

COLLECTIVE AGREEMENT

BETWEEN

MATTHEWS EQUIPMENT LIMITED

operating as

HERTZ EQUIPMENT RENTAL

AND

**INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL UNION # 115**

**TEAMSTERS
LOCAL UNION # 213**

Vancouver, Canada

November 26, 2002 to November 25, 2005

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COLLECTIVE AGREEMENT

BY AND BETWEEN:

MATTHEWS EQUIPMENT LIMITED
operating as
HERTZ EQUIPMENT RENTAL

(hereinafter referred to as the "Company")

AND:

**INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL # 115**

TEAMSTERS LOCAL UNION #213
(hereinafter referred to as the "Union")

ARTICLE 1: OBJECTS

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.

For the purpose of this Agreement, the masculine shall be considered to include the feminine and the singular to include the plural.

ARTICLE 2: BARGAINING AGENCY

23.3 The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of Matthews Equipment Limited operating as Hertz Equipment Rental working at 12135 86th Avenue, Surrey, B.C.

23.4 This Agreement shall be binding on Hertz Equipment Rental 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.

The above is not intended to obstruct the Company from properly servicing its customers. The Union agrees that in emergency situations or when a bargaining unit employee is not

available to perform the work in question, it may be necessary for a non-bargaining unit person to perform the work.

ARTICLE 3: UNION SECURITY

- 23 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.
- 23.3 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. The Company shall continue to deduct such fees and dues as directed by the Union. The employer shall record on each employee's T4 slip the total union dues deducted and submitted on behalf of that employee.
- 23.4 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.
- 23.5** Notwithstanding any provisions contained in this Article, there shall be no financial responsibility on the part of the Employer for dues of an employee unless there are sufficient unpaid wages of that employee in the Employer's hands. The Union agrees to indemnify and save the Employer harmless from any claims which may arise in complying with the provisions of this Article.

ARTICLE 4: MANAGEMENT RIGHTS

The Union recognizes and agrees that:

- 23.3** The management and operation of and the direction of its working forces are the exclusive responsibility of the Company; provided however, that nothing in any of the provisions of this clause shall in any way limit, void or affect the other provisions of this Agreement.

- 23.4** These responsibilities include, but are not limited to hiring, promoting, demoting, suspending, discharging, laying off, planning the work and establishing working rules and regulations as required, 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.
- 23.5** 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 may 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 as defined in Article 2.01.

ARTICLE 6: HOURS OF WORK AND OVERTIME

- 23.3 DAY SHIFT:** The standard work day shall consist of eight (8) hours, between the hours of 6:30 a.m. and 5:00 p.m. The standard work week shall consist of forty (40) hours, Monday to Friday or Tuesday to Saturday. Should the Company decide to implement a Tuesday to Saturday shift, only employees hired after May 30, 1997 will be required to work on such a shift. Hours of work in the Shop may be changed by mutual agreement between the Company and the Union.
- 23.4 AFTERNOON SHIFT:** If a second or third shift is required, the hours of work and assigned shift premiums shall be determined by mutual agreement between the Company and the Union prior to the commencement of the said shift.
- 23.5 LUNCH PERIOD:** Lunch period shall be one-half (1/2) hour without pay and be taken at mid-shift.
- 23.6 SHIFT CHANGE:** The Company shall give the employee seven (7) days notice prior to changing of shifts and/or shift start times. The notice period shall not apply to temporary changes necessitated by operational requirements, where such change does not exceed five (5) working days.
- 23.7 SHIFT-TRANSFER OF EMPLOYEE:** When it is necessary for an employee to be transferred from one shift to another shift from one start time to another start time, the said shift or start time will continue for a minimum of five (5) consecutive normal working days, or the overtime rates as provided for in this Agreement will apply for the time worked at the new shift or start time that was less than the five (5) day period. This provision shall not

apply to temporary changes necessitated by operational requirements, where it is known in advance that the change will not exceed five (5) working days.

23.8 SHIFT ROTATION: When employees in the same classification are being worked on two (2) or more shifts or start times and where a majority of such employees request it, they shall rotate shifts every two (2) weeks.

