

COLLECTIVE AGREEMENT
BETWEEN
GRAND FORKS CONCRETE AND GRAVEL LTD.
AND
INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

Subject to Errors and Omissions
Duration: May 13, 2003 to May 12, 2005

INDEX

GRAND FORKS CONCRETE AND GRAVEL LTD.

ARTICLE		PAGE
1	INTERPRETATIONS AND EXTENT	1
2	UNION SECURITY	1
3	HIRING	3
4	NEW CLASSIFICATIONS	4
5	DISCIPLINE	4
6	MANAGEMENT RIGHTS	4
7	WAGES AND WAGE STATEMENT	5
8	HOURS OF WORK AND OVERTIME	6
9	SENIORITY	7
10	STATUTORY HOLIDAY	9
11	ANNUAL VACATION	10
12	GENERAL WORKING CONDITIONS AND RULES	12
13	TRANSPORTATION AND BOARD	16
14	GRIEVANCE PROCEDURE	17
15	HEALTH AND WELFARE	20
16	PENSION PLAN	20
17	TECHNOLOGICAL CHANGE	20
18	PROTECTION OF AGREEMENT	21
19	SAVINGS CLAUSE	21
20	TERM OF AGREEMENT	22
	APPENDIX "A" CLASSIFICATION & WAGE RATES	23

BUILDING SUPPLY AGREEMENT

THIS AGREEMENT EFFECTIVE May 13, 2003 to May 12, 2005.

BETWEEN

GRAND FORKS CONCRETE AND GRAVEL LTD.
(hereinafter called the "COMPANY")

AND

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115
(hereinafter called the "UNION")

WHEREAS, it is the intention and purpose of the Company and the Union to promote and foster harmonious industrial relations between the Company and its employees.

NOW THEREFORE, the parties agree hereto as follows:

ARTICLE 1 - INTERPRETATIONS AND EXTENT

Interpretation:

- 1:01 The headings of each Article of this Agreement may be referred to but not included in the interpretation of the various sections thereunder. This Agreement shall be interpreted as a whole.
- 1:02 In the event that any word, phrase, sentence, Section, or Article of this Agreement is declared invalid by any Court of competent jurisdiction, only such word, phrase, sentence, Section, or Article shall be affected and this Agreement shall be otherwise unaffected and shall continue in full force and effect.
- 1:03 The Company and the Union agree to the establishment of a Committee which shall meet as required during the term of this Agreement to deal with any matter regarding the interpretation or application of this Agreement that may be raised by any of the parties signatory hereto.

ARTICLE 2 - UNION SECURITY

Coverage:

- 2:01 The Company recognizes the Union as the sole bargaining agent for the employees covered by the certification and working at the classified occupations listed in Appendix 'A' and for such other employees as may be assigned to new classifications coming under the Union's jurisdiction. Shop Stewards shall be informed prior to a disciplinary review.

Membership:

- 2:02 All employees covered by this Agreement must be members in good standing of the Union.
- 2:03 Any employee who does not remain a member in good standing shall not be retained in the employment of the Company.
- 2:04 Any employee who has been laid off for any reason and who does not retain his membership in the Union will not retain his seniority with the Company.

Authorization of Deductions:

- 2:05 New employees shall be required to sign authorization cards for deduction of initiation fees, dues and assessments as required by the By-Laws of the Union. Such deductions shall be forwarded to the Union not later than the last business day of the month in which these deductions were made. It is understood that dues are payable either monthly or quarterly, in advance, and that the payment schedule is to be determined by the Union. Dues shall be deducted from the second pay of the month previous to the period for which they are applicable.

Picket Lines:

- 2:06 It shall not be a violation of this Agreement, cause for discharge or other disciplinary action if an employee refuses to cross a picket line which has not been declared illegal by a Court of competent jurisdiction.

Unfair Jobs:

- 2:07 It shall not be considered a violation of this Agreement or reason for discharge or other disciplinary action if an employee refuses to deliver to a job or project which has been considered unfair by the British Columbia and Yukon Territory Building and Construction Trades Council or any of its affiliated area Building Trades Councils or by the International Union of Operating Engineers, Local 115. Whenever the Union has information concerning any such unfair job or project, it shall immediately notify the Company.

Strike and Lockout:

- 2:08 During the term of this Agreement there shall be no lockout by the Company, and no strike, stoppage of work, or slow-down, either partial or general, authorized by the Union.

Shop Stewards:

- 2:09 Shop Stewards shall be recognized by the Company and shall not be discriminated against. The Company shall be notified by the Union of the name or names of such Stewards. Reasonable time shall be given to the Shop Steward to carry out his duties. The Union shall be notified in writing if a Shop Steward is discharged for cause and such cause shall be stated in the reasons. Executive

Officers of the Union or Shop Stewards, who are required to attend meetings at the call of the Union, shall be allowed time off by the Company.

- 2:10 Shop Stewards shall be present, whenever an employee is being interviewed over a formal disciplinary matter. Shop Stewards shall be informed prior to a disciplinary review.

Business Representatives of the Union:

- 2:11 In the carrying out of regular duties Business Representatives of the Local Union shall have access to Company premises covered by this Agreement.

