

COLLECTIVE AGREEMENT

BETWEEN

UAP INC.

AND

TEAMSTERS LOCAL UNION No. 213

March 18th, 2003 - March 17, 2006

**DON MCGILL
Secretary-Treasurer**

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UAP INC.**

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- (c) All work within the bargaining unit shall be performed only by those persons coming within the bargaining unit, except for the following personnel and circumstances:

- (1) Supervisory employees will continue to work in the bargaining unit as they currently do, providing no employee is on layoff or will be laid off as a result of such work being performed.
- (2) For physical inventory counts, the Employer may use as many people as necessary other than members of the Union provided no Union workers are replaced.
- (3) **Management trainees**

The Employer may from time to time employ management trainees temporarily on jobs within the bargaining unit, with the understanding that the object of the attachment is the training of the individual concerned and that the hours of work and pay of any employee are not reduced as a result of the attachment. The length of such attachment shall be limited to three (3) months.

2. EXPIRATION OF AGREEMENT

This Agreement shall be in full force and effect from and including March 18, 2003, to and including March 17, 2006, and shall continue in full force and effect from year to year thereafter, subject to the right of either party to this Agreement within four (4) months immediately preceding the date of March 17, 2006 or immediately preceding the anniversary date in any year thereafter, by written notice to the other party, require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of the collective agreement or a new collective agreement.

Should either party give written notice to the other party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike and such strike is implemented, or the Employer shall give notice of lockout and such lockout is implemented, or the parties shall conclude a renewal or revision of the Agreement or a new collective agreement.

The operation of Section 50 (2) of the British Columbia Labour Relations Code is hereby excluded.

3. UNION SECURITY

- (a) The Union recognizes the right of the Employer to hire whomever it chooses, subject to the Seniority clauses contained herein. However, the Employer will give the Union the ongoing opportunity to refer applicants for employment.

- (b) When the Employer hires new employees, the Employer shall have them fill in the required Union Membership and Death Benefit cards prior to them commencing work, and mail same to the Union Office immediately.
- (c) All employees shall be required to be a member of the Union as a condition of employment with the Employer.

Should any employee covered by the bargaining unit cease to be, or refuse to become, a member in good standing of the Union, the Employer shall, upon notification from the Union, discharge such employee.

4. DEDUCTION OF DUES, ETC.

- (a) The Union shall each month mail to the Employer a checkoff form in duplicate setting out the names of each employee in the Union and the amounts of dues, etc. they owe. The Employer shall delete any names from such list of employees who have terminated since the previous list and shall add the names of any new employees.
- (b) All employees shall be required to sign authorization for checkoff of Union dues, fees, fines and assessments which may be levied by the Union in accordance with the Constitution and/or By-Laws. Such checkoff shall be irrevocable.
- (c) The Employer shall deduct and pay over to the Secretary of the Union, any monthly dues and levies, levied in accordance with the Union's By-Laws, owing by said employees hereunder to the said Union. The money deducted during any month shall be forwarded by the Employer to the Secretary-Treasurer of the Union not later than the tenth (10th) day of each following month, and one (1) copy of the checkoff list as above mentioned. Union dues shall be deducted from all employees every two (2) weeks.

5. UNION ACTIVITIES OF EMPLOYEES AND LEAVE OF ABSENCE

- (a) The Employer shall allow time off work, without pay, to any man or woman who is serving as a Union delegate to any conference or function, provided all requests for time off are reasonable and do not interfere with the proper operation of the business, and there shall be no more than one (1) employee in the bargaining unit absent at any one (1) time.

No employee who acts within the scope of the above paragraph shall lose his job or be discriminated against for so acting.

- (b) During an authorized leave of absence, an employee shall maintain and accumulate seniority.

- (c) When an employee suffers any injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave of absence, without pay, subject to any payment the employee is entitled to under any Welfare Plan or other provisions, until such time as he can properly return to work. However, this shall not prevent the Employer from requesting a medical certificate when absences are frequent and/or of long duration.

If an employee desires a leave of absence for reasons other than those referred to above, he must obtain permission, in writing, for the same from the Employer. However, the Employer shall not refuse unreasonably such requests.

In any instance where an employee accepts other employment for any reason, his employment may be terminated, subject to proper proof of same, and provided such other employment impedes his work performance.

- (d) When an employee suffers an injury or illness which requires his absence, he shall report the fact to the Employer as soon as possible, prior to their actual starting time, so adequate replacement may be made, if necessary. Employees must keep the Employer notified of correct address, and phone number at all times.
- (e) In case of death in the immediate family, the employee affected shall be granted compassionate leave of absence with full pay in the following manner:

Spouse or child: 5 consecutive days
Father or mother: 4 consecutive days
Brother, sister,
Father-in-law,
Mother-in-law,
Son-in-law or
Daughter-in-law: 3 consecutive days

The above days are from the date of the death.

Grandparents, aunt, uncle, brother-in-law or sister-in-law: 1 day

Employees will receive two (2) days paternity leave with pay and one (1) day with pay on the occasion of the adoption of a child.

- (f) All time lost by an employee due to necessary attendance on Jury Duty or any Court proceedings where subpoenaed as a witness, shall be paid for at

the rate of pay applicable to the said employee. Any employee on Jury Duty shall, subject to this provision, make himself available for work before or after being required for such duty, wherever practicable. All Jury Duty pay or witness payments received by the employee from the Courts or otherwise shall be reimbursed to the Employer by endorsement of Jury Duty cheques and/or witness fees to the Employer.

