

**COLLECTIVE AGREEMENT**

**between**

**CANTEX MINING SERVICES LTD.**

**and**

**CONSTRUCTION & ALLIED WORKERS' UNION,  
LOCAL 68, ASSOCIATED WITH THE  
CHRISTIAN LABOUR ASSOCIATION OF CANADA**

June 1, 2002 to December 31, 2009

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## **COLLECTIVE AGREEMENT**

**BETWEEN:**    **CANTEX MINING SERVICES LTD.,**  
of Penticton, British Columbia  
(hereinafter referred to as "the Employer")

**AND:**           **CONSTRUCTION & ALLIED WORKERS'**  
**UNION, LOCAL 68**  
affiliated with the Christian Labour Association  
of Canada  
(hereinafter referred to as "the Union")

### **ARTICLE 1 - PURPOSE**

- 1.01    It is the intent and purpose of the parties to this Agreement, which has been negotiated and entered into in good faith to:
- a)    recognize mutually the respective rights, responsibilities, and functions of the parties hereto;
  - b)    provide and maintain working conditions, hours of work, wage rates and benefits set forth herein;
  - c)    establish an orderly system for the promotion, demotion, layoff, and recall of employees;
  - d)    provide formal channels for the discussion and adjustment of matters relating to grievances, employment, production, and all other matters affecting the welfare of both the Employer and its employees where such matters are inter-related. The Employer and the Union shall co-operate fully for this purpose.

- e) and generally, through the full and fair administration of all terms and provisions contained herein, to promote good will and co-operation between the parties in the interests of safe working conditions, efficiency of operation, and protection of property. This can best be achieved by development of a relationship between the Union and the Employer which will be conducive to their mutual well-being.

## **ARTICLE 2 – RECOGNITION**

- 2.01 The Employer recognizes the Union as the sole bargaining agent of all employees in the bargaining unit as defined in Article 2.02.
- 2.02 This Agreement covers employees of the Employer in the bargaining unit as established in the certificate issued by the B.C. Labour Relations Board dated September 27, 1999.
- 2.03 The Employer recognizes the duly appointed Representatives of the Christian Labour Association of Canada as the certified representatives of employees for the purpose of conducting collective negotiations regarding rates of pay, hours of work, and other conditions of employment, in conformity with Acts of British Columbia respecting labour relations.
- 2.04 The Union acknowledges that it is the function of the Employer:
  - a) to manage the enterprise, including the scheduling of work and the control of materials;
  - b) to maintain order, discipline, and efficiency;
  - c) to hire, direct, transfer, promote, layoff, suspend, and discharge, provided that such actions are consistent with the purpose and terms of this Agreement

- 2.05 The Employer shall not cause or direct any lockout of employees during the life of this Agreement, and neither the Union, nor any representative of the Union, nor any employee shall in any way authorize, encourage, or participate in any strike, walk-out, suspension of work or slow-down, and any employee authorizing, encouraging, or participating in any such action shall, following investigation, be subject to discharge.

### **ARTICLE 3 - UNION REPRESENTATION**

- 3.01 For the purpose of representation with the Employer, the Union shall function and be recognized as follows:
- a) CLAC Representatives are representatives of the employees in all matters pertaining to this Agreement, particularly for the purpose of processing grievances and negotiating amendments or renewals of this Agreement.
  - b) The Union has the right to appoint Stewards. The Stewards are representatives of the employees in certain matters pertaining to this Agreement, including the processing of grievances.
  - c) The Union shall notify the Employer in writing as to the name of the Job Stewards and any change thereof. In order to qualify as Job Steward, an employee must have seniority as determined in Article 12.04 of this Agreement. Also, the Job Steward's name at each job site shall be posted, if convenient.
  - d) Job or Shop Stewards of the Union shall be recognized on all jobs and shall not be discriminated against.

- 3.02 It is the responsibility and duty of the Union to protect its members against unfair labour practices, and in particular to represent an employee or group of employees in the event of a grievance. It is understood that the Union is not to act as a policing agency to limit the productivity or activities of any of its members with regard to productivity, or to govern the relationship between employee and employer.
- 3.03 The Employer agrees to allow a representative of the Union, who is acceptable to both parties, to travel to the job site where necessary, to communicate with each of the employees with the intention of ensuring that an open line of communication is maintained at all times between the Union and its members. The time allocated will be during working hours and will be by mutual agreement of the Employer and the Union representative during this duty. Any areas of employee concern will then be brought forward at the next Union-Management meeting, which the representative shall attend.
- 3.04 In the interests of amicable relations between employee and Employer, and in the interest of productivity, there shall be no discussion of Union affairs among employees during working hours, unless agreed to by the Employer.
- 3.05 Voting rights on any matter are vested with seniority members only, with the exception that all non-seniority employees who are working are entitled to vote to accept or reject a proposed Collective Agreement.

