

COLLECTIVE AGREEMENT

BETWEEN

LE-RON PLASTICS INC.

AND

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS UNION
(C.A.W.-CANADA) LOCAL 114**

Effective September 15, 2002 to September 14, 2005

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ARTICLE 1 - RECOGNITION

1.01 Bargaining Recognition

The Company recognizes the Union as the sole and exclusive bargaining agency for its employees as defined in Article 1.02 hereof, for the purpose of establishing rates of pay, hours of work and other conditions of employment.

1.02 Bargaining Unit Defined

The term “employee” as used in and for the purpose of this Agreement shall include all employees of the Company except those employees excluded by the certification issued by the Labour Relations Board of British Columbia, those employees excluded under the Labour Relations Code of British Columbia and those employees excluded by the agreement of the Parties.

1.03 Bargaining Unit Work

The Company agrees that persons whose regular jobs are not in the bargaining unit shall not work on any jobs which are included in bargaining unit work or on any jobs for which the bargaining unit has an established classification and wage rate except to perform work caused by unscheduled employee absences from the workplace or to provide relief for breaks or for the purpose of instructing employees, demonstrating proper methods and procedures of performing work operations, experimenting, developing and testing of new products or processes, or in the case of emergencies. As well as the foregoing, the Union agrees that non-bargaining unit personnel may perform bargaining unit work during peak periods of time, provided that no bargaining unit employee will be laid off as a direct result of the performance of such work.

1.04 Work Retention and Sub-contracting

When the Company’s facilities, space and trained personnel are available, the Company shall continue to have all work which can be performed by its employee’s performed by members of the bargaining unit. Notwithstanding the foregoing, the Union agrees that the Company can continue to contract out work which is currently or normally contracted out, provided that no bargaining unit employee shall be laid off directly due to contracting out.

1.05 No Other Agreement

No employee shall be required or permitted to make a written or oral agreement with the Company which may conflict with the terms of this Agreement.

ARTICLE 2 - MANAGEMENT RIGHTS

- 2.01 The Union recognizes that the Company has the sole and exclusive right to manage the affairs of the business and to direct the working forces of the Company, and without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to:
- (a) Maintain order and efficiency;
 - (b) Hire, direct, classify, transfer, lay-off, and recall employees;
 - (c) Discharge, suspend or otherwise discipline employees, provided that such discharge, suspension or discipline is for just and reasonable cause;
 - (d) Make and enforce and alter from time to time reasonable rules and regulations to be observed by the employees;
 - (e) Determine the nature and kind of business conducted by the Company, the kinds and locations of equipment and materials to be used, the control of materials and parts, the methods and techniques of work, the schedules of work, number of personnel to be employed, the extension, limitation, curtailment or cessation of operations, and to determine all other functions and prerogatives hereinbefore vested in and exercised by the Company which shall remain solely with the Company except as specifically limited by the express provisions of this Agreement.
- 2.02 The Company agrees that such rights and powers will be exercised in a manner consistent with the terms of this Collective Agreement. Any allegation that the exercising of these rights and powers are in conflict with any provisions of this Agreement shall be subject to the provisions of the Grievance Procedure.

ARTICLE 3 - UNION SECURITY

3.01 Union Dues Deductions

(a) Deductions Forwarded

The Company agrees to deduct once each month, from the earnings of each employee covered by this Agreement, such sum by way of monthly dues and/or assessments, as may be fixed by the Local Union. The total amount so deducted, with an itemized statement of same in duplicate, shall be forwarded to the local Union prior to the fifteenth (15th) day of the month, immediately following in the manner provided for in Sub-Section (b) hereof.

(b) Cheques Made Out to Local

Cheques shall be made payable to the local Union Secretary-Treasurer and forwarded to the local Union.

(c) Check-off Authorization

The Company agrees to have all present and future employees covered by this Agreement, as a condition of employment, sign and maintain the check-off authorization form as supplied by the Union, authorizing the Company to implement the provisions of Article 3.01(a) and (b) hereof. Deductions for new employees will start after they have worked five (5) days.

3.02 Union Membership Maintained

(a) Any employee hired prior to or as of the date of the Union's certification who has joined the Union or who subsequently voluntarily joins the Union, shall remain a member in good standing as a condition of employment. Any employee hired subsequent to the effective date of this Agreement shall, as a condition of employment, become and remain a member in good standing of the Union. The term "good standing", as used herein, refers only to, and is limited to the member employee's compliance with the provisions of 3.01 above. The Company will not be required to discharge any employee for reasons other than the non-payment of Union dues or assessments, uniformly required, of all members of the bargaining unit.

(b) The Union agrees to indemnify the Company and hold it harmless against any and all claims which may arise as a result of the Company complying with any of the provisions outlined in (a) above.

(c) New Employees

All new employees, immediately upon being hired, will be instructed to report to the Shop Steward and will be required to complete membership application. The Shop Steward shall be allowed fifteen (15) minutes during work hours to familiarize the new employee(s) with the terms and conditions of employment.

3.03 Notification to the Union Prior to Hiring

The Company has the right to hire and select new employees. The Company agrees to notify the Union seventy-two (72) hours in advance, via facsimile, of any vacancies in the Bargaining Unit which may be filled from outside the Bargaining Unit, in order to provide the Union with an opportunity to dispatch suitable applicant(s).

3.04 Access to Company Premises

The Union Representative(s) shall be allowed access to the Company's premises, during normal business hours, upon receiving permission from Management, for the purpose of attending to routine Union business. Such permission shall not be unreasonably withheld.

3.05 Shop Steward Recognition

Area Shop Stewards selected by the Union and recognized by the Company shall be allowed time off during working hours to be provided for the investigation and discussion of submitted grievances. The maximum number of Stewards shall be three (3). The Shop Steward(s) shall make arrangements for any such time off with his/her Supervisor. When the Company finds it necessary to layoff or discharge a Shop Steward, the Union shall be notified prior to such layoff or discharge.

3.06 Notification to the Union: prior to Certain Changes

The Company agrees to notify the Shop Steward, prior to discharging, laying off, transferring, promoting or demoting any employee.

3.07 No Discrimination for Union Activity

The Company, or a person acting on its behalf, shall not discharge, suspend, transfer, layoff or otherwise discipline an employee, or discriminate against a person in regard to employment or a condition of employment because of that person's activity in the Union.

3.08 Bulletin Boards

The Union will have the exclusive use of two (2) bulletin boards provided by the Company, one (1) in the lunchroom, and one (1) in the Plant, for the purpose of posting official Union notices which may be of interest to Union members. All such material can only be posted by a Shop Steward and only upon the authority of the Executive Committee of the Union. The Union agrees that the bulletin boards shall not be used for the posting of material not directly related to Union business, or for the posting of information or notices detrimental to the Company or its business.