- (g) When any employee hereunder is either elected or appointed to a full time job with the Union, he shall be granted leave of absence, without pay, for a period not to exceed twelve (12) months.

6. SHOP STEWARDS

- (a) There shall be Shop Stewards appointed, as required, if the Union so wishes, to see whether the members of the Union and the Employer live up to the provisions of this Agreement and to report any such infractions of such provisions to the Manager, who shall promptly deal with same. Such Shop Stewards shall be appointed by the Union and shall be employees of the place in which they are Stewards. There shall be no discrimination against the Shop Stewards for lawful Union activities.
- (b) The Shop Stewards shall have no authority to alter, amend, violate, or otherwise change any part of this Agreement. The Shop Stewards shall report to the Union Officers any violation of this Agreement.
- (c) The Employer will recognize the Shop Stewards selected in accordance with the Union rules and regulations, as the representative of the employees, in the respective groups or departments for which he is chosen, and hereby recognizes that the power to appoint and removal thereof is solely vested with the Union.
- (d) The Union will advise the Employer of the identity of the Stewards and will also give notice within twenty-four (24) hours of any new appointment or removal thereof.
- (e) The Shop Stewards shall be allowed to take up grievances during working hours.
- (f) There shall be no loss of pay for any employee sitting on the Union's Bargaining Committee for time spent in negotiations.

7. WORK CLOTHES

- (a) It is agreed that adequate aprons and/or smocks will be supplied and laundered by the Employer on a weekly basis. Employees must wear this apparel.

All other clothing such as coveralls, shirts, etc., will be supplied under UAP Policy.

- (b) On March 18, 2003 the Company will allocate to each seniority employee a Safety Shoe allowance of two hundred and twenty-five dollars (\$225.00).

Employees may claim reimbursement in an amount up to the balance in, or remaining in, their allowance, upon production of proof of payment.

The Safety Shoe Allowance is actually earned on the basis of seventy-five dollars (\$75.00) on each of March 2003, March 2004 and March 2005. If an employee leaves the Company before March 2005 with a negative balance in their allowance against amount earned, the Union authorizes the Employer to deduct the amount owing from any remaining wage or vacation pay amounts owing to the employee. This will be pro-rated in six (6) month increments.

Employees obtaining seniority after March 2003 will receive seventy-five dollars (\$75.00) per contract year broken down into six (6) month increments.

- (c) The Employer shall reimburse employees for the cost of clothes damaged by the handling of the Employer's property where the Employer does not provide additional protective clothing or equipment.
- (d) The Employer shall supply any safety equipment as required by the Workers' Compensation Board without charge.
- (e) The Employer will pay up to \$50.00 every two (2) years for the cost of safety lens.

8. UNION NOTICES

The Employer agrees to provide space that is readily accessible for the official Union notices. Said notices are to be posted only by a Union officer, after approval from the Manager.

The following items shall be posted at all times:

- (1) A copy of this Agreement.
- (2) A seniority list to be revised every six (6) months.
- (3) Welfare Plan provisions.

9. CONFLICTING AGREEMENT

The Employer agrees not to enter into any Agreement or a contract with employees covered by this Agreement, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement, or any Statute of the Province of British Columbia or Canada. Any such agreement will be null and void.

Management agrees that before effecting any wage rate other than those set out in this Agreement, they shall first discuss same with the Union Agent. No changes shall apply unless coming under the provisions of Articles 13 or 14 of this Agreement.

10. PROTECTION OF RIGHTS

It shall not be a violation of this Agreement nor shall it be cause for discharge or disciplinary action if any employee or a group of employees refuse to enter upon the property of this Employer or any other Company involved in a legal strike authorized by a certified Union when there is a legal picket line.

11. TRANSFER OF TITLE OR INTEREST

- (a) This Agreement shall be binding upon the parties hereto, their successors, administrators, executors, and assigns. In the event the entire operation of the Certified unit or any part thereof is sold, leased, transferred or taken over by sale, transfer or lease assignment, or in the event of receivership or bankruptcy proceedings, such operation shall continue to be subject to the terms and conditions of this Agreement for the life thereof.
- (b) The Employer shall not require, as a condition of continued employment, that an employee purchase or assume any proprietary interest or other obligation in the business.
- (c) It is understood by this Section that the parties hereto shall not use any leasing device to a third party to evade this contract.

- (d) The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee or assignee of the operation covered by this Agreement or any part thereof. Such notice shall be in writing and a copy thereof shall be delivered to the Union after the time the Employer executes the contract of sale, lease or transfer.

12. GRIEVANCE PROCEDURE

- (a) It is understood by both parties that a disagreement or difference of opinion between the Employer, the Union or the employees covered by this contract, which concerns the interpretation or application of the terms and provisions of this contract, shall be considered a grievance.

Any employee who has completed the probationary period, the Union or the Employer may present a grievance. Any grievance which is not presented within ten (10) working days following the event giving rise to such grievance, shall be forfeited and waived by the aggrieved party. This provision shall not be used to deny any employee his rights under the Provincial Labour Statutes.

- (b) The Steps of the Grievance Procedure shall be as follows:
 - (1) The employee, together with the Shop Steward employed by the Employer, shall take his grievance up with the Foreman or Supervisor, as the case may be.
 - (2) Should a solution not be reached by Step (1), then an Officer or Officers of the Union, accompanied by the employee and the Shop Steward, if the Union wishes, shall submit the grievance in writing and discuss the matter with the Manager.

At this Step in the Grievance Procedure, the Employer also shall have the right to submit a grievance in writing to the Union Officers.