## **ARTICLE 4 - UNION MEMBERSHIP AND EMPLOYMENT POLICY**

- 4.01 The Union agrees with the Employer that is important to maintain a desirable and competent labour force. The Employer will give consideration to Union members for employment, provided such applicants are, in the opinion of the Employer, qualified to meet the requirements of the job.
- 4.02 The Employer has the right to hire new employee(s) as needed, but agrees to respect the general principle that new employee(s) should be not hired while there are available seniority employees on layoff within the specific division qualified to do the work.
- 4.03 Neither the Employer nor the Union will compel employees to join the Union. The Employer will not discriminate against any employees because of Union membership or lack of it, and will inform all new employees of the contractual relationship between the Employer and the Union. The Employer will communicate the hiring of a new employee by memo, indicating name, address, starting date, classification, and wage rate.
- 4.04 New employees must complete a probationary period after which they shall attain regular employment status and placement on the seniority list which shall be determined by date of hire. The length of the probationary period, the achievement of seniority, and the appropriate date of hire shall be governed by Article 12.04.
- 4.05 Probationary employees are covered by this Agreement excepting those provisions which specifically exclude such employees.

- 4.06 Notwithstanding anything else in this agreement, it is mutually agreed and understood that new employees (non-seniority) hired by the Employer are on a probationary basis prior to achieving seniority. The Employer is not obligated to keep them employed beyond a day-to-day basis and may lay off or terminate their services for any reason during that period, without notice.

## **ARTICLE 5 – CHECK OFF**

- 5.01 The Employer agrees to check-off from each employee an amount equal to the Union dues, each pay period, and where applicable, an amount equal to Union dues arrears or Union initiation fees. The total amount checked off will be turned over to the Union Treasurer each month, by the 10th of the month following the check-off, together with an itemized list of the employees for whom the deductions are made and the amount checked off for each. The Union and the employee agree that the Employer shall be indemnified and saved harmless for all deductions and payments so made.
- 5.02 The Union will promptly notify the Employer, in writing over the signature of its designated officer, the amount of the deduction to be made by the Employer for regular Union dues, and the Employer shall have the right to continue to rely on such written notification until it receives other written notification from the Union.

## **ARTICLE 6 – UNION-MANAGEMENT COMMITTEE**

- 6.01 On the request of either party, at a mutually agreeable time, the parties shall meet at least once every two (2) months until the Agreement is terminated, for the purpose of discussing issues relating to the workplace that affect the parties or any employee bound by this Agreement, or matters pertaining to the welfare and community interest of either party.
- 6.02 An executive member attending the regular Union-Management meetings during working hours shall be entitled to his regular hourly rate of pay when such meetings are called by Employer Management. Generally, meetings will be held on a regular monthly basis, unless deferment of such meetings is mutually agreed upon.

## **ARTICLE 7 - GENERAL**

In general, the following matters shall be considered to be of mutual benefit to the parties to this Agreement:

- 7.01 The term "employees" shall include all hourly paid persons and foremen except those who are on the office staff, engineering staff, casual workers, owner/operators of leased trucks, or monthly salaried supervisory personnel who have the authority to hire or discharge.

“Casual workers” are defined as those people hired by the Employer to perform functions of a temporary nature (such as flag persons, scale persons, clean-up persons) and miscellaneous work.

- 7.02 The Employer shall make reasonable provisions for the safety and health of its employees during the hours of their employment, and shall co-operate with the Workers' Compensation Board and other safety inspectors of the provincial government. The employees agree to use their utmost endeavours to keep the facilities at their disposal in a clean and sanitary condition. Where the Employer deems it is practical, temporary sanitary facilities will be provided where permanent facilities are not in close proximity to the job site.
- 7.03 a) It shall be the duty of every employee to recognize the importance of safe working practices as they affect his own safety and welfare and that of his fellow employees, and Employer property. It shall be the duty of every employee to correct any unsafe working conditions he recognizes, or if this is beyond his means or capability, to report the matter to his supervisor and safety rep.
- b) It is understood and agreed that all employees are required to follow Workers' Compensation Board rules and regulations, including but not limited to such items as the wearing of personal safety gear (hard hats, steel-toed boots, etc.) and the wearing of seat belts at all times on all equipment provided with them. Failure to comply with these or any other Workers' Compensation Board safety rules may be grounds for suspension or dismissal of the employee.
- 7.04 The Employer and the Union mutually undertake to ensure that in their relationship with the general public, every effort will be made to ensure that tactful associations are established and maintained, particularly where temporary inconvenience may be caused due to construction in progress. Each party will mutually discuss and correct instances which may arise prejudicial to such good relations.

- 7.05 Keep absenteeism, tardiness, and labour turnover to a minimum.
- 7.06 Maintain a high standard and quality of output and service.
- 7.07 Maintain and where possible increase efficiency as a mutual protection against outside competition.
- 7.08 The total elimination of any unfair discrimination or favoritism on the part of the Employer, or by foremen or job superintendents.
- 7.09 Elimination of verbal and moral dishonesty which concerns the Employer and its employees.
- 7.10 That omission of specific mention in the agreement of existing rights and privileges established or recognized by the Employer or the Union shall not be construed to deprive employees or the Employer of such rights and privileges.
- 7.11 It is recognized that continued progress and success in the Employer is essential, and that the Employer should update and expand the equipment fleet, as these factors contribute to continued and growing opportunities for its employees.
- 7.12 The Employer has prepared an Employer information sheet which outlines the highlights of the Agreement, together with major Employer policy items, rules and regulations, which all employees must adhere to. The Employer agrees to have each new employee sign this information sheet at time of hire, providing one copy of the signed sheet to the Union.
- 7.13 This agreement shall not be invalid by reason of any defect in form or any technical irregularity.

