

AGREEMENT BETWEEN

ATLAS COPCO CANADA INC.

and

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 115

MAY 1, **2002** to APRIL 30, **2005**

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COLLECTIVE AGREEMENT

BY AND BETWEEN:

ATLAS COPCO CANADA INC.
(hereinafter referred to as the "Company")

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 115
(hereinafter referred to as the "Union")

WITNESSETH: that the Parties hereto agree as follows:

ARTICLE 1 - OBJECTS

- 1.01 (a) The objects of this Agreement are to maintain a harmonious relationship between the Company and its employees; to provide an amicable and equitable method of settling grievances or differences which might possibly arise; to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement.
- (b) For the purposes of this Agreement, the masculine shall be considered to include the feminine and the singular to include the plural.

ARTICLE 2 - BARGAINING AGENCY

- 2.01 The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of the Company employed at the place(s) set out in the certificate(s) of bargaining authority and at any other premises opened or taken over by the Company in British Columbia.
- 2.02 This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each employee.
- 2.03 SUPERVISORS, OFFICE PERSONNEL DO NOT WORK No supervisors or office personnel will be allowed to use hand tools or carry out work which would be normally done by employees in the bargaining unit, except in the instruction or training of employees.

ARTICLE 3 - UNION SECURITY

- 3.01 UNION SECURITY Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, be and remain or become and remain, a Union member in good standing for the duration of this Agreement or for the duration of his employment with the Company, whichever is shorter. Counting from the date he commences employment with the Company, each new employee will be allowed thirty (30)

calendar days within which to make application to join the Union and tender the appropriate initiation fees. The Union shall have the exclusive right to determine who is a member in good standing. Should an employee at any time cease to be a member in good standing of the Union, the Company shall, upon notification in writing from the Union, discharge such employee forthwith.

- 3.02 CHECK-OFF The Company shall deduct from each new employee an amount equal to the Union dues from the employee's first payroll cheque after completion of six (6) days of work in a calendar month and add that employee's name and the said amount to the closest applicable check-off; i.e., if the check-off for that month has not been remitted to the Union, it shall be added to that check-off; if that month's check-off has been remitted, it shall be added to the following month's check-off and shown as the previous month worked.
- 3.03 AMOUNTS DEDUCTED Union dues deducted under this provision or other check-off provisions shall be remitted to the Union not later than the fifteenth of the month following the month in which such check-off applies.

ARTICLE 4 - MANAGEMENT RIGHTS

The Union recognizes and agrees that:

- 4.01 The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.
- 4.02 The Company has and shall retain the right to select its employees, to hire, classify, promote, demote or discipline them and discharge employees for proper cause, provided that a claim of discrimination against an employee in respect to any of these matters, or a claim of violation, of any Section or Article of this Agreement, may be the subject of a grievance and be dealt with as hereinafter provided.
- 4.03 The right to hire employees of its choice is vested exclusively in the Company, but when the Company requires new employees, it shall so notify the Union so that the Union shall have the opportunity to provide the Company with suitable applicants.

ARTICLE 5 - DEFINITION OF EMPLOYEE

- 5.01 In this Agreement "employee" means a person who is employed by the Company and who is included in a unit of the Company's employees for whom the Union has been certified as the collective bargaining agent by the Labour Relations Code of B.C. "Employee" shall also mean a person employed in a job classification listed in Appendix "A" attached hereto, and working at or from any premises opened or taken over by the Company in British Columbia.

ARTICLE 6 - HOURS OF WORK AND OVERTIME

- 6.01 DAY SHIFT The standard work day shall consist of eight (8) hours, 8:00 A.M. to 4:30 P.M. The standard work week shall consist of forty (40) hours, Monday to Friday. Graveyard shift shall lead off at 12:01 A.M. Monday.

Hours of work in the Shop may be changed by mutual agreement between the Company and the Union.

- 6.02 AFTERNOON SHIFT If a second shift is employed, the hours of work shall be seven and one-half (7 1/2) hours of work between the hours of 4:30 P.M. and 12:30 A.M. for which eight (8) hours will be paid and a shift premium of thirty-five cents (.35) shall be added on to the classified hourly rate.
- 6.03 NIGHT SHIFT If a third shift is employed, the hours of work shall be seven (7) hours of work between the hours of 12:30 A.M. and 8:00 A.M. for which eight (8) hours shall be paid and a shift premium of fifty cents (.50) shall be added on to the classified hourly rate.
- 6.04 LUNCH PERIOD Each shift shall have a half hour lunch period at mid-shift.
- 6.05 SHIFT CHANGE The Company shall give the employee forty-eight (48) hours' notice prior to changing of shifts.
- 6.06 SHIFT - TRANSFER OF EMPLOYEE When it is necessary for an employee to be transferred from one shift to another shift, said shifts will continue for a minimum of three (3) consecutive normal working days, or the overtime rates as provided for in this Agreement will apply.
- 6.07 SHIFT - START AND STOP TIMES If an employee is working on the second or third shift and is unable to start the shift on time and/or to complete the shift, then the hourly rate for such an employee shall be computed by dividing the employee's total pay for a regular full shift by the applicable total number of hours he would be required to work to qualify for a full second or third shift, multiplied by the actual hours worked.
- 6.08 In cases where hours of work must be varied in customers' camps to comply with Provincial Fire Regulations such work as is carried out under these conditions shall be at straight time rates for the first eight (8) hours.
- 6.09 SHIFT ROTATION When employees are being worked on two (2) or more shift schedules and where a majority of the employees request it, they shall rotate shifts.
- 6.10 OVERTIME All hours worked outside of the standard work hours, outside the established shift hours and outside the standard work week shall be considered overtime and paid at double time.
- 6.11 OVERTIME VOLUNTARY All overtime shall be on a voluntary basis. It is agreed that overtime may be necessary in order to respond to the efficient operation and service requirements of the business.
- 6.12 OVERTIME NOT PART OF DAILY GUARANTEE Where an employee, at the request of the Company, performs work at overtime rates, such time will be considered overtime only and will not be included in the computation of his daily guarantee as provided under this Agreement.
- 6.13 OVERTIME - CALCULATION OF Without detracting from the minimum overtime hours worked and/or minimum overtime pay guarantees as provided elsewhere in this

Agreement, when an employee works overtime, his time worked shall be calculated on a fifteen (15) minute unit basis. If an employee works any part of a fifteen (15) minute unit, he shall receive credit for time worked for that full fifteen (15) minute unit.

If the Company has a time clock when an employee works overtime his time worked shall be calculated on a 10 or 12 minute period depending on time clock calibration. If an employee works any part of a 10 or 12 minute unit, he shall receive credit for time worked for that full 10 or 12 minute unit.

