

COLLECTIVE AGREEMENT

BETWEEN:

INDUSTRIAL PLASTICS (1975) LTD.

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1518

DURATION OF AGREEMENT: September 18, 2003 – September 17, 2006

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MEMORANDUM OF AGREEMENT made this 2nd day of November, 2004.

BY AND BETWEEN:

INDUSTRIAL PLASTICS (1975) LTD.

a body corporate carrying on business at 3944 Quadra Street, Victoria, Province of British Columbia

(hereinafter referred to as the "EMPLOYER")

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL 1518,

chartered by the United Food and Commercial Workers International Union, A.F.L., C.I.O., C.L.C.

(hereinafter referred to as the "UNION")

INTRODUCTION

WHEREAS: The Employer and the Union desire to establish and maintain conditions which will promote a harmonious relationship between the Employer and the employees covered by the terms of this Agreement and desire to provide methods of fair and amicable adjustment of disputes which may arise between them. The Employer and the Union agree to abide by the terms as set out in this Agreement. The Union further agrees that it will at all times instruct its members to act in accordance with the terms contained in this Agreement. The Employer agrees, in the exercise of the functions of management, that the provisions of this Agreement will be carried out. This Agreement is further intended to foster a viable and successful business environment, thereby ensuring job security for all parties.

NOW THEREFORE: The Employer and the Union mutually agree as follows:

Section 1 - BARGAINING AGENCY

The Employer recognizes the Union as the sole and exclusive collective bargaining agency for all employees employed by the Employer, Industrial Plastics at 3944 Quadra Street in Victoria, B.C., with respect to rates of pay, wages, hours and all other conditions of employment set out in this Agreement.

Section 2 - UNION SECURITY

- (a) The Employer agrees to retain in his employ, within the bargaining unit as outlined in Section 1 of this Agreement, only members of the Union in good standing. The Employer will have new employees sign the check-off and Union membership application upon becoming an employee. The Employer shall be free to hire new employees who are not members of the Union, provided said non members, whether part or full-time employees, shall be eligible for membership in the Union and shall make application within ten (10) days after employment and become members within thirty (30) days.
- (b) The Employer agrees to provide each new employee at the time of employment with a form letter outlining to the employee his or her responsibility in regard to union membership, and to provide the Union in writing with the name and address of each employee to whom they have presented the form letter, along with the employee's date of hire. The Union shall bear the expense of printing the letter, the contents of the letter to be such that it is acceptable to the Employer. The Employer further agrees to provide the Union once a month with a list containing names of all employees who have terminated their employment during the previous month.

Section 3 - DEDUCTION OF UNION DUES

The Employer agrees to deduct from the wages of each employee, upon proper authorization from the employee affected, such initiation fees, union dues, fines and assessments as are authorized by regular and proper vote of the membership of the Union. The Employer further agrees to automatically deduct union dues from the wages of all new employees. The employee shall, within thirty (30) days after commencement of employment, provide the Employer with a signed authorization for such deductions. Monies 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 the following month, accompanied by a written statement of the name of each employee for whom the deductions were made and the amount of each deduction.

Union dues deducted by the Employer shall be shown on the employee's T4 slip.

The Union agrees to indemnify the Employer for any fines, dues, initiation fees or assessment improperly deducted and remitted to the Union on instructions to the Employer from the Union if such fines, dues, initiation fees or assessments are found to have been improperly deducted by a court of law or the Labour Relations Board.

Section 4 - CLERKS WORK CLAUSE

All work in the handling and selling of product will be performed by Bargaining Unit employees and management as per current practice. All work in the shop will be performed by Bargaining Unit employees and management as per current practice, except in the case of specialty work where equipment is not available to perform the function.

Section 5 - WORK WEEK AND STATUTORY HOLIDAYS

The Employer reserves the right to schedule hours of store operation, employee hours of work, rest periods, meal periods and overtime work, subject to the following provisions however nothing in this article is to be construed as a guarantee of hours of pay.

- (a) Basic Workweek: The basic workweek for full-time employees shall be forty (40) hours, consisting of five (5) eight (8) hour days.

