

AGREEMENT BETWEEN:

AHOY INDUSTRIAL CORPORATION LTD.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 115

September 1, 2002 to August 31, 2006

TABLE OF CONTENTS

ARTICLE 1 – OBJECTS	1
1.01 Objects of Agreement.....	1
1.02 No Strike/Lockout	1
ARTICLE 2 - AGREEMENT INTERPRETATION	1
2.01 Gender References	1
2.02 Time Span References.....	1
2.03 Specific Definitions	1
2.04 Article Headings	2
2.05 Savings Clause.....	2
ARTICLE 3 - BARGAINING AGENCY	2
3.01 Scope	2
3.02 Recognition.....	3
3.03 Definition of Employee.....	3
ARTICLE 4 -UNION SECURITY	3
4.01 Union Membership	3
4.02 Termination of Employment.....	3
4.03 Check Off.....	3
4.04 New Employees.....	3
4.05 Indemnity	4
ARTICLE 5 - UNION REPRESENTATION	4
5.01 Shop Stewards	4
5.02 Notification.....	4
5.03 No Discrimination	4
5.04 Lay-off.....	4
5.05 Steward Duties	4

5.06	Union Activities	4
5.07	Local 115 Representatives	5
ARTICLE 6 - MANAGEMENT RIGHTS		5
6.01	General.....	5
6.02	No Discrimination	5
6.03	Discipline and Discharge of Employees	6
ARTICLE 7 - PROBATIONARY PERIOD		6
7.01	Probationary Period.....	6
7.02	Seniority - Probationary Employee	6
7.03	Employee - Re-employment.....	6
ARTICLE 8 - HOURS OF WORK AND OVERTIME		6
8.01	Day Shift.....	6
8.02	Afternoon Shift.....	6
8.03	Night Shift.....	6
8.04	Incomplete Shifts	6
8.05	Change of Hours	7
8.06	Meal Break	7
8.07	Work Through Meal Break.....	7
8.08	Shift Change.....	7
8.09	Posting Schedules.....	7
8.10	Shift Rotation	7
8.11	Overtime	7
8.12	Distribution of Overtime	8
8.13	Overtime Calculation	8
8.14	Overtime Meal	8
8.15	Work Before Regular Shift.....	8

8.16	Call-in After Regular Shift.....	8
8.17	Rest Between Shifts	8
8.18	Minimum Daily Pay.....	8
8.19	Rest Periods.....	9
8.20	Time Clocks.....	9
ARTICLE 9 - GRIEVANCE PROCEDURE		9
9.01	Definition.....	9
9.02	Grievance Procedure.....	9
9.03	Policy Grievance.....	10
9.04	Time Limits	10
9.05	Agreements Binding	10
9.06	Reasons for Suspension/Discharge	10
ARTICLE 10 - ARBITRATION		11
10.01	Referral to Arbitration	11
10.02	Single Arbitrator.....	11
10.03	Binding Decision.....	11
10.04	Jurisdiction of Arbitrator.....	11
10.05	Cost of Arbitrator	11
10.06	Expedited Decision.....	11
ARTICLE 11 - SENIORITY		11
11.01	Definition.....	11
11.02	Seniority Lists	11
11.03	Returning Employees	12
11.04	Loss of Seniority	12
11.05	Maintenance of Seniority	13
ARTICLE 12 - LAYOFF/RECALL.....		13

12.01 Lay-off.....	13
12.02 Bumping	13
12.03 Lay-off Notice	13
12.04 Recall.....	14
12.05 Employees' Responsibility.....	14
12.06 Severance Pay.....	14
ARTICLE 13 - VACATIONS.....	14
13.01 Annual Vacation Entitlement	14
13.02 Vacation Pay	14
13.03 Vacation Pay Statement.....	15
13.04 Vacation - Preference by Seniority.....	15
13.05 Vacations - Requirement to Take.....	15
13.06 Vacation Scheduling.....	15
13.07 Schedule Changes	15
13.08 Vacation Pay on Termination	15
ARTICLE 14 - GENERAL HOLIDAYS	16
14.01 Specified Days.....	16
14.02 General Holiday - Saturday and Sunday.....	16
14.03 Eligibility.....	16
14.04 General Holiday During Vacation	17
14.05 Work on General Holiday	17
14.06 General Holidays on Days Off.....	17
ARTICLE 15 - WAGE ADMINISTRATION.....	17
15.01 Wages	17
15.02 Temporary Work in Other Classifications	17
15.03 New Job Classification	18

15.04	Payment of Wages	18
15.05	Obligations Upon Separation.....	18
15.06	Time Slips.....	18
15.07	Workplace Accidents	18
ARTICLE 16 - LEAVES OF ABSENCE		19
16.01	Bereavement Leave	19
16.02	Union Business.....	19
16.03	Jury or Court Witness Duty.....	19
16.04	Maternity.....	19
16.05	Leave of Absence Due to Illness or Injury	19
16.06	Abuse	20
16.07	Other Employment Disallowed	20
16.08	General Limitation	20
ARTICLE 17 - GENERAL PROVISIONS		20
17.01	Injury Report.....	20
17.02	Physical Examination/Doctor's Reports.....	20
17.03	Clean-Up	21
17.04	Facilities.....	21
17.05	Picket Line	21
17.06	Protective/Safety Clothing	21
17.07	Failure to Wear Protective/Safety Clothing.....	21
17.08	Waterless Hand Cleaner	21
17.09	Coveralls.....	21
17.10	Education for Upgrading.....	22
17.11	Just-in-Time/Quality Assurance.....	22
17.12	Notice Board.....	22

17.13 Tool Insurance.....	22
17.14 Employee Vehicles.....	22
17.15 Subcontracting.....	23
17.16 Excluded Personnel.....	23
17.17 Safety Boot Allowance	23
ARTICLE 18 - TECHNOLOGICAL CHANGE	23
18.01 Definition.....	23
18.02 Notice	23
18.03 Consultation.....	23
18.04 Vacancies.....	23
18.05 Displaced Employees.....	24
18.06 Retraining	24
18.07 Severance Pay	24
18.08 Labour Relations Code.....	24
ARTICLE 19 - PLANT OR DEPARTMENT CLOSURE	24
19.01 Definitions.....	24
19.02 Notice/Severance Pay	25
19.03 Job Search Assistance	25
ARTICLE 20 - VACANCIES AND PROMOTIONS.....	25
20.01 Job Vacancies	25
20.02 Criteria for Promotions and Vacancies	25
20.03 Trial Period	26
ARTICLE 21 - COMMITTEES.....	26
21.01 Joint Consultation Committee.....	26
21.02 Safety Committee	26
21.03 No Loss of Pay or Discrimination	26

ARTICLE 22 - HEALTH AND WELFARE - PENSION PLAN.....	26
22.01 Continuation	26
22.02 Limitation of Liability	27
22.03 Carrier.....	27
22.04 Eligibility.....	27
22.05 Premium Payments	27
22.06 Benefit Coverage.....	27
22.07 Pension or RRSP Contributions	28
ARTICLE 23 - DURATION.....	28
23.01 Duration.....	28
23.02 Labour Relations Code.....	29
APPENDIX "A": HOURLY WAGE RATES.....	30
LETTER OF UNDERSTANDING NO. 1	32
LETTER OF UNDERSTANDING NO. 2	33

AGREEMENT BETWEEN:

AHOY INDUSTRIAL CORPORATION LTD.