23.9 OVERTIME:

23 Overtime rates will only be paid in those cases where an employee is required by the Company to work in excess of eight (8) hours in a workday or forty (40) hours in a work week. Overtime hours worked in a work day shall not be counted in determining weekly overtime. Where an employee is eligible for overtime payment for working in excess of eight (8) hours in a work day, *that employee shall be paid at one and one-half (1 ½ x) times his basic straight time hourly rate for all hours over eight (8) hours and less than eleven (11) hours. All hours worked in excess of eleven (11) hours in a day shall be paid at the double time (2x) rate.* An employee who is eligible for overtime payment for working in excess of forty (40) hours in a work week shall be paid two (2) times his basic straight time hourly rate for any hours of eligible weekly overtime worked in a work week.

24 The Company will permit the banking of overtime. The hours banked shall be taken as time off and such time off shall be by mutual agreement between the employee and the Company. All banked overtime must be taken during the calendar year in which it is earned. The employee shall not bank more than eighty (80) straight time hours in the calendar year and not exceed forty (40) straight time hours in his bank at any given time.

25 In the event not all hours banked are taken, the employee shall be paid out at the end of the calendar year.

23 OVERTIME DISTRIBUTION: Except as provided below, all overtime shall be on a voluntary basis, however, it is agreed that overtime may be necessary in order to respond to the efficient operation and service requirements of the business. The Union agrees that when overtime is necessary, and no qualified volunteers are available to perform the overtime work, the least senior qualified employee in the classification shall be required to work. If that employee has a reasonable excuse for being unavailable, the next senior qualified employee shall be required to work.

24 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.

23 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 the basis of the calibration of the time clock.

24 OVERTIME MEAL:

(a) 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 will give the employee(s) a twelve dollar (\$12.00) allowance in lieu of providing the hot meal.

23.3 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.

23.4 WORK AFTER REGULAR SHIFT: Employees called back to work after their regular shift shall receive a minimum of three (3) hours pay at the prevailing overtime rate.

23.5 WORK ON SATURDAY, SUNDAY, GENERAL HOLIDAYS: Double time for all hours worked on a Saturday (except when an employee hired after the date of the signing of this Collective Agreement is working a Tuesday to Saturday shift), 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.

23.6 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 layoff 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.

23.3 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, a Sunday or on a General Holiday, (or days observed as General Holidays) shall receive a minimum of three (3) 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.

23.4 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.

ARTICLE 7: GRIEVANCE PROCEDURE

23.3 There shall be an earnest effort on the part of both parties to this agreement, to settle promptly through the procedure set out herein any complaints, grievances, or disputes arising from the interpretation, application or administration of this agreement.

23.4 All grievances to be dealt with under Step 2 below shall be in writing and signed by the employee having such grievance.

23.5 Written grievances, to be valid, shall set out the nature of the grievance, the article or articles of the agreement alleged to have been violated and the nature of the remedy sought, and shall not be subject to change at later steps except by mutual agreement in writing with the company, or in case of remedy, by arbitration.

23.6 In determining the time which is allowed in the various steps, Saturdays, Sunday and statutory holidays, shall be excluded and any times limits may be extended by mutual agreement in writing.

23.7 If advantage of the provisions of Article 7 and 8 hereof is not taken within the same limits specified therein or as extended in writing as set out above, the grievance shall be deemed to have been abandoned and may not be re-opened.

23.8 It is understood and agreed that an employee does not have a grievance until he has discussed the matter with the manager or other supervisory personnel acting in this capacity and given him an opportunity of dealing with the complaint. His decision shall be made

known to said employee within 48 hours, exclusive of Saturday, Sunday, and statutory holidays.

Grievances promptly arising under such agreement shall be adjusted and settled as follows:

- (a.) Termination or layoff, grievance to be presented within five (5) working days;
- (b.) All others, grievance to be presented within ten (10) working days.

Step 1 The aggrieved employee with or without the steward, shall present his grievance orally or in writing to the supervisor. If a settlement satisfactory to the union and the employee concerned is not reached a grievance may be presented as indicated in Step 2 within the timeframe outline in (a) or (b), whichever is applicable.

Step 2 The aggrieved employee may, with his steward or union representative, present his grievance which shall be reduced to writing, to the Branch Manager. Should no settlement satisfactory to the employee and union be reached the next step in the grievance procedure may be taken within the timeframe outlined in (a) or (b), whichever is applicable.

