

BRITISH COLUMBIA

MASTER CARTAGE AND WAREHOUSING AGREEMENT

MEMORANDUM OF AGREEMENT made this day of ,2004.

BETWEEN: **DISTRICT DELIVERY SERVICE LTD.**

(hereinafter called the "**Company**")

OF THE FIRST PART

AND: **TEAMSTERS LOCAL UNION NO. 31**
of the International Brotherhood of Teamsters,

(hereinafter called the "**Union**")

OF THE SECOND PART

Gender: Wherever the use of the male gender is used herein, it shall also apply to the female gender where applicable.

ARTICLE 1

Section 1 - Recognition

It is recognized by this Agreement to be the duty of the Union, the Company or its bargaining agent and the employees to fully co-operate individually and collectively, for the advancement of conditions.

Section 2 - Union Co-operation

The Parties agree at all times as fully as it may be within their power to further the interests of the industry.

ARTICLE 2

Section 1 - Bargaining Authority

The Company agrees to recognize the Union as the Sole Bargaining Agent for:

- (a) employees and categories of employees referred to in the Certificate of Bargaining Authority held from time to time by the Union, and
- (b) where applicable, all employees, for whom the Employer has voluntarily recognized the Union as

their Bargaining Agent, and

- (c) all casual employees who are covered by the Certificate of Bargaining Authority or are employed pursuant to the terms of this Agreement as employees, and
- (d) all members of the Union shall receive a copy of this Agreement which is binding upon the bargaining authority and every employee in the unit for which the Union has been certified or where no certification exists, as recognized by this Agreement. The Company shall be responsible for the printing of these Collective Agreements

ARTICLE 3

Section 1 - Posting of Agreement

The Company will provide a bulletin board in each Company lunchroom or dispatch area for the posting of this Agreement and for such notices as the Union or Company may from time to time wish to post. The said Union notices shall be posted and signed by an elected or appointed officer or other authorized representative of the Union.

Section 2 - Check-off

Each new employee when hired by the Company will be informed by the Company that he is to contact the Union office or Shop Steward for the purpose of becoming a Union member and signing the authorization card authorizing the Company to deduct from his earnings Union initiation fees, union dues and/or other assessorial charges as levied against him in accordance with the constitution and by-laws of the Union of which he is a member and so indicated on the monthly or quarterly check-off list as provided by the Union to the Company. The Company shall remit same to the Union not later than (15) days from the date that the deduction was made from the employee's wages.

Section 3 - Union Shop

- (a) Every employee of the Company covered by this Agreement shall be a member of the Union in good standing during the whole of the term of this Agreement as a condition of employment with the Company, save as hereinafter expressly provided.
- (b) When additional employees are required within an area which is serviced by a permanently established and operating Union hiring hall, the Company shall give the Union first opportunity to supply suitable Union members for employment. In the event the Union is unable to supply suitable persons and the Company hires a person who is not a member of the Union, the Company must contact the appropriate Union office before the person commences work, or else the Company will remove such person from the job at the request of the Union.
- (c) When additional employees are required within an area which is not serviced by a permanently established and operating Union Hiring Hall, the Company will extend first opportunity to Union members who meet the Company's requirements, and who apply for employment or have been referred to the Company.
- (d) In the event that a person, not a member of the Union, is taken into employment by the Company, such person shall make application to join the Union and if approved by the Union shall join the Union within three (3) days of his hiring, and shall be added to the checkoff list forthwith. In the event the person is not approved such person shall be replaced forthwith.

- (e) The Company shall furnish to the appropriate Union area office designated, in writing, by the Union, a list of new employees taken into employment by the Company, showing the location of their employment within seven (7) calendar days of their being hired.

Section 4 - Union Security

- (a) Except for the forty-eight (48) hour exception below every motor vehicle and every piece of mobile equipment, used by the Company, categories of which are set out in Appendix "A", shall be operated by a member of the Union. In the event the Company on any basis uses equipment or vehicles, other than its own whether hired, leased or otherwise, no member of the bargaining unit shall have his normal earnings or security of employment affected, whether it be by lay-off, termination, or reduction in hours or otherwise. Also, all suitable equipment and vehicles of the Company must be in use before additional equipment can be leased or hired, and at all times the Company will maintain its vehicles and equipment in a proper state of repair in order to comply with this paragraph. In the hiring or leasing of vehicles or equipment, on any basis, the Company shall first make every effort to obtain such equipment operated by a member of the Union from a Company signatory to an Agreement with the Union. However, if unable to do so, and if equipment is to remain in the hire of the Company in excess of forty-eight (48) hours, it shall be replaced by equal equipment operated by a member of the Union and from a Company signatory to an Agreement with the Union. The use by the Company of hired equipment for forty-eight (48) hours shall not release the Company from full compliance with all of the obligations of this paragraph, and the other provisions of this Agreement.
- (b) All storing and handling of merchandise or other goods or materials shall be carried on by Company employees, members of the Union, categories of which are set out in Appendix "A", where such work is under the control of the Company.
- (c) Wherever physically possible and where such work is under the control or direction of the Company, all equipment shall be loaded and unloaded by the employees of the Company, members of the Union. The practice of loading and unloading equipment by other than employees of the Company where such work is under the control or the direction of the Company shall not be increased and shall wherever possible be discontinued.
- (d) The Company agrees not to contract out any work normally performed by employees covered by this Agreement if any employee is on lay-off for lack of work at the time such contracting out is introduced or if the contracting out would cause the lay-off of any employee. The Company shall not contract out bargaining unit work.
- (e) Provided capable employees are available, all suitable equipment must be in use before additional equipment can be leased or hired.
- (f) Where it would result in a decrease in the number of employees, piggybacking shall not be used.
- (g) Where physically possible and where such work is under the control and direction of the Company, the stripping and loading of containers shall be done by members of the Union, except where otherwise mutually agreed.

ARTICLE 4

Section 1 - Regular Employee

A regular employee shall be considered as such an employee of the Company when:

- (a) he has completed his probationary period
- (b) he makes himself available to the Company for full time employment.
- (c) it shall not be a cause for discipline or discharge for an employee to seek and/or accept gainful employment elsewhere, provided the employee complies with Sub-Section (b) herein
- (d) when a Company tries to contact any regular employee who is either on lay-off in excess of two weeks, or has failed to report for duty within twenty-four (24) hours of contact and cannot be contacted by telephone regarding his availability for employment, the Company will then make final contact by registered mail with a copy to the Union and will be allowed seven (7) consecutive days from receipt or attempted delivery date to report for work. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal

Section 2 - Casuals

A casual hourly employee shall:

- (a) be hired on an incidental and temporary basis to provide for additional manpower
- (b) be given first opportunity to qualify as a regular employee as openings become available, providing he meets all Company qualifications and requirements
- (c) not be covered under the provisions of the Health and Welfare Plan until such time as he becomes a regular employee
- (d) not be eligible for any monetary provisions of the Collective Agreement, except as specifically provided herein
- (e) be entitled to hourly rate set forth in Appendix "A"
- (f) be guaranteed a minimum of four (4) hours

Section 3 - Use of Casuals

The Company shall not use casual employees to reduce the normal working hours of regular employees, or where the use of casual employees would inhibit the recall of laid-off employees, unless the Union specifically agrees otherwise in writing.

ARTICLE 5

Section 1 - Conflicting Agreement

The Company agrees not to enter into any agreement or contract with employees of the Company, members of the Union, individually or collectively, which in any way conflicts with, the terms and provisions of this Agreement. Any such agreement will be null and void.

Section 2 - Transfer of Company Title or Interest

This Agreement shall be binding upon the Parties hereto, their successors, administrators, executors and assigns. In the event an entire business or any part thereof is sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such business or any part thereof shall continue to be subject to the terms and conditions of this Agreement for the life thereof. The Company shall notify the Union in writing not later than the effective date of the fact of any sale, transfer, lease, assignment, receivership or bankruptcy proceeding, not including financial arrangements thereof.

Section 3 - Protection of Conditions

It shall be a violation of this Agreement for the Company to require that an employee purchase truck, tractor and/or tractor and trailer or other vehicular equipment or that any employee purchase or assume any proprietary interest or other obligation in the business as a condition of continued employment.

Section 4 - New Equipment and Classifications

Prior to any new types of equipment and or new classifications of employment for which rates of pay are not established by this Agreement are put into use, the Company shall advise the Union as far in advance as possible, and not less than thirty (30) days prior to implementation, the matter shall become the subject of discussion between the Parties for rates governing such equipment and classifications of employment. The Companies and the Union shall finalize within thirty (30) days after such implementation a rate to be established and such rate to be retro-active to date of implementation.

ARTICLE 6

Section 1 - Seniority

Seniority shall be maintained in the reduction and restoration of the working force, providing the senior man is capable of performing the remaining job or jobs.

Section 2

All new jobs and vacancies are subject to seniority and shall be posted promptly for seven (7) days in a conspicuous place at all terminals, stating starting time, job description and location. All regular employees shall be entitled to bid on such postings and the Company shall designate, on the original posting, the successful bidder within three (3) working days of the closing date of the posting. Any regular employee absent by reason of accident, sickness or vacation, shall have the opportunity to bid on such job posting or vacancy within three (3) days after he returns to work, provided he is capable.

Provided the employee is capable and is given the opportunity to demonstrate his capability, seniority shall prevail in the appointments to new jobs or vacancies and, except by mutual agreement of the Parties hereto, for the purpose of shift preferential on established shifts. Starting times preference shall be given to senior employees on established shifts and operators of mobile equipment will be given this preference wherever practical. Except where a job or shift has been discontinued, there shall be no job or shift bumping privileges. Senior employees shall be given preference to fill vacancy on differential rated equipment if qualified.

Where an employee is laid off for lack of work, he will then have the right to fill, if capable and qualified, and has been given the opportunity to demonstrate his skill, any other position within the bargaining unit.

Section 3

All newly hired employees shall be considered as probationary employees for the first thirty (30) calendar days. There shall be no responsibility on the part of the Company in respect of the employment of probationary employees should they be laid off for lack of work or discharged during the probationary period. However, the Company shall inform the probationary employee as to whether he has been discharged or laid-off and the reasons therefor with notification in writing to the Union dispatcher.