(the "Company")

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

(the "Union")

ARTICLE 1 – OBJECTS

1.01 Objects of Agreement

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.

1.02 No Strike/Lockout

The Company shall not cause or direct any lockout of employees during the life of this Agreement. Neither the Union nor any employees shall, in any way, authorize, encourage, support, condone, or participate in any strike, walk-out, suspension of work, slowdown, work stoppage of any kind, work to rule, or limitation of services during the term of this Agreement.

ARTICLE 2 - AGREEMENT INTERPRETATION

2.01 Gender References

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

2.02 Time Span References

References to days, weeks, months or years shall be understood to mean calendar days, weeks, months or years, unless otherwise expressly provided in this Agreement.

2.03 Specific Definitions

The following specific definitions of words, expressions, terms or phrases have been agreed to by the parties, and shall be used to establish the intent and meaning of the language of this Agreement, unless a different definition is provided within the context of a particular Article:

Probationary Employee: An employee who has not completed his probationary period.

Departments: Plating (Platers, Rackers); Polishing (Polishers); Fabricating (Benders, Welders, Machine Operators); Shipping (Shipper, Packager); and Maintenance (Machinist, Stationary Engineer).

Classifications: Machinist, Bender, Plater, Racker, Polisher, Welder, Stationary Engineer, Machine Operator, Shipper, Packager.

Classes: The 5 Classes set out in Appendix "A" to this Agreement.

Working Chargehand: An employee assigned to instruct and supervise others in the safe performance of their work, and held responsible for the quality and quantity of the work. The Working Chargehand will not be responsible for hiring or firing any employee, or for issuing written reprimands or suspensions.

2.04 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.

2.05 Savings Clause

(a) If any provision of this Agreement is rendered invalid by statute or by decision of a court or tribunal of competent jurisdiction, such provisions shall be severed from this Agreement and the remaining provisions of this Agreement shall continue in full force and effect. The Company and the Union, upon the request of either party, shall negotiate to settle upon a mutually agreeable provision to be substituted for the provision(s) so altered or invalidated. In the event the parties are unable to conclude negotiations, the matter shall be referred to a single arbitrator agreed upon by both parties. Failing such agreement, either party may at any time request the Director of the Collective Agreement Arbitration Bureau to appoint an arbitrator. The decision of the arbitrator shall be final and binding on the parties and any person affected by it.

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

ARTICLE 3 - BARGAINING AGENCY

3.01 Scope

This Agreement applies to and is binding on the Company, the Union and all employees of the Company included in the bargaining unit for which the Union is certified pursuant to the Labour Relations Code.

3.02 Recognition

The Company recognizes and agrees that the Union is the sole and exclusive bargaining agent for the employees in the bargaining unit at the place set out in the certificate of bargaining authority.

3.03 Definition of Employee

In this Agreement, "employee" means a person employed by the Company who is included in the bargaining unit for which the Union has been certified pursuant to the Labour Relations Code.

ARTICLE 4 -UNION SECURITY

4.01 Union Membership

Each employee must, as a condition of employment, be or become a member of the Union within thirty (30) calendar days following the beginning of his or her employment. Each employee shall remain a member in good standing of the Union as a condition of continuing employment.

4.02 Termination of Employment

Where an employee is expelled or suspended from, or denied, union membership because of the employee's failure to pay the periodic dues, assessments and initiation fees uniformly required to be paid by all members of the Union as a condition of acquiring or retaining membership in the Union, the Union may, by written notice, require the Company to terminate the employment of that employee.

4.03 Check Off

Upon receipt of the written authorization from an employee, the Company agrees to deduct Union dues or other assessments authorized by the Union from the wages of each employee who has worked at least five (5) days in a calendar month, and to remit the monies so collected to the Union not later than the **sixtieth (60th) day after the end of the month in which such dues or assessments were deducted**, together with a written statement containing the names of all employees for whom such deductions were made and the amount of each deduction. In the case of initiation fees, such deduction will be made in the week next following the week in which authorization is received by the Company from the Union.

4.04 New Employees

The Company agrees that it will advise newly hired employees of the Union security and check-off provisions provided in this Agreement and provide each new employee with Union enrollment cards. The Union shall ensure the Company has sufficient Union and Pension enrollment cards.

4.05 Indemnity

The Union shall indemnify the Company and hold it harmless against any and all suits, claims, demands, and liabilities that may be alleged to arise as a result of complying with any provisions of this Article.

ARTICLE 5 - UNION REPRESENTATION

5.01 Shop Stewards

The Company shall recognize up to three (3) Shop Stewards, appointed or elected by the Union to represent the employees. The number of Shop Stewards may be changed by mutual agreement between the Company and the Union.

5.02 Notification

The Union shall provide the Company with a written list which names the current Shop Stewards. Should new Shop Stewards be elected or appointed, the Union shall provide the Company with a revised list.

5.03 No Discrimination

The Company agrees that no Shop Steward shall suffer any discrimination by reason of holding such office.

5.04 Lay-off

When the Company for any reason finds it necessary to lay off or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.

5.05 Steward Duties

The Shop Steward(s) may, within reason, carry out their duties during regular working hours, without loss of pay. Such duties shall be: investigating and processing grievances, adjusting disputes, assisting new employees in completing Union and pension enrollment cards, investigating working conditions, ascertaining whether this Agreement is being adhered to in the operation and conferring with Union Representative(s) regarding such matters. The Steward(s) must notify the General Manager or his designate before commencing such activities.

5.06 Union Activities

Neither the Union nor Union members will engage in Union activities on Company premises during Company time, except as provided in this Agreement, or with the consent of management.

5.07 Local 115 Representatives

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 whether this Agreement is being adhered to in the operation. The Union will attempt to limit all such contacts to non-working hours, except with respect to Steps 2 or 3 of the grievance procedure. Before entering the Shop, the Union Representative shall check in with the General Manager or his designate by phone, or in person at the front office.

ARTICLE 6 - MANAGEMENT RIGHTS

6.01 General

Except as specifically abridged, restricted or modified by this Agreement, all management rights are retained by the Company. Such rights include, but are not limited to, the authority to:

- (a) hire, direct and assign work to employees;
- (b) promote, demote, transfer and lay-off;
- (c) discipline and discharge employees for just and reasonable cause;
- (d) evaluate job performance;
- (e) establish new, and abolish existing, job classifications;
- (f) designate reasonable job requirements, including the determination of the experience, skills, abilities, training and qualifications of employees to perform work;
- (g) make, publish and enforce reasonable rules for the promotion of safety, cleanliness, efficiency and discipline, and for the protection of employees, customers, records, equipment, inventory and operations; provided that such rules are not inconsistent with the provisions of this Agreement and
- (h) determine the number of employees to be employed, the duties to be performed and the hours they will work.

6.02 No Discrimination

The Company agrees that it will not act in a manner that is arbitrary, discriminatory or in bad faith in the exercise of its management rights. Any claim of a violation of this provision or any other article of this Agreement may be the subject of a grievance and be dealt with as hereinafter provided.