- 6.14 (a) OVERTIME MEAL Employees who work beyond ten (10) hours per day shall receive a minimum of one-half (1/2) hour's pay for time off to eat a meal, and each four (4) hours thereafter, but may take up to forty-five (45) minutes off for such purpose. Further to this, if an employee feels that he requires additional time off, he will request such additional time from the Foreman and if the request is reasonable the Foreman shall grant same. This break shall occur at the regular meal hour.
- (b) The Company shall pay the cost of such a meal subject to the following conditions. The meal allowance for the Greater Vancouver area will be a maximum of **fifteen dollars (\$15.00)** for meals, and in the areas outside Vancouver the employees will buy a meal at the going rate of the area involved and be reimbursed for the cost. In all cases receipts shall be obtained and turned in to the Company with the amounts being justified by the parties in the area involved.
- 6.15 REST BETWEEN SHIFTS It is intended that every employee should have eight (8) hours' rest between shifts. In the event that an employee is recalled to work before such eight (8) full hours elapse, he shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work on his own accord until eight (8) full hours have elapsed.
- CLARIFICATION: Employees working after midnight reporting for work next shift after an eight (8) hour break will not lose the time taken from the shift to make up the eight (8) hour break.
- 6.16 WORK BEFORE REGULAR SHIFT Employees called in before their regular starting time shall be paid at the double time rate for time worked prior to their regular starting time.
- 6.17 WORK AFTER REGULAR SHIFT Employees called back to work after their regular shift shall receive a minimum of four (4) hours' pay at the prevailing overtime rate.
- 6.18 WORK ON SATURDAY, SUNDAY, GENERAL HOLIDAYS Double time for all hours worked on a Saturday, Sunday or on any General Holiday listed in Article 11, or day observed as such under the terms of this Agreement. This double time is in addition to any General Holiday pay an employee may be entitled to under other provisions of this Agreement.
- 6.19 WORK THROUGH REGULAR LUNCH PERIOD Where an employee is required to work through his regular established lunch period, such employee shall be paid the applicable overtime rate and be allowed reasonable time off to consume a meal with no loss of pay.

6.20 WORK WEEK - GUARANTEED

- (a) An employee who reports for work at the start of the standard work week shall be guaranteed full pay for the balance of the standard work week. The forty-eight (48) hour notice of lay-off provided in the Seniority Section of this Agreement shall take precedence when an employee is laid off on a Thursday. He would work Friday and Monday and by working Monday is not entitled to full pay for that week.
- (b) If an employee of his own volition does not report for his regular shift or shifts, then his weekly minimum five (5) shift pay base shall be reduced to the number received by subtracting the number of shifts missed from base 5.

6.21 CALL TIME

- (a) An employee reporting for work on his regular shift shall receive a minimum of eight (8) hours' pay at his regular rate.
- (b) An employee called to work on a Saturday, Sunday or on a General Holiday, (or days observed as General Holidays), shall receive a minimum of four (4) hours' pay at the prevailing overtime rates.
- (c) The provisions of this section shall not apply if an employee voluntarily quits or lays off, or is discharged for proper cause.

6.22 PREPARATION TIME The Company will pay one (1) hour personal preparation time to employees being sent on out-of-town jobs for a period of overnight or longer at regular rates up to time and one-half. This will not be paid if an employee prepares for a trip during his normal working hours or if the employee has had a minimum of twenty-four (24) hours notice that he will be going out-of-town.

6.23 The calculation of regular time and overtime for all existing employees will remain the same as it is now. All new employees starting with the company will have their hours calculated according to the following schedule:

- Monday to Friday 8 hours regular time, first 4 hours OT at 1.5X, 4+ hours at 2X
- Saturday First 4 hours is at 1.5X, 4+ hours at 2X
- Sunday and Holidays all hours worked at 2X

ARTICLE 7 - GRIEVANCE PROCEDURE

7.01 Should a dispute arise between the Company and an employee or the Union as an entity regarding the interpretation, application, operation or any alleged violation of this Agreement, including any question as to whether any matter is arbitrable, it shall be resolved in the following procedural manner:

STEP A - The employee or the Union, together with such person or persons as he or the Union may wish, shall take the matter up with the Company within thirty (30) calendar days.

STEP B - Should a solution not be reached by Step A, then a business representative of the Union, accompanied by the employee if the employee or business representative so wish, shall discuss the matter with the Company. If a solution is reached, this shall be final.

STEP C - If an agreement is not reached under the provisions of Step B above, upon mutual agreement between the Union and the Company and at any time prior to the appointment of an Arbitration Board, or other body, another party may be requested to confer with the Union and the Company to assist in the settlement of any difference arising from an alleged violation of this Agreement. Within ten (10) days of appointment, the selected party will make inquiries which it considers adequate and will submit in writing recommendations for settlement of the difference which will not be binding upon either the Union or the Company or detract from their privileges under this Agreement. All expenses incurred by the appointed party will be paid equally by the Union and the Company. The parties may agree that the recommendation rendered at this Step will be binding on both parties. If a solution is reached, this shall be final.

- 7.02 GRIEVANCE - TIME LIMIT Any discharged or suspended employee may, within seventy-two (72) hours of his discharge or suspension, (exclusive of Saturdays, Sundays and General Holidays), in writing, require the Company to give him the reasons for his discharge or suspension and the Company will give such reasons to him, in writing, within seventy-two (72) hours of such request and in the event of any dispute or difference as to whether or not there was proper cause for the discharge or suspension of such an employee, only the reasons so set forth in writing, shall constitute cause.

ARTICLE 8 - ARBITRATION

- 8.01 If the procedures set forth in Section 7.01, Step A and Step B, do not result in a solution being reached within seven (7) days of the first discussion between a business representative of the Union and a representative of the Company, or within such further period as the Company and the Union agree to in writing, the dispute shall be referred to an Arbitration Board of three (3) persons appointed as follows:
- (a) The Party desiring arbitration shall appoint a member for the Board and shall notify the other Party in writing of the name and address of the person so appointed and particulars of the matter in dispute.
 - (b) The Party receiving the notice shall within five (5) days appoint a member for the Board and notify the other Party of its appointment.
 - (c) The two (2) Arbitrators so appointed, shall confer to select a third person to be Chairman, and failing for three (3) days from the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Minister of Labour of British Columbia to appoint such third member.
 - (d) The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award within ten (10) days from the date of the appointment of the Chairman, provided the Parties may extend the time by agreement in writing.

- (e) The Parties may mutually agree that a sole arbitrator be appointed in place of a three (3) person board. The decision of the sole arbitrator shall be deemed to be the decision of the Board and shall be final and binding. All expenses incurred by the sole arbitrator shall be paid equally by the Parties. Each Party shall pay its own costs.
- 8.02 If the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that an employee has been unjustly suspended or discharged, that employee shall be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place, or if the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that an ex-employee should have been rehired, that ex-employee shall be employed by the Company and paid all pay which he would have enjoyed and accorded all rights, privileges and benefits which he would have enjoyed if he had been hired at the proper time provided, that if it is shown to the Board that the employee has been in receipt of wages during the period between discharge or suspension and reinstatement, or date of failure to rehire and rehiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Article, less any expenses which the employee has incurred in order to earn the wages so deducted, AND PROVIDED THAT the Arbitration Board if circumstances are established before it, which, in the opinion of the Arbitration Board, makes it just and equitable to do so, shall have authority to order the Company to pay less than the full amount of wages lost.
- 8.03 The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.
- 8.04 If the award of the Arbitration Board is subsequently set aside by a court of competent jurisdiction, the question shall, at the request of either Party, be submitted to another Arbitration Board appointed pursuant to and with all the powers provided by this Article.
- 8.05 The expenses and remuneration of the Chairman shall be paid by the Parties in equal shares.
- 8.06 Without restricting the specific powers hereinbefore mentioned, the Arbitration Board shall have all the general powers of an Arbitration Board.

ARTICLE 9 - SENIORITY

- 9.01 SENIORITY LIST The Company shall at least once every six (6) months, post in a conspicuous place on its premises an up-to-date list of all employees covered by this Agreement showing the date when each commenced his employment with the Company. The Company shall forward to the Union a copy of each list on the date of its posting.
- 9.02 PROBATIONARY PERIOD When a new employee is hired, it is agreed that he shall be on probation for sixty (60) calendar days and during this period seniority will not be applicable. When the probationary period is completed seniority will commence from the date of hiring.
- 9.03 EMPLOYEE - RE-EMPLOYMENT An employee re-entering the employ of the Company shall not be subject to another probation period.