ARTICLE 3 - HIRING

- 3:01 When employees are required, only Union members having the necessary qualifications and confirmation from the Union shall be hired. When qualified Union members are not available, then the Employer may obtain qualified employees elsewhere. Employees hired elsewhere shall have fourteen (14) days in which to become a member of the Union, or be replaced by a Union member when available.

Contract and Hired Trucking:

- 3:02 The Company agrees that cartage work presently performed by members of the bargaining unit will not be let out to contract or carried out by hired equipment if appropriate Company equipment is available for this work and members of the bargaining unit normally performing this work would be laid off or not returned to the active payroll as a result.

- 3:03 Should it become impossible for the Company to hire outside equipment locally from:

(a) Companies or Owner Operators with employees under agreement to this Local Union, or

(b) Members of this Local Union,

then the Company shall be free to hire outside equipment from companies with employees under agreement to another Union Local.

- 3:04 In every instance such equipment shall be operated by members of the International Union of Operating Engineers, Local 115.

Rental Equipment:

- 3:05 When Company equipment is leased or rented to other persons or companies, such equipment shall be operated by Company employees who are members of the Union.

Contract Work:

- 3:06 The contracting out of work other than cartage shall require the consent of the International Union of Operating Engineers, Local 115. When the contracting out of work does not affect either the number of Union members on the active payroll, or- the return to the active payroll of members on layoff, then consent to contract out shall not be withheld, providing the work is being done by Union personnel.

ARTICLE 4 - NEW CLASSIFICATIONS

Rates and Effective Dates:

- 4:01 The Company shall notify the Union within thirty (30) days when any new classification or job coming under the jurisdiction of this Agreement is added, or if there is substantial change in the duties of an existing classification or job. The Union and the Company shall negotiate on the rate to be established and that rate, once established, shall be retroactive to the introduction date of the new classification or job.

Every effort will be made to negotiate the new rate within thirty (30) days after notification.

ARTICLE 5 - DISCIPLINE

Discipline:

- 5:01 The Company has the right to discharge, discipline, or suspend any employee for just cause. Employees shall be notified in writing with reasons with a copy to the Union. The Discharge notice shall be given with their final cheque.
- 5:02 When members of the bargaining unit are disciplined in writing or verbally and it is recorded in their employee personnel file for future reference, the employee's file shall not be referred to if the last warning was dated earlier than the employee's last two (2) working years. All employees in the bargaining unit will have a clean record if there was no cause for discipline in the last two (2) working years. The exception to the above being disciplinary action resulting in suspension shall remain on file.

ARTICLE 6 - MANAGEMENT RIGHTS

Management:

- 6:01 The management and operation of and the direction and promotion of its working forces is the exclusive responsibility of the Company provided however, that nothing in any of the provisions of this Clause shall in any way limit, void or affect the other provisions of this Agreement.

ARTICLE 7 - WAGES AND WAGE STATEMENT

Wages:

- 7:01 The Company shall pay wages to every employee covered by this Agreement at the hourly rates contained in Appendix "A" for the various classifications listed therein. These rates are the minimum rates. Appendix "A" shall be deemed to be contained in and form part of this Agreement.

Statement:

- 7:02 The Company shall provide every employee covered by this Agreement with a separate detachable written or printed itemized statement in respect of all payments made to such employee by the Company. Such statement shall show the regular hours worked, the total overtime hours worked, the rate or rates applicable, the gross amounts of wages, vacation pay and pay for Statutory Holidays, and all deductions made therefrom. Such statement shall also include all year to date summaries.
- 7:03 Vacation pay shall be paid by direct deposit, either on the employee's regular pay day during the vacation period or at the beginning of the vacation period in a lump sum.
- 7:04 If an employee is discharged by the Company, he shall be paid all monies due in three (3) working days, payable through Head Office or Registered Mail.
- 7:05 If an employee resigns on his own accord, he shall be paid on the next scheduled pay day.
- 7:06 Employees shall be paid by direct deposit every second (2nd) Friday during working hours.
- 7:07 The Company shall record on each employee's T-4 slip, the total Union dues deducted and submitted on behalf of that employee.

ARTICLE 8 - HOURS OF WORK AND OVERTIME

Hours of Work:

- 8:01 The normal work week for all employees covered by this Agreement shall consist of five (5) eight (8) hour days commencing on Monday and ending on Friday,
- The normal work day shall commence not earlier than 7:00 a.m. and allow employees to commence work in increments of thirty (30) minutes to no later than 9:00 a.m.
- 8:02 Starting times indicated in 8:01 may be varied in Manufacturing Plants only after full discussion through Labour Management Meetings and only after mutual agreement of the employees involved and the Union.

8:03 The work day shall be an eight (8) hour period, excluding a one-half (1/2) hour break for a meal, mid-shift.

Guarantee:

8:04 Any employee who is called out to work shall be paid not less than eight (8) hours' wages at straight time or the applicable overtime rate.

8:05 Overtime will be paid at time and one-half (1 1/2) for the first two (2) hours and double time (2X) thereafter.

