

C O L L E C T I V E A G R E E M E N T

JUNE 1, 1995 - MAY 31, 1999

MONETARY ARTICLES

AND

NON-MONETARY ARTICLES

BETWEEN: KAL TIRE LIMITED

AND: UNITED STEELWORKERS OF AMERICA

LOCAL UNION 9113 (K)

ERRORS AND OMISSIONS EXCEPTED

BETWEEN

KAL TIRE LIMITED

(Hereafter called the "Company")
Of the first part

AND:

UNITED STEELWORKERS OF AMERICA

LOCAL UNION 9113 (K)

(Hereafter called the "Union")
Of the second part

PREAMBLE

Whereas, the parties agree that it is mutually beneficial and desirable to promote cordial relations and to set forth herein the agreement concerning rates of pay, hours of work and conditions of employment, safety, health and welfare of employees to be observed between the parties and to provide a method for the orderly adjustment of differences and grievances, and to maintain an uninterrupted operation at the highest level of performance; witnesseth in consideration of mutual covenants and agreements herein set forth, the parties hereto have mutually agreed as follows:

ARTICLE 1: RECOGNITION

- 1.01 (a) The company recognizes the Union as the sole and exclusive bargaining agent for all the company's employees, employed at, or from its operation located at Kal Tire, Quintette Mine site except: supervisory, clerical, and administrative personnel.
- (b) This recognition referred to in 1.01 (a) pertains to rates of pay, hours of work, and other conditions of employment, in conformity with the laws of B.C. in respect to labour relations.
- (c) The word "employee" or "employees" whenever used in this agreement refers to such employees as are covered by this agreement. Words imparting the masculine gender shall include the feminine and vice-versa.
- 1.02 The company and the Union shall co-operate fully in the promotion and achievement of the matters set forth in the preamble to this agreement.
- 1.03 Following notification and permission (not to be unreasonably withheld) from the company, Union representative(s) will be permitted entry to the company's property in order to carry out their duties as related to the administration of the agreement. Such duties are not intended to cause any disruption of the company's operations or affairs, or cause employees to neglect their work duties and responsibilities.
- 1.04 Employees and/or Union representatives shall not engage in any Union activity on company property or during working hours, except as expressly provided for in this agreement, or as otherwise mutually agreed upon.

- 1.05 (a) The company recognizes that it is not the function of persons of or above the rank of foreman to perform work normally being performed by an employee in the bargaining unit, except: under emergency conditions; for the purpose of training; to protect company property and assure safety of employees; to ensure continuity of operations, provided that no employee suffers loss of wages as a result and that every reasonable effort has been made to obtain an employee for the work in question. The company agrees that this clause will not be used to defer the re-call of employees on lay-off.
- (b) In the event a person of, or above the rank of foreman, performs work in violation of this section, the company shall pay as a penalty an amount equal to the hourly rate of the employee(s) who would normally perform such work, for the period of the violation, or for one-half (1/2) hour, whichever is greater, and such payment will be made to the Union.

ARTICLE 2: MANAGEMENT RIGHTS

- 2.01 Subject to the provisions of this agreement, the Union acknowledges that the company has and shall retain the sole, exclusive and undisputed right and responsibility to manage its business, including but not limited to the following:
- (a) to plan, direct and control operations; to schedule production and other activities; to determine the products to be produced and the methods, processes and means of production or other work; to determine the location of plant and facilities and the extent to which the plant or part thereof shall be operated.
 - (b) to hire, promote, demote, classify, transfer, assign, reassign and lay-off employees and to discipline, suspend and discharge employees for just cause. A claim that an employee has been disciplined, suspended or discharged without just cause may be in the subject of a grievance procedure hereinafter described.
 - (c) to make and alter reasonable rules and regulations to be observed by all employees. The company shall discuss with the Union any new or changed rule prior to its implementation.

ARTICLE 3: UNION SECURITY

- 3.01 Each employee shall, as a condition of his hiring or continued employment:
- (a) authorize the company in writing to deduct Union dues from his pay. The authorization shall be in a form agreed to between the company and the Union.
 - (b) become a member of the Union and maintain membership.
- 3.02 (a) The company agrees to deduct from each employee who has authorized such deduction, an amount equivalent to the monthly dues provided for in the International Constitution of the United Steelworkers of America. Such deduction shall appear on each employee's annual Statement of Remuneration (T4 Form).
- (b) total earnings shall be deemed to include base rate earnings and all premiums (if any) including shift differentials; vacation pay, statutory holiday pay, weekend pay, overtime pay, call-in and reporting pay, but shall not include any Workers' Compensation payments and payments under any benevolent, sickness or accident plans.

(c) dues shall be deducted each pay period and forwarded along with the completed Summary of Union Dues Form (R115 USWA), each month by the company as follows:

Leo Gerard
International Treasurer
(or his successor)
United Steelworkers of America
P.O. Box 1400
Vancouver, B.C. V6C 2P7

or in a manner as advised from time to time by the Union.

A duplicate itemized statement (R115) shall be forwarded as follows:

United Steelworkers of America
Local Union 9113
P.O. Box 1810
Tumbler Ridge, B.C. V0C 2W0

3.03 The Union agrees to indemnify the company and save it harmless against any claim which may arise in complying with the provision of this article.