9.04 LAY-OFFS

- (a) In the event of lay-offs, seniority shall be recognized. The principle of last man on, first man off, shall prevail, subject to job classification. The Company shall give at least forty-eight (48) hours' notice on lay-offs, exclusive of Saturdays, Sundays and General Holidays.
- (b) If lay-offs occur, providing a senior man is capable of performing another job, he shall be given the opportunity to take such a job.
 - (i) An employee laid off in one classification will be given the opportunity of displacing an employee with less seniority in a similar or higher position provided the senior employee has the ability and qualification to perform the job in a manner which will not adversely affect the efficiency of the department beyond a short term (30 day maximum) familiarization period.
 - (ii) A laid-off employee may bump a less senior employee from an equivalent or lower classification for which he possesses the ability and qualifications to perform the job. Employees who bump to a lower level job will be paid at the step in the new position which is closest to their current pay.
 - (iii) Employees who accept a position under this Article shall have the right to reinstatement in their former position when such becomes available. The job, in such instances, shall not be posted and the employee shall be reinstated in his former classification.
- (c) If lay-offs are to take place out of seniority, the company will discuss the matter with the Union during the forty-eight (48) hour notice period. If no agreement can be reached, the lay-offs will occur and the matter referred to the grievance procedure.

9.05 SENIORITY RETENTION A laid-off employee shall retain his seniority and recall rights with the Company for:

Less than one (1) year seniority - 6 months
Over one (1) seniority - 12 months
Over five (5) years seniority - 24 months.

Present employees with less than one (1) year seniority who have completed a probationary period will maintain a twelve (12) month right to recall.

9.06 RE-CALL When vacancies occur, the Company shall rehire laid-off employees according to their seniority and the principle of last man off, first man on, shall prevail, subject to their classification.

The Company shall contact laid-off employees either personally, by mail or through the Union dispatcher at the address or at the telephone numbers supplied by the employee. It shall be the responsibility of the employee to keep the Company and the Union informed of his current address and telephone number while laid-off.

9.07 LAY-OFF PAY If an employee is laid off for a period that exceeds his right to recall as provided for in the seniority provisions of this agreement and that employee has a minimum of **one (1) year's service with the Company, that employee shall be paid one week's pay based on forty (40) hours at their applicable rate of pay for each year of service with the Company.** Such an employee may elect to accept lay-off pay under the provisions of this Section before the end of his right to recall period, but in so doing **he** shall forfeit all seniority rights accruing to him under this Agreement by reason of his term of service with the Company.

ARTICLE 10 - VACATIONS

10.01 ***The vacation entitlement for all existing employees will remain the same as it is now:***

<u>YEARS OF CONTINUOUS SERVICE</u>	<u>VACATION PERIOD</u>	<u>VACATION PAY</u>
▪ 1 year but less than 2 years	2 weeks	4 1/2% or 80 hours
▪ 2 years but less than 7 years	3 weeks	6 1/2% or 120 hours
▪ 7 years but less than 15 years	4 weeks	9% or 160 hours
▪ 15 years but less than 20 years	5 weeks	11% or 200 hours
▪ 20 years and over	6 weeks	13% or 240 hours

See Letter of Understanding attached.

All new employees starting with the company will receive vacations according to the following schedule:

- ***1 year but less than 2 years: 2 weeks (4-1/2% or 80 hours)***
- ***2 years but less than 7 years: 3 weeks (6-1/2% or 120 hours)***
- ***7 years but less than 18 years: 4 weeks (9% or 160 hours)***
- ***18 years but less than 25 years: 5 weeks (11% or 200 hours)***
- ***25 years and more: 6 weeks (13% or 240 hours)***

10.02 CALENDAR YEAR For the purpose of determining a calendar year's employment to qualify an employee for vacations and vacation pay, the Parties agree that when an employee has earned a minimum of fifteen hundred (1500) hours for which wages are payable in an employee's calendar year, running from anniversary date to anniversary date, he shall be eligible for vacations as above set forth.

Employees who work less than fifteen hundred (1500) hours shall be paid as the case may be 4-1/2%, 6-1/2%, 9%, 11%, or 13% of their gross earnings for the work year immediately preceding the vacation period.

10.03 VACATION PAY ON TERMINATION In the event of termination of service with the Company after an employee had his vacation he earned for the previous year, he shall receive as vacation pay four and one-half percent (4 1/2%), six and one-half percent (6 1/2%), nine percent (9%), eleven percent (11%), or thirteen percent (13%) as the case may be of his gross earnings he earned in the year in which he ends his employment for which no vacation has been paid.

- 10.04 (a) VACATION PAY - STATEMENT OF Prior to an employee going on his vacation, the Company shall furnish the employee with a statement showing the period for which the employee is receiving his or her vacation pay, how the vacation pay was calculated, and shall include all overtime payment, commissions, or anything of a monetary value on which the employee has to pay income tax, and also a cheque for the proportionate vacation pay the employee is entitled to.
- (b) In Bargaining Units where it is mutually agreed; vacation pay based on the appropriate percentage of gross earnings shall be paid out to each employee on each pay period.

At the time the vacation is taken, the employee shall then be paid the difference subject to Article 10.02.

- 10.05 VACATION PERIOD If an employee so requests, the Company will provide three (3) weeks of the employee's vacation time in the summer months (May 15th to September 15th). If a dispute arises, vacation periods will be allocated on the basis of seniority.

The Company will consider four (4) weeks' vacation during the summer months for those employees eligible for five (5) weeks or more vacation, if so requested.

- 10.06 VACATION ENTITLEMENT In any year that an employee becomes entitled to an additional vacation upon reaching his anniversary date of employment, he will be entitled to one (1) week's vacation with pay at that time.

(i.e.- An employee who reached his second (2nd) anniversary on October 1st would be entitled to one (1) weeks vacation at that time plus two (2) weeks vacation in the ensuing vacation period or he could save his newly achieved vacation time and take three (3) weeks vacation in the ensuing vacation period).

- 10.07 VACATION - ANNIVERSARY DATE AND CUT-OFF DATE An employee's anniversary of employment date will govern his attainment of vacation entitlement. His vacation pay and time off will be adjusted from his anniversary date to the cut-off date. The Company may establish a vacation cut-off date.

- 10.08 VACATIONS - SCHEDULE CHANGE An employee's scheduled vacation period shall not be changed by the Company within the one (1) month period immediately preceding the start of the vacation period without the consent of the employee concerned.

- 10.09 VACATIONS - REQUIREMENT TO TAKE Each employee shall be required to take the full annual holiday period that he is entitled to under the provisions of this Agreement.

- 10.10 VACATION ENTITLEMENT - RELATED TO STATUTES The entitlements of an employee under this Section shall at no time be less beneficial than those he would be entitled to under the provisions of any Government legislation or any Orders or Regulations made thereunder.

- 10.11 VACATION ENTITLEMENT Eligibility for vacations shall be maintained, but not accumulated during absence

- (a) due to temporary illness or non-occupational accident exceeding fifty-two (52) weeks;
- (b) with authorized leave of absence.

10.12 Eligibility for vacations will be maintained and accumulated during absence due to:

- (a) a compensable accident;
- (b) serving in the non-permanent Armed Forces of Canada;
- (c) temporary illness or non-occupational accident not exceeding fifty-two (52) weeks.
- (d) Lay off.

ARTICLE 11 - GENERAL HOLIDAYS

11.01 The Company shall give to each employee a holiday with pay on each of the designated general holidays. For each such holiday an employee shall be paid not less than the equivalent of the wages he would have earned at his classified rate of pay for his normal hours of work. An employee shall receive such holiday pay even if the holiday falls on a Saturday, Sunday or an employee's weekly day off. The designated general holidays shall be:

- | | |
|-------------------|---------------------|
| 1. New Year's Day | 7. B.C. Day |
| 2. Heritage Day | 8. Labour Day |
| 3. Good Friday | 9. Thanksgiving Day |
| 4. Easter Monday | 10. Remembrance Day |
| 5. Victoria Day | 11. Christmas Day |
| 6. Canada Day | 12. Boxing Day |

and any other holiday declared, proclaimed or celebrated by the Federal and/or Provincial Government will be paid for.

