

COLLECTIVE AGREEMENT

BETWEEN

SARAN CEDAR LTD.

AND

TEAMSTERS LOCAL UNION No. 213

July 1st, 2003 - June 30th, 2008

**DON MCGILL
Secretary-Treasurer**

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SARAN CEDAR LTD.

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BUILDING MATERIAL AGREEMENT

THIS AGREEMENT made as of the day of , 2003.

BY AND BETWEEN: **SARAN CEDAR LTD.**
739 Riverside Road
Abbotsford, B.C.
V2S 7N8

(hereinafter called the "Company")

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters

(hereinafter called the "Union")

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

NOW THEREFORE, the Parties hereto agree as follows:

ARTICLE 1 - INTERPRETATION AND EXTENT

Interpretation:

1:01 The headings of each article of this Agreement may be referred to in the interpretation of the various sections thereunder and this Agreement shall be interpreted as a whole.

1:02 In the event that any word, phrase, sentence, section or article of this Agreement is declared invalid by any Court of competent jurisdiction, only such word, phrase, sentence, section or article shall be affected and this Agreement shall be otherwise unaffected and shall continue in full force and effect.

ARTICLE 2 - UNION SECURITY

Coverage:

2:01 The Company recognizes the Union as the sole bargaining agent for those employees covered by the certification and working at the classified occupations listed in Appendix "A" and for such other employees as may be assigned to new classifications coming under the Union's jurisdiction.

Membership:

2:02 All employees covered by this Agreement must be members in good standing of the Union.

2:03 The Union shall have the exclusive right to determine who is a member in good standing.

2:04 Any employee who does not remain a member in good standing shall not be retained in the employment of the Company within the bargaining unit.

2:05 Any employee who has been laid off for any reason and who does not retain his membership in the Union will not retain his seniority with the Company.

Authorization of Deductions:

2:06 New employees shall be required to sign authorization cards for deduction of initiation fees, dues and assessments as required by the By-Laws of the Union. Such deductions shall be forwarded to the Union not later than the last business day of the month in which these deductions were made. Dues shall be deducted from the second pay of the month previous to the quarter for which they are applicable and the seniority list shall be attached as per Article 9:02.

Picket Lines:

2:07 It shall not be a violation of this Agreement or cause for discharge if an employee refuses to cross a picket line.

Unfair Declaration:

2:08 It shall not be a violation of this Collective Agreement or cause for disciplinary action if an employee refuses to handle, receive, ship or transport any material which has been declared unfair by the British Columbia and Yukon Territory Building and Construction Trades Council, by any of its affiliated area Building Trades Council or by the Teamsters Local Union No. 213. Whenever the Union has information concerning any unfair declaration, it shall immediately

notify the Company.

Union Rights:

2:09 The Union reserves the right to render assistance to other Labour organizations. Refusal on the part of the Union members to work with non-Union workers or workers whose organization is not affiliated to a Building Trades Council, shall not be deemed a breach of this Agreement. The provisions of this Article shall not be invoked in cases where the Company delivers to non-Union customers, and provided the Company is not in violation of Article 2:08.

Strike and Lockout:

2:10 During the term of this Agreement there shall be no lockout by the Company and no strike, stoppage of work, or slow down, either partial or general, authorized by the Union.

Shop Stewards:

2:11 Shop Stewards shall be recognized by the Company and shall not be discriminated against. The Company shall be notified by the Union of the name or names of such stewards. Reasonable time shall be given to the shop steward to carry out his duties. The Union shall be notified in writing if a shop steward is discharged for cause and such cause shall be stated in the reasons. Executive Officers of the Union or shop stewards, who are required to attend meetings at the call of the Union shall be allowed time off by the Company without pay and provided prior notice is given.

2:12 The Business Representatives of Local 213 shall have access to all jobs and plants, etc., covered by this Agreement in carrying out their regular duties, after first notifying the Company.

ARTICLE 3 - HIRING

3:01 The hiring will be done by the Company.

3:02 Confirmation of dispatch to the member shall require either a clearance slip, telegram or a telex message from the Local Union.

3:03 When qualified Union members are not available, then the employer may obtain qualified employees elsewhere. Such employees shall have fourteen (14)

days in which to become members of the Union.

3:04 When employees are hired as provided above, they shall be considered an employee of the employer and shall be entitled to all employee benefits.

Contract and Hired Trucking:

3:05 The Company agrees that work presently performed by members of the bargaining unit will not be let out to contract or carried out by hired equipment, if appropriate Company equipment is available for this work and members of the bargaining unit normally performing this work would be laid off as a result.

