

COLLECTIVE AGREEMENT

BETWEEN

AEL EQUIPMENT CORP.

AND

**CONSTRUCTION AND ALLIED WORKERS'
UNION, LOCAL NO. 68
Affiliated with the
Christian Labour Association of Canada**

May 1, 2003 – April 30, 2006

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COLLECTIVE AGREEMENT

Between **AEL EQUIPMENT CORP.**
(hereinafter referred to as "the Employer")

And **CONSTRUCTION & ALLIED WORKERS' UNION, LOCAL NO. 68**
affiliated with the
Christian Labour Association of Canada
(hereinafter referred to as "the Union")

(May 1, 2003 – April 30, 2006)

ARTICLE 1 - PURPOSE

- 1.01 It is the intent and purpose of the parties to this Agreement, which has been negotiated and entered into in good faith:
- a) to recognize mutually the respective rights, responsibilities, and functions of the parties hereto;
 - b) to provide and maintain working conditions, hours of work, wage rates, and benefits set forth herein;
 - c) to establish an equitable system for the promotion, transfer, layoff, and recall of employees;
 - d) to establish a just and prompt procedure for the disposition of grievances;
 - e) and generally, through the full and fair administration of all terms and provisions contained herein, to develop and achieve a relationship among the Union, the Employer, and the employees which will be conducive to their mutual well being.

ARTICLE 2 - RECOGNITION

- 2.01 The Employer recognises the Union as the sole bargaining agent of all employees in the bargaining unit as defined in Article 2.02.
- 2.02 This Agreement covers all employees of the Employer in British Columbia, except office staff, and non-working supervisors.
- 2.03 There shall be no revision, amendment, or alteration of the bargaining unit as defined herein, or to any of the terms and provisions of this Agreement, except by mutual agreement, in writing, of the parties. Without limiting the generality of the foregoing, no

classification of work or jobs may be removed from the bargaining unit except by mutual agreement, in writing, of the parties.

- 2.04 The Employer agrees that duly appointed Representatives of the Christian Labour Association of Canada are authorized to act on behalf of the Union for the purpose of supervising, administering, and negotiating the terms and conditions of this Agreement and all matters related thereto.
- 2.05 The Union acknowledges that it is the function of the Employer:
- a) to manage the enterprise, including the scheduling of work, the control of materials, and the deployment of the workforce.
 - b) to maintain order, discipline, and efficiency; and
 - c) to hire, direct, transfer, promote, layoff, suspend, and discharge, provided that such actions are consistent with the purpose and terms of this Agreement and provided that a claim by any employee that he has been disciplined or discharged without just cause will be subject to the Grievance Procedure.
- 2.06 Non-bargaining unit personnel shall not perform work covered by this Agreement if this would result in the layoff, transfer, or demotion of a member of the bargaining unit.

ARTICLE 3 – SCOPE

- 3.01 Should any provision of the Collective Agreement be rendered null and void or be materially altered by future legislation, the remaining provisions of the Collective Agreement shall remain in force and effect for the term of the Agreement, and the parties shall negotiate a mutually agreeable provision to be substituted for the affected provision.
- 3.02 The parties agree that
- Part 3 – Wages, Special Clothing, & Records;
 - Part 4 – Hours of Work and Overtime;
 - Part 5 – Statutory Holidays;
 - Part 7 – Annual Vacation; and
 - Part 8 – Termination of Employment
- of the *Employment Standards Act* form part of this Agreement, except those provisions specifically modified by this Collective Agreement.
- 3.03 Notwithstanding Article 3.02, should any government legislation or regulation vary conditions as defined in this Agreement, such conditions, where more favourable, shall automatically apply.

ARTICLE 4 - UNION REPRESENTATION

- 4.01 For the purpose of representation with the Employer, the Union shall function and be recognized as follows:
- a) The Union has the right to appoint Stewards. The Stewards are representatives of the employees in certain matters pertaining to this Agreement, including the processing of grievances.
 - b) CLAC Representatives are representatives of the employees in all matters pertaining to this Agreement, particularly for the purpose of processing grievances, negotiating amendments or renewals of this Agreement, and enforcing the employees' collective bargaining rights and any other rights under this Agreement and under the law.
- 4.02 The Union agrees to notify the Employer in writing of the names of its officials and the effective dates of their appointments.
- 4.03 Stewards or Union Representatives will not absent themselves from their work to deal with grievances without first obtaining permission of the Employer. Permission will not be withheld unreasonably, and the Employer will pay such Stewards or Union Representatives at their regular hourly rate while attending to such matters as well as for time spent on negotiating a Collective Agreement with the Employer whenever this takes place during the regular working hours of the employees concerned.
- 4.04 The Employer shall meet periodically with his employees for the purpose of discussing any matters of mutual interest or concern to the Employer, the Union, and the employees. A CLAC Representative may attend such meetings.
- 4.05 There shall be no Union activity on Employer's time except that which is approved by the Employer and necessary for the processing of grievances and the administration and enforcement of this Agreement.