6.03 Discipline and Discharge of Employees

Employees who have successfully completed their probationary period can only be disciplined, suspended or discharged for just and reasonable cause.

ARTICLE 7 - PROBATIONARY PERIOD

7.01 Probationary Period

When a new employee is hired, he shall be on probation until he has completed six hundred and forty (640) hours actually worked, after which time he may continue in employment if, in the Company's discretion, he has performed well and is suitable for continued employment.

7.02 Seniority - Probationary Employee

Seniority shall not accrue during an employee's probationary period. Upon successful completion of the probationary period, the employee's seniority shall be backdated to his date of hire.

7.03 Employee - Re-employment

No employee shall serve more than one (1) probationary period during any one (1) period of continuous employment.

ARTICLE 8 - HOURS OF WORK AND OVERTIME

8.01 Day Shift

The standard work day shall consist of eight (8) hours, 7:00 a.m. to 3:30 p.m. The standard work week shall consist of forty (40) hours per week, Monday through Friday. The standard work day for employees in the Maintenance and Shipping departments shall consist of eight (8) hours, scheduled between the hours of 7:00 a.m. and 5:30 p.m.

8.02 Afternoon Shift

If an afternoon shift is worked, it shall consist of seven and one-half (7-1/2) hours, between 3:30 p.m. and 11:30 p.m., for which eight (8) hours shall be paid.

8.03 Night Shift

If a night shift is worked, it shall consist of seven (7) hours, between 11:30 p.m. and 7:00 a.m., for which eight (8) hours shall be paid. The night shift shall operate Monday through Friday, but may commence at 11:30 p.m. on Sunday night, or end at 7:00 a.m. on Saturday morning.

8.04 Incomplete Shifts

If an employee works an incomplete shift on the afternoon or night shift, then the employee's pay for the incomplete shift shall be calculated 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 afternoon or night shift, multiplied by the actual hours worked.

8.05 Change of Hours

The hours of work may be changed by mutual agreement between the Company and the Union.

8.06 Meal Break

Employees working a standard work day are entitled to an unpaid one-half (1/2) hour meal break, which shall be scheduled at a mutually agreed time.

8.07 Work Through Meal Break

If the Company requires an employee to work through his normal meal break, it shall:

- (a) provide him with a thirty (30) minute unpaid meal break, which shall commence within one (1) hour of the commencement of his normal meal break; or
- (b) if it is unable to do so, pay him at overtime rates for the work performed during his normal meal break, and allow him reasonable time off to consume a meal with no loss of pay.

8.08 Shift Change

Employees shall receive forty-eight (48) hours' notice of shift change, unless waived by the individual before commencing work on the new shift. This clause does not apply to temporary shift changes caused by unforeseen circumstances.

8.09 Posting Schedules

The Company shall make reasonable efforts to post in a conspicuous place the current work schedules, specifying the names and classifications of each employee. Upon request, the Union shall be provided with copies of such schedules, or information from them.

8.10 Shift Rotation

Subject to the Company's statutory, regulatory, or other government-imposed obligations (e.g., First Aid Attendant requirements), shifts within a department shall rotate where the majority of the employees so affected vote for such rotation. This clause only applies where the employees in the department are working on two or more shifts.

8.11 Overtime

All hours worked outside of the standard work day and the standard work week shall be considered overtime and shall be paid by the following schedule:

- (a) One and one-half (1-1/2) times the hourly rate for the first two (2) hours of overtime in a day;
- (b) Two (2) times the hourly rate for all hours worked in excess of ten (10) in a day;
- (c) One and one-half (1-1/2) times the hourly rate for all hours worked on a Saturday or a Sunday, up to a maximum of ten (10) hours per day. If an employee works both Saturday and Sunday on any given weekend, all hours worked on the Sunday will be paid at double time.

8.12 Distribution of Overtime

Subject to the following, all overtime shall be worked on a voluntary basis. All overtime must be authorized by the Company before it is worked. Where overtime is available in a classification, it shall be offered to the employees in the classification in order of seniority. If insufficient employees accept such offers, the remaining overtime work shall be assigned to the employees in the classification in reverse order of seniority.

8.13 Overtime Calculation

Overtime shall be calculated on the basis of completed six (6) minute units, according to the time clock.

8.14 Overtime Meal

An employee who works more than twelve (12) hours in a day shall receive a thirty (30) minute paid meal break at the end of the fourth (4th) consecutive hour of overtime, and every four (4) hours thereafter. The Company will provide a ten dollar (\$10.00) meal allowance or a hot meal to such employees.

8.15 Work Before Regular Shift

An employee who is called in to work before the start of his regular shift shall be paid at the prevailing overtime rate for the time worked before the start of his regular shift, and shall also complete his regular shift.

8.16 Call-in After Regular Shift

An employee who is called back to work after the completion of his regular shift shall receive a minimum of two (2) hours' pay at the prevailing overtime rate.

8.17 Rest Between Shifts

Except for an emergency, the Company shall ensure that each employee has at least eight (8) consecutive hours free from work between each shift worked.

8.18 Minimum Daily Pay

- (a) The Company shall pay an employee reporting for work on his scheduled shift a minimum in any one (1) day of:

- (i) two (2) hours' pay, unless the employee is unfit to perform his duties or has failed to comply with the Industrial Health and Safety Regulations of the Workers' Compensation Board; or
 - (ii) where the employee commences work, eight (8) hours' pay, unless his work is suspended for reasons beyond the control of the Company, in which case he shall receive a minimum of two (2) hours' pay.
- (b) Where an employee performs work at overtime rates, such time will not be included in the computation of his minimum daily pay.

8.19 Rest Periods

- (a) An employee shall be granted two (2) ten (10) minute breaks during the course of each shift, one in each half of the shift.
- (b) If overtime work is required, the employee shall be granted a paid ten (10) minute break at the prevailing overtime rate between the end of his regular shift and the start of overtime, a further paid ten (10) minute break after the first two (2) hours of overtime, and a further paid ten (10) minute break after each four (4) hours of overtime thereafter.

8.20 Time Clocks

The Company shall provide the plant with a time clock in order to enable employees to record their time for payroll purposes. Each employee shall record his own time at the start and finish of work and when leaving the premises. It is each employee's responsibility to record and claim payment for his own hours. An employee may be disciplined if he records, or attempts to claim payment for another's hours.

ARTICLE 9 - GRIEVANCE PROCEDURE

9.01 Definition

"Grievance" means any difference or dispute between the Company and an employee or the Union as an entity concerning the interpretation, application, operation or alleged violation of this Agreement, including a question as to whether a matter is arbitrable.

9.02 Grievance Procedure

Grievances shall be resolved in the following procedural manner:

Step 1

The employee, and/or a Shop Steward, shall discuss the grievance with a Foreman, within five (5) working days after the occurrence of the circumstances giving rise to the grievance, or after the employee should reasonably have become aware of such circumstances. The parties shall attempt to resolve the grievance informally within five (5) working days.