3.09 Union Label

The Company, when requested by a customer or due to job site requirements, agrees to affix the Union label to some articles produced in the Plant in accordance with the terms of the Logo issued by the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada). The Logo shall read - CAW - Canada Union Made. The Company will advise the Union in writing of each job where the Union label is required and the Union shall supply a sufficient quantity of Union labels. The Company will be invoiced twice yearly for the cost of labels.

ARTICLE 4 - HOURS OF WORK

4.01 Definitions

(a) Work Day – 8 Hour Shifts

Defined as eight (8) consecutive hours, exclusive of a one-half (1/2) hour unpaid meal period. The present starting and stopping times allows for employees ending their shifts twenty (20) minutes early in lieu of taking two (2) ten (10) minute paid breaks during the shift. These starting and stopping times can only be changed by mutual agreement between the Company and the Union.

Day Shift	8:00 a.m. - 4:10 p.m.
Afternoon Shift	4:00 p.m. - 12:10 a.m.
Night Shift	12:00 a.m. - 8:10 a.m.

(b) Work Week - 8 Hour Shifts

Defined as forty (40) hours between Monday and Friday. This shall not restrict the Company from operating a Night Shift commencing at 12:00 a.m. and ending at 8:10 a.m. on Saturday morning.

4.02 Meal Period

The meal period shall be scheduled near mid shift. If the Company requires an employee to be available for work during a meal period such meal period shall be rescheduled immediately after the completion of the work.

4.03 Wash-up Time

Employees shall be allowed five (5) minutes to return tools, clean their work station, and/or wash-up time at the end of their shift.

4.04 Afternoon and Night Shift

Where an afternoon and/or night shift is in operation, wherever possible, the Company will schedule employees to the afternoon or night shift on a seniority preference basis, subject always to the Company's rights to assign employees having the qualifications, skill and ability for the work requirements of the afternoon and/or night shift.

4.05 Shift Premiums

A shift premium of thirty-five cents (\$0.35) per hour will be paid for all hours worked on the afternoon shift and sixty cents (\$0.60) per hour will be paid for all hours worked on the night shift. Effective September 15, 2003, a shift premium of forty-five cents (\$0.45) per hour will be paid for all hours worked on the afternoon shift and seventy cents (\$0.70) per hour will be paid for all hours worked on the night shift.

4.06 Notice of Shift Change

The Company agrees to give as much notice as possible, and in no case less than twenty-four (24) hours, to any employee on a change of shift. Where twenty-four (24) hours' notice is not given, all hours worked on the first changed shift will be paid at overtime rates.

4.07 Minimum Pay

- (a) An employee who is scheduled for work and on reporting does not commence work due to reasons beyond his/her control, shall be entitled to two (2) hours' pay at his/her regular wage rate. This shall not apply if the Company gives reasonable notice cancelling the scheduled work.
- (b) An employee who commences work on his/her shift shall receive a minimum of four (4) hours' pay at his/her regular wage rate, except where work is suspended because of inclement weather or other reasons completely beyond the control of the Company, in which case a minimum of two (2) hours' pay at his/her regular wage rate shall apply.

ARTICLE 5 - OVERTIME

5.01 Definition

Time worked in excess of forty (40) hours per week or eight (8) hours per day shall be considered overtime. For the purpose of calculating weekly overtime, a Statutory Holiday shall be considered as time worked.

5.02 Overtime Rates - 8 Hour Shifts

Overtime shall be compensated at one and one-half (1 1/2) times the regular wage rate for all hours worked in excess of eight (8) in a day and for all hours worked in excess of forty (40) in a week and two (2) times the regular wage rate for all hours worked in excess of ten (10) in a day and for all hours worked in excess of forty-four (44) in a week. For the purpose of calculating weekly overtime, only the first eight (8) hours worked by an employee in each day are counted.

5.03 Overtime Distribution

- (a) The Company agrees that opportunities for overtime shall be distributed equitably, on a rotation basis, among employees in a particular job classification. Employees shall have the prerogative of working or not working the offered overtime.
- (b) The Company agrees that daily overtime shall ordinarily be requested the day before the overtime is required. Weekend overtime shall ordinarily be requested by noon on Friday of the same work week.
- (c) Employee(s) who agree to work the offered overtime will be required to work the overtime. Employee(s) exercising their prerogative pursuant to 5.03(a) above, who refuse the offered overtime, will have the number of hours of overtime offered marked on the Overtime Distribution Sheets as "R" - Refused.
- (d) Overtime shall normally be voluntary. However, it is agreed, that in order to meet unexpected or unforeseen customer requirements, the junior employee in the classification required may be assigned the overtime if an insufficient number of employees volunteer for the overtime.

5.04 Overtime Meal Period

When an employee is requested to continue to work three (3) hours or more beyond his/her regular eight (8) hour shift, he/she shall be given one-half (1/2) hour paid meal period.

5.05 Overtime Bank

- (a) An employee entitled to overtime pay in accordance with 5.02 above shall have the option of receiving the pay or, upon five (5) days' notification to the Company, of banking the overtime pay, which shall be converted to straight time pay, and used for paid personal time off (e.g. one (1) hour of overtime compensated at one and one-half (1 1/2) times the regular wage rate equals one and one-half (1 1/2) straight time hours in the overtime bank; one (1) hour of overtime compensated at two (2) times the regular wage rate equals two (2) straight time hours in the overtime bank).
- (b) Time off shall be taken in increments of eight (8) hours and shall be scheduled by mutual agreement between the Company and the employee when operational requirements permit. The hourly pay for personal time off shall be at the hourly rate that the employee was earning at the time the overtime was worked.
- (c) An employee, upon five (5) days' notification to the Company, may opt to cash out banked overtime. Such payment will only be paid on a regular pay day.
- (d) The Company can require employees who have in excess of forty (40) hours of pay in their banks, to reduce their banks to forty (40) hours of pay.

ARTICLE 6 - VACATIONS

6.01 Vacation Entitlement

- (a) One (1) year of completed employment but less than four (4) years of completed employment - two (2) weeks and vacation pay shall be four percent (4%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date.
- (b) Four (4) continuous years of completed employment but less than ten (10) years of completed employment - three (3) weeks and vacation pay shall be six percent (6%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date.
- (c) Ten (10) continuous years of completed employment and thereafter - four (4) weeks and vacation pay shall be eight percent (8%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date.

6.02 Vacation Calculation

An employee's vacation time and vacation pay shall be calculated from his/her date of hire with the Company and subsequent anniversary dates.

6.03 Vacation Scheduling

(a) Earned Vacation

Employees will be entitled to schedule and take any vacation earned up to their anniversary date immediately preceding the vacation.