## **ARTICLE 8 - JOB CLASSIFICATION, WAGES, AND GENERAL**

8.01 The hourly wage rates for employees covered by this Agreement shall be as per Job Classifications and Wage Rates set out in Articles 8.02 and 8.03. Effective March 1, 2003 and every March 1<sup>st</sup> thereafter, until and including March 1, 2009, all mining division wage rates shall be increased by an increase equal to the percentage change in the annual average of the BC CPI for the previous calendar year.

At the request of either party, non-monetary language will be reviewed on June 1, 2005 and June 1, 2008.

### 8.02 Divisional Job Classification

The Company operates three distinct and different divisions of operations. The divisions and classifications within each division are outlined as follows:

### **PAVING, CRUSHING, MUNICIPAL, OTHER (P.C.M.O.) DIVISION**

#### **Group 1**

Labourer - Miscellaneous Operator (all support equipment not elsewhere classified)

#### **Group 2**

Water truck (tandem); dump truck (tandem); construction vibratory roller; rubber-tired roller; skilled labourer; crane truck; Athey grader; tractor/belly dump trailer

#### **Group 3**

1213 crusher operator; serviceman; backhoe operator; D6; D7; all loader operators; rock truck; tractor/Kitt shouldering machine; tractor/tilt trailer; bobcat - all uses.

**Group 4**

Asphalt vibratory roller; paver operator; screedman; rakerman; distributor truck; 12G; 14G; JD570; tandem 1213 plant operator; loader to tandem 1213 plants; pipelayer; D8; D9; DM50 asphalt plant operator; excavators.

**Group 5**

Field mechanic; UVM 1400 asphalt plant operator.

**MINING DIVISION**

**Group 1**

Labourer – Miscellaneous Operator (all support equipment not elsewhere classified).

**Group 2**

Serviceman; Rock Truck Driver; 980 Loader Operator.

**Group 3**

D8; D9; 988 Loader; 14G Grader; Excavators; Welder.

**Group 4**

Heavy Duty Mechanic

**CONSTRUCTION DIVISION**

**Group 1**

Labourer - Miscellaneous Operator (all support equipment not elsewhere classified).

**Group 2**

Rock Truck; Off-Highway Water Truck; Serviceman; 980 Loader Operator.

**Group 3**

Scraper; D8; 14G; Excavators; Welder; 988 Loader.

**Group 4**

Heavy Duty Mechanic; D9 Operator.

**UNIVERSAL GROUP**

Shop Mechanic; Shop Welder; Tractor-Trailer Operator.

Note:

All Operators must possess air ticket when operating any vehicle or machine equipped with air brakes, and must have appropriate class of license for vehicle operation.

8.03 Hourly Wage Rates

**SENIORITY PERSONNEL**

**Paving, Crushing, Municipal, Other (P.C.M.O.) Division**

NOT IN EFFECT  
2003 - 2009

**Mining Division**

	<b>Current</b>	<b>Effective every March 1<sup>st</sup> (2003-2009)</b>
<b>Group 1</b>	<b>\$10.02 - 15.17</b>	
<b>Group 2</b>	<b>\$19.70</b>	
<b>Group 3</b>	<b>\$21.14</b>	
<b>Group 4*</b>	<b>\$22.48</b>	

**Construction Division**

NOT IN EFFECT  
2003 - 2009

**Universal Group**

NOT IN EFFECT  
2003 - 2009

**\*NOTE: Heavy Duty Mechanic, both Divisions**

<b>Current</b>	<b>Effective every March 1<sup>st</sup> (2003-2009)</b>
<b>\$ 22.89</b>	<b>Average of BC CPI % increase for previous calendar year</b>

**NON-SENIORITY PERSONNEL****Paving, Crushing, Municipal, Other (P.C.M.O.) Division**

NOT IN EFFECT  
2003 - 2009

**Mining Division**

	<b>Current</b>	<b>Effective every March 1<sup>st</sup> (2003-2009)</b>
<b>Group 1</b>	<b>\$ 8.00 - 12.06</b>	
<b>Group 2</b>	<b>\$15.58</b>	
<b>Group 3</b>	<b>\$16.87</b>	
<b>Group 4</b>	<b>\$18.08</b>	

**Construction Division**

NOT IN EFFECT  
2003 - 2009

**Universal Group**

NOT IN EFFECT  
2003 - 2009

THE LABOURER-MISCELLANEOUS OPERATOR pay rate is established by the superintendent, based upon experience and the work being performed by the employee.

**DRIVER PREMIUM** - Driver of tandem dump truck pulling a trailer (tilt, spreader box, pup) and tractor pulling belly dump, will be paid a premium of sixty-seven cents (\$0.67) per hour for each hour worked. Premium to be paid at overtime rates wherever applicable.