11.02 GENERAL HOLIDAY - SATURDAY & SUNDAY When a General Holiday falls on a Saturday or on a Sunday or on an employee's weekly day off then the next work day shall be observed as the Holiday. If Christmas Day and Boxing Day fall on a Saturday and on a Sunday, respectively, or on an employee's weekly days off, then the next two (2) work days shall be observed as holidays.

11.03 GENERAL HOLIDAY PAY WILL BE PAID Without limiting the general application of Section 11.01 but subject to the provisos contained herein, general holiday pay provisions will prevail:

- (a) Where an employee is off work due to any circumstance for which he is eligible to receive compensation under Workers' Compensation Act, provided such employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday.

- (b) Where an employee is off work due to sickness, quarantine, or an accident provided such an employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday. If the Company so requests, a doctor's certificate shall be submitted as proof of disability.
- (c) Where an employee is laid off or is on an approved leave of absence provided such an employee has earned wages from the Company during the two (2) calendar weeks immediately preceding the week in which the holiday occurs.
- (d) Where an employee is off work due to a death in the immediate family or is acting as a juror or witness as provided elsewhere in this Agreement.

11.04 GENERAL HOLIDAY - DURING VACATION When a general holiday falls within an employee's scheduled vacation, he shall receive the pay of a normal shift for the holiday in addition to his vacation pay, or a day off with pay in conjunction with his vacation.

11.05 The Company shall have the option of providing an alternate day(s) for those employees required to work Heritage Day and/or Easter Monday to provide customer service. The alternate day shall, by mutual agreement, be either the last working day prior to the holiday or the Friday following the holiday.

ARTICLE 12 - WAGES

12.01 The Company shall remunerate an employee at the wage rate applicable to the job classification that such an employee is employed in. The job classification and applicable wage rates shall be those agreed upon and set out in Appendix "A", attached hereto, and forming part of this Agreement.

12.02 (a) PAY STATEMENT The Company will issue to each employee a separate or detachable itemized statement with each pay showing separately the number of straight time hours worked and the number of overtime hours worked and the respective hourly rates applicable thereon. The statement shall also show the total wages for the pay period and the total deductions therefrom.

(b) PAY STATEMENT The Company shall, every second Friday or another designated pay day, pay to each employee all wages earned by the employee to a day not more than five (5) working days prior to the date of payment provided that if a General Holiday falls on the regular pay day, payment will be made the preceding day.

Payment of wages will be made during working hours. Where a payroll is not met within the prescribed time and unless proper reasons for the delay are forthcoming, it shall not be considered a violation of this Agreement for the employees to cease work until the wages are paid or other arrangements are made.

In the event that an employee is laid off, the Company shall pay such employee not later than the next business day after he ceased to be an employee of the Company, all wages, salary, and holiday pay earned by such employee, excluding authorized deductions.

12.03 TIME SLIPS An employee shall be required, on Company time, to fill out time slips, service reports and job or work reports daily if the Company so requests.

12.04 CONSTRUCTION RATES

- (a) Construction rates of pay shall be paid to employees to install permanent machinery on construction sites or who do repair work on construction sites that would otherwise be done by members of Building Trades Unions. The construction rates of pay shall only apply to the actual hours worked on the construction site.
- (b) Construction rates shall not apply to service calls, inspection calls, warranty work and delivery jobs.

12.05 ACCIDENTS - PAY TO EMPLOYEES Employees involved in an accident while on the job shall receive eight (8) hours' pay at his classified rate for the day of the accident. If an employee is required to take time off while on the job to consult a doctor with regard to any compensable injury he has received on the job, he shall be paid for such time off provided a doctor's letter or note is supplied and he returns to complete the day's work, if practicable.

12.06 WAGE RATE - HIGHEST DAILY RATE Where an employee works in a higher hourly wage classification, he shall be paid the higher rate for the hours worked in such classification.

ARTICLE 13 - TRAVEL TIME - TRANSPORTATION - EXPENSES

All new employees starting with the company will have travel time calculated as per Article 6 in the contract.

- 13.01 (a)
- i) Travel time during the employee's regular shift hours, Monday to Friday inclusive, will be paid for at straight time.
 - iii) Travel time authorized by the Company or the customer outside the employee's regular shift hours, Monday to Friday, will be paid for at time and one-half up to a maximum of eight (8) hours in any twenty-four (24) hour period.
 - iii) All travel time for Saturday and Sunday and any holiday will be paid for at time and one-half to a maximum of eight (8) hours in any twenty-four (24) hour period.
 - iv) The exception to this provision would be where first-class sleeping accommodation is provided. In this instance, time would cease at 9:00 P.M. and commence at 8:00 A.M. the next day.
 - v) (a) Travel time at double time rates shall be paid outside the regular hours of work for those employees travelling in Company or rented trucks or cars. This provision shall not apply when an employee is travelling by a public carrier or to and from a public carrier.

- (b) Public carriers shall be defined as follows: buses, taxis, aircraft, trains, boats and any vehicle licensed to transport passengers and operated by a licensed operator (exclusive of Company trucks or cars mentioned in V (a) preceding).

Buses, aircraft or boats that may be chartered or purchased by the Company to transport employees shall be licensed to transport passengers and operated by an operator holding a current appropriate license to do so.

Travel time by employees outside the regular shift hours under V (b) preceding shall be at time and one-half, as defined in II, III and IV.

- (b) The exception to this provision would be where first class sleeping accommodation is provided while travelling on a public conveyance. In this instance, time would cease at 9:00 P.M., and commence at 8:00 A.M., the next day.
- (c) Travel time will not attract premiums.

13.02 WORK OUTSIDE BRANCH AREA Employees required to report for work outside the base branch and who cannot return home daily, shall be paid all their transportation, accommodation and meal expenses, and other reasonable, miscellaneous, listed, receipted items.

13.03 WORK OUTSIDE CITY LIMITS

- (a) In going to work outside the limits of Greater Vancouver and returning daily, men shall be at such city limits at the starting time, and allowed time to return to such city limits at the close of the work day. They shall be paid all fares to and from the city limits to place of work, or alternatively, be supplied with transportation by the Company. It is understood that where employees reside in the city where the work is being done, they shall report to and finish work at the regular starting and stopping time.
- (b) All time spent driving or riding in a motor vehicle to and from such job or jobs shall be considered as time worked.

13.04 JOBS AWAY FROM HOME

- (a) When an employee is going out on a job which will require his absence from home for one or more nights, the Company shall inform such an employee, on or before the day of his departure, of the approximate length of time he will be out on the job. If an employee is sent out on one job and subsequently is assigned to other jobs, the total period will not be extended beyond fourteen (14) days.
- (b) If there is reason to extend this period, and the employee requests to return home, the Company will transport such an employee back to his home base and during such transportation such an employee shall be accorded all the benefits and conditions as to travelling as provided under this Agreement.

(c) This will not preclude long term out-of-town assignments which will be arranged in advance.

13.05 STANDBY TIME If an employee reports to a field job outside the Greater Vancouver area and through no fault of his own, is unable to work, he shall immediately contact the Company for instructions. Nevertheless, while being required to stand by the job, he shall be paid for a regular shift of eight (8) hours in each twenty-four (24).

13.06 LAY OVER TIME Where an employee is required to remain in the field on Saturday, Sunday or a General Holiday, he shall be paid eight (8) hours for each such day at straight time rates.