(b) Scheduling Limitations

Between May 1st and September 30th, employees shall be limited to two (2) weeks' vacation with two (2) employees from Grade Levels 1 to 5 inclusive and three (3) employees from Grade Levels 6 to 9 inclusive being away at any one time. The Company agrees that more than the number of employees noted above may be away at any one time and more time than noted above may be allowed, provided adequate staff is available to meet production requirements.

(c) Scheduled by March Using Seniority

Vacation scheduling will be arranged during the month of March of each year in accordance with Seniority. The vacation planner schedule shall be posted by March 1st of each year with bidding being completed by March 31st and confirmation being given, in writing, by April 15th. Each employee's schedule shall not be altered unless by the mutual consent of the Company and the employee.

(d) Divided Vacations

Where employees divide their vacation into more than one period, seniority will govern in scheduling with respect to first choices, first; second choices, next; etc.

6.04 Vacation on Statutory Holidays

Should a Statutory Holiday occur while an employee is on annual vacation, he/she shall receive an additional day off with pay, or alternatively, a day's pay in lieu thereof at eight (8) hours straight time pay.

6.05 Vacation Pay

Vacation pay will be paid at the time vacations are taken. The Company shall continue the practice of allowing employees to utilize vacation days to cover for any work days lost.

6.06 Vacation Carry Over

Employees will be entitled to carry over a maximum of five (5) days' vacation from year to year to a maximum of fifteen (15) days for the purpose of scheduling special extended vacations, where it is mutually agreed between the employee and the Company.

6.07 Vacation Pay on Termination

An employee who leaves the employ of the Company shall be paid vacation pay on termination on the following basis:

- (a) Any vacation pay outstanding in accordance with 6.01 above, up to the employee's last anniversary date.
- (b) A percentage of wages earned for the period from the employee's last anniversary date to the date of termination based upon the percentages in 6.01 above.

ARTICLE 7 - STATUTORY AND PAID HOLIDAYS

7.01 (a) Holidays Designated

All employees shall receive the following Statutory and Paid Holidays with pay at eight (8) hours straight time rate. The designated days shall be:

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

in addition to any other day proclaimed by the Provincial or Federal Government.

- (b) In addition to the Holidays listed in (a) above, the Company shall grant three (3) additional Paid Holidays to be taken between Boxing Day and New Years' Day, to employees who have worked a minimum of one thousand and forty (1,040) hours during the current calendar year and who have worked a minimum of one full shift during the forty-five (45) calendar days prior to Christmas Day. Vacations, Statutory Holidays and absences from work as a result of sickness or injury of three (3) months or less shall count as hours worked. An employee receiving WCB benefits on the three (3) Paid Holidays shall not be eligible for the Holiday Pay.

7.02 Eligibility

To be eligible for a Statutory or Paid Holiday, as per 7.01 above, an employee must have been in the Company's employ for a minimum of thirty (30) calendar days, must have performed work during the fifteen (15) day period before the Statutory or Paid Holiday and must work his/her scheduled workday immediately before and immediately after the Statutory or Paid Holiday, unless he/she is absent due to sickness, injury, bereavement or another absence approved by the Company. The Company may require a medical certificate if an employee is absent his/her last scheduled shift before a Statutory or Paid Holiday and/or his/her first scheduled shift after a Statutory or Paid Holiday, due to sickness or injury. An employee receiving WCB benefits shall not be eligible for Statutory or Holiday Pay.

7.03 Falling on Day Off

Employees shall receive another day off with pay for any Statutory or Paid Holiday that falls on their regular day off.

7.04 Payment for Work on a Statutory or Paid Holiday

- (a) All work performed on a Statutory or Paid Holiday shall be compensated at one and one-half (1 1/2) times the regular wage rate for the first eight (8) hours worked in that day and two (2) times the regular wage rate for all hours worked in excess of eight (8) in that day.
- (b) In addition to the payment of wages as in (a) above the employee shall be given a regular working day off with pay or, alternatively, a day's pay in lieu thereof at eight (8) hours straight time pay.

ARTICLE 8 - GRIEVANCE PROCEDURE

8.01 Procedure

Any difference between the Parties concerning the interpretation, application, operation or alleged violation of a provision(s) of this Collective Agreement, including any dispute with regard to discipline or discharge, shall be considered a grievance and shall be handled in accordance with the following Grievance Procedure.

- (a) Step 1 - Prior to filing a written grievance, the employee(s) involved will raise the grievance directly with his/her Supervisor. At his/her option, the employee(s) may be accompanied by his/her Shop Steward.

- (b) Step 2 -
 - (i) Failing satisfactory settlement at Step 1, the Shop Steward, on behalf of the employee who has a grievance or a group of employees having a grievance, dealing with the same issue, shall file a written grievance with the General Manager, or his designated representative within ten (10) working days after the occurrence of the alleged grievance or within ten (10) working days of the date on which the employee(s) first had knowledge of the issue.

 - (ii) The written grievance shall briefly describe the nature of the incident or occurrence giving rise to the grievance, it shall clearly state the provision(s) of the Agreement that has been violated and it shall provide a statement as to the remedy or relief being sought.

 - (iii) If either Party requests, a meeting to seek a resolution of the grievance shall be convened within three (3) working days of the filing of the grievance. The General Manager, or his designated representative shall render a decision on the grievance within three (3) working days after receipt of the grievance, or, where a meeting is held, within three (3) working days after the grievance meeting.

- (c) Step 3 -
 - (i) Failing satisfactory settlement at Step 2, the Union's Grievance Representative(s) may, within five (5) working days of the decision at Step 2, submit the grievance, in writing, to the President, or his designated representative.

(ii) If either Party requests, a meeting to seek a resolution of the grievance shall be convened within five (5) working days of the submission of the grievance. The President, or his designated representative shall render a decision on the grievance within five (5) working days after receipt of the grievance, or, where a meeting is held, within five (5) working days after the grievance meeting.

(d) Step 4 - Failing satisfactory settlement at Step 3, the Union may refer the grievance to Arbitration within thirty (30) calendar days of the decision at Step 3.

8.02 Union, Policy, Suspension or Discharge Grievances

Union, Policy, Suspension or Discharge Grievances shall be admitted at Step 3 of the Grievance Procedure.

8.03 Company Grievances

The Company may file policy or general grievances at Step 3 of the Grievance Procedure.

8.04 Grievor's Right to be Present

The Grievor may elect to be present at any stage of the Grievance Procedure.

8.05 Technical Errors or Omissions

No technical error or omission will render a Grievance inarbitrable.

8.06 Time Limits

For the purpose of the Grievance Procedure, working days are deemed to be exclusive of Saturdays, Sundays and Holidays recognized by this Agreement. The time limits specified in 8.01 above may be extended by mutual agreement between the Company and the Union. Such agreement shall not be unreasonably withheld.

