

COLLECTIVE AGREEMENT

BETWEEN

**571158 B.C. LTD.
(THE RITE CONNECTION)**

AND

TEAMSTERS LOCAL UNION No. 213

May 1, 2004 - April 30, 2007

**DON MCGILL
Secretary-Treasurer**

**571158 B.C. LTD.
(THE RITE CONNECTION)
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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 This Agreement and appropriate appendices shall cover all employees of the Employer covered by the certificate, Appendix "A" and Article 3, New Classifications.
- 2:03 It is agreed that all work coming within the description of the Bargaining Unit, shall be performed by Employees of the Company, who are members of the Teamsters Union Local 213 unless otherwise mutually agreed upon.
- 2:04 Any employee who does not retain his membership in the Union and who has been laid off for any reason, will not retain his seniority with the Company.

AUTHORIZATIONS OF DEDUCTIONS

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

PICKET LINES

- 2:06 It shall not be a violation of this Agreement or cause for discharge if an employee refuses to cross a picket line which has not been declared illegal by a Court or Tribunal of competent jurisdiction.
- Wherever possible, the Union shall endeavour to notify the Company of such picket lines.
- 2:07 It shall not be considered a violation of this Agreement, or reason for discharge, if an employee refuses to deliver to a job or project which has been declared unfair by the British Columbia and Yukon Building and Construction Trades Council or any of its affiliated area building trades Councils. Whenever the Union has information concerning any such unfair job or project, it shall immediately notify the Company.

STRIKES AND LOCKOUTS

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

2:09 Employees hired who are not members of the Union shall have seven (7) days in which to become members of the Union.

2:10 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.

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 the Shop Steward to carry out his duties.
- 2:12 The Union shall be notified in writing if a Shop Steward is discharged for cause and such cause shall be stated in the reason for discharge.

INSPECTION PRIVILEGES

- 2:13 Authorized agents of the Union shall upon first notifying the person in charge, have access to the Company's establishment during working hours for the purpose of adjusting Union-Company disputes, investigating working conditions and ascertaining that the Agreement is being adhered to, provided however that there are no interruptions of the Company's working schedule.
- 2:14 Executive Officers of the Union or Shop Stewards, who are required to attend executive meetings at the call of the Union shall be allowed time off by the Company, without pay, provided reasonable notice is given to the Company.

ARTICLE 3 - NEW CLASSIFICATIONS

- 3:01 The Company shall notify the Union when any new classification coming under the jurisdiction of this Agreement is added or if there is substantial change in the duties of the 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.

ARTICLE 4 - DISCHARGE OF EMPLOYEES

DISCHARGE

- 4:01 (a) The Company has the right to discharge any employee for just cause such as drunkenness, dishonesty, incompetency or absence without leave. Employees shall be notified in writing the following day the reasons for their dismissal with a copy to the Union.
- (b) Any disciplinary notice or warning letter in an employee's file will be disregarded after thirty-six (36) months from date of incident, providing there is no reoccurrence during that time.

ARTICLE 5 - EMPLOYER'S RIGHTS

- 5:01 Subject to the terms of this Agreement, the management and the operation of, and the direction and promotion of the working force is vested exclusively in the Company. The Company shall have the right to select its employees and to discipline or discharge them for just cause.
- 5:02 Any employee disciplined or reprimanded shall have the right to have the Shop Steward or Union Representative present if such reprimand is to become a permanent part of an employee's file.
- 5:03 An employee shall receive a copy of any written reprimand or warning letter placed on his file with a copy to the Union.

ARTICLE 6 - WAGES AND WAGE STATEMENT

WAGES

- 6:01 The Company shall pay wages to every employee covered by this Agreement at the hourly rates contained in Appendix "A" for the various classifications listed therein. These rates are the minimum rates. Appendix "A" shall be deemed to be contained in and form part of this Agreement.

STATEMENT

- 6:02 (a) The Company shall provide every employee covered by this Agreement each pay day 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, pay for General Holidays and all deductions made therefrom. In addition, the itemized statement shall indicate the total hours to date and rate of contribution for pension contributions from January 1st of each year.
- (b) The Company shall supply each employee with a daily time card to be completed by the employee at the completion of his shift, showing the total hours worked that day.

The Company shall calculate the employee's pay based on each time card.

Should an error occur on the time card, it shall be changed by the employee after consultation with the Employer.