ARTICLE 5— NO CESSATION OF WORK

- 5.01 During the term of this Agreement, and in accordance with Article 57 of the *Labour Relations Code of British Columbia*, or while negotiations for a further Agreement are being held;
- a) the Union will not permit or encourage any strike, slowdown, or any stoppage of work or otherwise restrict or interfere with the Employer's operation through its members, and;
 - b) the Employer will not engage in any lockout of its employees or deliberately restrict or reduce the hours of work or deliberately send employees home when this is not warranted by the workload.

ARTICLE 6 - EMPLOYMENT POLICY AND UNION MEMBERSHIP

- 6.01 The Employer has the right to hire new employees as needed.
- 6.02 Notwithstanding Article 6.01, the Union and the Employer will co-operate in maintaining a competent and desirable labour force. The Employer will give preference to Union members for employment, provided that such applicants, in the opinion of the Employer, are qualified to meet the requirements of the work to be done. Prior to hiring additional or new employees in the classifications covered by this Agreement, or in new classifications being created in the bargaining unit, the Employer will contact the Union's office and request a list of available members.
- 6.03 The parties agree that the provisions of Article 5.02 will be null and void following thirty (30) days' written notification by either party.
- 6.04 a) The Employer shall notify the Union in writing of the name, address, and classification of any new employee at the time that such employee commences employment.
- b) New employees are required to serve a probationary period of ninety (90) days worked in a twelve (12) month period, during which time their skills and abilities will be monitored and their suitability for continued employment will be assessed. Upon successful completion of the probationary period, such new employees shall attain regular employment status, subject to the availability of work.
- c) The ninety- (90) day period in (b) above is based on a regular workweek of five (5) eight- (8) hour days. This will be modified depending on the actual shift schedule worked. For example, for those working a ten- (10) hour straight time shift schedule, one (1) day equals one and one quarter (1.25) days worked, and for those working an eleven and a half- (11.5) hour straight time shift schedule, one (1) day equals one and forty-three one hundredths (1.43) days worked.
- 6.05 Probationary employees are covered by the Agreement, excepting those provisions which specifically exclude such employees. The Employer may terminate the employment of a probationary employee provided that such termination is not discriminatory, arbitrary, or in bad faith, and provided that such employee has been properly notified of reasonable standards that he is expected to meet. Such termination shall be confirmed in writing with a copy sent immediately to the Union.
- 6.06 Neither the Employer nor Union will compel employees to join the Union or discriminate against an employee because of Union membership or lack of it. The Employer agrees to inform new employees of the fact that a collective agreement is in effect, and to introduce new employees to a Representative or Steward in order to provide an opportunity to acquaint such new employee with the Union's policies.
- 6.07 The Union agrees, subject to Union policies, that it will make membership in the Union

available to all employees covered by this agreement on the same terms and conditions as applicable to other members of the Union.

ARTICLE 7 – CHECK OFF

- 7.01 The Employer is authorised and shall deduct each pay period Union dues, or a sum in lieu of Union dues, from each employee's pay. The amount to be deducted, and any changes to same, will be provided, in writing, to the Employer by the Union. Deductions shall be made effective from the date of hire, and shall include any initiation fees as directed by the Union.
- 7.02 The amount deducted will be forwarded to the Union's regional office within two (2) weeks of the end of the month in which the deduction occurred. This remittance shall include an itemised list of the employees for whom the deductions are made and the amount deducted from each employee.
- 7.03 Employees who, because of religious or conscientious objections, cannot support the Christian Labour Association of Canada, may apply to the Union, in writing, to redirect their dues to a mutually agreed charitable organisation. The Union will treat such requests in accordance with its policy.

ARTICLE 8 - CLASSIFICATIONS AND RATES OF PAY

- 8.01 Rates of pay applicable to various classifications are as set forth in Schedule "A" attached hereto and made part hereof.
- 8.02 Where new machinery is installed that materially affects the conditions of work of the employees concerned, or a new classification is created, the Union will be notified and negotiations commenced to determine the wage rate to be paid to the employees involved.
- 8.03 An employee reporting to work in the usual manner, who is prevented from starting work due to a cause not within his control, shall be entitled to a minimum of two (2) hours' pay. If an employee begins work, he shall be entitled to a minimum of four (4) hours' pay, except when the work is suspended because of inclement weather or other reasons completely beyond the control of the Employer. If employees decline alternate employment, they shall have the option to go home without pay.
- 8.04 Payday shall be every second Friday for the bi-weekly period ending the previous Friday. Should the payday be a Statutory Holiday, every effort shall be made to provide pay cheques on the preceding Thursday.