8.07 Time to Process Grievance

Absence from work, without loss of pay, shall be permitted where it is required in connection with the handling of a grievance, in accordance with 8.01 above, provided that permission is received, in advance, from the Supervisor. Such permission shall not be unreasonably withheld.

ARTICLE 9 - ARBITRATION

9.01 Procedure

Any grievance arising out of this Agreement, which cannot be settled by the Company and the Union, under the Grievance Procedure outlined in Article 8 of this Agreement, shall be determined in the following manner.

(1) Single Arbitrator Selection

The Parties agree that a Single Arbitrator shall be used as provided for in the Labour Relations Code. The Company and the Union shall make every effort to agree on the selection of an Arbitrator within ten (10) working days after the Party requesting Arbitration has delivered written notice to the other Party.

(2) Failure to Agree

In the event that the Parties fail to agree on the choice of an Arbitrator, they shall forthwith request the Director of the Collective Agreement Arbitration Bureau to appoint an Arbitrator.

(3) Arbitrator

The Arbitrator will be encouraged to render a decision within fifteen (15) working days from the date of the conclusion of the hearing.

(4) Powers of the Arbitrator

The authority of the Arbitrator shall be as set out in Section 89 of the Labour Relations Code of B.C. The Arbitrator shall not be vested with the power to change, modify or alter any of the terms of the Collective Agreement.

(5) Decision Final and Binding

The decision of the Arbitrator shall be final and binding on both Parties.

(6) Costs

Each Party shall bear one-half (1/2) of the cost of the Arbitrator.

ARTICLE 10 - DISCIPLINE

10.01 Just Cause

The Company agrees that an employee bound by this Agreement may only be disciplined for just and reasonable cause.

10.02 Reasons for Discipline Written

The Company shall set out its written reasons for any discipline, suspension or discharge of an employee.

10.03 Right to Representation

The Company agrees that if it intends to implement written discipline or if it intends to suspend or discharge an employee, a Shop Steward shall be present, unless an employee requests, in writing, that they do not require/desire the Shop Steward's presence. Such written request shall be supplied to the Shop Steward.

10.04 Employee Advised of Complaint

No complaint shall be recorded against an employee nor may be used against him/her at any time unless said employee is advised accordingly in writing within ten (10) working days of the Company's knowledge of the incident or occurrence, giving rise to the complaint.

10.05 Access to Personnel File

The Company agrees that an employee shall have access to his/her personnel files during normal work hours in the presence of his/her Supervisor and shall have access to the grievance and arbitration provisions of this Agreement to dispute any entries on his/her file. Copies of all entries into the personnel file will be given to the employee at the time of filing.

10.06 Signing not Agreement

Whenever an employee signs a document pertaining to discipline, he/she does so only to acknowledge that he/she has been notified accordingly.

10.07 Clearing the Record

Any disciplinary action recorded against an employee shall be removed from the personnel file of that employee after two (2) years, providing there has been no other disciplinary action recorded against the employee.

ARTICLE 11 - SHOP HEALTH AND SAFETY

11.01 Responsibility of the Company

The Company agrees to initiate and maintain all necessary precautions in order to provide high standards of health and safety in the work place. The Company shall comply with applicable Federal, Provincial and Municipal, Health and Safety legislation and regulations.

11.02 Occupational Health and Safety Committee

The Parties agree that an Occupational Health and Safety Committee shall be comprised of two (2) Union members, chosen by the Union, and two (2) Company members, chosen by the Company. All members will enjoy equal status. The Committee shall meet monthly on a regular basis.

11.03 Committee Objectives

The Committee shall assist in creating a safe place to work, shall recommend actions which will improve the effectiveness of the health and safety program, and shall promote compliance with appropriate government regulations.

11.04 Duties of the Committee

The Occupational Health and Safety Committee will:

- (i) hold meetings once a month;
- (ii) receive and consider employee complaints;
- (iii) maintain records of the complaints;
- (iv) participate in investigations and inspections relating to health and safety at their discretion;
- (v) ensure that accurate records of work accidents are maintained;
- (vi) ensure appropriate investigation reports are filed in a timely fashion.

11.05 Right to Refuse to Work in Unsafe Conditions

No employee shall be disciplined or discharged for refusal to work on a job or in any work place or to operate any equipment where he/she has reasonable grounds to believe that it would be unsafe or unhealthy to do so, or where it would be contrary to applicable Federal, Provincial and Municipal legislation or regulations. In the case of such refusal, there shall be an immediate investigation by the Occupational Health and Safety Committee. There shall be no loss of pay while the matter is being resolved to the satisfaction of the Committee.

11.06 Proper Training and Instruction

No employee shall be required or allowed to work on any job or operate any piece of equipment until he/she has received proper training and instruction.

11.07 Injured Worker Provision

- (a) An employee who is injured during working hours and who is required to leave for treatment or is sent home as a result of such injury shall receive payment for the remainder of the shift at his/her regular rate of pay.
- (b) Such employee shall be provided with transportation to a Doctor or to a hospital and to their home, if necessary.

11.08 Rehabilitation of Disabled Workers

The Company agrees to provide any employee who suffers a permanent disability while on the job with a suitable replacement job if such is available and to by-pass such employee in the event of a layoff provided his/her job continues during the layoff.

11.09 First Aid Attendants

- (a) The Company shall designate First Aid Attendants where required by the Industrial Health and Safety Regulations of the Workers' Compensation Board of B.C.
- (b) The Company agrees to pay for the tuition and course materials of any designated First Aid Attendant who successfully completes a First Aid course.

(c) The premium for qualified First Aid Attendants who may be members of the bargaining unit shall be as follows:

Level I	-	seventy-five cents (\$0.75)
Level II	-	one dollar (\$1.00)

If one or more bargaining unit members are qualified, the senior qualified member of the bargaining unit on each shift shall be designated as a First Aid Attendant.

11.10 Working Alone

No employee will be required to work alone in the Plant on any shift unless such employee is provided with the means to communicate with another employee (i.e. two-way radio).

11.11 Protective Clothing and Equipment

Where the nature of the work or working conditions so require, employees shall be supplied at the Company's expense, with all necessary protective clothing, including coveralls, and safety equipment where required by the Industrial Health and Safety Regulations of the Workers' Compensation Board of B.C. and such shall be maintained and replaced where necessary, at the Company's expense. Company approved Safety Toe Boots/Rubbers are mandatory on the Shop Floor and employees shall be responsible for providing their own, CSA approved, Safety Toe Boots/Rubbers. The Company agrees to reimburse an employee, who has completed their probationary period, one hundred dollars (\$100.00) towards the cost of approved safety footwear, once per calendar year, upon remittance of a proof of purchase.