3:06 Should it become impossible for the Company to hire outside equipment locally from:

(a) Companies or dependent contractors or owner-operators with employees under agreement to this Local Union, or

(b) Dependent Contractors of this Local Union;

then the Company shall be free to hire outside equipment from:

(c) Companies or dependent contractors with employees under agreement to another Teamster Local, or

(d) Dependent contractors of another Teamster Local.

Rates and conditions governing dependent contractors shall be as outlined in Appendix "A". In every instance such equipment shall be operated by members of the Teamsters Union.

Rental Equipment:

3:07 Except in the case of a permanent plant shutdown, when Company equipment is leased to other persons or companies such equipment shall be operated by the Company's employees who are members of the Union wherever possible and providing no employees are laid off as a result of the equipment being rented or leased.

ARTICLE 4 - NEW CLASSIFICATIONS

Rates and Effective Dates:

4:01 The Company shall notify the Union when any new classification coming under this Agreement is added or if there is a substantial change in duties of an existing job. The Union and the Company shall negotiate on the rate to be

established and that rate, once established, shall be retroactive to the introduction date of the new classification. This shall also apply to classifications that have been inadvertently left out of the existing agreement.

ARTICLE 5 - DISCHARGE OF EMPLOYEES

5:01 The Company has the right to discharge any employee for just cause. Employees shall be notified in writing, the reason for such dismissal. A copy shall be forwarded to the Union.

ARTICLE 6 - MANAGEMENT RIGHTS

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

ARTICLE 7 - WAGES AND WAGE STATEMENTS

Wages:

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

Statement:

- 7:02 The Company shall provide every employee covered by this Agreement with a separate, detachable written or printed itemized statement in respect of all payments made to such employee by the Company. Such statement shall show the regular hours worked, the total overtime hours worked, the rate or rates applicable, the gross amounts of wages, vacation pay and pay for Statutory Holidays and all deductions made therefrom.
- 7:03 Employees shall be paid every second Friday during working hours.
- 7:04 Vacation pay shall be paid on a separate cheque.
- 7:05 If an employee is terminated by the Company he shall be paid all monies due on the following work day. The monies due will be payable through head office and will be mailed to the employee upon request.
- 7:06 If an employee terminates of his own accord he will be paid on the next scheduled pay day.

ARTICLE 8 - HOURS OF WORK AND OVERTIME

Hours of Work:

- 8:01 The work week for all employees covered by this Agreement shall be five (5) consecutive days of eight (8) hours duration each, commencing Monday 7:00 A.M. and ending Saturday 5:30 P.M.
A work day shall consist of one of the following:
- 7:00 A.M. - 3:30 P.M.) Inclusive of not paid
 - 8:00 A.M. - 4:30 P.M.) lunch or dinner
 - 9:00 A.M. - 5:30 P.M.) break.
 - 1:00 P.M. - 9:00 P.M.) Including one-half (1/2) hour paid lunch or dinner break.

When starting time begins as above, commencing 7:00 A.M., 8:00 A.M., 9:00 A.M., or 1:00 P.M., it will not be changed for a period of less than thirty (30) days, starting the first day of every month.

There will be a one-half (1/2) hour lunch break and two (2) coffee breaks of ten (10) minutes each; one in the morning and one in the afternoon.

The Company shall be able to rotate employees on jobs.

- 8:02 All employees covered by this Agreement shall be entitled to at least two (2)

consecutive days off, of which one (1) day shall be Sunday.

- 8:03 (a) The Company shall guarantee sixty percent (60%) of its employees, by seniority, not less than their weekly pay, exclusive of overtime.

All employees, including yard, plant, and drivers - forty (40) hours/week.

- (b) Any employee who is called out to work shall be paid not less than his daily hours.

All employees, including yard, plant, and drivers - eight (8) hours/day.

- 8:04 Employees shall be notified prior to the completion of their shift if they are not required the following day and shall not report until recalled.

- 8:05 Any employee called back after having worked that day, or shift, shall receive a minimum of four (4) hours' pay at double time rates.

- 8:06 Ten (10) hours shall be the minimum break between the end of a shift and the start of the next shift. Otherwise, overtime rates shall apply for the whole shift worked.

Early Start:

- 8:07 Any employee starting prior to his regular starting time and who has been paid overtime rates, shall be paid from his regular starting time, as far as his guaranteed call back (Article 8:05) and daily guarantee (Article 8:02) is concerned.

Late Start:

- 8:08 Employees called in after their regular starting time shall receive pay from their regular starting time. Employees so called shall be allowed one (1) hour to report for work unless reasonable circumstances warrant a longer reporting time being allowed.

