

COLLECTIVE AGREEMENT

BY AND BETWEEN:

UNION TRACTOR LTD.
9359 Milwaukee Way
Prince George, B.C. V2N 2K8
(hereinafter called the "Company")
PARTY OF THE FIRST PART

AND:

**INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 115**
(hereinafter called the "Union")
PARTY OF THE SECOND PART

DATE AND REFERENCE

The Agreement shall be dated for reference **August 3, 2002** and named for reference the "**UNION TRACTOR LTD. - OPERATING ENGINEERS MASTER AGREEMENT**".

WITNESSETH: that the Parties hereto agree as follows:

ARTICLE 1 - OBJECTS

1.01

- a) The objects of this Agreement are to maintain a harmonious relationship between the Company and its employees; to provide an amicable and equitable method of settling grievances or differences which might possibly arise; to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement and to maintain an adequate level of productivity and quality.
- b) The Parties are committed to establishing conditions which will result in quality services and the success of the Company in the market place. Nothing in Article 1.01 (b) can or will be used to weaken or strengthen any other clause in this Collective Agreement.

ARTICLE 2 - BARGAINING AGENCY

2.01 The Company recognizes and agrees that the union is the sole bargaining agent for the employees of the Company employed at the place(s) set out in the certificate(s) of bargaining authority at and from Prince George.

2.02 This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each employee.

2.03 SUPERVISORS, OFFICE PERSONNEL DO NOT WORK

No supervisors or office personnel will be allowed to use hand tools or carry out work which would be normally done by employees in the Bargaining Unit, except in the instruction or training of employees.

ARTICLE 3 - UNION SECURITY

3.01 UNION SECURITY

Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, be and remain or become and remain, a Union member in good standing for the duration of this Agreement or for the duration of his employment with the Company, whichever is shorter. Counting from the date he commences employment with the Company, each new employee will be allowed thirty (30) calendar days within which to make application to join the Union and tender the appropriate initiation fees. The Union shall have the exclusive right to determine who is a member in good standing. Should an employee at any time cease to be a member in good standing of the Union, the Company shall, upon notification in writing from the Union, discharge such employee forthwith.

3.02 CHECK-OFF

The Company shall deduct from each new employee an amount equal to the Union dues from the employee's first payroll cheque after completion of six (6) days of work in a calendar month and add that employee's name and the said amount to the closest applicable check-off, i.e. if the check-off for that month has not been remitted to the Union, it shall be added to that check-off; if that month's check-off has been remitted, it shall be added to the following month's check-off and shown as the previous month worked.

3.03 AMOUNTS DEDUCTED

Union dues deducted under this provision or other check-off provisions shall be remitted to the Union not later than the fifteenth of the month following the month in which such check-off applies.

ARTICLE 4 - MANAGEMENT RIGHTS

The Union recognizes and agrees that:

4.01 The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.

4.02 The Company has and shall retain the right to select its employees, to hire, classify, promote, demote or discipline them and discharge employees for proper cause, provided that a claim of discrimination against an employee in respect to any of these matters, or a claim of violation, of any Section or Article of this Agreement, may be the subject of a grievance and be dealt with as hereinafter provided.

4.03 The right to hire employees of its choice is vested exclusively in the Company, but when the Company requires new employees, it shall so notify the Union so that the Union 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 for whom the Union has been certified as the collective bargaining agent by the Industrial Relations Act of B.C. "Employee" shall also mean a person employed in a job classification listed in Appendix "A" and/or "B" attached hereto.

ARTICLE 6 - HOURS OF WORK AND OVERTIME

6.01 DAY SHIFT:

The standard work day shall consist of eight (8) hours, starting between 7:00 A.M. and 9:00 A.M. The standard work week shall consist of forty (40) hours, Monday to Friday. Graveyard shift shall lead off at 12:01 A.M. Monday.

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

6.02 AFTERNOON SHIFT:

If a second shift is employed, the hours of work shall be seven and one-half (7½) hours of work between the hours of 4:30 P.M. and 12:30 A.M. for which eight (8) hours will be paid.

6.03 NIGHT SHIFT:

If a third shift is employed, the hours of work shall be seven (7) hours of work between the hours of 12:30 A.M. and 8:00 A.M. for which eight (8) hours shall be paid.

6.04 LUNCH PERIOD:

Each shift shall have a half hour lunch period between the fourth and fifth hour of each shift.

6.05 SHIFT CHANGE:

The Company shall give the employee forty-eight (48) hours' notice prior to changing of shifts.

6.06 SHIFT - TRANSFER OF EMPLOYEE:

When it is necessary for an employee to be transferred from one shift to another shift, said shifts will continue for a minimum of three (3) consecutive normal working days, or the overtime rates as provided for in this Agreement will apply.

6.07 SHIFT - START AND STOP TIMES:

If an employee is working on the second or third shift and is unable to start the shift on time and/or to complete the shift, then the hourly rate for such an employee shall be computed by dividing the employee's total pay for a regular full shift by the applicable total number of hours he would be required to work to qualify for a full second or third shift, multiplied by the actual hours worked.

6.08 In cases where hours of work must be varied in customers' camps to comply with Provincial Fire Regulations such work as is carried out under these conditions shall be at straight time rates for the first eight (8) hours.

6.09 SHIFT ROTATION:

When employees are being worked on two (2) or more shift schedules and where a majority of the employees request it, they shall rotate shifts.

6.10 OVERTIME:

All hours worked outside of the standard work hours, outside the established shift hours and outside the standard work week shall be considered overtime and paid as follows:

- a) All hours in excess of eight (8) hours up to eleven (11) hours will be paid at time and one half (1½).
- b) All hours in excess of eleven (11) hours will be paid at double time.

6.11 OVERTIME VOLUNTARY:

All overtime shall be on a voluntary basis. It is agreed that overtime may be necessary in order to respond to the efficient operation and service requirements of the business.

6.12 OVERTIME NOT PART OF DAILY GUARANTEE:

Where an employee, at the request of the Company, performs work at overtime rates, such time will be considered overtime only and will not be included in the computation of his daily guarantee as provided under this Agreement.