11.12 National Day of Mourning

Each year on April 28th at 11:00 a.m., work will stop and one (1) minute of silence will be observed in memory of workers killed or injured on the job.

ARTICLE 12 - SENIORITY

12.01 (a) Seniority Principle

Subject to the provisions of this Agreement dealing with job postings, promotions, layoffs and recall after layoff, the Parties recognize that job opportunity and seniority should increase in proportion to length of service with the Company.

- (b) Seniority of each employee covered by this Agreement will be established after a probationary period of sixty (60) days worked, and backdated to his/her date of hire within the bargaining unit.

12.02 Seniority Standing will be cancelled and employment terminated if an employee:

- (a) voluntarily leaves the employ of the Company;
- (b) overstays an authorized leave of absence unless detained for legitimate cause, i.e. for reasons beyond the individual's control and provided the individual makes every reasonable effort to contact the Company as soon as possible;
- (c) is absent without leave for three (3) consecutive days unless the absence is for legitimate cause, i.e. for reasons beyond the individual's control and provided the individual makes every reasonable effort to contact the Company as soon as possible;
- (d) is discharged for just cause and not reinstated under the terms of this Agreement;
- (e) is recalled to work and does not report within five (5) working days of receiving notice by registered mail, at the last known address, except when the failure to report within the specified time limit was for legitimate cause, i.e. for reasons beyond the individual's control and provided the individual makes every reasonable effort to contact the Company as soon as possible;
- (f) is still on layoff beyond the following:
 - (i) employees with up to one (1) year of employment - six months.
 - (ii) Employee with more than one (1) year of employment - twelve (12) months.
- (g) is outside the bargaining unit for more than six (6) months;

12.03 Seniority Lists

The Company will prepare seniority lists of all employees in the bargaining unit and make the list available to the Union within thirty (30) days of the signing of the Agreement. This list will be posted for a period of sixty (60) days, and will establish the seniority, regular rate and classification of an employee who does not protest his/her status in writing, within the said sixty (60) days. Said lists will commence with the most senior employee, carry on downwards to the most junior employee, and contain the following information:

1. employee's name
2. employee's starting date
3. employee's classification
4. probationary employees will also be shown on the list.

12.04 Seniority Lists - Additional

Additional revised lists will be furnished to the Union as required from time to time. The Union agrees not to request such lists more frequently than once every three (3) months.

ARTICLE 13 - JOB POSTING AND JOB AWARDS

13.01 Posting Provisions

Job openings in the bargaining unit shall be posted on all Company bulletin boards for five (5) working days. The foregoing does not apply where the vacancy is for less than thirty (30) calendar days.

13.02 Job Openings

Job openings are defined as new jobs created in the bargaining unit that have not been done before and vacancies created when an employee leaves the employ of the Company.

13.03 Preference to Senior Employee

- (a) Job postings shall be filled based upon qualifications, skill and ability to perform the job duties required for the position to be filled. If qualifications, skill and ability are relatively equal then senior employees shall be entitled to preference.

- (b) In respect to job postings, skill and ability to fulfil the job requirements shall be determined after a minimum trial period of not less than five (5) days and not more than thirty (30) days in which an employee has demonstrated the skill and ability to perform the work available.

13.04 Preference

- (a) Prior to a job posting, laid-off employees with the required qualifications, skill and ability will be recalled subject to Article 14.
- (b)
 - (i) Employees within the bargaining unit with the required qualifications, skill and ability shall be given priority over outside applicants.
 - (ii) Should the job opening not be filled from either (a) or (b)(i) above, the job can be filled from outside applicants in accordance with Section 3.03 of this Agreement.

13.05 Absentee Applications

If an employee is not at work when a job is posted and if that employee has previously indicated his/her interest, in writing, to apply on any job postings, the employee will automatically be considered for the job by the Company.

13.06 Unsuccessful Applicants

Upon request, unsuccessful applicants will be given the reasons, in writing, why they were unsuccessful by the Company.

ARTICLE 14 - LAYOFF AND RECALL

14.01 Layoff and Recall

- (a) In the event of layoff, the Company agrees that employees shall be laid off in reverse order of their seniority within the Plant, subject to the remaining employees having the qualifications, skill and ability to do the remaining work.
- (b) An employee may bump a less senior employee where the senior employee has the qualifications, skill and ability to perform the work required for the position of a less senior employee. Where an employee bumps into a position which pays a wage rate less than the wage rate of the employee's previous position, the employee shall retain the higher wage rate until the end of the pay period.

- (c) Employees shall be recalled in the order of their seniority providing they have the qualifications, skill and ability to perform the work required for the position.
- (d) Where it is not possible for an employee to be recalled in (c) above, he/she shall be recalled in order of seniority where reassignment of duties of employees not on layoff is possible in order to enable the maximum number of laid off employees to return to work, subject to their qualifications, skill and ability to perform the work that is available.

14.02 Notice of Layoff

The Company agrees to provide as much notice as possible, but in no case less than three (3) working days' notice, to an employee subject to a layoff. Where the Company cannot provide three (3) working days' notice of layoff, the Company shall provide pay in lieu thereof.

14.03 Seniority Principle on Layoff

When a layoff becomes necessary, probationary employees shall be laid off first; thereafter, the Company may either layoff employees in accordance with this Article or may confer and mutually agree with the Union upon a plan for the equitable distribution of the available work.

14.04 Recall Procedure

- (a) It is the responsibility of the laid off employees to keep the Company informed of their current address and telephone number.
- (b) Employees will be notified of recall by telephone, facsimile, or other type of message which will be confirmed by courier or registered mail.
- (c) An employee being recalled must return to work within a five (5) day period following receipt of registered notice at the last known address.
- (d) If an employee cannot be contacted, then the next senior person shall be contacted subject to Article 14.01 (c).

14.05 New Employees

New employees will not be hired in a classification while employees in the same classification are on layoff.

14.06 Payments on Layoff

Upon laying off an employee, the Company will make full payment of all wages owed to that employee and all vacation pay, providing the employee(s) so indicates.

ARTICLE 15 - LEAVES OF ABSENCE

15.01 Bereavement Leave

In the event of a death in the immediate family of an employee, the Company shall grant up to three (3) days leave of absence with pay. The term “immediate family” shall mean spouse, parent, guardian, child, sibling, grandparent, grandchild or any person living with an employee as a member of the employee’s family.

15.02 Jury Duty

Employees who have completed their probationary period, who are summonsed or subpoenaed for jury selection, jury duty, or as a witness, shall be paid the difference between their regular pay and the pay received for any of the above, for each working day lost while so serving. The employees must show satisfactory proof of receiving the summons or subpoena, and must provide the Company with a statement of the pay received when claiming the pay difference. Employees, released before four (4) hours who would have been otherwise working on the day of such duty, are expected to report for work for the balance of the day.