Upon the conclusion of any thirty (30) calendar day period during which a probationary employee has worked one hundred and twenty (120) hours the employees name shall forthwith be placed on the regular employee seniority list effective from the first day of employment of the thirty (30) calendar day period, and the employee shall be entitled to all rights and privileges as provided in this Agreement.

Section 4

Casual employees will not be used to deprive any of the regular employees the conditions of this Agreement.

Section 5

The Company will post a Seniority List twice yearly, January and July, setting out the name and date of hiring of each employee. Copies of such lists shall be provided to the Union.

Section 6

When an employee's employment is terminated by the Company for proper cause or he leaves by his own choice, he will automatically be struck from the Seniority List. If an employee on his own volition obtains a withdrawal card from Local 31, he shall be struck from the Company seniority list.

Section 7

In the event that the Company purchases a business or any part thereof, the employees of which are covered by a Collective Agreement with a Local Union of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, the seniority of such employee shall be computed from the date that they respectively first become an employee of the business aforesaid.

Section 8

Any employee who has been on lack of work lay-off for one (1) year or more shall be removed from the Seniority List, and the Company shall be under no further obligation to such employee, except in the case where a lay-off is a direct result of a labour dispute, involving another company, or when the laid-off employee has accrued five (5) years or more seniority in which case seniority will be carried for eighteen (18) months.

Section 9 - Leave of Absence

- (a) (i) When the requirements of the Company's services will permit, any employee hereunder, upon written application to the Company with a copy of said application to the Union, may, if approved by the Company, be granted a leave of absence, in writing (with a copy to the Union) for a period of thirty (30) calendar days. Upon six (6) months prior notification an

employee may request every three (3) years and shall be granted up to thirty (30) days leave of absence in conjunction with his holidays. When considered by the Company approval or rejection is to be given in writing (with a copy to the Union) within thirty (30) calendar days and, if approved, such approval may not be withdrawn, except by mutual consent of the employee and the Company. Under such leaves the employee will retain and accrue seniority only.

- (ii) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union in writing and seniority will accrue during such extensions.
 - (iii) 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.
 - (iv) A regular employee driver will not be discharged as a result of the first loss of his driver's license during his employment with the Company. In such a case, the employee will be placed at the bottom of the seniority list as of that point in time, for work preference and lay-off and when he regains his license he will resume his former seniority position.
 - (v) Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied.
 - (vi) If a regular employee for certified health reasons is unable to perform the work in his regular job, he will be re-classified according to his seniority and capability to perform work in another classification if it exists within the Company. The employee must provide a valid medical opinion of his physical and/or mental ability to perform the new job in accordance with the provisions of this Agreement as it relates to Company required medical examination.
- (b) When an employee within the bargaining unit covered by this Agreement receives leave of absence in writing with a copy to the Union to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the bargaining unit. The starting date of such an appointment shall be posted in the terminal. Notice shall be given to the Union in writing prior to the employee leaving the bargaining unit for any period of time. During this leave of absence such employee shall continue to be covered by the Health and Welfare and Pension Plan as provided in this Agreement.

Employees who have been granted such a leave of absence must remain a member of the Union and be covered under all benefits of the Collective Agreement, but shall not perform any duties covered by the bargaining unit. In such appointments seniority shall be a consideration. The successful appointee shall not have the right to hire and fire during the ninety (90) day leave of absence.

Not later than on the ninetieth (90th) calendar day of this period, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain within the unit for a minimum period of one hundred and twenty (120) calendar days prior to exercising such privilege again.

ARTICLE 7

Section 1 - Meal Period

The employee shall, except by mutual agreement between the Parties hereto, take at least one (1) continuous period for meals at not less than thirty (30) minutes or more than one (1) hour in any one day. Wherever reasonably possible meal periods will be thirty (30) minutes. Further, no employee shall be required to take more than a thirty (30) minute period, except between the hours of 11:30 a.m. to 1:30 p.m. No employee shall be compelled to take more than one (1) continuous hour during such period, nor compelled to take any part of such continuous hour before he has been on duty three and one-half (3 1/2) hours or after he has been on duty (5) hours. However, any employee directed by the Company to stay with or operate equipment during his meal period will be paid at the regular rate of pay.

Where an employee is required to work in excess of two (2) hours overtime, he shall be entitled to paid time off for the purpose of eating at the end of his regular shift, except in a situation where interruption of work is not practical in which event the period may be staggered or postponed. Said meal period shall be paid at the applicable overtime rate of pay as provided in Article 23, Section 2 of this Agreement.

Section 2 - Rest Break

Any employee shall be entitled to one (1) break of fifteen (15) minutes during both the first half and second half of any shift and, where practical, during each two (2) hour period of overtime excepting during that period where a meal period is provided under Section 1 above.

A rest break shall be provided if the overtime worked is to exceed thirty (30) minutes. The commencement of this break may be staggered but not beyond one half hour.

ARTICLE 8

Section 1 - Safety Conditions

- (a) Maintenance of Equipment - it is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition. No employee will be required to operate equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment, i.e. brakes, steering, adequate mirrors, signal lights or other lighting equipment.
- (b) It shall be the duty of the employee to report in writing on the appropriate forms of the Company, promptly but not later than the end of the shift, all safety and/or mechanical defects on the equipment which they have operated during that shift.
- (c) The Company shall designate the person to whom all defects reports of mobile equipment are submitted and all employees will be notified the name of such person.
- (d) In the event essential repairs cannot be effected to make the equipment safe, the equipment will be correctly identified and kept out of service until repaired and it shall not be considered a violation of his employment when a Company employee refuses to operate such identified equipment. Identification red tags shall be supplied and made available by the Company.
- (e) It shall be the obligation of the Company to direct the repairs as necessary to conform with the safe and efficient operation of that equipment.

- (f) It shall be the duty of the maintenance shop employees to perform their duties efficiently and as instructed in such a manner that repairs having been made to correct the safety and/or mechanical defect.
- (g) In order to provide adequate vision, front and rear, the Company shall install heaters, mirrors and heated defrosters on all trucks and tractors; the mirrors to be of a size not less than 6" x 12", except where a smaller size or a different type is more adequate to the safe operation of the vehicle. Also, convex mirrors on the right hand side of the vehicle will be made available where required and where necessary. Also, convex mirrors on both sides of tractor will be made available where required and where necessary.
- (h) An employee will not be required to operate mobile equipment, if in the opinion of the employee such machine does not have adequate visibility for its safe operation.
- (i) The Company shall not require employees to multi-deck trailers at night in an area without proper lighting.
- (j) Drivers will be held responsible to ensure that the proper equipment is used when towing another vehicle and the Company shall make available such adequate equipment.
- (k) Wherever reasonably possible, trucks shall have installed steps or devices to allow reasonable access to the body.
- (l) All tractors pulling flatdeck trailers on public thoroughfares, shall be equipped with bulkheads designed to protect the operator of the vehicle in compliance with legal requirements.
- (m) Any employee required to physically handle quarters or halves of beef or sows shall be provided with physical assistance.
- (n) All warehouses shall be equipped with efficient and safe loading plates, properly anchored.
- (o) All tractors used during hours of darkness will be equipped with back-up lights.
- (p) The Company shall inform, direct and supply to the employee proper information and handling devices or equipment for hauling dangerous cargo.

ARTICLE 9

Section 1 - Pay Period

- (a) Except as otherwise mutually agreed between the Parties, all regular employees covered by this Agreement shall be paid not less frequently than on every other Friday, all wages earned by such employee to a day not more than seven (7) days prior to the day of payment. The pay period shall commence each Sunday at 00:01 hours. The Company shall provide every employee covered by this Agreement with a separate or detachable written or printed itemized statement in respect of all wage payments made to such employee. Such statement shall set forth the dated pay period, the total hours worked, the total overtime hours worked, either time and one-half or double time, the rate of wages applicable, and all deductions made from the gross amount of wages. Pay cheques shall be made available before an employee starts his shift, except under circumstances beyond the control of the Company.

- (b) Except where otherwise mutually agreed immediately prior to an employee leaving on annual vacation, he shall be entitled to receive vacation pay by separate cheque in accordance with Article 24 of this Agreement, for that period of time that he will be absent from work. However, if the employee fails to exercise this entitlement, such vacation pay will be paid to him on the first regular pay day following his return to work.

Section 2

Casual employees will be paid not less often than once a week with not more than a one day pay holdback and cheques will be mailed to the employee upon request.

Section 3

If an error occurs in an employee's pay cheque and the amount is equal to one (1) day or more, he shall be entitled on request to a cheque being issued in favour of such employee within twenty-four (24) hours.

Section 4 - Record of Employment

Except as elsewhere herein provided, upon termination or quitting, the Company shall pay all money due to the employee as soon as possible but not later than seven (7) calendar days thereafter.

ARTICLE 10

Section 1 - Paid for Time

- (a) All employees covered by this Agreement shall be paid for all time spent in the service of the Company. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work or registers in, whichever is later, until he is effectively released from duty.
- (b) Employees required to travel on public transportation or Company equipment in deadhead manner shall be paid in accordance with Article 23, Section 1 (a) (b) and (c). It is understood that the paid hours will not be used in the calculation of overtime.

Section 2 - Bereavement Leave

An employee shall be granted a maximum of three (3) regularly scheduled work days leave, without loss of pay or benefits in the case of death of a parent, spouse, brother, sister, child, parent-in-law, sister-in-law, brother-in-law, grandparents which includes spouses, and grand-children and legal guardian.

Funeral leave is not compensable when the employee is on leave of absence, bona fide lay-off or annual vacation or for hours falling outside the regular work schedule.

Upon giving twenty-four (24) hours notice, an employee shall be granted time off, without pay, for the purpose of attending a funeral, provided that the granting of such time off shall not be inconsistent with the efficient operation of the business.