6.13 OVERTIME - CALCULATION OF:

Without detracting from the minimum overtime hours worked and/or minimum overtime pay guarantees as provided elsewhere in this Agreement, when an employee works overtime, his time worked shall be calculated on a fifteen (15) minute unit basis. If an employee works any part of fifteen (15) minute unit, he shall receive credit for time worked for that full

fifteen (15) minute unit.

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

6.14

a) **OVERTIME MEAL:**

Employees who work beyond ten (10) hours per day shall receive a minimum of one-half (½) hour's pay for time off to eat a meal, and each four (4) hours thereafter, but may take up to forty-five (45) minutes off for such purpose.

Further to this, if an employee feels that he requires additional time off, he will request such additional time from the Foreman and if the request is reasonable the Foreman shall grant same. This break shall occur at the regular meal hour.

- b) The Company shall pay the cost of such meal up to a maximum of ten dollars (\$10.00). In all cases receipts shall be retained and turned into the Company.

6.15 REST BETWEEN SHIFTS:

It is intended that every employee should have eight (8) hours' rest between shifts. In the event that an employee is recalled to work before such eight (8) full hours elapse, he shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work on his own accord until eight (8) full hours have elapsed.

CLARIFICATION:

Employees working after midnight reporting for work next shift after an eight (8) hour break will not lose the time taken from the shift to make up the eight (8) hour break.

6.16 WORK BEFORE REGULAR SHIFT:

Employees called in before their regular starting time shall be paid at the applicable overtime rate for time worked prior to their regular starting time.

6.17 WORK AFTER REGULAR SHIFT:

Employees called back to work after their regular shift shall receive a minimum of four (4) hours' pay at the prevailing overtime rate.

6.18 WORK ON SATURDAY, SUNDAY, GENERAL HOLIDAYS:

All hours worked on days of rest, Saturday, Sunday or General Holiday listed in Article 11, or day observed as such under the terms of this Agreement shall be considered overtime and paid in accordance with the following:

- a) Days of rest or Saturday - first eight (8) hours shall be paid at time and one-half (1½). All hours in excess of eight (8) hours shall be paid at double time.
- b) Sunday and General Holidays - all hours worked on a Sunday or a General Holiday shall be paid at double time.

6.19 WORK THROUGH REGULAR LUNCH PERIOD:

Where an employee is required to work through his regular established lunch period, such employee shall be paid the applicable overtime rate and be allowed reasonable time off to consume a meal with no loss of pay.

6.20 WORK - GUARANTEE:

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) hours notice of lay-off provided in the Seniority Section of this Agreement shall take precedence when an employee is laid off.

6.21 WORK WEEK - TUESDAY TO SATURDAY:

- a) If business conditions warrant that a Tuesday to Saturday work week be considered, the Company and the Union will discuss the establishment of such a schedule.
- b) Staffing for a Tuesday through Saturday work schedule shall first be on a voluntary basis. Secondly, the Employer shall give consideration to seniority in the classification, it being understood that the least senior employee to be considered first.
- c) Lay-offs and lay-off notice shall be in accordance with Article 9.04. However, lay-off notice shall be exclusive of Sundays, Mondays and General Holidays.

6.22 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 or day of rest, shall receive a minimum of two (2) hours' pay at the prevailing overtime rates.
- c) An employee called to work on a Sunday or on a General Holiday, (or days observed as General Holidays), shall receive a minimum of four (4) hours' pay at the prevailing overtime rates.

6.23 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 eight (8) hours notice that he will be going out-of-town.

6.24 PARTS DEPARTMENT: WORK WEEK:

a) Any shift which commences from 7:00 A.M. but not later than 9:00 A.M. shall be considered a day shift. A shift commencing after 9:00 A.M. and prior to 6:00 P.M. shall be considered an afternoon shift. Any shift commencing after 6:00 P.M., and prior to 7:00 A.M. shall be considered a third or graveyard shift.

b) Shifts may be arranged on a Monday to Friday or a Tuesday to Saturday basis.

c) **Clarification of Tuesday to Saturday Work Week:**

The Tuesday to Saturday work week shall be on a voluntary basis, unless the Company cannot obtain enough volunteers to fill the requirements, then the junior men in the required categories will be requested to work such shift.

Where the Company has to appoint men to this shift, any one period of service shall not exceed thirty (30) days.

d) The standard work week shall consist of forty (40) hours on day shift, Tuesday to Saturday inclusive. Sundays and Mondays shall be regular days off for this shift, and any work performed on these days off shall be paid at overtime rates as provided in this Agreement.

e) **Note:** Tuesday to Saturday work week: Sunday and Monday being regular days off, any General Holiday falling on or celebrated on these days off shall be celebrated on Tuesdays. All General Holiday payment provisions contained in this Agreement shall be applicable to this Tuesday General Holiday.

f) Employees called back to work after completion of a regular day's work, would be covered by the regular call back provisions contained elsewhere in the Agreement.

6.25 PARTS DEPARTMENT - CALL OUT TIME:

1. All Parts Department employees in the companies affected will be compensated for parts call out on the following basis:

a) Parts Department employees who are interested will sign up for parts call out. Call out will be done on a rotational basis from the list of employees who have

signed up.

- b) For each call out after a regular shift, employees shall be compensated as follows:

Two (2) hours at double time.

ARTICLE 7 - GRIEVANCE PROCEDURE

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

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

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

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

7.02 GRIEVANCE - TIME LIMIT:

Any discharged or suspended employee may, within seventy-two (72) hours of his discharge or suspension, (exclusive of Saturdays, Sundays and General Holidays), in writing, require the Company to give him the reasons for his discharge or suspension and the Company will give such reasons to him, in writing, within seventy-two (72) hours of such request and in the event of any dispute or difference

as to whether or not there was proper cause for the discharge or suspension of such an employee, only the reasons so set forth in writing, shall constitute cause.

7.03 SECTION 87 (1):

Grievances pertaining to discharge and suspension will not be processed under **Section 87(1)** of the **Labour Relations Code of B.C.** unless there is mutual agreement between the Parties.