ARTICLE 4: NO STRIKES, NO LOCKOUTS

- 4.01 The Union agrees that neither the Union nor its officers nor representatives, nor its members, nor the employees, shall in any way authorize, encourage or participate in any strike, work stoppage, walk-out, slow-down or any act of similar nature which would in any way interfere with, limit or impede the operations of the company during the term of this agreement.
- 4.02 In case any of the aforementioned acts should occur in violation of the above, the company shall, in addition to all its other rights and remedies, have the right to discharge or discipline any or all of the employees taking part in such act or acts, providing, however, that any such action by the company shall be subject to the grievance procedure if an employee believes he has been discharged or disciplined unjustly.
- 4.03 The company agrees that there shall be no lockout of employees during the term of this agreement. In the event the company should lockout its employees in violation of this agreement, the Union shall have the right to seek all remedies that it may be entitled to by law.

ARTICLE 5: PROCEDURE FOR SETTling DISPUTES

- 5.01 (a) The parties agree that it is desirable that any complaints or grievances should be adjusted as quickly as possible. Employees are therefore urged to try to settle their complaints with their foremen as soon after they originate as possible.
- (b) The company is willing to meet any of its employees, or their representatives, for the purpose of discussing grievances or complaints with the object of reaching a satisfactory solution. In the event of any meeting between any employee(s) and company representatives that occurs during working hours, such employee(s) shall be paid their hourly rate.
- 5.02 (a) If an alleged violation of this agreement affects more than one employee or affects the interests of the Union as a party to the agreement, the Union may sign and file the grievance on behalf of the employee(s) specifying the alleged violation of the agreement.
- (b) Should a dispute arise between the company and any employee regarding the application, operation, interpretation or alleged violation of this agreement, an earnest effort shall be made to settle the dispute in the following manner:

Step 1

Within ten (10) days after the alleged grievance has arisen, or within ten (10) days from the time the employee should reasonably have known of the occurrence of the event, the employee and his steward may present the grievance in writing to his foreman. Failing settlement to the employee's satisfaction within ten (10) days, the employee may process the grievance to Step 2.

Step 2

Within five (5) days from the time settlement could have been made in the previous step, the employee accompanied by his Steward, and a member of the Grievance Committee may present the grievance in writing to the foreman. The foreman shall reply in writing within five (5) days of the presentation of the grievance under Step 2. Failing satisfactory settlement or reply at this stage, the employee may process the grievance to Step 3.

Step 3

Within five (5) days from the time settlement could have been made within the time limits of the previous step, the employee accompanied by a member of the Grievance Committee, may take the matter up with the Vice President and General manager or his designate. The Grievance Committee member may be accompanied by a representative of the Union. Failing satisfactory settlement or reply within five (5) days the matter may be referred to arbitration within thirty (30) calendar days from the date settlement could have been reached in Step 3.

- 5.03 In determining the time within which any step is to be taken under the foregoing provisions of this article, Saturdays, Sundays, and the recognized holidays shall be excluded. Any and all time limits fixed by this article may be extended by mutual agreement between the company and the Union.
- 5.04 (a) Any agreement between the company and the Union shall be final and binding upon the company, the Union and the employee(s) concerned.
- (b) Answers shall be given in writing to the Union on a first stage grievance and shall be sent to the grievor and the steward.
- 5.05 The grievance procedure shall be carried out on the company's property, or at such other place or time as the Union and the company shall mutually agree upon.
- 5.06 If it is necessary for a steward or other employee(s) to take time off during working hours in connection with a grievance, he must notify his foreman and they must arrange a mutually satisfactory time.

5.07 (a) At any time following completion of Step 3 and prior to the appointment of an arbitrator pursuant to this article and where a difference arises between the parties relating to the dismissal, discipline, or suspension of any employee, or to the interpretation, application, operation or alleged violation of this agreement, including any question to whether a matter is arbitrable, during the term of the collective agreement, Vince Ready or Merv Chertkow or a substitute agreed to by the parties, shall at the request of either party:

(i) investigate the difference;

(ii) define the issue in the difference; and

(iii) make written recommendation to resolve the difference within five (5) days of the date of receipt of the request; and for those five (5) days from that date, time does not run in respect of the grievance and/or arbitration procedure.

(b) If mutually agreed, the recommendations shall become a decision binding upon the parties and all others affected.

ARTICLE 6: ARBITRATION

6.01 Either party must, within thirty (30) calendar days upon the completion of Step 3 of the grievance procedure outlined in Article 5, notify the other party in writing of its desire to submit to arbitration an unsettled grievance relating to the application, operation, interpretation or alleged violation of this agreement, including any question as to whether the matter is arbitrable.

6.02 Within seven (7) days following such notice, either party will notify one arbitrator selected from the following list:

Merv Chertkow
Vince Ready

Selection of an arbitrator for the first arbitration shall be in alphabetical order until an available arbitrator is found. If none of the arbitrators listed above are available, an appointment shall be made by the Minister of Labour of the Province of BC, upon request of either party.

6.03 The arbitrator shall hear and determine the difference or allegation and shall within a maximum of thirty (30) days following the arbitration render his decision.

6.04 The parties shall jointly bear the costs of the arbitration. Each of the parties shall bear the expenses of the witnesses called by it. No costs of arbitration shall be awarded to or against either party.

6.05 An arbitrator named in accordance with this article shall be governed by the provisions of this agreement and shall not have the right to add to, delete from, to change, or make any decision contrary to the provisions of this agreement. The decision of the arbitrator shall be final and binding on both parties.