8:06 Employees shall be notified prior to by 4:30 p.m. the day previous if they are not required for duty, and then shall not report until recalled.

Early Start:

8:07 Any employee starting prior to his regular starting time, and who has been paid overtime rates, shall be paid from his regular starting time, as far as his guaranteed callout and daily guarantee is concerned.

Late Start:

8:08 Employees called in after their regular starting time shall receive pay from their regular starting time. Employees called in before or after their regular starting time shall be allowed up to one-half (1/2) hour after their regular starting time to report for work, unless reasonable circumstances warrant a longer time to report for work being allowed.

Break Between Shifts:

8:09 Eight (8) hours shall be the minimum break between an employee's finishing time and his following starting time, otherwise overtime rates shall prevail for the entire shift. This Clause shall not apply when an employee is bumping to the opposite shift.

Daily Overtime:

8:10 Time worked in excess of the normal work week shall be paid as follows:

Time worked in excess of eight (8) hours and up to ten (10) hours shall be paid at time and one-half (1 1/2).

Time worked in excess of ten (10) hours shall be paid at double (2X) time.

All hours worked on Sundays as well as on Saturdays when it becomes the sixth day shall be paid at double time (2X) rates.

8:11 Overtime shall be divided as evenly as possible within each quarter as applicable to each job classification or work area. Every attempt will be made by the Company to distribute overtime on an equal overtime hourly basis quarterly. Should an employee refuse to work overtime, said hours shall be recorded as

overtime worked for the purpose of calculating his eligible overtime hours. Seniority will be kept in mind.

Normal Days Off:

- 8:12 Time and one half shall be paid for all hours worked on an employee's first day off. Double time (2x) shall be paid for all hours worked on an employee's 2nd scheduled day off.
- 8:13 Employees may request permission to refuse to work overtime, providing such request is made during the first half of the employee's shift. Confirmation of such request will be given in the first half of his shift and such permission shall not be withheld provided the Company's operations are not adversely affected by a shortage of personnel.

Additional Shifts:

- 8:14 When more than one shift is required and continued for three (3) or more days, eight (8) hours exclusive of a meal period shall constitute the second shift for which the shift premium of fifty-five cents (\$0.55) per hour shall be paid. Eight (8) hours exclusive of a meal period shall constitute the third shift for which a shift premium of sixty cents (\$0.60) per hour shall be paid.
- 8:15 When additional shifts are required, a two (2), three (3) or four (4) week swing shift shall be established wherever possible. The senior men shall have first choice as to which shift they shall start at, and will then rotate.
- 8:16 For Ready-Mix operations only should the Company require a second or late shift, all employees, in order of seniority, shall be given a choice to either take the shift or remain on days. Once the shift requirements are met, there shall be no bumping of employees on that shift for a period of one (1) week. This shall not apply in continuous pour operations.
- 8:17 When due to continuous pours for periods of five (5) days or more, the start of the work week shall be at 12: 01 A.M. Monday and shall end at 12:00 midnight Friday.

ARTICLE 9 - SENIORITY

Probationary Period:

- 9:01 All new employees shall have a probationary period of ninety (90) calendar days.

Seniority List and Classifications:

- 9:02 The Company shall keep posted on a suitable notice board on its premises an up-to-date list of all employees covered by this Agreement, showing the date when each commenced his employment with the Company and shall forward a copy of each list to the Union as it is posted. Such lists shall be renewed at least every three (3) months, and shall show the employees, classifications.

Layoff and Re-hire:

- 9:03 The Company when laying employees off shall lay them off in reverse order of seniority.
- 9:04 (a) Any employee subject to a layoff through a reduction of the work force shall have the right to exercise his seniority to continue to work in a position held by a less senior man. When filling a position through this procedure, the employee must be reasonably competent to perform the duties of the position into which he bumps. Any employee obtaining a classification as outlined above must return to his regular classification when required.
- (b) It shall be the responsibility of the Company to notify a laid off employee, where junior men to him are working. When a laid off employee has been properly notified, he then has no right to claim wages for time periods that he did not choose to work in at that specific job.
- (c) If no work is available for their classification at their own depot or plant, employees shall be entitled to work at their classification at another depot or plant, or to work at another classification where reasonably competent, in any plant or depot that junior men are working.
- 9:05 When vacancies occur, the Company shall re-hire laid off employees according to their seniority with the Company, beginning with the most senior employee and proceeding in turn thereafter.

Job Posting:

- 9:06 The Company shall post and keep posted for not less than eleven (11) working days (Monday to Friday) on a suitable notice board, at each place of business maintained by the Company, notice of vacant positions, new positions and promotions. Any employee of the Company covered by this Agreement may apply for any such vacant or new position and the Company shall fill such position with the applicant employee who has the greatest overall seniority. All employees may post into classifications or areas consistent with their seniority.
- 9:07 Any employee, however, who previously worked at the classification as a posted employee and is capable of performing the job or a trained employee who posted for a training position may be given preference.
- 9:08 (a) The successful applicant shall be on probation in his new job for thirty (30) working and/or training days during which time he may be returned to his former job if he does not make satisfactory progress or if he applies to the Company to be returned. The Union shall receive copies of all postings and the assignments of such postings.
- (b) Employees engaged in training shall receive their previous rate of pay until the training period is complete. Thereafter, such rate applies only while performing the job trained for.