The Union has the right to take up any grievance without any or all employees taking up the matter or matters for personal reasons or where it affects Union policy or the entire bargaining unit.

If no solution is reached, then a Union Officer shall meet with the Manager to try to finalize the matter.

Failing settlement of the dispute at the stage where the Union Representative and the Manager meet, as set out above, the matter shall be taken to Arbitration as set out herein.

- (c) (1) The party desiring Arbitration shall within fourteen (14) days request the nomination of an arbitrator to whom the grievance shall be submitted.
- (2) The arbitrator shall be the person chosen by the mutual agreement of the parties hereto. Failing such agreement within ten (10) working days, the arbitrator shall be chosen by the Labour Relations Board.
- (3) Whenever the incident causing the grievance involves a loss of earnings and/or other benefits, the arbitrator is empowered to order that such loss or part of such loss be reimbursed or restored. In a disciplinary case, the arbitrator shall be empowered to reduce the penalty imposed.

The Arbitration award shall be final and binding upon both parties. It will be effective on the date so stipulated by the Arbitrator. The Arbitrator shall have the power to determine whether a particular issue is arbitrable under this Agreement.

The Arbitrator shall not have any jurisdiction or authority to alter or change any of the provisions of this Agreement, or to substitute any new provisions in this Agreement, or to give any decision inconsistent with the terms of this Agreement.

Each of the parties will equally bear the expenses of the Arbitrator.

- (d) Any discharged or suspended employee may, within seventy-two (72) hours of his discharge or suspension, in writing, require the Employer to give to him the reasons for his discharge or suspension and the Employer will give such reasons to him, in writing, within seventy-two (72) hours of such request, and in the event of any dispute or difference as to whether or not there was proper cause for the discharge or suspension of an employee, only the reasons so set forth in writing shall constitute cause to be argued before an Arbitration Board.
- (e) The employees called as witnesses before an Arbitrator shall not because of this, suffer any loss of pay.
- (f) Any derogatory statement in an employee's personal file shall be deleted after eighteen (18) months from the date of occurrence, and may not be used against him after that time. As this is a first agreement, it is understood that any statement already in an employee's file on the date of ratification will be destroyed.

13. JOB POSTING, ETC.

- (a) Where the Employer fills a job or a new job is created or new equipment is installed, the Employer shall post a notice on the Bulletin Board notifying that a vacancy exists in a particular job, giving details of the job, rates of pay, etc. Employees desiring such job shall then apply in writing, within thirty-six (36) hours of such posting, excluding weekends and General Holidays. Employees on leave of absence due to sickness, accident or any other reason, at such time shall have the privilege of applying, if they can fill the vacancy in the fifteen (15) calendar days following the closing of the posting. All employees who meet this criterion shall be deemed to have applied on such a vacancy. The Employer shall not hire a new employee to fill a job vacancy before such job vacancy has been posted and the present employees have had a proper opportunity to apply for same, except on a temporary basis.
- (b) Where the vacancy is a regular job, employees on the full-time seniority list may apply for such job. The senior employee applying shall receive such job providing he has the ability required.
- (c) If a vacancy is not filled in the foregoing manner, the employee on the part-time seniority list shall then have the opportunity to apply for such job. The senior part-time employee applying shall receive such job providing he has the ability required.
- (d) Where the vacancy is a new job not heretofore done in the establishment, the Employer may establish a rate for such job and notify the Union of same. If the Union disagrees with such rate, same shall be settled by Arbitration as set out herein.
- (e) The Employer agrees to advise and discuss with the Union any decision to install new equipment prior to its installation.
- (f) In the event of an employee from the Office applying for the job of Parts Handler, such employee must be physically able to handle all parts and products, and must be able to communicate effectively with other staff members and customers.

In the event of an employee from the Warehouse applying for a job in the Office, such employee must have prior clerical training and/or experience pertinent to the job being sought.

14. CHANGE IN WORKING ASSIGNMENTS OR JOB CONTENT, ETC.

- (a) In the event the Employer proposes the introduction of equipment in its operations, requiring specialized training, the Employer agrees to give first opportunity to employees then on the payroll through the Job Posting procedure of this Agreement, to operate this equipment and/or train to

operate the equipment, provided the applicant qualifies under the job requirements. The Employer further agrees to notify the Union as soon as its final decision is made as to the introduction of new equipment or any major procedural change.

(b) Change in Working Conditions

Notwithstanding the other provisions of this Agreement, wherever the Employer alters considerably or otherwise affects a major change in the working conditions of any employee, which it is claimed is not provided for therein, such alteration or change shall become a matter for negotiation, or failing agreement for Arbitration under the terms provided in Article 12 of this Agreement.

15. PAY DAY AND PAY STATEMENTS, ETC.

- (a) All employees covered by this Agreement shall be paid every second (2nd) Thursday by direct deposit (optional), all wages earned during the previous week.
- (b) The Employer shall provide every employee covered by this Agreement on each pay day, with a separate or detachable written or printed itemized statement in respect of all wage payments to such employee that can be clearly interpreted by an employee. Such statement shall set forth the total hours worked, total overtime hours worked, the rate of wages applicable, and all deductions made from the gross amount of wages.
- (c) When there is an error of short payment or any other type of error, this shall be corrected and any money owing be paid no later than the following pay period. However, substantial errors will be corrected no later than five (5) working days from the date the Employer's payroll official is notified.
- (d) Whenever the Canada Savings Bonds are issued for sale, the Employer shall make same available to its employees who desire same and make such deductions as are necessary.