Daily Overtime:

- 8:09 All overtime shall be voluntary with the following exceptions:

- (a) If overtime is required the employee with the least seniority in the classification required, shall work overtime.
- (b) Overtime shall be worked if required by the Company, while taking inventory.

8:10 All overtime worked Monday to Friday inclusive shall be paid at the rate of time and one-half (1 1/2) for the first two (2) hours and double time (2X) thereafter. All overtime worked on Saturdays shall be paid at the rate of double time (2X).

Overtime will be compensated for as follows:

- (i) banked for the whole year and then paid out at the end of each contract year;
- (ii) paid out at the time the overtime is earned.

8:11 If overtime is worked, it shall be divided as evenly as possible. An employee who refuses to work overtime will have that time credited as time worked for the purpose of distributing overtime.

Normal Days Off:

8:12 Double time (2x) shall be paid for all hours worked on an employee's normal day off.

Shifts:

8:13 Where more than one shift of yard, plant, or drivers is required seven and one-half (7 1/2) hours, exclusive of a meal break, shall constitute the second shift for which eight (8) hours' pay shall be paid. Seven (7) hours, exclusive of a meal break, shall constitute the third shift for which eight (8) hours' pay shall be paid.

8:14 Except as stated in Article 8:01, additional shifts shall not commence more than one hour prior to the end of the previous shift.

Friday Night Shift:

8:15 Friday night work shall be rotated on a weekly rotation.

8:16 When additional shifts are required, a two (2), three (3) or four (4) week swing shift shall be established, wherever possible.

8:17 The senior employee shall have first choice as to which shift they shall work, and thereafter shall rotate.

ARTICLE 9 - SENIORITY

Probationary Period:

9:01 All new employees, excluding office and sales staff, shall have a probationary period of thirty (30) calendar days. All office and sales staff shall have a probationary period of fifty (50) calendar days or thirty (30) days worked, whichever comes first.

Seniority List and Classification:

9:02 The Company shall keep on its premises an up-to-date list of all employees covered by this Agreement, showing the date when each commenced his employment, classification, hourly rate and social insurance number. The Company will forward a copy of this list to the Union at least once every three (3) months and it shall be attached to the check-off list, as per Article 2:06.

Lay Off and Re-Hire:

9:03 The Company, when laying off employees shall lay them off in reverse order of their seniority of employment subject to required qualifications.

9:04 When vacancies occur, the Company shall re-hire laid off employees according to their seniority subject to required qualifications.

Job Posting:

9:05 The Company shall post, and keep posted, for not less than seventy-two (72) hours, or three (3) consecutive working days, in a conspicuous place, at each place of business maintained by the Company, notice of vacant positions, new positions and promotions. Any employee of the Company covered by this Agreement may apply for any such vacant or new position and the Company shall fill such position with the applicant employee who has the greatest overall seniority. Applicants for drivers classifications must have proper licenses as required by the posting.

9:06 Any employee, however, who previously worked at the classification as a posted employee and is capable of performing the job or a trained employee who posted for a training position may be given preference.

9:07 The successful applicant shall be on probation in his new job for twenty-one (21) working days during which time he may be returned to his former job if he does not make satisfactory progress or if he applies to the Company to be returned. The Union shall receive copies of all the postings and the assignments of such postings.

9:08 No employee may change job positions through the posting procedure more than twice in any twelve (12) month period.

New Employee Seniority Re-Qualify:

9:09 Any new employee who, in the twelve (12) month period from his first day of employment with the Company is employed for a greater period than six (6) months or has worked one thousand (1,000) hours and who is laid off, shall be credited with seniority for the period worked and, if re-hired, shall not be considered as a new employee.

Loss of Seniority:

9:10 Seniority will not be retained by any employee who is terminated for lack of work and who is not re-hired within a period of nine (9) months from the date of termination.

9:11 Should a properly notified employee, however, not report for work, then his name shall be removed from the seniority list. Those employees affected by a lay off shall keep the Company advised of their current address and available telephone number. If an employee is laid off for a period of thirty (30) calendar days, or longer, he shall be given a maximum of seven (7) calendar days to report for work.

ARTICLE 10 - STATUTORY HOLIDAYS

Entitlement:

10:01 Every employee covered by this Agreement who has been regularly employed for thirty (30) calendar days, shall receive a day's pay for New Year's Day, Good Friday, Easter Monday, Victoria Day, Canada Day, British Columbia Day, Labour Day, Thanksgiving Day, Remembrance Day, December 24th, Christmas Day and Boxing Day and any other holiday proclaimed by the Provincial or Federal Government, provided however, that the employee shall have worked his "scheduled" work day before or after such holiday, unless express permission to be absent shall be obtained from his Superintendent. Any employee required to work on any of the above holidays shall receive double time in addition to the day's pay.