Loss of Seniority:

- 9:09 All employees who are laid off or terminated for lack of work shall retain their seniority for a period of twelve (12) months from date of layoff or termination.
- 9:10 Should a properly notified employee, however, not report for work then his name would be removed from the seniority list. Those employees affected by a layoff shall keep the Company advised of their current address and available telephone number.

ARTICLE 10 - STATUTORY HOLIDAY

Entitlement:

- 10:01 Every employee covered by this Agreement who has completed his probationary period shall receive a day's pay for 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 December 31st, and any other holiday proclaimed by the Provincial or Federal Government, provided however, that the employee shall have worked his "scheduled" work day prior to such holiday and his "scheduled" work day after such holiday, unless express permission to be absent shall be obtained from his Superintendent. Any employee required to work on any of the above holidays shall receive double time (2x) in addition to the day's pay.

Qualify:

- 10:02 Employees who have qualified under 10:01 shall also qualify for Statutory Holiday Pay if they have worked within fifteen (15) days preceding the date of the holiday, or within fifteen (15) days immediately following the date of the holiday. Employees will not qualify if on W.C.B. or Sick Pay.
- 10:03 If a Statutory Holiday falls on Saturday or Sunday, the following Monday shall be observed as the holiday. If two (2) consecutive Statutory Holidays fall on Saturday and Sunday, the following Monday and Tuesday shall be observed as the holidays. December 31st will be observed on the day on which it falls.

ARTICLE 11 - ANNUAL VACATION

Two Weeks:

- 11:01 Each employee who has completed one (1) year's continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to two (2) consecutive weeks' vacation with pay equal to two (2) full weeks' straight-time pay at the employee's regular rate, or four percent (4%) of annual gross earnings, whichever is the greater.

Three Weeks:

11:02 Each employee who has completed three (3) years' continuous service and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to a total of three (3) weeks' vacation with pay equal to three (3) full weeks' straight-time pay at the employee's regular rate, or six percent (6%) of annual gross earnings, whichever is the greater.

Four Weeks:

11:03 Each employee who has completed eight (8) years' continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to four (4) weeks' vacation with pay equal to four (4) full weeks' straight-time pay at the employee's regular rate, or eight percent (8%) of annual gross earnings, whichever is the greater.

Five Weeks:

11:04 Each employee who has completed seventeen (17) years' continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to five (5) weeks' vacation with pay equal to five (5) full weeks' straight-time pay at the employee's regular rate, or ten percent (10%) of annual gross earnings, whichever is the greater.

Six Weeks:

11:05 Each employee who has completed twenty-five (25) years' continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to six (6) weeks, vacation with pay equal to six (6) full weeks, straight-time pay at the employee's regular rate, or twelve percent (12%) of annual gross earnings, whichever is the greater.

Summary:

11:06 Vacation Allowance

Years of Service	Length of Vacation (Weeks)	Payment (whichever is greater)
1 year to 3 years less a day	2	2 full weeks or 4% annual gross earnings

3 years to 8 years	3	3 full weeks or 6% annual gross earnings
8 years to 17 years less a day	4	4 full weeks or 8% annual gross earnings
17 years to 25 years less a day	5	5 full weeks or 10% annual gross earnings
25 years and over	6	6 full weeks or 12% annual gross earnings

Vacation Requirements and Rights:

- 11:07 The provision requiring employees to have worked a minimum of one thousand (1,000) hours in each year in order to qualify for the full two (2) week, three (3) week, four (4) Week, five (5) week,, or six (6) week provision shall not apply to employees who have worked less than the minimum hours required as a result of being absent on Workers' Compensation or through illness. Employees absent through Workers, Compensation or illness shall receive the normal vacation provision they would otherwise be entitled to for that vacation year, but shall then be required to re-qualify by working the minimum one thousand (1, 000) hours in the following year, or be paid their vacation pay as set out above. Rates used to calculate weekly pay shall be those applicable for the time the vacations are taken.
- 11:08 On termination, employees who have completed one thousand (1,000) hours since last anniversary date shall receive full vacation entitlement as per above schedule.
- 11:09 Employees shall be entitled to take their vacation in one (1) continuous period. Vacations shall be taken in the year in which they are applicable, and up to the end of February of the following year (i.e. fourteen (14) months).
- 11:10 Should the Company request the employees who are on vacation to return to work during their vacation period, the Company shall pay said employees wages equivalent to those paid for working Statutory Holidays.
- 11:11 The Company shall work with the Union in an effort to increase the number of employees allowed off at any one time for vacation.

Choosing Vacations:

- 11:12 The Company shall post a vacation calendar for the benefit of the employees. Vacations shall be posted by mid January and selection completed by March 15th and any conflicts in scheduling and any reassessment by junior employees may be completed by April 15th.
- 11:13 Employees shall choose their time off for their annual vacations by seniority in each work area.