**SUPERVISION** - Supervision shall be compensated at one dollar (\$1.00) per hour extra at straight time, above regular classification rate.

**FIRST AID** - Any employee designated as First Aid person shall be compensated as follows at straight time for each hour worked, in addition to regular classification rate:

- Level 1 First Aid person \$0.15 per hour
- Level 1 with Transportation Endorsement \$0.20 per hour
- Level 3 First Aid person \$0.30 per hour

**INDUSTRIAL FIRST AID COURSE REIMBURSEMENT** - In an effort to encourage employees to take Industrial First Aid, the Employer will, subject to the employee applying to the Employer ahead of time, reimburse the employee as follows:

- Full attendance \$200.00
- Successful completion Full reimbursement.

If the Employer requires an employee who is working steady and not on layoff to leave work to take the Industrial First Aid course during his normal working hours, then the Employer will pay regular straight time wages. It is agreed that this will not likely happen as employees can take the course after hours or during layoff periods, and payment of first aid premium recognizes this.

**TOOL ALLOWANCE** - Tool allowance of fifty cents (\$0.50) per hour will be paid on a straight time basis only to qualified Heavy Duty Mechanics supplying a full set of tools consistent with their work.

Tool allowance will be paid to Servicemen where the superintendent requires, and the employee provides, the required amount of tools as follows:

- List #1           \$0.25 per hour
- List #2           \$0.35 per hour

Lists are intended as a guideline and may be subject to change.

**TOOL INSURANCE** - Tool insurance is provided by the Employer for those employees requiring a full set of tools consistent with their work. Insurance coverage is on the depreciated value of tools for major fire or theft while upon Employer property. There is a two hundred fifty dollar (\$250.00) deductible clause on this coverage. Employees covered under this insurance policy must provide a **TOOL LIST** to the Employer in order to have their tools insured.

**LICENSED HEAVY DUTY MECHANIC** - The Employer agrees to pay one dollar (\$1.00) per hour additional to the hourly rate, to those Heavy Duty Mechanics who are fully government certified as Diesel or Heavy Duty Mechanics.

**NIGHT SHIFT DIFFERENTIAL** - Night shift only differential shall be compensated at twenty-five cents (\$0.25) per hour. (Night shift is a shift working through midnight to approximately 6:00 A.M., NOT afternoons).

It is mutually agreed that for seniority members on tractor-trailer combinations on long trips of one hundred fifty (150) miles or more, the Employer may deal directly with the Operator to achieve a private treaty on remuneration for those trips. Loading and unloading to be on an hourly basis. Agreed-to trip time to take into consideration traffic and seasonal conditions.

- 8.04 Each employee shall be classified according to his principal activity during the course of his normal work. He may be required to perform other functions of a lower or higher classification. He shall be subject to re-classification if his principal activity is changed over an extended period of thirty (30) working days.
- 8.05 a) It shall be the mutual goal of the Union and the Employer to promote and enhance the promotional opportunities for employees. The Employer should, where practical, give members the opportunity to learn to operate a machine of higher classification. An operator training on a machine of higher classification shall be paid at his regular rate, and this rate shall continue until the operator is considered to be fully qualified in all the functions the machine is capable of doing.

It is the Employer intent to recognize full qualifications as soon as they are achieved. If the Employer does not voluntarily re-classify the operator, he may approach his supervisor as soon as he feels he is fully qualified.

If he is not re-classified and not satisfied, he may approach the Union, who will review the request for re-classification and pursue it with the Employer, or reject it, as they see fit.

b) New experienced operators hired will be paid the classification for the equipment operated.

- 8.06 It is the objective of both parties to this Agreement to introduce trainees into the Employer. The starting rate for such trainees will be seventy percent (70%) of the job classification rate of the principal activity, for the first season of employment. This rate will increase to eighty percent (80%) for the second season, ninety percent (90%) for the third season, and full rate for the fourth season. At the discretion of the Employer, the payment to a trainee may be accelerated, based upon the employee's abilities, work ethics, and progress.
- 8.07 If any employee arrives on a scheduled shift and is not required to work, he shall be paid two hours' pay at his regular rate of pay, except in the case of inclement weather, mechanical breakdown, or if the employee has no phone number where he can be contacted, or any other factor beyond the Employer's control.
- 8.08 If an employee with seniority is laid off or about to be laid off due to a lack of available work in his classification, he may, upon mutual consent and that of his supervisor, work at a job of lower classification and be paid for that lower classification if there is such work available.
- 8.09 All employees shall turn in time sheets or sign a daily time record at the end of each shift, to their foreman or superintendent.

- 8.10 The employer shall pay to the employee covered by this Agreement all wages earned by the employee on every second Friday, with one week's pay holdback. If a Statutory Holiday falls on the Friday payday, payment will be made the preceding day.
- 8.11 All operators are required to supply their own basic hand tools.
- 8.12 Coveralls are to be supplied and washed as required for mechanical maintenance personnel, distributor truck driver, crusher operator, asphalt plant personnel, and tilt deck operator. It is agreed that only those authorized under this contract will be provided cleaned coveralls. All other employees covered under this contract are responsible for their own coveralls.
- 8.13 On the paving crew only, an employee driving the one-ton flat deck or a pick-up which is towing a trailer will be paid as working hours.
- 8.14 The Employer shall retain the privilege to give additional bonuses, make gifts, render services, or otherwise benefit any employee or group of employees as it may in its judgment see fit, this Agreement with its benefits notwithstanding.