- 6:03 Employees shall be paid every second (2nd) Friday during working hours.

6:04 Vacation pay shall be paid on a separate cheque as provided in Article 10 Section 10:09 herein.

TERMINATION CHEQUES

6:05 If an employee is discharged by the Company, or quits, he shall be paid all monies due on the following pay period. The monies due will be payable through head office and will be mailed to the employee upon request. If an employee is laid off he shall receive his wages on the first payday following the day he was laid off.

Employees on temporary or short term layoff will inform the Company if they wish to receive their vacation pay when the layoff occurs. Employees requesting separation slips may be paid their vacation pay to the date of the lay-off.

6:06 Where an employee is not paid as provided above, such employee shall be deemed to be still on the payroll of the Company and shall receive his usual wages and all other conditions of the Agreement until there is compliance with the provisions or other arrangements are made between the Company and the Union.

ARTICLE 7 - HOURS OF WORK AND OVERTIME

7:01 (a) Seven and one-half (7 ½) continuous hours, excluding the lunch period shall constitute a regular day's work, and thirty-seven and one-half (37 ½) hours shall constitute a regular week's work.

(b) The work week shall consist of five (5) consecutive days commencing Tuesday to Saturday. The starting times of the day shift shall be 8:00 A.M. All start times may vary by mutual agreement. Services may be provided on Sundays based on the following formula:

1. Employees who have not completed thirty-seven and one-half (37 ½) hours during the work week prior to the Sunday shall be asked to work the Sunday. Seniority shall prevail. Such employees shall be paid at regular rates of pay until they have completed their thirty-seven and one-half (37 ½) hours. Thereafter overtime rates shall apply.
2. Should the Company require employees who have completed thirty-seven and one-half (37 ½) hours during the work week prior to the Sunday such employees shall be paid at the

appropriate overtime rate for all hours worked.

7:02 (a) Time worked in excess of seven and one-half (7 ½) hours shall be paid at double time (2X).

(b) All time worked on a Sunday or a General Holiday will be paid at double time (2X) the regular hourly rate.

All travel time on Sundays and General Holidays shall be at time and one-half (1 ½) the hourly rate of pay.

All travel time after seven and one-half (7 ½) hours work shall be paid at time and one-half (1 ½) the hourly rate of pay.

(c) With respect to General Holidays, the foregoing overtime provisions are in addition to seven and one-half (7 ½) hours wages which shall be paid in any event.

- 7:03 (a) Scheduled overtime shall be divided as evenly as possible. Every attempt will be made by the Company to allocate overtime on an equal percentage basis to the employees. When overtime is to be worked on a shift or non-scheduled work day the employee working at the job on the shift shall perform the overtime. If such an employee has a prior commitment or cannot work the overtime for any justifiable reason, he need not perform the overtime providing the request is made at the commencement of the shift and another employee is available to perform the work. Confirmation will be given in the first half of the shift and shall not be unreasonably withheld.
- (b) Any overtime work turned down will be considered as time worked.

CALL OUT

- 7:04 Any employee who is called out to work on any day shall be guaranteed four (4) hours pay.
- 7:05 Double time (2X) shall be paid for hours worked on an employee's normal day off or outside employee's regular scheduled hours.

ARTICLE 8 - SENIORITY

PROBATIONARY PERIOD

- 8:01 All new employees shall have a probationary period of ninety (90) days worked.

SENIORITY LIST AND CLASSIFICATIONS

- 8:02 The Company will post and maintain seniority listings. Such up to date listings will show the name and starting date of each employee, and shall forward a copy of each list to the Union as it is posted. Such lists shall be renewed and posted each April 1st and October 1st of each year.

LAYOFF AND REHIRE

- 8:03 Seniority shall be maintained in the reduction and restoration of the work force provided the employee is reasonably competent to perform the job, i.e.
- (a) the Company, when laying off employees shall lay them off in reverse order of their seniority of employment with the Company and
- (b) the Company shall re-hire laid off employees according to their seniority with the Company.

- (c) Employees who are laid off and then recalled by the Company, must notify the Union dispatch office.

8:04 No employee shall lose his rights or benefits to this Agreement for being unavailable for work after a layoff of more than five (5) working days but less than thirty (30) working days unless reasonable notice has been given. An employee must be available for work not later than the regular required starting time the second working day after being contacted by the Company.