ARTICLE 9 - HOURS OF WORK AND OVERTIME

- 9.01 Hours of Work and Overtime
The following work and overtime schedules may be utilized by the Employer with the

mutual agreement of the parties within a particular division. Where there is no agreement, in

the case of an existing division, the existing work schedule shall apply; in the case of a creation of a new component, the Employer may set either #1 (5/2 pattern), or #2 (4/3 pattern).

Work and Overtime Schedule

#	Days on	Days off	Hours per day	Daily overtime		Weekly overtime (excluding daily overtime)	
				1.5x after	2x after	1.5x after	2x after
1	5 days	2 days	8 hours	8 hours	11 hours	40 hours	48 hours
2	4 days	3 days	10 hours	10 hours	11 hours	40 hours	48 hours
3	4 days	4 days	11.5 hours	N.A.	11.5 hours	40 hours*	48 hours*

*averaged over an eight- (8) week shift cycle

By mutual agreement, schedules and shifts other than the above may be implemented at the local level, provided that they are based on an average forty (40) hour workweek, and that regular shifts do not exceed twelve (12) hours in length.

9.02 Hours of Work and Overtime for Paving

This Article applied only to components with a Monday to Friday work schedule (Paving Components).

- a) Employees who are required to perform work on Saturday shall be paid at the rate of one and one-half (1.5) times the regular rate of pay for the first eleven (11) hours and two (2) times the regular rate of pay for all hours in excess of eleven (11). Employees may, by mutual agreement, work Saturday at regular rates to make up days lost due to rainouts. Mutual agreement requires a three-quarters (75%) majority of the employees to be in agreement with work at regular rates.
- b) There shall be no regular work done on Sunday. If extraordinary circumstances beyond the Employer’s control necessitate work on Sunday, and only if agreed upon by the Employer and the Union, time worked shall be paid at the rate of two (2) times the regular rate of pay for such hours, irrespective of weekly hours.

9.03 Hours of Work – Flagging and Road Maintenance

The flagging operations and the road maintenance operations are based on a seven- (7) day per week, twenty-four- (24) hour per day availability requirement. The days of the workweek are not pre-scheduled as the nature of the work is an “on call” basis, as and when required; therefore workdays may vary within the workweek (Sunday to Saturday), but will be subject to Article 9.01 above.

9.04 Overtime for Part-Time Employees

- a) A part-time employee working less than the normal hours per day of a full-time employee, and who is required to work longer than his regular workday, shall be paid at the rate of straight time for the hours so worked, up to and including the normal hours in the workday of a full-time employee.
 - b) A part-time employee working less than the normal days per week of a full-time employee, and who is required to work other than his regularly scheduled workdays, shall be paid at the rate of straight time for the days so worked up to and including the normal workdays in the workweek of a full-time employee.
 - c) Overtime rates shall apply to hours worked in excess of (a) and (b) above.
- 9.05 Overtime shall be offered to qualified employees at the jobsite in order of seniority and shall be assigned in inverse order of seniority.
- 9.06 There shall be two (2) rest periods (or coffee breaks), with pay, of ten (10) minutes' duration each, daily, one in the forenoon and one in the afternoon. When possible, thirty (30) minutes shall be designated as a lunch period, without pay, approximately midway each shift. When no specific time is set aside, employees shall be allowed not less than fifteen (15) minutes to eat their lunch, during the Employer's time, without deduction of pay. The scheduling of coffee or lunch breaks shall be discussed prior to the start of a job.
- 9.07 Employees who are unable to report for work at the scheduled starting time shall notify either their immediate foreman, superintendent, or local office, in that order, one (1) hour before starting time. Unless the employee has a justifiable reason, failure to report as required may lead to disciplinary action.

ARTICLE 10 - VACATION AND VACATION PAY

- 10.01 Employees shall receive annual vacation pay calculated at six percent (6%) of their gross pay after completing their probationary period. Employees shall earn four percent (4%) during their probationary period.
- 10.02 The Employer will endeavour to grant vacations at the times requested, subject to operational requirements. As a guideline, employees with the longest service will have first choice of vacation time. Vacation weeks shall be taken consecutively unless the employee and the Employer agree to other arrangements.
- 10.03 The parties recognise that the availability to schedule vacations during the peak work period may result in some limits with respect to scheduling vacations.