15.03 Leave for Union Business

- (a) If any employee of the Company should be selected to act as a delegate for the Union, he/she shall be allowed, upon sufficient notification, reasonable leave of absence without pay for the transaction of Union business.

- (b) If an employee of the Company is selected to serve the Union on a full-time basis, upon sufficient notification to the Company, he/she shall be considered to be on leave of absence without pay for a maximum period of three (3) years. During such leave of absence, seniority shall continue to accumulate. Upon completion of the leave of absence, he/she shall be re-employed in the same type of work which he/she performed prior to the leave of absence. Not more than one (1) employee shall be so absent at any one time.

15.04 Leave for Personal Reasons

Upon written request to the Company, an employee may be granted an unpaid leave of absence of up to twelve (12) months. Company approval shall not be unreasonably withheld. During such leave of absence, seniority shall continue to accumulate. If the employee takes a job elsewhere during this leave of absence without the written approval of the Company, he/she will be considered as having terminated his/her employment.

15.05 Maternity and Parental Leave

The Company shall grant unpaid Maternity and/or Parental leave of absence in accordance with Part 6 of the Employment Standards Act of the Province of British Columbia.

15.06 Paid Birth or Adoption Leave

The Company shall grant one (1) day leave of absence with pay. Further leave may be applied for under 15.04 or 15.05 above.

15.07 Education Leave

Where the Company requests that an employee attends a course or other educational or training program, the Company will grant leave of absence without loss of pay. Any required tuition fees, course materials and books will be paid for by the Company.

ARTICLE 16 - GROUP BENEFITS

16.01 Group Insurance Benefits

The Company's Group Insurance Benefits, as set out in Appendix "B", will be provided for all eligible employees covered by this Collective Agreement. Actual rights and benefits, including eligibility for coverage and termination of coverage, are governed by the terms and conditions of the Group Policy (Policies) and/or the insurance contract(s).

16.02 Medical Services Plan of British Columbia

The Medical Services Plan of British Columbia (MSP) will be provided for all eligible employees covered by this Collective Agreement.

16.03 Premiums

The cost of the premiums for Term Life; Accidental Death and Dismemberment (AD&D); Dependent Life; Health Care; Dental Care and the Medical Services Plan of British Columbia, shall be shared – seventy percent (70%) by the Company – thirty percent (30%) by the employee. Effective March 1, 2003, the cost of the premiums shall be shared – seventy-five percent (75%) by the Company – twenty-five percent (25%) by the employee. Effective September 1, 2003, the cost of the premiums shall be shared – eighty percent (80%) by the Company – twenty percent (20%) by the employee. Effective March 1, 2004, the cost of the premiums shall be shared – eighty-five percent (85%) by the Company – fifteen percent (15%) by the employee. Effective September 1, 2004, the cost of the premiums shall be shared – ninety percent (90%) by the Company – ten percent (10%) by the employee. Effective March 1, 2005, the cost of the premiums shall be shared – ninety-five percent (95%) by the Company – five percent (5%) by the employee. Effective September 1, 2005, the Company shall pay one hundred percent (100%) of the premiums for the above benefits. The employee shall pay one hundred percent (100%) of the premium for the Long Term Disability Income Plan.

16.04 Continuation of Coverage

- (a) When an employee is off work as a result of sickness or injury, the Company will continue to pay its portion of the premiums for the Group Insurance Benefits up to a maximum period as follows:

<u>Length of Service</u>	<u>Length of Coverage</u>
Three (3) months but less than one (1) year	Four (4) months
One (1) year but less than three (3) years	Six (6) months
More than three (3) years	Twelve (12) months

- (b) The Company agrees to continue to pay its portion of the premiums for the Group Insurance Benefits for laid-off employees up to the end of the second month beyond the month in which the layoff occurred. Such continuation of benefits will be cancelled if the laid-off employee obtains employment elsewhere.
- (c) Where the Company provides continuation of coverage as per (a) and (b) above, the employee must make satisfactory arrangements with the Company, to remit or repay his/her portion of the premiums for the Group Insurance Benefits and the Medical Services Plan of British Columbia. Failure to do so will result in the cessation of such continuation of coverage.

16.05 Registered Retirement Savings Plan (RRSP)

To encourage long-term service and to enhance mutual cooperation, the Company is prepared to contribute to an RRSP program for a participating employee in the amount of one hundred dollars (\$100.00) for each year of service up to a maximum contribution of one thousand five hundred dollars (\$1,500.00). If the employee contributes to the maximum amount or more, the Company will match only to the maximum established in this Clause. Employees may contribute to the program through regular payroll deductions. This RRSP program will become effective on March 1, 2000 for the 2000 taxation year. Completed years of service will be calculated up to and including January 31, 2000 and each January 31st thereafter.

ARTICLE 17 - WAGES

17.01 Wage Schedule

(a) Classifications and Rates of Pay

The job classifications, effective dates and rates of pay listed in the attached Appendix A is agreed upon by both Parties and is part of this Collective Agreement.

(b) Agreed Rates Only

The rates for the classifications set forth in this Agreement, and for any subsequent mutually agreed upon additions thereto, are the agreed upon rates for those classifications, and therefore no employee may perform work within the classifications for a rate, other than the rate set forth in this Agreement.

17.02 New or Changed Job Classification

(a) If any new job classifications are established, or if there is a significant change in the job content of any job classification(s) set forth in this Agreement, the Parties hereto are agreed to negotiate a rate for the job(s) in question.

(b) If the Parties are unable to reach agreement, then the dispute will be settled through the Grievance and Arbitration procedures of this Agreement.

17.03 Work in a Higher Classification

Any employee performing work classified at a higher rate of pay shall receive such higher rate while occupying the said classification, provided the employee works two (2) or more consecutive hours in the higher classification.

17.04 Pay Days

Wages shall be paid bi-weekly by Friday noon, with a maximum of five (5) days' pay held back, in a manner convenient to the Company, but in such a way as to eliminate waiting on the part of the employees. Employees will be given a proper statement of all hours, indicating overtime hours, vacation earned to date, earnings and deductions, covering each pay period.

ARTICLE 18 - ADJUSTMENT PLAN

18.01 Adjustment Plan

If the Company introduces or intends to introduce a measure, policy, practice or change that affects the terms, conditions or security of employment of a significant number of employees, the provisions of Section 54 of the Labour Relations Code of B.C. shall apply.

18.02 Department/Plant Closure and Technological Change

The provisions of 18.01 above apply in the case of Department/Plant Closure or in the case of Technological Change which is defined as the introduction or replacement of equipment that affects the terms, conditions or security of employment of a significant number of employees.