ARTICLE 12 - GENERAL WORKING CONDITIONS AND RULES

Meal and Work Breaks:

- 12:01 A thirty (30) minute meal period shall commence no earlier than the fourth (4th) hour and no later than the fifth (5th) hour in a normal work day. Where an employee is requested to work through the lunch break, one-half (1/2) hour at time and one-half (1 1/2) will be paid.
- 12:02 Where overtime preceding or following the employee's normal shift goes beyond three (3) hours, the employee shall be paid ten dollars (\$10.00) to cover the cost of the meal. It will be tax free and paid on the employees' regular cheques. The time spent eating such meal shall not exceed thirty (30) minutes and shall be considered as time worked.
- 12:03 Should overtime continue beyond four (4) hours following the time allowed for a meal break then a further meal break shall be allowed with the same conditions as outlined above.
- 12:04 This condition shall be repeated each four (4) hours.

Coffee Break:

- 12:05 A coffee break shall be allowed each employee of the Company as close to midway in the first half of the shift, and as close to midway in the second half of the shift, as possible. Time allowed for coffee breaks shall be fifteen (15) minutes each.

Labour Management:

- 12:06 The Company shall establish or continue during the term of this Agreement a Labour Management Committee, which shall meet during working hours, at least once each month. A senior representative of management or his delegate shall attend these meetings.

Industrial Health and Safety Meetings:

- 12:07 The Company shall establish or continue an industrial Health and Safety Committee of which management personnel shall not outnumber Union members. This Committee may meet in conjunction with the Labour Management Committee, and shall operate as required by the Workers' Compensation Board regulations.

Safety Equipment:

- 12:08 Whenever the Company or the Workers' Compensation Act regulations require equipment to be used on the job, such equipment shall be provided by the Company at no cost to the employee.

Vehicle Safety:

12:09 Drivers or operators shall not be required to operate any vehicle which, in the operator's opinion, violates safety requirements. Such vehicle shall be tagged "OUT OF SERVICE" until properly repaired.

First Aid:

12:10 The Company, when requiring first aid men who work at other duties, in addition to their regular rate, shall pay such employees for the class of Ticket required at the following rates:-

Level 1	75 Cents
Level 2	100 Cents
Level 3	125 Cents

On Job Injury:

12:11 When an employee meets with a personal accident or injury while on the job, he shall be paid his full day's wages for the day of the accident, providing the personal accident has been reported to the Supervisor or qualified First Aid man. Immediately following first aid and as soon as practical after medical treatment, the employee will advise his Supervisor as to his status.

Time Off Re Accidents:

12:12 Should an employee be involved in an accident while on Company time, or with a Company vehicle, he shall be allowed time off without loss of pay to go to Court or any other agency as may be required. The Company will supply representation for the employee if there is any possibility of the Company being involved in any action because of the accident. The above to apply if required to appear as a witness on behalf of any case or accident as outlined above.

Jury Duty and Crown Witness:

12:13 The Company shall continue to pay, and excuse from duty any employee whose absence on any scheduled work day is due to serving on Jury Duty or who has been subpoenaed as a witness for the Crown in any Court of Law. However, all sums received by way of payment for these duties shall be payable to the Company to the end that no, employee shall receive both his regular applicable rate and pay for Jury Duty, or similarly for appearing as a Crown Witness. It is agreed that employees must make themselves available for work when not required to be in attendance as Crown Witnesses or Jurors.

Bereavement Leave:

12:14 In the event of a death in his immediate family and upon the request of a regular employee, if there is a loss of pay, three (3) straight time eight (8) hour days off work will be paid for by the Company at the time of notification of the death or at the time of the funeral. Immediate family shall be defined to include a wife, husband, son, daughter, mother, mother-in-law, father, father-in-law, brother, sister, grandfather, grandmother, step-parent, step-grandparent and step-

siblings. In addition, if the employee is notified of the death while he is working, he will be excused from, and paid for the balance of that working shift, and such time shall not be charged against the three (3) days of leave. Granting of bereavement leave for relatives or dependents other than those described above shall be at the discretion of the Company and shall not be unduly withheld.

Leave of Absence:

12:15 Leaves of absence may be granted at the discretion of the Company and will require the consent of the Union. All applications for leaves of absence must be made in writing. All applications will be replied to in writing and a copy of such will be remitted to the Union. Employees' seniority protection shall be in accordance with the Union regulations.

Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority and his name will be stricken from the seniority list and he will no longer be considered as an employee of the Company.

Medical Examinations:

12:16 The Company shall pay employees who are requested by the Company to take a physical examination. The examination shall be during working hours.

12:17 If, following a Company requested medical examination, any employee is deemed to be physically incapable of carrying out his regularly assigned duties, the following procedure shall be applied:

- (a) The Company shall assign the employee to other duties if possible. In the event it is claimed that the employee is totally incapacitated, the Company shall notify the Union of the medical findings in respect of the employee. Should the Union or the employee disagree with the said findings, the employee, at his own expense, shall have the right to be examined by his personal physician.
- (b) If there is no agreement between the two physicians on the condition of the employee the two physicians shall select a medical consultant to examine the employee with respect to the dispute.
- (c) The findings of the consultant shall be final and binding.
- (d) The remuneration of the consultant shall be borne by the Company and the Union on an equal basis.
- (e) Should the consultant deem the employee to be capable to return to work but not to his assigned duties, the employee shall be retrained and reassigned to an existing job within his capabilities and seniority as per Clause 17: 02. This shall also apply to employees returning from a Workers' Compensation Board compensable injury.