ARTICLE 7: DISCHARGE AND DISCIPLINE

- 7.01 If it is agreed or decided at any stage of the grievance procedure, except arbitration, that an employee has been suspended or discharged without just cause, the company shall reinstate him in his job without loss of seniority. A reinstated employee is to be paid his wages at his hourly rate for the time loss limited to a maximum of the employee's regular number of hours per week, less amounts earned during the time loss.
- 7.02 Only warning slips and reprimand slips shall be considered as a form of discipline and shall be subject to the provisions of the grievance procedure. A copy of each disciplinary slip shall be sent to the Union.
- 7.03 A steward shall be present when an employee is to be suspended or discharged.
- 7.04 Disciplinary letters shall be subject to the grievance procedure and will be issued within sixteen (16) calendar days from the time the employee has been formally advised of the disciplinary action. The letter will contain the reasons for discipline.
- With the exception of cases of discharge, and cases where the failure to comply is caused by the employee's absence or by his changing departments, a failure to issue the letter of discipline within the specified time frame will result in the issue being considered settled with no discipline being imposed.
- 7.05 An employee who has been discipline free for two (2) years will have all discipline removed from his file provided that during this two (2) year period the employee does not incur further discipline for similar reasons.

Any documentation removed from an employee's file will not be referred to in the future.

ARTICLE 8: OFFICERS, COMMITTEES AND STEWARDS

- 8.01 The Union shall notify the company in writing of the names of all officers, committeemen and stewards and of any changes in the same. The company shall not be required to recognize them until so notified.
- 8.02 The Union officers, committeemen and stewards shall notify their foreman and they shall arrange a mutually satisfactory time to leave their work to attend to their duties as outlined in the agreement.
- 8.03 The company shall provide a designated separate notice board for the exclusive use of the Union, where officers of the Union shall post notices of any Union business.
- 8.04 The foreman will during the first shift introduce new employees to their job steward and Union safety representative.
- 8.05 The company and the Union agrees that there will be no discrimination, intimidation, favouritism or harassment against any employee or management representative because of sex, race, colour, national origin, religious creed, marital status, political affiliation, Union membership or non-membership, or because the employee or management representative has exercised or failed to exercise any right specifically provided for under this agreement.

ARTICLE 9: SENIORITY

- 9.01 The parties recognize that job opportunity and security shall increase in proportion to length of service. It is therefore agreed that in all cases of vacancy, promotion, demotion, transfer between jobs, training opportunities, decrease in the working force and recall after lay-off, senior qualified employees shall be entitled to preference in accordance with the specific provisions of this agreement.
- 9.02 Employees who have not completed forty-five (45) shifts shall be considered probationary employees and shall have no seniority rights. Such employees shall have the right to grieve in respect to any matter other than his seniority. Upon completion of the probationary period, an employee shall acquire seniority and his name shall be entered on the seniority lists according to his most recent hiring date.
- 9.03 Employees who have acquired seniority shall have that seniority maintained and accumulated during:
- (a) absence due to occupational accident while the employee is performing work for the company;
 - (b) the period of time that an employee is absent and is in receipt of weekly indemnity benefits;
 - (c) authorized leave of absence;
 - (d) lockout.

- 9.04 Employees who have acquired seniority shall have that seniority maintained but not accumulated during:
- (a) absence due to lay-off not exceeding
 - (i) one (1) year where the employee has less than two (2) years seniority;
 - (ii) two (2) years where the employee has two (2) or more years of seniority. Plus one (1) additional month for each year of seniority, up to an additional six (6) months.
 - (b) strikes.
- 9.05 An employee who has acquired seniority shall have that seniority completely lost and his employment terminated if he:
- (a) quits his employment with the company,
 - (b) is discharged and not re-instated under the terms of this collective agreement;
 - (c) is laid off for a period beyond that described in article 9.04;
 - (d) is sent notice of recall by double registered mail to his last address of record with the company and fails to report within fifteen (15) days of receipt of notice, unless he has contacted the company and has received an extension to report. A notice of recall which has been returned as unclaimed or refused will be considered received. In the event of a disruption of mail service the company and Union agree to meet to discuss alternate methods of recall;
 - (e) accepts severance pay;
 - (f) accepts a salaried position;
 - (g) or is relocated within the company.

- 9.06 (a) The company shall maintain up-to-date "company" seniority lists showing each employee's order of seniority with his name, payroll number, service date, and classification.
- (b) The seniority list shall be posted on all department bulletin boards every month and a copy shall be supplied to the Union office.
- (c) The seniority for employees hired on the same day will be determined by the employee with the lowest payroll number.

9.07 Permanent Shutdown

(a) In case of a permanent lay-off or shutdown of the company's operations resulting in the termination of employment, the company will give:

- (i) Two (2) weeks notice in writing to the employee if his period of employment is less than one (1) year.
- (ii) Three (3) weeks notice in writing to the employee if his period of employment is one (1) year but less than three (3) years.
- (iii) Six (6) weeks notice in writing to the employee if his period of employment is three (3) years but less than (5) five years.
- (iv) Eight (8) weeks notice in writing to the employee if his period of employment is five (5) years or greater.

- (b) the period of notice shall not coincide with an employee's annual vacation.
- (c) Failing such notice, the company shall pay, at an employee's regular straight time rate of pay, for the number of days notice not given that the employee would normally be scheduled to work that is less than the required number of days notice.
- (d) Notice referred to in Article 9.07 (a) shall be in writing.

9.08 An employee who has been displaced from his job or who has been laid off from the company shall, when work becomes available, be entitled to be recalled on the basis of his seniority in accordance with Article 9.01.