ARTICLE 11 - HOLIDAYS

11.01 The Employer agrees to pay, at the regular rate of the normal straight hourly workday, for the following ten (10) statutory holidays:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Commonwealth Day	Remembrance Day
Canada Day	Christmas Day
British Columbia Day	Boxing Day

Part time employees shall be paid a pro-rata amount calculated as follows:

Total number of straight-time hours worked in the previous four (4) weeks (including vacation time and statutory holidays)

divided by

Total number of days in a full-time work schedule for the same four (4) weeks.

For the purposes of this Article, part-time means “less than a full time (forty- [40] hour) workweek; however, scheduled workdays for paving crews which are rained out or shut down due to plant/equipment problems shall be considered days worked for the purposes of the definition of part-time.

Any additional statutory holiday declared by either the Federal or Provincial Government shall be covered by the provisions of this Article.

11.02 Article 11.01 applies to employees who:

- a) have worked the regularly scheduled workday before and the regularly scheduled workday following the holiday; and
- b) have been employed for at least thirty (30) calendar days.

11.03 If an employee is required to work on one (1) of the above mentioned holidays for which he is entitled pay as per Articles 11.01 and 11.02, he shall be paid at the rate of one and one-half (1.5) times the regular rate of pay in addition to his holiday pay.

11.04 If one of the above-named statutory holidays falls on an employee's regularly scheduled day off, his following regularly scheduled workday shall be his statutory holiday, unless an alternate day is mutually agreed on between the Employer and the Union.

ARTICLE 12 - SENIORITY, LAYOFF, AND PROMOTIONS

12.01 The parties agree that rules respecting seniority and work opportunities are necessary in recognition of the principle that job opportunity and security should increase in proportion to

length of continuous service. In order to promote awareness of work opportunities that may arise in the various components, the Employer will circulate a Memo for Posting on a periodic basis and/or whenever such work opportunities exist.

12.02 Seniority of employees shall be recognized, based on each employee's date of hire. New employees shall be placed on the seniority list at the end of their probationary period and their respective seniority shall be dated back to the date of beginning of employment.

12.03 Component Seniority: It is recognized that the scope of the Employer's business results in multiple components (work groups) in various geographic areas. As such,

a) Separate seniority lists shall be kept for each separate component, and will be based on an employee's initial hire with that component. The separate components are as follows:

- i. Mobile Paving
- ii. Stationary Paving (Tappen)
- iii. Flagging (various locations)
- iv. Summer Maintenance (various locations)
- v. Winter Maintenance (various locations)
- vi. HOV Patrol

The Employer will notify the Union in advance, in writing, of any new components so that the Parties are able to discuss and deal with any issues arising from the implementation of the new work program(s).

b) Employees who transfer from one component to another are required to serve a trial period of thirty (30) days during which time their skills and abilities will be monitored. Upon successful completion of the trial period such transferred employee shall be assigned a seniority date in the new component. Unsuccessful employees shall have the opportunity to return to their previous position with their seniority intact.

c) The component seniority of employees who transfer from one component to another shall be reduced by the time spent working in the new component while their position in the former component continued to operate.

d) During the five- (5) month winter slowdown (from October 15 to March 15), flaggers who transfer to another component will not suffer a loss of seniority.

12.04 Seniority lists shall be maintained at all times by the Employer. Supervisors shall be supplied with updated seniority list for their component, and such seniority lists shall be made available to the Union as well.

12.05 Seniority shall govern an employee's access to work within a component, subject to the senior employee having the necessary skill and qualifications to perform the work.

12.06 Senior employees shall have access to available work and may displace a junior employee

- within their component provided they have the skill and ability to perform that work.
- 12.07 Senior employees shall maximize their weekly straight time hours subject to their skill, ability, and availability.
- 12.08 Seniority right shall cease for an employee who:
- a) voluntarily quits the employ of the Employer;
 - b) is discharged, and such discharge be not reversed through the Grievance Procedure;
 - c) fails to report on the second (2nd) day following the expiration of a leave of absence;
 - d) is laid off for a continuous period of more than nine (9) consecutive months.
- 12.09 When a reduction of the workforce is inevitable, probationary employees shall be laid off first. If further reductions are necessary, the Employer shall be guided by the following considerations:
- a) seniority standings of the employees within the entire workforce;
 - b) ability of the employees to perform the work satisfactorily;
 - c) the integrity of a work unit or crew.
- The above considerations shall also guide the Employer when employees on layoff are recalled.
- 12.10 If an employee must be laid off due to lack of work at his regular starting place, he may be offered available work at another base of operations. Seniority will govern in choosing available employees provided that ability to perform the work is satisfactory. In such an event, no travelling time or mileage shall be payable. However, when an employee is instructed to report to work at another location, normal travel and mileage provisions apply.
- 12.11 Where possible, the Employer shall give one (1) week's notice of the need for a layoff to the Union and the employees to be laid off.
- 12.12 Any employee who voluntarily quits the employ of the Employer shall give one (1) week's notice to the Employer to enable the Employer to hire an adequate replacement.
- 12.13 Any appeal in regard to a layoff must be taken up under the first step of the Grievance Procedure, hereinafter set forth, within five (5) workdays after the layoff took place.
- 12.14 Any employee laid off and recalled for work must return within two (2) days when unemployed and within seven (7) days when employed elsewhere after being recalled, or make definite arrangements with the Employer to return.