NEW EMPLOYEES SENIORITY RE-QUALIFY

8:05 Any new employee shall be credited with seniority from his first day of employment with the Company after completion of his probationary period.

Any new employee who, in the twelve (12) month period from his first day of employment with the Company, is not employed for a greater period than six (6) months, shall not be credited with seniority for the period worked and, if re-hired, shall be considered as a new employee.

LOSS OF SENIORITY

8:06 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 twelve (12) months from the date of termination. However, should a properly notified employee not report for work then his name would be removed from the seniority list. Those employees affected by a layoff shall keep the Company advised of their current address and available telephone number.

JOB TRAINING

8:07 The Company will not unreasonably withhold training opportunities, on the employee's own time, to any employee who has indicated a desire to learn the work of other positions.

ARTICLE 9 - GENERAL HOLIDAYS

GENERAL HOLIDAYS

9:01 Every employee covered by this Agreement who has been regularly employed for thirty (30) days, shall receive a day's pay for New Year's Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and one (1) floater day and any other holiday proclaimed by the Provincial or Federal Governments; provided however, that the employee shall have worked his scheduled work day after such holiday, unless express permission to be absent shall be obtained from his Employer.

9:02 Any employee required to work on any of the above holidays shall receive

double time in addition to the day's pay.

QUALIFY

9:03 Employees who have qualified under Section 9:01 shall only qualify for General Holiday pay if they have worked five (5) days within ten (10) days immediately preceding the date of the holiday.

GENERAL HOLIDAYS WHEN OFF SICK

9:04 The Company shall pay all regular employees for all General Holidays falling within the first three (3) months following date of absence due to illness but not while receiving W.C.B. benefits.

9:05 Should a General Holiday(s) fall on an employee's normal day(s) off, the scheduled work day(s) immediately following will be observed.

ARTICLE 10 - ANNUAL VACATIONS

TWO WEEKS

10:01 Each regular employee who has completed one (1) year of continuous service in the employ of the Company or has worked a minimum of 1,400 hours for the Company during the preceding twelve (12) months shall be entitled to two (2) consecutive weeks vacation with pay equal to eighty (80) hours straight time pay at the employee's current regular rate, or four percent (4%) of his gross earnings paid to that employee during the year he qualifies for such vacation, whichever is the greater.

THREE WEEKS

10:02 Each regular employee who has completed three (3) years of continuous service in the employ of the Company or has worked a minimum of 1,400 hours for the Company during the preceding twelve (12) months shall be entitled to three (3) weeks vacation with pay equal to one hundred and twenty (120) hours straight time pay at the employee's current regular rate, or six percent (6%) of his gross earnings paid to the employee during the year he qualifies for such vacation, whichever is the greater.

FOUR WEEKS

10:03 Each regular employee who has completed nine (9) years of continuous service in the employ of the Company or has worked a minimum of 1,400 hours for the Company during the preceding twelve (12) months shall be entitled to four (4) weeks vacation with pay equal to one hundred and sixty (160) hours straight time pay at the employee's current regular rate, or eight

percent (8%) of his gross earnings paid to the employee during the year he qualifies for such vacation, whichever is the greater.

FIVE WEEKS

10:04 Each regular employee who has completed sixteen (16) years of continuous service in the employ of the Company or has worked a minimum of 1,400 hours for the Company during the preceding twelve (12) months shall be entitled to five (5) weeks vacation with pay equal to two hundred (200) hours straight time pay at the employee's current regular rate, or ten percent (10%) of his gross earnings paid to the employee during the year he qualifies for such vacation, whichever is the greater.

SIX WEEKS

10:05 Each employee who has completed twenty-five (25) years of continuous service in the employ of the Company or has worked a minimum of 1,400 hours for the Company during the preceding twelve (12) months shall be entitled to six (6) weeks vacation with pay equal to two hundred and forty (240) hours straight time pay at the employee's current regular rate, or twelve percent (12%) of his gross earnings paid to the employee during the year he qualifies for such vacation, whichever is the greater.

10:06 An employee who terminates his employment with the Company shall be paid vacation pay in the appropriate percentage contained in Sections 10:01 through 10:05 herein.

VACATION PREFERENCE AND LISTS

10:07 (a) Not later than March 1st of each year, the Company shall post a vacation list on the bulletin board(s) and each employee shall indicate his vacation preference thereon not later than April 15th. Vacation period preference shall be governed by seniority and when the vacation period is established it shall not be changed except by mutual agreement between the Company and the employee.

(b) Employees shall be entitled to a maximum of two (2) weeks vacation at one time unless permission is granted by the Company for a longer period of time.

10:08 Employees shall take their annual vacation within the year they are entitled to said vacation.

10:09 On the last working day prior to an annual vacation, he shall be entitled to

receive vacation pay, in accordance with this Article for that period of time that he will be absent from work, however, if the employee fails to exercise this entitlement, such vacation pay will be paid to him on the first regular pay day following his return to work.

10:10 The Company shall consult with the Union in an effort to increase the number of employees allowed off on holidays during the school vacation periods.

10:11 Any employee accepting gainful employment while on vacation shall be dismissed.

ARTICLE 11 - GENERAL WORKING CONDITIONS

ON JOB INJURY

11:01 An employee shall not suffer a loss in regular wages on the day he has a personal on the job injury requiring medical attention.

MEAL AND REST BREAKS

- 11:02
- (a) The Company shall not require any employee covered by this Agreement to work less than four (4) or more than five (5) consecutive hours at any time without one-half ($\frac{1}{2}$) hour lunch break.
 - (b) Working through a lunch break shall be counted as part of an employee's regular seven and one-half ($7 \frac{1}{2}$) hour shift.
 - (c) If an employee's hours, including work time and/or travel time, exceed eleven (11) hours, he will be entitled to a meal break after ten (10) hours. The employee shall be paid fifteen dollars (\$15.00), to be paid separately, to cover the cost of the meal and the time spent eating such meal shall not exceed thirty (30) minutes and shall be considered as time worked.
 - (d) This provision shall be repeated every four (4) hours.

REST BREAK

- 11:03
- A rest 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 rest breaks shall be up to, but not more than fifteen (15) minutes each.

SAFETY EQUIPMENT

- 11:04
- Any employees who are required to perform any heavy lifting, assistance shall be provided, where that lifting is in excess of W.C.B. regulations.

SAFETY MEETINGS

- 11:05
- The Company shall establish or continue a Safety Committee of which management personnel shall not outnumber Union members. This Committee shall operate as required by the Workers' Compensation Board regulations.

This committee shall operate as required by Workers' Compensation Board regulations "and meet every second month" unless otherwise requested by the Workers' Compensation Board. Copies of the minutes to be forwarded to the Union. If an employee is required by the Workers' Compensation Board or Department of Mines, to attend an upgrading course the employee will be paid his straight time hourly rate for scheduled class time attended.

TIME OFF RE: ACCIDENTS

11:06 Should an employee be involved in an accident while on Company time, or with a Company vehicle, he shall be allowed time off without loss of pay to go to Court or any other agency as may be required. The Company will supply representation for the employee if there is any possibility of the Company being involved in any action because of the accident. The above to apply if required to appear as a witness on behalf of any case or accident as outlined above.

JURY DUTY

11:07 The Company shall continue to pay any employee whose absence is due to the serving of 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. It is agreed that employees must make themselves available for work when not required to be in attendance as Jurors.

LEAVE OF ABSENCE

- 11:08 (a) (i) When requirements of the Company's services will permit, any employee hereunder, upon written application to the Company, with a copy of said application to the Union, may, if approved by the Company, be granted a leave of absence, in writing (with a copy to the Union), for a period of thirty (30) calendar days. Under such leaves, the employee shall retain and accrue seniority only.
- (ii) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union, in writing and seniority will accrue during such extension.
- (iii) Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority and his name will be stricken from the seniority list and he will no longer be considered as an employee of the Company.
- (iv) In the event the Company grants written leave of absence, with a copy to the Union, to an employee who has suffered the revocation of his driver's licence, it shall not be a violation of this Agreement for that employee to accept employment elsewhere.

- (v) Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied such request.

- (b) When an employee within the bargaining unit covered by this Agreement receives leave of absence to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the former unit. Notice shall be given in writing prior to the employee leaving the bargaining unit. Not later than on the ninetieth (90th) calendar day of this period, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain within the unit for a minimum period of one hundred and twenty (120) calendar days prior to exercising such privilege again.

COVERALLS

- 11:09 Upon request by the employee, the Company shall provide union made coveralls. The coveralls shall be maintained by a Teamster certified firm, if available in the local area once a week, if used.