ARTICLE 10: HOURS OF WORK

- 10.01 This article is intended to define the normal hours of work and shall not be construed as guarantee of pay or of hours of work per day or per week or of days of work per week.
- 10.02 (a) The term "work week" means that period of time commencing with the start of day shift on Monday and terminating one hundred and sixty-eight (168) hours thereafter.
- (b) The term "work day" means that period of time commencing at the start of day shift, 7:00 a.m. and terminating twenty-four (24) hours thereafter.
- 10.03 At its discretion, the company may maintain or discontinue to conduct all or any part of its operation on a continuous shift basis, subject to the pertinent statutes and regulations of the Province of British Columbia.
- Prior to introducing a new shift schedule the company will meet with the Union to discuss the new schedule, the impact it will have on employees and consider alternatives that may arise from these discussions.
- 10.04 The company may schedule any operation, employee or group of employees at other times because of emergencies, breakdowns, preparation for start up of work. The normal hours of work for employee shall be based on one of the following schedules:
- (a) Eight (8) hours per day five (5) days per week.
- (b) Twelve (12) hours per day based on a work cycle which is eight (8) consecutive weeks (four (4) shifts on, four (4) shifts off) averaging forty-two (42) hours per week.

(c) Normal shift starting times will be as follows:

Twelve Hour Shifts

Day Shift 7:00 a.m.
Night Shift 7:00 p.m.

Eight Hour Shifts

Day Shift 8:00 a.m.

10.05 Twelve (12) hours shift employees will have a lunch break of thirty (30) minutes designated by the company during the period of the fifth and sixth hours of the shift. They will have coffee breaks, at the work place of fifteen (15) minutes each, designated by the company during the periods of the third and fourth hours and the eighth and ninth hours of the shift.

10.06 With respect to the lunch break provided in Article 10.04, the employees shall continue all necessary supervision of machinery and maintenance of service but shall not be required to do any work which can reasonably be postponed to the end of their lunch break.

10.07 (a) Notice of all job vacancies shall be made known on all appropriate notice boards and shall be posted for eight (8) calendar days. Copies of all job postings will be forwarded to the Union office.

(b) Within a further eight (8) calendar days the successful applicant's name will be posted on all appropriate notice boards.

10.08 Notices of all job vacancies shall be in the following form:

DATE POSTED _____ POSTING # _____

The following vacancy(ies) is for the job(s) of _____ which is paid at the rate of \$ _____ per hour.

This vacancy is currently on ___ shift.

The closing date for this posting is _____.

Applications must be signed by both the employee and the foreman.

ARTICLE 11: OVERTIME AND SPECIAL PAY

- 11.01 Overtime will be voluntary provided that operating requirements are met.
- 11.02 An employee's working time shall be calculated to the one quarter (1/4) hour at which he is directed to stop work, or if he is directed to stop work between one-quarter (1/4) hours, to one quarter (1/4) hour next following the time he is directed to stop work.
- 11.03 Opportunities for overtime will be distributed as equitably as is practicable among the employees. A record of overtime opportunities will be recorded.
- 11.04 An employee working overtime for a period in excess of two (2) hours beyond the end of his normal shift shall be paid six dollars (\$6.00) in lieu of an overtime meal.
- 11.05 An employee called out to work during other than his regular hours will be paid the applicable overtime rate for actual hours worked, or four (4) hours at his regular rate, whichever is greater.
- 11.06 The company shall give an employee forty-eight (48) hours notice of a change in his regular shift. Where such notice is not given, the employee shall be paid at the applicable overtime rate for regular hours worked on the first shift following the change. This provision shall not apply to a new employee's initial assignment to a regular shift. The provisions of this Article shall not apply to a change requested by an employee for personal reasons. No employee shall be allowed to change shifts under any circumstances without first receiving the approval of his foreman.

- 11.07 (a) One and one-half (1 1/2) times the employee's regular hourly rate shall be paid for:
- (i) time worked in excess of forty-four (44) hours per week
 - (ii) for the first eight (8) hours worked on scheduled rest days;
- (b) Two (2) times the employee's regular hourly rate shall be paid for:
- (i) time worked in excess of twelve (12) hours per day;
 - (ii) time worked in excess of forty-eight (48) hours per week.
- 11.08 Shift and Weekend Premiums
Employees working other than day shift shall be paid the following premiums per hour, in addition to their regular rate:
- Twelve (12) Hour Shift Schedule
Night Shift - Ninety Cents (90¢) Per Hour
- 11.09 Employees working on regular scheduled shift Saturdays and Sundays shall be paid a premium of one dollar and sixty-five cents (\$1.65) per hour.
- 11.10 The premiums referred to in Articles 11.08 and 11.09 will not apply when overtime or other premium pay is being paid.
- 11.11 Employee's working other than day shift and who are required to work alone will be paid leadhand rate for all hours worked.

ARTICLE 12: STATUTORY HOLIDAYS

12.01 (a) An employee shall receive Statutory Holiday pay at his regular hourly rate for each of the following Statutory Holidays, provided he has complied with the provisions of Article 12.04 in accordance with the payment schedule outlined herein:

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

(b) An employee shall receive eight (8) hours Statutory Holiday allowance, except when an employee who is normally scheduled to work the Statutory Holiday is required by the company to take the Statutory holiday off. In this case the employee receives holiday allowance of twelve (12) hours.

(c) Statutory Holidays will begin at the commencement of day shift on the day in question, and will conclude twenty-four (24) hours thereafter.

12.02 Employees who are required to work on a Statutory Holiday and have complied with the provisions of 12.04, may elect to take an alternate day off without pay, up to a maximum of four (4) in any calendar year. These days must be scheduled by mutual agreement between the employee and his foreman.