- (d) Should the consultant deem the employee to be capable of carrying out his regularly assigned duties, then the employee shall not suffer any loss of earnings caused by his having been removed from or temporarily suspended from his regularly assigned duties.

Licences and Bonding:

- 12:18 Should the Company or other concerned agency require licences for the job he is doing, such as air tickets, or require an employee to be bonded, the Company will allow time off and the use of Company equipment as required without loss of pay to the employee, and the Company shall be required to pay for any examinations (including medical) , licences or bonds they require. This provision shall also apply to employees absent for any reason who are still on the seniority list.
- 12:19 Should an Insurance Company refuse to insure any employee, every consideration will be given to the employee so that he will not lose his employment.

Working on Construction:

- 12:20 In the event that the Company should require any employee covered by this Agreement to engage in work on new construction, in the confines of a construction site or the Company premises and for which more favourable wage rates than those herein contained are paid, such employee shall be entitled to be paid at the more favourable wage rate while he is so engaged. The additional benefits will be included in the wage rate.
- 12:21 The above paragraph shall not apply to employees who deliver the products from the Company's established shipping points. It shall, however, apply to employees who are required to remain on the site to of f-load or distribute materials from vehicles other than that which they personally operate.

Higher Classification:

- 12:22 If a man starts his day's work, he shall not be paid less than his regular posted rate for the day. If work is to be made available at a lower classification he shall be notified the day previous.
- 12:23 If an employee works at a classification of a higher rate for less than two (2) hours, he shall be paid a minimum of four (4) hours at the higher rate and if he works at a classification of a higher rate for more than two (2) hours, he shall be paid the higher rate for the whole shift.

Coveralls and Gloves:

- 12:24 Upon request, the Company shall supply to employees on an exchange basis, Union made coveralls and gloves. Such articles to be maintained and delivered by a Company having an agreement with a Teamsters Local Union. Such clothing shall be of proper fit for each employee. At the discretion of the

Company, employees on dirty jobs may be issued more than the normal issue of coveralls.

Washrooms and Lunchrooms:

12:25 The Company agrees to maintain in its terminals and depots, adequate clean, sanitary washrooms having hot and cold running water and toilet facilities. In addition, there shall be provided adequate lunchrooms, which shall be kept clean and tidy. These facilities shall be large enough to accommodate the work force at each terminal or depot as per Occupational Health and Safety Regulations.

Time Cards:

12:26 Employees shall be notified prior to payday or sooner if possible, of changes to their time cards. The exact change shall also be explained.

Absence of Lead Hand:

12:27 Where a currently employed Lead Hand is absent for a full shift or more, an employee shall be designated as Lead Hand.

Tools:

12:28 The Company shall replace with the same quality, any tool that is broken or worn in the performance of an employee's duties.

ARTICLE 13 - TRANSPORTATION AND BOARD

Travelling:

13:01 In the event that any employee is required to work at a place of work which is in excess of thirty-five (35) miles from his normal place of work, the Company shall pay:
(a) All his travelling expenses including meals, to and from such place of work and shall pay wages for the first eight (8) hours of each twenty-four (24) hours.

Board:

13:02 All his expenses for first class living accommodation and meals where he is required to live away from his normal living accommodation.

Local Travel:

13:03 When work is available for employees at their normal starting place or depot and they are directed to work out of other depots, plants or designated areas, they shall be paid either:
(a) From their normal starting place or depot, when working with Company equipment, or at the employee's option,

(b) While travelling from their normal starting place or depot and return, plus a travelling allowance of thirty-five cents (35¢) per mile or twenty-one point seven cents (21.7¢) per kilometer.

(b) While travelling from their normal starting place or depot and return by Company provided transportation.

Work Opportunity Other Depots:

13:04 When work is not available for employees at their regular starting place or depot and work is available at another plant or depot, employees laid off from their regular depot will be given the opportunity to work at the other plant or depot provided they are qualified. Employees other than Maintenance Employees shall not be entitled to receive travelling time or allowance or to be provided with transportation.

ARTICLE 14 - GRIEVANCE PROCEDURE

Qualifying Period:

14:01 (a) If, during the term of this Agreement, there should arise any difference between the Parties bound by this Agreement concerning its interpretation, application, operation, or any violations thereof, an endeavour shall be made to settle the difference by negotiations between representatives of the Company and the Union.

It is agreed by both Parties to make every reasonable effort to resolve grievances in an expedited manner without delay. Emphasis will be given to resolving these grievances within the first two (2) steps of the Grievance Procedure.

(b) Prior to filing a grievance, an attempt must be made to resolve the difference by a meeting between the Shop Steward and the local management.

(c) The Steps of the Grievance Procedure shall be as follows:

STEP 1: The affected employee discusses the matter with a Shop Steward. If they decide the complaint is worth pursuing, the Shop Steward will contact the Supervisor involved within fifteen (15) days of the incident (in the case of payroll error, thirty (30) days), and make arrangements for a meeting of the Supervisor, Shop Steward and the employee.