12.15 Employees on layoff shall provide the Employer with current contact information (phone number and address), and update it as necessary. Failure to update may result in termination if the Employer is thereby unable to recall employees on layoff as per Article 12.14.

ARTICLE 13 – WORK OPPORTUNITY POSTINGS

13.01 In order to provide information and potentially access to work in other areas, the Employer shall post, via a Memo for Posting, any work opportunities that may be available in other components.

13.02 In order to access work opportunities in other components, employees must indicate to the Employer, in writing, that they wish to be an applicant for job openings in other components.

13.03 Where there are senior qualified employees in other components who have indicated their wish to be an applicant as per Article 13.02, and who have the skill and ability to perform that work, their application will be given consideration prior to that of any new applicant, subject to the operational integrity of both crews.

ARTICLE 14 - TRANSPORTATION, TRAVEL TIME, AND OUT-OF-TOWN JOBS

14.01 Daily Travel Allowance

The Employer shall, at his discretion:

- a) in the case of locally hired mobile paving employees who daily commute to a project from their homes, either pay a vehicle allowance of thirty cents (\$0.30) per kilometre for all distances beyond fifty (50) kilometres from their home, or provide transportation to and from an agreed mandatory marshalling point;
- b) in the case of locally hired employees in all other divisions who daily commute to a project from their homes, either pay a vehicle allowance of thirty cents (\$0.30) per kilometre for all distances beyond fifty (50) kilometres from the base of operations, or provide transportation to and from an agreed mandatory marshalling point;
- c) in the case of out-of-town employees who reside in temporary quarters, provide daily transportation to and from an agreed mandatory marshalling point, or pay an employee required to use his own vehicle an initial and final travel allowance of thirty cents (\$0.30) per kilometre for the total distance to and from the project, or a mutually agreed upon flat rate. This is contingent on employees finding accommodations a reasonable distance from the project where possible.

14.02 Daily Travel Time

Daily travel time will be considered time worked when the employee is:

- a) travelling from a mandatory marshalling point to the jobsite and return;
- b) transporting equipment for the Employer;

- c) driving a vehicle for the Employer.

14.03 Initial and Final Travel Expenses

- a) Drive Employee Vehicle

Initial and final travel expenses to and from out-of-town projects shall be paid by the Employer at the employee's normal straight time hourly rate for all time spent travelling (eighty [80] kilometres is equal to one [1] hour) where employees drive their own vehicles;

- b) Passenger in Vehicle

Initial and final travel expenses to and from out-of-town projects shall be paid by the Employer at a rate of fifteen cents (\$0.15) per kilometre where employees are passengers in a vehicle;

- c) Public Transportation

Initial and final travel expenses to and from out-of-town projects shall be paid by the Employer at the cost of public transportation where the employees use public transportation.

14.04 Additional Travel Expenses

The Employer will pay for expenses that arise from tolls and ferries for daily, initial, and final travel, with the exception of expenses for local hires that occur within the fifty- (50) kilometre distance as defined in Articles 14.01(a) and 14.01(b).

14.05 Living Out Allowance

On all projects that require room and board, the Employer and the Union shall negotiate acceptable provisions prior to the start of the project. The Employer agrees to provide employees on travel status (that is, employees who are away from their residence and reside in temporary quarters) with adequate room and board, or negotiate a cash living out allowance of not less than sixty-five dollars (\$65.00) per day, seven (7) days per week, where the employees arrange for their own room and board. Effective May 1, 2004, this shall increase to seventy dollars (\$70.00); effective May 1, 2005, this shall increase to seventy-two dollars and fifty cents (\$72.50); and effective November 1, 2005, this shall increase to seventy-five dollars (\$75.00).

ARTICLE 15 - HEALTH AND WELFARE and SCHEDULE 'B'

15.01 In order to protect employees and their families from the financial hazards of illness, the Employer agrees to pay one dollar and ten cents (\$1.10) per hour for all hours worked to the Health and Welfare Plan administered by the CLAC Health and Welfare Trust Fund, on behalf of all employees. Effective November 1, 2005, this hourly contribution shall be increased to one dollar and fifteen cents (\$1.15). An outline on the Plan is listed in Schedule "B".