12.03 (a) For work performed on a regularly scheduled shift on a Statutory Holiday, an employee shall be paid one and one-half (1 1/2) times his basic rate in addition to any amount payable under Article 12.01 (a). Such hours worked will not be used for the calculation of overtime.

(b) An employee required to work on a Statutory Holiday shall be paid at two (2) times the employee's hourly rate for all hours worked in excess of his normal shift schedule.

- 12.04 (a) Except if he is on vacation or any authorized leave of absence, an employee shall not receive Statutory Holiday allowance if:
- (i) He does not work his last regularly scheduled shift before or his first scheduled shift after the Statutory Holiday;
 - (ii) He fails to work on a paid Statutory Holiday which he has been scheduled to work.
- (b) In applying Article 12.04 (a) (i), an employee shall be deemed to have worked the qualifying shifts if his absence is excused and/or otherwise authorized by the company. However, payment of such holiday pay in case of excuse or authorized absence shall be limited to one holiday per absence.
- In cases where the absence commences after the Remembrance Day Holiday and encompasses any or all of Christmas Day, Boxing Day and New Year's Day, the employee will be paid for up to three (3) Statutory Holidays.
- (c) An employee shall be entitled to an additional day off for each Statutory Holiday that falls within an employee's scheduled vacation period.

ARTICLE 13: VACATIONS

13.01 Employees will be entitled to an annual vacation with pay, in accordance with the following schedule:

13.02 Employees will be granted vacations as follows:

<u>Term of Continuous Employment</u>	<u>Rate of Vacation Pay</u>	<u>Time Off</u>
1 Day To 3 Years	4.2%	2 Weeks (After 1 Year To End Of Year 4)
3 Years And 1 Day To 10 Years	6.3%	3 Weeks (From End Of Year 4 To End Of Year 11)
10 Years And 1 Day To 15 Years	8.5%	4 Weeks (From End Of Year 11 To End Of Year 16)
15 Years And 1 Day And Over	10.5%	5 Weeks (From End Of Year 16)

(b) Employees working at the Quintette Coal Operation, Tumbler Ridge, B.C., will receive an additional one (1) week vacation with pay.

13.03 The company will grant vacations at times most preferable to employees. The company agrees to permit a minimum of one (1) employee per shift to be off on vacation at any given time. If more than one (1) employee indicates preference for vacation entitlement for the same time period, vacations will be granted to the senior employee.

13.04 An employee shall receive his vacation pay with his regular pay that immediately precedes the commencement of his vacation. Vacation pay to be paid on a separate cheque.

ARTICLE 14: LEAVES OF ABSENCE

- 14.01 (a) An employee may be granted a leave of absence without pay for sufficient reason. A leave of absence form must be in writing and authorized by a foreman.
- (b) The company may at its discretion, grant reasonable leave of absence to an employee for education or training purposes, conditional but not limited to the following:
- (i) such leave will not interfere with the efficiency of the operation;
 - (ii) the education or training has application in the operations;
 - (iii) that the employee applying writing at least one (1) month in advance unless grounds for such application could not reasonably be foreseen.
- (c) Employees who have been elected or appointed by the Union to attend Union conventions or do other similar work for the Union, will be granted a leave of absence without pay for this purpose.
- (d) Upon written request and on reasonable notice from the Union and subject to the requirements of the operation, the company may grant leaves of absence without pay to employees selected to do work for the Union, such as negotiations.
- (e) Subject to operational requirements where spouses have made arrangements to take their vacations at the same time, and one is entitled to a vacation of a greater duration, the company will grant an unpaid leave of absence to the employee with the lesser vacation in the amount required to make up the difference to a maximum of five (5) shifts.

- 14.02 (a) Bereavement leave with pay of four (4) regularly scheduled shifts will be granted to an employee upon a death in his immediate family. Prior to taking such leave, the employee must advise his immediate supervisor which days he will be taking. "Immediate family" means the employee's spouse, child, step-child or foster child, parent or step-parent, brother, sister, parent-in-law or grandparent or grandchild. Common law relationship shall be recognized as above.
- (b) An employee eligible for a bereavement leave which occurs during his vacation shall be entitled to have that portion of his vacation rescheduled.
- 14.03 An employee who is called for jury duty or is subpoenaed as a witness (but not in his own defence) will be paid an allowance equal to the difference between the payment, excluding travel allowance, he receives for each day of such service and his straight time pay for work which he would have been scheduled and which he would otherwise have performed on those days.
- 14.04 A female employee may apply in writing and shall be granted unpaid maternity leave to a maximum of twenty-four (24) consecutive weeks (or less as may be requested by the employee) in accordance with the Employment Standards Act. Upon presentation of medical evidence the leave may be extended for a maximum of an additional six (6) weeks. Requests for additional leave under this clause will be considered on a case by case basis.
- 14.05 The company recognizes that a request for paternity leave is a legitimate reason for leave of absence. Leave will be granted as provided for in Article 14.01 for a duration mutually agreed upon between the employee and his supervisor.

ARTICLE 15: SAFETY AND HEALTH

15.01 The company and the Union agree that it is in the interest of all concerned to maintain high standards of safety and health at the company's operations in order to prevent industrial injury and illness.

To this end, it is expected that all employees and management personnel shall co-operate to promote safe working conditions, practices, and enforcement of reasonable rules of conduct and safety on the property. In the interest of safety the company will continue with sound safety education and training programmes and will communicate and discuss substantial changes to the programme with the Union and the Union agrees to develop and maintain internal education programmes on accident prevention and health through such media as membership meetings, seminars and Union publications. If requested the Union agrees to assist the company in the development of safety educational and training programmes. In order to meet our mutual objectives in matters related to safety and health, a Joint Safety and Health Committee will be established as outlined below.