## **ARTICLE 9 - HOURS OF WORK**

- 9.01 It is understood and agreed that the Employer shall schedule work shifts as they require and at their sole discretion. Eight (8) hours per day, five (5) days per week, Monday to Friday, are considered the normal work week. However, the Employer may direct other alternative shifts at their discretion and need, which may include weekend work which may not be subject to overtime. Examples of some shifts which could be scheduled by the Employer are outlined in sub-clauses (a) (b) (c) and (d).

- a) Ten (10) hours per day, four (4) days per week at straight time, in keeping with the normal work week being Monday to Friday.
- b) Eight (8) hours per day, ten (10) days consecutively, to accommodate four (4) consecutive days off. No overtime for work performed on Saturday or Sunday of the ten- (10) day run.
- c) Shop and shop-related operations in Penticton will work on the basis of eight (8) hours per day, five (5) days per week, all hours at straight time, in keeping with the normal work week being Monday to Friday.
- d) Employees working on the "cyclone operation" at the Highland Valley Copper project will work on a shift basis; i.e. four (4) days on and four (4) days off. Each of the days will be twelve (12) hours in duration, and all twelve (12) hours will be paid on a straight time basis. (Last two [2] hours of forty-eight [48] hours worked in four [4] day period paid as overtime.)

9.02 For all work at Grand Forks including the area within haul distance of the asphalt plant set up at Grand Forks, employees will be paid ten (10) hours per day at straight time, five (5) days per week (5 x 10 hr. S.T. days/week). Regular contract provisions will prevail for overtime when the plant is moved outside the Grand Forks area.

- 9.03 Overtime will be paid at the rate of one and one-half (1.5) times the base rate of pay, unless elsewhere provided for, in the following cases:
- a) For all hours worked by an employee on his scheduled days off;
  - b) For all hours worked in excess of eight (8) hours in the work day, or any greater number of hours in the work day as elsewhere agreed to in this contract, and except as provided in 6(a) above;
  - (c) For all hours worked on a Statutory Holiday.
- 9.04 In the case of new hires, for their first week of employment, the Employer will pay the employee on a straight time basis for the first forty (40) hours (of 8-hour days worked) regardless if they occur on scheduled days off.
- 9.05 Where the Employer provides work for employees outside of their normal occupation notwithstanding classification, the Union acknowledges the Employer's effort to provide this work to the employee. However, the Employer, subject to Article 9(a), is not obligated to provide work in another occupation, notwithstanding classification.
- 9.06 It is mutually understood and agreed that the Employer may, from time to time, hire technical school graduates on a monthly salaried basis, to act as trainees in all areas of the Employer's operations. These individuals would be able to perform various operator classification functions from time to time on a temporary basis, for periods up to one month.

- 9.07 This would not deny existing seniority employees work, but would allow on the job experience to those technical school graduate salaried trainees, as the Employer determines.
- 9.08 A scheduled shift is considered to be eight (8) hours or more, and shall be considered as the shift for all other purposes in the contract, including but not limited to benefits.
- 9.10 A ten- (10) minute coffee break will be permitted during mid-morning and mid-afternoon.

## **ARTICLE 10 - LEAVES OF ABSENCE**

The parties hereto agree as follows:

- 10.01 The Employer will grant leave of absence to any employee suffering injury or illness, subject to a medical certificate, if so requested. An employee shall be considered to be in good standing as long as leave of absence does not conflict with conditions laid down by any of the benefit schemes subscribed to by the Employer.
- 10.02 Leave of absence may also be granted for the following reasons:
- a) Education related to the nature of his employment;
  - b) Death in immediate family.  
 Definition of "immediate family" to include: mother, father, mother-in-law, father-in-law, brothers, sisters, spouse, children, stepparents, grandparents, grandchildren, sons-in-law, daughters-in-law, and stepchildren of employee.
- 10.03 Any employee with an approved leave of absence and eligible for the Employer benefits plan will be responsible to pay the cost of the benefits plan for the duration of his leave of absence, should he wish to remain on the benefits plan.

## **ARTICLE 11 – DISCIPLINE AND DISMISSALS**

- 11.01 The Union Job Steward on the job shall be immediately notified of all dismissals of Union members, verbally or in writing, by the dismissing officer, giving the reason or reasons therefor.
- 11.02 The Union shall be notified forthwith in writing by the Employer and signed by the discharging officer if a Job Steward is discharged and the reason or reasons therefor.
- 11.03 No members of the Union, other employees, or Employer Management shall participate in coercion or intimidation of others. Such intimidation shall be just cause for the Union filing a grievance or for dismissal of the person(s) concerned by the Employer.
- 11.04 It is mutually recognized that the equipment the Employer operates is the means of livelihood for both the employee and the Employer. Careless and/or negligent use of the equipment will result in the termination of the employee or other disciplinary action, as the Employer sees fit.
- 11.05 It is recognized and agree that any formal disciplinary action initiated by the Employer is subject to the grievance and arbitration provisions of this agreement.