15.02 a) Employees are eligible to receive coverage on the first (1st) day of the month following three hundred and fifty (350) hours worked. It is the responsibility of the employee to complete the enrolment form for the benefit plan, which is a condition of coverage.

- b) It is understood and agreed that it is the responsibility of each employee to be familiar with the specific details of coverage and eligibility requirements for all benefit plans. Neither the Union nor the Employer has any responsibility for ensuring that all requirements for eligibility or conditions of coverage or entitlement of benefits are met by the employee, beyond the obligations specifically stipulated in this Agreement.

ARTICLE 16 – RETIREMENT PLAN

- 16.01 a) The Employer agrees to contribute one dollar (\$1.00) per hour for each hour worked to the RRSP administered by the CLAC Health and Welfare Trust Fund for each employee who has successfully completed the probationary period.
 - b) Contributions to the employees' RRSP, administered by the Trust Fund, shall be made in accordance with direction by the Union. The Employer shall be saved harmless for all contributions and administration of the RRSP.
- 16.02 Employees shall have the option of directing additional funds, via payroll deduction, to the RRSP. Employees may adjust the amount of their personal deduction, twice yearly, on January 1 and July 1, upon written notification to the Employer.

ARTICLE 17 – UNION-MANAGEMENT RELATIONS

- 17.01 The parties to this Agreement pledge to work toward the greatest possible degree of consultation and co-operation believing that the following concepts provide a fundamental framework for improved labour-management relations:
- a) the industrial enterprise is an economically characterized work community of capital-investors and workers under the leadership of a management;
 - b) the economic character springs from a continuous striving toward efficient use of scarce resources, energy, and environment, and in the adequate development of research, production, and marketing;
 - c) the enterprise requires authority relationships under a strong central leadership or management;
 - d) a strong management does not discourage co-operation but stimulates it, recognizing that while leadership without labour can do nothing, labour without management cannot survive.
- 17.02 a) In order to further the aims of the enterprise, the parties agree to schedule a Union-Management meeting each month, or as required, during the life of this Agreement. The meeting shall serve as a forum for discussion and consultation about policies and practices not necessarily covered by the Collective Agreement. The areas for discussion shall include but not be limited to:
- i) hiring policies;

- ii) discipline and discharge policies;
 - iii) training and promotion;
 - iv) safety measures;
 - v) matters that affect the working conditions of the employees.
- b) The Employer and the Union shall each appoint up to three (3) representatives to the Union-Management Committee. The Minutes shall record the business of each meeting, and a copy shall be mailed to the Union's provincial office.
- 17.03 A committee member attending Union-Management meetings during regular working hours shall be entitled to his regular hourly rate of pay. In the event that such meetings are held outside of regular working hours, the Employer agrees to pay a flat fee of ten dollars (\$10.00) to a committee member for each meeting attended.
- 17.04 The Employer may meet periodically with his employees for the purpose of discussing any matters of mutual interest or concern to the Employer, the Union, and the employees. The parties agree that amendments to this Agreement may be made from time to time to reflect any changes in the relationship.
- 17.05 In the event that consultation fails to resolve a matter of contention, the Union agrees that the decisive word resides with Management, unless abridged, delegated, or modified by this Agreement.

ARTICLE 18 - FUNERAL LEAVE

- 18.01 In the event of the death of an employee's parent, sibling, spouse or child, the employee may be absent from work for up to four (4) days with pay, up to and including the day of the funeral and, if necessary, one (1) day for return travel.

ARTICLE 19 - LEAVES OF ABSENCE

- 19.01 The Employer shall grant leaves of absence, without pay and without loss of seniority rights, for the following reasons for a maximum period of two (2) months:
- a) education beneficial to the work community;
 - b) sickness;
 - c) death in the immediate family;
 - d) Union activity other than this establishment.

- 19.02 The above shall not preclude extensions for education or personal illness where it is established in an application prior to the expiration of the leave of absence that such request for extension is justified.
- 19.03 The immediate family in this Article shall mean mother, father, mother-in-law, father-in-law, brother, sister, spouse, and children of the employee.
- 19.04 All applications for leave under this Article shall be made in writing, with as much advance notice as possible, and shall be responded to by the Employer in writing.

ARTICLE 20 – EDUCATION, TRAINING, and PUBLICATION

- 20.01 Employees who take courses, approved by the Employer for training or upgrading, at a recognized institution shall be paid one hundred percent (100%) of the course fee for regular attendance.
- 20.02 All mandatory training will be considered time worked.
- 20.03 To further the training of Union members, the Employer agrees to remit one half of one percent (0.05%) of gross wages to the Union's Education and Training Fund. Training funds shall be remitted in accordance with the timelines stipulated for Union dues.
- 20.04 The parties shall equally bear the costs associated with printing and publication of the collective agreement.