15.02 The Joint Safety and Health Committee shall be composed of not more than two (2) members appointed by the Union, one (1) of which shall be the Union Safety Committee Chairman and one (1) the Kal Tire Safety Representative. For each regular member appointed, there may also be an alternate appointed to act in the absence of the regular member. The function of the Committee shall be to recommend solutions to problems relating to the promotion of safety and health on the job site.

- 15.03 (a) When conducting monthly safety tours of each area of the operation, the Union Safety Chairman (or his alternate), and the Union Safety Committee member, together with the foreman, shall conduct the investigation.
- (b) Where the Joint Safety Committee makes an inspection and the majority find an unsafe condition, they shall immediately notify the foreman for the area and advise him of the unsafe condition and discuss what is required to correct the problem.
- (c) After completion of the inspection tour, the Joint Committee shall meet such safety and health matters as have arisen on the tour. In addition, all reportable incidents in that area in the previous month will be reviewed and further remedies or preventative action may be recommended.
- 15.04 All reportable accidents and reportable incidents shall be investigated in the presence of a Safety Representative.
- 15.05 The company agrees that there shall be regularly scheduled safety meetings on company time for all members of every crew once per calendar month. Included in the agenda will be:
- (a) reading of the previous meeting's minutes for errors or omissions;
- (b) outstanding safety items from previous meetings and progress update(s), if any;
- (c) report of new safety concerns or suggestions.
- 15.06 In dealing with safety and health conditions affecting employees, the Union or members of the Joint Safety and Health Committee shall have access to the operations to investigate and discuss such matters. Access for such investigations shall be arranged by Kal Tire at a mutually agreed time and company officials shall accompany Union officials on such investigations.

- 15.07 An employee must refuse to work or do particular work where he has reason to believe that:
- (a) Any equipment, machine, device or thing he is to use or operate is likely to endanger himself or another employee;
 - (b) The physical condition of the work place or the part thereof in which he works or is to work is likely to endanger himself; or
 - (c) Any equipment, machine, device or thing he is to use or operate or the physical condition of the work place or the part thereof in which he works or is to work is likely to endanger himself or another employee.
 - (i) If as set down in the above clause, an employee refuses to work or do particular work, he shall promptly report the circumstances of his refusal to his foreman, who shall forthwith investigate the report with the safety representative.
 - (ii) Following investigation and any steps taken to deal with the circumstances that caused the employee to refuse to work or do particular work, if the employee continues to have reasonable grounds to believe that carrying out the work would endanger himself or another employee then an inspector representing the Ministry of Mines shall investigate the refusal to work and shall give his decision in writing as soon as possible.

(iii) The employee may be found alternative work until such time the job has been made safe or determined to be safe to work on.

Pending the investigation and decision of the Inspector, no bargaining unit employee shall be assigned to use or operate the equipment, machine, device or thing or to work in the work place or the part thereof which is being investigated until the job in question has been deemed safe to operate by the Safety Committee.

No disciplinary action shall be taken against any employee by reason of the fact that he has exercised the right conferred upon him under this article respecting the occupational health and safety of employees.

- 15.08 (a) An employee who is injured on the job and is unable to complete his shift will have his normal earnings maintained for the balance of that shift.
- (b) The company agrees to replace personal clothing that is damaged beyond reasonable repair, as a result of an accident.

ARTICLE 16: HEALTH AND WELFARE

16.01 The company agrees to pay one hundred percent (100%) of the cost of providing the benefits set out below for any employee who has elected or in the future may elect to be covered by the plans.

- (a) Medical Services Plan (MSP)*
Effective on the first day of the month following the date of employment.
- (b) Medical Services Association (MSA)*
Pays eligible expenses after deductible of \$25.00 per year. Effective on the first day of the month following the date of employment.
- (c) Vision Care*
 - (i) The maximum amount payable will be \$60.00 for persons under age 18 during any 12 month period, and effective January 1, 1996 Vision Care will increase to \$100.00.
 - (ii) For persons age 18 and over during any 24 month period. Effective on the first day of the month following the date of employment.
- (d) Dental Plan*
 - Plan A - Basic Dentistry - 100% coverage
 - Plan B - Crown, Bridges - 80% coverage
 - Plan C - Orthodontics - 50% coverage

The maximum coverage for Plan A and B combined is \$1,500.00 per year per person.

The maximum coverage for Plan C is 1,500.00 per lifetime per person.

Effective upon completion of the probationary period.

(e) Weekly Indemnity

Weekly benefit of \$500.00, or at no time less than unemployment insurance benefits. January 1, 1996 weekly payment of \$550.00 and on January 1, 1998 weekly payment of \$600.00.

Benefits are provided from the first day of accident and the fourth day of sickness for 52 weeks (1-4-52).

Effective on the first (1st) day of the month following the date of employment.

Employees off on weekly indemnity who experience undue delay in receiving benefits through no fault of their own may, upon signing a promissory note assigning the benefit cheque to the company, receive an advance on such benefit. Advances will be issued if the benefit cheque is not received by the end of the first two (2) weeks following the submission of the claim form.

(f) Long Term Disability Benefit

Available to employees who suffer non-occupational injuries. Payments commence upon the expiration of Weekly Indemnity payments and continue until recovery or age 65, or death, whichever comes first. Benefits shall be calculated as follows: The difference between eight hundred dollars (\$800.00) per month and the total of all payments made by the Government (calculated monthly) to such disabled employees. Effective January 1, 1998 the difference between one thousand dollars (\$1000.00) per month and the total of all payments made by the Government (calculated monthly) to such disabled employees.