## **ARTICLE 12 - SENIORITY**

- 12.01 When the Employer deems it necessary to reduce the working force, the Employer shall determine the order of layoff and in doing so, shall be guided by the following considerations:
- a) seniority standings of the employees;

- b) ability and willingness of the employees to perform the work;
- c) the integrity of a work unit or crew.

12.02 The above considerations shall also guide the Employer in the recall of laid off employees.

12.03 An employee who is fired or who leaves the Employer on his own volition shall forfeit all seniority rights.

12.04 Seniority of employees shall be achieved on the basis of the employee working one complete construction season, being recalled to work for the second season, and working a period of forty (40) working days or more. Once these forty (40) days have been achieved, seniority will then be granted. However, once achieved it will be retroactive to the first day of hire of the season in which one hundred (100) days are completed. This is for purposes of calculating vacation pay. No other contract effects. One season for purposes of this clause shall mean one hundred (100) working days, regardless of interruptions to their continuity. The employee and the Union will be notified by January 15th of each year if a recall will occur. Employees with seniority are entitled to recall. Non-seniority employees and trainees are not entitled to recall.

- a) Employees who achieve seniority with the Employer as outlined in Article 12.04 will be granted seniority to a specific division within the Employer. These employees will then be eligible for recall to work within that division only, in keeping with all other terms of this collective agreement.

- b) Movement of employees from division to division will be done solely at the Employer's option and need, and the Employer is not required to transfer employees to a different division when work runs out in their assigned division.
- c) Seniority and any recall employees as at February 3, 1990 will be assigned to a specific division. New employees and those subsequently achieving seniority will also be assigned to a specific division and in all cases, specification of employees to divisions will rest with the Company.

- 12.05 Also, if after working a season of one hundred (100) days or more, there is a lapse in employment of eight (8) months or more, the employee no longer has continuity of employment for seniority purposes, and would have to re-qualify to obtain seniority, except where seniority employees are working on HCL or HCL-type projects.
- 12.06 A seniority employee laid off work due to lack of work shall not forfeit his seniority.
- 12.07 Whenever an employee is injured or goes on compensation, he shall, when the Workers' Compensation Board signifies that he may go to work, be returned to the payroll of the Employer at his previous job, and at the same rate of pay, and the Employer may decide whether such employee is able to do the job he had when he was injured. If the Employer is not satisfied, it shall make every effort to place such employee in a suitable position.
- 12.08 A Seniority & Classification List will be supplied yearly to the Union.

- 12.09 The Union and the Employer recognize and agree that it is prudent and necessary to hire some foremen to assist in supervising certain jobs. Due to the nature and/or personal situation of those individuals, it is agreed that they will not achieve seniority. The intent is not to deny existing Employer personnel from work but rather to hire individuals who will fill the supervisory needs of the Employer, where there is not an existing and fully trained seniority foreman.
- 12.10 It is mutually agreed that trainees will not receive seniority status until they are granted fully qualified status, and all other seniority conditions are met.

### **ARTICLE 13 - VACATION AND STATUTORY HOLIDAYS**

- 13.01 An employee shall, subject to qualifications outlined herein, receive eight (8) hours pay at his basic straight time rate, for each of the following Statutory Holidays:

New Year's Day	Good Friday
Victoria Day	Dominion Day
British Columbia Day	Labour Day
Thanksgiving Day	Remembrance Day
Christmas Day	

Qualifications for payment of Statutory Holidays are as follows:

- a) \* Employees must have worked thirty (30) days during the calendar year.
- b) Employees must have earned wages or performed work on at least fifteen (15) of the thirty (30) calendar days immediately preceding.

- c) Employees must have worked the scheduled shift before and after the Statutory Holiday.

\* NOTE: Qualification (a) shall not be required for seniority employees.

13.02 For work performed on a Statutory Holiday, an employee shall be paid at one and one-half (1.5) times his regular rate, in addition to any amounts payable under Article 13.01(a) above.

13.03 Vacation pay to be paid on the following basis:

- a) 0 - 5 years' seniority completed 4%
- b) After completing 5 years of seniority,  
at commencement of 6th year (i.e. first  
season of 100 days plus;  
4 completed years of seniority = 5 years) 6%

Seniority members of record at December 31, 1985 and those who achieved seniority or recall on January 1, 1986 will be grandfathered at rates specified at that time, depending on their years of seniority. In no event shall it be less than (a) or (b) above.

13.04 All other employees will receive vacation pay at the rate of four percent (4%) per annum regardless with each bi-weekly payroll, or at separation if it occurs prior to the regular bi-weekly pay period.

13.05 An employee who has accumulated more than one year of service will be entitled to a vacation to be taken within the following ten (10) months, as per the following:

- a) Those employees receiving 4% holiday pay shall be entitled to two (2) weeks' vacation,

- b) Those employees receiving 6% holiday pay shall be entitled to three (3) weeks' vacation.