16. ANNUAL VACATIONS

- (a) No later than March 1st of each year, the Employer shall post a vacation list on the Bulletin Board, and each employee shall apply for his vacation on such list at a time same is desired, and such request must be completed by April 15th of each year.

Employees entitled to two (2) weeks vacation or more should be entitled to two (2) consecutive weeks of vacation each year. The Company will attempt

to accommodate those employees requests during the summer months where possible. Employees may take more than two (2) weeks consecutively, if entitled, subject to the needs of the operations and entitlement by other employees to two (2) consecutive weeks of vacation.

The choice of vacation dates shall be made in the order of seniority of the employees within each classification. The Manager shall approve the chosen dates for vacation to allow him to maintain order in the administration of the Employer's business requirements.

- (b) The reference year for the purpose of calculating vacation pay is the twelve (12) month period extending from May 1st of the previous year to April 30th of the current year.
- (c) Any employee having completed one (1) year of service shall be entitled to receive two (2) consecutive weeks' vacation with eighty (80) hours' pay at the rate they were receiving at the date of taking their vacation, or four percent (4%) of their annual gross earnings for the calendar year for which they are receiving their vacation, whichever is the greater.
- (d) Any employee having completed four (4) years of service shall be entitled to receive three (3) weeks' vacation of twenty-one (21) days with one hundred and twenty (120) hours' pay at the rate they were receiving at the date of taking their vacation, or six percent (6%) of their annual gross earnings for the calendar year for which they are receiving their vacation, whichever is the greater.
- (e) Any employee having completed ten (10) years of service shall be entitled to receive four (4) weeks' of vacation of twenty-eight (28) days with pay during one (1) calendar year, based on eight percent (8%) of their gross annual earnings, or one hundred and sixty (160) hours' pay at the rate they were receiving at the date of taking their vacation, whichever is the greater.
- (f) Any employee having completed nineteen (19) years of service shall be entitled to receive five (5) weeks' of vacation of thirty-five (35) days with pay during one (1) calendar year based on ten percent (10%) of their gross annual earnings, or two hundred hours' pay at the rate they were receiving at the date of taking their vacation, whichever is the greater.
- (g) In the event that an employee leaves the employ of the Employer before he is entitled to two (2) weeks' of vacation, he shall receive four percent (4%) of the gross earnings he received while in the employ of the Employer.
- (h) In the event of an employee leaving the employ of the Employer after he had his vacation he earned for the previous year, he shall receive four percent

(4%), six percent (6%), eight percent (8%), or ten percent (10%), as the case may be, of his pay for the year in which he ends his employment for which no vacation has been paid.

- (i) An employee who has less than one (1) year of service as of May 1st of the vacation year, shall be entitled to one (1) day of vacation for every completed month of service to a maximum of ten (10) days. Vacation pay shall be four percent (4%) of the employee's earnings for that year ending May 1st.

For the purpose of determining a calendar year's employment for full-time employees to qualify for vacations with pay, the parties agree that when a full-time employee has worked a minimum of sixteen hundred (1600) hours in a full-time employee's calendar year running from anniversary date to anniversary date, he shall be eligible for vacations as above set forth.

If less than sixteen hundred (1600) hours are worked, the employee shall be entitled to the vacation periods as set out above, but the vacation pay shall be at the applicable percentage rate only. Hours worked shall include actual hours worked, vacation time and General Holidays.

- (j) Prior to an employee going on his vacation, the Employer shall furnish the employee with a statement showing the period for which the employee is receiving his or her vacation pay. This cheque shall be given to the employee no later than the last working day before going on vacation.
- (k) Part-time employees shall receive vacation pay at four percent (4%) of their gross earnings. Vacation seniority date of part-time employees going to full-time shall be the date of transfer to full-time status.

17. GENERAL HOLIDAYS

- (a) It is agreed that all employees who have completed ten (10) working days shall be entitled to the following General Holidays, with pay, based on eight (8) hours of their applicable rate:

New Year's Day	Canada Day	Remembrance Day
Good Friday	Labour Day	Christmas Day
Victoria Day	Thanksgiving Day	Boxing Day
2 Floating Holidays	B.C. Day	

The floating holidays will be taken at a time mutually agreed on between each employee and the Employer. If they are unable to agree on the date the decision shall be the Employer's, provided it is in conjunction with the employee's regular days off.

If any full-time employee is laid off, terminated or quits before receiving his day off described herein, he shall be paid a day's pay in addition to all other money to which he is entitled, providing he has worked ten (10) days prior to a holiday. An employee will be eligible to the floating holidays after acquiring twelve (12) months seniority.

- (b) The Employer agrees that if during the life of this Agreement or any subsequent Agreement, that either the Federal, Provincial or Municipal Government declares or proclaims any other day than those listed herein as a Holiday, then employees covered by this Agreement shall receive such day off with pay as set out herein for such other days.
- (c) It is agreed that the General Holidays shall take place when specified as a legal Holiday by the Federal or Provincial Government.
- (d) Should a General Holiday fall on a non-working day and/or on an employee's day off, the employee will be entitled to an alternate day off with pay which shall be on a mutually agreed date.
- (e) In case of absence due to injury or illness on a General Holiday where the employee is receiving Weekly Indemnity payments under the appropriate Welfare Plan provision, then the Employer shall pay the difference between the regular earnings of such employee and what he is receiving from the other source for such General Holiday.
- (f) To be eligible for Holiday pay, a regular employee must have worked his last scheduled shift immediately before and after said Holiday except as specified in Section (d) above. Part-time employees are eligible providing they work during the week in which a Holiday occurs.