(g) Life Insurance and Accidental Death & Dismemberment:
Life Insurance:

Effective June 1st, 1995 thirty-five thousand dollars (\$35,000.00).

Accidental Death and Dismemberment:

Effective June 1st, 1995 forty thousand dollars (\$40,000.00).

Eligible on date of hire.

* includes qualified dependants

- 16.02 (a) A summary of the benefits plan will be provided to each employee.
- (b) A copy of the benefits master plan will be provided to the Union office.

ARTICLE 17: GENERAL PROVISIONS

- 17.01 (a) Unless advised of changes, any registered mail required to be given to the company under the terms of this agreement shall be addressed to the:

General Manager	Kal Tire
Kal Tire	P.O. Box 1240
P.O. Box 159	Vernon, B.C.
Tumbler Ridge, B.C.	V1T 6N6
V0C 2W0	

- (b) Unless advised of changes any registered mail required to be given to the Union under this agreement shall be addressed to:

United Steelworkers of America
Local Union 9113
P.O. Box 1810
Tumbler Ridge, B.C.
V0C 2W0

- (c) Any registered mail shall be deemed to be given on the next business day following the day of mailing. The registration receipt shall establish the date of mailing.

- 17.02 (a) An employee who gives seven (7) days notice of termination shall be paid all wages no later than two (2) business days from his last day worked.

- (b) An employee who gives less than seven (7) days notice of voluntary termination shall be paid all wages no later than six (6) days from his last day worked.

- (c) Where it is determined that an employee is not in receipt of his full wages for a pay period, he will upon request be reimbursed within two (2) business days from the time that such determination is made.

- (d) An employee who is laid off for a period of more than two (2) weeks or is terminated by the company will be paid all wages forthwith.

- 17.03 The lunchrooms provided will be maintained in a clean condition.
- 17.04 The normal procedure for payment of wages will be by direct deposit bi-weekly to the savings institution of an employee's choice.
- 17.05 The cost of Medical Examinations required in compliance with the Coal Mines Regulation Act and the Workers' Compensation Act shall be paid for by the company. All employees shall be required to take such examinations outside regular working hours and shall be paid four (4) hours pay at straight time and these hours shall not be considered as hours worked for the purpose of calculating overtime.
- 17.06 The company will pay travel allowance of six dollars (\$6.00) per shift worked to those employees required to provide their own transportation.
- Effective June 1st, 1998 the allowance shall increase to seven dollars (\$7.00) per shift worked to those employees required to provide their own transportation.
- 17.07 Employees will be granted one (1) sick day with pay per month. Payable at applicable job rate.
- 17.08 Employee Purchases
Product and services normally sold by Kal Tire may be purchased by an employee at the following prices:
- new product, except tires, at branch cost plus 10%.
 - new tires, at branch cost.
 - used tires and other product at fair market price less 25%.
 - *mechanical labour, at retail price less 20%.
 - *labour to rotate, repair, change-over, balance or stud is at no charge.
 - *the above labour prices apply only if the work doesn't interfere with regular business, otherwise regular rates apply.

Note:

- waiting period to be eligible is the employee's probationary period.
- all purchases must be for personal or immediate family (spouse's or dependants' use).
- all purchases must be charged to your staff account (to maintain a record of transactions). (Cash payments to be shown on cash report as received on account.)
- this programme doesn't cover products we don't stock.
- minimum payment terms are as follows (interest charge at 12%):

<u>Amounts Owing</u>	<u>Payroll Deduction</u> (on last pay period of the month)
0 - \$200	\$ 25.00 per month
201.00 - \$400	\$ 50.00 per month
401.00 - \$600	\$ 75.00 per month
601.00 - \$800	\$100.00 per month
over - \$800	Amount necessary to reduce balance to \$700.00

- 17.09 The company will provide sufficient time for clean-up at the end of a shift.
- 17.10 Commencing June 1st, 1995, upon submission of a receipt, employees will be reimbursed the cost of new work boots to a maximum of one hundred dollars (\$100.00) in each calendar year. Effective January 1, 1997 one hundred and twenty-five dollars (\$125.00).
- 17.11 The company will provide all tools necessary for an employee to perform his duties.
- 17.12 Kal Tire Profit Sharing Plan
Participation in the Plan will be retroactive to June 1st, 1989.

17.13

Humanity Fund

For the purpose of international aid and development, the company agrees to deduct on a bi-weekly basis the amount of (not less than one cent (\$0.01) per hour from the wages of all employees in the bargaining unit for all hours worked, and on a bi-weekly basis, to pay the amount so deducted to the "Humanity Fund" and to forward such payment to:

United Steelworkers of America
National Office
234 Eglinton Avenue, E., 7th Floor
Toronto, Ontario
M4P 1K7

and to advise in writing both the Humanity Fund at the aforementioned address and the Local Union that such payment has been made, the amount of such payment and the names of all employees in the bargaining unit on whose behalf such payment has been made.

The first "Humanity Fund" deduction as aforesaid shall be for the fifth (5th) week following ratification of this Agreement. It is understood and agreed that participation by any employee in the bargaining unit in the program of deductions set forth above may be discontinued by any employee in the bargaining unit after the receipt by the company and the Local Union of that employee's written statement of his/her desire to discontinue such deductions from his/her pay which may be received during the four (4) weeks following ratification of this Agreement or at any time thereafter.