Week in which Statutory Holiday Occurs: Commencing with their fifth (5th) week of employment, full-time employees shall receive forty (40) hours pay at straight time rates and shall work four (4) days, thirty-two (32) hours in a week in which one (1) statutory holiday occurs; three (3) days, twenty-four (24) hours in a week in which two (2) statutory holidays occur.

- (b) Statutory Holidays: The following days shall be considered statutory holidays: New Year's Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and all other public holidays proclaimed by the Federal, Provincial or Municipal Governments.

i) **Full-time employees will be paid a full day's pay for each Statutory Holiday listed above (eight (8) hours for each Statutory Holiday).**

ii) **Part-time employees who have completed one year of service will receive Statutory Holiday pay based on the following formula:**

– **An eligible employee with a regular schedule of hours who has worked at least fifteen (15) of the thirty (30) calendar days prior to a Statutory Holiday is entitled to a regular day's pay for the holiday.**

– **An eligible employee who has worked irregular hours on at least fifteen (15) of the thirty (30) days prior to a Statutory Holiday is entitled to an average day's pay for the holiday. To calculate an average day's pay, divide the total wages earned in the thirty (30) day period (excluding overtime) by the number of days worked.**

– **An eligible employee who has worked fewer than fifteen (15) of the thirty (30) days prior to a Statutory Holiday is entitled to pro-rated Statutory Holiday pay. Pro-rated Statutory Holiday pay is calculated by dividing the total wages earned in the thirty (30) day period (excluding overtime) by fifteen (15).**

– **Part-time employees who have less than one (1) year of service will receive statutory holiday pay as per the Employment Standards Act of B.C.**

- (c) The Employer shall post the weekly work schedule on a monthly basis (i.e.), January, February, March, etc. The schedule will be posted for the next month at least one week prior to the end of the current monthly schedule. The Employer may change the schedule provided the employee has been given forty-eight (48) hours notice. If the employee is not given forty-eight (48) hours notice, the employee will be paid four (4) hours pay at straight

time rates. The schedule may be changed without notice in the case of accident, unforeseen illness or cases of *force majeure*. In the above cases there will be no penalty. There will be no penalty if the shift is changed by mutual agreement.

The Employer agrees to maximize hours by seniority on a daily basis. Employees may maximize hours between classifications provided they have the seniority and ability to do the job without a training or trial period. Employees who wish to maximize hours between classifications shall apply in advance for the extra shifts and if the Employer deems the employee not acceptable, the Employer will then advise the employee what experience or education they require in order to be capable of performing the job.

- (d) Meal Periods: For shifts of eight (8) hours duration, there will be a (1) hour meal period near the middle of the shift unless a lesser time is mutually agreed upon. Shifts of seven (7) hour duration will have a one-half (1/2) hour meal period. Shifts of five (5) hours or six (6) hours will have a one-half (1/2) hour meal period.
- (e) Rest Periods: Shifts of seven (7) hours or eight (8) hours will have two (2) fifteen (15) minute paid breaks, one break before the unpaid meal period and one break after the unpaid meal period. Shifts of five (5) hours or six (6) hours shall be entitled to one (1) fifteen (15) minute break in addition to the unpaid meal period.
- (f) Recording of Employee Time: The Employer shall provide each store with a time sheet in order to enable employees to record their time for payroll purposes. Employees shall record their own time at the time they start and finish work.

If the Employer introduces electronic time-keeping this will come into effect for recording time as to start and stop times of shifts.

- (g) Overtime shall be compensated at the rate of one and one-half (1-1/2) times the employee's regular rate of pay for the first two (2) hours over eight (8) in a day and two (2) times the employees' regular rate over ten (10) hours in a day. Employees will not be required to answer alarm emergencies. Meal allowance of ten dollars (\$10.00) will be provided if an employee is required to work more than two and one-half (2-1/2) hours overtime in a day and the Employer has not provided a meal. Any overtime worked in the course of inventory taking will be compensated at one and one-half (1-1/2) times the employee's regular rate of pay.
- (h) Shift Interval: There will be an interval of twelve (12) hours between shifts. If there is not a twelve (12) hour interval, the employee will be compensated at the applicable overtime rates.