ARTICLE 19 - GENERAL PROVISIONS

19.01 Work Away From Plant

Employees required to report for work outside the Company's premises shall be paid for any additional travelling time and transportation expenses as well as any incidental expenses, upon presentation of receipts.

19.02 Non-Competitive Activity

No employee shall disclose or reveal information or data concerning Company operations, plans or processes to anyone outside the Company. No employee shall undertake any work outside the Company which could be construed, in any way, as being competitive with the Company. A violation of any of the provisions of this Clause shall be cause for discipline or discharge by the Company.

19.03 Facilities

The Company shall provide proper washing facilities, lockers of a suitable size and a properly ventilated lunchroom of sufficient space as to accommodate the employees on shift.

19.04 Union Support not Subject to Discipline

An employee covered by this Agreement shall have the right to refuse to cross a legal picket line in connection with a labour dispute. Failure to cross a legal picket line shall not be considered grounds for disciplinary action or otherwise to be a violation of this Agreement.

19.05 Savings Bonds

The Company agrees to honour a written assignment for employee payroll deductions for Canada Savings Bonds and/or B.C. Savings Bonds. Once the assignment has been rendered, it cannot be revoked while actively employed until said payroll deduction assignment has been completed.

19.06 Company-Union Meetings

The Company and the Union will meet at such time and place as may be mutually agreed upon for the purpose of discussing issues relating to the workplace that affect the Parties or any employee bound by this Agreement.

19.07 Tool Insurance

The Company will provide Fire and Theft Tool Insurance for any employee who is required to use his/her own tools in the service of the Company. The employee shall only be eligible for Tool Insurance upon the submission of an inventory of his/her tools to the Company. It shall be the employee's responsibility to keep such inventory up-to-date.

19.08 Tool Purchase

An employee who is required to use his/her own tools in the service of the Company will be allowed, with the agreement of the Company, to purchase his/her tools via Payroll Deduction. The Company agrees to provide the employee with receipts for tax purposes. All monies owing to the Company may be deducted from the employee's last paycheque, should the employee leave the employ of the Company.

19.09 Tool Replacement

The Company agrees to replace broken or worn tools. Broken or worn tools must be presented at the time replacement is required.

ARTICLE 20 - NO DISCRIMINATION OR HARASSMENT

20.01 Policy

The Company and the Union agree that discrimination and/or harassment of any employee on any basis, prohibited by law, is totally unacceptable. Every employee has the right to work in an environment of mutual respect, free from discrimination and harassment including racial or sexual harassment. The Union agrees to assist the Company in creating such environment of mutual respect, free from discrimination and harassment.

ARTICLE 21 - DURATION OF AGREEMENT

21.01 Duration of Agreement

This Agreement shall be effective from September 15, 2002 to and including September 14, 2005 subject to the right of either party to this Collective Agreement, within four (4) months immediately preceding the date of September 14, 2005, by written notice to the other party, to require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of this Collective Agreement or a new Collective Agreement.

21.02 Continuation and Bargaining

- (a) During the period when negotiations are being conducted between the Parties for the renewal of this Agreement, the present Agreement shall continue in full force and effect until:
 - (i) the Union commences a legal strike; or
 - (ii) the Employer commences a legal lockout; or
 - (iii) the Parties enter into a new or further Agreement.
- (b) During the continuation period provided in (a) above, neither party shall attempt to take any action or make any changes in the terms and conditions of employment, which would be inconsistent with the express terms of this Agreement.

21.03 Duration as Agreed Only

By agreement of the Parties hereto, the provisions of subsection (2) and (3) of Section

50 of the Labour Relations Code of British Columbia are specifically excluded.

21.04 No Strike - No Lockout

During the term of this Agreement, or during the continuation period provided in 21.02(a) above, there shall be no strike by the Union, or lockout of employees by the Company.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement at _____ this ____ day of _____, 2003.

FOR LERON PLASTICS INC.
(the Company)

**FOR NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION
(CAW-CANADA), LOCAL 114
(the Union)**

APPENDIX “A”

CLASSIFICATIONS, WAGE RATES AND EFFECTIVE DATES

<u>CLASSIFICATION</u>		<u>Effective Sept. 15/02</u>	<u>Effective Sept. 15/03</u>	<u>Effective Sept. 15/04</u>
<u>GRADE LEVEL 1</u>				
MACHINIST		24.92	25.27	25.67
<u>GRADE LEVEL 2</u>				
MILLWRIGHT		23.23	23.58	23.98
<u>GRADE LEVEL 3</u>				
FABRICATOR		21.18	21.53	21.93
<u>GRADE LEVEL 4</u>				
SHIPPER/RECEIVER		19.80	20.15	20.55
<u>GRADE LEVEL 5</u>				
SENIOR MACHINE	Start	16.80	17.15	17.55
OPERATOR;	After 6 months	17.17	17.52	17.92
ASSISTANT	After 12 months	17.52	17.87	18.27
FABRICATOR	After 18 months	17.89	18.24	18.64
<u>GRADE LEVEL 6</u>				
ASSISTANT SHIPPER/RECEIVER		16.26	16.61	17.01

<u>CLASSIFICATION</u>		<u>Effective Sept..15/02</u>	<u>Effective Sept. 15/03</u>	<u>Effective Sept. 15/04</u>
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GRADE LEVEL 7

MACHINE OPERATOR; YARDMAN; WELDER	Start	13.76	14.11	14.51
	After 6 months	14.27	14.62	15.02
	After 12 months	14.78	15.13	15.53
	After 18 months	15.30	15.65	16.05

GRADE LEVEL 8

JUNIOR MACHINE OPERATOR;	Start	11.13	11.48	11.88
ASSEMBLY/GLUER	After 6 months	11.68	12.03	12.43
	After 12 months	12.22	12.57	12.97

GRADE LEVEL 9

CLEAN-UP/LABOURER		10.60	10.95	11.35
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LEADHAND

A Lead Hand is an employee in the Bargaining Unit who, at the discretion of the Company, is assigned extra responsibility(s) in his/her classification and/or who is recognized as having exceptional skill and ability in his/her classification. A Lead Hand shall be paid a premium of five percent (5%) over and above his/her regular classification hourly rate.

CHARGEHAND

A Charge Hand is an employee in the Bargaining Unit who, at the discretion of the Company, is assigned to instruct others in the performance of their work and who may be held responsible for the quality and the quantity of the work. A Charge Hand shall be paid a premium of ten percent (10%) over and above his/her regular classification hourly rate.

APPENDIX “B”

GROUP INSURANCE BENEFITS

The following represents a summary only of the Group Insurance Benefits available to eligible employees covered by this Collective Agreement. Actual rights and benefits, including eligibility for coverage and termination of coverage, are governed by the terms and conditions of the Group Policy (Policies) and/or the insurance contract(s).