WASHROOMS

- 11:10 Where possible, the Company agrees to maintain in its terminal and depots, adequate lunch rooms, clean, sanitary washrooms, having hot and cold water and with toilet facilities. The Company shall maintain a smoke-free environment in all of its buildings.

BEREAVEMENT LEAVE

- 11:11 In the event of a death in his immediate family and upon the request of a regular employee, three (3) straight-time seven and one-half (7 ½) hour days off work will be paid for by the Company provided that one shall be the day of the funeral except where such day is the employee's regular day off. Immediate family shall be defined to include a spouse, son, daughter, mother, mother-in-law, father, father-in-law, brother, sister, grandparents. 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.

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

ARTICLE 12 - TRANSPORTATION AND BOARD

TRAVELLING

- 12:01 In the event that any employee is required to work at a place of work which is beyond Peachland and beyond Oyama, the Company shall pay:
- (a) All his travelling expenses, including meals, to and from such place of work and shall pay wages for the first seven and one-half (7 ½) hours of each twenty-four (24) hours.

BOARD

- (b) Fifteen dollars (\$15.00) for each meal, plus Board where he is required to live away from his normal living accommodation.

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 its interpretation, application, operation, or any alleged violation, an endeavour shall be made to settle the difference by negotiations between representatives of the Company and the Union.

The Company and the Union agree that any grievance between the parties shall be settled as quickly as possible, in an orderly manner, without stoppage of work and in accordance with the grievance procedure set out in this Article.

Time limits to institute grievance procedure:

- (a) All grievances - ten (10) calendar days;
- (b) Payroll errors - thirty (30) calendar days, from the date the employee received the pay cheque or pay statement.

Time limits may be extended only by mutual consent of the parties. The employee shall take up his grievance as soon as possible - the time limits are maximum periods not minimum periods. A grievance not processed within the time limits set out in this Article shall be deemed to have been settled or abandoned.

Step 1

The employee, with or without a Shop Steward or an officer of the Union, shall take the matter up with the Company. Step 1 must be completed within five (5) working days from the date the Supervisor received the grievance, or the matter shall be referred to Step 2.

Step 2

Should no solution be reached under Step 1 then, an officer, of the Union together with the employee, shall present the grievance in writing to an authorized representative of the Company. Should a solution be reached it shall be final. Step 2 must be completed within five (5) working days from the completion of Step 1, or the matter shall be referred to Arbitration.

Step 3 Arbitration

If the parties fail to settle the grievance under the aforementioned Steps of the Grievance Procedure, the grievance may be referred to an Arbitration Board as provided in 13:02.

ARBITRATION

13:02 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.

Notice of desire to arbitrate and of nomination of an Arbitrator must be served personally or by registered mail. If served by registered mail, the date of mailing shall be deemed to be the date of service.

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

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

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

The decision of the Arbitration Board shall be final and binding on the two parties to the dispute and all others affected, and shall be applied immediately.

SUSPENSION OR DISCHARGE

13:03 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 authority to order the Employer to pay less than the full amount of wages lost, AND FURTHER PROVIDED THAT, if it is shown to the Arbitration Board that the employee has been in receipt of wages during the period between discharge or suspension and re-instatement, the amount so received shall be deducted from wages payable by the Company pursuant to this Section.

13:04 The Arbitration Board shall have the power to determine whether a particular issue is arbitrable under this Agreement.

APPEAL OF DECISION

13:05 If the award of the Arbitration Board is subsequently set aside by a Court of competent jurisdiction, the question shall, at the request of either Party, be submitted to another Arbitration Board appointed pursuant to, and with all the powers provided by this clause.

COST OF CHAIRMAN

13:06 The expenses and remuneration of the Chairman shall be paid by both Parties in equal shares.

POWERS OF THE BOARD

13:07 Without restricting the specific powers hereinbefore mentioned, the Arbitration Board shall have all the general powers of an Arbitration Board.

ARTICLE 14 - HEALTH AND WELFARE

14:01 All employees of the Company who are members of the Union shall be covered by the Health and Welfare Plan as provided by the Company.

ARTICLE 15 - PLANT CLOSURE, TECHNOLOGICAL CHANGE & SEVERANCE PAY

15:01

1. Should the Company during the term of this Agreement introduce any process of production or equipment or technique which will affect the terms, conditions or security of employment of any of the employees, or
2. Should the Company decide to close down any of its operations in full or in part, which would result in the termination or lay off of any employees, it is agreed that the Union and the employees will be

given as much notice as possible.