18. SEPARATION OF EMPLOYMENT

- (a) If an employee is discharged by the Employer, or quits, he shall be paid in full for all monies owed to him by the Employer on the next pay period.
- (b) The Employer shall give a Record of Employment Certificate to any employee who separates from employment for at least seven (7) days for any reason within five (5) days of the last day worked or terminates.

19. SENIORITY

- (a) Seniority shall be the length of service with the Employer within the bargaining unit dating from the date of employment with the Employer.
- (b) There shall be one (1) Seniority List covering the Office and Warehouse employees regularly employed, setting out the name, classification and date of their employment. There shall be a separate Seniority List covering part-time employees. In the event a part-time employee is accepted for a regular job, he shall be transferred to the regular seniority list and his seniority date shall be the date of such transfer. A regular employee shall have the right to transfer to the part-time seniority list. However, that employee's seniority date shall be the date of such transfer. All seniority lists must be kept current, with copies posted on the Bulletin Board and copies supplied to the Union upon request.
- (c) Lay-off and recall shall be based on seniority; that is, the last hired shall be the first laid off, and the last laid off shall be the first recalled, provided always that the senior employee has the ability to perform the work available. It is understood that in such cases "ability" means immediate ability without further training but including familiarization. Part-time employees shall not be employed when regular employees are laid off.
- (d) New employees shall be on probation for sixty-six (66) **worked** days, or the equivalent thereof, during which all provisions of this Agreement shall apply.
- (e) Seniority shall be lost if an employee:
 - (1) Voluntarily leaves the employ of the Employer, or
 - (2) Is discharged for cause, or
 - (3) After a layoff, fails to report for work for five (5) working days after being recalled by telephone and registered letter.
 - (4) Is laid off for a period of more than twelve (12) months.

Any employee who has been laid off due to lack of work shall have the right to remain on the seniority list for a maximum period of twelve (12) months and have the right to recall based on his seniority.

- (f) Any employee promoted to a different classification shall be allowed a period of trial of up to thirty (30) working days, and if found unsatisfactory, shall be given the opportunity of going back to his former position without loss of seniority.

- (g) The Employer agrees, when it is necessary to reduce the number of employees on a shift, senior full-time employees will be given preference over part-time employees for available work, provided said senior employees have the ability to perform the work available.
- (h) If the Employer lays off or discharges the Shop Stewards, the Union shall be advised prior to such layoff or discharge.
- (i) A part-time employee shall automatically become entitled to full-time status if he works four (4) consecutive months of full-time hours exclusive of replacement hours.

Replacement hours shall include hours which would have been worked by another employee but for vacations, General Holidays, illness, accident, or leave of absence.

20. DAYS AND HOURS OF WORK AND OVERTIME

Office Department

- (a) The normal work week shall be forty (40) hours, five (5) consecutive days, Monday to Saturday, with the normal work day being eight (8) consecutive hours between 7:00 A.M. and 6:00 P.M., excluding the lunch period.

The Employer and the Union understand and agree that there may be different starting times within the respective groups of employees. Therefore, if mutual agreement is not reached to fill the required starting times, seniority shall prevail with respect to preferred hours available.

- (b) Any hours worked in excess of eight (8) hours and up to ten (10) hours in any day during the normal work week shall be paid for at the rate of time and one-half (1 ½). Any hours worked in excess of ten (10) hours on any such day shall be paid for at the rate of double time (2X). Also, any hours worked before or after the hours specified in (a) above shall be paid for at the applicable overtime rate. Any hours in excess of forty-eight (48) hours in any week, will be paid for at the rate of double time (2X).

Warehouse Department and Branch

- (c) The normal work week shall be forty (40) hours, five (5) consecutive days, with the normal work day being eight (8) consecutive hours between 6:00 A.M. and 11:00 P.M., excluding the lunch period.

The Employer and the Union understand and agree that there may be different starting times within the respective groups of employees. Therefore,

if mutual agreement is not reached to fill the required starting times, seniority shall prevail with respect to preferred hours available.

- (d) Any hours worked in excess of eight (8) hours and up to ten (10) hours in any day during the normal work week shall be paid for at the rate of time and one-half (1 ½). Any hours worked in excess of ten (10) hours on any such day shall be paid for at the rate of double time (2X). Also, any hours worked before or after the hours specified in (c) above shall be paid for at the applicable overtime rate. Any hours worked in excess of forty-eight (48) hours in any week, will be paid for at the rate of double time (2X).
- (e) Employees may only be laid off at the end of the week for the following week. However, this clause shall not apply to employees on the part-time seniority list, nor shall they have any guarantee of hours of work except as set out in the Provincial Statutes.
- (f) All time worked on the sixth (6th) day, shall be paid at the rate of time and one-half (1 ½) for the first four (4) hours and double time thereafter. All hours worked on the seventh (7th) day, shall be paid at the rate of double time (2X). All time worked on a General Holiday, shall be paid at the rate of time of one-half (1 ½).
- (g) Any employee called back in to work in any emergency after his working day has been completed, shall be paid a minimum of two (2) hours' pay at double time.
- (h) If an employee reports late for work, that employee will only be paid from the time he starts to work and for the time actually worked, but continual tardiness will subject him to dismissal.
- (i) All overtime shall be broken down into five (5) minute units, based on the applicable hourly rate, times the appropriate overtime rate.
- (j) When employees are advised to report for work on any day other than a regular working day, they shall be paid at least four (4) hours for that day, providing they commence work.
- (k) The Employer agrees that if it becomes necessary to work overtime, such overtime will be distributed as equally as possible amongst those employees concerned, who normally perform such work, provided the employees wish to work such overtime. Should all employees refuse to work such overtime, the Employer shall have the right to demand that the most junior remain on the job.
- (l) The Employer shall give to each employee whose shift is to be changed a minimum of forty-eight (48) hours advance notice prior to such shift change becoming applicable.

