

COLLECTIVE LABOUR AGREEMENT

BETWEEN

IPEX Inc.

AND

**COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA**

December 1, 1995 - November 30, 1998

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ARTICLE 1 - DEFINITIONS

1:01 The word "employee" means all employees in the bargaining unit as defined by the certification order dated December 8, 1980.

1:02 The word "Company" means IPEX Inc. located at 20460 Duncan Way, in Langley, British Columbia.

1:03 The word "Union" means Local 601, Communications, Energy and Paperworkers Union of Canada, which is the bargaining agent for the Company's employees.

1:04 The word "day" means a twenty-four (24) hour period beginning at 07:00 hours.

1:05 The words "work week" means a period of seven (7) calendar days beginning at 07:00 hours on Saturday.

1:06 The word "rate" means the hourly wage rate for any classification listed in Schedule "A" - Classification and Rates.

ARTICLE 2 - GENERAL PURPOSE OF AGREEMENT

2:01 The general purpose of this agreement is to the extent and in the manner provided therein.

- (a) To provide for, and protect, the interest of the employees and the Company by setting forth and defining terms and conditions of employment, working hours, rates of pay and other working conditions.
- (b) To provide for the continuous, harmonious and efficient operation of the plant.
- (c) To provide means for the prompt and equitable settlement of the differences which may arise between the Company and its employees.
- (d) To provide an orderly procedure for collective bargaining.
- (e) The employees have the right to a working environment that is free from harassment and discrimination. The

Parties hereto subscribe to the principles of the Human Rights Act.

ARTICLE 3 - RECOGNITION

3:01 The Company recognizes Local 601, Communications, Energy and Paperworkers Union of Canada as the only agency representing the employees of the IPEX Inc. Duncan Way Plant, save and except the Plant Manager, the Assistant Plant Manager, Quality Control Foreman, Maintenance Foreman, Shipping Foreman, Production Foreman, Office and Sales Staff and those excluded by the Labour Code in and for the Province of British Columbia for the purpose of Collective Bargaining in the regard to rates of pay, wages, hours of work and other conditions of employment.

3:02 The Union recognizes the responsibility of its members to perform their respective duties for the Company, and carry out their responsibilities in accordance with the methods, procedures and regulations established by the Company and this Collective Agreement.

ARTICLE 4 - UNION SECURITY

4:01 All employees in the bargaining unit will become members of the Union and will pay regular monthly Union dues. As a condition of employment, all employees in the bargaining unit will authorize in writing, deductions from regular pay in an amount equal to Union dues.

4:02 For those employees who provide the Company with written authorization for the deduction of the Union dues, the Company will make such deductions on the first payday of each month and remit the same within ten (10) days to the Secretary-Treasurer of the Union, together with a written statement containing the names of the employees for whom the deductions were made and the amount of each deduction.

4:03 The employees must make their contribution after fifteen (15) days of work.

4:04 All new Union members and new employees coming within the scope of this collective agreement shall receive the Union's orientation program. Adequate time and facilities shall be provided by the Company to the Union to accommodate the program. If this is done outside regular working hours, the Company will pay one-half (1/2) hour at straight time.

ARTICLE 5 - MANAGEMENT/UNION COMMITTEE

5:01 (a) The Union recognizes and agrees, subject to the terms of this agreement, all of the rights and authority which the Company had prior to the signing of this agreement are retained solely by the Company and remain within the rights of Management.

(b) Subject to the terms of this agreement, but without limiting the generality of the foregoing, the Company reserves the right to operate and manage its affairs and facilities in all respects, including the right to hire and direct its work force, determine job content, assign work,

establish methods, processes and means of performing work, to determine the number of employees to be employed and the duties to be performed.

(c) The Company has the right to hire new employees from any source and to determine the acceptability of candidates for employment. The Company shall give the Union the opportunity to refer suitable candidates for consideration for employment.

(d) The Company agrees that the exercise of its rights does not relieve the Company of its obligations of this agreement or limit the rights of the employees arising out of any other specific provisions of this agreement.

5:02 Management and the Union Committee will meet a minimum of three (3) times per year or more often if needed.

5:03 The Company will not bring in any outside contractors to perform work in the bargaining unit so as to cause any present employee to be demoted or laid off.

5:04 The Company will pay up to one (1) hour per month, to a maximum of five people, at the regular rate for attendance at joint management-union committee meetings, grievance proceedings or arbitration proceedings. Such allowance is not cumulative.

5:05 (a) One foreman from each production team may execute tasks included in the bargaining unit in the production process with the understanding that his primary functions are supervision and training.

(b) Concerning other employees excluded from the unit, their work on tasks included in the negotiating unit is limited to occasional tasks restrained to training cases, emergency and running-in of new machinery. This shall not cause the lay-off of a permanent employee.

(c) If the employer designates as foreman, an employee who is part of the bargaining unit, that employee is subject to a trial period of twelve (12) consecutive months. During

this trial period, this employee accumulates seniority and the right to come back to his previous job.

Beyond this trial period as foreman, there is a complete rupture in his relationship with the union and his rights in the bargaining unit.

If an employee who has been designated as a trial foreman is moved back into the bargaining unit, either by his choice or the Company's choice, that employee is not eligible for a further trial period.

The position vacated by the trial foreman will be posted. In the event of the return of the trial foreman to his previous job in the bargaining unit, all employees who moved up in job classification will be required to move back into the job classifications and wage scales they previously occupied.

**ARTICLE 6 - TERM OF AGREEMENT, NOTICES AND UNION
NEGOTIATING COMMITTEE**

6:01 This agreement shall be effective from December 1, 1995 and shall continue in full force and effect until November 30, 1998 and shall automatically be renewed from year to year, unless written notice of intent to terminate the agreement is given by either party within sixty (60) days prior to the termination of the agreement or any subsequent yearly period.