10:02 If a Statutory Holiday falls on Saturday or Sunday the following Monday shall be observed as the holiday. If two (2) consecutive Statutory Holidays fall on Saturday and Sunday, the following Monday and Tuesday shall be observed as the holidays, or, at the Company's option, the prior Friday and following Monday shall be observed as the holidays.

10:03 There shall be a floating holiday added to the above entitlement which may be taken at the employee's choice. The Company may limit this to one employee off on any given day.

ARTICLE 11 - ANNUAL VACATIONS

Three Weeks:

11:01 Each employee who has completed one (1) year and two (2) years of continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during this period, shall be entitled to three (3) consecutive weeks vacation with pay equal to three (3) full weeks straight-time pay at the employee's regular rate or five percent (5%) of annual gross earnings, whichever is greater.

Each employee who has completed three (3) years of continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during this period shall be entitled to three (3) consecutive weeks vacation with pay equal to three (3) full weeks straight-time pay at the employee's regular rate or seven percent (7%) of annual gross earnings, whichever is the greater.

Four Weeks:

11:02 Each employee who has completed nine (9) years continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to a total of four (4) weeks' vacation with pay equal to four (4) full weeks' straight-time pay at the employee's regular rate, or nine percent (9%) of annual gross earnings, whichever is the greater.

Five Weeks:

11:03 Each employee who has completed eighteen (18) years continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to a total of five (5) weeks' vacation with pay equal to five (5) full weeks' straight-time pay at the employee's regular rate, or eleven percent (11%) of annual gross earnings, whichever is the greater.

Six Weeks:

11:04 Each employee who has completed twenty-five (25) years continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months, shall be entitled to a total of six (6) weeks' vacation with pay equal to six (6) full weeks' straight-time pay at the employee's regular rate or thirteen percent (13%) of annual gross earnings, whichever is the greater.

11:05 **SUMMARY:**

Years of Service	Length of Vacation	Payment (whichever is the greater)
1 year to 3 years less a day	3 weeks	3 full weeks or 7% annual gross earnings
9 years to 18 years less a day	4 weeks	4 full weeks or 9% annual gross earnings
18 years to 25 years less a day	5 weeks	5 full weeks or 11% annual gross earnings
25 years and over	6 weeks	6 full weeks or 13% annual gross

earnings

Vacation Requirements and Rights:

- 11:06 The provision requiring employees to have worked a minimum of one thousand (1,000) hours in each twelve (12) months in order to qualify for the full three week, four week, five week, or six week provision, shall not apply to employees who have worked less than the minimum hours required as a result of being absent on Workers' Compensation, or through illness. Employees absent through Workers' Compensation or illness shall receive the normal vacation provision they would otherwise be entitled to for that vacation year, but shall then be required to re-qualify by working the minimum one-thousand (1,000) hours in the following year, or be paid their vacation pay as set out above.
- 11:07 Employees shall take their annual vacation within the calendar year they are entitled to the said vacation.
- 11:08 Should the Company request employees who are on vacation to return to work during their vacation period, the Company shall pay the said employee's wages equivalent to those paid for working Statutory Holidays.
- 11:09 The Company shall work with the Union in an effort to increase the number of employees allowed off at any one time for vacations.

Choosing Vacations:

- 11:10 The Company shall post a vacation calendar for the benefit of the employees. All employees shall have ten (10) weeks to register their vacation period according to seniority. After the aforementioned period, vacations shall be allocated as applied for by the employees.

ARTICLE 12 - GENERAL WORKING CONDITIONS AND RULES

- 12:01 The Company shall not require any employee covered by this Agreement to work from his regular starting time less than four (4) or more than four and one-half (4 1/2) consecutive hours at any time without a minimum of at least one-half (1/2) hour or a maximum of one (1) hour off work, whichever is applicable.
- 12:02 A thirty (30) minute or one (1) hour meal period, whichever is applicable, shall commence not earlier than 11:30 A.M. and shall be completed by 1:30 P.M. Should the meal extend beyond 1:30 P.M., at the request of the Company the employee shall be entitled to an additional one-half (1/2) hour or one (1) hour, whichever is applicable, to be added to his time for the day. The meal period shall be taken. There shall be a meal period midshift the second and third shifts where these shifts are applicable. For early starts the midshift meal period shall be scheduled from the regular starting time.