ARTICLE 21 - GRIEVANCE PROCEDURE

- 21.01 The parties to this Agreement recognize the Stewards and the CLAC Representative specified in Article 4 as the agents through which the employees shall process their grievances and receive settlement thereof.
- 21.02 The Employer or the Union shall not be required to consider or process any grievance which arose out of any action or condition more than five (5) workdays after the subject of such grievance occurred. If the action or condition is of a continuing or recurring nature, this limitation period shall not begin to run until the action or condition has ceased. The limitation period shall not apply to differences arising between the parties hereto relating to the interpretation, application, or administration of this Agreement.
- 21.03 A "Group Grievance" is defined as a single grievance signed by a Steward or CLAC Representative on behalf of a group of employees who have the same complaint. Such grievance must be dealt with at successive stages of the Grievance Procedure commencing with Step 1. The grievors shall be listed on the grievance form.
- 21.04 A "Policy Grievance" is defined as one which involves a question relating to the interpretation, application, or administration of this Agreement. A Policy Grievance may be submitted by either party to arbitration under Article 22, by-passing Step 1 and Step 2. Such Policy Grievance shall be signed by a Steward or a CLAC Representative, or in the case of

an Employer's Policy Grievance, by the Employer or his representative.

21.05 Step 1: An employee having a grievance will, accompanied by a Steward or a CLAC Representative, submit the same to his immediate supervisor in writing within five (5) workdays of the act or condition causing the grievance. This supervisor will deal with the grievance not later than the third (3rd) workday following the day upon which the grievance is submitted and will notify the grievor and the Union Representative of his decision in writing.

Step 2: If the grievance is not settled under Step 1, a Union Representative may, within five (5) workdays of the decision under Step 1, or within five (5) workdays of the day the decision should have been made, submit a written grievance to the Employer. The parties shall meet to discuss the grievance within one (1) week after the grievance has been filed. The Employer shall notify the grievor and the Union Representative of his decision in writing within three (3) workdays following the said meeting.

ARTICLE 22 - ARBITRATION

22.01 If the parties fail to settle the grievance at Step 2 of the Grievance Procedure, the grievance may be referred to arbitration.

22.02 The party initiating arbitration must serve the other party with written notice of desire to arbitrate within fourteen (14) days after receiving the decision given at Step 2 of the Grievance Procedure.

22.03 If a notice of desire to arbitrate is served, the two parties shall attempt to obtain an agreement to refer the matter to an agreed upon single Arbitrator, within seven (7) days of service, who will meet with the authorized representatives of the Union and the Employer in a hearing to ascertain both sides of the case.

22.04 If the parties fail to agree to refer the matter to an agreed single Arbitrator within seven (7) days of service as aforesaid, either Party may request the Minister of Labour to appoint a single Arbitrator.

22.05 Notice of desire to arbitrate and of nominations of an Arbitrator shall be served by fax and mail. The date of mailing shall be deemed to be the date of service.

22.06 If a party refuses or neglects to answer a grievance at any stage of the Grievance Procedure, the other party may commence arbitration proceedings and if the party in default refuses or neglects to appoint an Arbitrator, the party not in default may apply to the Minister of Labour to appoint a single Arbitrator to hear the grievance. The decision of the Arbitrator shall be final and binding upon both parties.

22.07 It is agreed that the single Arbitrator shall have the jurisdiction, power, and authority to give relief for default in complying with the time limits set out in Articles 21 and 22 where it appears that the default was owing to a reliance upon the words or conduct of the other party.

- 22.08 An employee found to be wrongfully discharged or suspended will be reinstated without loss of seniority and with back pay, less any monies earned, or by any other arrangement which is just and equitable in the opinion of the Arbitrator.
- 22.09 Where the Arbitrator is of the opinion that there is proper cause for disciplining an employee, but considers the penalty imposed too severe in view of the employee's employment record and the circumstances surrounding the discharge or suspension, the Arbitrator may substitute a penalty which is, in the opinion of the Arbitrator, just and equitable.
- 22.10 The decision of the Arbitrator will be final and binding on the two parties to the dispute and shall be applied forthwith.
- 22.11 The parties will equally bear the expense of the Arbitrator.
- 22.12 An Arbitrator shall be empowered to render his decision or interpretation consistent with the provisions of this Agreement.

ARTICLE 23 - DISCHARGE, SUSPENSION AND WARNING

- 23.01 When the attitude or performance of an employee calls for a warning by the Employer, such a warning shall be a written one, and a copy of this warning will be forwarded immediately to a Union Representative.
- 23.02 An employee may be suspended or discharged for proper cause by the Employer. Within five (5) workdays following suspension or discharge, the employee involved, together with a Union Representative, may interview the Employer concerning the reason leading to the suspension or discharge. Within five (5) workdays following the interview, the Union may submit the complaint to arbitration.