6:02 During any period when collective bargaining is being conducted between the parties to amend this agreement, the agreement shall continue in full force and effect until:

- (a) the Union commences a lawful strike.
- (b) the Company commences a lawful lockout, or
- (c) the parties enter into an amended collective agreement.

6:03 All notices under Article 6 shall be, by registered mail, or by personal delivery, addressed to the Unit Chairman (or Vice Chairman), representing the Union and addressed to the Company General Manager.

6:04 The Union shall advise the Company in writing of the names of officers and stewards of the Union and any changes thereof during the term of this agreement.

6:05 The provisions of Section 50 (2) of the **Labour Relations Code SBC Chap. 82 C212.5 1992**, are expressly excluded and do not apply to this agreement.

ARTICLE 7 - NO INTERRUPTION OF WORK

7:01 The parties to this agreement agree that during the term of this agreement or any extension thereof, there will be no strikes by the Union and no lockouts by the Company.

7:02 It shall not be a violation of this agreement and it shall not be cause for discipline or discharge if any employee or employees refuse to go through the picket line of a Union.

ARTICLE 8 - HOURS OF WORK

8:01 Hours of work presently being observed by twelve (12) hour shift workers will continue: that is, day shift will commence at 7:00 hours and end at 19:00 hours. Night shift will commence at 19:00 hours and end at 7:00 hours.

The twelve (12) hour shift schedule shall consist of two (2) twelve (12) hour day shifts followed by two (2) twelve (12) hour night shifts, followed by four (4) days off and repeating.

8:02 (a) Shipping and day workers hours of work are from 8:00 a.m. to 4:30 p.m., Monday to Friday, and shall be eight (8) hours with two (2) fifteen (15) minute coffee breaks with pay and one (1) thirty (30) minute uninterrupted lunch break without pay.

(b) Maintenance:

i) On five (5) day coverage, hours of work are from 7:00 a.m. to 3:30 p.m., Monday to Friday, and shall be eight (8) hours with two (2) fifteen (15) minute coffee breaks with pay and one (1) thirty (30) minute uninterrupted lunch break without pay.

(c) Production:

i) On five (5) day coverage, hours of work are from 7:00 a.m. to 3:00 p.m., 3:00 p.m. to 11:00 p.m., 11:00 p.m. to 7:00 a.m., Monday to Friday, and shall be eight (8) hours with two (2) paid fifteen (15) minute coffee breaks and a thirty (30) minute paid lunch break.

ii) On seven (7) day coverage, hours of work are from 7:00 a.m. to 7:00 p.m. and 7:00 p.m. to 7:00 a.m. and shall be twelve (12) hours with one (1) fifteen (15) minute paid coffee break and two (2) thirty (30) minute paid lunch breaks.

(d) The Company will provide thirty (30) days notice for any changes in the coverage schedules.

8:03 Any schedule either eight (8) or twelve (12) hours which gives continuous coverage, by means of relief, shall be considered shift work for the purpose of Article 17.

8:04 It is agreed that time in excess of forty (40) hours per week may be worked to permit continuing efficient operation of the plant, such work to be paid for under the appropriate overtime provision.

8:05 Should an employee be required to change his regularly scheduled days work, the Company will notify the employee of such change three (3) working days in advance of his regularly scheduled day of work. If notice is not given, the employee shall be paid one and three-quarter (1-3/4) times for the first working day of the new schedule.

8:06 When an employee reports for regularly scheduled shift and no work is available due to circumstances beyond the control of the Company, such employee shall receive a minimum of four (4) hours pay at his regular rate.

ARTICLE 9 - CALL-IN

9:01 "Call-in" is defined as any occasion when a regularly scheduled employee is called into work by the Plant Manager or his delegate before his next scheduled work day, without being given proper notice the previous day that such work was required. Proper notice is defined as:

- Maintenance - End of Shift
- Production - Before 5:00 p.m. previous day

9:02 Double time (x2) will be paid for all maintenance call-ins with a minimum of four (4) hours pay at such premium rate for each call-in.

Double time (x2) will be paid to any production employee who is required to work the same day he is called in.

Overtime at the applicable rate of one and three quarters time (1-3/4x) will be paid to any employee who is given proper notice.

9:03 When the minimum time provided for under this Article runs into an employee's regularly scheduled starting time, he shall

receive the call-in premium pay and will not lose regular pay for the full scheduled work day. Call-in pay as called for by this Article shall cease at the employees regularly scheduled starting time.

9:04 When a night-time call-in terminates after midnight before an employee's regularly scheduled day, that employee shall have a twelve (12) hour rest period before commencing his work day and shall not lose regular pay during that rest period.

9:05 Double time (2x) will be paid to any employee who works a statutory holiday that would normally be a scheduled day of rest, in addition to his straight time pay under Article 10:04.

9:06 When an employee on shift work has been required to work four (4) or more hours on a call-in, which terminates before his next scheduled starting time, he shall have a twelve (12) hour rest period before commencing his scheduled work day, and shall not lose regular pay during this rest period.

ARTICLE 10 - STATUTORY HOLIDAYS

10:01 The provisions of the **EMPLOYMENT STANDARDS ACT, Bill 29, 1995**, shall apply to all employees and any additional day proclaimed by the Provincial or Federal Government as a Statutory Holiday.

Statutory holidays will be celebrated on days agreed to by the Union Committee and Management. Days will be as close to the actual holiday as possible and will fit with schedule to give shift workers four (4) continuous days off and day workers three (3) continuous days off.

For each employee the floating holiday must be mutually agreed upon by the Company and the employee. The employee must make written application for his floating holiday at least fourteen (14) days in advance. The Company will provide written acceptance or rejection, to the employee, within seven (7) days of receipt of the request.