(e.g.): Friday shift ends at 9:00 p.m. - Saturday shift commences at 5:00 a.m. Employee would be entitled to one and one-half (1-1/2) times regular rate between 5:00 a.m. and 7:00 a.m. and two (2) times the regular rate of pay between 8:00 a.m. and 9:00 a.m. on Saturday.

Section 6 - CLASSIFICATION OF EMPLOYEES

- a) Customer Service Representative
- b) Shipper/Receiver
- c) Shop Fabricator

There shall be a committee struck, with representation of one (1) employee from each classification and management personnel as appointed by the General Manager. The committee's function will be to develop job descriptions for these three classifications in the store.

Section 7 - WAGES

- (a) Payment of Wages: There shall be a bi-weekly pay day and each employee shall be provided with a statement of earnings and deductions on or before payday. All payment will be by direct deposit, unless separation occurs. Deposits will be transferred into the account and branch of the bank specified by the employee on or before 10:00 a.m. on the Friday following the close of each biweekly pay period. Pay periods shall end on Saturday of the biweekly pay period.
- (b) All employees shall be paid their regular hourly rate for each hour worked except where employed for less than four (4) consecutive hours per day, in which case they shall receive a minimum of four (4) hours pay. An employee who is called for work and upon reporting finds that his or her services are not required shall receive four (4) hours pay, except in the case where an employee leaves of their own accord prior to the expiration of four (4) hours from the start of their shifts. In this case, the employee will be compensated for the actual time worked.
- (c) Jury and Witness Pay: An employee summoned to Jury Duty or Witness Duty, where subpoenaed in a court of law, or where subpoenaed to an Arbitration Hearing or Labour Board Hearing by the Employer, shall be paid wages amounting to the difference paid them for their services and the amount they would have earned had they worked on such days up to a maximum of three (3) days.. Employees performing the said service shall furnish the Employer with such Statements of Earnings as the courts may supply.

Employees shall return to work within a reasonable period of time. They shall not be required to report if less than two (2) hours of their normal shift remains to be worked. Total hours on Jury Duty or Witness Duty and actual work on the job in the store in one (1) day shall not exceed eight (8) hours for purposes of establishing the basic workday. Any time worked in the store in excess of the combined total of eight (8) hours shall be considered overtime and paid as such under the Contract.

An employee's day(s) off will not be altered to circumvent the foregoing.

- (d) Staff Meetings: Any mandatory staff meeting after normal hours, called by the Employer, will be paid at overtime rates, where the employee has worked more than eight hours in that day. If an employee is not working that day, they will receive four (4) hours call-in pay.

- (e) Physical Examinations: Where the Employer requires an employee to take a physical examination, doctor's fees for such examination shall be paid by the Employer. Except prior to commencement of employment and the first four (4) weeks of employment, such examinations shall be taken during the employee's working hours without loss of pay to the employee.

Section 8 - VACATIONS WITH PAY - LEAVES OF ABSENCE

- (a) Vacation Period for all employees shall be from January to December. Subsequently, January 1 will become the common vacation anniversary date.

NOTE: Vacation entitlement eligibility will begin after the applicable year has been completed.

- (b) Up to one (1) yearprorated based on two (2) weeks vacation.
(i.e.): Such time off to be taken only after one (1) year's completion of service. If a new employee starts work on April 1, they would be entitled to nine-twelfths (9/12) vacation in the following year. Nine-twelfths (9/12) x ten (10) = seven and one-half (7-1/2) days vacation.

- (c) One (1) year up to five years:two (2) weeks four percent (4%)

- (d) Six (6) years up to eleven (11) years:three (3) weeks six percent (6%)

- (e) Twelve (12) years or more.....four (4) weeks eight percent (8%)

- (f) Should a Statutory Holiday fall while an employee is on vacation, they shall be entitled to an additional day off with pay.

- (g) The following shall be considered as time worked for the purpose of qualifying for a vacation:

1. Time spent on earned vacation
2. Time spent on Statutory Holidays
3. Time spent on Jury duty
4. Time absent from work because of compassionate leave.

- (h) Two (2) weeks of an employee's paid vacation may be consecutive and given during the regular vacation period of January 1 to December 31.