Step 2

If the grievance is not resolved at Step 1, a Union Representative (Shop Steward or Business Representative) shall present the grievance in writing to the General Manager or his designate within five (5) working days following the completion of Step 1. The written grievance shall describe the alleged violation and the remedy sought. The General Manager or his designate shall issue a written reply, with reasons, to the Union Representative within five (5) working days following receipt of the written grievance.

Step 3

If the grievance is not resolved at Step 2, a meeting shall be arranged for a mutually convenient time between the Company and the Union, within ten (10) working days of receiving the Step 2 response of the General Manager or his designate, for the purpose of discussing and attempting to resolve the grievance.

9.03 Policy Grievance

The Union or the Company shall have the right to initiate a policy grievance at Step 2.

9.04 Time Limits

The time limits set out in Articles 9 and 10 may be extended by written agreement of the Parties. However, if a grievance is not submitted within the time limits specified, then it will be deemed to be abandoned and all rights and recourse to the grievance procedure will be at an end.

9.05 Agreements Binding

Any and all agreements reached between the Company and the Union under the grievance procedure shall be final and binding. However, agreements reached at Step 1, while binding on the parties, shall be on a without prejudice basis.

9.06 Reasons for Suspension/Discharge

- (a) Within seventy-two (72) hours of an employee's suspension or discharge (exclusive of Saturdays, Sundays and General Holidays) the Company shall provide the employee and the Union Business Representative with the reasons for his discharge or suspension in writing.
- (b) If the Company subsequently discovers new or additional grounds for the suspension or discharge it shall immediately provide the Union with same no later than two (2) weeks prior to any formal hearing to determine the matter in dispute.
- (c) Failure by the Company to follow the provisions of (b) above shall render any new or additional grounds inadmissible at said hearing.

ARTICLE 10 - ARBITRATION

10.01 Referral to Arbitration

If a grievance remains unresolved after the conclusion of Step 3, it may be referred to arbitration by either party. The party shall notify the other party of its referral in writing within ten (10) business days of the conclusion of Step 3.

10.02 Single Arbitrator

Where a party gives notice of referral of a grievance to arbitration, the parties shall agree on a single arbitrator. Failing agreement by the parties, the Director of the Collective Agreement Arbitration Bureau, at the request of either party, shall make the necessary appointment pursuant to the Labour Relations Code.

10.03 Binding Decision

The arbitrator shall hear and determine the grievance, and shall issue a decision which is final and binding on the parties and any person affected by it, without stoppage of work.

10.04 Jurisdiction of Arbitrator

The Arbitrator shall be governed by the provisions of this Agreement and shall not have the jurisdiction to add to, delete from, change, modify, or make any decisions contrary to the intentions of the parties as expressed in this Agreement. The arbitrator shall have the powers and authority described in the Labour Relations Code.

10.05 Cost of Arbitrator

The Parties will jointly bear the cost of the Arbitrator. No party will be responsible for bearing the expenses of the other party's witnesses.

10.06 Expedited Decision

The Arbitrator will be requested by the Parties to issue a decision within a period of thirty (30) calendar days following the completion of the hearing. All decisions of the Arbitrator shall be set forth in writing and copies supplied to the parties.

ARTICLE 11 - SENIORITY

11.01 Definition

Seniority means the employee's total length of continuous service with the Company, including service rendered prior to the date of certification.

11.02 Seniority Lists

(a) The Company agrees to post seniority lists on or before the 1st day of March and the 1st day of September in each year. The seniority lists shall contain the

employee's name; his job classification; and the date from which his seniority is calculated.

- (b) The seniority lists shall be posted by the Company for a minimum of thirty (30) days. Any objection to the accuracy of a posted seniority list must be lodged with the Company during the thirty (30) days in which the lists are posted. Thereafter, the posted lists will be deemed to be valid and correct for all purposes of this Agreement.
- (c) At the time of posting, a copy of the seniority list shall be sent to the Union.

11.03 Returning Employees

- (a) Except as provided in this Agreement, an employee who quits to work for another employer and who subsequently returns will be considered a new employee from the date of re-entering the unit for the purpose of determining seniority.
- (b) An employee who leaves the bargaining unit to fill a management or non-bargaining unit position with the Company shall continue to accrue seniority, provided that his written request to return to the bargaining unit is made within ninety (90) worked days of assuming the non-bargaining unit position. Seniority is frozen and does not accrue after the ninety (90) days and will be forfeited after his right to recall period has expired. The Union shall be notified in writing of such transfer(s).
- (c) An employee re-entering the employ of the Company after his right to recall has expired may not be credited with his prior seniority by the Company, but he shall not be subject to another probation period.

11.04 Loss of Seniority

An employee will lose all his seniority rights and his employment, subject to the grievance procedure, where he:

- (a) quits his employment;
- (b) is discharged for just and reasonable cause;
- (c) after a layoff, fails to report for work for five (5) working days, having been recalled by telephone or registered letter, or by telephone call to the Union dispatch;
- (d) does not return to work on the date specified following an approved leave of absence, without reasonable cause;
- (e) is absent without leave from work for more than three (3) working days without reporting a reasonable cause;
- (f) reports to work under the influence of alcohol or illicit drugs, or consumes either during working hours;

- (g) is laid off for a period of greater than six (6) consecutive months for employees with less than one year's employment, and twelve (12) consecutive months for employees with one (1) year or more of employment;
- (h) falsely alleges that his absence is due to medical reasons or refuses to submit to a medical examination properly required by the Company under Article 17.02;
- (i) engages in any dishonest act in, or pertaining to, the workplace; and
- (j) engages in any act of assault or battery against members of management, customers, suppliers or fellow employees, or vandalizes the property of any of them.

11.05 Maintenance of Seniority

Subject to Article 11.04, seniority will be maintained but will not accumulate when an employee

- (a) is on leave of absence for greater than four (4) weeks;
- (b) is absent from work for more than six (6) months for medical reasons that are not work-related
- (c) is absent from work for more than twelve (12) months for medical reasons that are work-related; or
- (d) is on layoff for greater than six (6) months.

ARTICLE 12 - LAYOFF/RECALL

12.01 Lay-off

Employees shall be laid off within their classification in reverse order of seniority subject to the employee's present ability to perform the required work, and subject to the Company's statutory, regulatory, or other government-imposed obligations (e.g., First Aid Attendant requirements).

12.02 Bumping

If an employee is displaced from his job by the layoff procedure and has the necessary abilities and qualifications, he may displace another employee who has less seniority. Employees who bump into another job will be paid the wage rate for the new position. Such employees shall have the right to reinstatement in their former position, without posting, when that position becomes available.

12.03 Lay-off Notice

The Company will provide two (2) working days' notice of any layoff to employees who have completed their probationary period.

12.04 Recall

For the purposes of recall from layoff, the above procedure and sequence shall be reversed. If the Company is unable, after reasonable efforts, to contact a laid off employee within twenty-four (24) hours, the Company may recall the next employee in sequence.

12.05 Employees' Responsibility

It is the responsibility of all laid off employees to keep the Company and the Union advised at all times of where and how they can be contacted for recall purposes.

