

COLLECTIVE AGREEMENT

BETWEEN

UPLAND EXCAVATING (1971) LTD.

AND

TEAMSTERS LOCAL UNION No. 213

March 1st, 2004 - February 28th, 2007

**DON MCGILL
Secretary-Treasurer**

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THIS AGREEMENT MADE AS OF THIS DAY OF , 2004.

BETWEEN: **UPLAND EXCAVATING (1971) LTD.**
7295 Gold River Highway
Campbell River, B.C.
V9H 1P1

(hereinafter called the "Company")

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

(hereinafter called the "Union")

DURATION:

This Agreement shall be in full force and effect from and including March 1, 2004 to and including February 28, 2007, and shall continue in full force and effect from year to year thereafter subject to the right of either party of this Agreement within four (4) months immediately preceding the last day of February, 2007, or immediately preceding the last day in February 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, or the Company shall give notice of lockout or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

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 I - 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.

- 1:03 (a) This Agreement shall apply to all employees of the Employer engaged in the classifications listed in the attached Appendices "A", "B" and "B-1". All work performed outside of the Victoria Metropolitan Area (being the Area South and East of a line drawn from the mouth of Muir Creek to the height of land on the Malahat, including the Saanich Peninsula), the wages and conditions of the appropriate agreement, B.C. Road Builders or Teamsters B.C. Construction Agreement, shall apply.

ARTICLE II - UNION SECURITY

- 2:01 The Company recognizes the Union as the sole bargaining agent for those employees covered by the certification and/or working at those classified occupations listed in Appendices "A", "B" and "B-1" and for such employees as may be assigned to new classifications coming under the Union's jurisdiction.
- 2:02 All employees covered by this Agreement must be, or become, members in good standing. 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.
- 2:03 New employees shall be required to sign authorization cards for the deduction of initiation fees, dues and assessments, as required by the Union. Such deductions shall be forwarded to the Union not later than the last business day for the month in which these deductions were made. It is understood that dues are payable quarterly in advance and shall be deducted in the first month of each quarter.

Hiring

- 2:04 When employees are required, the Company agrees to hire through the established Union dispatch office, only Victoria area qualified Union members. The Union shall be given at least forty-eight (48) hours notice between 8:00 A.M. Monday and 5:00 P.M. Friday to complete the dispatch. Except for Dependent Contractors.
- 2:05 When Union members are not available, then the Employer may obtain employees elsewhere, it being understood that employees so hired shall meet Union qualifications.
- Employees hired under this part shall have fourteen (14) days in which to make application for membership in the Union, or be replaced by a Union member when available.

2:06

Any employee who does not remain a member in good standing shall not be retained in the employment of the Company.

2:07 The Union reserves the right to render assistance to other labour organizations. Refusal on the part of Union members to work with non-Union workmen or workmen whose organization is not affiliated to the B.C. and Yukon Building Trades Council, shall not be deemed a breach of this Agreement.

Unfair Jobs

2:08 It shall not be a violation of this Agreement or cause for dismissal for any employee to refuse to handle, receive, ship, or transport any materials or equipment considered unfair by the Building Trades Councils of B.C. and the Yukon, or to work with or to receive from any persons or firms who are considered unfair by any of the said Building Trades Councils, or this Local Union.

2:09 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 considered unfair by the British Columbia & Yukon Territory Building and Construction Trades Council or any of its area affiliates. Whenever the Union has information concerning any such unfair job, it shall notify the Island Equipment Owners Association, or this Local Union.

Picket Lines

2:10 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 competent Court of Jurisdiction.

2:11 The Company agrees that as long as their business, requiring the use of trucks, stays at or near its present level there shall be no reduction of employees on active payroll covered under Appendix "A".

Severance Pay

2:12 (a) In the event of the dismissal of an employee caused by disposal of equipment, the employee, after completion of one year's service, shall receive severance pay of one week's pay for each year of service up to and including eight (8) years.

(b) In the event of amalgamation, or permanent closure of a business or department thereof, or automation causing an employee to lose his/her employment with the Company, the employees affected shall receive severance pay in accordance with (a) above.

Contract & Hired Trucking

- 2:13 The Company agrees that cartage work presently performed by members of the bargaining unit will not be let out to contract or carried out by hired equipment if Company equipment suitable for this purpose is available and members of the bargaining unit would be laid off as a result.
- 2:14 Such additionally contracted, sub-contracted or hired outside equipment shall be obtained only from companies under agreement to this Local Union of the International Brotherhood of Teamsters and whose employees are members in good standing of this Local Union.
- 2:15 The contracting out of work, other than cartage, shall require the consent of the Union Local 213. Where the contracting out of work does not affect either the number of Union members on the active payroll, or the return to the active payroll of members on layoff, then consent to the contracting out shall not be withheld, providing such work is to be done within the scope of the B.C. and Yukon Building Trades Council.

Sub-Contractors

- 2:16 (a) The terms of this Agreement shall apply to all Sub-Contractors or sub-contracts let by the Employer. The Employer shall engage only those Sub-Contractors having an Agreement with the Teamsters Local Union 213, prior to commencing work. The Employer signatory to this Agreement shall be responsible for enforcing the wages and conditions of the Agreement on the Sub-Contractor.
- (b) In the event a Sub-Contractor fails to make payment of wages, or benefits and conditions as contained in this Agreement, the Prime Contractor shall upon written notice, by the Union of such payroll failure, be required to make the necessary payments. To be effective, such notice must be received within thirty (30) days of Substantial Completion of the applicable project.
- (c) **Owner Operators**
- When Owner Operators/Dependent Contractors are required, they shall be governed by the rates, classifications and conditions prescribed in Appendices "B" and "B-1" which shall be contained herein forming part of this Agreement.

ARTICLE III - NEW CLASSIFICATIONS

- 3:01 The Company shall notify the Union when any new classification coming under the jurisdiction of this Agreement is added. 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 IV - DISCHARGE OF EMPLOYEES

4:01 The Company has the right to discharge any employee for just cause, such as drunkenness, dishonesty, incompetency, or absence without leave. Such employees shall be notified at that time in writing the reason for their dismissal.

ARTICLE V - MANAGEMENT RIGHTS

5:01 The management and operation of and the direction and promotion of its working forces is vested exclusively in the Company, however, nothing in any of the provisions of this Clause shall in any way limit, void or affect the other provisions of this Agreement.

ARTICLE VI - WAGES AND WAGE STATEMENT

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 occupational classifications listed therein. These rates are the minimum rates. Appendices "A", "B" and "B-1" shall be deemed to be contained in, and form part of, this Agreement.

6:02 The Company shall provide every employee covered by this Agreement with a separate and 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, holiday pay and pay for Statutory Holidays, and all deductions made therefrom. In the case of drivers paid on a mileage basis, the number of miles driven, the mileage rate and the earnings therefrom shall also be shown. Pay days to be every second Friday.

ARTICLE VII - HOURS OF WORK AND OVERTIME

7:01 The work week for all employees covered by this Agreement shall consist of forty (40) hours - Monday through Friday. Eight (8) hours shall constitute a day's work.

7:02 The work days shall commence at 7:45 A.M.

Call Out

7:03 Employees called in after their regular starting time shall receive pay from their regular starting time. Employees so called shall be allowed up to one-half hour with pay to report for work unless reasonable circumstances warrant a longer reporting time being allowed.

7:04 Any employee starting prior to his regular starting time, and who has been paid premium rates, shall be paid from his regular starting time, as far as his guaranteed callout and daily guarantee is concerned.

7:05 (a) Monday thru Friday - over eight (8) hours and up to and including ten (10) hours, one and one-half (1 ½) times the employee's regular rate of pay. Over ten (10) hours at two times (2X) the employee's regular rate of pay.

Saturday - one and one-half (1 ½) the employee's rate up to and including ten (10) hours, over ten (10) hours at two times (2X) the hourly rate of pay.

Sundays and General Holidays - Two times (2X) the employee's hourly rate of pay for all hours worked.

Overtime shall be distributed as evenly as possible, keeping seniority in mind.

(b) Compressed week: on specific projects a work week may consist of forty hours Monday through Thursday or Tuesday through Friday. Ten (10) hours (paid at straight time) shall constitute a day's work. The Unions will be notified prior to the commencement of a compressed week.

(c) An additional eight hours in a week may be worked at straight time rate by mutual agreement between the affected employees and the Company. Sunday is excluded. As referenced in item (a) the eight hours would be Saturday or as referenced in item (b) the eight hours would be Friday or Monday.

(d) Item (c) is voluntary only and any refusal by an employee will not be subject to discipline. The Employer shall have the right to fill the vacant position with a regular company employee willing to work the additional eight hours at straight time. Any violation will be subject to the grievance procedure.

7:06 The Employer shall pay to every employee covered by this Agreement not less than four (4) hours' wages when called out, except where, in the case of inclement weather the work is suspended by the Owner's Engineer, then a minimum of two (2) hours shall be paid if the man was called out for work and no work is performed.

It is understood that a man starting work shall receive not less than four (4) hours' pay whether or not the job is suspended due to inclement weather.

Employees who work in excess of four (4) hours shall be paid for the hours worked.

- 7:07 Any employee called back after having worked that day shall receive an additional four (4) hours' pay, at overtime rates.
- 7:08 Where overtime, over two hours, follows his normal shift, the employees shall be entitled to a meal at the Company's expense, time spent eating such meal (not to exceed 30 minutes) shall be considered as time worked. This provision shall apply each 4 hours of continuous overtime thereafter.
- 7:09 Men shall be notified prior to finishing time the day previous if they are not required for duty, and then shall not report until recalled.
- 7:10 Eight (8) hours shall be the minimum break between an employee's finishing time and following starting time, otherwise overtime rates shall prevail.
- 7:11 If a man starts his day's work and is paid his regular rate, he shall not be paid less than his regular rate for the day. If an employee works at a classification of a higher rate for less than two (2) hours, he shall be paid a minimum of two (2) 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.

Shifts

- 7:12 (a) Where more than one shift is required and continued for three (3) or more consecutive days, seven (7) hours exclusive of lunch period shall constitute the second shift for which eight (8) hours shall be paid.
- (b) Additional shifts shall not commence more than one hour prior to the end of the previous shift.
- (c) In the event that additional shifts are not required for three (3) consecutive days, or more, overtime rates shall be paid.
- (d) Where an employee is requested to work through the regular established lunch period, such employee shall be paid the applicable overtime rate and shall be given one-half hour to consume his lunch before or after the regular lunch period; such time shall be paid for as part of the regular shift.
- 7:13 Where it is essential to establish two shifts to take advantage of daylight hours such as in gravel pits, etc., the first shift may be started between the hours of 4:00 A.M. to 8:00 A.M. and each shift shall be seven (7) hours duration, for which eight (8) hours' pay shall be paid.

7:14 When continuous shifts are required, a two, three or four week swing shift shall be wherever possible established. The senior man shall have preference and first choice as to which shift he shall work at.

Daily Travel

7.15 For the calculation of daily travel pay the starting point shall be 830 - 14th Avenue, Campbell River, B.C.

ARTICLE VIII - SENIORITY

8:01 The Company shall keep posted in a conspicuous place on its premises an up-to-date list of all employees covered by this Agreement, showing the date when each commenced his employment with the Company, and shall forward a copy of each list to the Union as soon as it is posted.

8:02 The Company, when laying off employees, shall lay them off in reverse order of their seniority of employment with the Company, commencing with the most recently hired employee and proceeding in turn thereafter. When vacancies occur, the Company shall rehire laid off employees according to their seniority with the Company beginning with the most senior employee and proceeding in turn thereafter.

Job Posting

8:03 The Company shall post, and keep posted, for not less than seventy-two (72) hours, in a conspicuous place at each place of business maintained by the Company, notice of vacant positions, trucks, 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, provided, that such employee is reasonably competent to do the work.

Loss of Seniority

8:04 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 rehired shall be considered as a new employee. All new employees shall have a probationary period of fourteen (14) days.

ARTICLE IX - STATUTORY HOLIDAYS

Statutory Holiday pay will be accrued at the rate of six and one-half percent (6 ½%) of gross earnings and paid to the employee on termination of employment, or the week prior to Christmas for those working at the time.

9:01 The recognized Statutory Holidays are:

| | |
|----------------------------------------|------------------|
| New Year's Day | Labour Day |
| Easter Monday | Thanksgiving Day |
| Good Friday | Remembrance Day |
| Victoria Day | Christmas Day |
| Canada Day | Boxing Day |
| First Monday in August: B.C. Day | |
| Third Monday in February: Heritage Day | |

and any other day as may be declared a public holiday by the Federal and/or Provincial Government. When a Statutory Holiday falls on a Saturday or Sunday, the following Monday will be observed. No work will be done on Labour Day. In addition to the six and one-half percent (6 ½%) payment for Statutory Holidays, all work performed on Statutory Holidays shall be paid for at double time rates.

ARTICLE X - ANNUAL VACATIONS

10:01 Annual Vacation pay shall be accrued at the rate of six percent (6%) of annual gross earnings (plus 6 1/2% for Statutory Holidays), and shall be paid to the employee upon termination of employment, or when an employee takes annual vacation. If requested in advance by an employee, vacation and Statutory Holiday pay shall also be paid on the last regular payday in March, June, September, and prior to Christmas.

Two Weeks

10:02 Each employee who has completed one year of continuous employment from their date of hire (excluding temporary layoff), upon request, shall be entitled to a minimum of two (2) consecutive weeks' vacation.

Three Weeks

10:03 Each employee who has completed two (2) years of continuous employment from their date of hire (excluding temporary layoff), upon request, shall be entitled to a minimum of three (3) consecutive weeks' vacation.

Four Weeks

10:04 Each employee who has completed ten (10) years of continuous employment from their date of hire (excluding temporary layoff), upon request, shall be entitled to a minimum of four (4) consecutive weeks' vacation.

Summary

| Years of Service | Length | of | Vacation |
|-------------------------|---------------|-----------|-----------------|
| 1 year to 2 years | 2 weeks | | |
| 2 years to 10 years | 3 weeks | | |
| 10 years and over | 4 weeks | | |

10:05 The provision requiring employees to have worked a minimum of 1,000 hours in each year in order to qualify for the full two-week, three-week or four-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 compensation or illness shall receive the normal holiday provision they would otherwise be entitled to for that holiday year, but shall then be required to requalify by working the minimum of 1,000 hours in the following year or be paid their holiday pay as set out above.

10:06 Employees shall take their annual vacation within the year they are entitled to the said vacations.

Employees shall be entitled to take their vacations in one (1) continuous period.

10:07 Should the Company request employees who are on vacations to return to work during their vacation period, the Company shall pay the said employees wages equivalent to those paid for working Statutory Holidays.

10:08 The Company shall post a holiday calendar for the benefit of the employees.

Employees shall choose their time off for their annual vacations by seniority and shall complete their choice within seventy-two (72) hours of being notified to do so.

ARTICLE XI - GENERAL WORKING CONDITIONS AND RULES

11:01 When an employee meets with a personal accident or injury while on the job, he shall be paid his full day's wages for the day of the accident.

Meal and Work Breaks

- 11:02 The Company shall not require any employee covered by this Agreement to work more than four and one-half (4 ½) consecutive hours at any time without one-half (½) hour off work.
- 11:03 The lunch period shall commence not earlier than 12:00 noon and shall be completed by 1:00 p.m. and will not exceed, nor be less than, one-half (½) hour. The lunch break must be taken. Any variation of the lunch period shall be made with the Shop Steward who shall check with the Union office.
- 11:04 Coffee breaks 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 breaks shall be up to, but not more than, ten (10) minutes. Disciplinary action will follow any violation of the above.

Safety Equipment

- 11:05 (a) Whenever the Company or the Workers' Compensation Act Regulations require safety equipment or wearing apparel to be used on the job, such equipment or wearing apparel 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 that he can reasonably be held responsible for.
- (b) The Company shall supply Workers' Compensation approved ear protection for all employees requesting such protection.

Strike & Lock Out

- 11:06 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, authorized by the Union.
- 11:07 The Company shall establish or continue during the term of this Agreement a Labour Management Committee.

Shop Stewards

- 11:08 (a) 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 reason.

- (b) The Company shall remit two cents (2¢) for every hour an employee works to a Shop Steward Educational Fund. (E.D.O.S.)

Foremen

11:09 Foremen shall act in a supervisory capacity only and will not work with the tools or equipment. Such foremen shall not come under the jurisdiction of the Union.

11:10 The changing of tires is to be done by qualified mechanics or tiremen. Driver to assist as required.

Vehicle Safety

11:11 Drivers or operators shall not be required to operate any vehicle which, in the operator's opinion, violates safety requirements.

- (a) It shall be the driver's responsibility to report in writing to the management or Garage Foremen any vehicle considered unsafe. Such vehicle shall be tagged OUT OF SERVICE until properly repaired.

- (b) The Company will supply all vehicles with flares and fire extinguishers.

11:12 Should an employee be charged for operating a vehicle, under instructions, by the Company that is not in serviceable condition or overweight, all fines and costs shall be borne by the Company.

Time Off Re Accidents

11:13 Should an employee be involved in an accident while in the employ of the Company, 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 involving any Company personnel or equipment. Employees shall report all accidents to the Company.

Licences & Bonding

- 11:14 Should the Superintendent of Motor Vehicles require licences beyond a Classified Chauffeur's Licence, such as air tickets, or require an employee to be bonded, the Company will allow time off as required without loss of pay to the employee, and the Company shall be required to pay for any examinations, licences or bonds they require.
- 11:15 Members who are required to attend meetings at the call of the Union shall be allowed time off by the Company. The Union agrees only a reasonable number of members would be asked to attend at any one time.

Jury Duty

- 11:16 The Company shall continue to pay any employee whose absence is due to serving Jury Duty, or in taking a physical examination at the request of the Company, 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.

Medical Examinations

- 11:17 If, following a Company requested medical examination, any employee is deemed to be physically incapable of carrying out his regularly assigned duties, the following procedure shall be applied.
- (a) The Company shall assign the employee to other duties, if possible. In the event 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 the said findings, the employee, at his own expense, shall have the right to be examined by his personal physician.
 - (b) 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.
 - (c) The findings of the consultant shall be final and binding.
 - (d) The remuneration of the consultant shall be borne by the Company and the Union on an equal basis.
 - (e) 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.

Coveralls

11:18 Coveralls shall be supplied to all drivers, mechanics and maintenance men. Such coveralls shall be Union made, bear a Union Label and be maintained and delivered by a Company under agreement to a Local Union of the Teamsters. Gloves shall be supplied on an exchange basis and only when requested.

Lunch & Washrooms

11:19 The Company agrees to maintain in its terminals and depots adequate, clean, sanitary washrooms, having hot and cold running water and with toilet facilities. In addition, there shall be provided adequate lunch rooms. These facilities must be approved by the Union. The Company shall provide first aid provisions in accordance with the Workers' Compensation Act.

Bereavement Leave

11:20 In the event of a death in the immediate family of the employee, the Company will grant him three (3) days leave of absence with pay. Immediate family shall be defined to include a wife, husband, son, daughter, mother, father, brother, sister, grandmother, and grandfather. In addition, if an 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 days of leave.

Leave of Absence

- 11:21
- (a) Leaves of absence without pay may be granted at the discretion of the Company and will require the consent of the Union. All applications for leaves of absence must be made in writing. All applications will be replied to in writing, with a copy forwarded to the Union. Leaves of absence shall not be unreasonably withheld.
 - (b) If an employee suffers revocation of his/her driver's licence and no other work is available, the employee shall be entitled to receive a leave of absence to a maximum of six (6) months, additional leave shall be at the sole discretion of the Company. Employees on leave

of absence under this provision shall be entitled to seek employment elsewhere for the duration of their leave only.

- (c) Any employee on leave of absence who engages in gainful employment without prior written permission from both the Company and the Union shall forfeit his/her seniority and will no longer be considered as an employee of the Company.

Industrial First Aid

11:22 Industrial First Aid (Labourer's only) - inclusion of the Industrial First Aid attendants Level II or III at a premium rate of eighty-two (82¢) cents per hour. This premium will only be paid when required.

ARTICLE XII - TRANSPORTATION

12:01 When employees are required to start work at a place other than their normal starting place, they shall be paid travelling time to and from their normal starting place at the employee's regular hourly rate of pay at straight time, providing the employee is not driving the type of Company vehicle he normally operates during the course of work.

ARTICLE XIII - GRIEVANCE PROCEDURE

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 violations 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, no consideration shall be given by either party unless such grievance is submitted within thirty (30) days from the date of the alleged occurrence or incident.

In the event that the said representatives fail to reach a satisfactory settlement within seven (7) 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 persons as follows:

- (a) 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.
- (b) 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.

- (c) 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 appointment of the Chairman, provided the time may be extended by agreement of the Parties.

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.

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

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.

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

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

ARTICLE XIV - HEALTH AND WELFARE

14:01 Employees shall be covered by the Teamsters Local 213 Health and Welfare Plan. Effective March 1st, 2004, the Company shall make contributions at the rate of one dollar and ninety cents (\$1.90) per hour. Effective March 1st, 2005, the Company shall make contributions at the rate of two dollars (\$2.00) per hour. Effective March 1st, 2006, the Company shall make contributions at

the rate of two dollars and five cents (\$2.05) per hour, based on the total hours for which the employee receives remuneration.

Pension Plan

14:02 Effective March 1st, 2004 the Company shall make contributions at the rate of three dollars and ten cents (\$3.10) per hour. Effective March 1st, 2005 the Company shall make contributions at the rate of three dollars and thirty cents (\$3.30) per hour. Effective March 1st, 2006 the Company shall make contributions at the rate of three dollars and fifty-five cents (\$3.55) per hour based on the total hours for which the employee receives remuneration.

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 Employer by the Union, which shall provide full instructions.

Training Fund

14:03 Effective April 1, 1993, the Company shall make contributions at the rate of twenty cents (20¢) per hour, based on the total hours for which the employee receives remuneration. Applies to Owner Operator/Dependent Contractor.

14:04 In the event an Employer fails to remit contributions to these Plans, in conformity with this Section of the Agreement, 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.

Plans Auditor

14:05 The Plans Auditor shall be permitted to inspect and audit the Employer's record of time worked by employees and contributions made to the Plans and shall be allowed the time necessary to complete the audit.

The auditor shall notify the Employer of his intentions to audit and to make the necessary arrangements for the time and place.

Rehabilitation Fund

14:06 Effective April 1st, 1982, the Company shall remit two cents (2¢) per hour, based on the total hours for which the employee receives remuneration.

Supplementary Dues

14:07 Effective April 1st, 1993, the Company shall deduct forty cents (40¢) per hour dues supplement from each employee and Owner Operator/Dependent Contractor covered by this Agreement for each hour for which wages or truck

APPENDIX "A"

WAGES

| CLASSIFICATION | EFFECTIVE Apr. 1/04 | EFFECTIVE Mar. 1/05 | EFFECTIVE Mar. 1/06 |
|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Single Axle Dump | \$21.86 | \$22.11 | \$22.36 |
| Flat Deck Truck | 22.20 | 22.45 | 22.70 |
| Equipped with Boom | 22.45 | 22.70 | 22.95 |
| Tandem up to 12 yards | 22.20 | 22.45 | 22.70 |
| Tandem over 12 yards | 22.30 | 22.55 | 22.80 |
| Water Trucks - 2,000 - 4,000 gallons | 21.83 | 22.08 | 22.33 |
| Fuel Trucks -2,000 - 4,000 gallons | 22.18 | 22.43 | 22.68 |
| Low Bed | 22.68 | 22.93 | 23.18 |
| Volvo's - Moxy's etc. | 22.60 | 22.85 | 23.10 |

Truck and Pup Combinations, including Pony Trailer and Transfer Units, to be paid at the Tandem over 12 yards plus an additional \$1.00 per hour.

APPLICATION

It is mutually agreed by the Parties hereto that when work is performed on construction, by contract, sub-contract or others, the terms and conditions of the Standard B.C. Road Building and/or the Teamsters B.C. Construction Agreement will be applicable.

APPENDIX "B"

DEPENDENT CONTRACTOR

A Dependent Contractor is a person who owns and operates his own truck or as defined by the Labour Code of British Columbia.

The terms and conditions of this Agreement are applicable to Dependent Contractors with the following exceptions:

1. Articles: 2:02, 2:03, 2:05, 2:11, 2:12 and 2:13
2. Article: (III) New Classifications
3. Article: (IV) Discharge of Employees
4. Article: (VI) Wages and Wage Statement
5. Article: (VII) Hours of Work
6. Article: (VIII) Seniority
7. Article: (IX) Statutory Holidays
8. Article: (X) Annual Vacations
9. Article: (XI) General Working Conditions and Rules
11:01, 11:05, 11:06, 11:07, 11:08, 11:09, 11:10, 11:11, 11:12, 11:13,
11:14, 11:15, 11:16, 11:17, 11:18, and 11:20
10. Article: (XII) Transportation
11. Article: (XIV) Health and Welfare
12. Article: (XV) Savings Clause
13. Appendix "A" - Wages
14. (III) "Proof of Membership shall be a Union clearance. The Employer shall obtain clearance by telephone, telegram, fax, or in writing from the Union Dispatch office."

APPENDIX "B-1"

1. **OWNER OPERATORS/DEPENDENT CONTRACTORS**

An Owner Operator/Dependent Contractor is a person who owns and operates his own truck or as defined by the Labour Relations Code and for the purpose of this Agreement they are one and the same.

(i) The terms and conditions of the Standard Teamsters 213 Road Building (Reference) Agreement as applicable to Owner Operators/Dependent Contractors are shown under the appropriate clauses of the main Agreement.

(ii) The terms and conditions set out hereunder in this Appendix "B-1" are the entire agreement for monetary payments and benefits for Owner Operators/Dependent Contractors.

(iii) Dependent Contractors must be members in good standing of the Union and be required to supply proof of membership upon being hired. Proof of membership shall be a Union clearance. The Employer shall obtain clearance by telephone, telegram, fax, or in writing from the Union Dispatch Office.

(iv) **Dispatch**

It is agreed and understood that prior to the Teamsters Union Local 213 introducing a Dispatch System for Owner Operators/Dependent Contractors, the Union and the B.C. Road Builders Association's Negotiating Committees shall meet to examine the Rules and Regulations governing the Dispatch System. After the Union has developed a Dispatch System, upon 60 days' notice, all Employers shall hire all Owner Operators/Dependent Contractors through the Dispatch System.

(v) **Method of Payment of Contributions and Deductions**

The contributions referred to in Clause XIV, 14:03 Training Fund and the deductions referred to in Clause XVIII, 14:07 Dues Supplement.

(a) **Training and Upgrading**

Effective March 1st, 1986, the Employer shall make contributions at the rate of twenty-four cents (24¢) per hour for which wages are payable hereunder for each employee and Owner Operator/Dependent Contractor.

When the Owner Operators/Dependent Contractors are working on a Flat Rate or Ton Mile Rate the Employer shall make contributions at the rate of two dollars and forty cents (\$2.40) per day. Such contributions shall be submitted to the Teamsters Local Union 213 Training and Upgrading Programme and payable by the fifteenth (15th) day of the month following that to which they refer in accordance with Clause 14:03.

(b) **Advancement Fund (Owner Operator/Dependent Contractor)**

Effective March 1st, 1986, the Employer shall make contributions at the rate of two cents (2¢) per ton hour for which wages are payable hereunder for each Owner Operator/Dependent Contractor covered by this Agreement.

| | |
|---------------------------------|------------------|
| e.g. 15 tons = 30¢ per ton hour | 34 tons = |
| | 68¢ per ton hour |
| 16 tons = 32¢ per ton hour | 35 tons = |
| | 70¢ per ton hour |

When Owner Operators/Dependent Contractors are working on a Flat Rate or Ton Mile Rate, the Employer shall make contributions at the rate of their net load.

| | |
|-------------------------------|------------------|
| e.g. 15 tons = \$3.00 per day | 34 tons = \$6.80 |
| | per day |
| 16 tons = \$3.20 per day | 35 tons = |
| | \$7.00 per day |

Contributions shall be submitted to the Union by the fifteenth (15th) day of the month following that to which they refer in accordance with this Clause.

(Clause applicable to Owner Operators/Dependent Contractors.)

(c) **Dues Supplement**

Effective March 1st, 1989, forty cents (40¢) per hour dues supplement shall be deducted from each employee and/or Owner Operator/Dependent Contractor covered by this Agreement for each hour for which wages are payable hereunder and remitted to the Union not later than the fifteenth (15th) day of

each month following the month in which deductions were made.

Owner Operators/Dependent Contractors shall be deducted four dollars (\$4.00) per day when working on a Flat Rate or Ton Mile Rate.

Remittances shall be made in accordance with the forms provided by the Union.

Should the Union, during the term of this Agreement, request a change in the hourly rate of the dues supplement, the altered rate shall be deducted and remitted as above.

The Employer shall be given sixty (60) days' notice in writing of the change in the amount of deductions to be made.

(Clause applicable to Dependent Contractors.)

(d) **Teamster Local Union 213 Advancement, Educational, Building, Recreational & Legal Fund**

The Employer shall deduct from the employee's wages at the rate of two cents (2¢) per hour for which wages are payable hereunder (however, this shall not be compounded on overtime) for each employee covered by this Agreement to the Teamsters Local 213 Advancement, Educational, Building, Recreational and Legal Fund and payable by the fifteenth (15th) day of the month following that to which they refer.

(Clause applicable to Dependent Contractors.)

The foregoing is itemized on the monthly summary and the cheque made payable to Teamsters (Local 213) Distribution Fund, which is sent to Teamsters Local 213 Members Benefit Plans, 490 E. Broadway, Vancouver, B.C. V5T 1X3. These contributions and deductions are due not later than the fifteenth (15th) day of the month following that to which they refer.

If, within forty-eight (48) hours of receipt of notification, exclusive of Saturdays, Sundays and Holidays, the Employer has failed to pay delinquent contributions then the Employer agrees that all contributions/deductions due and payable in accordance with this Agreement are in arrears and subject to a delinquency charge of two percent (2%) per month of the total amounts of the unpaid Trust Fund in arrears and will attach to those unpaid Trust Funds and become due and payable as damages to cover costs of collections and loss of earnings suffered by the Trust.

This is not to be construed that the above charges relieve the Employer of any further liabilities which may occur because of his failure to report and pay contributions/deductions as provided.

2. **RATES BASED ON LEGAL LOAD (GVW - TARE = LEGAL LOAD)**

All additional tonnage to be paid at the appropriate rate.

For Cities, Towns & Villages

On all jobs situated within eighty (80) km (fifty (50) road miles) of the centre of any city, town or village

such Owner Operators/Dependent Contractors who are residents of said city, town or village shall be paid the following rates.

(i)

| Single Axle | April 1, 1994 | |
|---------------------------------------|----------------------|------------|
| | Per | Ton |
| | Hour | |
| April 1st, 1994 - \$3.39 per ton hour | | |
| 8 ton and under | | \$27.12 |
| 9 tons not including 10 tons | | 30.51 |
| 10 tons not including 11 tons | | 33.90 |

(ii)

| Tandems | | |
|---------------------------------------|--|---------|
| April 1st, 1994 - \$3.35 per ton hour | | |
| 15 tons and under | | \$46.90 |
| 15 tons and not including 16 tons | | 50.25 |
| 16 tons and not including 17 tons | | 53.60 |
| 17 tons and not including 18 tons | | 56.95 |

(3) **Low Production Rate**

Where loading and/or unloading time exceeds twenty (20) minutes per load on asphalt patching, curb and gutter, sidewalk, sewer excavation, and cleanup work, the rates for tandem and single axle trucks shall be reduced by ten percent (10%). The low production rate will apply only when the above condition is met for the major portion of the shift.

The Dependent Contractor and Teamsters Local Union No. 213 must be advised and agree on this rate for work under this provision.

(iv)

| Combination Units | April 1, 1994 | |
|-------------------------------------------|----------------------|-------------|
| (Semis, Sliders, Pup and Transfers, etc.) | Per | Hour |
| | Ton | |
| April 1st, 1994 - \$2.40 per ton hour | | |
| 27 tons up to and not including 28 tons | | \$64.80 |
| 28 tons up to and not including 29 tons | | 67.20 |
| 29 tons up to and not including 30 tons | | 69.60 |
| 30 tons up to and not including 31 tons | | 72.00 |
| 31 tons up to and not including 32 tons | | 74.40 |
| 32 tons up to and not including 33 tons | | 76.80 |
| 33 tons up to and not including 34 tons | | 79.20 |

34 tons up to and not including 35 tons 81.60
35 tons up to and not including 36 tons 84.00

(v) **Tractor Rate**

April 1st, 1994 -
Up to and including 80,000 lbs. \$50.00
Over 80,000 lbs. 54.00

(6) **Tandems Pulling Company Owned Trailers**

(a) When pulling a Company owned trailer the legal load rate of the combination unit will be reduced by fifteen percent (15%).

i.e. 30 tons and up to but not including 31 tons
\$72.00 less 15% = \$61.20

(b) In the event a contractor does not have a piece of equipment available which is suitable to do the work, and providing a Company employee does not lose work as a result, an Owner Operator/Dependent Contractor may be employed to pull Company owned tilt trailer.

3. **OUT OF TOWN PROJECTS**

Where an Owner Operator/Dependent Contractor is hired by the Contractor and travels to a project or job more than eighty (80) kms (fifty (50) road miles) from the centre of any city, town or village in which the Owner Operator/Dependent Contractor resides, or travels from his previous job location to a project or job the following shall apply:

(i) **Travel Allowance**

He shall be paid thirty-one cents (31¢) per km, (fifty cents (50¢) per mile) for each km or mile travelled to the project only. In order to qualify for the above, the Owner Operator/Dependent Contractor must remain on the job or project for fifteen (15) calendar days. However, in the event the Owner Operator/Dependent Contractor is laid-off for lack of work when having been on the job less than fifteen (15) days, the Travel Allowance to the project shall be paid. If the Contractor fails to provide work and requires an Owner Operator/Dependent Contractor to stand-by for more than two (2) consecutive days, the Owner Operator/Dependent Contractor, at his option, shall be deemed to have been laid off.

(ii) **Room and Board**

On jobs outside the eighty (80) km (fifty (50) mile) limits as defined above, where a contractor provides camp facilities, room and board will be provided to the Owner Operator/Dependent Contractor at no cost including overtime meals when necessary.

(iii) **Out of Town Allowance**

Where camp facilities are not provided, an allowance of forty-five dollars (\$45.00) for each day worked will be paid in addition to the amounts outlined in (2) above.

This additional allowance is to supplement mobilization, fuel costs, room and board, and such other expenses incurred.

If the Owner Operator/Dependent Contractor is available for work on a normal work day and no work is supplied by the Employer he shall receive the above allowance.

When the Employer does not schedule work on Saturday and the Owner Operator/Dependent Contractor is available for work, he shall receive the above allowance.

4. **FLAT RATE & TON MILE RATE**

The right is reserved to negotiate a rock haul rate, a ton mile rate or a load rate where no scales are available, providing the rate is not less than the legal load rate.

When an Owner Operator/Dependent Contractor works on a project his average haul rate shall not be less than his hourly rate as contained in the Agreement and based on the following formula. On jobs less than 45 days the average will be taken for the duration of the project. On jobs more than 45 days duration, an averaging will be done in each calendar month, at no cost to the Owner Operator/Dependent Contractor or the Union. If there is a shortage, it is to be adjusted by the fifteenth (15th) day following the month worked; this adjustment shall be paid on a separate cheque. A Union representative shall be present at these negotiations. However, if a representative is not available, the rates established shall be submitted to the Union within five (5) working days.

5. **OVERTIME**

Eight dollars (\$8.00) per hour shall be paid for each hour worked in excess of seven and one-half (7 ½) hours per shift

and each hour worked on Saturdays, Sundays and General Holidays.

6. **CALL-OUT/STAND BY**

When an Owner Operator/Dependent Contractor reports for work as instructed and no work is provided, he shall receive one (1) hour's pay.

When an Owner Operator/Dependent Contractor is required to stand-by in excess of the call-out time, he shall be paid at the rate of hire for the first hour and at one-half ($\frac{1}{2}$) the rate of hire for each hour or portion thereafter.

7. **WORKING CONDITIONS**

Owner Operators/Dependent Contractors will be allowed two (2) breaks per shift of ten (10) minutes each in the same manner as employees with no deductions taken for such time.

8. **JOB STEWARD**

Where there is no Teamster Job Steward on a project in the employ of the Contractor, an Owner Operator/Dependent Contractor may be appointed as Job Steward by the Business Representative and such Job Steward shall be recognized and shall not be discriminated against. The Employer shall be notified in writing as to the name of the Steward. In the event of a lay off or reduction in the work force, the Job Steward shall be given preference of continued employment. Should the type of equipment or ability of the Owner Operator/Dependent Contractor be such that the preference of continued employment cannot be given and the Job Steward must be laid off, then the Business Representative must be notified of the reasons for lay off within twenty-four (24) hours.

The Union shall be notified in writing within forty-eight (48) hours if a Job Steward is discharged for cause and such cause shall be stated in the reasons.

Grievances concerning the discharge of Job Stewards may be submitted and are subject to the provisions of Clause XIII of the Agreement.

9. **FOREMAN**

Where it is agreed between the Employer and the Business Agent of the Local Union because of Specific Conditions existing on a job or project that no Teamster Foreman is required, a working foreman may be required. When an Owner Operator/Dependent Contractor is designated as a Working

Foreman, his all found rate shall be increased by the appropriate Foreman's increase.

10. **SAFETY**

Each Owner Operator/Dependent Contractor shall as a condition of employment be registered with the Workers' Compensation Board of B.C., either as an employer or as an independent operator and shall furnish proof of good standing with the Board with respect to current assessments. Each Owner Operator/Dependent Contractor shall be responsible for the safe operating conditions of his equipment.

11. **HOLD BACK**

The Contractor may hold back an amount not to exceed five percent (5%) of the gross amount earned by the Owner Operator/Dependent Contractor in the first sixty (60) days of employment.

Upon completion of employment, satisfactory proof must be furnished to the Contractor that all indebtedness and/or obligations incurred by the Owner Operator/Dependent Contractor in connection with the project on which he is engaged have been discharged.

Such holdback will be paid within twenty (20) days of the required proof being given. (Association to provide format of form for reimbursement.)

12. **METHOD OF PAYMENT**

Payment for work carried out each month shall be made by the last day of the following month.

Upon request, the Owner Operator/Dependent Contractor shall be entitled to an advance payable by the end of the first month of hire. This advance shall be in the amount of seventy percent (70%) of the value of work carried out between the date of hire and the thirtieth (30th) of the month.

These advances shall be deducted from the month end payments.

In the event that the Owner Operator/Dependent Contractor has not received payment for the previous month's billing as described above, interest of one and one-half percent (1 ½%) per month shall be applied to the overdue amounts.

13. **DUES SUPPLEMENT**

Dues Supplement shall be deducted in accordance with Clause XIV Dues Supplement of the Agreement.

14. **DAILY TIME REPORTS**

These reports will be submitted to the Contractor on the Standard Teamster report form or on a comparable form supplied by the Contractor.

1. The Chew Excavating Ltd. Agreement will apply (expiring February 28, 2004). This Agreement will apply to all work on Vancouver Island except Pulp Mill sites. Work performed on Pulp Mill sites will be paid as per current practice (Standard Road Builders Agreement). All work tendered outside Vancouver Island will be paid in accordance with the appropriate Road Builders Local addendum.
2. **Forty Hour Week** - In order to allow the employee to achieve a full forty (40) hour work week it is agreed:
 - (1) Any hours lost due to inclement weather or other causes can be made up during the week or on Saturday at straight time rates.
 - (2) This provision will be on a strictly voluntary basis by the employee.
 - (3) Should the employee refuse or be unable to make up lost hours the Company shall not discipline or harass such employee or this will be deemed a grievable offence.
3. The Company agrees to pay each employee a signing bonus of two hundred and fifty dollars (\$250.00) by May 2 upon ratification.
4. Terms of this Memorandum of Agreement are applicable upon ratification. Ballots for ratification will be by mail out and will be counted on April 17, 2003.

Signed this _____ day of _____, 2004.

UPLAND EXCAVATING LTD.

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

UPLAND TRUCKING LTD.

CONSTRUCTION AND SPECIALIZED WORKERS UNION, LOCAL 1611

UPLAND AGGREGATES LTD.

INTERNATIONAL BROTHERHOOD OF