13.07 EMPLOYEE VEHICLES Employee vehicles shall not be used on Company business.

ARTICLE 14 - LEAVE OF ABSENCE

14.01 UNION SERVICE

(a) The Company shall allow time off work without pay for any employee who is serving on a Union Committee for purposes of discussions with the Company, or serving as a Union delegate to any conference or function, provided all requests for time off are reasonable and do not interfere with the proper operation of the business.

(b) No employee who acts within the scope of this sub-section shall lose his job or be discriminated against for so acting.

14.02 LEAVE OF ABSENCE DUE TO INJURY

(a) When an employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave of absence until such time as his doctor states he can return to work.

(b) When any employee suffers an injury or illness which requires his absence, he shall report the fact to the Company as soon as possible, prior to his actual starting time, so that adequate replacement may be made if necessary.

14.03 LEAVE OF ABSENCE - APPLICATION FOR If an employee desires a leave of absence for reasons other than those referred to in this Section, he must obtain permission, in writing, for the same from the Company, a copy to be supplied to the Union.

14.04 LEAVE OF ABSENCE - OTHER EMPLOYMENT DISALLOWED In any instances where an employee accepts other employment without the consent of Management, when on leave of absence for any reason, his employment may be terminated, subject to proper proof of same.

ARTICLE 15 - GENERAL PROVISIONS

15.01 INJURY REPORT An employee suffering injury while in the employ of the Company must report to the first aid department immediately, or as soon thereafter as practicable, and also report to that department on returning to work.

15.02 WASHROOM FACILITIES Adequate washroom facilities will be provided by the Company and kept in sanitary condition. Employees will cooperate by observing the simple rules of cleanliness.

15.03 (a) SAFETY CLOTHING The Company will provide the following:

- Rubber clothes
- Rubber boots
- Welders' gloves
- Welders' aprons
- Goggles
- Helmets of a reasonable fit and a reasonable quantity as a tool crib item for shop, yard and field use
- Hard hats for job use where required.

(b) SAFETY GLASSES - Each employee required to wear prescription glasses shall be reimbursed by the Company for the cost of replacement glasses.

15.04 PROTECTIVE CLOTHING

(a) The Company shall supply protective clothing when employees are engaged in cleaning equipment.

(b) The Company will continue its current practice of providing insulated coveralls where required.

NOTE: It must be recognized that an understanding of this nature requires a high degree of cooperation between employees and the Company. Employees will not arbitrarily stop work without advising their supervisors.

15.05 WATERLESS HAND CLEANER Waterless hand cleaner shall be supplied at all mechanical operations covered by this Agreement.

15.06 COVERALLS All employees required to wear coveralls or smocks shall have these supplied and cleaned by the Company at no expense to the employees involved. Any smock or set of coveralls supplied, shall be of the proper size to fit the employee. There shall be at least three (3) changes available each week to the employees involved, and field servicemen going out on calls shall have several extra sets of coveralls to take with them when they go out on such calls.

15.07 LUNCH ROOM The Company will supply suitably enclosed heated accommodation where employees may have their lunch. Lockers for personal storage shall be provided.

15.08 REST PERIODS See Appendix "B".

15.09 CLEAN-UP Employees shall be allowed a minimum of five (5) minutes personal clean-up time each shift, such time to precede the end of the shift.

15.10 SHOP TEMPERATURE With the cooperation of employees, the Company will attempt to maintain shop temperature above 50 degrees Fahrenheit (10 degrees Celsius), during cold weather. The Company agrees not to require its employees to perform outside repair work in temperatures below -20 degrees Fahrenheit (-29 degrees Celsius), unless adequate protection and some form of heat is provided. Tarpaulins, windbreaks, etc., shall be erected before commencement of work and heat must be made available.

15.11 SHOP STEWARD

- (a) The Union may elect or appoint a Shop Steward or Shop Stewards to represent the employees and the Union shall notify the Company as to the name or names of such Shop Steward or Shop Stewards. The Company agrees that no Shop Steward shall suffer any discrimination by reason of holding such office.
- (b) When the Company for any reason finds it necessary to layoff or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.
- (c) Upon informing Management, authorized agents of the Union shall have access to the Company's premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to in the operation.
- (d) The Shop Steward shall be allowed reasonable time during working hours to carry out his duties. Any employee being reprimanded by the Company shall have the right to request that the Shop Steward be in attendance.

15.12 PICKET LINE It shall not be considered a violation of this Agreement for an employee to refuse to cross a picket line which has been legally established as a result of a bona fide labour dispute between a recognized Trade Union and an Employer with whom the picketing Union has a dispute.

15.13 BONDING If, at any time, the Company requires an employee to be bonded by an individual bond, the cost of such bonding shall be assumed by the Company. An employee shall not fill out the required bonding application form until such application form has been sanctioned by the Union.

15.14 TOOL INSURANCE The Company shall provide, at its expense, tool insurance coverage to each eligible Journeyman and Apprentice. Such coverage shall pay the cost of replacing an employee's tools, tool for tool, at no cost to the employee. Each employee will provide a brand name inventory of his tools on each anniversary date of the Agreement on a form supplied by the Company to be eligible for tool insurance.

Such tool insurance shall include coverage on an employee's tool box.

15.15 TOOL REPLACEMENT ALLOWANCE Journeymen Mechanics with 12 months' service shall receive **a Tool Allowance of three hundred and ninety-five dollars (\$395.00) per year**, upon provision of receipts, to be paid on a separate cheque. **This will be the amount for the duration of the contract.**

Welders with a minimum tool list as mutually agreed by the Parties shall receive ninety-five dollars (\$95.00).

Apprentice Mechanics having a set of tools comprising 80% of the value of an average Journeyman Mechanic's kit, shall also qualify for such allowance.

New Journeymen Mechanics and Apprentice Mechanics with less than 12 months' service prior to May 1st of each calendar year shall receive a portion of the above allowance prorated to the number of full months employed with the Company.

15.16 SUB-CONTRACTING Where the Company's facilities, space and trained personnel are available, the Company shall continue to have all work which is presently performed by its employees, performed by members of the bargaining unit.

The Company and the Union will meet semi-annually to discuss problems regarding sub-contracting.

15.17 NOTICE BOARD

(a) A notice board shall be provided for the posting of all official Union notices exclusively, and will not be used for the purpose of disseminating political information. The right is reserved to the Company to request the removal of material offensive to the Company.

(b) The following information shall be kept in a central location, readily accessible to the Shop Steward:

1. Seniority list
2. Copy of the Agreement
3. Welfare Plan Provisions

Any employee requiring such information shall contact the Shop Steward for same.

15.18 SEVERANCE In the event of amalgamation, permanent closure of the plant, or a department thereof, or automation, causing an employee to lose his employment with the Company, the Company hereby agrees to pay severance pay to such an employee provided the employee has a minimum two (2) years' service with the Company. Severance pay shall be based on an employee's regular rate of pay at the date of his severance and shall be paid in accordance with the following schedule:

One (1) week's pay for each year of service with the Company.

In the event that part of the plant remains open or that an employee has lost his employment because of amalgamation or automation, an employee eligible to receive severance pay may elect to remain on the seniority list for possible recall. The Company shall hold the severance pay for such an employee for the period of his right to recall but during such period the employee may, subject to the same forfeiture provisions of Article 9.07 of this Agreement, request and receive payment of such pay.

15.19 BEREAVEMENT PAY If an employee suffers a death in the immediate family, he shall be granted compassionate leave of absence with full pay for three (3) days. Immediate family means: spouse, mother, father, brother, sister, children, mother-in-law, father-in-law, grandparents and grandchildren. If the employee affected does not attend or arrange services then he shall only be entitled to one (1) day as provided under this Section.