12.06 Severance Pay

- (a) An employee who is laid off may elect to abandon his recall rights and accept severance pay, provided that:**
 - (i) the employee makes the election during the first three (3) months of his layoff; and**
 - (ii) the employee has at least one (1) year of service with the Company.**
- (b) The severance pay under this provision shall be one (1) week's pay for each completed year of service, to a maximum of eight (8) weeks' pay.**
- (c) A laid off employee who accepts severance pay shall forfeit his employment and all seniority rights.**

ARTICLE 13 - VACATIONS

13.01 Annual Vacation Entitlement

Employees shall be granted annual vacation and vacation pay as follows:

<u>Completed Seniority</u>	<u>Annual Entitlement</u>	<u>Vacation Pay</u>
1 Year	10 working days	4%
3 Years	15 working days	6%
10 Years	20 working days	8%
20 Years	25 working days	10%

13.02 Vacation Pay

An employee shall be paid his vacation pay prior to taking his annual vacation. **If an employee has not taken all his annual vacation by the end of the calendar year, the Company will pay out his remaining accrued vacation pay on December 31.** Vacation pay shall be the applicable percentage of the employee's total gross wages since his last vacation payout. Such wages shall include all regular wages, overtime payments, vacation pay, general holiday pay, and any bonuses earned by the employee during the relevant period.

13.03 Vacation Pay Statement

Prior to an employee going on his vacation, the Company shall provide the employee with a statement showing the period for which the employee is receiving his vacation pay and how the vacation pay was calculated.

13.04 Vacation - Preference by Seniority

Employees shall have preference in respect to the scheduling of annual vacation, within their department, according to the seniority list, provided they file applications before February 1st of each year.

13.05 Vacations - Requirement to Take

Each employee shall be required to take the full annual vacation period that he is entitled to under the provisions of this Agreement. Time on layoff may be considered as vacation taken. Vacation entitlement cannot be banked or carried over from year to year.

13.06 Vacation Scheduling

- (a) The Company will post vacation schedules for each department during the first two (2) weeks of January in each year. Employees shall select their vacation periods for that calendar year by February 1st, and the Company shall confirm the vacation scheduling by March 1st, in each year. Should an employee not select his vacation by February 1st, he will not be able to use his seniority later to bump another employee from his pre-selected vacation period. In the event of such failure, the timing of his vacation shall be scheduled at the discretion of the Company.
- (b) The Company may require an employee to work up to three (3) months between his annual vacations.
- (c) Employees who are entitled to twenty-five (25) working days' annual vacation may be required to take the fifth (5th) week at a time reasonably designated by the Company within the same calendar year.

13.07 Schedule Changes

Subject to unforeseen circumstances, an employee's scheduled vacation shall not be changed by the Company within one (1) month immediately preceding the start of the vacation without the consent of the employee concerned. If the Company finds it necessary to change an employee's vacation during this one (1) month period, it shall reimburse the employee for any unrecoverable expenses which the employee has incurred in connection with the change in his vacation, up to a maximum of two thousand dollars (\$2,000.00). Such expense claims shall be supported by receipts.

13.08 Vacation Pay on Termination

Where an employee's employment with the Company terminates, he shall be paid any and all vacation pay owing to him under this Agreement.

ARTICLE 14 - GENERAL HOLIDAYS

14.01 Specified Days

Subject to Article 14.03, all employees will be granted the following holidays with pay:

New Year's Day	Good Friday
Easter Monday	Victoria Day
Canada Day	British Columbia Day
Labour Day	Thanksgiving Day
Remembrance Day	Christmas Day
Boxing Day	

and any other day that may be declared a holiday by the Provincial or Federal Governments. Pay for such holidays shall be the equivalent of the wages the employee would have earned at his classified rate of pay for his regular shift.

14.02 General Holiday - Saturday and Sunday

When a general holiday falls on a Saturday or Sunday, then the next work day shall be observed as the holiday. If Christmas Day and Boxing Day fall on a Saturday and Sunday respectively, then the next two (2) work days shall be observed as holidays. A different day may be substituted for the general holiday on mutual agreement between the Company and the Union (Shop Steward or Business Representative).

14.03 Eligibility

Without limiting the general application of Article 14.01, but subject to the following, general holidays shall be paid on the following basis:

- (a) To be eligible to receive pay for a general holiday, an employee must work the scheduled shift immediately prior to the holiday and the scheduled shift following the holiday as eligibility shifts unless his absence is covered by (b).
- (b) The requirements in paragraph (a) above will be waived by the Company where the employee misses an eligibility shift because:
 - (i) he is off work due to any circumstance for which he is eligible to receive compensation under the Workers' Compensation Act, provided such an employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday;
 - (ii) he is off work due to sickness, quarantine or an accident, provided such an employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday. If the Company so requests, a doctor's certificate shall be submitted as proof of disability;
 - (iii) he is laid off or is on approved leave of absence, provided such an employee has earned wages from the Company during the two (2) calendar weeks immediately preceding the week in which the holiday occurs; or

(iv) he is on Bereavement Leave or Jury Duty, as provided in this Agreement.

14.04 General Holiday During Vacation

Where 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.

14.05 Work on General Holiday

If an employee is required to work on any of the specified general holidays, he shall be paid one and one-half (1½) times his regular hourly rate for all hours worked on the general holiday, up to a maximum of ten (10) hours, and double time thereafter. The Company shall also provide the employee with an alternate day off with pay (hour per hour) within the thirty (30) calendar days following the general holiday, on a day that falls immediately before or after his normal days off.

14.06 General Holidays on Days Off

When a general holiday falls on an employee's weekday day off, the Company shall provide the employee with an alternate day off with pay (hour per hour), within the thirty (30) calendar days following the general holiday, on a day that falls immediately before or after his normal days off.

ARTICLE 15 - WAGE ADMINISTRATION

15.01 Wages

- (a) The Company shall remunerate an employee at the wage rate applicable to the classification that he is employed in, as set out in Appendix "A" to this Agreement.
- (b) The wage rates outlined in the attached Appendix "A" are minimum wage rates. They do not prevent the Company from paying higher rates, subject to Article 6.02. Upon request, the Company will inform the Union in writing why a higher rate is being paid.

15.02 Temporary Work in Other Classifications

The classifications outlined in Appendix "A" will not restrict the movement of employees. An employee who temporarily works in a higher classification for greater than two (2) hours shall be paid the wage rate of the higher classification for the entire period so employed. An employee assigned temporarily to duties which pay a lower rate of pay will not have his regular applicable wage rate reduced for those hours. This Article shall not apply where an employee bids or bumps into another classification.

15.03 New Job Classification

When a new job classification is introduced which is not included in the list of classifications in Appendix "A", the Company and the Union shall promptly negotiate about a wage rate for such classification. Every effort will be made by the Parties to conclude negotiations within thirty (30) days. In the event the Parties 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 request the Director of the Collective Agreement Arbitration Bureau to appoint an Arbitrator. The rate established shall be retroactive to the day the new job commenced.

15.04 Payment of Wages

- (a) Pay periods shall be two (2) weeks in duration, Sunday through Saturday. The Company shall, every second Thursday, pay to each employee all wages earned during the previous pay period. If a general holiday falls on the regular payday, payment will be made the preceding day.
- (b) 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.