- (m) It is intended that every employee should have a minimum of eight (8) hours rest between the end of one (1) shift and the commencement of another. In the event that any employee is recalled to work before a period of eight (8) full hours elapsed, he shall be paid at overtime rate of time and one-half (1 1/2) for the entire shift hours that he is called in to work before he has received his full eight (8) hour break.

Should the employee work over the regular hours of the applicable shift, he shall then receive double time for all hours over the regular hours of the applicable shift. No employee shall be permitted to resume work on his own accord until eight (8) full hours have elapsed.

- (n) Employees shall be entitled to bank overtime for future time off up to a maximum of eighty (80) hours at any give time. Time off will be given on the basis of one (1) hour worked at time and one half (1 ½) equals one and a half (1 ½) hours of paid time off work. This paid time off work must be taken at a mutually agreed time.
- (o) All hours worked between 11 p.m. and 6 a.m. shall be subject to a sixty-five cent (65¢) per hour shift premium.
- (p) For work done on Sundays:
 - Full time parts-handlers and drivers will be offered the opportunity to work a Sunday to Thursday inclusive five (5) day shift or a Wednesday to Sunday inclusive five (5) day shift. The hours of work for these five (5) days shall be paid at the regular rate of pay (straight time). Operational requirements will dictate the number of employees required for this shift.
 - If an insufficient number of full-time employees do not volunteer as previously described, or, if no employees volunteer, the employees with the least seniority (in reverse order) will be assigned, in addition the Company shall use part-time employees to work this shift.

21. LUNCH AND REST PERIODS

- (a) No employee shall work more than five (5) hours without a minimum of one-half (1/2) hour off for the purpose of eating or resting.
- (b) Each employee shall receive an uninterrupted fifteen (15) minute break approximately in the middle of each half (1/2) of their daily shift. The lunch room shall be large enough to have adequate seating for all employees.
- (c) When employees work overtime of two (2) hours or more they shall be given a paid fifteen (15) minute break. When employees work overtime in excess of four (4) hours they shall be given a paid meal break of one-half (1/2) hour.
- (d) No employee shall be required to resume work during his rest or meal break.

22. COMPENSATION COVERAGE

- (a) When an employee is injured at work and goes on Compensation, when his doctor signifies that the employee may go to work, he shall return to his previous job and rate of pay for a period of one (1) week, to see if he is able to do the job he held at the time of injury.

- (b) If, after that time, it is proven to the Employer, the employee is unable to do the job the employee held at the time of injury, the Employer will try to place the employee in a job the said employee can do. If this is impractical, then the employee shall be entitled to two (2) weeks' notice. This Section is subject to the Grievance Procedure.
- (c) Any employee hired to replace an employee off on Compensation shall not accumulate seniority, subject to the return of the employee on Compensation, and shall be subject to dismissal upon return of the employee he is replacing, unless another opening is available for him.

23. SAVINGS CLAUSE

- (a) If any Article or Section of this contract should be held invalid by operation of Law or by a 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 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 affected thereby.
- (b) 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 Twelve (12) herein.

24. INSPECTION PRIVILEGES

- (a) An authorized Agent of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions, and ascertaining that the Agreement is being adhered to. The Union Agent shall inform Management upon entering the premises.

25. SANITARY FACILITIES, ETC.

- (a) The Employer agrees to maintain clean, sanitary washrooms, and employees shall observe the simple rules of cleanliness and good housekeeping in these facilities.

- (b) Clothes area of a suitable size for the protection of employees' clothes and personal belongings shall be installed by the Employer.
- (c) The warehouse and office shall be adequately heated and ventilated.

26. LEAVING NOTICE

- (1) When the employment of a regular full-time employee is terminated by the Employer for any reason, the employee shall be compensated as follows:

Employees who have completed two (2) years of service will receive one (1) week's pay, based on their rate at date of termination for each year over two (2) years.

- (2) In the event that any employee is laid off, he shall have the option at the end of eight (8) weeks of layoff of remaining on the rehiring list, or accepting severance pay. Should he elect to remain on the rehire list, he may renew his option every eighth (8th) week for a maximum of twelve (12) months.
- (3) The above shall not apply when an employee resigns or is discharged for just cause.

27. SAFETY AND HEALTH

- (a) The Employer shall make reasonable provisions for the safety and health of its employees during the hours of their employment and proper First-Aid kits, including a proper First-Aid kit in each Employer vehicle.

Any employee suffering any injury or employment induced illness while in the employ of the Employer must report same to the First-Aid attendant immediately, or as soon thereafter as practicable, and a complete record of all such cases must be kept by the First-Aid attendant.

- (b) Any employee who considers that any practice being carried out within the premises is unsafe or detrimental to the health of any person working therein, shall have the right to speak to his or her superior about the matter. If the situation is not corrected in a reasonable period of time, the matter may be considered cause for a grievance to be handled through the Grievance Procedure.