ARTICLE 8 - ARBITRATION

8.01 If the procedures set forth in Section 7.01, Step A and Step B, do not result in a solution being reached within seven (7) days of the first discussion between a business representative of the Union and a representative of the Company, or within such further period as the Company and the Union agree to in writing, the dispute shall be referred to an Arbitration Board of three (3) persons appointed as follows:

- a) The Party desiring arbitration shall appoint a member for the Board and shall notify the other Party in writing of the name and address of the person so appointed and particulars of the matter in dispute.
- b) The Party receiving the notice shall within five (5) days appoint a member for the Board and notify the other Party of its appointment.
- c) The two (2) Arbitrators so appointed, shall confer to select a third person to be Chairman, and failing for three (3) days from the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Minister of Labour of British Columbia to appoint such third member.
- d) The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award within (10) days from the date of the appointment of the Chairman, provided the Parties may extend the time by agreement in writing.
- e) The Parties may mutually agree that a sole Arbitrator be appointed in place of a three (3) person board. The decision of the sole Arbitrator shall be deemed to be the decision of the Board and shall be final and binding. All expenses incurred by the sole Arbitrator shall be paid equally by the Parties. Each Party shall pay its own costs.

8.02 If the Arbitration Board finds (or if at any earlier stage of the Grievance procedure it is found) that an employee has been unjustly suspended or discharged, that employee shall

be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place, or if the Arbitration Board finds (or if at any earlier stage of the Grievance Procedure it is found) that an ex-employee should have been rehired, that ex-employee shall be employed by the Company and paid all pay which he would have enjoyed and accorded all rights, privileges and benefits which he would have enjoyed if he had been hired at the proper time provided, that if it is shown to the Board that the employee has been in receipt of wages during the period between discharge or suspension and reinstatement, or date of failure to rehire and rehiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Article, less any expenses which the employee has incurred in order to earn the wages so deducted, AND PROVIDED THAT the Arbitration Board if circumstances are established before it, which, in the opinion of the Arbitration Board, makes it just and equitable to do so, shall have authority to order the Company to pay less than the full amount of wages lost.

- 8.03** The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.
- 8.04** If the award of the Arbitration Board is subsequently set aside by a court of competent jurisdiction, the question shall, at the request of either Party, be submitted to another Arbitration Board appointed pursuant to and with all the powers provided by this Article.
- 8.05** The expenses and remuneration of the Chairman shall be paid by the Parties in equal shares.
- 8.06** Without restricting the specific powers herein before mentioned, the Arbitration Board shall have all the general powers of an Arbitration Board.

ARTICLE 9 - SENIORITY

9.01 SENIORITY LIST:

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

9.02 PROBATIONARY PERIOD:

When a new employee is hired, it is agreed that he shall be on probation for sixty (60) calendar days and during this period seniority will not be applicable. When the probationary period is completed seniority will commence

from the date of hiring.

If the Company requests a further thirty (30) day extension the Union will not unreasonably reject such request.

9.03 EMPLOYEE - RE-EMPLOYMENT:

An employee re-entering the employ of the Company within twelve (12) months after his right to recall has expired shall not be subject to another probation period.

9.04 LAY-OFFS:

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

If lay-off occurs, providing a senior man is capable of performing another job, he shall be given the opportunity to take such a job.

If lay-off is to take place out of seniority, the Company will discuss the matter with the Union during the forty-eight (48) hour notice period. If no agreement can be reached, the lay-off will occur and the matter referred to the grievance procedure.

If the job is in another department and the senior employee has proof of previous work experience, he shall be allowed a one day orientation to demonstrate his ability to perform the job.

9.05 SENIORITY RETENTION:

- a) A laid-off employee shall retain his seniority and recall rights with the Company for six (6) months if less than one (1) year service, twelve (12) months if more than one (1) year service and eighteen months if seven (7) years or more.
- 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 lay-off.

9.06 RE-CALL:

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

The Company shall contact laid-off employees either personally, by mail or through the Union dispatcher at the address or at the telephone numbers supplied by the employee.

It shall be the responsibility of the employee to keep the Company and the Union informed of his current address and telephone number while laid-off.

9.07 LAY-OFF PAY:

If an employee is laid off for a period that exceeds his right to recall as provided for in the seniority provisions of this agreement and that employee has a minimum of two (2) years' service with the Company he shall be paid two (2) weeks' pay based on eighty (80) hours at his then applicable rate of pay. Such an employee may elect to accept lay-off pay under the provisions of this Section before the end of his right to recall period, but in so doing shall forfeit all seniority rights accruing to him under this Agreement, by reason of his term of service with the Company.

ARTICLE 10 - VACATIONS

10.01 EMPLOYEES WILL RECEIVE VACATIONS AND BE PAID FOR THE VACATION IN ACCORDANCE WITH THE FOLLOWING SCHEDULE

<u>YEARS OF CONTINUOUS SERVICE</u>	<u>VACATION PERIOD</u>	<u>VACATION PAY</u>
-Less than one year	1 day for each major fraction of month worked (max. 10 working days)	4%
-1 year but less than 2 years	2 weeks	4% or 80 hours*
-2 years but less than 7 years	3 weeks	6% or 120 hours*
-7 years but less than 18 years	4 weeks	8% or 160 hours*
-18 years but less than 25 years	5 weeks	10% or 200 hours*
-25 years and over	6 weeks	12% or 240 hours*

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

An employee shall receive one (1) additional day vacation per year upon completing a term of twenty-five (25) years' service and each year thereafter up to thirty (30) years' service. He shall receive as vacation pay for each vacation period eight (8) additional hours per year over the two hundred and forty (240) hours pay at his then applicable current rate of .4% of his gross earnings over the twelve percent (12%) immediately preceding the vacation period, whichever is the greater.

10.02 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%), eight (8%), ten percent (10%), or twelve percent (12%) as the case may be of his gross earnings he earned in the year in which he ends his employment for which no vacation has been paid.

10.03

a) **VACATION PAY - STATEMENT OF:**

Prior to an employee going on his vacation, the Company shall furnish the employee with a statement showing the period for which the employee is receiving his or her vacation pay, how the vacation pay was calculated, and shall include all overtime payment, or anything of a monetary value on which the employee has to pay income tax, and also a cheque for the proportionate vacation pay the employee is entitled to.

10.04 VACATION PERIOD:

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

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

10.05 VACATION - ANNIVERSARY DATE AND CUT-OFF DATE:

An employee's anniversary of employment date will govern his attainment of vacation entitlement. His vacation pay and time off will be adjusted from his anniversary date to the cut-off date.