If the matter is not resolved to the satisfaction of the employee, then;

Within five (5) days, the Shop Steward will notify, in writing, the Supervisor's superior (Superintendent or Manager) of the intent to proceed to Step 2.

STEP 2: The Shop Steward will meet with the Superintendent/Manager to present the employee's case for consideration.
If the matter is not resolved to the satisfaction of the employee then;

The Shop Steward will confer with the Union Business Agent. If the Union decides to pursue the case, then;
Within ten (10) days of the completion of Step 2, the Business Agent will contact the appropriate Operations Manager and/or manager of Human Resources, giving notice, in writing, of intent to proceed to Step 3.

STEP 3: The Union's Business Agent and the appropriate Operations Manager and/or Manager of Human Resources, will arrange to meet. Each will determine who will attend the meeting from their side.
If the matter is not resolved to the satisfaction of the Union or the Company, then;

STEP 4: ARBITRATION

Either side may file for an Arbitration hearing.
Article 14:02 of the Collective Agreement allows seven (7) days after submission to reach a satisfactory settlement or it shall be referred to an Arbitration Board.

By laying out Steps 1-3, it is hoped that disputes may be resolved by the various levels having a chance to address the issue. So, for this purpose, Article 14.02 would come into play at the end of Step 3.

Time to Resolve Dispute:

14:02 In the event that the said representatives fail to reach a satisfactory settlement within seven (7) days after the difference was submitted to them, or within such longer time as the Parties agree to, then it shall be referred to an Arbitration Board of three (3) persons as follows:

Arbitration:

14:03 The Party desiring Arbitration shall appoint a Member for the Board and shall notify the other Party in writing of its appointment, and particulars of the matter in dispute.

14:04 The Party receiving the notice shall within five (5) days thereafter, appoint a Member for the Board and notify the other Party of its appointment.

14:05 The two Arbitrators so appointed shall confer to select a third person to be Chairman and failing for three (3) days from the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Honourable, the Minister of Labour, to appoint such third member.

14:06 The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award within ten (10) days from the date of the appointment of the Chairman, provided the time may be extended by agreement of the Parties.

Suspension or Discharge:

14:07 If the Arbitration Board finds (or if at an earlier stage of the Grievance Procedure, it is found) that an employee has been unjustly suspended or discharged, that employee shall be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place AND PROVIDED THAT the Arbitration Board, if circumstances are established before it, which in the opinion of the Arbitration Board makes it just and equitable to do so, shall have the authority to order the Employer to pay less than the full amount of wages lost.

14:08 The Arbitration Board shall have the power to substitute a suspension in lieu of a discharge.

14:09 The award of the Arbitration Board shall be binding upon both parties.

Cost of Chairman:

14:10 The expenses and remuneration of the Chairman shall be paid by the Parties in equal shares.

Powers of the Board:

14:11 Without restricting the specific powers hereinbefore mentioned, the Arbitration Board shall have all the general powers of an Arbitration board.

ARTICLE 15 - HEALTH AND WELFARE

15:01 Employees shall be covered by the International Union of Operating Engineers, Local 115 Benefits Plan.

15:02 The Company shall make contributions to the Plan at the following hourly rates, based on the total hours for which the employee receives remuneration:

May 13, 2003 one dollar and ninety cents (\$1.90) per hour.

15:03 The contributions referred to shall be remitted monthly by the fifteenth (15th) day of the month following that to which they refer, together with a form supplied to the Employer by the Union, which shall provide full instructions.

Sick Leave:

15:04 The Company agrees to pay full wages and benefits for (5) five sick days per year due to sickness or injury other than a compensable injury. All unused sick days can be carried through year to year.

ARTICLE 16 - PENSION PLAN

16:01 The International Union of Operating Engineers Benefits Plan will be mandatory for all members on the basis of Employer contributions at the following rates: The Company shall make contributions to the Plan at the following hourly rates, based on the total hours for which the employee receives remuneration.

May 13, 2003 - two dollars (2.00) per hour

May 13, 2004 - two dollars and fifty cents (2.50) per hour

Employee Retirement:

16:02 Normal retirement for all employees shall occur at the end of the quarter in which the employee reaches pensionable age under the Canada Pension Plan. Any employee, however, may at his option with the consent of the Company retire before reaching that age or by mutual agreement between the Company and the Union, and provided that the employee is in satisfactory health, his retirement may be postponed after his pensionable age.

ARTICLE 17 - TECHNOLOGICAL CHANGE

17:01 Notwithstanding the provisions of Article 4, the Company shall notify the Union at least one (1) month in advance of any technological change which would affect the terms and conditions or security of employment of a significant number of the employees to whom this collective agreement applies.

17:02 Should automation or technological change cause jobs to disappear, the employee shall have the opportunity to work (providing he has the seniority) at another classification. Should training be required the employee shall be allowed up to twenty-one (21) days without any loss of pay.