Section 3 - Jury Duty

An employee summoned to Jury Duty or subpoenaed as a witness concerning matters occurring during the

regular course of his employment with the Company shall be paid wages amounting to the difference between the amount paid for such service and the amount they would have earned had they worked on such days. Employees on jury duty shall furnish the employer with such statements of earnings as the courts may supply.

This clause will have no application for an employee on leave of absence or when receiving benefits under the Health and Welfare Plan, annual vacations, Workmens' Compensation or as otherwise covered by this Agreement.

Section 4 - Medical

- (a) Any Company or Government required physical or medical examination shall be promptly complied with by all employees provided, however, the Company shall pay for all such physical or medical examinations or for any time lost as a result thereof during his working hours, and provided further the examination is required for bona fide reasons.

Where a regular employee is required by the Company for bonafide reasons to take a medical outside of his regular hours of work, the Company shall pay to a maximum of two (2) hours straight time wages for such time spent, including instances where an employee is returning to work or is about to return to work following illness or disability.

- (b) If following a medical examination under (a) of this Section, the employee is dissatisfied with the decision of the Company doctor, the employee may seek a decision from his personal doctor. Should the decision of the Company's doctor and the employee's doctor differ, the Company or the Union is entitled to direct that the employee be examined by a medical specialist, whose speciality covers the disability. The Company's doctor and the employee's doctor together, shall then select such a specialist. The decision of the medical specialist shall be final and binding upon the Parties involved and the employee shall not suffer loss in wages or Health and Welfare Plan benefits whichever applies as a result of such examination(s).
- (c) An employee who has been absent from work because of illness or accident shall not suffer a reduction in his regular wages only because the Company requires a medical examination prior to the employee resuming work. If such employee is entitled to work under seniority and recall procedures, he will be paid his regular wages for each day or days until he returns to work, provided the Company medical examiner certifies the employee fit to resume work.

Section 5 - Illness and Discharge Coverage

When an employee goes off work ill or on compensation or grievance is invoked on his discharge, the Company shall continue to pay both his Health and Welfare Plan fees and Union dues, so that the employee shall be protected to the utmost, provided:

- (a) the employee reimburses the Company for such contributions normally paid by said employee and is at no time more than five (5) months in arrears, and
- (b) the period of such coverage shall exceed twelve (12) months only by mutual agreement of the two Parties

When an employee returns to work, the Company shall deduct from his earnings any monies the Company has paid out in respect of his contributions.

In the event any employee does not return to work and the employee refuses or neglects on demand at his last known address to make restitution for such monies paid out, the Union shall then reimburse the Company for said amount.

Section 6 - Sick Leave

The sick leave plan does not form a part of the Health and Welfare Plan.

- (a) All regular employees who have one (1) continuous year's service or more shall thereafter accumulate paid sick leave at the rate of one-half (1/2) day per employed month to a maximum of thirty (30) days. The accumulation of paid sick leave shall be based on the following provisions.
 - (i) The employee shall begin accumulation of sick leave at the start of the pay period immediately following the date he completes one (1) year of continuous employment.
 - (ii) The employee must be paid for not less than one hundred and twenty-eight (128) hours in a four (4) week period to be credited for a half (1/2) day in that month including vacation and general holidays.
 - (iii) Employees absent from work due to leave of absence for any reason, or sickness and compensation, will not accumulate sick leave during this absence.
- (b) Where any absence, occasioned by sickness or accident is not covered for payment for either the Teamsters - Transport Health and Welfare Trust Plan or Workers' Compensation, paid sick leave shall be applied as follows:
 - (i) 1/2 day's pay for first day of absence provided that day is a regular work day.
 - (ii) One (1) full day's pay for each of the second (2nd) and third (3rd) days of sickness, provided those days are regular work days.
 - (iii) A day's pay for employees will be eight (8) hours pay at the regular hourly rate for his classification.
 - (iv) It shall be the responsibility of the employee to claim for accredited sick leave on such forms as the Company may prescribe.
- (c) Any proven abuse of the Sick Leave Provision will subject the employee to immediate dismissal without recourse to the Grievance Procedure.
- (d) A medical certificate may be required to claim benefits under this provision.

Section 7 - License Tests

- (a) Whenever it becomes necessary for an employee to undertake tests for renewal of licenses or tickets, the Company shall upon request provide appropriate equipment for this purpose. Time taken off for such purpose shall be paid for at the employee's straight time rate.
- (b) Any driver with one (1) or more years of seniority who is required under the Motor Vehicle Regulations to undertake a physical examination as a condition of continuing to hold a valid driver's license shall receive a Company contribution to a maximum of forty dollars (\$40.00) to the cost of

the examination, provided a receipt is submitted to the Company.

ARTICLE 11 **Work Jurisdiction**

Work Assignments

- (a) The Company agrees to respect the jurisdictional rules of the Union. Additionally, the Company shall not direct or require its employees or persons, other than the employees in the bargaining unit, to perform work of the employees in the bargaining unit. This is not to interfere with bona fide contracts with bona fide unions.
- (b) In the event that members of a union, other than the Union which is signatory to this Agreement, attempt to encroach on the working practices and arrangements governed by this Agreement or within the Union's jurisdiction rules, the Union reserves the right to inform the employees affected of their obligation to carry out the terms and conditions of this Agreement.

ARTICLE 12 **Discharge or Suspension/Management Rights**

Subject to the terms of this Agreement, all matters concerning the operations of the Company business shall be reserved to the management.

The Union recognizes that it is the function of the Company;

- 1. to maintain order, discipline and efficiency
- 2. to discharge, classify, suspend for proper cause, direct or transfer employees from one classification to another, move employees from one location to another for proper cause
- 3. to increase and decrease working forces
- 4. to make or alter from time to time rules and regulations to be complied with by its employees. These rules and regulations are to be filed with the Union
- 5. an employee will receive a copy of any written reprimand or warning letter placed on his file with a copy to the Union. Such written reprimand or warning letter shall become a permanent part of the employee's personal work history. However, any incident causing such written reprimand or warning letter over a period of twelve (12) months will not be used to compound other disciplinary action against the employee

ARTICLE 13

Section 1 - Protection of Rights

It shall not be a violation of this Agreement or cause for discharge of any employee in the performance of his duties to refuse to cross a legal picket line recognized by the Union.

The Union shall notify the Company as soon as possible of the existence of such recognized legal picket lines.

Section 2 - Controversy With Other Unions

If a dispute arises as the result of the employees of a Company bound by the terms of the B.C. Master Cartage and Warehousing Agreement handling or transporting any commodities for a company or business that is being legally picketed by a Local Union of Teamsters' Canadian Conference, the Company and the Union shall immediately meet with the objective of arriving at a mutually satisfactory solution.

Section 3

It is agreed, in the event of a strike, among the employees of any other firm with which the Company does business, the Company will not ask its employees to perform any labour they do not ordinarily perform.

Section 4

It is mutually agreed that there shall be no strike, lockout or slowdown whether sympathetic or otherwise during the term that this Agreement shall be in force.

ARTICLE 14 Technological and Mechanical Changes

Definition - technological and mechanical changes shall be defined to mean the introduction and utilization of vehicular and other equipment changes which have not previously been used with the bargaining unit by the Company and the use of which results in the termination or the laying off of regular employees.

Recognition by Parties - all Parties to this Agreement recognize that technological and mechanical changes that result in the increased efficiency and productivity must be encouraged, and further that all Parties have a direct responsibility to reduce to a minimum the adverse effects that may result from such changes.

Prior Notification - the Company shall advise the Union as far in advance as possible, and not less than thirty (30) calendar days prior to the introduction of technological or mechanical changes, and the matter shall immediately become the topic of general discussion and consultation between the Company and the Union and particularly in regard to:

- (a) the effect such changes will have on the number of employees within the bargaining unit
- (b) the probable effect on working conditions
- (c) any changes in job classification

Dislocated Employees - in the event technological or mechanical changes result in a reduction in the work force or the demotion or promotion of employees, such reductions, demotions or promotions shall be done in accordance with the provisions of Article 6, Seniority, as contained herein.

Re-training and Upgrading - the parties jointly and individually will undertake with the assistance of Canada Manpower and through recognized provincial or local adult training programs, if necessary, to re-train and upgrade regular employees to enable them to become qualified and capable of performing new jobs resulting from or created by the technological or mechanical changes.

ARTICLE 15

Section 1 - Inspection Privileges

Authorized agents of the Union will request and have access to the Company's establishments during working hours for the purpose of investigating conditions related to this Agreement and shall in no way interrupt the Company's working schedule.

Section 2 - Shop Stewards

- (a) The Union shall elect or appoint shop stewards from among its members in the bargaining unit and shall notify the Company in writing forthwith of such appointments and deletions of those employees so elected or appointed. The Company will recognize shop stewards and not discriminate against them for lawful Union activity. The Company will notify the Union forty-eight (48) hours prior to dismissal of a shop steward.
- (b) Grievances shall be processed during the normal working hours of the shop steward. A steward shall receive his regular rate of pay when grievances or pending grievances are processed with the Employer on Employer property or at any other place which is mutually agreed upon by both the Union and the Employer.
- (c) If the Employer representative is unable to meet the steward during the steward's normal working hours, the steward shall be paid for all the time spent during the processing of the grievances with the Employer on the Employer's property or at any other place which is mutually agreed upon by both the Union and the Employer.

ARTICLE 16

Section 1 - Sanitary Conditions

- (a) Where possible, and where required, the Company agrees to maintain at its terminals adequate, clean, sanitary toilet facilities, lockers, lunchrooms and washrooms having hot and cold running water, with proper ventilation. It shall be the responsibility of the employees to use all facilities carefully, considerately, without unnecessary damage and dirtiness.
- (b) All new terminals shall be adequately equipped with facilities as per Section 1 (a) above where required.

Section 2 - First Aid Supplies

The Company shall provide first-aid provisions in accordance with the Workers' Compensation Act.

Section 3 - First-Aid Attendant

Any employee holding a First-Aid Certificate recognized under the Workers' Compensation Board regulations who is designated by the Company to carry out duties of a First-Aid Attendant, Class C, shall receive in addition to his regular rate as provided in Schedule "A" herein, a premium of fifty (50) cents per hour. The employer shall be responsible for the cost of maintaining or upgrading the employee's First-Aid Certificate to the extent that course fees will be paid by the Employer.

ARTICLE 17

Section 1 - Union Label

It shall not be a violation of this Agreement for an employee to post the Teamsters' Union Label in a conspicuous place on the glass area of the equipment he is operating. The said label to be a size not in excess of three (3") by four inches (4") and not to be attached to any area which will impair the vision of the driver.

Section 2 - Uniforms Supplied

Where any employee is required to wear any kind of uniform or coveralls as a condition of continued employment, such uniform or coveralls shall be furnished and maintained by the Company at no cost to the employee. No employee shall be disciplined or discharged for refusing to wear a uniform or coveralls that are not clean, or do not fit properly, or that do not bear a Union Label.

However, the employee must furnish at his own expense suitable clothing, shoes, gloves and winter weather protective clothing in order to perform his job efficiently and safely, except as provided in Section 3 (a) (b) (c) and (d) herein.

Section 3 - Protective Clothing

- (a) Any employee physically handling fresh or frozen fish and fish entrails, meats, hides, creosoted items, lamp-black ink, acids and ore concentrates in substantial quantities shall be provided with rubber or leather aprons, coveralls, smocks and gloves, as appropriate; also to drivers who pump off asphalt, or bulk cement. Coveralls shall be maintained by the Company. Bulk petroleum product drivers shall be provided with adequate gloves and after the initial issue, on an exchange basis.
- (b) Any employee who is exposed to a hazard by reason of handling toxic or noxious chemicals shall be provided with adequate protective clothing and equipment as required by Workers' Compensation Board regulations, and the cost shall be borne by the Company.
- (c) Maintenance shop employees shall be provided with clean coveralls and the cost and maintenance shall be borne by the Company.
- (d) The Company shall supply at their expense to maintenance shop employees good quality safety-toed boots and after the initial issue, on an annual exchange basis if required.
- (e) Where the Company makes it a condition of employment for all employees to wear safety-toed boots, the Company will supply same.
- (f) Gloves will be provided for on an exchange basis.

Section 4 - Premium Pay

A wage differential of fifty (\$0.50) cents per hour shall be received by every employee required to physically handle green hides, fresh fish and fish entrails in truck load lots.

ARTICLE 18 Posting

Hourly rated employees shall be notified before quitting time the day previous to their not being required for duty, except as otherwise mutually agreed by the Parties hereto. Time shall be posted and remain posted until 9:00 a.m. the following day.

ARTICLE 19 **Paid-For Day of Accident**

If an employee, after starting work, meets with an accident which incapacitates him from carrying on his duties, he shall be paid his full day's wages for the day of his injury, provided he is not in receipt of compensation from the Workers' Compensation Board for that day.

ARTICLE 20

Section 1 - Pay-For Change in Classification

When an employee from a higher rated classification is requested to work temporarily or until permanently re-classified at a lower-rated classification, he shall continue to be paid at the rate paid for the higher-rated classification.

Where an employee from a lower-rated classification is requested to work in a higher-rated classification for (a) one hour and up to two hours, he shall be paid for the period worked at the higher rate, and (b) for two or more hours, he shall be paid for the entire day at the rate paid for the higher-rated classification.

An employee who is required, as a condition of employment, to be the holder of a valid and subsisting license shall receive the appropriate rate of pay for whichever license he is required to hold. This clause shall not apply if an employee exercises his seniority into a different classification.

Section 2 - Pay-For Change in Jurisdiction

In the event that the Company should require any employee covered by this Agreement to engage in work on construction or demolition or in the confines of a construction or demolition site coming within the jurisdiction of an agreement which has established more favourable wage rates than those herein contained, such employee shall be entitled to be paid at the more favourable wage rate while he is so engaged.

Section 3 - Chargehand Defined

A chargehand, when so designated and classified by the Company, shall be defined as an employee who shall direct the work of other employees while performing similar work himself. He shall not have the authority to directly hire, fire, suspend or discipline members. He shall be a member of the Union and shall have seniority in accordance with Article 6 herein.

Section 4

Any employee temporarily assigned by the Company to a terminal or operation located beyond reasonable commuting distance shall be reimbursed by the Company for reasonable expenditures for room and board.

ARTICLE 21 **Wages**

The regular hourly rates paid shall be those set out in Appendix "A" attached hereto and forming part of this Agreement.

ARTICLE 22

Section 1 - Health and Welfare

The Teamsters - Transport Health and Welfare Trust Plan (the Health and Welfare Plan) covering members

of the Union as set out in appendix "B" hereunto annexed and forming part of this Agreement shall continue. The Company agrees to cover all members of the Union in the Health and Welfare Plan and to abide by the terms and conditions of the Teamsters-Transport Health and Welfare Trust Plan as set out in appendix "B" hereunder annexed and forming part of this Agreement.

Section 2 - Pension

The Teamsters B.C. Master Employees Pension Plan covering members of the Union as set out in appendix "D" hereunto annexed and forming part of this Agreement shall continue.

Section 3 - Payment of Dues and Contributions

- (a) The Company agrees to make remittances to the Union for union dues, the administrator of the health and welfare plan, the administrator of the pension plan and the administrator of any other program to which the Company is required to make contributions under this Agreement in accordance with the appropriate article or appendix to this Agreement.
- (b) The Company agrees to hold in trust, until remitted, all amounts payable in respect of union dues, the health and welfare plan, the pension plan, and any other plan which the Company is obliged to make contributions pursuant to this Agreement and shall be liable, as such, for failure to remit for any reason including, but not limited to liquidation, assignment or bankruptcy of the Company.

Section 4 - Trust Agreement

The Company agrees that it shall be bound by the terms and conditions of the Agreement and Declaration of Trust (the Trust Agreement) covering the health and welfare plan, the pension plan and any other plan to which the Company is required to make contributions pursuant to this Agreement.

Section 5 - Delinquency

- (a) The Company acknowledges that the trustees of the Health and Welfare Plan and the Pension Plan or any other plan or trust to which contributions are payable shall have the right to take legal action against the Company to obtain payment of all contributions and interest thereon due pursuant to this Agreement.
- (b) The Company agrees to make contributions to the Union for union dues and to the trustees of the Health and Welfare Plan and the trustees of the Pension Plan within the time limits specified in this Agreement and further agrees that, if such contributions are not received by the Union or applicable plan administrator within the agreed time period (or postmark on the envelope enclosing the contributions is not with the agreed time period), then the Company shall be liable for the payment of such contributions plus interest on the contributions at the rate of two percent (2%) per month from the date such contributions were due to the date of receipt by the Union or the appropriate plan administrator.
- (c) The Company agrees that, if the Union or the trustees of any plan to which the Company is required to make contributions pursuant to this Agreement incur any legal or other costs to recover contributions due and payable by the Company, the Company shall be liable to reimburse the Union or the applicable trustees for such costs.

ARTICLE 23

Section 1 - Regular Work Day/Week

(a) Except as hereinafter provided, the regular work day shall consist of eight (8) consecutive hours of work between 6:00 a.m. and 6:00 p.m., not including the meal period. The regular work week shall consist of five (5) eight (8) hour days in the period from Monday to Friday, both days included with Saturday and Sunday as regular assigned days off.

(b) Weekly Guarantee

Except where otherwise mutually agreed by the Parties hereto, the Company shall guarantee sixty percent (60%) of all its employees within the Company taken in order of their seniority and to a minimum of one (1) not less than forty (40) hours' wages per week, exclusive of overtime.

(c) Assignment of Guaranteed Men to Scheduled Work Week

Employees within the most senior sixty percent (60%) within the Company shall be assigned to a scheduled work week on either of the following basis:

(i) Monday through Friday - Saturday and Sunday off

(ii) Tuesday through Saturday - Sunday and Monday off provided, however, that any employee by reason of his seniority placing him within the said sixty percent (60%) may, if qualified in all respects as provided in Article 6, elect to remain on a shift other than those in (i) and (ii) hereof. It is understood that any employee within this sixty percent (60%) shall, subject to qualifications as aforesaid always have precedence over all other employees with less seniority

Notice of Alteration of Scheduled Work Week

(iii) Upon being assigned, per the provisions of the above, save as where a job has been eliminated, an employee's scheduled work week shall not be altered until six (6) weeks have elapsed from the date of assignment.

(d) Flexible Work Week

For all employees, other than the senior sixty percent (60%), the flexible work week may be scheduled between Monday and Saturday inclusive with Sunday and one other day scheduled as days off provided, however, that unless otherwise mutually agreed by the Parties hereto that all employees not assigned to a scheduled Monday through Friday shall be guaranteed (40) hours' wages and shall where possible be notified of the schedule to be worked on the last working day of the week preceding that to which the schedule refers. In the event goods or materials due to be handled on a Saturday are not available by reason of failure of a schedule arrival any employee who does not commence work shall only be entitled to four (4) hours' pay.

(e) Mail, Baggage and Perishables

The Company may designate any five (5) day work week in the period from Sunday to Saturday, both days included with any two (2) consecutive days as regular assigned days off for employees engaged in mail, baggage, perishables and temperature controlled commodities and petroleum deliveries to airports and any employee so designated shall be guaranteed for forty (40) hours' wages.

(f) Night Bonus

Employees, other than regular shift employees, who work during the hours 6:00 p.m. and 6:00 a.m. shall be paid a bonus of \$3.00 (three dollars) per hour for those hours between 6:00 p.m. and 6:00 a.m. It is understood that this bonus shall not apply to any hours worked between 6:00 p.m. and 6:00 a.m. for which an employee is being paid at overtime rates or the differential pay. Additional employees added to regular shifts shall not be entitled to the provisions contained herein.

(g) Shift Differential

The Company may institute shift work, that is to say work done wholly or partly outside the regular hours of work, provided that the shift work is continued for not less than five (5) consecutive work days in any one (1) week. If the shift work is not continued for the said period in respect of any employee covered by this Agreement, the bonus provision of this Article, Section (f) shall apply in favour of such employee.