13.06 Vacation pay earned by each employee covered by this contract will be paid with each bi-weekly payroll or at separation, if it occurs prior to the regular bi-weekly pay period.

#### **ARTICLE 14 - ADJUSTMENT OF GRIEVANCES**

14.01 Should an employee or employees have a complaint to make, he or they should go to their immediate supervisor in order to resolve the matter. Should it not be resolved to their satisfaction, the employee(s) should contact his job steward, at which time a meeting would be arranged with an Employer Management representative, job supervisor, job steward, and employee(s), in an attempt to resolve the complaint. Should the complaint not be resolved, and the employee(s) wishes to file a formal grievance, he shall adhere to the following procedure:

- a) The employee shall place in writing the exact nature of the complaint, indicating the resolution desired, to the Union.
- b) The Union shall have the option whether or not to take the grievance forward to the Employer. If it does not, it shall advise the employee and the matter shall be considered resolved.
- c) The Union, if it pursues the grievance, shall write to the Employer outlining the grievance and attaching a copy of the employee's written statement.
- d) The Employer shall reply to the Union's submission, giving its views and decision on the matter.

- e) If the Union concurs with the Employer's views, they will advise the employee of their decision and the matter will be considered resolved. Should the Union wish to pursue the grievance further, they shall write the Employer requesting a grievance hearing, in order to obtain all facts involved.
- f) A hearing will be arranged between the Employer and the Union, which will be co-chaired by a member of the representative or Steward of the Union and Employer Management.
- g) Upon conclusion of the hearing, the Employer will write to the Union, rendering their decision.
- h) If the Union agrees with the Employer's decision, they will advise the employee, and the matter will be considered resolved.
- i) Should the Union disagree with the Employer's decision, they shall advise the Employer in writing, requesting the grievance be resolved by an arbitrator. Both parties shall agree upon an arbitrator to hear and resolve the matter. His decision would be binding. Failing agreement upon appointment of an arbitrator, both parties shall apply to the Ministry of Labour for the services of a Ministry representative to arbitrate the dispute, whose decision shall be binding on both parties.
- j) Timing of Grievances  
Dismissals:  
Article 14.01 - meeting of employee, job supervisor, Union representative or Steward and Employee Management must be completed within two days of the dismissal.

Article 14.01(a) - formal grievance in writing must be completed within five (5) days after the meeting described in Article 14.01. Total allowable days for placing formal written grievance is seven (7) days from dismissal.

Other Situations:

Formal written grievance must be submitted within ten (10) days of the occurrence of the problem or situation which the employee or employer is grieving.

k) Specified Representative

The job steward or Union representative is considered to be the specified representative to which a grievance should be submitted, as elsewhere described in the grievance procedure.

- 14.02 The Union shall be the sole representative as hereinbefore described.
- 14.03 Nothing in this agreement shall be interpreted to restrict or limit the right of an employee or group of employees from bringing individual grievances directly to the Employer.
- 14.04 The Union agrees to final and conclusive settlement, without stoppage of work, by arbitration or otherwise, of all differences between persons bound by this agreement, concerning its interpretation, obligation, operation, or any alleged violation thereof.

**ARTICLE 15 – MEDICAL & GROUP BENEFITS PLAN  
COVERAGE**

15.01 The Employer agrees to provide medical coverage and a benefits plan for eligible employees of the Employer. Medical coverage will be covered under the B.C. Government Medical Services Plan and contains the coverage available thereunder. The group benefits plan shall consist of group life insurance and A.D.&D. coverage, long term disability, extended health care and a dental plan. A full description of the plan coverage is outlined in brochures provided by the insuring company.

15.02 Medical and benefits plan coverage provided to seniority members on December 1, 1998 was grandfathered and frozen. All new seniority and non-seniority employees thereafter receive medical and benefits plan coverage on an equal 50/50 cost sharing basis as follows:

a) Eligibility

- i) Seniority employees coverage will commence on the 1<sup>st</sup> of the month following date of recall.
- ii) Non-Seniority employees' coverage will commence on the 1<sup>st</sup> of the month following two (2) completed months of employment.

b) Participation

Seniority and Non-Seniority employees will each pay fifty percent (50%) of the cost of:

- i) medical coverage provided; and
- ii) benefits plan coverage provided with the Employer paying the remaining fifty percent (50%) of the cost of the each plan.

c) Termination

All employees' coverage will cease on the last day of the month following termination or layoff.

- 15.03 Seniority employees only may elect to retain medical and benefits plan coverage during the layoff period, providing they pay one hundred percent (100%) of the plan costs. Long term disability coverage will not be available during any period an employee is not working.