However, an employee entitled to greater than two (2) weeks may apply to have all of their vacation run consecutively so long as no part of that vacation conflicts with another employee's right to the minimum consecutive entitlement. The Employer cannot unreasonably deny such approval.

Selection of vacation will be on the basis of seniority within the bargaining unit.

The Employer has the right to declare two (2) weeks in the prime time (June, July and August) unavailable for Bargaining Unit vacation selection.

- (i) Vacations must be taken in units of not less than one (1) week unless the employee requests otherwise and it is approved by the Manager except in the case of new hires who may not have earned a complete week.
- (j) Compassionate Leave: In the event of death in the immediate family, an employee who has completed one (1) year of service will be granted paid time off of up to three (3) days ending on the day of the funeral. Five (5) days compassionate leave with pay will be granted in the event of death of the employee's spouse, children or foster children. In the case of a funeral that is more than five hundred (500) miles from the employee's location, the employee will be granted an additional unpaid time off of up to five (5) days. An unpaid extension of up to (2) two weeks will be granted at the request of the employee. Immediate family is defined as wife, husband (including common-law relationships), children, brother, sister, mother, father, mother-in-law or father-in-law, grandparents. Employees with less than one (1) year of service shall be covered by the Employment Standards Act.
- (k) Pregnancy Leave: A pregnant employee may request an unpaid leave of up to eighteen (18) consecutive weeks. In doing so the leave may:
 - i) begin no earlier than eleven (11) weeks before the expected birth date; and
 - ii) end no earlier than six (6) weeks after the actual birth date unless the employee requests a shorter leave.

An employee who requests leave under this sub-section after the birth of a child or the termination of a pregnancy is entitled to up to six (6) consecutive weeks of unpaid leave beginning on the date of the birth or of the termination of the pregnancy.

An employee is entitled to up to six (6) additional consecutive weeks of unpaid leave, if for reasons related the birth or the termination of the pregnancy she is unable to return to work when her leave ends as stated above.

A request for leave must be given in writing to the Employer, and if the request is made during the pregnancy, be given to the Employer at least four (4) weeks before the day the employee proposes to begin leave, and if required by the Employer, be accompanied by a medical practitioner's certificate stating the expected or actual birth date or the date the pregnancy terminated or stating the reasons for requesting additional leave.

A request for a shorter period must be given in writing to the Employer at least one (1) week before the date the employee proposes to return to work, and if required by the Employer, be accompanied by a medical practitioner's certificate stating the employee is able to resume work.

- (l) Parental Leave: Employees may request an unpaid parental leave of up to twelve (12) consecutive weeks as follows:

- i) for a birth mother, immediately after the end of the leave taken under (a) above;
- ii) for a birth father, after the child's birth and within fifty-two (52) weeks after that event;
- iii) for an adopting parent, within fifty-two (52) weeks after the child is placed with the parent.

If the child has a physical, psychological or emotional condition requiring an additional period of parental care, the employee is entitled to up to five (5) additional weeks of unpaid leave, beginning immediately after the end of the leave taken under this subsection.

Requests for such leave must be in writing to the Employer and accompanied by a medical practitioner's certificate or other evidence of the employee's entitlement to the leave. Such requests are to be made at least four (4) weeks before the employee proposes to begin the leave.

Section 9 - HEALTH AND WELFARE PLAN

- (a) The current Company Plan will take effect as per the date of ratification.
- (b) The Company to supply Health & Safety Committee.
- (c) Employees will earn one (1) sick day every two (2) months up to a maximum of six (6) sick days in any one year.

Unused sick days may be taken as specified below in cash or may be taken as time off the following year. Employees who opt for the time off in lieu provision will be paid a full day's pay for each accumulated/ earned day. Further, employees must declare which provision they choose by December 1 of each year for the following year. Further, vacation or regular days off take precedence over the granting of an unused sick day off.

Unused sick days for each year will be paid out with a sixty dollar (\$60.00) premium per sick day at the end of the year. Such payment will be prior to Christmas.

Employees may, at their option, request that one (1) sick day be carried over into the next year to cover the first two (2) months of the following year. Such carry-over may only be necessary once provided there are unused sick days in the following year. At no time may there be more than one (1) day maximum carry-over in the following year.

