP refers to rules that have been unilaterally adopted by the company, without consultation or signoff by the union. As for rules contained in a collective agreement, KVP established that “a breach of such rules as agreed to will be followed by the agreed upon penalty and the arbitration board will not interfere.”