15.20 JURY DUTY

- (a) All time lost by an employee due to necessary attendance on jury duty or acting as a witness or any court proceedings arising out of his employment, or subpoenaed as a witness, or in completing his driver's tests required by the employee for actual employment with the Company, or doctor's examinations in connection therewith, shall be paid for by the Company at the rate of pay applicable to said employee.
- (b) When an employee returns from serving on jury duty or from participating as a witness, he will be returned to the job held prior to serving.
- (c) If an employee is employed on an afternoon or graveyard shift and attends upon jury duty or if an employee is attending upon jury duty or acting as a witness and becomes scheduled to commence work on an afternoon or graveyard shift, such an employee shall not be required to work such shifts and shall receive pay for time loss pertaining to jury duty or acting as a witness as provided in this Subsection. All jury duty pay received by an employee for the days he received pay from the Company shall be paid over to the Company. Any employee on jury duty shall, subject to this Section, make himself available for work before or after being required for such duty whenever practicable during his regular shift.

15.21 DISMISSED OR IMPROPER CHARGES When a charge is laid against an employee, such charge arising while the employee was acting within his scope of employment with the Company, and such charge is dismissed or held improper by a court of competent jurisdiction or on an appeal taken therefrom, the Company shall pay the employee at his regular rate for the time loss due to attendances on his legal counsel and any court appearances. The Company shall also reimburse the employee for any legal fees and other legitimate expenses that the employee has incurred. Prior to the employee taking steps to defend him-self, he shall consult the General Manager of the Company to determine which legal firm should be used.

15.22 TRANSFER When an employee agrees to a transfer, the Company shall:

- (a) Allow reasonable living expenses to the transferred employee up to a maximum of thirty (30) days. Living expenses are to be discussed initially with the employee before departure and each fifteen (15) days thereafter;
- (b) Pay the transferred employee's transportation costs to the new location and supply first class accommodation and meals to the employee while he is en route to the new location;
- (c) Assume the cost of moving the transferred employee's family and household goods to the new location. This shall include the cost of transporting and accommodating the family while en route to the new location.

No transferred employee shall move his family or household goods at the Company's expense without written authority from the General Manager of the operation.

Any employee transferred to another branch shall, when his assignment is completed at that branch or location, have the Company pay all costs of moving him, his family and household effects back to his original location. This provision will only apply to employees who have been in the transferred position for three (3) years, or less.

15.23 ARTICLE HEADINGS The article headings shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

15.24 EDUCATION FOR UPGRADING The Company agrees to consider the reimbursement of fees to an employee where he is improving or upgrading himself in his line of work. The cost of Tradesmen Qualification Examinations will also be considered.

The Company will be consulted prior to the employee incurring the obligation.

The Company shall pay for all authorized industrial first-aid courses as well as all required refresher courses for designated first-aid attendants.

15.25 SAFETY BOOT ALLOWANCE ***Safety boot allowance will be as per the company Safety Boot Policy. One pair of CSA safety boots per year will be provided up to a value of two hundred and fifty dollars (\$250.00). The boots can be purchased at the company's safety clothing supplier. The company will provide a coupon voucher system for the purchase of the boots.***

New employees with less than 12 months' service prior to May 1st of each calendar year shall receive a portion of the above allowance pro-rated to the number of full months employed with the Company.

15.26 OPERATING ENGINEERS' ADVANCEMENT FUND ***Effective May 1, 2002 the Employer shall contribute the sum of five cents (\$0.05) per hour for each hour wages are payable hereunder for each employee covered by this Agreement to the Operating Engineers' Advancement Fund.***

ARTICLE 16 - TECHNOLOGICAL OR PROCEDURE CHANGES

16.01 In the event the Company proposes the introduction of equipment in its operations, requiring specialized training, the Company agrees to give the first opportunity to employees then on the payroll through the job posting procedures of this Agreement, to operate this equipment and/or train to operate the equipment, provided the applicant qualifies with the requirements of an aptitude test, cost of such test to be borne by the Company. Any employee taking such a test is entitled to know the results of such test. The Company further agrees to notify the Union as soon as its final decision is made as to the introduction of new equipment or any procedural change. Failure on the part of the Company to comply with these provisions will automatically give cause for grievance.

The Company agrees to work with the Union and with Canada Manpower in order to arrange for training of employees whose jobs no longer exist as a result of automation or a substantial change in job content, but whose seniority entitles them to continued employment. Such employees shall have the choice of taking the training provided or of accepting a lay-off.

ARTICLE 17 - JOB POSTING

17.01 PROMOTION When new jobs are available, wherever possible, the Company will promote employees to a better paying job; seniority, qualifications and ability to be considered.

17.02 JOB POSTING

- (a) In the event that a new job is created or a vacancy occurs or new equipment is installed in the operation, the Company shall post a notice on the bulletin board notifying that a vacancy exists in a particular job.
- (b) Employees desiring such job shall then apply, in writing, within thirty-six (36) hours of such posting, except that employees on vacation or out of town on work for the Company at such time shall have the privilege of applying when they return. The senior employee applying who has the ability to do the job, subject to the Technological or Procedure Changes Article of this Agreement, shall receive such job.

17.03 NEW JOB CLASSIFICATION

- (a) When a new job classification is introduced which is not included in the list of classifications in Appendix "A" and/or "B", the Company and the Union shall promptly negotiate a wage rate for such classification.
- (b) Every effort will be made by the Parties to conclude negotiations within thirty (30) days, but in any event, the rate established shall be retroactive to the day the new job commenced.
- (c) In the event the Parties hereto are unable to conclude negotiations the matters in dispute shall be referred to a single Arbitrator agreed upon between the Parties. Failing such agreement, either Party at any time may call upon the Minister of Labour of British Columbia to appoint an Arbitrator.

ARTICLE 18 - TRUCK MAINTENANCE AND SAFETY

18.01 TRUCK MAINTENANCE It is to the mutual advantage of both the Company and the employees, that employees should not operate vehicles which are not in safe operating condition and not equipped with the safety equipment required by law. The maintenance of equipment in sound operating condition is not only a function but a responsibility of Management and in respect thereto the Company agrees as follows:

- (a) The Company shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety

equipment, seat belts, or stickers prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment.

- (b) All trucks owned or leased by the Company must have steps or other similar devices to enable drivers to get in and out of the body for safety purposes.
- (c) It is agreed between the Company and the Union, having regard for the safety and driver health factor, that all vehicles shall have adequate heaters, windshield wipers and defrosters installed.
- (d) It is mutually agreed that a form shall be supplied the driver on which he must report defects in equipment with sufficient copies so that the driver may retain a copy and so that the head office of the Company will have a copy of this report on file.
- (e) When a driver reports a defect in equipment, he must tag or mark the vehicle involved in such a manner so that any other employee will notice the defective equipment. It shall be the Company's responsibility to supply tags or other marking devices. This tag to be left on the vehicle in order to show the work has been completed and shall be removed by the out-going driver.
- (f) The Company shall not compel any driver to operate a vehicle which weighs in excess of the legal gross weight limits. Where a driver with the knowledge of the Company operates with an overload and is convicted, the Company shall be responsible for any fines involved. Drivers, who of their own accord, operate with an overload may be subject to discipline and responsible for their own fines.
- (g) The Company shall supply a fire extinguisher and an adequate first aid kit for each service vehicle. Each uncovered service vehicle shall be equipped with a tarpaulin.
- (h) Bulkheads will be installed on van-type trucks.

ARTICLE 19 - MEDICAL - INSURANCE - DENTAL - PENSION

- (a) The Company will provide and maintain coverage as set out by Manulife Group Services Policy #G90718.