Section 10 - LAYOFF AND RECALL

- (a) In the event of a lay-off, the Employer agrees that employees shall be laid-off in reverse order of seniority in their classification.

- (b) An employee laid-off in one classification shall be given the opportunity of displacing (bumping) an employee with less bargaining unit seniority in another classification.

The employee bumping must have the skill and ability to perform the job without a training or trial period.

- (c) In order for employees to obtain the skill and ability to perform other jobs in other classifications, the Employer will make available training devices, such as videos, training seminars, manuals, vendor catalogues, and computer software training courses. The employees will be responsible for taking this training on their own time.

Section 11 - SEVERANCE PAY

The Employer agrees to provide eight (8) weeks notice in lieu for closure of the business plus one (1) week's severance pay. Failing such notice severance shall be paid, pro-rated, based on the following scale:

Three (3) months to one (1) year service.....	One (1) week severance
After one (1) year service to three (3) years.....	Two (2) weeks severance
Three (3) years service.....	Three (3) weeks severance
After three (3) service.....	One (1) additional week of severance per year up to a maximum of eight (8) weeks severance

Section 12 - SENIORITY

- (a) Bargaining Unit seniority shall mean the length of continuous service with the Employer and shall be based on the start date with the Company.
- (b) Job Postings All employees will be given the opportunity to train for other positions in the Bargaining Unit. At the end of an employee's probation period, the Employer will provide a form outlining this program. The Union and the Company will meet to produce the form.

Section 13 - MANAGEMENT RIGHTS

- (a) The Company retains and shall maintain and exercise all managerial authority and prerogatives, subject only to the terms and provisions of this contract.
- (b) Probationary Period: All newly hired employees shall be considered as probationary employees for the first ninety (90) calendar days of employment. There shall be no responsibility on the part of the Company respecting employment of probationary employees should they be laid off for lack of work or discharged for proper cause during the probationary period. The Employer agrees to provide the probationary employee with a written appraisal after thirty (30) days and again after sixty (60) days.
- (c) Job Posting: If jobs in any classification covered by this contract become available, they shall be posted within the store for a period of seven (7) calendar days. Job postings will

be filled by bargaining unit seniority providing the employee has the skill and ability as set out in Section 10 (c).

Section 14 - GRIEVANCE PROCEDURE

- (a) Any complaint, disagreement or difference of opinion between the parties hereto concerning the interpretation, application, operation or any alleged violation of the terms and provisions of this Agreement shall be considered a Grievance.

Grievances shall be presented in writing and shall clearly set forth the Grievance and the contentions of the aggrieved party, following which the Union Representative or Representatives and the Employer Representative or Representatives shall meet and, in good faith, shall earnestly endeavour to settle the Grievance submitted. If a satisfactory settlement cannot be reached or if the party on whom the Grievance has been served fails to meet the other party within fourteen (14) days of receiving the written Grievance, either party may, by written notice served upon the other, require submission of the Grievance to a Board of Arbitration, such Board to be established in the manner provided in Section 15 of this Agreement.

- (b) Grievances (or intentions to grieve) involving the dismissal or layoff of an employee must be submitted to the Employer within ten (10) working days from the date of dismissal or layoff or be waived by the aggrieved party.
- (c) Any employee alleging wrongful dismissal may place his or her allegation before the Union Representative and, if the Union Representative considers that the objection of the employee has merit, the dismissal shall become a Grievance and be subject to the Grievance Procedure as established by this Agreement.
- (d) The Employer agrees to reply in writing as to the disposition of all Grievances submitted by the Union.

Section 15 - ARBITRATION

- (a) The Board of Arbitration shall be composed of three (3) members and shall be established as follows: (The parties may, by mutual consent, agree upon a single Arbitrator).

Within ten (10) working days (excluding Sundays and holidays) following receipt of such notice, the Employer and the Union shall each select a representative to serve on the Board of Arbitration. The representative of the Employer and the representative of the Union shall, within five (5) days (excluding Sundays and holidays) after they have both been selected, choose an additional member to act as Chairperson. In the event of failure of the nominees of the Union and the Employer to agree upon a Chairperson within the five (5) day period specified, the Minister of Labour of British Columbia shall be immediately requested to name a third member who shall act as Chairperson of the Board of Arbitration.