- (c) **First-Aid**

In the event of an employee becoming ill during his shift, the employee shall report directly to the immediate supervisor stating his illness, and if the employee wishes to go home or to a doctor, due to such illness, permission to do so will be granted by the Warehouse Supervisor or Office Supervisor, and shall be so entered into a Record Book.

No person shall refuse the right of any employee to go home or to a doctor due to any illness or injury.

(d) **Allergy or Recurring Illness**

If an employee suffers from an allergy or recurring illness, the employee shall furnish a medical letter to that effect, and such letter shall be kept on file in the office.

- (e) There shall be a person designated as a First-Aid attendant who shall have at least a St. John's Ambulance Certificate.

Safety & Health Certificate:

Level I - \$0.25/hour
Level II - \$0.50/hour
Level III - \$0.75/hour

The premium shall be paid to a maximum of two (2) individuals. If such a certificate is necessary, the premium shall be determined by the level of certificate the Workers' Compensation Board requires. When the Employer requires an employee to take a First-Aid Course, the Employer will pay for the course as well as any straight time lost by the employee.

28. BONDING

If at any time, the Employer requires an employee hereunder to be bonded, it is agreed that the Employer shall then request the employee to fill in an application to a recognized bonding firm selected by the Employer. It is further agreed that the cost of such bonding shall be paid by the Employer. Each employee must be acceptable to the Bond Company at time of hiring.

29. MANAGEMENT RIGHTS

The Union recognizes that the Employer, according to its responsibilities as stipulated in this Agreement, has the sole right to:

- (a) Administer and manage the operations of its business; modify or cease operations when necessary;
- (b) Adopt and apply necessary reasonable rules concerning safety, work, discipline and protection of the employees and the equipment;

- (c) Determine the products to be handled, the methods of operations, the tools to use and their location, fabricating and assembling procedures in every aspect and the control of the use of all necessary materials;
- (d) Hire, discharge, transfer, promote, demote, layoff, re-call after a layoff, and discipline employees;
- (e) Manage any other business of the Employer;
- (f) Provided however, that the Employer agrees that any exercising of these rights and powers in conflict with any provisions of this Agreement shall be subject to the provisions of the Grievance Procedure.

30. WELFARE PLAN

(a) The Employer agrees for the duration of the Collective Labour Agreement to maintain in full under the same conditions the various Plans already in existence for the benefit of all its employees. These Plans are:

- (1) Life Insurance of twice (2) the annual salary. Voluntary. (The Employer will pay fifty percent (50%) of the premium.) (100% Employer paid after March 18, 2001.)
- (2) Accidental Death and Dismemberment Insurance with a \$250,000 maximum payment. Voluntary. Employee paid. (100% Employer paid after March 18, 2001.)
- (3) Overall Medical Services Plan of British Columbia. (MSP) 100% Employer paid.
- (4) Extended Health Care Plan (M.S.A.). (50% paid by Employer.)
- (5) Non-occupational Weekly Indemnity providing benefits of 80% of an employee's weekly gross earnings. Paid by Employer.
- (6) Dental Plan - Part A and B - 80 - 20 co-insurance with no deductible. Paid 100% by Employer. (The current year dental fee guide will apply as of March 18, 2004)
- (7) Pension Plan.
- (8) After the expiration of twenty-six (26) weeks of Short Term Disability, if the employee remains under disability he shall be paid the sum of sixty percent (60%) maximum or \$1,500.00 per month by way of Long Term Disability benefit during the period of his disability to age 65. The employee will pay the full cost.
- (9) Optional Life: An employee may choose to buy an additional coverage of up to \$200,000 and Life Insurance for its dependents in the following manner: spouse: \$10,000, child: \$5,000.

(b) As herein provided, all regular full time employees who are employees under this Agreement, must be covered by all the provisions of this Welfare Plan, (other than optional Life Insurance and Dependent Life Insurance) except the following:

- (1) Married employees, who in writing, have furnished satisfactory proof to both the Union and the Employer of Medical coverage elsewhere by their spouse. It is understood that acceptance of such

proof by the Union and the Employer will exempt such employee, and further that the employee so exempted will have waived all claims arising out of the Medical provisions provided herein.

- (2) Should the coverage provided elsewhere lapse, then such married employee shall forthwith apply for coverage hereunder.

Having applied for exemption and been exempted, the onus of applying for coverage at a later date is entirely upon the married employee.

Until such application is received and accepted, all claims remain waived.

- (c) If at any time during the life of this Agreement, any new laws or requirements are instituted by the Government, pertaining to any Section of this Welfare Plan, such Section shall be immediately renegotiated by the parties. If the parties fail to reach a mutually agreeable settlement on the matter, then same may be referred to an Arbitrator as specified in Article 12 of this Agreement.

(d) **Personal Days**

Each employee will be granted a bank of three (3) paid personal days on January 1st, of each year (pro-rated during the first year of employment). These allowances are non cumulative and are renewed on January 1st, of each year of the Collective Agreement. These allowances cannot be cashed in.

They will be granted on first requested first granted basis, however, in all cases they must be requested forty-eight (48) hours before required, this applies whenever feasible. The Company will be obligated to grant them subject to the following parameters of four (4%) of employees on each shift.

(5) **Sick Days**

Each employee will be granted a bank of three (3) sick days on January 1st of each year (pro-rated during the first year of employment).

The unused sick days will be reimbursed to the employee at seventy-five (75%) percent of rate of pay for that day. They will be paid in the last pay period of January of the following year.

* Note: This will commence on 1st January 2004

31. ARTICLE HEADINGS

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

32. TRANSPORTATION

No employee shall be required to use his car for Employer's business.