12:03 Where overtime, preceding or following his normal shift, accumulates beyond two (2) hours overtime, the employee shall be entitled to a meal expense of \$4.00 to cover the cost of the meal. If engaged in work after his meal, the time spent eating such meal (not to exceed thirty (30) minutes), shall be considered as time worked. This provision shall be repeated each four (4) hours.

12:04 Where an employee is called in early and works more than one (1) hour but not exceeding two (2) hours overtime prior to his regular starting time, he shall be entitled to a ten (10) minute coffee break at his regular starting time.

Coffee Break:

12:05 A coffee break shall be allowed each employee of the Company as close to midway in the first half of the shift, and as close to midway in the second half of the shift as possible. Time allowed for coffee breaks shall be ten (10) minutes each.

Labour Management:

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

Safety Meetings:

12:07 The Company shall establish or continue a Safety Committee of which management personnel shall not outnumber Union members. This Committee may meet in conjunction with the Labour Management Committee and shall operate as required by the Workers' Compensation Board regulations. Minutes of the meeting shall be forwarded to the Union each month.

Safety Equipment:

12:08 Whenever the Company or the Workers' Compensation Act regulations require equipment to be worn on the job, such equipment shall be provided by the Company at no cost to the employee. The employee shall be held responsible for such equipment and shall be charged for any damage or loss for which he can reasonably be held responsible.

Safety:

12:09 Drivers or operators shall not be required to operate any vehicle which, in the operator's opinion, violates safety requirements. It shall be the driver's responsibility to report in writing to the Management any vehicle considered unsafe. Such vehicle shall be tagged "OUT OF SERVICE" by the operator until properly repaired and the tag shall only be removed by the operator who tagged the machine or by management personnel.

12:10 It shall not be reason for discharge or suspension if an employee refuses to work in an area that has been deemed to be unsafe or hazardous to employees by the Safety Committee or failing agreement by the Safety Committee, by a Workers' Compensation Board Representative.

12:11 The Company when requiring first aid men, who work at other duties, in addition to their regular rate shall pay such employees for the ticket required at the following rates.

Twenty-five cents (25¢) per hour for a Class C Ticket.

Thirty-five cents (35¢) per hour for a Class B Ticket.

Forty-five cents (45¢) per hour for a Class A Ticket.

On Job Injury:

12:12 When an employee has a personal accident and or sustains injury while on the job requiring hospitalization or first aid treatment which prevents him from completing his shift, he shall be paid his full day's wages for the day that the accident or injury occurred.

Time Off Re Accidents:

12:13 Should an employee be involved in an accident while on Company time, or with a Company vehicle, he shall be allowed time off without loss of pay to go to Court or any other agency as may be required. The Company will supply representation for the employee if there is any possibility of the Company being involved in any action because of the accident. The above shall apply if the employee is required to appear as a witness on behalf of any case or accident as outlined above.

Jury Duty:

12:14 The Company shall continue to pay any employee whose absence is due to serving

Jury Duty, provided however, that all sums received by way of payment for Jury Duty shall be payable to the Company, to the end that no employee shall receive both his regular applicable rate and Jury Duty pay.

12:15 It is agreed that employees must make themselves available for work when not required to be in attendance as jurors.

Bereavement Leave:

12:16 In the event of a death in his immediate family and upon the request of a regular employee, three (3) straight-time eight (8) hours days off work will be paid for by the Company. Immediate family shall be defined to include a wife, husband, son, daughter, mother, mother-in-law, father, father-in-law, brother, sister, grandmother, grandfather, step mother or step father. In addition, if the employee is notified of the death while he is working, he will be excused from, and paid for, the balance of that working shift and such time shall not be charged against the three (3) days of leave. Granting of bereavement leave for relatives or dependents other than those described above shall be at the discretion of the Company.

Leave of Absence:

12:17 (i) Leave of absence may be granted at the discretion of the Company. All applications for leaves of absence must be made in writing. All applications will be replied to in writing and a copy of such reply will be remitted to the Union. Employees' seniority protection shall be in accordance with the Union regulations.

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

Medical Examinations:

12:18 The Company shall pay employees, who are requested by the Company, to take a physical examination. The examination shall be during working hours.

If, following a Company requested medical examination, any employee is deemed to be physically incapable of carrying out his regularly assigned

duties, the Company shall assign the employee to other duties wherever possible, subject to the operations of the Company.

In the event that it is claimed that the employee is totally incapacitated the Company shall notify the Union of the medical findings in respect of the employee.

Should the Union or the employee disagree with said findings, the employee, at his own expense, shall have the right to be examined by his personal physician.

Where there is no agreement between the two physicians on the condition of the employee, the two physicians shall select a medical consultant to examine the employee with respect to the dispute.