Statutory holidays that occur while the plant is working a seven (7) day continuous schedule will be worked at the appropriate overtime rate. Each employee will have, at his option, the opportunity to either be paid for his statutory holiday as it occurs or to bank the holiday pay. The employee has the option to take up to a maximum of forty-eight (48) hours from this banked time as time off, such time off not to coincide with normal vacation, and to be mutually agreed on. The option chosen cannot be changed until the next calendar year. This would not apply to the individual floater holiday.

10:02 The period of time recognized as a holiday is the twenty-four (24) hour period as set out in Schedule "C" of this agreement.

Payment for Statutory Holidays and the Floating Holiday is at a regular work days pay.

10:03 It is understood that employees not on seven (7) day coverage will not be required to work on mutually agreed statutory holidays except in the event of an emergency.

10:04 (a) In addition to any other compensation earned under the provisions of this agreement, any full time employee who is on the Company's payroll on any of the foregoing recognized Statutory Holidays, shall be granted a full regular days pay at the straight time rate of pay at which the employee is classified on the day of the holiday, provided that any new employee must have been on the Company's payroll for not less than twenty (20) working days immediately preceding the holiday.

(b) To be eligible for Statutory Holiday pay, an employee must have worked his last scheduled work day prior to the recognized holiday and his first scheduled work day after the recognized holiday, unless the employee's absence was caused by a verified illness or injury or the employee has obtained prior written permission from the Company to be absent.

ARTICLE 11 - VACATIONS

11:01 It is hereby understood and agreed that in the application of the following provisions governing vacations and vacation pay, no employee shall be treated less favourable than is provided for under the **EMPLOYMENT STANDARDS ACT, Bill 29, 1995**.

11:02 The vacation period shall be the twelve (12) month period commencing on January 1 and ending on the following December 31.

11:03 Employees on the Company's payroll on January 1st who have been employed by the Company for twelve (12) months of the preceding vacation period shall be granted two (2) weeks vacation with pay. Pay for such two (2) weeks vacation shall be four percent (4%) of the employees actual earnings during the vacation period in which the vacation was earned, or two (2) weeks base pay at the employees regular job rate at the time he goes on vacation, whichever is the greater.

11:04 Employees on the Company's payroll on January 1st, who have been continuously employed by the Company for three (3) or more years, but less than seven (7) years, shall be granted three (3) weeks vacation with pay. Pay for such three (3) weeks vacation shall be six percent (6%) of the employees actual earnings during the vacation period in which the vacation was earned or three (3) weeks base pay at the employees regular job rate at the time they go on vacation, whichever is the greater.

11:05 Employees on the Company's payroll on January 1st, who have been continuously employed by the Company for seven (7) or more years, but less than than twelve (12) years shall be granted four (4) weeks vacation with pay. Pay for such four (4) weeks vacation shall be eight percent (8%) of the employees actual earnings during the vacation period in which the vacation was earned or four (4) weeks base pay at the employees regular job rate at the time they go on vacation, whichever is the greater.

11:06 Employees on the Company's payroll on January 1st, who have been continuously employed by the Company for twelve (12) years or more shall be granted five (5) weeks vacation with pay.

Pay for such five (5) weeks vacation shall be ten percent (10%) of the employees actual earnings during the vacation period in which the vacation was earned or five (5) weeks base pay at the employees regular job rate at the time they go on vacation, whichever is the greater.

11:07 Those employees on the Company's payroll on January 1st, of any year who have been employed for less than twelve (12) months prior to said January 1st and who, therefore, do not qualify for two (2) weeks vacation, will in the vacation period commencing on that date, be granted one (1) days vacation with pay for each full five (5) weeks of work performed in the immediately preceding vacation period. No vacations of less than five (5) days nor more than ten (10) days will be granted under this provision. Pay for such vacations will be computed at four percent (4%) of the employees actual earnings during the vacation period in which the vacation was earned. Fractional entitlements will be rounded to the nearest full day with one-half (1/2) being increased to a whole. Those not qualifying for days off will be paid four percent (4%) holiday pay as earned by them in the immediately preceding vacation period.

11:08 Should a Statutory Holiday fall while an employee is on vacation, he shall be entitled to an additional day off with pay as provided in Article 10 - Statutory Holidays.

11:09 One (1) week vacation constitutes one (1) work week as forty (40) hours defined in Article 1:05.

 One (1) day vacation constitutes one (1) work day as eight (8) hours as defined in Article 1:04.

11:10 The following shall be considered as time worked for the purpose of qualifying for a vacation:

(a) Time lost as a result of an accident or sickness as recognized by the Workers' Compensation Board.

(b) Time not exceeding six (6) months loss as a result of the bonafide accident or sickness not covered by the Workers' Compensation Board.

(c) Time spent on earned vacation.

- (d) Time spent on Statutory Holidays as defined in Article 10
- Statutory Holidays.
- (e) Time spent on jury duty, not exceeding three (3) months.
- (f) Time absent from work because of compassionate leave.
- (g) Time absent from work while on an approved leave of
absence.

11:11 No employee may continue to work and draw vacation pay in lieu of taking a vacation, except as provided in Article 11:07.

11:12 Vacation pay shall be issued to employees prior to their leaving on vacation for the period taken.

11:13 The Company will post a vacation list each year so that employees may choose their vacation date. Vacation allocation shall be in accordance with Schedule "B" attached hereto and forming part of this agreement.

11:14 If an employee becomes disabled as a result of sickness or accident, whether recognized by the Workers Compensation Board or not, prior to the commencement of the employee's scheduled vacation, and if such disability extends in the scheduled vacation, the vacation may be postponed and another vacation may be taken within the current vacation year. A medical certificate must be presented by the employee upon request by the Company.