## **ARTICLE 16 - BOARD AND ROOM AND RELOCATION ALLOWANCE**

### **BOARD AND ROOM**

- 16.01 It is mutually agreed between the Employer and the Union that the point of assembly on all jobs, including those away from the employee's residence area, shall be the job itself, and each employee shall be responsible for his own transportation thereto and therefrom, both on a daily and a project basis.
- 16.02 a) Each employee is responsible for his own living accommodation and/or arrangements. The Employer will pay a living-out allowance to those employees permanently assigned to projects on the following basis:

<u>Distance*</u>	<u>Living-out Allowance</u>
0 - 30 miles (0 - 48 km)	\$ Nil
30.1 - 60 miles (48.1 - 96 km)	\$20.00 per day
60.1 - 90 miles (96.1 - 144 km)	\$33.50 per day
90.1 miles - and over (144.1 km and over)	\$55.00 per day

\* "Distance" is defined as being from the Penticton yard, Grand Forks yard, Highland Valley Copper site or the employee's principal place of residence, whichever is closer to the job site.

The area this Agreement covers is considered to be within a thirty (30) mile radius of Penticton, and in addition covers Osoyoos, Cawston and Keremeos areas. No change in intent and practice of administering the local "working area" clause.

- b) As the Highland Valley Copper project is at one location only, living-out allowance will not be paid for employees working at the Highland Valley Copper project as a point of hire.

16.03 Payment of living-out allowance is for all days worked, and all scheduled work days which are lost due to weather or mechanical breakdown. This will be for periods in excess of one week at the job. (If the employee is temporarily posted to the job for less than one week, the Employer will cover the employees living expenses only). The amount paid will be according to the "distance" as defined heretofore.

16.04 In cases where the employee works less than a full day, living-out allowance will be paid, subject to the following provision, on the following basis:

0 - 4 hours worked:	One-half applicable daily rate
In excess of 4 hours worked:	Full applicable daily rate

## RELOCATION ALLOWANCE

- 16.05 The Employer will give as much advance notice as possible to employees who are required to work out of town, necessitating living-out consistent with their work. Such advance notice will be in keeping with the changing nature of the construction business. The Employer (to the best of its ability) will also advise employees how long the job is expected to last.
- 16.06 The Employer recognizes that certain operations are required to move frequently from project to project. A relocation allowance of thirty-two cents (\$0.32) per mile (\$0.20 per km) will be paid to the employees required to change work sites frequently during the year. This allowance is in addition to L.O.A. earned on the job.
- 16.07 It is mutually agreed and understood between the parties that no relocation allowance will be paid on the first move to a project or the last move of the construction season (return to home base). This relocation allowance is payment for movement of employees personal goods. The intent of this relocation allowance is to reimburse employees for expenses incurred due to frequent relocation. Payment will be by expense account signed by the employee, and approved by the project superintendent.

## **ARTICLE 17 - SELF-CONTRIBUTORY R.R.S.P. PROGRAM**

- 17.01 The Employer has agreed to establish a self-contributory R.R.S.P. program for seniority, non-seniority, and salaried employees of the Employer. Contributions to the new program will be the sole responsibility of the employee, and will conform to the requirements of the plan. In the case of non-seniority employees, they will be eligible to join the plan on the first day of the month following two (2) months of employment.

17.02 For seniority employees only:

The Company agrees to contribute up to sixty-two and one-half cents (\$0.625) per hour worked to an RRSP Plan in the employee's name, only in the following cases:

- a) Only to those seniority employees who match the company's contribution up to sixty-two and one half cents (\$0.625) per hour, or for that portion thereof that is matched.

## **ARTICLE 18 - FEDERAL AND PROVINCIAL REQUIREMENTS**

18.01 It is mutually agreed between the parties hereto that the terms of this agreement shall be subject to the terms of Federal and Provincial requirements governing contracts.

## **ARTICLE 19 - ACTS**

19.01 Nothing in this agreement shall be interpreted to nullify or conflict with the provisions of any Act or any Regulation, Orders, or Requirements issued by the Board of Industrial Relations or any other regulating body of the Federal and/or Provincial governments, which now or in the future may necessitate a change of conditions in this agreement

## **ARTICLE 20 – DURATION**

20.01 The period of this Agreement is from the first (1<sup>st</sup>) day of June, two thousand two (2002) to the thirty-first (31<sup>st</sup>) day of December, two thousand nine (2009).

- 20.02 This Agreement supersedes all previous agreements, amendments, and Letters of Understanding to previous agreements.
- 20.03 The operation of Section 50(2) and (3) of the *Labour Relations Code of British Columbia* is hereby excluded.
- 20.04 In the event a new contract is not signed and in force by December 31, 2009, this contract in its entirety will continue in force until such time as a new contract is signed by both parties, and in force, covering any and all changes thereto.

**IN WITNESS WHEREOF** the parties have hereunto set their hands and seals this \_\_\_\_ day of \_\_\_\_\_ 2003.

**THE CORPORATE SEAL** of Cantex Mining Services Ltd. was hereunto affixed in the presence of its authorized officer.

\_\_\_\_\_  
Witness

**SIGNED, SEALED AND DELIVERED** by the signing officers of the Construction & Allied Workers' Union, Local 68, affiliated with the Christian Labour Association of Canada, in the presence of:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

## **SCHEDULE “A”**

### **CONSCIENTIOUS OBJECTOR STATUS**

(This schedule does not form part of the collective agreement. It is for information only.)

The Union has a conscientious objection policy for employees who cannot support the union with their dues for conscientious reasons, as determined by the union’s internal guidelines on what constitutes a conscientious objection.