ELIGIBILITY

- Full-time employees shall be eligible for the “Group Insurance Benefits” on the first day of the month following completion of their probationary period.

TERM LIFE

- One (1) times annualized salary, rounded to the next higher \$1,000.00
- Maximum coverage - \$250,000.00
- Coverage exceeding \$150,000.00 is subject to evidence of health
- Coverage reduced by 50% at age 65
- Benefit terminates at age 70

ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)

- Principle sum is the same as “Term Life”
- Various percentages of the amount insured are payable to the employee in the event of accidental loss of or loss of use of limbs, sight, hearing and speech

DEPENDENT LIFE

- Spouse - \$5,000.00
- Dependent Child - \$2,500.00

HEALTH CARE

- 100% coverage - no deductible
- semi-private hospital charges
- out-of-province emergency expenses (lifetime maximum - \$1,000,000.00)
- 100% coverage - \$25.00 calendar year deductible per person or family
- all other eligible expenses

DENTAL CARE

- deductible \$25.00 single and \$50.00 family
- 100% of eligible expenses
- unlimited maximum

MAJOR DENTAL - 50% of eligible expenses
- \$2,000.00 calendar year maximum per covered family member

ORTHODONTIC - 50% of eligible expenses
- \$2,000.00 lifetime maximum per covered family member

LONG TERM DISABILITY

- 66 2/3% of first \$2,250.00 of basic monthly earnings plus 50% of the next \$9,000.00 of basic monthly earnings
- Maximum monthly benefit \$6,000.00
- Elimination period - 120 days
- Maximum benefit period - to age 65

LETTER OF UNDERSTANDING NO. 1

BETWEEN

LE-RON PLASTICS INC.

AND

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS UNION
(C.A.W.-CANADA) LOCAL 114**

This confirms the agreement reached in negotiations that notwithstanding the restrictions outlined in 1.03 - Bargaining Unit Work, Sandra Ferguson, Linda Watts and family members, can continue to do bargaining unit work as per past practice.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement at _____ this ____ day of _____, 2003.

**FOR LERON PLASTICS INC.
(the Company)**

**FOR NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION
(CAW-CANADA), LOCAL 114
(the Union)**

LETTER OF UNDERSTANDING NO. 2

BETWEEN

LE-RON PLASTICS INC.

AND

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS UNION
(C.A.W.-CANADA) LOCAL 114**

Re: Rate Retention

Notwithstanding the rate retention provisions of Article 14.01 (b), the Company agrees that an employee with five (5) or more years of seniority shall retain his/her classified rate during a “bump” to a lower classified job.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement at _____ this _____ day of _____, 2003.

**FOR LERON PLASTICS INC.
(the Company)**

**FOR NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION
(CAW-CANADA), LOCAL 114
(the Union)**

LETTER OF UNDERSTANDING NO. 3

BETWEEN

LE-RON PLASTICS INC.

AND

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS UNION
(C.A.W.-CANADA) LOCAL 114**

Re: Flexible Work Day

The Company and the Union agree that this Letter of Understanding sets out only the varied terms and conditions covering employees who work four (4) ten (10) hour afternoon shifts per week in place of the regular five (5) eight (8) hour shifts per week. The utilization of this provision is at the sole discretion of the Company and when necessary, will be cancelled in accordance with Article 4.06.

1) ARTICLE 4 – HOURS OF WORK

- (a) The afternoon shift will be defined as ten (10) consecutive hours, exclusive of a one-half (1/2) hour unpaid meal period. The starting and stopping times allows for employees ending their shifts twenty (20) minutes early in lieu of taking two (2) ten (10) minute paid breaks during the shift.
- (b) The hours of work will be 4:00 p.m. – 2:10 a.m. on four (4) consecutive days.
- (c) A shift premium of thirty-five cents (\$0.35) per hour will be paid for all hours worked. Effective September 15, 2003 a shift premium of forty-five cents (\$0.45) will be paid for all hours worked.

2) ARTICLE 5 – OVERTIME

Overtime shall be compensated at one and one-half (1 1/2) times the regular wage rate for all hours worked in excess of ten (10) in a day and for all hours worked in excess of forty (40) in a week and two (2) times the regular wage rate for all hours worked in excess of twelve (12) in a day and for all hours worked in excess of forty-four (44) in a week. For the purposes of calculating weekly overtime, only the first ten (10) hours worked by an employee in each day are counted.

3) **ARTICLE 7 – STATUTORY AND PAID HOLIDAYS**

- (a) Employees shall receive statutory and paid holidays with pay at eight (8) hours straight time rate.
- (b) Employees may work an additional two (2) hours at straight time rates during the week that a statutory holiday occurs.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement at _____ this ____ day of _____, 2003.

**FOR LERON PLASTICS INC.
(the Company)**

**FOR NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION
(CAW-CANADA), LOCAL 114
(the Union)**

LETTER OF UNDERSTANDING NO. 4

BETWEEN

LE-RON PLASTICS INC.

AND

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS UNION
(C.A.W.-CANADA) LOCAL 114**

Re: Continuous Operation

If production capacity requires the Company to implement a continuous operation, i.e. twenty-four (24) hour/seven (7) days, the Parties agree to negotiate the terms and conditions for such continuous operation, taking into consideration the Company's requirement for efficiency and employees' quality of life.

The Parties agree that the terms and conditions to be established shall consist of, but not be limited to, the following:

- (1) Hours of shifts
- (2) Scheduling of shifts
- (3) Overtime Provisions
- (4) Days off
- (5) Meal breaks/coffee breaks
- (6) Statutory and Paid Holidays/Vacation Time
- (7) Shift Premiums

In the event that the Parties are unable to agree on any or all of the terms and conditions associated with a continuous operation, the Parties agree to submit any matters in dispute to "Consensual Mediation - Arbitration" in accordance with Section 105 of the Labour Relations Code of British Columbia.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement at _____ this _____ day of _____, 2003.

FOR LERON PLASTICS INC.
(the Company)

**FOR NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION
(CAW-CANADA), LOCAL 114
(the Union)**

LETTER OF UNDERSTANDING NO. 5

BETWEEN

LE-RON PLASTICS INC.

AND

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS UNION
(C.A.W.-CANADA) LOCAL 114**

Re: Machine Reclassification

When the Company reclassifies a machine to a lower classification due to re-engineering/ automation, any employee currently operating said machine shall be reassigned to another machine in the higher classification. If the Company requires an employee to continue to operate the reclassified machine, such employee(s) shall continue to earn the wage rate of the higher classification.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement at _____ this _____ day of _____, 2003.

**FOR LERON PLASTICS INC.
(the Company)**

**FOR NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION
(CAW-CANADA), LOCAL 114
(the Union)**