11:15 If an employee becomes disabled as a result of sickness or an accident, whether recognized by the Workers Compensation Board or not, before he takes the vacation to which he is entitled during any vacation period, and continues to be disabled through to the end of the vacation period, he may carry his vacation privilege to the following vacation period. A medical certificate must be presented by the employee upon request by the Company.

11:16 Notwithstanding the provisions of Article 11, the employees who have not worked sixteen hundred and fifty (1650) hours because of economic layoffs, during the preceding vacation period, shall only be entitled to vacation time pro-rated to the employees

vacation pay entitlement in the current vacation period. Vacation pay entitlement for employees who have not worked sixteen hundred and fifty (1650) hours shall be calculated at the applicable percentage as set out in Article 11.

11:17 If vacation pay percentage (%) is greater than time earned, the employee may request the difference of earnings to be paid out at any time after January 15 of each calendar year.

ARTICLE 12 - SENIORITY

12:01 Seniority is defined as a total length of service acquired by an employee of the Company in British Columbia.

12:02 Accrual of Seniority:

Seniority accumulates when an employee is absent from work:

- (a) Resulting from an occupational injury or illness covered by the Workers' Compensation Act.
- (b) During absence from work resulting from an injury or illness not covered by the Workers' Compensation Act.
- (c) During any leave of absence, provided that if the leave of absence is for a period of time greater than thirty (30) days, the Union shall be notified of the length of the leave.

(d) During a layoff of up to twelve (12) months.

12:03 The Company shall post on the Company notice board, in writing: Notice of all layoffs, promotions and demotions after providing the notice to the Unit Chairman, or in his absence, to the Vice Chairman.

12:04 Loss of Seniority:

Seniority shall be lost when an employee:

- (a) Voluntarily quits his employment with the Company.
- (b) Is discharged for cause and is not reinstated through the Grievance and Arbitration procedure.
- (c) Fails, refuses, or advises that he does not intend to report for work within seven (7) calendar days after receiving notice of re-call. Notice of re-call shall be by direct telephone, or by Registered Mail, sent to the employee's last

known address then on the Company's records. It shall be the sole responsibility of the laid-off employee to advise the Plant Manager of his latest mailing address and telephone number.

12:05 Probationary employees - An employee shall be considered to be on probation until he has worked for a period of four hundred and eighty (480) worked hours following the date of hire. If such employee continues in the employ of the Company after the expiration of the probationary period, his length of service shall be computed from his date of hire. Probationary employees shall not exercise any seniority rights during their probationary period

12:06 Promotion - Demotion - Layoff - Recall - Vacant positions and trial positions will be posted for a period of seven (7) calendar days. Posting will show a job description, pay rates and shift pattern. Application for vacant and trial positions must be made in writing to the Plant Manager. In promoting, demoting, laying off, and recalling employees, the following factors shall be considered:

- (a) i) Seniority will govern in cases of layoff, recall from layoff, promotion, and demotion; ability being sufficient to perform the work required. In the case of dispute on ability, an assessment of applicants will be undertaken by a committee consisting of the Plant Manager, Foreman and a Senior member of the Bargaining Unit.

This same committee will meet 30 calendar days following this appointment to assess the performance and suitability of the candidate.

In the event of dispute over the selection of the candidate, the matter may be referred to the General Manager and the Unit Chairperson. Should there not be a resolution at this time, the matter may be referred to the Grievance Process detailed in Article 25:00.

A job vacancy created by an employee receiving a posted position will also be posted, however, this

job will not be filled on a permanent basis until the employee leaving the job is successful in completing the training and/or trial period and accepts that new job.

- ii) Each employee will be provided three (3) working days notice of layoff or one (1) days pay at regular rate in lieu of notice.

- iii) Each laid-off employee, after being laid-off for thirteen (13) weeks in the twenty (20) week period from date of original layoff, may elect one of the following:
 - 1) the employee will be paid severance pay at the rate of one (1) week pay, at his regular rate, for every year of seniority to a maximum of eight (8) weeks. Employee will waive all recall rights and terminate his employment upon acceptance of this severance pay.

2) the employee may continue on layoff and retain his recall rights for up to one (1) year from his original layoff at which time the employee will be provided severance pay at the rate of one (1) week pay, at his regular rate, for every year of seniority to a maximum of eight (8) weeks. Employee will terminate his employment with the Company at this time.

3) Vacation relief positions of up to thirty (30) days do not require posting.

(b) When there is a vacancy or a new job created, a selection will be made from those who make application for the job, based on their seniority and ability to do that job. Where there is more than one (1) applicant with the ability, the senior applicant will be appointed. It is understood that in considering applications for lead man, ability and experience shall be given substantially greater weight and in addition, the qualities of leadership will be

an important consideration. Any employee on vacation during the posting period will be considered to have applied for the position.

- (c) Any person selected for a vacancy or a new job, shall be on a trial period for up to ninety (90) calendar days. During this trial period, the employee must demonstrate that he can satisfy the requirements of the job to the satisfaction of the Company.

- (d) Should the person be unable to satisfy the requirements of the job, or should he decide that he does not want to continue in the job, then the person may be returned to his former job and the Company shall have the right to require all employees who changed job positions to move back into the job positions and wage scales which they occupied previously. This option must be exercised during the trial period. The said employee may not re-apply for the same position for a period of no less than twelve (12) months.

- (e) In promotions, applicants who are not successful, shall be notified in writing with a copy to the Unit Chairman.

- (f) In the case of temporary lay-off sixty (60) days or less, bumping will not be permitted between departments (Production, Shipping, Maintenance, Quality Control).

12:07 All employees shall be credited with seniority from the date of their hire, subject to Article 12:02. Seniority shall be computed in years, months and days.

12:08 Seniority lists will be compiled upon request of the Union or not less than three (3) times per year. A copy will be provided to the Unit Chairman.