33. MEDICAL EXAMINATIONS

- (a) Any medical examination requested by the Employer shall be promptly complied with by all employees, provided however, that the Employer shall pay for all such examinations. The Employer reserves the right to select its own medical examiner or physician and the Union may, if in its opinion it thinks an injustice has been done to the employee, have the said employee reexamined at the Union's expense. Any waiver requested by the Medical Examiner, allowing him to forward the medical report to the Employer, shall be automatically granted.

When a medical examination is required by the Employer, the following conditions shall apply:

- (1) If an employee takes a medical examination during his normal working hours, he shall be paid for the time involved and thus not lose any pay as a result of his taking a medical examination.
 - (2) If the medical examination is taken after working hours or on Saturday, the employee shall be paid three (3) hours at straight time rate of pay.
- (b) If, following an Employer requested medical examination, any employee is deemed to be physically incapable of carrying out his regular assigned duties, the following procedure shall be followed:
- (i) The Employer shall notify the Union of the medical findings in respect to 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.
 - (ii) Where there is no agreement between the Employer's appointed physician and the employee's physician on the condition of the employee, the two

(2) physicians shall select a medical consultant to examine the employee with respect to the dispute.

(iii) The findings of the consultant shall be final and binding upon all parties.

(iv) The consultant's professional fees shall be equally shared by the Employer and the Union.

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

34. TRUCK MAINTENANCE AND SAFETY

It is to the mutual advantage of both the Employer and the employees that employees should not operate vehicles or equipment which are not in safe operating condition and not equipped with the safety appliances or stickers required by Law. The maintenance of equipment or vehicles in a sound operational condition is not only a function but a responsibility of Management.

The Union agrees to abide by the UAP/NAPA Auto Parts Driver Manual.

35. CLASSIFICATIONS AND WAGE RATES, ETC.

(a) The classifications and wage rates for the effective period of this Agreement shall be the one set out in Appendix "A" attached hereto and forming part of this Agreement.

(b) Time shall be computed from the time the employee commences his day's work until he is released from duty by the Employer. When employees are required to attend a meeting, they shall be paid for the time involved.

(c) When an employee meets with an accident at work, he shall be paid a full day's wages for the day of the accident.

(d) When an employee is temporarily removed from his regular work and placed on other work for the Employer's convenience, he shall be paid his regular rate of pay or the rate of the other work, whichever is the greater, for all time employed on such work in excess of four (4) hours and no employee's rate may be reduced below his regular rate. Employees moved from their present classification to another classification at a lower rate of pay, due to a business downturn, shall maintain their

current rate of pay for a maximum period of sixty (60) working days. After the period of sixty (60) working days the employee shall receive the rate of pay immediately below that of his classification at the time he was moved and shall remain at this rate of pay until he returns to his previous classification. This practice will be repeated for each occurrence of such displacements.

It is also agreed that regardless of age or sex, creed or colour, equal pay for equal work will prevail, if the work ordinarily carried out can be performed without further assistance.

- (e) Where a new employee has previous employment within the automotive parts industry in work that is directly related to the job of Parts Handler, then such employee shall be granted credit for one-half (1/2) of such employment, to a maximum of twelve (12) months for the purpose of establishing his wage rate.

36. SOLICITATION OF FUNDS

There shall be no coercion or intimidation in solicitation of funds of the employees by Management, for charity or other purposes. Employees will determine of their own accord if they desire or not to contribute.

37. PAID ELECTION TIME OFF

Any employee having the right to vote during Federal, Provincial, or Municipal elections shall benefit, without loss of pay, from a leave equal to the number of hours established by the law governing such elections, at a time determined by the Employer.

38. GENDER AND NUMBER

Throughout this Agreement, when the context so requires or permits, the singular number shall be read as if the plural were expressed, and the masculine gender as the feminine, as the case may be, were expressed.

APPENDIX "A"

BURNABY DC 305

CLASSIFICATIONS AND HOURLY WAGE RATES

HOURLY WAGE RATES

CLASSIFICATION	EFFECTIVE MAR.18/03	EFFECTIVE MAR.18/04	EFFECTIVE MAR.18/05
Parts Handler & Order Entry Clerk			
0 - 3 months	\$11.65	12.00	12.30
4 - 12 months	12.75	13.13	13.46
13 - 24 months	13.86	14.28	14.64
25 - 36 months	14.98	15.43	15.82
37 + thereafter	15.87	16.35	16.76
Shipper/Receiver			
0 - 3 months	15.81	16.28	16.69
4 - + thereafter	16.63	17.13	17.56
Driver			
0 - 3 months	9.16	9.43	9.67
4 - 12 months	9.70	9.99	10.24
13 - 24 months	10.76	11.08	11.36
25 + thereafter	11.86	12.22	12.53
Office Clerk			
0 - 3 months	12.57	12.95	13.27
4 - 12 months	13.13	13.52	13.86
13 - 24 months	13.70	14.11	14.46
25 + thereafter	14.56	15.00	15.38
Core & Warranty			
0 - 3 months	15.81	16.28	16.69
4 - + thereafter	16.63	17.13	17.56

Part Time: They will be paid the base rate of the classification in which they work.

Senior Office clerk: Will be paid a premium of \$1.00 per hour above the Office Clerk rate.

N.B. An employee who posts to a higher paid classification will receive the rate next to his old rate in his new classification.

An employee who posts to a lower paid classification will receive the rate immediately below his old rate in his new classification.

ON BEHALF OF THE COMPANY:

ON BEHALF OF THE UNION: