

The Company acknowledges that it is bound by the Employment Standards Act of British Columbia as a minimum standard unless the Standard is superseded by the provisions of this Agreement.

ARTICLE 2 UNION RECOGNITION

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,

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, and the Company shall purchase such agreements, so that each and every employee of the Company will receive a copy.

ARTICLE 3 UNION SECURITY

Section 1 - Posting of Agreement

The Company will provide a bulletin board in the lunchroom 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 last 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) 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) Every motor vehicle and every piece of mobile equipment, used by the Company, categories of which are set out in Appendix "A", whether owned by the Company or leased by the Company, shall be operated by a member of the Union. In the hiring of equipment on any basis, the Company shall first make every effort to obtain equipment operated by a member of the Union from a company signatory to this Agreement. 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 if available in immediate or adjacent area from a company signatory to this Agreement.

The Company agrees that where hired equipment is used, such equipment shall only be used or hired from companies, individuals or firms whose employees are covered by a Collective Agreement with Teamsters Local Union No. 31. The Company shall not contract out bargaining unit work.

- (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.

ARTICLE 4 EMPLOYMENT STATUS

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.

- (e) he is the holder of valid and subsisting licenses to operate mobile equipment if required by the Company and as required by the statutes and regulations of the Federal and Provincial Governments.

Section 2 - Regular Employee Reverting

Notwithstanding the provisions of Section 1 of this Article, the Company may employ a regular employee as a part-time employee, provided the employee has been on lay-off five (5) or more consecutive days. Such employee may be called in to work and paid wages for less than eight (8) hours.

A reverting employee is a regular employee who reports for work for any two days in a single pay period.

However, it is understood a reverting employee shall be subject to all conditions herein, i.e. Health and Welfare, Pension etc.

ARTICLE 5 CHANGES IN OWNERSHIP, EQUIPMENT OR WORK

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 - 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 SENIORITY

Section 1 - Layoffs

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 - Vacancies

All new jobs and vacancies are subject to seniority and shall be posted promptly for seven (7) days in a conspicuous place in the Service Centre, 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.

Section 3 – Probationary Period

All newly hired employees shall be considered as probationary employees for the first ninety (90) 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, therefore, with notification, in writing, to the Union dispatcher.

Upon the conclusion of any ninety (90) calendar day period during which a probationary employee has worked the employee's name shall forthwith be placed on the regular employee Seniority List effective from the first day of employment of the ninety (90) calendar day period, and the employee shall be entitled to all rights and privileges as provided in this Agreement with the exception of those as specified i.e. Health and Welfare provisions.

Section 4 – Casual Employees

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

Section 5 – Seniority List

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 – Loss of Seniority by Termination

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 – Business Acquisitions

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, the seniority of such employee shall be computed from the date that they respectively first become an employee of the business aforesaid.

Section 8 – Loss of Seniority by Layoff

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) If an employee, employed in a classification requiring a drivers license, suffers the revocation of his driver's license, he will be re-classified, provided he is capable and work is available and such work will not result in the bumping of regular employees. If such employee cannot be re-classified, the Company may grant a leave of absence to such an employee who has suffered a revocation of his driver's license of up to nine (9) months duration, in writing, with a copy to the Union. The employee may only take advantage of this section once while in the employ of the Company.
 - (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 Service Centre. 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.

- (c) If an employee requests a leave of absence to take a position with the Union to which they have been elected, or to an elected position to which they have been appointed, such request will be granted to a maximum of one term or six years whichever is less. During the term of such leave the employee will not accrue seniority with the employer.

ARTICLE 7 MEALS & REST BREAKS

Section 1 - Meal Period

All employees shall, except by mutual agreement between the parties, hereto, take one continuous period for meals of thirty (30) minutes in any one (1) day. No employee shall be required to take such meal period before he has been on duty three and one-half (3 1/2) or after he has been on duty five (5) hours. 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.

Section 3 – Shifting

Regardless of whether an employee is scheduled to a five (5) day, eight (8) hour or four (4) day, ten (10) hour work schedule each employee shall receive one (1) thirty (30) minute paid meal break and two (2)

fifteen (15) minute paid rest breaks per shift. Such breaks may be scheduled at management discretion subject to the provisions of Article 7, Section 1 & 2.

ARTICLE 8 PLANT SAFETY

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) 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.
- (g) All warehouses shall be equipped with efficient and safe loading plates, properly anchored.
- (h) The Company shall inform, direct and supply to the employee proper information and handling devices or equipment for hauling dangerous cargo.

ARTICLE 9 PAYMENT OF WAGES

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 Friday 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. Payroll deposit statements 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 payroll deposit 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 in the normal course through direct payroll deposit.
- (c) All payouts including the normal payroll deposits will be by separate deposit or statement.

Section 2 – Casual Employees

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 – Errors in Pay Cheque

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 PAID TIME OFF WORK

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.

Section 2 - Bereavement Leave

An employee shall be granted a maximum of five (5) regularly scheduled work days leave, without loss of pay or benefits, in the case of death of a spouse or child. 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, current step-parent, brother, sister, parent-in-law, sister-in-law, brother-in-law, grandparents, which includes spouses, and grand-children and legal guardian.

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 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. An employee subpoenaed as a witness concerning matters directly involving the Company, shall be paid as

above. Employees on jury or witness duty shall furnish the employer with such statements of earnings as the courts may supply. A working day lost shall not be more than the employees regularly assigned shift.

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 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, excepting 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 that were payable by the employee.

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 be credited with six (6) days (forty-eight (48) hours) paid sick leave at the start of each year.
 - (i) The employee shall begin earning 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 (four (4) hours) 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) An employee qualifying for sick time earning for only a portion of the year will be credited for the equivalent portion of the six (6) days i.e. an employee becomes a regular employee on May 1st, 1997; he then would qualify for sick leave benefits on May 1st, 1998 at which time he would be credited with four (4) days (thirty-two (32) hours) sick time. Sick time to be earned at a rate of one-half (1/2) days per employed month. The earning of paid sick leave shall be based on the following provisions:
 - (i) the employee shall begin earning 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.

- (c) Where any absence, occasioned by sickness or accident is not covered for payment by either the Teamsters' - Transport Health and Welfare Trust Plan or Workers' Compensation paid sick leave shall be applied as follows:
 - (i) one (1) day's pay for the first day of absence, provided that day is a regular work day
 - (ii) one (1) full day's pay for each for the second (2nd) day of sickness, and one (1) full day's pay for the day of the third (3rd) day 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.

- (d) Any proven abuse of the Sick Leave Provision will subject the employee to immediate dismissal without recourse to the Grievance Procedure.
- (e) At the end of each year the unused portion of sick time may be taken by the employee as holidays or paid out at 100% of the current rate of the applicable year, by January 31st of the following year. When the employee selects to take his unused portion of sick time for personal holidays (divisible by eight) he must take them by the end of the following year subsequent to the year the hours were accumulated.
- (f) If an employee has not earned the full six (6) days as credited it will be adjusted at the year's end as follows: if the employee has not used the days as sick time the adjustment will be made on the payout. If the days have been used, then the adjustment will be made on the following years credit, i.e. the employee is credited six (6) days at the beginning of the year, but earns only five (5) days payout. If he had used all six (6) days as sick time, he would then be credited with only five (5) days at the beginning of the following year, which would be the regular six (6) less the one (1) day not earned, but used in previous year.
- (g) A medical certificate may be required to claim benefits under this provision.

ARTICLE 11 BARGAINING UNIT WORK

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 as laid down by the Company and that contravene the Union's jurisdiction pursuant to the certificate of bargaining authority, the Union agrees that it shall inform the employees affected of their obligation to carry out the terms and conditions of this Agreement.

ARTICLE 12 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, safety, 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 WORK STOPPAGES

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 an 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 – Work Ordinarily Performed

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 – No Work Stoppages During Term of Agreement

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 Human Resources Development Canada 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 UNION REPRESENTATIVES

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 SANITATION & FIRST AID

Section 1 - Sanitary Conditions

- (a) Where possible, and where required, the Company agrees to maintain at its Service Centres 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 Service Centres 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 Occupation First-Aid Attendant, Level 2 or 3, 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 PROTECTIVE CLOTHING

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. Where the Company does not provide a uniform or coveralls a clothing allowance will be provided. Such clothing allowance shall be:

Effective January 1, 2003 – ninety six dollars and thirty cents (\$90.00 + GST) to be paid out without receipts by March 31st of each year.

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) and (b) herein.

Section 3 - Protective Clothing & Equipment

- (a) 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.
- (b) Where the Company makes it a condition of employment for all employees to wear safety-toed boots, the Company will supply same to a maximum as specified in the following schedule:

Effective January 1, 2002 - One hundred forty dollars (\$140.00) plus GST per year.

- (c) The Company will make available ear protection for Employee's upon request.

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 REASSIGNMENT OF LEADHANDS

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 - Leadhand Defined

A leadhand, 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.

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 HEALTH & WELFARE FUNDING ARRANGEMENTS

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 - 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, 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, 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 3 - 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, 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 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 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 within 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 HOURS OF WORK AND GUARANTEES

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) The Company may establish a work week consisting of four (4) ten (10) hour days. Overtime will be payable at two (2) times the standard rate of pay for all hours in excess of ten (10) hours in a day. Employees working the four (4) day work week on days between Monday and Friday inclusive must have Saturday and Sunday as their regular days off and a third day off as designated by the Company in the posting for the position. Where the four (4) ten (10) hour shifts include Saturday and/or Sunday the four (4) shifts must run consecutively and the employee shall have three (3) consecutive days off. Where the four (4) ten (10) hour shifts include Saturday and/or Sunday the shifts may have different start times for each day, however, there must be not less than ten (10) hours, nor more than fourteen (14) hours off duty between each shift. Where the ten (10) hour day is agreed to between the parties, the ten (10) hour day will be applicable in all daily guarantees provided in this agreement.

Employees working the four (4) ten (10) hour shifts cannot claim any overtime work which will not allow them to have a full eight (8) hours off duty between shifts.

- (c) **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.

- (d) **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.

(e) **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 forty (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.

(f) **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 be paid a shift differential of \$1.35 per hour for all hours worked.

(g) **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 part-time 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.

(h) **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.

(i) **Record of Employment**

Any employee on lay-off who requests his E.I. 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. Also for the ten (10) hour shifts all time worked over and above ten (10) hours per day on any shift shall be deemed overtime until a break off ten (10) 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. For the ten (10) hour shifts on a regular work day all overtime hours shall be paid at double his regular rate of wages.
- (c) with the exception of those employed per Article 23, Section 1 (b), 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.

For all employees assigned to a Monday to Thursday four (4) ten (10) hour work week Friday, Saturday and Sunday shall be the fifth, sixth and seventh shifts.

For all employees assigned to a Tuesday to Friday four (4) ten (10) hour work week Monday, Saturday and Sunday shall be the fifth, sixth and seventh shifts.

For all employees assigned to four (4) ten (10) hour work week with Saturday, Sunday and an additional day off, Sunday will be the seventh shift and the additional day and Saturday will be the fifth and sixth shifts.

- (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, Canada 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 two (2) 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.

An employee will be allowed to book one (1) floating personal holiday per year, the employee will provide fourteen (14) days prior written notice of the day to be taken, and this day shall not be granted during the prime time as set out in the vacation entitlement, except where mutually agreed to by the employee and the Company. An employee who resigns from the Company or is terminated will be paid out his unused floating holiday at 100% of the current rate.

ARTICLE 24 ANNUAL VACATIONS

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 and all probationary employees.

Section 2 - Three Weeks Vacation

An employee who has completed 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 – Vacation Credit During Absence

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 five hundred (1,500) 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 – Calculation of Year’s Service

Fifteen hundred (1500) 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 – Calculation of Vacation Pay

- (a) A calendar year shall be the period between January 1st and December 31st.
- (b) 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 payroll deposits 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 to 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 – Vacation Scheduling

- (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 who submit their vacation requests prior to March 31st shall be granted their vacation dates in order of their seniority, consistent with the efficient operation of the business. Employees who submit their vacation requests after March 31st shall be granted their vacation dates in order of receipt, 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 fifteen hundred (1500) 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 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.
- (i) 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 ANNULMENT BY LAW

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 HANDLING OF GRIEVANCES

Section 1 - Grievance Procedure

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

The time limit to institute this Grievance Procedure shall be ten (10) calendar days from the occurrence of the facts giving rise to the grievance or an employee's knowledge of those facts.

In any dispute over a payroll deposit or pay statement, or any matter thereon the time limit shall be calculated from the date the employee received the payroll deposit 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 within five (5) working days. The grievor's representative shall provide to the Company's representative a signed grievance card or written statement of the grievance particulars at the time of the Step 2 meeting. The Company Supervisor shall answer the employer's grievance in writing within five (5) working days.

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 within ten (10) working days. 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. A Company representative shall answer the employee's grievance

in writing within ten (10) working days.

Step 4: Failing settlement under Step 3, either Party may refer the matter within thirty (30) calendar days 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 – Discipline to Be Timely

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

ARTICLE 29 TERM & RENEGOTIATION OF AGREEMENT

Section 1 - Term of Agreement

This Agreement shall be for the period from and including January 1, 2003 to and including December 31, 2006. Either Party to this Agreement may, within four months immediately preceding December 31, 2006 give to the other Party written notice to commence collective bargaining.

Section 2 – Terms to Remain in Force

After expiry of the term of this Collective Agreement, and subject to the limitations necessarily resulting from the exercise of the rights of the Parties under Part 5 of the Labour Relations Code, including the right to strike or lockout, the terms and conditions of employment as set out in this Agreement, will be observed and not varied, except by the Parties' mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement.

Section 3 – Exclusion of *Labour Relations Code Section 50(2)*

It is mutually agreed that the operation of Sub-Section 2 of Section 50 of the Labour Relations Code is specifically excluded from operation in this Agreement.

APPENDIX "A" - WAGE SCHEDULE

CLASSIFICATION	Jan. 1/03	Jan. 1/04	Jan. 1/05	Jan. 1/06
Leadhand	\$20.10	20.50	20.95	21.40
Warehouseman	\$19.10	19.50	19.95	20.40
Maintenance	\$20.10	20.50	20.95	21.40

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 members provided for in the Agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) members appointed by the Teamster 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) 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.
- (b) 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 immediately following the completion of ninety (90) calendar days.
- (c) Notwithstanding sub-paragraph (b) 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 days 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.

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 to 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 to keep the Plan whole.

Section 8 - Payment of Contributions

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, except as provided under article 10, section 5 of this Agreement.
- (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 responsibility 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 to the employee the necessary forms to enrol in and make claim under the Plan.
- (c) It shall be the responsibility of the employee to cause such forms to be completed.

APPENDIX "C"
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 quarterly 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
BANKED OVERTIME**

BETWEEN: CHEP CANADA INC.

AND: TEAMSTERS' UNION LOCAL NO. 31

- (1) Where an employee desires to bank his overtime for the purpose of additional time off, he shall request and complete a form supplied by the Company indicating this, which will be binding until December 31st of the current year.
- (2) Overtime which is accumulated as time off shall be credited in terms of hours, and when taken as time off, shall be paid out at the same hourly rate as accumulated. When an employee leaves the Company all accumulated hours in the employee's bank shall be paid out in total.
- (3) An employee will be allowed to specify a number of hours which the employee wishes to bank as time off once per year. The number of hours specified must be divisible by eight (8) to a maximum of eighty (80). Once the employee has accumulated the specified number of hours they may provide fourteen (14) days prior written notice of the days to be taken. These days shall not be granted during the prime time as set out in the vacation entitlement, except where mutually agreed by the employee and the company. The minimum unit of banked overtime to be utilized to its equivalent to eight (8) or ten (10) regular hours as the employee's shift is posted.
- (4) Consideration will be given to requests for banked time off using the same criteria as applied to requests for vacation time, requests for vacation time will take priority over banked overtime.
- (5) The Company will keep a record of all banked overtime which will be available for perusal by the employee.
- (6) If not used at the end of the calendar year, any unused portion of banked overtime is to be paid out by January 31st of the following year.
- (7) Example of banked overtime accumulation.

OVERTIME WORKED	HOURS ACCUMULATED
1 HOUR AT 1 1/2 TIMES	1 1/2 HOURS BANKED
1 HOUR AT DOUBLE TIME	2 HOURS BANKED

SIGNED THIS DAY OF ,2003.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: CHEP CANADA INC.

AND: TEAMSTERS LOCAL 31

The Company agrees not to provide non-monetary rewards (i.e., leaving early). Further, the Company will cease to post individual productivity information. However, the Company will periodically set and post production targets and reserves the right to discuss individual employee performance and take disciplinary action where appropriate.

DATED THIS DAY OF ,2003.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: CHEP CANADA INC.

AND: TEAMSTERS LOCAL 31

The Company and the Union agree to the conversion to Calendar Year Accrual based on the following principles:

1. Back dating entitlement to the January 1 preceding the employee's hire.
2. No employee to be forced to take time for which they have not accrued payment.
3. Employees to be allowed to "bridge" the gaps between entitlement and accrual through use of Banked Overtime.

DATED THIS DAY OF ,2003.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: CHEP CANADA INC.

AND: TEAMSTERS LOCAL 31

Those employees commencing work at 11:00 p.m. on Sundays will not be eligible for double time on that shift.

DATED THIS DAY OF ,2003.

FOR THE COMPANY

FOR THE UNION