Within five (5) days of the appointment of the impartial Chairperson, the Board of Arbitration shall sit to consider the matter in dispute and shall render a decision within

fourteen (14) days after its first session. It is understood and agreed that the time limits as set forth herein may be altered by mutual agreement between the Employer and the Union.

No person shall serve on a Board of Arbitration who is involved or directly interested in the controversy under consideration. Grievances submitted to an Arbitration Board shall be in writing and shall clearly specify the nature of the issue.

In reaching its decision, the Board of Arbitration shall be governed by the provisions of this Agreement. The Board of Arbitration shall not be vested with the power to change, modify or alter this Agreement in any of its parts, but may, however, interpret its provisions. The expense of the impartial Chairperson shall be borne equally by the Employer and the Union unless otherwise provided by law.

The findings and decision of the Board of Arbitration shall be binding and enforceable on all parties. A decision of a majority of the Board of Arbitration shall be deemed to be a decision of the Board.

- (b) In the case of discharge which the Board of Arbitration has determined to have been for an improper cause, the Board shall order the reinstatement of the employee and shall award him or her full or part back-pay.
- (c) Expedited Arbitration: Expedited Arbitration may be proposed by the Union or the Employer within forty-five (45) days after the grievance has been filed as per Section 14 (a).
 - (a). Within seven (7) days of referral to Expedited Arbitration, either party must respond as to their decision to proceed to Expedited Arbitration or Arbitration under Section 15 (a).
 - i) Access to the Expedited Arbitration procedure shall be limited to discharge cases, and other cases provided Expedited Arbitration is invoked within forty-five (45) days of the grievance being filed, as per Section 14 (a) and (b).
 - ii) Within seven (7) days of being referred to Expedited Arbitration, an attempt to mediate the dispute shall be made.
 - iii) If mediation should fail, an Expedited Arbitration shall be held no less than ninety (90) days after referral to Expedited Arbitration.
 - iv) A final and binding decision will be handed down within twenty (20) days of the Expedited Arbitration case being held.
 - v) Within sixty (60) days of ratification the Employer and Union shall develop a list of Arbitrators that are agreeable to both parties.
 - vi) Matters not referred to Expedited Arbitration may be referred by either party to the regular Arbitration procedure as contained in Section 15 (a) and all Arbitrations referred under Section 15 must be held within ninety (90) days of referral to Arbitration and a decision must be rendered within twenty (20) days of the Arbitration being presented.

Section 16 - TIME OFF FOR UNION BUSINESS - STORE VISITS

- (a) Union Business: All employees will be granted time off to attend to Union business. While on Union business, the Union will pay the employee's regular hourly rate. The employee will suffer no loss of benefits while attending Union business. The Employer will be provided with two (2) weeks notice in writing by the Union and one (1) employee at a time will be granted time off.
- (b) Store Visits of Union Representatives: Duly authorized representatives of the Union shall be entitled to visit the stores for the purpose of observing working conditions, interviewing members and unsigned employees and to ensure that the terms of the Collective Agreement are being implemented.

It is understood that the Union Representative will endeavour to minimize disruptions to the work place during store visits.

Section 17 - SHOP STEWARDS RECOGNITION

The parties agree that Shop Stewards play an important role in the interpretation, implementation and overseeing of the Collective Bargaining Agreement. As well they are a direct liaison between management and employees and shall be treated as such.

The Parties further agree that pursuant to Section 18 (k), the following general provisions shall govern:

- i) The Shop Steward will be involved in meetings or discussions with employees which will result in discipline wherever possible.
- ii) The nature of this involvement should include briefing the Shop Steward in advance or calling the employee to the discipline interview and could result in input from the Shop Steward which assists in the completion of the interview.
- iii) Where a Shop Steward is not on duty and discipline must proceed, the same practices should be followed with a designated witness. However, a concerted effort shall be made to include your Shop Steward in these matters wherever possible.