ARTICLE 18: LEAD HANDS

- 18.01 Lead Hand: A job on which the employee has the combined responsibility of directing the work of a group of employees on other hourly rated jobs, and performing some work as that of the group directed. The direction generally consists of activities such as the following:
- (a) Plan work to be performed by the group;
 - (b) determine 'on the job' working procedure in the case of repair and maintenance work;
 - (c) arrange for necessary tools, supplies and facilities;
 - (d) assign and instruct members of the group, and
 - (e) inspect, coordinate and record the work performed by the group.

ARTICLE 19: DURATION OF AGREEMENT

19.01 This Agreement shall commence on June 1st, 1995 and shall continue in full force and effect to and including May 31, 1999, unless either party gives written notice within ninety (90) days prior to the expiry date or of any subsequent anniversary date thereafter, requiring the other party to commence collective bargaining with the intent of concluding a renewal Agreement.

19.02 Should either party give written notice to the other party pursuant to Article 19.01, this Agreement shall thereafter continue in force and effect, until the Union gives notice of strike or the company gives notice of lockout or the parties conclude a renewal Agreement.

IN WITNESS WHEREOF: The Parties have executed this Collective Agreement this 1st day of December, 1995.

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9113 (K)**

KAL TIRE LIMITED

Glenn Steele

Al Kaprowski

Rob Mackay

Peter Matuk

WAGE APPENDIX

<u>CLASSIFICATIONS</u>	<u>WAGES PER HOUR</u>			
	June 1/95	June 1/96	June 1/97	June 1/98
Tireman Trainee II Without Class 3/ With Air	\$19.58	\$19.97	\$20.37	\$20.88
Tireman Trainee I With Class 3 and Air	\$20.90	\$21.32	\$21.75	\$22.29
Tireman	\$22.23	\$22.67	\$23.12	\$23.70
Lead Hand	\$23.03	\$23.47	\$23.92	\$24.50

- (a) Employees that require training including the obtaining of a B.C. Class 3 drivers license with air endorsement will receive Tireman Trainee II rate of pay.
- (b) Employees that require training and possess a B.C. Class 3 drivers license with air endorsement will receive Tireman Trainee I rate of pay.
- (c) Upon completion of three (3) months service the employees will be qualified tiremen and will receive the Tireman rate of pay.
- (d) Exceptions to the three (3) month training period may be made in recognition of an employee's previous experience.

LETTER OF UNDERSTANDING

BY AND BETWEEN

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9113 (K)**

AND

KAL TIRE LIMITED

This confirms that employees who wish to continue to participate, or in the future wish to participate, in the Kal Tire Registered Retirement Savings Plan (RRSP) as outlined in the Kal Tire Employee Manual, are entitled to do so.

Executed this 1st day of December, 1995.

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9113 (K)**

KAL TIRE LIMITED

Glenn Steele

Al Kaprowski

Rob Mackay

Peter Matuk

MEMORANDUM OF AGREEMENT

BETWEEN:

KAL TIRE LIMITED
(Hereinafter called the Company)

AND:

UNITED STEELWORKERS OF AMERICA
For and on behalf of LOCAL 9113
(Hereinafter called the Union)

The parties to this Memorandum have reached agreement upon the terms and conditions which will constitute a new Collective Agreement between the parties, subject to ratification of the Memorandum by the Union membership. The terms of the Agreement will be specified in the Collective Agreement including various Letters of Understanding.

Upon acceptance by a majority of the bargaining unit employees who vote on the proposed settlement, the terms and conditions attached will become final and binding on both parties.

Signed the 1st day of December, 1995.

UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9113 (K)

KAL TIRE LIMITED

Glenn Steele

Al Kaprowski

Rob Mackay

Peter Matuk

LETTER OF UNDERSTANDING

BY AND BETWEEN

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9113 (K)**

AND

KAL TIRE LIMITED

Let it be understood that if the operation known as Quintette Operating Corporation shuts down and leaves our personnel unemployed, Kal Tire would do its best to place, through its organization, the employees from Tumbler Ridge. If we are successful in placing the individual, we would assist in offsetting the moving costs. Accepting that the function they presently perform is different from our normal stores, it has always been understood by our people that if they wanted to move throughout the organization that we would endeavour to accomplish that.

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9113 (K)**

KAL TIRE LIMITED

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Peter Matuk

LETTER OF UNDERSTANDING

BY AND BETWEEN

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9113 (K)**

AND

KAL TIRE LIMITED

This is to confirm that the company is prepared to designate a portion of an employee's gross income as an employee travel benefit on the annual T4 slips.

It has been determined that the most appropriate method to accomplish this will be to designate \$2500.00 to the appropriate box on each employee's T4 slip. This amount will not be dependent on marital status.

It will be the sole responsibility of each employee to ensure compliance with the requirements of the Income Tax Act if claiming tax deductions in connection with this policy. The company assumes no responsibility should tax benefits, in whole or in part, be denied by Revenue Canada.

For further information regarding the administration of this benefit, an employee must contact Revenue Canada.

**UNITED STEELWORKERS OF AMERICA
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LETTER OF UNDERSTANDING

BY AND BETWEEN

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9113 (K)**

AND

KAL TIRE LIMITED

BARGAINING PROPOSALS

1. Wages are retroactive from June 1, 1995.
2. Travel allowance is retroactive from June 1, 1995.

**UNITED STEELWORKERS OF AMERICA
LOCAL UNION 9113 (K)**

KAL TIRE LIMITED

Glenn Steele

Al Kaprowski

Rob Mackay

Peter Matuk