The Union shall bring to the attention of the Company any errors or omissions in the seniority list and said list shall be corrected accordingly.

12:09 If the employer promotes or transfers an employee, who is part of the bargaining unit, out of the bargaining unit, that employee is subject to a total trial period of six (6) months.

During this trial period, this employee accumulates seniority and has the right to come back to his previous job.

ARTICLE 13 - JOB CLASSIFICATION AND JOB RATES

13:01 The job classification hourly rates during the term of this agreement shall be in accordance with Schedule "A".

13:02 If a new classification is established which is not covered by the schedule of wages then in effect, the rate of pay for such new classification shall be opened for negotiation between the Company and the Union within thirty (30) days. The Company may place into effect a temporary rate pending negotiations of the rate to be established.

The negotiation of the rate shall also include the effective date of application of the rate. In the event the Union and the Company are unable to agree on the appropriate rate for the new classification, the dispute shall be submitted to arbitration under Step 4, Article 25 hereof, within thirty (30) days to determine what classification and rate is appropriate to the work to be performed. Failure to agree or the reference to arbitration shall in no event

preclude or delay the Company from placing the equipment in operation as above provided.

13:03 A level 3 First Aid certificate will be treated as a new job classification if such a ticket is required by the Workers' Compensation Board.

ARTICLE 14 - FIRST AID

14:01 Subject to Article 13:03, one (1) employee from each shift will be requested by the Company to obtain a Level 1 first aid certificate as required by the Workers' Compensation Board. Candidates for Industrial First Aid Tickets will be selected from those who apply under the provision of Article 12.

14:02 Upon successful completion of such approved courses, the Company will pay one hundred percent (100%) of the cost of the same. Payment will be made at straight time for the hours worked.

14:03 The level 1 first aid certificate holder from each production shift will be entitled to an hourly premium of \$0.15 over and above his regular rate. Attendance at once-per-month Safety meetings will be mandatory, such time to be paid for at the overtime rate of one and three quarters (1-3/4) times his regular hourly rate as per Article 15:02.

ARTICLE 15 - OVERTIME

15:01 Overtime at the rate of one and three quarters (1-3/4) times the employee's hourly rate will be paid for all overtime worked.

15:02 All shift meetings and meetings of a company nature which are held outside regular scheduled hours, and which the employee is required to attend, will be paid for at the overtime rate of one and three quarters (1-3/4) times the employees hourly rate.

15:03 Overtime shall be computed on Schedule "A" job rate only.

15:04 An employee who is required to work more than four (4) consecutive hours overtime immediately following his normal working hours shall be granted twelve (12) consecutive hours off the job before reporting for work again without loss of pay.

Any employee who is required to work overtime will be given twenty-four (24) hours notice. The notice period will be waived in the event of an emergency.

15:05 If an employee is held over for more than two (2) hours overtime beyond the end of his regular scheduled shift, he shall be provided with a meal allowance of \$11.00, or is required to work for more than four (4) hours on a call-in. If he continues to work, an equivalent meal allowance shall be provided every four (4) hours thereafter. This must be requested by the employee.

15:06 Transportation will be provided when an employee is held over and the employee is unable to supply his own transportation. The Company, in that case, will provide transportation at the Company's expense. Arrangements for transportation must be requested before the start of overtime.

15:07 When overtime is required in an area or classification, the Company shall distribute the overtime as equally as possible amongst the employees within that area or classification.

15:08 Overtime shall be computed in units of fifteen (15) minutes and shall be computed to the nearest fifteen (15) minutes.

15:09 No employee will be required to use his personal automobile on Company business.

15:10 If an employee agrees to use his car for Company business, the rate for usage will be twenty cents (\$0.20) per kilometer, with a minimum of five dollars (\$5.00) per usage.

15:11 Overtime shall be on a voluntary basis, unless it is required to maintain efficient operations. Employees will be excused from overtime provided that there are other qualified employees to do the work, or have a reasonable reason not to work the overtime.

15:12 Each employee may elect to bank the premium portion of his overtime rate up to a maximum of forty (40) hours, twice per year, to be withdrawn at July 1 or December 1, at the employee's option, unless an emergency arises between these dates.

ARTICLE 16 - WORKING THROUGH THE LUNCH PERIOD

16:01 If an employee is required to work into his lunch period, he shall be paid one and three quarters (1-3/4) times his regular rate for his lunch period and he shall be allowed twenty (20) minutes to eat his lunch when possible.

ARTICLE 17 - SHIFT PREMIUM

17:01 All shift workers shall be paid a premium over and above their regular rate of pay in accordance with the provisions set forth in Schedule "A" attached hereto.

17:02 Shift premium shall not be included in the employee's job rate for the purpose of calculating overtime payments. However, shift premium shall be paid for overtime hours worked.

- (3) Dental Plan - Part A (100%) - 100% Company paid; Part B (80%) - 100% Company paid; Part C (50% - \$1000 lifetime max.) - 100% Company paid.

- (4) Vision Care - \$75.00 per insured every two (2) years - 100% paid by the Company.

- (5) Long Term Disability - 100% paid by the Company, providing for sixty percent (60%) of regular wages.

- (6) Weekly indemnity plan will be 1-4-26 U.I.C. maximum 100% Company paid. This plan covers the following:
 - (a) Immediately in case of accident or injury.
 - (b) After three (3) days waiting period in case of illness.
 - (c) Duration of benefit is twenty-six (26) weeks.

Should any return in U.I.C. premiums occur due to the registry of this plan with U.I.C., the return will belong to the Company.

(7) Pension Plan - Is a defined contribution plan where employees will contribute two percent (2%) of their earnings from December 1, 1995 to November 30, 1996, two and one quarter percent (2.25%) from December 1, 1996 to November 30, 1997 and two and one half percent (2.50%) from December 1, 1997 to November 30, 1998. The company will match these contributions.

Note: Detailed information regarding benefits is available for review from either the Unit Chairman or Plant Manager.

ARTICLE 19 - COMPASSIONATE LEAVE

19:01 In the event of a death in an employee's immediate family, the Company will grant as an excused absence, such time as may be reasonably needed.

19:02 The Company will pay such employees straight time pay for working days lost up to a maximum of three (3) work days. An employee may, on written request, be granted an additional two (2) work days pay for extraordinary circumstances or extraordinary travel associated with bereavement of the immediate family.

19:03 The immediate family shall mean: father and mother, including in-laws, child, spouse, brother and sister, step-children, step-parents and grand-parents.

ARTICLE 20 - LEAVE OF ABSENCE

20:01 Plant operations permitting, the Company may grant leave of absence without pay, to employees for legitimate reason. Such leaves will not be unreasonably or arbitrarily denied. All requests for leave of absence shall be made in writing by the employee and be confirmed in writing by the Company to the employee.

20:02 For the employee who holds the office of Unit Chairman, the Company will guarantee leave of absence without pay to attend the executive board meeting of the Union for a period not to exceed one (1) working day per month. The Unit Chairman must provide the Company with one (1) weeks notice in advance of the meeting date. Such leave shall not be cumulative.

20:03 One (1) employee elected or appointed as a full time representative of the Union will be granted leave of absence without pay while so engaged, not to exceed one (1) year. The cost of

benefits are to be forwarded to the Union, and the Union will reimburse the Company.

ARTICLE 21 - SAFETY

21:01 The Company will make reasonable provisions for the safety and health of its employees and will provide protective devices and wearing apparel which are required during hours of employment to protect the employee from injury. This shall include, where recommended, the following:

- (1) Safety Glasses (Prescription) - Lenses will be provided annually and frames will be provided every two (2) years or as necessary if damaged at work. Frames are to be recommended by the Plant Safety Committee.
- (2) Ear muffs for hearing protection.
- (3) Goggles.
- (4) Respirators.

- (5) Rubber gloves, aprons, pants, coats, boots, as necessary.
- (6) Work gloves to be issued as required by work and weather conditions, type of gloves to be determined by the Company.
- (7) Any additional equipment mutually agreed upon by the parties to this agreement.

Any dispute may be referred to the Safety Committee for recommendation. Safety equipment will be replaced by the Company when presented in a worn or damaged condition. It is understood that safety equipment will not leave the Company premises under normal circumstances and that the employees will look after and care for such equipment in the interest of ensuring it will be available for the general safety of all.

21:02 The Company and the Union agree to promote the development of safe working practices amongst the employees, in order to

reduce the risk of accidents. The employee is required to wear and use the equipment provided in an appropriate manner.

21:03 The Company and the Union agree to establish and maintain a Safety Committee in accordance with the Workers' Compensation Board Accident Prevention Regulations, which will meet every month.

21:04 Employees will not be expected to work with unsafe equipment or under unsafe working conditions. Employees are expected to report immediately to their supervisor any cases of unsafe equipment or unsafe working conditions.

21:05 The Company will provide upon request to blendersmen, maintenance, set-up men and journeyman tradesmen employees, three (3) pairs of proper fitting coveralls per week. The coveralls shall be laundered at the Company's expense. These coveralls are to remain the property of the Company and are to be returned if the employee leaves the employment of the Company.

21:06 For each twelve (12) months worked, the Company will, at the employees convenience, direct the employee to an outlet where he may purchase CSA certified work boots and insoles. The Company will allow a purchase of up to two (2) pairs of boots and insoles having a cost up to two hundred dollars (\$200.00). If the cost is greater than two hundred dollars (\$200.00), the employee will have the difference deducted from his next pay.

21:07 (a) The Company agrees to provide and maintain lunchrooms, washrooms and other sanitary facilities. The Company agrees to provide one (1) locker per employee. The Company shall not be required to supply lockers for probationary employees. The Company will provide janitor service to clean the above facilities.

(b) Lunchroom facilities shall include adequate tables and chairs, a micro-wave oven, refrigerator and sufficient facilities for storage of non-perishable foods, and a separate locker for each shift.

21:08 All equipment supplied by the Company to employees under the provisions of this Article shall, upon an employee's termination from employment be returned to the Company, or if not returned, the cost of the same is to be deducted from his termination pay. The cost of safety boots shall be pro-rated. Safety boots are not returnable.

ARTICLE 22 - PAYDAY

22:01 Paydays will be every second Friday.

ARTICLE 23 - VALIDITY

23:01 If any article(s) or section(s) of this agreement or any supplement or riders thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction or by order of the Labour Relations Board, the remainder of this agreement and any supplements or riders thereto, or the application of such article(s) or section(s) to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained shall not be effected thereby.

In the event that any articles or sections of this agreement or any supplements or riders thereto is held invalid or enforcement of, or compliance with which has been restrained as above set forth, the Company and the Union shall enter into negotia-

tions after receipt of written notice of the desired amendments by either the Company or Union for the purpose of arriving at a mutually satisfactory replacement for such invalidated articles or sections. There shall be no time limits for such notice. The parties will endeavor to make an agreement within sixty (60) calendar days after receipt of the written notice. On failure to arrive at a mutually satisfactory replacement for such invalidated articles or sections, the matter will then be referred to the next contract negotiations for finalization.

ARTICLE 24 - BULLETIN BOARD

24:01 The Company will provide two (2) bulletin boards for the use of unit employees for notices pertaining to Union business and a locking box in the lunchroom.

ARTICLE 25 - ADJUSTMENT OF GRIEVANCES

25:01 Definition of grievance: A grievance is defined as a dispute, complaint, or difference of opinion between the Company and the Union, or between the Company and an employee, concerning the interpretation, application, operation or alleged violations of this agreement.

25:02 Shop Stewards and Grievance Committee:

- (a) The Company will recognize one (1) Shop Steward. In the case of his/her absence, the Company will recognize one (1) of the six (6) assistant Shop Stewards as named by the Union.

- (b) The Company will recognize the Union Grievance Committee to consist of the Shop Steward and two (2) assistant Shop Stewards.

25:03 Procedure:

- (a) It is agreed by the Company and the Union, that meetings on grievances shall take place during regular day working hours.

- (b) It is agreed by the Company and the Union that no employee shall lose straight time pay for time absent from his job when such absence from his job is for the purpose of investigating and processing grievance up to and including Step 3 of the grievance procedure outlined below. Should the grievance proceed to Step 4 and the Union is successful in the arbitration, then this provision shall apply to Step 4 as well.

- (c) It is agreed by the Company and the Union that, although Clause (b) above provides for an employee's absence from his job for the purposes of processing a grievance, the employee shall nevertheless secure permission from

his immediate supervisor before absenting himself from his job and shall request such permission sufficiently in advance to permit the securing of an adequate replacement. Such permission shall not be unreasonably withheld.

- (d) The Company and the Union do agree that it is important that the adjustment of grievances be made as speedily as possible according to the following procedures:

STEP 1: Should any employee feel that he has a grievance as defined by Article 25:01, the employee shall continue to work as per the conditions existing prior to the time the grievance arose, except in cases of discharge or suspension and such grievance shall first be taken up with the foreman by the employee with or without the shop steward.

STEP 2: If settlement is not reached at the first step, the employee shall, within fifteen (15) calendar days of the date of the occurrence becoming known, submit a

written statement specifying the facts relating to the grievance which shall be prepared and presented to the Plant Manager with his Shop Steward present. The Plant Manager shall within five (5) working days following receipt of the employee's submission of the grievance, give written reply to the employee concerning his grievance.

STEP 3: If settlement is not reached at the second step, the written grievance from Step 2 may, within seven (7) working days of the completion of Step 2 be presented to the General Manager or his representative by the Union; the General Manager or his representative will, within two (2) working days of the date that the written grievance was received, arrange with the Unit Chairman, a mutually satisfactory date for a meeting between the Union Grievance Committee and the General Manager or his representative; such meeting to be scheduled for a date not later than seven (7) working days from the date on which the written grievance was received by the General Manager. The General Manager

or his representative shall make reply, in writing, to the grievance within seven (7) working days of the date to the meeting of the General Manager with the Union Grievance Committee.

STEP 4: If settlement is not reached at the third step, the written grievance from Step 2 may be referred to arbitration by the Union. The Union shall notify the Company of its intent to seek arbitration by written notice, served by registered mail within thirty (30) calendar days of the completion of Step 3.

25:04 Discipline and Discharge:

- (a) In matters of discipline, it shall be the practice to warn the employee in the presence of the Shop Steward at which time the employee will be given the opportunity to be heard.

- (b) Should a letter or letters of reprimand be given to the employee, a copy of the same shall be given to the Unit Chairman.

25:05 Arbitration:

- (a) Within seven (7) calendar days of receipt of notification from the grieving party, the Company and the Union will endeavor to agree upon the selection of an Arbitrator. In the event the Company and the Union are unable to agree upon the selection of an Arbitrator, they will apply to have an Arbitrator appointed under the Arbitration provisions of the Labour Relations Code of B.C.

- (b) After an Arbitrator has been chosen, the Arbitrator will meet and hear the evidence of both sides and render a decision after the conclusion of the hearing. The Arbitrator's decision is to be final and binding on all parties to this Agreement.

- (c) The Arbitrator will be restricted to interpreting and applying the provisions of this Agreement and will have no authority to alter, modify, subtract from or supplement the provisions in any way.
- (d) The Parties to this Agreement will bear an equal proportion of the fees and expenses of the Arbitrator.

25:06 Time Limits:

- (a) If the Union, or the employee presenting the grievance does not take the necessary action to process the grievance within the time limits specified for any step in Article 25:03 and 25:04 above, that particular grievance shall be deemed to no longer be a grievance. The time limits may be extended by mutual agreement provided the request is made in writing to the Plant Manager within the time limit.
- (b) If the company representatives do not take necessary action to process the grievance or provide answers within

the time limits specified for any step in Article 25:03, the grievance may be referred to the next higher step, except that arbitration shall only be invoked upon giving of proper notice as provided in Step 4 of Article 25:03.

- (c) In consideration of the time limits stipulated in this article where "working days" are mentioned, Saturdays, Sundays, Statutory Holidays, and other scheduled days of rest shall be specifically excluded.

ARTICLE 26 - AUTOMATION OF TECHNOLOGICAL CHANGE
AND TERMINATION OF OPERATIONS

- 26:01 (a) It is hereby understood and agreed that the provisions of the Labour Relations Code SBC Chap 82, Index, Chapter 212.5 Section 54 or such other technological change language as is introduced to replace section 54, will govern in regard to Automation or Technological Change. Current legislation requires that the employer provide a minimum of sixty (60) days notice in this event.
- (b) Employment Standards Act SBC Chap 10, Index Chapter 107.1 Section 49.1 will govern in regard to termination of Plant operations. Current legislation provides a minimum of two and one half (2-1/2) months to a maximum of four (4) months.
- (c) The Company in cooperation with the Government and the Union, agrees to cooperate in retraining an employee in the event of automation or technological change

requiring such retraining to fulfill the new job function within the company.

- (d) Any employee whose employment is terminated because of technological change, automation or termination of operations, shall be entitled to severance pay equivalent to one and one half (1.5) weeks scheduled job rate pay for each year of service in the employ of the Company to a maximum of twenty-six (26) weeks, at the rate of pay the employee was last receiving.