The Company and the Union agree to discuss the following:

- (a) Relocation of employees where a common seniority list applies;
- (b) Retention of seniority;
- (c) Notice or severance pay in lieu of notice.

In the case of severance pay, or notice in lieu of, the Company shall pay all employees with three (3) or more years of service, severance pay, or notice, in the amount of one (1) week's pay for each year of service, to a maximum of eight (8) weeks.

If severance pay is paid to any employee before his right of recall expires, the employee forfeits his right of recall.

ARTICLE 16 - TERM OF AGREEMENT

16:01 This Agreement shall be in effect from and including May 1, 2004 to and including April 30, 2007, and shall continue in effect from year to year thereafter subject to the right of either Party to this Agreement within four (4) months immediately preceding the expiry date, 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 has been implemented, or the Employer shall give notice of lockout and such lockout has been implemented, or the parties shall conclude a renewal or revision of the Agreement or a new collective agreement.

DATED AT _____, B.C., THIS _____ DAY OF _____, 2004.

SIGNED ON BEHALF OF THE COMPANY SIGNED ON BEHALF OF THE UNION

APPENDIX "A"

RATE PER HOUR

CLASSIFICATION	Effective May 1/04	Effective May 1/05	Effective May 1/06
Journeyman Belt Mechanic			
- Field Rate	\$27.06	\$27.60	\$28.43
- Shop Rate	22.00	23.00	24.00
Foreman Rate (Shop)	23.00	24.00	25.00
Casual Labour Rate	15.00	15.00	15.00

Any trainee (apprentice) sent out on his own in the field will be paid the journeyman rate of pay.

New Construction - \$1.00 per hour in addition to the field rate.

Underground Mines - 10% premium over field rate.

Lead Hand - Where three (3) or more employees are supervised an additional seven percent (7%) over journeyman's rate shall be paid.

Field Rate - Seniority shall apply to field work over Shop Work.

**APPRENTICE RATES
PER HOUR**

		FIELD		SHOP
First six months		\$15.00		\$14.00
After six months	+9%	16.35	+8%	15.12
After twelve months	+9%	17.82	+8%	16.33
After eighteen months	+9%	19.43	+8%	17.64
After twenty-four months	+9%	21.17	+8%	19.05
After thirty months	+6%	22.44	+4%	19.81
After thirty-six months	+6%	23.79	+4%	20.60
After forty-two months	+6%	25.22	+4%	21.43
After forty-eight months				full journeyman rates.

Should an employee be required to use his own vehicle for transportation on out of town work he shall be reimbursed at forty-five cents (45¢) per kilometre.

APPENDIX "B"

HEALTH AND WELFARE

Effective June 1, 1999 the Company agrees to participate in the Teamsters Local 213 Health and Welfare Plan and Trust Fund (The Plan and Trust Fund) for all regular employees on the following basis:

2. All employees who have completed their probationary period with the Company shall be covered by the Health and Welfare Plan on the first day of the month following completion of their probationary period.
2. All existing employees working within the jurisdiction of this Agreement shall participate in the plan effective June 1, 1999.

The Company agrees to make such monthly contributions to the Trust Fund for the benefits to be provided to its employees as the Trustees of the Plan and the Trust Fund shall establish from time to time and do such things as may be required to become and remain an Employer under the Plan and Trust Fund.

It will be the responsibility of the Company to ensure that all eligible employees complete such forms as are required in the operation and administration of the Plan and to make contributions to the Trust Fund on the employees behalf.

It shall be the responsibility of the Union to supply all necessary administration forms to the Company.

Effective February 1st, 2004, the Company shall remit the required contributions of \$304.25 per month per member to the Administrator appointed by the Trustees by the fifteenth (15th) day of each month for which contributions are due. The contribution rate will increase to \$320.00 per month per member effective May 1st, 2005 and to \$330.00 per month per member effective May 1st, 2006. Cheques are to be made payable to the Teamsters Local 213 Distribution Fund.

The required contributions may be increased by the increase of the Medical Services Plan of B.C. and/or by the increase of the College of Dental Surgeons of B.C. Fee Guide.

The full cost of the Health and Welfare Plan shall be borne one hundred percent (100%) by the Company.