The findings of the consultant shall be final and binding.

The remuneration of the consultant shall be borne by the Company and the Union on an equal basis.

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

Employees returning to work following an injury or accident, and/or who was on Workers' Compensation and are unable to perform their regular duties, shall be re-trained and re-assigned to other duties according to their seniority so that the employees do not lose their employment with the Company wherever possible, subject to the operations of the Company.

Licenses and Bonding:

12:19 Should the Company or the Superintendent of Motor Vehicles require licenses beyond normal requirements for the job the employee is doing, such as air tickets, or requiring an employee to be bonded, the Company will allow time off and the use of Company equipment, as required, without loss of pay to the employee and the Company shall be required to pay for any examinations, including medical, licenses or bonds required.

12:20 Should an insurance company refuse to insure any employee, the Company and the said Union will endeavour to find employment within the Company so that the employee will not lose his employment.

Working on Construction:

12:21 In the event that the Company should require any employee covered by this Agreement to engage in work on new construction, in the confines of a construction site or the Company premises, and for which more favourable wage rates than those herein contained are paid, such employee shall be entitled to be paid at the more favourable wage rate while he is so engaged. This Article shall not apply to employees who deliver the products from the Company's established shipping points.

Higher Classification:

12:22 If an employee starts his day's work he shall not be paid less than his regular posted rate for the day. If work is to be made available at a lower classification he shall be notified the previous day.

12:23 If an employee works at a classification of a higher rate for less than two (2) hours, he shall be paid a minimum of four (4) hours at the higher rate, and if he works at a classification of a higher rate for more than two (2) hours, he shall be paid the higher rate for the whole shift.

Protective Clothing:

12:24 The Company shall supply to all employees who are yardmen or drivers on an annual exchange basis, one set of Union made raingear if requested by the employee and if necessary, and such raingear shall properly fit each employee. The Company shall also supply to the above employees, gloves on an exchange basis.

Washrooms and Lunchrooms:

12:25 The Company agrees to maintain in its terminals and depots, adequate, clean, sanitary washrooms having hot and cold running water and toilet facilities. In addition, there shall be provided adequate lunchrooms, which shall be kept clean and tidy.

First Aid Room:

12:26 The Company agrees to supply in its terminals a fully equipped first aid room, as per the specification of the Workers' Compensation Act, with an adequate supply of clean towels.

Sound Level Protection:

12:27 The Company shall abide by the Workers' Compensation Board regulations relating to maximum sound levels in connection with all new mobile equipment either purchased or leased after July 1st, 1976. The Company shall supply, upon request, ear protection equipment as required at no cost to the employees

concerned.

New Equipment:

12:28 At any location where new equipment is introduced the senior qualified employee at that location shall have the first option to operate such equipment.

ARTICLE 13 - GRIEVANCE PROCEDURE

Qualifying Period:

13:01 If, during the term of this Agreement, there should arise any difference between the Parties bound by this Agreement concerning the interpretation, application, operation or any violation thereof, an endeavour shall be made to settle the difference by negotiations between representatives of the Company and the Union. Where a grievance refers to a particular occurrence or incident, other than a payroll error no consideration shall be given to either party unless such grievance is submitted within ten (10) working days from the date of the alleged occurrence or incident. In the case of payroll errors the time limit will be thirty (30) calendar days. Once a grievance is instituted the onus is upon both parties to resolve the matter as quickly as possible.

Time to Resolve Dispute:

13:02 In the event that the said representatives fail to reach a satisfactory settlement within seven (7) working days after the difference was submitted to them or within such longer time as the Parties agree to, then it shall be referred to an Arbitration Board of three (3) persons as follows:

Arbitration:

13:03 The party desiring arbitration shall appoint a member for the Board and shall notify the other party in writing of its appointment, and particulars of the matter in dispute.

13:04 The party receiving the notice shall, within five (5) working days thereafter, appoint a member for the Board and notify the other party of its appointment.

13:05 The two arbitrators so appointed shall confer to select a third person to be Chairman and failing for three (3) working days from the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Honourable, the Minister of Labour, to appoint such third Member.

13:06 The Arbitration Board shall sit, hear the parties, settle the terms of the question to be arbitrated and make its award within ten (10) working days after the completion of the hearing, provided the time may be extended by agreement of the parties.

Suspension or Discharge:

13:07 If the Arbitration Board finds (or if at an earlier stage of the Grievance Procedure, it is found) that an employee has been unjustly suspended or discharged, that employee shall be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place AND PROVIDED THAT the Arbitration Board, if circumstances are established before it, which in the opinion of the Arbitration Board, makes it just and equitable to do so, shall have the authority to order the Employer to pay less than the full amount of wages lost.

13:08 The Arbitration Board shall have the power to substitute a suspension in lieu of a discharge.

13:09 The award of the Arbitration Board shall be final and binding upon both parties.

Cost of Chairman:

13:10 The expenses and remuneration of the Chairman shall be paid by the parties in equal shares.

ARTICLE 14 - HEALTH AND WELFARE AND PENSION PLANS

Health and Welfare:

14:01 The Company shall continue to provide a Company Health and Welfare Plan.

Pension Plan:

14:02 Employees will be covered by the Teamsters (Local 213) Pension Plan.

14:03 The Company shall make the following contributions based on the total hours for which the employee received remuneration:

Effective July 1st, 2003 - one dollar and thirty-five cents
(\$1.35) per hour

Effective July 1st, 2004 - one dollar and forty-five cents
(\$1.45) per hour

Effective July 1st, 2005 - one dollar and fifty-five cents

	(\$1.55) per hour
Effective July 1 st , 2006	- one dollar and sixty-five cents (\$1.65) per hour
Effective July 1 st , 2007	- one dollar and seventy-five cents (\$1.75) per hour
Effective July 1 st , 2008	- one dollar and eighty-five cents (\$1.85) per hour

Retirement:

14:04 Normal retirement for all employees shall occur at the end of the quarter in which the employee reaches pensionable age under the Canada Pension Plan. Any employee, however, may at his option, with the consent of the Company, retire before reaching that age or by mutual agreement between the Company and the Union, and provided that the employee is in satisfactory health, may postpone his retirement after pensionable age.

Contributions for Health and Welfare and Pensions:

14:05 The contributions referred to shall be remitted monthly by the fifteenth (15th) day of the month following that to which they refer, together with a form supplied to the Company by the Union, which form shall provide full instructions.

14:06 In the event an employer fails to remit contributions to the aforementioned Plans as set out in Articles 14:01, 14:02, 14:03, and 14:04, the Union is free to take any economic action it deems necessary against such employer and such action shall not be considered a violation of this Agreement.

Group Life Insurance

14:07 The Plan shall provide the following benefits:

- (1) Group Life Insurance of fifty thousand dollars (\$50,000.00) and
- (2) Non-occupational Accidental Death and Dismemberment coverage for loss within ninety (90) days of the accident of: life, limb, or sight according to the following schedule:

Loss of Life	\$50,000.00
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Loss of both hands or feet or sight of both eyes	\$50,000.00
Loss of one hand and one foot	\$50,000.00
Loss of one hand and sight of one eye	\$50,000.00
Loss of one foot and sight of one eye	\$50,000.00
Loss of one hand or one foot or sight of one eye	\$25,000.00

A.D. & D. to be 24 hour coverage

ARTICLE 15 - TECHNOLOGICAL CHANGE, RE-TRAINING AND SEVERANCE PAY

- 15:01 Notwithstanding the provisions of Article 4, the Company shall notify the Union at least three (3) months in advance of any technological change which would affect the terms and conditions or security of employment of any of the employees to whom this Collective Agreement applies.
- 15:02 Should automation cause jobs to disappear, the employee shall have the opportunity to work (providing he has the seniority) at another classification. Should training be required the employee shall be allowed up to twenty-one (21) days without any loss of pay.
- 15:03 The Company shall pay to each employee with one (1) or more years of service, severance pay in the amount of one (1) week's pay for each year of service or any amount as determined under Section 76 (2) (b) (iv) of the Labour Code of British Columbia when his employment is permanently discontinued due to automation or technological change. Where accumulated sick leave is not taken, an employee may take the unused days in either holidays or as wages in lieu of.
- 15:04 Severance pay as outlined in Article 15:03 shall be paid to each employee whose employment is permanently discontinued as a result of the sale, lease or transfer either in whole or part, of the Company's assets, or closure of the whole or any part of the operation or loss

of business.

ARTICLE 16 - PROTECTION OF AGREEMENT

16:01 Should the Company or any employee violate the terms of this Agreement as provided in:

(i) Article 7 - Payment of Wages, or

(ii) Article 8 - Hours of Work and Overtime, or

(iii) Article 14 - Health and Welfare and Pension Plans,

by paying or receiving less than full wages or overtime as provided in Articles 7, 8 and/or failure to make contributions to the Health and Welfare and Pension Plan, then the following shall apply.

16:02 The Company shall pay double the amount of the difference between what should have been paid forthwith to the Teamsters' Social and Sports Committee for its sole and discretionary use. The employee in receipt of such unlawful payment(s) shall be immediately suspended from employment until the said payment is made to the said Committee.

16:03 The Company shall then post a bond of one thousand dollars (\$1,000.00) with the Union. In the event of a further violation the said bond shall be forfeited. The Company will post a further bond of two thousand dollars (\$2,000.00) with the Union which in the event of a further violation will also be forfeited, with each forfeit a replacement bond of twice the value of the one preceding will be posted.

16:04 In all cases of alleged violations all pertinent Company payroll records shall be made available to the Union.

16:05 In the event of disagreement as to the violation of this Article, either party may proceed directly to Arbitration under Article 13.

16:06 The above shall not apply to payroll or accounting errors.

ARTICLE 17 - TRANSPORTATION AND BOARD

17:01 In the event that any employee is required to work at a place of work which is in excess of twenty-five (25) miles from his normal place of work, the Company shall pay all his travelling expenses, including meals, to and from such place of work and shall pay wages for the first

seven and one-half (7 1/2) or eight (8) hours, whichever is applicable, of each twenty-four (24) hours.

17:02 All his expenses for first class living accommodation and meals where he is required to live away from his normal living accommodation shall be borne by the Company.

17:03 When work is available for employees at their normal starting place or depot and they are directed to work out of other depots, plants or designated areas, they shall be paid either from their normal starting place or depot, when working with Company equipment, or at the employee's option, while travelling from their normal starting place or depot and return, plus a travelling allowance of twenty cents (20¢) per mile, or while travelling from their normal starting place or depot and return by Company provided transportation.

17:04 When work is not available for employees at their regular starting place or depot and work is available at another plant or depot, employees laid off from their regular depot will be given the opportunity to work at the other plant or depot provided they are qualified.

ARTICLE 18 - SICK LEAVE

18:01 For all employees with one (1) year of service, or more, paid sick leave shall be accumulated at the rate of one-half (1/2) day per month to a maximum of six days (6) per year.

18:02 Where any absence, occasioned by sickness or accident, is not covered for payment by either the Weekly Income Benefits as provided in the Health and Welfare Plan, or Compensation, employees shall draw on time so accumulated in the following manner:

First day of absence - One (1) full day's pay.

Second day of absence - One (1) full day's pay.

Third day of absence - One (1) full day's pay.

Thereafter, the balance of accumulated Sick Leave to be applied and paid at the full daily rate for each day the employee's absence exceeds fifty-two (52) weeks or the Weekly Indemnity period of the Health and Welfare Plan.

18:03 (a) Wilful abuse of this benefit by an employee shall result in immediate discharge.

(b) A medical certificate may be required on the first

day of illness to claim benefits under this provision.

18:04 Every employee that has twelve (12) or more days of accrued sick leave, as of November 30, shall be given twelve (12) days. On the fifteenth (15) day of December each year fifty percent (50%) of all accumulated sick leave, over and above twelve (12) days, will be paid out to the employee leaving twelve (12) working days banked.

ARTICLE 19 - SAVINGS CLAUSE

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

ARTICLE 20 - DURATION

20:01 This Agreement shall be for the period from and including July 1st, 2003 to and including June 30th, 2008 and from year to year thereafter, subject to the right of either party to the Agreement within four (4) months immediately preceding the date of expiry of this Agreement, which is June 30th, 2008 or immediately preceding the last day of June in any year thereafter, by written notice to require the other party to the Agreement to commence collective bargaining.

20:02 It is agreed and understood that all retroactive pay shall be paid in full on or before the date of signing of this Agreement.

20:03 This shall apply to all past and present employees.

20:04 All past employees shall have their retroactive cheques mailed to them, or if returned undelivered, to the Vancouver Office of the Union for distribution.

20:05 All changes to the Collective Agreement shall be effective on the date of signing, unless otherwise specified.

20:06 The operation of Sub-Section 2 of Section 50 of the **Labour Relations Code of British Columbia** is hereby excluded.

20:07 Should either party give written notice to the other party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall

APPENDIX "A"

HOURLY RATES

Classification	Effective July 1/03	Effective July 1/04	Effective July 1/05	Effective July 1/06	Effective July 1/07	Effective July 1/08
Stickerman	\$20.51	\$20.86	\$21.21	\$21.56	\$21.91	\$22.26
Driver Lift Truck	16.42	16.77	17.12	17.47	17.82	18.17
Trimmerman	15.58	15.93	16.28	16.63	16.98	17.33
Grader	16.42	16.77	17.12	17.47	17.82	18.17
Mill Wright	17.78	18.13	18.48	18.83	19.18	19.53
Lumber Piler	12.98	13.33	13.68	14.03	14.38	14.73