These benefits shall remain regardless of whether Atlas Copco Canada Inc. changes plan carrier. The Company will supply a copy of this coverage to its employees and the Union upon request.

- (b) The benefits provided under this Article will be firstly subject to the terms of the Collective Agreement and secondly to the terms of the insurance contracts between the Company and the Insurance Carrier.
- (c) The Parties recognize that the Plan may contain restrictions, exceptions, qualifications, and other terms affecting entitlement to benefits. Questions of entitlement and eligibility will be determined by clause "b" firstly and then by the terms of the insurance plan and the insurer's contract.

19.01 MEDICAL The medical coverage will be equivalent to that supplied by the Medical Services Plan of British Columbia.

19.02 EXTENDED HEALTH BENEFITS

19.03 GROUP INSURANCE COVERAGE

- LIFE INSURANCE
Two times (2x) your annual earnings to a maximum of \$200,000.00.
- ACCIDENTAL DEATH INSURANCE (24 hour coverage)
Two times (2x) your annual earnings to a maximum of \$200,000.00.
- WEEKLY INDEMNITY
100% for fifteen (15) weeks at present salary from first day of illness.

HEALTH & WELFARE

Health & Welfare Policy Brochures outlining Benefit coverage will be distributed with the Collective Agreement and will be made available at the request of an Employee or the Union within 30 days after ratification.

19.04 DENTAL PLAN

- BASIC DENTAL 100%
- PROSTHETICS (CROWNS, BRIDGES AND DENTURES) 80%
- ORTHODONTIA - fifty percent (50%) coverage - maximum \$1,500.00 per lifetime.

19.05 ELIGIBILITY An employee will be eligible for all coverage outlined above on the first (1st) day of the month following completion of his probationary period. This provision will be effective for new employees only from the date of ratification. Current employees on recall or beyond the recall period who may be rehired are not subject to this provision and require no probationary period.

19.06 INSURED BENEFIT COVERAGE - ON LAY-OFF An employee who is laid off will be eligible for continued Health & Welfare Benefit coverage (i.e. Medical, E.H.B. & Dental) for sixty (60) days after the end of the month of lay-off. Coverage will continue for the period stated so long as the Employee is unemployed and not receiving income from another Company.

19.07 PENSION PLAN ***Effective May 1, 2002 the company shall make contributions at the rate of four dollars and twenty-seven cents (\$4.27) per hour for which wages are payable to each employee within the scope of this Agreement to the Operating Engineers Pension plan.***

Effective May 1, 2003 the company shall increase the contribution to four dollars and forty cents (\$4.40) per hour.

Effective May 1, 2004 the company shall increase the contribution to four dollars and fifty-three cents(\$4.53) per hour.

The Company is required to report on the forms provided by the Pension Plan.

Contributions must be forwarded by the Company to the Operating Engineers' Pension Plan by the fifteenth (15th) day of the month following that which contributions cover.

The Pension Plan's Auditor may inspect during regular business hours a Company's record of time worked by employees and contributions made to the Plan.

The Pension contribution will not apply to Sick Time hours.

ARTICLE 20 - SAVINGS CLAUSE

20.01 No employee, who prior to the date of this Agreement was receiving more than the rate of wages as set out in the Schedule(s) attached hereto or working less hours than stipulated in this Agreement, shall suffer a reduction of wages or increase in hours worked per week because of the adoption of this Agreement.

20.02 If any Article or Section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section 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 affected thereby.

20.03 In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the Grievance Procedure.

ARTICLE 21 - DURATION

21.01 This Agreement shall be in full force and effect from and including May 1st, **2002**, to and including April 30th, **2005**, and shall continue in full force and effect from year to year thereafter subject to the right of either Party to this Agreement within four (4) months immediately preceding the date April 30th, **2005**, or immediately preceding the anniversary date in any year thereafter, by written notice to the other Party, require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.

21.02 Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union goes on strike, or the Company locks out, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

21.03 By agreement of the Parties hereto, the provisions of Section 50 (2) and (3) of the Labour Relations Code of B.C. are specifically excluded.

Signed this _____ day of _____, **2002**.

ATLAS COPCO CANADA INC.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

APPENDIX "A" - WAGE SCHEDULE

	<u>May 1, 2002</u>	<u>May 1, 2003</u>	<u>May 1, 2004</u>
<u>SHOP</u>			
MECHANIC	\$27.51	\$28.06	CPI + 0.5%
WELDER	"	"	"
PAINTER	"	"	"
MACHINIST	"	"	"
 MECHANIC'S HELPER	 21.21	 21.63	 CPI + 0.5%
YARD/SHOP HELPER	18.28	18.65	CPI + 0.5%
SERVICE PLANNER	26.98	27.52	CPI + 0.5%
SENIOR SECRETARY	21.20	21.62	CPI + 0.5%

PREMIUMS

LEAD HAND	\$1.00	
CHARGEHAND	10%	over and above the Journeyman rate.
FIRST AID ATTENDANT	.60	
NORTHERN ALLOWANCE	.17	Employees employed in branch offices in Prince George, or in branches north of the latitude passing through Prince George, will receive the above premium.
FIELD RATE	.90	Field rate forms part of and is included with the wage rates set out above.

A.01 Student Rate - ten dollars (\$10.00)

APPENDIX "B"

B.01 - APPRENTICES

- (a) All Apprentices employed by the Company shall be indentured to the Operating Engineers' Joint Apprenticeship Board within sixty (60) days of his apprenticeship in accordance with the provisions of the Operating Engineers' Apprenticeship Plan.
- (b) The length of an Apprenticeship contract for a given trade shall be in accordance with the rules and regulation of the Provincial Apprenticeship Branch unless specified otherwise in the Operating Engineers' Apprenticeship Plan or in this Appendix.
- (c) Any registered Apprentice, who, as a requirement of his Apprenticeship attends school, shall be paid his regular wages by the Company, based on a forty (40) hour week, while attending school. This pay shall only apply for up to a maximum of eight (8) weeks in each calendar year and the amount of any Government grant received by such Apprentice shall be deducted therefrom.

Any further change as directed by the authorities having jurisdiction shall be adhered to.

- (d) An Apprentice, having served his required time and having passed any necessary examinations presented by the Apprenticeship and Industrial Training Branch of the Department of Labour, will automatically be classified as a Journeyman.
- (e) The number of Apprentices employed shall not exceed the ratio of one (1) Apprentice to each four (4) Journeymen.
- (f) A Welding Apprenticeship Contract shall be for a term of two (2) years provided the prospective Apprentice has a minimum of six (6) months' Technical Welding Training in a Provincial Vocational School.
- (g) The wage rate for an Apprentice shall be based on a percentage of the Journeyman's wage rate and where applicable the following scales shall apply:

- 1st 6 months - 50% of Journeyman rate
- 2nd 6 months - 55% of Journeyman rate
- 3rd 6 months - 60% of Journeyman rate
- 4th 6 months - 65% of Journeyman rate
- 5th 6 months - 70% of Journeyman rate
- 6th 6 months - 75% of Journeyman rate
- 7th 6 months - 80% of Journeyman rate
- 8th 6 months - 90% of Journeyman rate

- (h) The Company shall make contributions at the rate of ten cents (\$.10) per hour for which wages are payable hereunder, to each employee within the scope of this Agreement, to the Operating Engineers' Apprenticeship Board, 4333 Ledger Avenue, Burnaby, B.C., V5G 3T3.

- (i) An Apprentice shall not receive further percentage increments without having passed the required training modules and having served his required time on the job.
- (j) The Parties hereby agree that apprentices indentured to the said Apprenticeship program are required to pass all prescribed courses in order to be paid as per Appendix "B" of the Master Agreement.
- (k) *The Company shall be responsible for the preauthorization/registration of benefits payable through the Human Resource Department Commission.***

B.02 REST PERIODS An employee shall be granted two (2) fifteen (15) minute breaks during the course of each shift - one (1) in each half of the shift.

B.03 HEALTH AND WELFARE The Company will provide and maintain the following coverage for its employees at no cost to such employees:

MEDICAL - Medical Services Plan of British Columbia with Extended Health Benefits.

INSURANCE - Sickness and accident insurance with four hundred and twenty-six dollars (\$426.00) per week payable on the thirty-first (31st) day of disability due to sickness or accident for a maximum period of twenty-six (26) weeks.

All absence due to illness of a duration of more than three (3) consecutive scheduled work days shall require a doctor's certificate to an employee's department manager. Where a doctor's certificate is required by the Company, the cost of such certificate shall be borne by the Company.

B.04 PAY DURING SICKNESS AND ACCIDENT Where an employee is absent from work through sickness or accident he shall receive benefits under the following formula:

- (a) Where sickness or accident is covered under Workers' Compensation, none of the following benefits will apply:
- (b) Employees absent through sickness or accident will be paid by the Company according to the following scale which takes into account the fact that the Group Medical Plan pays disability benefits after thirty (30) days of absence. However, in no case will such pay be paid after an absence of more than five (5) working days unless a doctor's certificate outlines the general nature of the illness or accident and possible date of return is sent to the Personnel Services Department.

Less than 4 months' service: 1 week's full pay and balance of one month at half pay

4 months, but less than 8 months: 2 week's full pay and balance of one month at half pay

8 months, but less than 12 months: 3 week's full pay and balance of one month at half pay

12 months, but less than 5 years:	1 month at full pay
5 years, but less than 10 years:	1 month at full pay and 1 month at full pay less disability benefit
10 years and over:	1 month at full pay and 2 months at full pay less disability benefit

- B.05 HOURS OF WORK Hours of work in the Parts Department may be changed by mutual agreement by the Company and the Union.
- B.06 LEAD HAND A Lead Hand is an employee who is able and willing to instruct others in the performance of their work, or who, because of exceptional skill and ability or the nature of his work, is so recognized by the Company.
- B.07 CHARGEHAND A Chargehand is an employee assigned to instruct others in the performance of their work and is held responsible for the quality and quantity of the work.

APPENDIX "C"

CLASSIFICATION E - UNION EMPLOYEES

Waiting Period	None - coverage from first day of employment.
Dependent Child	Up to age 21; or age 25 if a fulltime student at college or university.
Minimum # Hours	To be eligible for benefits employee must work at least 20.0 hours/week.

HEALTH BENEFITS

Your provincial health plan covers most basic hospital and medical costs. Your supplementary health benefit covers additional expenses once your provincial coverage is exhausted, or expenses that are not covered under the provincial plan.

Hospital	100% coverage for semi-private accommodation.
Drug	100% coverage for drugs which legally require a written prescription.
Out of Province	100% coverage for emergency treatment.
Major Medical	100% coverage includes supplies and appliances.
Hearing aids limited to	\$500/5 years/child.
Private Nursing	100% coverage for private duty nursing (when required by doctor).
Paramedical	100% coverage for physiotherapists and other practitioners as listed.

Note: Co-insurance is 80% for the first \$1,250 (not including deductible) of eligible health expenses per person, 100% co-insurance thereafter within a calendar year.

Annual Deductible	\$25.00 - individual; \$25.00 - family per calendar year.
Overall Maximum	\$1,000,000/lifetime
Termination Age	Retirement

VISION CARE

Eye exam once per calendar year. Purchase of prescription glasses or elective contact lenses to a maximum of \$200.00 per calendar year for persons under age 18 and \$200.00 every two calendar years for persons 18 and over.

DENTAL BENEFITS

Basic Services	100% coverage for maintenance checkups, fillings, minor surgery, endodontics, periodontics, denture repairs and complex surgery
Major Restorative	80% coverage for dentures, bridgework, restorations - maximum \$1,500.00.
Annual Deductible	Nil
Overall Maximum	Basic Services - unlimited. Dentures & major restorative combined - \$1,500/year per calendar year combined.

Dental Fee Guide	Payment based on the Current Fee Guide for your Province or Residence.
Termination Age	Retirement
Orthodontia	50% coverage - maximum \$1,500.00 per lifetime.

DISABILITY BENEFITS

Short Term Disability	100% coverage for 15 weeks at present salary. Termination age: Earlier of retirement or age 65
Long Term Disability	Pays 60% of monthly earnings to a maximum of \$4,000/month (Note: employee paid at \$36.00 per month.) Payments are offset by Workers' Compensation and CPP/QPP Primary benefits Benefits start after 182 days of total disability and continue to age 65. Coverage applies to any medical cause of disability, including pre-existing conditions.
Definition of Disability	Based on duties of your "own occupation" for the first 2 years of benefit.

SURVIVOR BENEFITS

Basic Life Insurance	Two times your annual earnings to a maximum of \$200,000.00 Age reduction: Reduce to \$5,000 @ age 65. Termination Age: none - termination upon your retirement.
Basic AD & D Insurance	Flat benefit of two times your annual salary.
Optional Dependent Life Insurance	Flat benefit of \$5,000/spouse and \$2,000/each dependent child
Travel Accident	Provides an additional benefit in the event of death while travelling on Business.

NOTES

Paramedical Practitioner Limits

Chiropractor - \$500/year	Speech Therapy - Unlimited
Podiatrist - \$500/year	Naturopath - \$500/year
Physiotherapy - Unlimited	Psychologist - Unlimited
Massage Therapy - \$500/year	Acupuncture - \$500/year

Orthopaedic Shoes - one pair per calendar year.

Hearing Aids are limited to \$500/5 years for dependent children only.

Prescription Drugs:

- written prescription of a physician or dentist.
- oral contraceptives.
- injectable medication.
- life sustaining drugs.

LETTER OF UNDERSTANDING #1

BY AND BETWEEN:

AND: ATLAS COPCO CANADA INC.

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 115

The undersigned parties agree to the following with respect to Article 10.01:

10.01 All employees with seniority dates prior to December 31, 1979 shall be grandfathered and remain on the Vacation Schedule outlined herein: R. Harman, T.Harman..

<u>YEARS OF CONTINUOUS SERVICE</u>	<u>VACATION PERIOD</u>	<u>VACATION PAY</u>
Less than one year	1 day for each major fraction of month worked (max. 10 working days)	4 1/2%
1 year but less than 2 years	2 weeks	4 1/2% or 80 hours*
2 years but less than 7 years	3 weeks	6 1/2% or 120 hours*
7 years but less than 15 years	4 weeks	8 1/2% or 160 hours*
15 years but less than 20 years	5 weeks	10 1/2% or 200 hours*
20 years but less than 25 years	6 weeks	12 1/2% or 240 hours*
25 years but less than 30 years	7 weeks	14 1/2% or 280 hours*

* pay at employee's current classified rate, whichever is greater at the time the vacation is taken.

Where an employee agrees, the Company may buy back one (1) week of vacation per year at the rates applicable for that year.

Signed this _____ day of _____, **2002**.

ATLAS COPCO CANADA INC.

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

LETTER OF UNDERSTANDING #2

BY AND BETWEEN:

AND: ATLAS COPCO CANADA INC.

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 115

RE: SUBSISTENCE

The subsistence rate for out of town travel will increase from the existing \$45.00 to \$55.00, when staying overnight, complete with proper hotel receipts. The travel day without hotel receipts will increase to \$27.50.

Signed this _____ day of _____, **2002**.

ATLAS COPCO CANADA INC.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115