The Company may establish a vacation cut-off date.

10.06 VACATIONS - SCHEDULE CHANGE:

An employee's scheduled vacation period shall not be changed by either party within the one (1) month period immediately preceding the start of the vacation period without the consent of both parties concerned.

10.07 VACATIONS - REQUIREMENT TO TAKE:

Each employee shall be required to take the full annual holiday period that he is entitled to under the provisions of this Agreement.

10.08 VACATION ENTITLEMENT - RELATED TO STATUTES:

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

10.09 VACATION ENTITLEMENT - ELIGIBILITY FOR VACATIONS SHALL BE MAINTAINED, BUT NOT ACCUMULATED DURING ABSENCE:

- a) due to temporary illness or non-occupational accident exceeding twenty-six (26) weeks;
-

- b) with authorized leave of absence;
- c) due to lay-off in excess of fifteen (15) consecutive calendar days for employees with five (5) or more years of service and in excess of five (5) consecutive calendar days for employees with less than five (5) years of service.

10.10 ELIGIBILITY FOR VACATIONS WILL BE MAINTAINED AND ACCUMULATED DURING ABSENCE DUE TO:

- a) a compensable accident;
- b) serving in the non-permanent Armed Forces of Canada;
- c) temporary illness or non-occupational accident not exceeding twenty-six (26) weeks.
- d) lay-off of fifteen (15) consecutive calendar days or less for employees with five (5) or more years of service and lay-off of five (5) consecutive calendar days or less for employees with less than five (5) years of service.

ARTICLE 11 - GENERAL HOLIDAYS

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

- | | |
|-------------------|----------------------------------|
| 1. New Year's Day | 8. Thanksgiving Day |
| 2. Good Friday | 9. Remembrance Day |
| 3. Easter Monday | 10. ½ Day Prior to Christmas Day |
| 4. Victoria Day | 11. Christmas Day |
| 5. Canada Day | 12. Boxing Day |
| 6. B.C. Day | 13. ½ Day Prior to New Years Day |
| 7. Labour Day | |

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

NOTE: The one-half (½) day prior to Christmas Day and the one-half (½) day prior to New Year's Day shall mean the last scheduled working day prior to the holiday.

11.02 GENERAL HOLIDAY - SATURDAY & SUNDAY:

When a General Holiday falls on a Saturday or on a Sunday or on an employee's weekly day off then the next work day shall be observed as the Holiday. If Christmas Day and Boxing Day fall on a Saturday and on a Sunday, respectively, or on an

employee's weekly days off, then the next two (2) work days shall be observed as holidays.

11.03 GENERAL HOLIDAY PAY WILL BE PAID:

Without limiting the general application of Section 11.01 but subject to the provisos contained herein, General Holiday provisions will prevail:

- a) In order to qualify for General Holidays, employees must have worked at least fifteen (15) of the thirty (30) calendar days immediately preceding the holidays and the first day immediately following the holiday, unless the employee has been discharged for cause. If an employee has worked less than the fifteen (15) calendar days he shall be pro rated in accordance with Labour Standards unless the employee has been discharged for cause.
- b) Where an employee is off work due to a death in the immediate family or is acting as a juror or witness as provided elsewhere in this Agreement.
- c) General Holiday pay will not be paid to employees on W.C.B., Weekly Indemnity or Leave of Absence.

11.04 GENERAL HOLIDAY - DURING VACATION:

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

11.05 The Company shall have the option of providing an alternate day(s) for those employees required to work one half ($\frac{1}{2}$) day before Christmas and/or one half ($\frac{1}{2}$) day before New Years and/or Easter Monday to provide customer service. The alternate day shall, by mutual agreement, be either the last working day prior to the holiday or the Friday following the holiday.

ARTICLE 12 - WAGES

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

12.02

a) **PAY STATEMENT:**

The Company will issue to each employee a separate or detachable itemized statement with each pay showing separately the number of straight time hours worked and the

number of overtime hours worked and the respective hourly rates applicable thereon. The statement shall also show the total wages for the pay period and the total deductions therefrom.

b) **PAY STATEMENT:**

The Company shall, every second Thursday or another designated pay day, pay to each employee all wages earned by the employee to a day not more than nine (9) working days prior to the date of payment provided that if a General Holiday falls on the regular pay day, payment will be made the preceding day.

Payment of wages will be made during working hours.

In the event that an employee is laid off, the Company shall pay such employee not later than three (3) business days after he ceased to be an employee of the Company, all wages, salary and holiday pay earned by such employee, excluding authorized deductions.

12.03 TIME SLIPS:

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

12.04 CONSTRUCTION RATES:

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

12.05 ACCIDENTS - PAY TO EMPLOYEES

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

12.06 WAGE RATE - HIGHEST DAILY RATE

Where an employee works in a higher hourly wage classification, he shall be paid the higher rate for the hours worked in such classification.

ARTICLE 13 - TRAVEL TIME - TRANSPORTATION - EXPENSES

13.01

- a) Travel time during the employee's regular shift hours, Monday to Friday inclusive, will be paid for at straight time.
- b) Travel time authorized by the Company or the customer outside the employee's regular shift hours, Monday to Friday, will be paid for at time and one-half (1½) up to a maximum of eight (8) hours in any twenty-four (24) hour period.
- c) All travel time for Saturday and Sunday and any holiday will be paid for at time and one-half (1½) to a maximum of eight (8) hours in any twenty-four (24) hour period.
- d) (i) 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.

Travel time by employees outside the regular shift hours under (iv) (a) preceding shall be at time and one-half (1½), as defined in (ii), (iii).

(ii) Travel time will not attract premiums.

13.02 WORK OUTSIDE BRANCH AREA:

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

13.03 WORK OUTSIDE CITY LIMITS:

- a) Going to work outside city limits and returning daily, starting time shall be calculated from the time the employee leaves the shop and returns to the shop at the close of the work day. It is understood that where employees reside in the city where the work is being done, they shall report to and finish work at the regular starting and stopping time.
- b) All time spent driving or riding in a motor vehicle to and from such job or jobs shall be considered as time worked.

13.04 JOBS AWAY FROM HOME:

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

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

13.05 STANDBY TIME:

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

13.06 LAY OVER TIME:

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

13.07 EMPLOYEE VEHICLES:

Employee vehicles shall not be used on Company business.

- 13.08** Adequate plug-ins for block heaters shall be provided on the Company premises at no cost to the employee.

ARTICLE 14 - LEAVE OF ABSENCE

14.01 UNION SERVICE:

- a) The Company shall allow time off work without pay for any employee who is serving on a Union Committee for purposes of discussions with the Company, or serving as a Union delegate to any conference or function, provided all requests for time off are reasonable and do not interfere with the proper operation of the business.
- b) No employee who acts within the scope of this sub-section shall lose his job or be discriminated against for so acting.

14.02 LEAVE OF ABSENCE DUE TO INJURY:

- a) When an employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave of absence until such time as his doctor states he can return to work. If an employee suffers an injury off the job the Company may request a doctor's certificate. Cost of certificate shall be borne by the employee.
- 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. The Company will have a system in place so the employee will report prior to commencement of his shift.
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14.03 LEAVE OF ABSENCE - APPLICATION FOR:

If an employee desires a leave of absence for reasons other than those referred to in this Section, he must obtain permission, in writing, for the same from the Company, a copy to be supplied to the Union. Employees will not be entitled to benefits while on personal leave of absence.

14.04 LEAVE OF ABSENCE - OTHER EMPLOYMENT DISALLOWED:

- a) In any instances where an employee accepts other employment without the consent of Management, when on leave of absence for any reason, his employment may be terminated, subject to proper proof of same.
- b) The Company and the Union agree in principle to eliminate the practice commonly referred to as moonlighting.

When this practice affects the Companies business or the employees ability to perform his job, it shall be cause for dismissal.

ARTICLE 15 - GENERAL PROVISIONS

15.01 INJURY REPORT:

An employee suffering injury while in the employ of the Company must report to the First Aid Department and/or Supervisor immediately, or as soon thereafter as practicable, and also report to that department on returning to work.

15.02 WASHROOM FACILITIES:

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

15.03 SAFETY CLOTHING:

The Company will provide the following:

- 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.

15.04 PROTECTIVE CLOTHING:

- a) The Company shall supply protective clothing when employees are engaged in cleaning equipment.
 - b) The Company will provide insulated coveralls for severe
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winter conditions when required.

15.05 WATERLESS HAND CLEANER:

Waterless hand cleaner shall be supplied at all mechanical operations covered by this Agreement.

15.06 COVERALLS:

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

15.07 LUNCH ROOM:

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

15.08 REST PERIODS:

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. The Company shall supply coffee free of charge during the break periods, on Company premises only.

15.09 CLEAN-UP:

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

15.10 SHOP TEMPERATURE:

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

15.11 SHOP STEWARD:

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

15.12 PICKET LINE:

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

15.13 BONDING:

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

15.14 TOOL INSURANCE:

The Company shall provide, at its expense, tool insurance coverage to each eligible journeyman and apprentices **and shop helpers.**

Such coverage shall pay the cost of replacing an employee's tools, tool for tool, at no cost to the employee when tools are lost or damaged due to theft, vandalism, fire or flood or when being transported by public carrier. To be eligible for tool insurance the employee must

- a) Provide a brand name inventory of his tools on each anniversary of the Collective Agreement on a form supplied by the Company. Major additions must be added throughout the year.
- b) Immediately report all possible claims.
- c) Secure and lock up tools at the end of the shift.

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

The Company will not be responsible for tools left in the shop while on lay-off.

15.15 TOOL REPLACEMENT AND UPGRADING ALLOWANCE:

An allowance will be paid for the purchase of work related tools. To qualify the employee must have a minimum of six (6) months of service to obtain fifty percent (50%) of the allowance and twelve (12) months service to obtain one hundred percent (100%) of the allowance. The allowance will be paid once a year on or before the 30th of September. Receipts must be submitted during the month of August. Tool allowance will be paid to employees as set out below:

	<u>Sept. 30/02</u>	<u>Sept. 30/03</u>
Mechanics/Apprentices	\$295.00	\$310.00
Machinist/Apprentices	\$295.00	\$310.00
Welders/Apprentices	\$135.00	\$150.00
Shop Helpers	\$ 85.00	\$110.00

Where an employee has warranty on a broken tool he will attempt to claim such warranty.

The Company shall maintain all repairs on employees air tools, however replacement will only be covered by the above.

The Company will require a tool list for all employees receiving the allowance.

15.16 SUB-CONTRACTING:

Where the Company's facilities, space and trained personnel are available, the Company will continue to have all work which is presently performed by it's employees, performed by members of the Bargaining Unit.

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

15.17 NOTICE BOARD:

- a) A Notice Board shall be provided for the posting of all official Union notices exclusively, and will not be used for the purpose of disseminating political information. The right is reserved to the Company to request the removal of material offensive to the Company.
- b) The following information shall be kept in a central location, readily accessible to the Shop Steward:
 1. Seniority List
 2. Copy of the Agreement
 3. Welfare Plan ProvisionsAny employee requiring such information shall contact the Shop Steward for same.

15.18 SEVERANCE:

In the event of amalgamation, permanent closure of the plant, or a department thereof, or automation, causing an employee to lose his employment with the Company, the

Company hereby agrees to pay severance pay to such an employee provided the employee has a minimum two (2) years' service with the Company. Severance pay shall be based on an employee's regular rate of pay at the date of his severance and shall be paid in accordance with the following schedule:

One (1) week's pay for each year of service with the Company to a maximum of ten (10) weeks.

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

15.19 BEREAVEMENT PAY:

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

15.20 JURY DUTY:

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

15.21 DISMISSED OR IMPROPER CHARGES:

When a charge is laid against an employee, such charge arising while the employee was acting within his scope of employment with the Company, and such charge is dismissed or held improper by a court of competent jurisdiction or on an appeal taken therefrom, the Company shall pay the employee at his regular rate for the time loss due to attendance's 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.

15.22 TRANSFER:

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

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

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

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

15.23 ARTICLE HEADINGS:

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

15.24 EDUCATION FOR UPGRADING:

On Company required training the Company agrees to 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 paid by the Company including all wages, benefits, accommodation, meals and travel while attending school.

On voluntary upgrading courses with controlled attendance the Company will bear the costs of tuition, books and fees and the employee will contribute his time.

Upon successful completion of an approved course the Company will pay the employee for tuition, books and fees.

The Company shall have the right to limit the selection and the number of employees permitted to take an upgrading course at any one time.

15.25 BOOT ALLOWANCE:

All Service Journeymen, Apprentice Mechanics, Track Press Operators, Shop Helpers, Partsmen and Warehousemen are required to wear regulation safety boots during working hours.

	<u>July 31,2002</u>	<u>July 31,2003</u>
Service Journeyman	\$120.00	\$125.00
Apprentices		
Track Press Operator		
Shop Helpers		
Warehousemen	\$105.00	\$110.00
Partsmen	\$105.00	\$110.00

Boot allowance to be paid July 31st of each year on production of receipts for purchase or repair.

An employee must have six (6) months service to qualify for the boot allowance.

Employees with less than twelve (12) months service prior to July 31st of each calendar year shall receive a portion of the above allowance pro-rated to the number of full months employed with the Company. All recognized Field Mechanics shall receive new felt packs every twenty-four (24) months if required.

If there is no reimbursement in the year the full amount can be carried forward and accumulated an additional year to a maximum of double the amount indicated above.

15.26 PRESCRIPTION SAFETY GLASSES:

After six (6) months of employment each employee required to wear prescription safety glasses shall be reimbursed by the Company for the cost of replacement glasses up to a maximum of one hundred and twenty dollars (\$120.00) once per year.

If there is no reimbursement in the year, the full amount can be carried forward and accumulated one additional year. The accumulated amount can be used for a single claim. The money will be paid on a separate cheque.

ARTICLE 16 - TECHNOLOGICAL OR PROCEDURE CHANGES

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

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

ARTICLE 17 - JOB POSTING

17.01 PROMOTION:

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

17.02 JOB POSTING:

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

17.03 NEW JOB CLASSIFICATION:

- a) When a new job classification is introduced which is not

included in the list of classifications in Appendix "A" and/or "B", the Company and the Union shall promptly negotiate a wage rate for such classification.

- b) Every effort will be made by the Parties to conclude negotiations within thirty (30) days, but in any event, the rate established shall be retroactive to the day the new job commenced.
- c) In the event the Parties hereto are unable to conclude negotiations the matters in dispute shall be referred to a single Arbitrator agreed upon between the Parties. Failing such agreement, either Party at any time may call upon the Minister of Labour of British Columbia to appoint an Arbitrator.

ARTICLE 18 - TRUCK MAINTENANCE AND SAFETY

18.01 TRUCK MAINTENANCE:

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

- a) The Company shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety equipment, seat belts, or stickers prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment.
- b) It is agreed between the Company and the Union, having regard for the safety and driver health factor, that all vehicles shall have adequate heaters, windshield wipers and defrosters installed.
- c) It is mutually agreed that a form shall be supplied the driver on which he must report defects in equipment with sufficient copies so that the driver may retain a copy and so that the head office of the Company will have a copy of this report on file.
- 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 equipment. It shall be the Company's responsibility to supply tags or other marking devices. This tag to be left on the vehicle in order to show the work has been completed and shall be removed by the outgoing 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. Each uncovered service vehicle shall be equipped with a tarpaulin.
- g) Bulkheads will be installed on van-type trucks.
- h) All vehicles used for off property services shall have proper telephone communications or VHF radio equipment with all channels or frequencies necessary for off-highway communication. The Company shall provide and maintain radios in good working condition.

ARTICLE 19 - MEDICAL - INSURANCE - DENTAL - PENSION

19.01

- a) The Company shall provide and maintain the following coverage for their employees at no cost to such employees. At no time will coverage be less than that currently in place as indicated in this Article.
- b) The benefits provided under this Article will be firstly subject to the terms of the Collective Agreement and secondly to the terms of the insurance contracts between the Company and the Insurance Carrier.
- c) The Parties recognize that the Plan may contain restrictions, exceptions, qualifications, and other terms affecting entitlement to benefits. Questions of entitlement and eligibility will be determined by clause "b" firstly and then by the terms of the insurance plan and the insurer's contract.

19.02 MEDICAL:

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

19.03 EXTENDED HEALTH BENEFITS

19.04 GROUP INSURANCE COVERAGE:

-LIFE INSURANCE \$5,000 - \$15,000
-WEEKLY INDEMNITY (1-1-26) 2/3 of basic wages

- * -1st day of disability due to an accident
 - 1st day of disability due to sickness for
-

- Maximum period of twenty-six (26) weeks.
- LONG TERM DISABILITY as per policy

(Amounts payable under the Weekly Indemnity provision above shall be indexed and automatically increased to the level of maximum UIC wage loss replacement benefits as required. The UIC rebate shall belong to the Company).

HEALTH & WELFARE

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

19.05 DENTAL PLAN

- BASIC DENTAL 100%
- PROSTHETICS (CROWNS, BRIDGES, DENTURES and ORTHODONTIC SERVICES) 50%

19.06 ELIGIBILITY:

An employee will be eligible for all coverage outlined above on the first of the month coincident with or following three (3) months of employment. This provision will be effective for new employees only from the date of ratification. Current employees on recall or beyond the recall period who may be rehired are not subject to this provision and require no probationary period.

19.07 INSURED BENEFIT COVERAGE - ON LAY-OFF:

An employee who is laid off will be eligible for continued Health & Welfare coverage (i.e. Medical, E.H.B. & Dental) for sixty (60) days after the end of the month of lay-off. Coverage will continue for the period stated so long as the Employee is unemployed and not receiving income from another Company and has been an employee for twelve (12) months preceding date of lay-off.

If an Employee is recalled on a temporary basis, not exceeding ten (10) working days, they will not be entitled for a further sixty (60) day extension of this Article.

19.08 MEDICAL COVERAGE ON WEEKLY INDEMNITY:

The Company shall maintain Health and Welfare coverage as provided in Article 19 for six(6) months while employees are on individual Weekly Indemnity Claims.

19.09 MEDICAL COVERAGE ON W.C.B.:

The Company shall maintain Health and Welfare coverage as provided in Article 19 for twelve (12) months while employees are on WCB claims. If a WCB claim exceeds twelve (12) months the Company will review the case with the WCB and may extend the coverage further if the probability of continued employment exists.

19.10 PENSION PLAN:

The Company shall make contributions at the rate of one dollar and sixty cents (\$1.60) per hour on February 3rd, 2002 and increase twenty cents (20¢) per hour on August 3rd, 2003 for a total of one dollar and eighty cents (\$1.80) per hour for which wages are payable hereunder to each employee within the scope of this Agreement to the Operating Engineers' Pension Plan.

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

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

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

The Pension contribution will not apply to Sick Time hours.

The Company will not make pension contributions until a new employee has completed his probationary period at which time they will be paid retroactively to the date of hire.

ARTICLE 20 - SAVINGS CLAUSE

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

20.02If any Article or Section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

20.03In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter

into immediate collective bargaining negotiations, upon the request of the Union, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the Grievance Procedure.

ARTICLE 21 - DURATION

21.01 This agreement shall be in full force and effect from and including **August 3, 2002** to and including **August 2, 2004**, 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 **August 2, 2004**, or immediately preceding the anniversary date in any year thereafter, by written notice to the other Party, require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.

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

21.03 By agreement of the Parties hereto, the provisions of section 50.(2) of the Industrial Relations Act of B.C. are specifically excluded.

SIGNED AT _____, B.C. THIS _____ DAY OF _____, 2002.

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

UNION TRACTOR LTD.

APPENDIX "A" - WAGE SCHEDULE

SERVICE DEPT. :	AUG. 3/02	FEB. 3/03	FEB. 3/04
Journeyman mechanic, welder, machinist	\$25.63	\$25.73	\$26.03
Probationary Journeyman:1-3 Months	\$23.16	\$23.26	\$23.56
Probationary Journeyman:3-6 Months	\$24.41	\$24.51	\$24.81
Track Press Operator	\$18.82	\$18.92	\$19.22
Track Press Operator (Less than 1 year)	\$15.78	\$15.88	\$16.18
Shop Helper	\$15.78	\$15.88	\$16.18
Labourer	\$13.05	\$13.15	\$13.45

PARTS DEPT. :	AUG. 3/02	FEB. 3/03	FEB. 3/04
Journeyman	\$23.19	\$23.29	\$23.59
Probationary Journeyman:1-3 Months	\$20.99	\$21.09	\$21.39
Probationary Journeyman:3-6 Months	\$22.09	\$22.19	\$22.49
Parts Warehouseman:			
0-12 Months	\$14.32	\$14.42	\$14.72
12-18 Months	\$15.45	\$15.55	\$15.85
18-24 Months	\$16.54	\$16.64	\$16.94
24-30 Months	\$17.67	\$17.77	\$18.07
30 Months & Over	\$18.76	\$18.86	\$19.16

PREMIUMS

LEAD HAND	\$1.00
CHARGEHAND	\$2.00
FIRST AID ATTENDANT	.35¢

A.01 Students shall be paid seven dollars and fifty cents (\$7.50) per hour and will accumulate no seniority. They shall also be exempt for coverage under the Medical-Insurance-Dental-Pension provisions of this Agreement.

A.02 **TRACK PRESS OPERATOR** is a person employed to assemble and disassemble tracks.

A.03 **SHOP HELPER** is a person employed to perform limited skilled work. Examples of limited skilled work are:
 - guard removal and installation
 - steam cleaning
 - clean, maintain and store shop tools
 - general clean up to shop, yard, machines
 - sandblasting and painting

A Shop Helper may also assist a Journeyman in the performance of his duties. While doing so he will be under the direction of the Journeyman.

A.04 PARTSMEN RATES Apprentice Partsmen indentured under the Apprenticeship Act shall be paid on the basis of the percentage increments provided therein for the Partsmen Apprenticeship Program.

1st 6 months - 50% of Journeyman Partsman
2nd 6 months - 55% of Journeyman Partsman
3rd 6 months - 65% of Journeyman Partsman
4th 6 months - 70% of Journeyman Partsman
5th 6 months - 80% of Journeyman Partsman
6th 6 months - 90% of Journeyman Partsman

A.05 EMPLOYEES WORKING IN A HIGHER CLASS RATE Where an employee works in a higher hourly wage classification, he shall be paid higher rate for the hours worked in such classification.

A.06 In the event the Parties hereto are unable to conclude negotiations, the matters in dispute shall be referred to a single Arbitrator agreed upon between the Parties. Failing such agreement, either Party at any time may call upon the Minister of Labour of British Columbia to appoint an Arbitrator.

A.07 FIRST AID ATTENDANT When an employee is designated as First Aid Attendant by the Company, he/she shall receive thirty-five cents (.35¢) per hour above their classification. The Company will reimburse the cost of tuition and course texts for certification and re-certification of any appointed First Aid Attendant upon successful completion of an approved course and at such time they shall be so designated and receive the applicable premium.

Where an employee is required as a First Aid Attendant an advance notice will be circulated and the senior employee fulfilling job requirements shall be appointed. Where no bargaining unit First-Aid Person is available a non bargaining unit employee may temporarily fill that role.

Where there is a requirement for a Level 2 or higher First Aid Attendant the premium will be fifty cents (.50¢) per hour above their classified wage rate.

APPENDIX "B"

B.01 APPRENTICES

- a) All Apprentices employed by the Company may be indentured to the Operating Engineers' Joint Apprenticeship Board within sixty (60) days of commencing his apprenticeship.
- b) The length of an Apprenticeship contract for a given trade shall be in accordance with the rules and regulations of the Provincial Apprenticeship Branch.
- c) Any registered Apprentice, who, as a requirement of his Apprenticeship attends school, shall be paid his regular wages by the Company, based on a forty (40) hour week, while attending school. This pay shall only apply for up to a maximum of six (6) weeks in each calendar year unless an employee makes arrangements through the Company and the Provincial Apprenticeship Board to attend twice in one (1) year at which time the apprentice would receive payment twice in one (1) calendar year and the amount of any Government grant received by such an apprentice shall be deducted therefrom. **The Employer shall be responsible for the pre-authorization/registration of benefits payable through the Human Resources Development Commission. The Employer shall be responsible for tuition fees, subject to successful completion of their schooling.**
- d) An Apprentice, having served his required time and having passed any necessary examinations presented by the Apprenticeship and Industrial Training Branch of the Department of Labour, will automatically be classified as a Journeyman.
- e) The number of Apprentices employed shall not exceed the ratio of one (1) Apprentice to each four (4) Journeymen.
- f) The wage rate for an Apprentice shall be based on a percentage of the Journeyman's wage rate and where applicable the following scales shall apply:

FOUR YEAR CONTRACT OF APPRENTICESHIP

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

- g) An Apprentice shall not receive further percentage increments without having passed the required training modules and having served his required time on the job.
-

h) The Parties hereby agree that apprentices indentured to the said Apprenticeship Program are required to pass all prescribed courses in order to be paid as per Appendix "B" of the Master Agreement.

B.02 OFF PROPERTY PREMIUM (OUTSIDE DESIGNATED AREA) When a service repair employee is performing his duties with the Company outside the Prince George area, the Company shall increase such an employee's classified wage rate by one dollar and fifty cents (\$1.50) per hour. Off-property premium will be included with rate for overtime.

B.03 LEAD HAND A Lead Hand is a working employee who is able and willing to instruct others in the performance of their work, or who, because of exceptional skill and ability or the nature of his work, is so recognized by the Company.

B.04 CHARGE HAND A Charge Hand is a working employee assigned to instruct others in the performance of their work and is held responsible for the quality and quantity of the work.

LETTER OF UNDERSTANDING #1

between

UNION TRACTOR LTD.

and

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

RE: ARTICLE 2.03

It is hereby understood by the above mentioned parties that the current management may continue to perform hands on services in the shop and parts department which falls within the Bargaining Unit. This practice shall not exceed the boundaries of what was normally done in the past. The purpose of this practise is to handle any work that does not require the services of a full time employee within the Bargaining Unit.

SIGNED AT _____, B.C. THIS _____ DAY OF _____, 2002.

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

UNION TRACTOR LTD.

LETTER OF UNDERSTANDING #2

between:

UNION TRACTOR LTD.

and:

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

The undersigned parties agree as follows:

RE: ARTICLE 15.16

Management reserves the right to allow customers and their employees to work on their equipment on the Company's premises. From time to time the Company may rent portions of the premises to customers.

The following practices will apply:

- a) The customer must provide his own hand tools.
- b) The customer must use the Company facilities under the direction of management or an assigned employee.

The purpose of this practice will be to promote and maintain customer service.

The Employer and the Union will meet as required to discuss problems regarding sub-contracting.

Where the Company's facilities, space and trained personnel are available, the Company will endeavour to continue to have all work which is presently performed by its employees, performed by members of the Bargaining Unit.

This Article does not alter existing contractor or sub-contractor relationships and practices.

SIGNED AT _____, B.C. THIS _____ DAY OF _____, 2002.

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115 **UNION TRACTOR LTD.**

LETTER OF UNDERSTANDING #3

between:

UNION TRACTOR

and:

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

The undersigned parties agree as follows:

Where it is mutually agreed that overtime may be banked, employees shall state whether overtime is to be banked or paid at the beginning of each quarter. An employee may bank overtime equivalent to eighty (80) hours straight time maximum. All overtime worked thereafter shall be paid at the appropriate rate to said employee. Banked overtime may be cancelled by either party upon ninety (90) days written notice. Banked overtime is definitely not to be taken in the June 15 to September 15 and December 15 to December 31 period unless acceptable to the Company. All unused banked overtime must be paid out at the end of the calendar year. That is, no banked time can be carried over a year end.

Banked time will be used to minimize lay-offs. Banked time may be used for doctors and dentists appointments when prearranged by management.

Selection of employees to use banked time off shall first be on a voluntary basis, and secondly according to seniority subject to the operating needs and service requirements of the business.

Banked hours may be withdrawn by an employee in whole or in part at their regular rate at time of withdrawal. In the event an employee also wishes time off, such time will be by mutual agreement and subject to the operating needs and service requirements of the business.

Banked hours shall be withdrawn in eight (8) hour blocks.

Banked hours may not be withdrawn during a month in which disciplinary suspension occurs unless the banked time off had been arranged prior to the disciplinary suspension being levied.

Working for a second employer at any time during banked time off will be construed as moonlighting and will be subject to disciplinary action or dismissal.

The Company shall keep accurate records of banked overtime, in and out, and shall make these records available to the employee on request.

This letter shall be in effect from August 3, 2002 until August 2, 2004.

Signed at _____ this ____ day of _____ 2002.

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

UNION TRACTOR LTD.

LETTER OF UNDERSTANDING #4

between:

UNION TRACTOR

and:

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

The undersigned parties agree as follows:

Any employee with seniority standing, when re-called for work, shall have the right to compare the length of work involved with his present employment to decide on a by-pass. After by-passing the work call once, the employee shall lose his seniority standing if he does not return to work on the next call. The second re-call notice to work, if used to terminate an employee's seniority on lay-off, may not be given until a full calendar month has passed subsequent to the date on which the first notice was given. Sickness confirmed by a doctor will not be counted as a by-pass. Loss of seniority in these cases will be subject to review of the circumstances by the Parties to this Agreement, with the power to re-establish the employee's seniority rights after this consideration.

When a laid-off employee on the seniority list is recalled for work, the Company will endeavour to provide at least three (3) days of employment. If less than three (3) is offered and the employee declines, this will not be considered as a first or second by-pass for purposes of termination of seniority.

The Company will attempt the first phone call to the employee.

All call-backs for employees on lay-off will be done through the Union Dispatcher.

This Letter does not affect regular employees working full time and are covered by Article 6.20.

This Letter shall be in effect from August 3, 2002 until August 2, 2004.

Signed at _____ this ____ day of _____ 2002.

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

UNION TRACTOR LTD.

LETTER OF UNDERSTANDING #5

between

UNION TRACTOR LTD.

and

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

RE: ARTICLE 10.03 a) Vacation Pay Statement

The Company will supply vacation pay information to the Employee upon request.

SIGNED AT _____, B.C. THIS _____ DAY OF _____, 2002.

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

UNION TRACTOR LTD.

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