ARTICLE 27 - SICK PAY

27:01 All employees will be allowed sick leave according to the following schedule:

a) Dec. 1/95 - Nov. 30/96 -

Twenty-four (24) hours

b) Dec. 1/96 - Nov. 30/97 -

Twelve (12) hour shift employees = Thirty-six (36) hours

Eight (8) hour shift employees = Twenty-four (24) hours

27:02 Any employee sick leave remaining at year end will be "bought back" by the Company at one and one-half times (x 1-1/2) the employee's regular rate of pay.

27:03 Any employee who has worked less than one thousand (1,000) hours in a calendar year is not entitled to any sick time "buy back". Any employee who has worked one thousand (1,000) or more hours in a calendar year is entitled to one hundred percent (100%) sick time "buy back".

ARTICLE 28 - GENDER

28:01 Wherever the use of the male gender is used herein, it shall also apply to the female gender wherever applicable.

ARTICLE 29 - JURY DUTY

29:01 All time lost by an employee due to necessary attendance on jury duty, or any court proceedings where subpoenaed as a witness shall be paid for at the rate of pay applicable to said employee at his base rate on the basis of a five (5) day week of eight (8) hour days. Once an employee is released from jury or witness duty, he shall be returned to the job classification and pay rate he was on prior to such duty. All jury duty pay or witness payments received by the employee from the courts or otherwise shall be reimbursed to the employer by the endorsement of the jury duty cheque or witness fees to the employer.

IN WITNESS WHEREOF the parties have caused these presence to
be executed this 20th day of January, 1996.

**COMMUNICATIONS, ENERGY
AND PAPERWORKERS UNION
OF CANADA, LOCAL 601**

IPEX Inc.

SCHEDULE "A"

WAGES & CLASSIFICATIONS

<u>GRADE</u>	<u>JOB CLASSIFICATION</u>	<u>DEC 1/95</u>	<u>DEC 1/96</u>	<u>DEC 1/97</u>
1	Journeyman (Certified Electrician, Millwright)	\$22.10	\$22.54	\$22.99
	Apprentice Yr. 0	\$12.70	\$12.95	\$13.21
	Yr. 0.5	\$13.82	\$14.10	\$14.38
	Yr. 1	\$14.93	15.23	\$15.53
	Yr. 1.5	\$16.05	\$16.37	\$16.70
	Yr. 2	\$17.18	\$17.52	\$17.87
	Yr. 2.5	\$18.30	\$18.67	\$19.04
	Yr. 3	\$19.41	\$19.80	\$20.20
	Yr. 3.5	\$20.53	\$20.94	\$21.36

2	Set-Up Man	\$19.94	\$20.34	\$20.75
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<u>GRADE</u>	<u>JOB CLASSIFICATION</u>	<u>DEC 1/95</u>	<u>DEC 1/96</u>	<u>DEC 1/97</u>
3	Operator 'A' }			
	Shipper 'A' }	\$17.37	\$17.72	\$18.07
	Q.C. 'A' }			
4	Operator 'B' }			
	Shipper 'B' }			
	Q.C. 'B' }	\$16.16	\$16.48	\$16.81
	Blender '1' }			
5	Operator 'C' }			
	Shipper 'C' } 0-480 Hrs	\$11.00	\$11.22	\$11.44
	Labourer 'C' } 481 Hrs - 1 Yr	\$12.00	\$12.24	\$12.48
	Grinderman } 1 Yr - 2 Yr	\$13.00	\$13.26	\$13.53
	Mat'l. Handler } 2 Yr Plus	\$14.27	\$14.55	\$14.84
	Blender 'II' }			

STABILITY ALLOWANCE - After two (2) years in the same classification until change in classification = additional \$0.25 per hour.

SHIFT DIFFERENTIALS -

Afternoon - 3:00 p.m. to 11:00 p.m. - 4% of employee base rate.

Graveyard - 11:00 p.m. to 7:00 a.m. - 5% of employee base rate.

NOTE: Any employee bidding a change in classification which has the same or higher rate than his present classification will enter the new classification at a rate not less than the rate he was earning in his previous classification.

LEADMAN RATE

Leadman rate will be an additional one dollar per hour (\$1.00/hr) over supervised rate.

Leadmen will be appointed when:

- Six or more lines are running.
- In the absence of a Foreman in Shipping, Production and Maintenance.

SCHEDULE "B"

VACATION SCHEDULE

1. The vacation list will be posted no later than November 1st.
2. The list will be reviewed by management no later than December 1st.
3. Any conflicts in vacation dates will be resolved on the basis of company seniority and will be done so that the list will be considered final no later than December 10th in any year.
4. Any changes to the list after December 10th will only be by mutual consent between the parties affected and the Company.
5. No changes will be allowed to be made after five (5) days before a vacation is to commence, except due to sickness or injury as in Article 11:14 and 11:15.

NOTE: Holiday pay will be issued at the time the employee goes on vacation. If the employee fails to schedule his vacation by December 1st, the Company will schedule their vacation for them, except for the one (1) week that they may wish to carry over to the next vacation period.

SCHEDULE "C"

STATUTORY HOLIDAYS

	<u>1996</u>	<u>1997</u>	<u>1998</u>
New Years Day	January 1	January 1	January 1
Good Friday	April 5	March 28	April 3
Victoria Day	May 20	May 19	May 18
Dominion Day	July 1	July 1	July 1
B.C. Day	August 5	August 4	August 3
Labour Day	September 2	September 1	September 7
Thanksgiving Day	October 14	October 13	October 12
Remembrance Day	November 11	November 11	November 11
Christmas Day	December 25	December 25	December 25
Boxing Day	December 26	December 26	December 26

NOTE: Actual dates holidays will be celebrated will be determined by the Union Committee and Management under Article 10:01.