Where an employee exercises his seniority on a lay-off during the week which would require him to work outside the regular hours of work, he would only receive and be entitled to the shift differential as specified in the paragraph immediately following this and the displaced employee would likewise only receive the shift differential as specified.

Any employee who commences work at 2:00 p.m. or later or prior to 6:00 a.m. shall be guaranteed eight (8) hours pay plus one hour differential.

(h) Daily Guarantee

(i) Any regular employee who is called out to work on a regular work day shall be paid not less than eight (8) hours pay. Any employee who is called out to work on a Saturday - sixth shift - or overtime day shall be guaranteed four (4) hours pay, and if he works in excess of four (4) hours, he shall be guaranteed six (6) hours. For hours worked in excess of six (6), he shall be paid for time worked.

(ii) When a casual hourly rated employee is called and reports for duty Monday through Friday, he shall be guaranteed a minimum of four (4) hours pay, and if he works in excess of four (4) hours shall be guaranteed six (6) hours, and if he works in excess of six (6) hours he shall be paid for eight (8) hours. However, in the event that such part-time employee, whose hours extend wholly or partly outside the regular hours of work, shall be guaranteed eight (8) hours pay plus the overtime or shift differential premiums.

(iii) Any hourly rated employee reporting for duty on a callout or callback basis inconsistent with his regular scheduled work day or shift shall be guaranteed a minimum of four (4) hours pay but after completion of the duty he was called for, he may book-off work with a minimum of two (2) hours pay.

(iv) To qualify for the benefits of Sub-Sections (i), (ii) and (iii) of this Article, this Section, the employee will perform work within the bargaining unit in jobs other than his normal or regular job in the event that his services are not required in his normal or regular job.

(i) Posting Regular Shift

The time of an hourly rated employee's regular shift for the following week shall be posted or given to him prior to the time he completes his current week's work. In the event of failure to post or give such notice, it shall be presumed that the times of his shift for the following week shall be the same as the current week. An employee shall have the same starting time for each day of the week.

(j) Record of Employment

Any employee on lay-off who requests his U.I.C. Record of Employment shall not be considered terminated.

Section 2 - Overtime Provisions

The Company shall pay overtime rates of wages to every employee entitled thereto as follows:

- (a) all time worked over and above eight (8) hours per day on any shift shall be deemed overtime until a break of eight (8) hours occurs
- (b) for the first two (2) hours of overtime on any regular day, one and one-half times his regular rate of wages and for all time worked thereafter, the employee shall be paid double his regular rate of wages
- (c) with the exception of those employed per Article 23, Section 1 (e), the following shall apply:
 - (i) for the first eight (8) hours worked on a Sunday or General Holiday, an employee shall be paid double his regular rate of wages. The rate to be paid for the 9th and 10th hour on a Sunday or General Holiday shall be three (3) times the regular rate. The rate to be paid for all hours beyond the 10th hour shall be four (4) times the regular rate.
 - (ii) for all employees assigned to a Monday to Friday work week, Saturday and Sunday shall be sixth and seventh shifts.
 - (iii) where any employee works on his regularly assigned rest day, except Sunday, he shall be paid at one and one-half times his regular rate for the first eight (8) hours; two and one quarter times his regular rate for the ninth (9th) and tenth (10th) hour and three times his regular rate thereafter.
- (d) For the purpose of this Section the work week shall be from 00:01 Monday to 24:00 hours Sunday. With respect to General Holidays, the foregoing overtime provisions are in addition to eight (8) hours wages which shall be paid in any event.
- (e) Overtime shall be allocated wherever possible to capable senior employees in their classification in a voluntary manner provided, however, that upon reaching the bottom of the seniority list the employee shall be required to work overtime.
- (f) Except in case of emergency or where it is unavoidable, no employee shall work weekly overtime until all regular employees in their unit have worked the full quota of regular hours, provided there are capable and qualified regular employees amongst those who have not worked their full quota of regular hours. Provided the foregoing has been complied with, seniority will prevail in classifications for the allocation of overtime.

Section 3 - General Holidays

Pay for holidays when not worked shall be as follows:

Employees shall be paid for time not worked at the regular rate on New Year's Day, Good Friday, Victoria Day, Dominion Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and in the event a General Holiday is proclaimed by the Federal or Provincial Government, such holiday shall be observed as a General Holiday. The rates of pay for these general holidays will be at the regular applicable work time rate. Employees entitled to those paid Holidays shall have been on the payroll thirty (30) calendar days previous to the holiday.

Employees absent from work by reason of accident or illness, not in excess of six (6) months, shall receive full pay for general holidays as designated herein.

Employees absent by reason of leave of absence, discharge, quit or suspension shall not be entitled to general holiday pay.

The employee, who is terminated or discharged for just cause within the thirty (30) calendar day period, shall not be entitled to general holiday pay. If an employee who has been laid off temporarily is returned to work within thirty (30) calendar days after the holiday, he shall be entitled to the paid General Holiday.

When a general holiday falls on a regular employee's regular day off, then such employee will be granted a day off in lieu of such general holiday on either the last working day preceding or the first working day following such general holiday.

ARTICLE 24

Section 1 - Two Weeks Vacation

Upon completion of one year's service employees shall receive two (2) consecutive weeks vacation with eighty (80) hours pay at their hourly rate of pay in effect at the time they take their vacation or four percent (4%) of annual gross earnings, whichever is the greater. Vacation pay at four percent (4%) shall be paid to all employees with less than one (1) year of service.

Section 2 - Three Weeks Vacation

Effective January 1st, 1981 any employee completing three (3) years of continuous service shall receive six percent (6%) or one hundred and twenty (120) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 3 - Four Weeks Vacation

All employees with nine (9) years or more continuous service shall thereafter receive eight percent (8%) or one hundred and sixty (160) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 4 - Five Weeks Vacation

All employees with fifteen (15) years or more continuous service shall thereafter receive ten percent (10%) or two hundred (200) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 5 - Six Weeks Vacation

All employees with twenty-one (21) years or more of continuous service shall thereafter receive twelve percent (12%) or two hundred and forty (240) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 6

Absence by reason of accident or illness shall be counted as hours worked in the intervening years between the employee's first year and final year of employment. In any such year, the employee will be credited with a maximum of five hundred (500) hours for such absence, if he has less than one thousand and four hundred (1,400) hours of work in that year to qualify for vacation herein stipulated.

In any year where an employee has not qualified for a full vacation as a result of accident or illness, he will still be credited with a year of service to determine future vacations.

Section 7

Fourteen hundred (1400) hours shall constitute a year's service, but no employee will be permitted to accumulate more than one (1) year of service, or any additional fraction thereof in any single calendar year. However, general holidays shall count as hours worked.

Section 8

- (a) A calendar year shall be the period between January 1st and December 31st.
- (b) Where the date of commencement of employment is the anniversary date for the purpose of calculating annual vacations, employees shall receive vacations in accordance with the provisions contained in Section 1 and/or 2 , 3, 4, 5 and 6 of this Article.
- (c) Irrespective of whether vacation benefits are calculated on the basis of (a) or (b) of this Section, vacation pay cheques will be issued to all employees in accordance with the provisions of Article 9, Section 1 (b) of this Agreement.
- (d) Employees can receive holiday pay on the first day of the week preceding annual vacation when requested in advance.
- (e) An employee hired after January 1st in any year, and who does not qualify for a full annual vacation, shall be paid an amount equal to four percent (4%) of his total wages from the date of employment to December 31st of that year.

Employees then work a full year before receiving a full annual vacation with pay. Time off (without pay) will be allowed during this year with such time off being calculated on the basis of holiday pay.

- (f) Employees who receive their vacation pay on the percentage basis shall be paid the appropriate percentage of gross income shown on their T4 income tax statement.

At the same time T4 slips are made available, the employer shall type on the amount of Union dues paid by each Union member in that year.

Section 9

- (a) All employees entitled to more than two (2) weeks vacation may receive them in one continuous period, only if they take their vacation in the off-season. The Union and the Company may, however, waive this provision where an employee requests, for compassionate reasons, that he be granted all of his vacation continuously, within the prime season.

Prime Season defined:

| | | |
|-----------------|---|--------------------------|
| June 1st | - | September 30th inclusive |
| December 15th - | | January 15th inclusive |
| Spring Break | - | When it occurs |

- (b) Employees entitled to three (3) weeks vacation, but whose seniority is such that they would not otherwise qualify for a vacation in the prime season shall be given one week in that season.
- (c) Employees with the exception of those described in (b) above, requesting a vacation during the prime season shall receive two (2) weeks in one (1) continuous period. The remainder of the vacation to which such employee is entitled shall be given during the off-season.
- (d) Employees shall be granted their vacation dates, in order of their seniority, consistent with the efficient operation of the business. Vacation lists shall be posted and remain posted on or before January 31st of each year.
- (e) Vacation period to start on completion of employee's normal work week, and end on the first day of his normal work week on the completion of his vacation.
- (f) Where an employee has less than fourteen hundred (1400) hours and is terminating employment, voluntarily or otherwise, he shall receive 4%, 6%, 8%, 10% or 12% of his earnings in lieu of the holidays to which he is entitled.
- (g) Unless otherwise mutually agreed between the Company and the employee, every employee shall be notified at least fourteen (14) days prior to being required to take any vacation period. Once vacation periods are established the time shall not be changed, except where mutually agreed between the employee and the Company.
- (h) Any employee who accepts gainful employment while on vacation may be terminated,.
- (i) Any regular employee receiving a differential or premium pay on a regular basis, this differential or premium will become part of his regular hourly rate of pay, and shall be paid on all general holidays and annual vacations.
- (j) In the event a general holiday falls during an employee's vacation, the employee will be allowed a day off without pay in lieu of such general holiday, either immediately preceding or immediately following his vacation period. Such day off without pay in lieu of a general holiday, will be designated on the final vacation schedule.

General holidays that fall within the vacation periods that are not designated on the final vacation schedule, the day in lieu of such general holiday will be designated at the time the vacations are booked and approved.

ARTICLE 25

Maintenance of Standards

The Company agrees that all conditions of employment relating to hours of work, overtime differentials and general working conditions shall be maintained at not less than the highest standards in effect at the time of signing of this Agreement.

Higher rated Union employees shall be subject to all the terms and conditions of this Agreement.

ARTICLE 26

Section 1 - Savings Clause

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

Section 2 - Negotiations for Replacement of Articles Held Invalid

In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either Party, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the procedure as outlined in Article 28 following.

ARTICLE 27 Marginal Notations

The Marginal Section and Article heading shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

ARTICLE 28

Section 1 - Grievance Procedure

Whenever any dispute arises between the Company and the Union, or between the Company and one or more employees, the men shall continue to work and the dispute shall be adjusted in accordance with the following procedures.

Time limit to institute this Grievance Procedure:

- (a) termination or lay-off - ten (10) calendar days
- (b) all other grievances - thirty (30) calendar days

In any dispute over a pay cheque or pay statement, or any matter thereon the time limit shall be calculated from the date the employee received the pay cheque or pay statement.

Step 1: Any grievance of an employee shall first be taken up between such employee and the Company supervisor, however, the employee will be entitled to be represented by a Shop Steward or a Union representative.

Step 2: Failing settlement under Step 1, such grievance shall be taken up between a representative of the Union or a Shop Steward and the Company supervisor.

Step 3: Failing settlement under Step 2, such grievance and any dispute arising between the Union and the Company over the interpretation or application of the provisions of this Agreement, including any dispute as to whether a matter is subject to this Grievance Procedure, shall be referred to two (2) authorized representatives of the Union and two (2) authorized representatives of the Company. The representatives of the Union and the Company shall exchange statements, in writing, setting forth their respective positions relative to the matter(s) in dispute, not later than at their initial meeting.

Step 4: Failing settlement under Step 3, either Party may refer the matter to an agreed upon neutral arbitrator who will meet with the authorized representatives of the Union and the Company to hear both sides of the case.

Section 2 - Minister of Labour

If the Parties fail to agree upon a neutral arbitrator within five (5) days (excluding Saturdays, Sundays and General Holidays) after one Party has served written notice on the other Party of its intention to refer the matter to a neutral arbitrator, the Minister of Labour will be requested to appoint a neutral arbitrator.

Section 3 - Arbitrator's Decision

The Arbitrator shall be required to hand down his decision within fourteen (14) days (excluding Saturday, Sunday and General Holidays) following completion of the hearing and his decision will be final and binding on the two Parties to the dispute and shall be applied forthwith.

The decision of the arbitrator shall be specifically limited to the matter submitted to him, and he shall have no authority in any manner to amend, alter or change any provisions of this Agreement.

Section 4 - Costs

The cost of the Arbitrator will be borne equally by the Union and by the Company.

Section 5 - Meeting Chairman and Minutes

Under Step 3, the Company will act as Recording Secretary and will furnish the Union with a copy of any such minutes. All copies of minutes will be signed by both the Union and the Company representative(s). Under Step 3, the meeting chairman will be rotated between the Union and the Company.

Section 6

The Company is obliged to invoke any discipline forthwith, and failing to issue discipline forthwith the discipline is deemed revoked.

ARTICLE 29

Section 1 - Term of Agreement

This Agreement shall be for the period from and including January 1st, 2003 to and including December

APPENDIX "A" - WAGE SCHEDULE

| CLASSIFICATION | JAN. 1/04 | JAN. 1/05 | JAN. 1/06 |
|---|----------------------|----------------------|----------------------|
| Truck Operator *c.c. up to 2,000 lbs to 18,000 lbs (907 - 8,167 kg) | \$18.05 | \$18.50 | \$19.24 |
| Truck Operator *c.c. over 18,000 lbs to 36,000 lbs (8,167 - 16,334 kg) | \$18.15 | \$18.60 | \$19.34 |
| Truck Operator *c.c. over 36,000 lbs (16,334) | \$18.25 | \$18.71 | \$19.46 |

*The carrying capacity (c.c.) in the above categories shall be those authorized by the Motor Carrier Branch. Any of the above equipment having power winches, snorkels or hyabs will receive ten (10) cents differential.

OWNER/OPERATORS

| CLASSIFICATION | | | |
|-----------------------|---------|---------|---------|
| P & D | \$31.04 | \$31.82 | \$33.09 |
| S/A | \$34.04 | \$34.89 | \$36.29 |
| T/A | \$38.04 | \$38.99 | \$40.55 |

Effective July 1, 2002 owner operators will receive fifty cents (50¢) per hour over the T/A rate when hauling tridem trailers.

When the Company requires owner operators to work Saturday or Sunday the company agrees to pay four (4) hours minimum at his hourly rate.

Fuel Charges

The Company agrees to continue its current practice of remitting all fuel surcharges to owner/operators where applicable.

Note: The parties agree that the foregoing does not constitute an obligation to negotiate fuel surcharges with its customers.

| | | |
|-------------|----------|-----------------------|
| Apprentice: | 1st Year | 60% of the Journeyman |
| | 2nd Year | 70% of the Journeyman |
| | 3rd Year | 80% of the Journeyman |
| | 4th Year | 90% of the Journeyman |

Must attend and eventually graduate from an accredited vocational or apprentice program under Provincial (or Federal) Government jurisdiction in order to qualify for first-class journeyman status with trade card.

The maximum number of apprentices to be employed in any one shop will be one apprentice for every three (3) tradesmen.

The Company agrees to provide mechanics, apprentices and helpers with full insurance for replacement to cover loss of tools due to:

1. fire on Company premises
2. theft resulting from break-in to the Company premises and/or mechanics' tool box.

APPENDIX "B" - HEALTH AND WELFARE

Section 1 - Participation

It is agreed that the Company will participate in the Teamsters - Transport Health and Welfare Trust Plan (the Plan) instituted 1 July, 1971, and operated under an Agreement and Declaration of Trust revised on 26 November, 1990.

The Company's participation in the Plan will continue throughout the life of this Agreement.

Section 2 - Board of Trustees

A Board of Trustees will be constituted of those persons provided for in the Agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) people appointed by the Teamsters Local Union No. 31.

Section 3 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the Board of Trustees, provided the Plan is administered in accordance with the Collective Agreement and any applicable government law or regulation.

The Plan and the activities of the Board of Trustees will be governed by an Agreement and Declaration of Trust, and benefit entitlement will be subject to such rules, limitations and exceptions contained in Plan documents and insurance contracts as are established and accepted by the Trustees from time to time.

Section 4 - Eligibility Conditions

- (a) For the purposes of this section a regular employee or member of the Union hired by the Company shall include a dependent contractor as defined under Article 4 of this Agreement. A dependent contractor shall be considered a regular employee on his date of hire.
- (b) Any member of the Union who is a regular employee in the employ of the Company on the date of this Agreement shall join the Plan on the date of this Agreement.
- (c) Any member of the Union who is hired by the Company after the date of this Agreement shall join the Plan on the first day of the month coincident with or immediately following the month in which the employee becomes a regular employee.
- (d) Notwithstanding subparagraph "(c)" above, any member of the Union who is hired by the Company after the date of this Agreement who has been covered under the Plan within the 30 day period immediately prior to the date on which he commences work with the Company, and who becomes a regular employee, shall join the Plan on the later of his date of hire or the day following termination of his previous coverage.
- (e) If an employee whose coverage has been terminated due to lay-off is recalled and works a minimum of one full shift, coverage for the weekly indemnity and long term disability benefits will commence on the date of return to work, and all other benefits will be reinstated as of the first day of the month in which return to work occurs.

Section 5 - Rehabilitative Employment

Any employee who, immediately following a period of disability for which benefits were payable under the Plan, may, with the approval of the Union, the Board of Trustees and the Company return to work on a trial basis, either on full or limited duties without right or entitlement coverage under the Plan other than would have been provided had such return to work not have occurred. It is agreed that the provisions of Article 10 Section 5 shall not apply until such period of Rehabilitative Employment ceases.

During such periods of "rehabilitative employment," it is agreed that:

- (a) The employee will be paid by the Company at his normal rate of pay for hours worked.
- (b) The duration of such rehabilitative employment shall exceed thirty (30) days only by mutual consent of all parties.

Section 6 - Benefits

Benefits provided by the Plan are established by the Board of Trustees. Benefits currently provided are:

- (a) Group Life Insurance
- (b) Accidental Death and Dismemberment Insurance
- (c) Weekly Indemnity
- (d) Long Term Disability
- (e) Dental
- (f) Extended Health
- (g) Medical Services Plan of B.C.

The amounts of coverage and details of each benefit are established by the Board of Trustees, and are subject to amendment by them from time to time.

It is understood that, should the provision of Medical Services Plan of B.C. coverage be removed from the Plan, the Company will be fully responsible for providing such coverage, and that the cost of such coverage will be paid for by the Company. It is further understood that entitlement to coverage for Medical Services Plan of B.C. coverage will be identical to entitlement to coverage under the Plan.

Section 7 - Cost

The Company shall contribute one hundred percent (100%) of the contribution rate established by the Board of Trustees for any month in which any employee is covered by the Plan for one day or more.

Definition: The Company agrees to the contribution rate established by the Board of Trustees from time to time and also any increase in the premium rates of the B.C. Medical Plan. This means that the Company will be responsible for any monies required to keep the Plan whole.

Section 8 - Payment

Contributions will be made on a calendar month basis for each eligible employee and the Company shall remit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the month for which coverage is required.

Payment of contributions by the Company shall be subject to the conditions and provisions of Article 22 of this Agreement.

Section 9 - Termination of Coverage

Except as provided under Article 10, Section 5, hereunder,

- (a) All coverages under the Plan will terminate at the end of the month in which lay-off or any other temporary interruption of employment commences.
- (b) If employment is terminated, coverage for the weekly indemnity and long term disability benefits will terminate immediately upon termination of employment and all other coverages will terminate at the end of the month in which termination of employment occurs.
- (c) It shall be the responsibility of the Company to advise the Administrator of the Plan in a timely fashion of termination of a member's coverage and the Company will be held responsible for any costs incurred by the Board of Trustees that result from late notification of termination of coverage.

Section 10 - Failure to Remit Contributions

It is agreed that, if the Company fails to remit contributions due under this Agreement on behalf of any eligible employee, the Company shall be liable for the payment of all benefits the employee does not receive from the Health and Welfare Plan but would have received had the Company remitted the required contributions.

Section 11 - General

- (a) It shall be the responsibilities of the Trustees of the Plan to provide all necessary enrolment and administrative forms to the Company.
- (b) It shall be the responsibility of the Company to provide the employee the necessary forms to enrol and make claim under the Plan.
- (c) It shall be the responsibility of the employee to cause such forms to be completed.

APPENDIX "C" - DEPENDENT CONTRACTORS

Section 1 - Definition

A dependent contractor (which for the purpose herein shall include owner/operator) is the owner and/or purchaser and, except as permitted herein, the exclusive operator of equipment supplied for the Company's services pursuant to this Article and Appendix "C".

The title to the equipment shall be in the name of the Company for registration and licensing purposes only and the Company has no financial interest other than as required by the Motor Carrier Act.

Section 2 - Retaining Services

The Company may engage the services of dependent contractors, provided the following conditions are complied with:

- (a) a Dependent Contractor's Agreement as provided in Appendix "C" attached hereto and forming part of this Agreement is entered into between the Company and the dependent contractor prior to the dependent contractor performing any services for the Company and in respect to those dependent contractors now engaged by the Company, not later than fifteen (15) days following the signing of this Agreement. Signed copies of Appendix "C", Section 1 shall be forwarded to the Union forthwith.
- (b) the dependent contractor shall become and remain a member of the Union in accordance with Article 3, Section 2 and 3 herein. He shall be identified on a check-off list as a dependent contractor, either as a line-driver, local cartage or a combination of both.
- (c) a common seniority list shall be posted at the terminals showing the names and truck numbers of all dependent contractors and company employees. A copy of such list shall be forwarded to the Union forthwith in accordance with Article 7, Section 7.
- (d) the dependent contractor shall personally and exclusively operate the equipment supplied pursuant to this Agreement with the Company excepting that such equipment shall be operated by an employee of the Company in instances where the equipment requires more than one operator and upon the request of the dependent contractor, in instances where the dependent contractor is absent because of vacations, illness, accident or on leave of absence for reasons acceptable to the Company. On written demand from the Union, the Company must produce proof of ownership or equipment lease agreement by said dependent contractor.

Section 3 - Increases, Decreases in Services

- (a) In the event the Company increases the number of operational units within a branch, such increases shall be made on the basis of seniority. However, the foregoing shall not compel the Company to engage or retain the services of dependent contractors, nor shall be replacement of a dependent contractor with another dependent contractor be a consideration.
- (b) In the application of (a) of this Section, the branch shall be defined as follows:
 - (i) in the line-haul within the jurisdiction of the Local Union in which he is a member
 - (ii) in cartage operations - all terminals or operations within a particular city

- (iii) all reductions or additions of equipment shall be made as follows: line-haul tractor for tractor - city cartage truck for truck as mutually agreed between the Company and the Union
- (c) The Company shall not engage the service of a dependent contractor to replace or displace any regular employee
- (d) Companies with no dependent contractors would establish their differential as of the date of the first dependent contractor hired.

The Company, after establishment of the said base fleet relationship, may hire additional owner/operators for an agreed term to provide services over and above the capacity of the established fleet. This can be done by separate short term agreement with the Union or Letter of Understanding which must be done prior to the implementation. It is understood this additional work will not be derived from work presently being performed by company driver employees.

Notwithstanding the foregoing, the Company and the Union may by mutual agreement by Letter of Understanding agree to different terms and conditions than those contained herein concerning the base fleet relationship.

All dependent contractors shall be bound by the maximum hours of work as prescribed by Labour Canada in the Safety Code and/or the U.S. Department of Transport and this Collective Agreement and proof of failure to abide by such hours of work shall be grounds for such Company to be denied the use of dependent contractors as contained in this Collective Agreement and the parties shall have recourse to the Grievance Procedure in this Collective Agreement in this matter.

Section 4 - Company Not Lessor

Under no circumstances shall the Company or a subsidiary or representative of the Company, either directly or indirectly, be a lessor, vendor or seller of equipment to a dependent contractor, nor shall the Company directly or indirectly specify a lessor of equipment to a dependent contractor as a condition of entering into an agreement with a dependent contractor.

Section 5 - Industry Standards

- (a) all parties to the Agreement will exert every legal and ethical effort, individually and collectively, to promote the standards set forth in the foregoing and as contained in Appendix "C", in every instance where the services of dependent contractors are utilized within the industry.
- (b) the dependent contractor and the Company must conform to not less than the minimum standards and practices as established by this Agreement regarding monetary compensation, hours of work and general working conditions.

Section 6 - Mandatory Source

Under no circumstances shall the Company, directly or indirectly, specify a mandatory source of fuel, tires, maintenance or insurance to be used by a dependent contractor as a condition of entering into a contract with a dependent contractor.

APPENDIX "C" - SECTION 1

**DEPENDENT CONTRACTORS AGREEMENT BETWEEN CITY CARTAGE
MEMBER COMPANIES AND TEAMSTERS' UNION LOCAL NO. 31**

BETWEEN:

Company _____
(Known herein as "Company")

Address _____

AND: Dependent Contractor _____
(Known herein as "Dependent Contractor")

Address _____

1. The Company agrees to retain the services of the vehicle hereafter described, with driver:

Make _____
Serial Number _____
Type _____ GVW
Flat Deck _____ KG
Van _____ KG
Tractor _____ KG
Pick-Up _____ KG

SPECIALIZED EQUIPMENT (as per attached certificate)

Trailer _____ Truck (crane attached) _____

Power Gates _____ Winches _____

Other _____

2. The Company shall be held responsible for the action of the Dependent Contractor respecting compliance with the Motor Carrier Act and Regulations pursuant thereto only while such equipment is being operated as specifically directed or authorized by the Company. The Company shall not direct a Dependent Contractor to haul without proper permits. Where possible, the Company will use pilot cars operated by drivers who are members of the Teamsters' Union.

3. The Company and the dependent contractor shall each maintain adequate insurance coverage appropriate to their areas of responsibility as required by statute and each shall file with the other proof of insurance coverage.
4. The dependent contractor shall display the name of the Company on the vehicle and have it painted as required by the Company, plus whatever is required by the Motor Carrier Commission and/or Motor Vehicle Regulations.
5. The dependent contractor shall be responsible for any expenditures made by the dependent contractor in the name of the Company subject to the dependent contractor having received authorization from the Company prior to the making of such expenditures. Such expenditures, on his own equipment shall be subject to deduction by the Company from the dependent contractor.
6. This Agreement shall expire on the date that the B.C. Master Freight and Cartage Agreement expires, however, this Agreement may be cancelled by either the Company or the dependent contractor on giving thirty (30) days prior notice or such longer period as mutually agreeable to the Company and the dependent contractor, excepting that this Agreement may be cancelled immediately by either the Company or the dependent contractor for reasons of default violation of Company policy or violation of this Agreement.
7. Except where otherwise mutually agreed in writing by the Union, the Company shall pay to the dependent contractor for service rendered on the 15th and month end, the following revenue:
 - (a) dependent contractors shall be paid on the basis of seventy percent (70%) of the total gross revenue earned by the unit with thirty percent (30%) retained by the Company.

These percentage splits shall be applicable only on driver/owner weight classifications c.c. 0 - 2,000 lbs.

These percentage splits shall be based on Company tariffs in effect. Such tariffs to be available to the dependent contractors on request. Any dispute shall be resolved under Article 30 of the Grievance Procedure.
 - (b) all fuel surcharges where applicable
 - (c) where Article 4, Section 2 (d) applies in regard to an employee of the Company operating the dependent contractor's equipment, the Company shall pay to the employee so engaged all wages and conditions provided in the B.C. Master Freight and Cartage Agreement and deduct such amounts from the dependent contractor's gross revenue
8. In addition to Item 7 provided herein, the Company shall assume complete financial responsibility for the following:
 - (a) M.C.C. Operating Authority Plates
 - (b) painting or Installing of Signs
 - (c) cargo Insurance and Trailer Insurance
 - (d) Teamsters Transport Health & Welfare Trust Plan

- e) installation, rental and maintenance of a radio to a maximum amount of \$40.00 per unit per month, where the Company requires the dependent contractor to have a radio.
9. The dependent contractor shall assume complete financial responsibility for the following:
- (a) union dues, initiation fees and assessments
 - (b) contributions normally assessed against an employee for C.P.P.
 - (c) total cost of the operation of the vehicle
 - (d) the insurance on the equipment
 - (e) all licenses as required by Provincial or Municipal statutes, except M.C.C. Operating Authority Plates. However, any rebates on licenses and/or pro-rated plates shall be returned to the dependent contractors.
10. Monetary
- (a) The percentage split shall be as in Item 7 (a) unless agreement is reached as per 10 (b) below.
 - (b) Providing the dependent contractor, Union and Company agree, dependent contractors with vehicles under 12,125 lbs (5,500 kg) G.V.W. shall be paid on the basis of seventy percent (70%) of the total gross revenue earned by the unit with thirty percent (30%) retained by the Company with a monthly guarantee as follows:

| Rate to be Deducted <u> G.V.W. </u> | Rate to be Deducted from Guarantee for <u>Requested Time Off</u> | Guaranteed <u>Monthly Rate</u> |
|--|--|-----------------------------------|
| 10 - 12,125 lbs | \$13.50 Per Hour | \$2,200.00 Per Month |
 - (c) Any alternate method of payment must be negotiated between the Union, the Company and the dependent contractor.
11. (a) Hourly rate to be deducted from guarantee when unavailable for work.
- (b) Summary of daily, weekly or monthly totals presented in writing to the dependent contractor.
 - (c) Copies of all charges to dependent contractor account attached with above.
 - (d) Copies of individual billings shall be available for scrutinizing upon request.
12. Within twenty-four (24) hours of employment termination the dependent contractor shall return to the Company the M.C.C. Operating Authority Plates and any other Company owned equipment, and shall remove all Company identification signed, but he will not be required to repaint his vehicle.
13. The Company may require the dependent contractor to post a cash performance and/or hold back bond. The amount to be Five Hundred (\$500.00) dollars. This amount to be paid within forty-five

(45) days of hire. Such a bond shall be returnable to dependent contractor minus the deduction of legitimate charges, sixty (60) days following the date that the services of the dependent contractor are terminated. Where a bond has not been required in the past, this section shall not apply. The Company reserves the right to have a new dependent contractor post a cash performance and/or holdback bond. The dependent contractor is to be paid bank interest annually and/or pro-rated quarterly upon termination on the amount of holdback bond.

14. When the dependent contractor leaves the employ of the Company, he will not solicit Company accounts on his own behalf, for a period of ninety (90) days. Such action shall result in the cash performance and/or holdback bond being forfeited.

SIGNED THIS DAY OF _____ 19 . AT _____, B.C.

Witness

Dependent Contractor

Witness

Company

Title

APPENDIX "D"

TEAMSTERS' - B.C. MASTER EMPLOYEES PENSION PLAN

Section 1

The Teamster - B.C. Master Employees' Pension Plan is designed to supplement other forms of pension an employee may have. The Company together with other Companies signing a Collective Agreement this the same or substantially the same as the B.C. Master Cartage and Warehousing Agreement on the one Part, and the General Truck Drivers and Helpers Union, Local 31 on the other Part, have together established a Pension Plan to be known and described as:

Teamster - B.C. Master Employees Pension Plan

The Plan will continue throughout the life of the Collective Agreement.

The Plan will operate under the supervision and guidance of 5 Trustees appointed by the Companies and 5 Trustees appointed by the Union.

The Plan and the activities of the Trustees will be governed by a Trust Agreement aforesaid.

The following eligibility conditions shall apply to the Plan:

- (a) any member of the Union who is a regular employee in the employ of the Companies described as part one above on the effective date of the Plan shall join the Plan from that date
- (b) any member of the Union who is hired by the Companies after the effective date shall join the Plan on the first day of the month immediately following that month in which the employee becomes a regular employee
- (c) notwithstanding the provisions of Sub-Section (b) of this Section, any member of the Union who is hired by the Company after the effective date of the Plan shall join the Plan as an active participant on the day he is so hired, provided that within the previous thirty (30) day period he was a participant in the Plan
- (d) Notwithstanding the provisions of Sub-Section (b) of this Section, any member of the Union hired as replacement for regular employees shall join the Plan on the first day of the month following the month in which the employee is hired

Section 2

The Trustees shall establish benefits from time to time in conformity with the sound financial applications of the negotiated contributions.

Section 3

The cost of the Plan shall be borne by the Companies.

The Company shall contribute in respect of each employee at a rate of contribution for each hour worked as follows:

- (1) All straight time hours worked by (or paid for) an eligible regular employee, not to exceed 40 hours per week or 168 hours per month, except:
 - (a) any employee working a four day work week shall be entitled to 40 hours per week, provided the employee works each day of the stipulated work week
 - (b) in respect of a line-driver not to exceed 168 hours per month. Hours worked by a line-driver in any month in excess of 168 hours to be banked and to be carried forward by the Company for payment in any month in which the hours worked are less than 168
- (2) All hours, but no more than 168 hours per month, for an employee within the regular bargaining unit on leave of absence by reason of their being appointed or elected to a part-time or full-time position in the Union. (These contributions shall be paid by the Union).
- (3) The following shall be deemed to be periods of work for which contributions are required to be paid by the Company:
 - jury duty
 - bereavement leave
 - vacation pay
 - statutory holiday pay

No contributions are required to be paid for:

- change in shift penalty
- call time - where a call involves a four hour minimum embodying call time and hours worked, only hours worked are contributed for
- severance allowance

The following rate of contribution shall apply:

Effective Date - Cents Per Hour

| | |
|--------------------------|------------------------|
| 1 January, 1982 15 cents | 1 January, 1993 \$1.20 |
| 1 July, 1982 30 cents | 1 January, 1994 \$1.20 |
| 1 January, 1983 35 cents | 1 January, 1995 \$1.20 |
| 1 July, 1983 50 cents | 1 January, 1996 \$1.20 |
| 1 January, 1984 55 cents | 1 January, 1997 \$1.20 |
| 1 July, 1984 60 cents | 1 January, 1998 \$1.20 |
| 1 January, 1986 75 cents | 1 January, 1999 \$1.45 |
| 1 January, 1987 75 cents | 1 January, 2000 \$1.75 |
| 1 January, 1988 75 cents | 1 January, 2001 \$1.75 |
| 1 January, 1989 75 cents | 1 January, 2002 \$2.05 |
| 1 January, 1990 90 cents | 1 January, 2003 \$2.40 |
| 1 January, 1992 \$1.05 | |

Contributions shall be made on a calendar month basis for each regular employee and the Companies shall submit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the following calendar month.

APPENDIX "E"
TEAMSTERS LOCAL NO. 31 UNION/INDUSTRY ADVANCEMENT FUND

The Teamsters Local No. 31 Union/Industry Advancement Fund shall be for the enhancement of all persons dependent upon any industry represented by Teamsters Local Union No. 31.

The Employer shall make contributions of five cents (\$.05) per hour for which wages are payable hereunder for each employee and dependent contractor covered by this Collective Agreement.

Payment of said funds shall be made to the Teamsters Local No. 31 Union/Industry Advancement Fund by the 15th of the month following that to which they refer.

This payment will be independent and separate from any other payment made to Teamsters Local Union No. 31.

LETTER OF UNDERSTANDING

BETWEEN: DISTRICT DELIVERY SERVICE LTD.

AND: TEAMSTERS' UNION LOCAL NO. 31

1. By mutual agreement in writing the Company and its employee, arrangements may be made for the duration of the Contract, to bank accumulated overtime. The employee may then request his overtime in time off. However, he must inform the Company as to his request which will remain in effect for the term of this Contract. Upon request by the employee, such time off will be taken at the Company's discretion consistent with the efficient operation of the business. The minimum unit of banked overtime to be utilized is equivalent to eight (8) regular hours.
2. Where an employee desires to bank his overtime, he shall request, in writing, indicating this, which will be binding for the duration of the Collective Agreement.
3. Overtime, which is banked, shall be credited in terms of hours, and when taken as time off, shall be paid out at the same hourly rate as banked. When an employee leaves the Company, all banked hours shall be paid out in total.
4. The Company will keep record of all banked overtime which will be available for perusal by the employee.
5. Example of Banked Hours:
1 hour at 1 1/2 times - 1 1/2 Hour Banked
1 hour at double time - 2 Hours Banked

Line-Haul: For each hour over 10 hours - 1/2 hour banked, however, mileage will be paid (not banked).
6. Record of banked overtime to be shown on employee's pay advice.
7. This Letter of Understanding shall take effect on the first day of the month following the signing of the Collective Agreement.

SIGNED THIS DAY OF ,2004.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: DISTRICT DELIVERY SERVICE LTD.

AND: TEAMSTERS' UNION LOCAL NO. 31

The Union and the Company agree to permit employees engaged in warehouse operations to voluntarily limit their overtime to a maximum of eight (8) hours per week. Should this provision prove to be unmanageable the Union and the Company agree to review this letter.

SIGNED THIS DAY OF , 2004.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: DISTRICT DELIVERY SERVICE LTD.

AND: TEAMSTERS LOCAL NO. 31

The Parties agree to the following:

Canada Savings Bonds:

The Company agree to offer a payroll deduction program to enable the hourly rated employees to purchase Canada Savings Bonds subject to suitable language being developed.

DATED THIS DAY OF , 2004.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: DISTRICT DELIVERY SERVICE LTD.

AND: TEAMSTERS LOCAL NO. 31

The Company and the Union will form a joint committee consisting of both shop stewards and any member employee for the purpose of conducting a review of delivery sites to determine how many men are required. Should the parties be unable to reach agreement, Grant McArthur will meet with the parties to assist in reaching agreement.

DATED THIS DAY OF , 2004.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: DISTRICT DELIVERY SERVICE LTD.

AND: TEAMSTERS LOCAL NO. 31

The Company and the Union are committed to establishing a safe working environment. To that end, the parties agree to form a joint committee consisting of both shop stewards and any employee who may have a concern regarding the handling of cash resulting from deliveries. The shop stewards shall be paid for all time on this committee.

The joint committee will review all delivery sites and establish mutually agreeable procedures for handling cash. Where necessary, the Company will approach its customers in an effort to effect changes that will enhance the safety of DDS employees.

Should the parties be unable to reach agreement on any issue related to this problem, Grant McArthur will meet with the parties to assist in arriving at a solution.

DATED THIS DAY OF , 2004.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: DISTRICT DELIVERY SERVICE LTD.

AND: TEAMSTERS LOCAL NO. 31

Other items which the Company and the Union have agreed upon during the 1998 round of negotiations:

1. The Company agrees to utilize Teamsters Local No. 31 companies for all overload work. In situations where such companies are unable to provide the required assistance, DDS will get the work done through other means.
2. The driver must receive prior approval when parking in an illegal parking zone. If such prior approval is given, the Company shall be responsible for any parking tickets received by the driver.
3. The Company will endeavour to ensure that wherever possible, work over 40 hours will be allocated on the basis of seniority after all operators have achieved 40 hours.

DATED THIS DAY OF , 2004.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: DISTRICT DELIVERY SERVICE LTD.

AND: TEAMSTERS LOCAL NO. 31

RE: LINEHAUL DRIVERS RATE OF PAY

1. \$1.30 per mile
2. Fuel Surcharge
3. \$50.00 extra drop
4. \$48.54 per hour (tri rate) when exceeding the load and unloading limits (three (3) hours)

DATED THIS 20th DAY OF October, 2003.

FOR THE COMPANY

FOR THE UNION