ARTICLE 24 - DURATION

- 24.01 This Agreement shall be effective the first (1st) day of May, two thousand three (2003), and shall remain in effect until the thirtieth (30th) day of April, two thousand six (2006), and for further periods of one (1) year, unless notice shall be given, by either party, of the desire to delete, change, or amend any of the provisions contained herein, within four (4) months immediately preceding the date of expiry of the Agreement. Failure of either party to give such notice shall mean that this Agreement has been renewed for a period of one (1) year.
- 24.02 If no agreement is reached at the expiration of this contract, this Agreement shall remain in force while negotiations are continued.

DATED at Merritt, British Columbia, this _____ day of _____, 2003.

Signed on behalf of

Signed on behalf of

AEL EQUIPMENT CORP.

**CONSTRUCTION & ALLIED
WORKERS' UNION, LOCAL NO. 68**

Employer Representative

CLAC Representative

SCHEDULE "A"
CLASSIFICATIONS AND HOURLY RATES

***Employees in this classification will be evaluated after their probation period to determine if they are fully qualified. A fully qualified flag person will have a valid flagging certificate and driver's license, and will be able to handle freeway work, single alternating traffic, set up a lane closure, and shadow a vehicle. If it is determined that an employee is not fully qualified, another evaluation shall occur after a time equivalent to the probation period. Current employees will not experience a reduction in their wages as a result of the transition to the start and fully qualified rates.

Newly hired drivers may be paid from \$11.89 to \$14.99 per hour during their first three (3) months of employment. After three (3) months, the full rate shall be paid. Effective May 1, 2004 these rates will increase to \$12.13 to \$15.29. Effective May 1, 2005 these rates will increase to \$12.43 to \$15.68.

SCHEDULE "A"
TAPPEN STATIONARY PLANT

(The previous Schedule "A" applies where classifications are not mentioned. Effective April 30, 2006, all rates will be covered by the previous Schedule "A")

GENERAL

1. a) First Aid Tickets
Employees possessing valid first aid tickets, and designated by the Employer as First Aid Attendants, shall be paid according to the following table:

Level 3	\$36.00 bi-weekly
Level 2	\$28.00 bi-weekly
- b) Holders of a valid First Aid Certificate may be the last persons laid off, subject to skill and ability to do the remaining work.
2. The Employer shall pay foremen a premium of one dollar (\$1.00) per hour on top of the highest hourly rate under his supervision. Premiums are payable only while foremen are actually responsible for a project.
3. Inexperienced operators, while training, may be paid the greater of their previous rate or one of the following minimum percentages of the full rate depending on their previous experience:

Start	75%
After 6 months	85%
After 12 months	95%
After 18 months	100%

One (1) month is equivalent to one hundred sixty (160) hours worked.
4. New equipment operators with limited experience in crushing or paving operations may be paid a minimum of ninety percent (90%) of full rate during the first two (2) months of employment.
5. The Employer agrees to reimburse tradesmen for broken tools (unless covered by warranty) at one hundred percent (100%) of replacement cost, subject to the following conditions:
 - a) tradesmen must submit a tool list indicating tool make and size and/or value at the time of hire;
 - b) broken tools must be reported within five (5) days of being broken.

6. Should any government legislation or regulation increase the wage rate or improve conditions, these rates and conditions shall automatically conform.

SCHEDULE “B”

OUTLINE OF INSURANCE PLAN COVERAGE

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

- \$40,000.00 life insurance per employee;
- \$40,000.00 A. D. & D. per employee;
- dental plan at the latest fee schedule available;
 - Basic services: 100% up to \$1,500.00 per person annually
 - Comprehensive: 50% up to \$1,500.00 per person annually
 - Orthodontic: 50% up to \$2,000 lifetime maximum per child under 19
- prescription drug plan for employee and family at 80% up to \$2,000 per person annually (or the provincial Pharmacare cap, if any) and 100% thereafter;
- optical insurance for employee and family;
 - under 21: \$200 per year
 - over 21: \$200 every two years
- extended health coverage for employee and family;
- semi-private hospital coverage with no deductible for employee and family;
- weekly indemnity insurance with sixty percent (60%) of maximum insurable earnings or a maximum equivalent to EI. Weekly benefits, payable after the first (1st) day of accident and the fourteenth (14th) day of sickness, for a maximum of one hundred nineteen (119) days. (1/14/119)
- long term disability insurance with sixty percent (60%) of earnings, maximum of \$2,000.00 per month, per employee, payable after one hundred twenty (120) days until age 65. (120/65)