15.05 Obligations Upon Separation

- (a) When an employee resigns, the Company will pay all wages owing to the employee within three (3) working days of the date of his resignation.
- (b) When an employee is laid off or discharged, the Company shall pay all wages owing to him during the next working day, exclusive of Saturdays, Sundays or holidays.
- (c) When an employee is laid off or discharged, the Company will provide the employee with a CEIC "Record of Employment" form which will indicate the reason for the separation from employment.

15.06 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.

15.07 Workplace Accidents

An employee involved in a compensable accident while on the job shall be paid for his full shift at his classified rate for the day of the accident.

ARTICLE 16 - LEAVES OF ABSENCE

16.01 Bereavement Leave

If an employee who has completed his probationary period suffers a death in his immediate family, he shall receive three (3) days off without loss of pay. "Immediate family" means: spouse (including a common law spouse of the opposite sex with whom the employee has cohabited for a minimum of two [2] years), mother, father, brother, sister, child, mother-in-law or father-in-law. The Company is entitled to require proof of death and/or relationship. Bereavement leave for probationary employees shall be one (1) day off without loss of pay.

16.02 Union Business

Up to two (2) weeks' leave of absence without pay will be granted to no more than two (2) employees per year for the purpose of attending to Union Business, provided that the Company's work requirements will allow for such leave. No employee who acts within the scope of this subsection shall lose his job or be discriminated against for so acting.

16.03 Jury or Court Witness Duty

Employees who are required by law to serve as jurors or witnesses in any court proceeding not relating to their personal affairs shall be granted leave of absence with pay, to a maximum of thirty-one (31) days for this purpose. The employee concerned shall give to the Company any monies received for such service, and shall render an accounting of amounts received together with proof of service. If the employee's jury or court witness duty exceeds thirty-one (31) days, he shall be granted an unpaid leave of absence for the remainder of such duty, and may retain any amounts received for such service during this period. Employees absent due to jury or court witness duty shall continue to accumulate seniority, and the Company shall continue to make Health and Welfare and Pension contributions for such employees.

16.04 Maternity

Leave of absence without pay in case of pregnancy shall be granted in accordance with the Employment Standards Act.

16.05 Leave of Absence Due to Illness or Injury

When an employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting for work, he shall be granted a leave of absence until he is medically fit to return to work provided that he supplies the Company, upon request, **and at least once every two weeks for absences over two weeks in duration**, with suitable information from his doctor regarding:

- (a) the general nature of his illness/injury;
- (b) the extent to which his illness/injury prevents him from working; and
- (c) the expected date that the employee will be capable of returning to work.

Before such an employee may return to work, the Company may require from him a Doctor's note stating that he is fit to return to his regular duties.

16.06 Abuse

Improper use by an employee of any of the provisions of this Article shall be cause for discipline.

16.07 Other Employment Disallowed

In any instance where an employee accepts other employment without the consent of the Company, when on leave of absence for any reason, his employment may be terminated, subject to proper proof of same.

16.08 General Limitation

- (a) All leaves of absence provided for in this Agreement are leaves without pay, unless it is specifically provided that the particular leave of absence is to be granted with pay.
- (b) Leaves of absence other than those specifically provided for in this Agreement may be granted to employees where it is deemed appropriate to do so by the Company, but the granting of such leaves is within the discretion of the Company. The granting of such leave will be in writing, a copy to be provided to the Union.

ARTICLE 17 - GENERAL PROVISIONS

17.01 Injury Report

- (a) An employee suffering injury while in the employ of the Company must report to the first aid department immediately, or as soon thereafter as practicable, and also report to that department on returning to work.
- (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 can be made if necessary.

17.02 Physical Examination/Doctor's Reports

The Company may require an employee to undergo a physical examination provided that:

- (a) the examination is to confirm the opinion of the employee's physician in relation to a particular medical disability which prevents the employee from working, and provided that such examination is paid for by the Company; and
- (b) any medical reports required by the Company for health and welfare benefits shall be paid for by the Company; and
- (c) no employee shall lose pay for attending such an examination.

17.03 Clean-Up

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

17.04 Facilities

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

17.05 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 a Company with whom the picketing Union has a dispute.

17.06 Protective/Safety Clothing

Where the Company requires its employees to wear such protective/safety clothing, the Company will provide the following:

- Rubber aprons
- Rubber boots
- Rubber gloves
- Cotton gloves
- Welders' gloves
- Welders' aprons
- Safety glasses
- Welding helmets
- Dust masks.

17.07 Failure to Wear Protective/Safety Clothing

It is understood and agreed that employees who fail or refuse to wear protective/safety clothing when required by the Company may be subject to disciplinary action.

NOTE: Employees may refuse to continue working in an unsafe or hazardous environment upon informing his/her supervisor. It must be recognized that an understanding of this nature requires a high degree of cooperation between the employees and the Company.

17.08 Waterless Hand Cleaner

Waterless hand cleaner shall be provided to maintenance employees.

17.09 Coveralls

The Company shall continue to supply and clean coveralls for employees who are required to wear them.

17.10 Education for Upgrading

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

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

17.11 Just-in-Time/Quality Assurance

All employees are expected to learn and understand Just-in-Time production procedures and to participate in Ahoy's Quality Assurance Program.

17.12 Notice Board

(a) A separate 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 require the removal of material offensive to the Company.

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

- 1 - Seniority List;
- 2 - copy of the Agreement;
- 3 - Welfare Plan Provisions.

Any employee requiring such information shall contact the Shop Steward for same; a further supply shall be maintained by the Company for dissemination to the Stewards.

17.13 Tool Insurance

The Company shall ensure that its insurance coverage covers the applicable employees' tools at their current replacement value, tool for tool, at no cost to the employee. The employee will provide the Company with a detailed list of his tools. This inventory may be examined by the Company and any tools it deems to be inappropriate for the functions of the employee's duties will be excluded from coverage; however, the Company shall identify all inappropriate tools and shall advise the employee to remove the tools from the Company's premises. This insurance includes the employee's tool box.

17.14 Employee Vehicles

No employee shall be disciplined or discriminated against for refusing to use his vehicle on Company business.

17.15 Subcontracting

Where the Company's facilities, space and trained personnel are available, the Company shall endeavour to have work which is normally performed by employees in the bargaining unit performed by such employees instead of contracting it out to third parties.

17.16 Excluded Personnel

The Company agrees that the nature and amount of bargaining unit work performed by excluded personnel will not exceed past practice.

17.17 Safety Boot Allowance

(a) Employees with twelve (12) months of service as of September 1 of each year shall be eligible to receive a Safety Boot Allowance. Employees shall receive up to fifty dollars (\$50.00) towards the purchase or repair of Workers' Compensation Board approved safety boots, upon presentation of receipts.

(b) Unused portions of the Safety Boot Allowance, up to a maximum of fifty dollars (\$50.00), may be carried over to the following year.

ARTICLE 18 - TECHNOLOGICAL CHANGE

18.01 Definition

"Technological change" means an introduction by the Company of equipment in its operation which results in the displacement of employees.

18.02 Notice

The Company shall provide the Union with at least one (1) month's notice prior to the implementation of a technological change. Such notice shall be in writing and shall state the nature of the new equipment, the date upon which it is to be installed, and the names and classifications of the employee(s) whose job(s) will be affected.

18.03 Consultation

Where the Company has notified the Union in accordance with Article 18.02, the Parties shall meet as soon as possible upon receipt of the written notice, in order that the Union may make representations concerning how the technological change could be implemented with the least adverse effects.

18.04 Vacancies

If a technological change results in the creation of a new job classification, all vacancies in that classification will be filled in accordance with Article 20 of this Agreement.

18.05 Displaced Employees

Employees displaced from their jobs as a result of a technological change will be laid off and may bump in accordance with Article 12 of this Agreement, unless the employee, prior to being laid off, elects instead to:

- (a) waive his bumping rights and be placed on the recall list; or
- (b) accept severance pay, under Article 18.07.

18.06 Retraining

- (a) Employees who, under Article 18.05, bump into a lower paid classification or are laid off, shall have the option of being retrained for another classification within the bargaining unit, provided that a vacancy exists in that classification, and provided that the employee must pass an aptitude test designed by the Company if the Company requires one. The cost of such aptitude test will be borne by the Company, and the employee and the Union shall be notified of the result.
- (b) Notwithstanding Article 18.06 (a), if two (2) or more employees apply for the vacancy, Article 20 shall apply.
- (c) During their retraining, employees shall be subject to the Article 20.03 trial period, and shall return to their former status if they fail successfully to complete it.

18.07 Severance Pay

An employee who elects under Article 18.05(b) to accept severance pay shall receive one (1) week's pay at his current wage rate for each completed year of service to a maximum of eight (8) weeks' pay. Employees who accept severance pay forfeit their employment and all seniority rights.

18.08 Labour Relations Code

Section 54 of the Labour Relations Code of British Columbia shall not apply during the term of this Agreement.

ARTICLE 19 - PLANT OR DEPARTMENT CLOSURE

19.01 Definitions

- (a) "Plant closure" means the permanent closure by the Company of the operation covered by the Union's certificate of bargaining authority.
- (b) "Department closure" means the permanent closure by the Company of a department.

19.02 Notice/Severance Pay

- (a) Employees displaced from their jobs because of plant closure shall receive one (1) week's notice or severance pay for each completed year of service, to a maximum of eight (8) weeks' notice or severance pay.
- (b) In the event of department closure, the Company will provide employees working in that department with one (1) week's notice of such closure for each completed year of service, to a maximum of eight (8) weeks' notice. Upon expiry of the notice period, the affected employees will be laid off in accordance with Article 12. If the Company fails to provide the notice described above, the affected employees shall have the option of accepting severance pay in lieu of the remaining notice.
- (c) Employees who accept severance pay forfeit their employment and all seniority.

19.03 Job Search Assistance

If the Company provides working notice of plant closure, it shall give employees one (1) working day off with pay for each year of service or portion thereof, to a maximum of five (5) days' off with pay, to assist in their search for alternate employment. Such days off may be taken at a mutually convenient time, as arranged between the employee and his supervisor.

ARTICLE 20 - VACANCIES AND PROMOTIONS

20.01 Job Vacancies

Vacancies in existing or new classifications shall be posted in a conspicuous location for three (3) consecutive working days. A copy of the posting will be faxed to the Union, outlining the department and classification. All applications for posted positions must be filed in writing with the General Manager by the end of the third (3rd) working day after the initial posting, on forms to be supplied by the Company. An employee who wishes to be considered for positions posted while he is away on vacation or leave of absence must submit a form to the Company before his departure, listing in order of preference the vacancies he would like to bid on should they be posted. A copy of this form will be provided to the Union. If no employees with the present ability bid for the vacancy by the end of the third (3rd) working day after the initial posting, the Company may fill the vacancy.

20.02 Criteria for Promotions and Vacancies

- (a) Subject to Article 20.02(b), job vacancies shall be awarded to the most senior applicant who has the present ability to perform the required work.
- (b) "Working Chargehand" vacancies will be awarded on the basis of abilities and qualifications. If two (2) or more applicants are relatively equal according to the other criteria, then the employee with the greatest applicable seniority shall be awarded the job.

20.03 Trial Period

Employees filling job vacancies or attaining promotions through the procedure outlined above shall serve a trial period for the first eighty (80) worked hours at the position. If during this trial period the employee is considered by the Company to be unsatisfactory or unsuitable, or the employee prefers not to fill the vacancy, he shall be returned to his former position and shall be paid his former salary.

ARTICLE 21 - COMMITTEES

21.01 Joint Consultation Committee

On the request of either Party, the parties shall meet at least once every two (2) months for the purpose of discussing issues relating to the workplace that affect the parties or any employee bound by this Agreement.

The purpose of the Consultation Committee is to promote the cooperative resolution of workplace issues, to respond and adapt to changes in the economy, to foster the development of work related skills and to promote workplace productivity, but does not replace the Grievance Procedure set out in this Agreement.

21.02 Safety Committee

A Safety Committee shall be established, consisting of two (2) management representatives and two (2) bargaining unit representatives. On the request of any of its members, the Safety Committee shall meet at least once every two (2) months, for the purpose of discussing safety issues relating to the workplace. A summary of the committee's discussions and actions will be posted.

21.03 No Loss of Pay or Discrimination

Employees who serve on the Committees described in this Article shall not lose any pay for attending Committee meetings during working hours. Nor shall such employees be discriminated against for serving on the Committees.

ARTICLE 22 - HEALTH AND WELFARE - PENSION PLAN

22.01 Continuation

The Company agrees to continue paying the same premiums to obtain the benefit coverage in effect for employees immediately prior to the signing of this Collective Agreement. An outline of the Health and Welfare benefits is available in the office.

22.02 Limitation of Liability

The Union agrees that the obligation of the Company under this Article is restricted to the payment of premiums, or portions of premiums, as applicable, to the insurance carrier. It is understood and agreed that neither the benefits nor the insurance policies governing the application of the benefits, form part of this Agreement. The Union and the employees agree that all benefits referred to in this Article are subject to the conditions of eligibility and any other limitations expressed in the insurance carrier's policy and that the Company has no responsibility for the administration of any insurance policy.

22.03 Carrier

The selection of the insurance carrier for any benefits is in the sole discretion of the Company, provided the benefits are comparable.

22.04 Eligibility

Employees become eligible for enrolment in the coverage outlined in this Article upon successful completion of the probationary period. Participation by such employees in the Medical Services Plan of British Columbia is voluntary; participation in the Group Insurance Plan is mandatory.

22.05 Premium Payments

The Company shall pay one hundred percent (100%) of the MSP premiums.

Premiums with respect to the Group Insurance Plan shall be as follows:

<u>Completed Seniority</u>	<u>Company Portion</u>	<u>Employee Portion</u>
Completion of probationary period (0)	35%	65%
1 year	50%	50%
3 years	100%	Nil

22.06 Benefit Coverage

- (a) Life Insurance: an amount equal to the employee's annual salary, rounded off upwards to the next \$1,000;
- (b) Accidental Death and Dismemberment: an amount equal to the employee's annual salary, rounded off upwards to the next \$1,000;
- (c) Dental: 100% of routine treatment, including diagnostic, preventative, surgical, restorative services, prosthetic repairs, endodontics and periodontics;
- (d) Extended Health Care;

- (e) Weekly Indemnity: (1-5-26) First day of absence due to injury by accident (no waiting period); Fifth day of absence due to illness (4 day waiting period); Twenty-six week duration of benefit.
- (f) Eye glasses: charges toward the purchase of prescription eyeglasses or contact lenses up to a maximum of two hundred dollars (\$200.00) per person and each dependent in any twenty-four (24) month period will be covered. (Repairs are not eligible charges.)

The parties acknowledge and agree that the Employment Insurance premium reduction associated with the weekly indemnity benefit coverage described above, has been put by the Company towards the eyeglass coverage.

22.07 Pension *or* RRSP Contributions

The Company shall make contributions at the rate of \$0.55 per hour for each straight-time hour actually worked by each employee within the scope of this Agreement to the Operating Engineers' Pension Plan, ***provided that an employee may elect instead to have this contribution amount paid by the Company into his designated RRSP account.***

Where contributions are made under this provision to the Operating Engineers' Pension Plan:

- (a) The Company is required to report on the forms provided by the Pension Plan;
- (b) Contributions must be forwarded by the Company to the Operating Engineers' Pension Plan by the ***sixtieth (60th) day after the end of the month*** which the contributions cover; and
- (c) The Pension Plan's Auditor may inspect and/or audit the Company's record of time worked by employees and contributions made to the Pension Plan. Such inspection and/or audit shall take place during regular business hours, at a time arranged with the Company's General Manager.

ARTICLE 23 - DURATION

23.01 Duration

This Agreement shall be in full force and effect from and including ***September 1, 2002, to and including August 31, 2006***, 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 31, ***2006***, or immediately preceding the anniversary date in any year thereafter, by written notice to the other Party, to require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.

Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall strike or the Company

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

23.02 Labour Relations Code

The operation of Section 50 (2) and (3) of the Labour Relations Code is hereby excluded.

SIGNED THIS _____ DAY OF _____, 2003.

AHOY INDUSTRIAL CORPORATION LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

**APPENDIX "A":
HOURLY WAGE RATES**

<u>Class</u>	<u>Classifications</u>
Class 1	Machinist
Class 2	Bender, Plater, Polisher, Welder, Stationary Engineer
Class 3	Machine Operator
Class 4	Shipper
Class 5	Packager, Racker

Effective September 1, 2002:

<u>Months Actually Worked</u>	Class				
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
0	11.40	10.65	10.65	10.65	10.65
12	13.72	12.20	12.20	12.20	11.40
24	15.27	13.72	13.72	13.72	12.20
36	16.81	16.07	15.29	15.67	13.72
48	19.93	18.01	17.22	17.62	15.29

Effective September 1, 2003:

<u>Months Actually Worked</u>	Class				
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
0	11.63	10.86	10.86	10.86	10.86
12	13.99	12.44	12.44	12.44	11.63
24	15.58	13.99	13.99	13.99	12.44
36	17.15	16.39	15.60	15.98	13.99
48	20.33	18.37	17.56	17.97	15.60

Effective September 1, 2004:

<u>Months Actually Worked</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
0	11.86	11.08	11.08	11.08	11.08
12	14.27	12.69	12.69	12.69	11.86
24	15.89	14.27	14.27	14.27	12.69
36	17.49	16.72	15.91	16.30	14.27
48	20.74	18.74	17.91	18.33	15.91

Effective September 1, 2005:

<u>Months Actually Worked</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
0	12.10	11.30	11.30	11.30	11.30
12	14.56	12.94	12.94	12.94	12.10
24	16.21	14.56	14.56	14.56	12.94
36	17.84	17.05	16.23	16.63	14.56
48	21.15	19.11	18.27	18.70	16.23

Restriction: Employees shall not move to the next higher rate on the grid unless and until they have actually worked eighty percent (80%) of the allotted time in the immediately preceding rate on the grid (e.g. Ho Jun case).

Working Chargehand Premium: \$0.75 over paid hourly wage rate.

First Aid Attendant Premium: \$0.75 over paid hourly wage rate.

LETTER OF UNDERSTANDING NO. 1

BETWEEN:

AHOY INDUSTRIAL CORPORATION LTD.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

FILLING VACANCIES - PLACEMENT ON WAGE SCALE

If an employee is awarded a vacancy under Article 20.02 (a) of this Agreement, the following will apply:

- (a) If it is in a class with a higher top rate than his previous class, the employee shall remain at his previous wage rate (plus any incremental increases) until he has worked for eight (8) weeks in the new position;
- (b) If it is in a class with the same top rate as his previous class, the employee shall drop down one (1) level on the "Months Actually Worked" scale (plus any incremental increases) until he has worked for eight (8) weeks in the new position;
- (c) If it is in a class with a lower top rate than his previous class, the employee shall be paid the listed rate of pay (plus any incremental increases) from the date he commences work in the new position.

PACKAGING FOR SEVEN DAY WEEK

When the Company requires the packager to work Saturday and/or Sunday as part of his eight (8) hour forty (40) hour week, he will be paid an additional fifty cents (50¢) to his regular wages for Saturday and Sunday hours.

SIGNED THIS _____ DAY OF _____, 2003.

AHOY INDUSTRIAL CORPORATION LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

LETTER OF UNDERSTANDING NO. 2

BETWEEN:

AHOY INDUSTRIAL CORPORATION LTD.

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

12 HOUR SHIFT (PLATING DEPARTMENT)

1. The Company may require Plating department employees to work a standard shift of twelve (12) hours (7:00 a.m. to 7:00 p.m., or 7:00 p.m. to 7:00 a.m.), for three (3) consecutive days or nights in a week. The remaining short fall from a forty (40) hour work week may be scheduled for a fourth shift. The only shift that will not be scheduled but may be mutually agreed to is the Saturday 7:00 p.m. to Sunday 7:00 a.m. If the employee is short time, he may make it up at a mutually convenient time.
2. Employees working the twelve (12) hour day shift shall be paid their regular hourly wage plus fifty cents (50¢) for each hour, including the meal break, plus the Working Chargehand or First Aid Attendant premium (as applicable).
3. Employees working the twelve (12) hour night shift shall be paid one dollar (\$1.00) for each hour, including the meal break, in addition to their regular hourly wage rates, plus the Working Chargehand or First Aid Attendant premium (as applicable).
4. Employees working the twelve (12) hour shift shall receive one (1) thirty (30) minute paid meal break and three (3) ten (10) minute paid coffee breaks during the shift.
5. Any hours worked in a day beyond the twelve (12) hour shift shall be paid at double time. For work performed on a general holiday, Article 14.05 shall apply.
6. The following Articles of the Collective Agreement shall not apply to employees working the twelve (12) hour shift: 8.01, 8.02, 8.03, 8.04, 8.06, 8.07, 8.11, and 8.19 (a). All other Articles shall apply, except as modified or varied in this Letter of Understanding.

SIGNED THIS _____ DAY OF _____, 2003.

AHOY INDUSTRIAL CORPORATION LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115