Step 3 The Union, if it considers it a valid grievance, may submit the grievance to the Company and the respective designated officials of both parties shall meet promptly as thereafter, in an endeavor to settle the grievance. If a satisfactory settlement is not reached within the timeframe outlined in (a) or (b), whichever is applicable, from this meeting, and if the grievance is one which concerns the interpretation or alleged violation of the agreement, the grievance may be submitted to arbitration provided in article 8.

23.3 A grievance concerning Welfare or Pension contributions may be presented within 30 days after the particulars of such grievance should have reasonably become first known to a union representative.

23.4 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 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 reasons so set forth in writing, shall constitute cause.

ARTICLE 8: ARBITRATION

23.3 Within five (5) days of referral, the parties shall agree on an arbitrator. If after ten (10) days an arbitrator has not been selected, then Section 86 (1) of the Labour Relations Code shall apply.

23.4 The Arbitrator 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 hearing, provided the time may be extended by agreement of the Parties.

23.5 All costs of the Arbitrator will be shared equally between the Company and the Union.

ARTICLE 9: SENIORITY

23.3 SENIORITY LIST: The Company shall at least once every six (6) months, post in a conspicuous place on its premises of each branch an up-to-date list of all employees covered by this Agreement showing the date when each commenced his employment with the Company, classification and branch location. The Company shall forward to the Union a copy of each list on the date of its posting.

23.4 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.

23.5 LAY-OFFS: In the event of layoffs, seniority shall be recognized. The principle of last man on, first man off, shall prevail, subject to job classification and branch location. The Company shall give at least forty-eight (48) hours notice on layoffs, exclusive of Saturdays, Sundays and General Holidays.

23.6 RECALL: 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 job classification and branch location.

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.

9.05 SENIORITY RETENTION:

(a) A laid-off employee shall retain his seniority and recall rights with the Company for twelve (12) months after the date of layoff.

(b) If a laid-off employee is called back to work with the Company within his right to recall period, there shall be deemed to have been no break in such an employee's continuous service with the Company by reason of such layoff.

ARTICLE 10: VACATIONS

10.01 Employees completing one (1) year of service but less than (3) years of service shall receive two (2) weeks vacation with pay.

Payment for vacation will be equal to four percent (4%) of gross wages of the employee during the year in which he qualifies for such vacation.

Employees completing three (3) years of service but less than eight (8) years of service shall receive three (3) weeks of vacation with pay. Payment for vacation will be equal to six percent (6%) of gross wages of the employee during the year in which he qualifies for such vacation.

Employees completing eight (8) years of service shall be granted four (4) weeks of vacation with pay. Payments for vacation will be equal to eight percent (8%) of gross wages of the employee during the year, which he qualifies for such vacation.

Payment will be at employees current classified rate or the appropriate percentage, whichever is greater at the time of vacation.

Those employees who at the date of ratification of this agreement are receiving vacation entitlements that are higher than those set out above, will continue to receive the higher entitlement during the term of this collective agreement.

23.3 The calendar year will govern attainment and entitlement of vacation. The company may establish a vacation cut-off date.

23.4 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 percent (4%), six percent (6%), or eight percent (8%) as the case may be of his gross earnings he earned in year in which he ends his employment for which no vacation has been paid.

23.5 VACATION PAY: An employee shall receive the accumulated vacation pay on a separate pay cheque upon request, prior to vacation.

23.6 VACATION PERIOD: The time of vacation shall be fixed by the company consistent with the efficient operation of the business. Preference of vacation time requests shall be based on seniority date.

23.7 VACATION SCHEDULE CHANGE: An employee's scheduled vacation period shall not be changed by the company within the two (2) month period immediately proceeding the start of the vacation period without the consent of the employee concerned.

23.8 VACATION - REQUIREMENT TO TAKE: Each employee shall be required to take the full annual vacation within 12 month period following the date of entitlement.

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:

- | | |
|----------------|------------------|
| New Year's Day | B.C. Day |
| Heritage Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Remembrance Day |
| Canada Day | Christmas Day |
| Boxing Day | |

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

23.3 GENERAL HOLIDAY - SATURDAY AND 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.

23.4 GENERAL HOLIDAY PAY WILL BE PAID: An employee who qualifies for general holiday pay in accordance with Clause 11.01 above will receive such general holiday pay in an amount equal to his regularly scheduled daily straight-time wages provided the employee has worked on fifteen (15) of the thirty (30) days immediately preceding the holiday. Regular employees who have not worked on fifteen (15) of the thirty (30) days immediately preceding the holiday, will have holiday pay determined by dividing such employees straight time wages over the thirty (30) day period by the number of days worked, to a minimum of fifteen (15).

23.5 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.

23.6 The Company shall have the option of providing an alternate day(s) for those employees required to work Heritage Day 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

- 23.3** 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 Article 20.
- 23.4 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.
- 23.5 TIME SLIPS:** An employee shall be required, on Company time, to fill out time cards, service reports and job or work reports daily if the Company so requests.
- 23.6 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.
- 23.7 WAGE RATE-HIGHEST DAILY RATE:** If an employee works at a classification of a higher rate, he shall be paid the higher rate for the actual time worked.

ARTICLE 13: TRAVEL TIME -TRANSPORTATION - EXPENSES

- 23** (i) Travel time during the employee's regular shift hours, Monday to Friday inclusive, will be paid for at straight time. For the purpose of this Article, travel time is defined as time spent traveling between a branch location to a job that is not located at a branch location, and must be pre-authorized by the Company.
- (ii) Travel time authorized by the company, 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 traveling in Company or rented trucks or cars. This provision shall not apply when an employee is traveling 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).
- (c) 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.
- (d) 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).
- (e) The exception to this provision would be where first class sleeping accommodation is provided while traveling 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.
- (f) Travel time will not attract premiums.

23 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 traveling as provided under this Agreement.
- (c) This will not preclude long term out-of-town assignments which will be arranged in advance.
- (d) Employee's working out on a job shall be paid all their transportation, accommodation, meal expenses and other reasonable, miscellaneous, listed, non-receipted items.

- 23 **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) hours.
- 24 **LAYOVER 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.
- 25 **EMPLOYEE VEHICLES:** Employee vehicles shall not be used on Company business.

ARTICLE 14: LEAVE OF ABSENCE

23 **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.

24 **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.

- 23 **LEAVE OF ABSENCE - APPLICATION FOR:** The Company may authorize leave of absence without pay for up to a maximum of thirty (30) days for any other reason than ill health. Authorization for such leave shall be in writing. Any extension of leave of absence over thirty (30) days shall be in writing and agreed upon by the Company and the employee concerned.

24 LEAVE OF ABSENCE - OTHER EMPLOYMENT DISALLOWED: In any instance 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

23.3 INJURY REPORT: An employee suffering injury while at work must report to the Company immediately, or as soon thereafter as possible, and also report to the Company on returning to work.

23.4 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.

23.5 SAFETY CLOTHING: The Company will provide the following:

Good quality rain gear/rubber clothes) Where required for steam cleaning,
Rubber boots) pressure cleaning or field service.

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

Suitable gloves as job requires.

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

24 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.

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

26 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. An employee shall be granted a fifteen (15) minute break after each two (2) hours of overtime he works in any day. If an

employee is working off the Company's premises, these periods shall also be fifteen (15) minutes.

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

23.4 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 lay off or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.

(c) Upon receiving permission from 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.

(a) Any employee being reprimanded by the Company shall have the right to request that the Shop Steward be in attendance.

23 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.

24 TOOL INSURANCE: The Company shall provide, at its expense, tool insurance coverage to each eligible Mechanic. 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 a form supplied by the Company to be eligible for tool insurance. The loss of tools is as a result of fire, proven theft, etc. of the tools on the Company premises.

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

23 TOOL REPLACEMENT ALLOWANCE: All mechanics with twelve (12) months service shall receive two hundred and fifty dollars (\$250.00) as a tool replacement allowance upon provision of receipts.

Company to supply:

- 3/4 drive air impact wrench
- 3/4 drive H.D. socket set

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

Mechanics with less than twelve (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.

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

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

25 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.

- 26 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. It is understood a day is eight (8) hours. Immediate family means: spouse, mother, father, brother, sister, children, mother-in-law, father-in-law, grandparents and grandchildren.

27 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 test 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 sub-section. 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.

23 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 attendance 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 himself, he shall consult the General Manager of the Company to determine which legal firm should be used.

24 INTERPRETATION: 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. In the event that any word, phrase, sentence, Section or Article of this Agreement is declared invalid by any Court of competent jurisdiction, only such word, phrase, sentence, Section or Article shall be affected and this Agreement shall be otherwise unaffected and shall continue in full force and effect.

25 EDUCATION FOR UPGRADING: Providing the employee successfully completes the course, 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.

23 SAFETY BOOT ALLOWANCE: All bargaining unit employees will receive one hundred and twenty-five dollars (\$125.00) annually as a Safety Boot Allowance. Boot allowances to be paid only on production of receipts and must be CSA approved.

Employees with less than twelve (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.

23 SEVERANCE PAY

In the event of a permanent layoff, each laid off employee has the right to notice or an indemnity for notice or a combination of the two, equivalent to the following formula:

23.3 After three (3) consecutive months of employment, the employer becomes liable to pay an employee an amount equal to one week's wages as compensation for length of service.

23.4 The employer's liability for compensation for length of service increases as follows:

23.4.1 After twelve (12) consecutive months of employment, to an amount equal to two (2) weeks' wages.

23.4.2 After three (3) consecutive years of employment, to an amount equal to three (3) weeks' wages plus one additional week's wages for each additional year of employment, to a maximum of ten (10) weeks' wages.

23.5 The liability is deemed to be discharged if the employee:

23.5.1.1 Is given written notice of termination as follows:

23.5.1.1.1 One (1) week's notice after three (3) consecutive months of employment;

23.5.1.1.2 Two (2) weeks' notice after twelve (12) consecutive months of employment;

23.5.1.1.3 Three (3) weeks' notice after three (3) consecutive years of employment, plus an additional week for each additional year of employment, to a maximum of ten (10) weeks' notice:

23 Is given a combination of notice and money equivalent to the amount the employer is liable to pay, or

24 Terminates the employment, retires from employment, or is dismissed for just cause.

ARTICLE 16: TECHNOLOGICAL OR PROCEDURE CHANGES

23 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

23.3 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.

23.4JOB 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.

23 NEW JOB CLASSIFICATION:

- (a) When a new job classification is introduced which is not included in the list of classifications in Article 20, 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 pursuant to Article 8 of this Collective Agreement.

ARTICLE 18: TRUCK MAINTENANCE AND SAFETY

23 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) 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
- (c) Drivers must report in writing any vehicle defects to the Company.
- (d) 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 vehicle. 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.
- (e) 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.
- (f) The Company shall supply a fire extinguisher and an adequate first aid kit for each service vehicle as required by law.
- (g) Bulkheads will be installed on trucks as required by law.

ARTICLE 19: MEDICAL - INSURANCE - DENTAL - PENSION

23 PENSION: Those employees who, as of 04/19/97, were members of the Teamsters Pension Plan shall continue to be covered by this plan for the duration of this collective agreement. The employer contribution shall be \$ 1.40 per hour.

23.3 All other employees shall be eligible to participate in the Hertz Canada Limited Pension Plan as outlined in the plan booklet. Any employee hired before 04/24/00 who participates in the Hertz Canada Limited Pension Plan who leaves the company before vesting will receive a matching contribution from the company.

23.3.1 MEDICAL - INSURANCE - DENTAL: All employees will be covered by the Hertz Canada Limited Group Benefit Program as outlined in the plan booklet. Coverage will be effective immediately upon discontinuance of the prior plan so that there will be no break in coverage between plans. The benefit premiums to be 100% company paid.

ARTICLE 20 - WAGE RATES

<u>Classification</u>	11-26-02	11-26-03	11-26-04
<i>Journeyman Mechanic</i>			
<i>Level 1, Ticketed</i>	\$25.08	\$25.58	\$26.35
<i>Mechanic Level 2, No Ticket</i>	23.63	24.11	24.83
<i>Small Tool Mechanic</i>	19.52	19.91	20.51
<i>Apprentice Mechanic</i>			
<i>4th year</i>	23.21	23.67	24.38
<i>3rd year</i>	20.63	21.05	21.68
<i>2nd year</i>	18.06	18.43	18.98
<i>1 st year</i>	12.93	13.19	13.59
<i>Driver (5 ton and over)</i>			
<i>Level 1</i>	23.87	24.35	25.08
<i>Level 2</i>	22.03	22.47	23.15
<i>Driver (under 5 ton)</i>			
<i>Yard/Warehouse</i>			
<i>Hire</i>	12.15	12.39	12.76
<i>12 months</i>	13.38	13.65	14.06
<i>24 months</i>	15.06	15.36	15.82
<i>36 months</i>	16.73	17.06	17.57

23 Employees earning a wage higher than their classification will only receive the classification increments.

ARTICLE 20.02 - SALARY AND COMMISSION RATES FOR INSIDE SALES

Effective November 26 2002, those employees classified as Inside Sales shall be paid on the following basis:

<u>Basic Monthly Salary</u>	<u>Nov. 26 2002</u>	<u>Nov. 26 2003</u>	<u>Nov. 26 2004</u>
Hiring	\$2,508.70	\$2,558.87	\$2,635.64
After 12 months	\$2,616.94	\$2,669.28	\$2,749.36
After 24 months	\$2,781.43	\$2,837.06	\$2,922.17
After 36 months	\$2,945.91	\$3,004.83	\$3,094.98

In addition to the monthly salary, such employees shall receive a monthly commission equal to 0.28% of productive revenue.

For the purpose of calculating overtime, the hourly rate shall be defined as an employee's basic monthly salary / 114. For example, the hourly rate for a Monthly Salary of \$ 2,621.00 shall be calculated as: \$ 2,621.00 / 114 = \$22.99.

- 23 **LEADHAND:** Where the Company deems it necessary to do so, it may appoint an employee to act as a lead hand. Such appointments shall be made at the discretion of the Company and shall not be subject to the procedure set out elsewhere of this Agreement for the filling of vacancies. An employee acting in the capacity of lead hand shall receive a premium of one dollar (\$1.00) per hour for all time actually spent acting in that capacity.
- 24 **FIRST AID ATTENDANTS:** Where the Company deems it necessary to do so, it may designate a qualified employee to act as a first aid attendant. A qualified employee acting in the capacity of first aid attendant shall receive a premium of fifty cents (50 cents) per hour.
- 25 **ON CALL:** An employee shall be paid one (1) hour's pay at the employees classified hourly rate for each day that he takes home the pager. (The straight time hourly pay shall not form part of the call out guarantee as contained elsewhere in this Collective Agreement.)
- 26 **STUDENTS:** Students employed between the dates of May 1st and August 31st of each year or at any other time with the mutual agreement of the Company and the Union, shall be paid ten dollars (\$ 10.00) per hour and will accumulate no seniority. They shall also be exempt for coverage under the Medical - Insurance - Dental - Pension provisions of this Agreement.
- 27 **PAYMENT OF WAGES:** The regular pay day shall be once each week, on Friday, by quitting time. The Company may withhold no more than five (5) days pay to enable them to prepare the payroll. All cheques will be negotiable at par.

ARTICLE 21: SICK LEAVE

- 23** The company shall grant sick leave days to each employee. These days will be granted on the following basis:

After the completion of one (1) service year with the Company, an employee will receive credit for three (3) days sick leave per calendar year.

- 24** Any unused sick days in any calendar year, the employee shall be paid the equivalent of the wages he would have earned at his classified rate of pay for his normal hours of work.

ARTICLE 22: SAVINGS CLAUSE

- 23** Nothing herein contained shall preclude higher wages being paid to employees of special ability.

- 24** 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 23: DURATION

- 23** This Agreement shall be in full force and effect from and including November 26, 2002 to and including November 25, 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 November 25, 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.

24 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 shall strike, or the Company shall lockout, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

23.3 By agreement of the Parties hereto, the provisions of Section 50 (2) and (3) of the Labour Relations Code of British Columbia are specifically excluded.

Signed this _____ day of _____ 2002.

**Matthews Equipment Rental
operating as
Hertz Equipment Rental**

**International Union of Operating Engineers,
Local Union # 115**

Teamsters Local Union #213