Severance Pay or Notice:

17:03 The Company shall pay to each employee with five (5) or more years of service, severance pay in the amount of one (1) week's pay for each year of service when his employment is permanently discontinued due to automation or technological change. Payment will be made after recall rights have expired.

17:04 Severance pay or notice in lieu of as outlined in 17:03 shall be paid or given to each employee whose employment is permanently discontinued as a result of the sale, lease or transfer, either in whole or part, of the Company's assets.

ARTICLE 18 - PROTECTION OF AGREEMENT

18:01 Should the Company or any employee violate the terms of this Agreement as provided in Article 7 - PAYMENT OF WAGES, Article 8 - HOURS OF WORK AND OVERTIME, by paying or receiving less than full wages or overtime as provided in Articles 7 or 8 or failure to remit contributions to the International Union of Operating Engineers, Local 115 Health and Welfare Plan as per Article

15 - HEALTH AND WELFARE and as per Article 16 - PENSION PLAN, then the following shall apply:

- (a) The Company shall pay double the amount of the difference between what should have been paid and that paid initially. This amount shall be paid forthwith to the International Union of Operating Engineers, Local 115 Advancement Fund for its sole and discretionary use. The employee in receipt of such unlawful payment(s) shall be immediately suspended from employment until the said payment is made to the said committee.
- (b) The Company shall then post a bond of one thousand dollars (\$1,000.00) with the Union. In the event of a further violation, said Bond shall be forfeited. The Company will post a further bond of two thousand dollars (\$2,000.00) with the Union which in the event of a further violation will also be forfeited. with each forfeit a replacement bond of twice the value of the one preceding will be posted.
- (c) In all cases of alleged violation all pertinent Company payroll records shall be made available to the Union.
- (d) In the event of disagreement as to the violation of this Article. either party may proceed directly to Arbitration under Article 14.

ARTICLE 19 - SAVINGS CLAUSE

19:01 No employee, who prior to the date of this Agreement, was receiving more than the rate of wages of this schedule, working fewer hours than stipulated in this Agreement, shall suffer a reduction in wages, conditions. or increase in hours because of the adoption of this Agreement.

ARTICLE 20 - TERM OF AGREEMENT

Term:

20:01 This Agreement shall be in effect from May 13, 2003 to and including December 31st, 2003 and shall continue in effect from year to year thereafter, subject to the right of either party to this Agreement within four (4) months immediately preceding the expiry date, by written notice to the other party, require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of the collective agreement or a new collective agreement. 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 give notice of strike and such strike has been implemented, or the Employer shall give notice of lockout and such lockout has been implemented, or the parties shall conclude a renewal or revision of the Agreement or a new collective agreement.

20:02 All changes to the collective agreement shall be applicable on the effective date of the Agreement unless otherwise specified.

Retroactive Requirements:

20:03 Retroactivity shall be negotiable between the Parties. It is agreed and understood that all retroactive pay shall be paid in full not later than the second payday after signing of Agreement. This shall apply to all past and present employees who worked during the period to which the retroactivity is applicable.

DATED AT _____, B.C. THIS _____ DAY OF _____, 2003.

For the Union

For the Company

APPENDIX "A"

	Effective May 13, 2003	Effective May 13, 2004
Batchman	24.00	24.50
Driver/Operator	23.00	23.50
Labourer	23.00	23.50
Maintenance	23.00	23.50

Premiums

Leadhand premium \$.50 per hour.

APPRENTICES

- (a) Apprentices may be employed at a trade in the ratio of one (1) apprentice to every five (5) journeymen. Following is a table displaying the progression of rates for Apprentices:

First six (6) Months -Sixty Percent (60%) Journeyman's rate
Second six (6) Months -Sixty-five percent (65%) Journeyman's rate
Third six (6) Months -Seventy percent (70%) Journeyman's rate
Fourth six (6) Months -Seventy-five percent (75%) Journeyman's rate
Fifth six (6) Months -Eighty percent (80%) Journeyman's rate
Sixth six (6) Months -Eighty-five percent (85%) Journeyman's rate
Seventh six (6) Months-Ninety percent (90%) Journeyman's rate
Eighth six (6) Months -Ninety-five percent (95%) Journeyman's rate

- (b) Apprentices shall be paid the difference between their regular pay and the amount from the Apprenticeship Board while attending Apprenticeship School providing they pass their examinations.
- (c) All provisions of this Agreement shall apply to Apprentices except where specifically provided for under the Apprenticeship Act.
- (d) New employees falling in this category will not be required to start at the minimum rate as provided herein, but shall be credited with previous experience as may be proven.

LETTER OF UNDERSTANDING No. 1

BETWEEN:

GRAND FORKS GRAVEL AND CONCRETE LTD.
(hereinafter called the "COMPANY")

AND:

INTERNATIONAL UNION OF OPERATION ENGINEERS
(hereinafter called the "UNION")

This Letter of Understanding confirms the Company's commitment to an Overtime Bank System.

This system shall be overseen by a Committee that shall consist of representatives from the Ready Mix Division, and the Union.

The maximum amount of Banked Overtime is one hundred and sixty (160) hours.

DATED AT _____ B.C. THIS _____ DAY OF _____ 2003.

For the Union

For the Company