Section 18 - MISCELLANEOUS

- (a) Maintenance of Adequate Heating/Cooling Facilities: In keeping with the current situation, the Employer agrees to maintain adequate heating/cooling facilities/ventilation in all areas.
- (b) Union Decal: The Employer agrees to display the official Union decal of the United Food & Commercial Workers International Union in a location where it can be seen by customers.

- (c) Wearing Apparel: The Employer will provide vests and/or shirts to all employees and will launder same. The Employer will provide coveralls in the shop and paint smocks for mixing paint and shall launder same.
- (d) Charitable Contributions: Employee donations to charity funds shall be on a strictly voluntary basis.
- (e) Time off to Vote: The Employer agrees that he will comply with any law requiring that employees be given time off to vote.
- (f) Picket Lines: The Employer agrees that in the event of a legal picket line of another trade union being in existence at the Employer's tore, the Employer will in no way require or force members to report to work behind such a picket line. Nor will the Employer discipline or in any way discriminate against an employee who refuses to report to work while a legal picket line exists at this or her place of work.
- (g) Deemed Time Worked: Paid vacations for all employees and statutory holidays for all employees shall be considered as time worked for all purposes of the Collective Agreement.
- (h) Bulletin Boards: A bulletin board will be supplied by the Union and will be placed in lunchrooms. It is understood that these bulletin boards are the property of the Union and shall be for their exclusive use.
- (i) Harassment: The Union and Company support a personal harassment, sexual harassment and racial harassment free work environment.
- (j) Personnel File: A copy of formal discipline report to be entered on an employee's file will be given to the employee. The employee will be required to sign Management's copy. Such signature will indicate receipt of formal reprimand only. Subject to giving the Employer advance notice, employees shall have access to their personnel file.
- (k) Discipline Interview: Where an employee attends an interview with Management for the purpose of receiving a formal discipline report or for a security interview, the employee upon request shall have the right to be accompanied by a steward or another employee of the bargaining unit of the employee's choice. In any event the person chosen must be currently on the same shift.
- (l) No Discrimination: Both the Employer and the Union endorse the principles outlined in the B.C. Human Rights Act.

Section 19 - EXPIRATION AND RENEWAL

The Collective Agreement shall take effect **September 18, 2003** and shall continue in full force and effect to **September 17, 2006**. and from year to year thereafter, subject to the right of either party to the Agreement, within four (4) months immediately preceding **September 17, 2006**, or any anniversary date thereafter to:

- (1) terminate the Agreement, in writing, effective **September 17, 2006** or any subsequent anniversary thereof
- (2) require the other party to this Agreement, in writing, to commence collective bargaining to conclude a revision or renewal of this Agreement.

Should either party give notice pursuant to (2) above, this Agreement shall thereafter continue in full force and effect and neither party shall make any change in the terms of the said Agreement, or increase or decrease the rate of pay of any employee for whom collective bargaining is being conducted, or alter any other term or condition of employment until:

- (1) The Union gives notice of strike in compliance with the *Labour Relations Code* of British Columbia, or
- (2) The Employer gives notice of lockout in compliance with the *Labour Relations Code* of British Columbia.

The operation of Section 50(2)(3) of the *Labour Relations Code* of British Columbia is hereby excluded.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto this _____ day of _____, _____.

FOR THE UNION:
 UNITED FOOD & COMMERCIAL WORKERS
 UNION, LOCAL 1518

FOR THE EMPLOYER:
 INDUSTRIAL PLASTICS (1975) LTD.

Brooke Sundin
 President

D. Flaig

APPENDIX - WAGE GRID

Employees hired prior to ratification April 10, 2001

	CUSTOMER SERVICE REP	SHIPPER/ RECEIVER	SHOP FABRICATOR
<i>Start Rate</i>	\$ 9.00	\$ 9.00	\$8.00
<i>After three (3) months</i>	\$10.00	\$10.00	\$ 10.00
<i>After twelve (12) months</i>	\$11.25	\$11.00	\$11.00
<i>After twenty-four (24) months</i>	\$13.25	\$12.50	\$14.00

Employees hired after ratification April 10, 2001

	CUSTOMER SERVICE REP	SHIPPER/ RECEIVER	SHOP FABRICATOR
<i>Start Rate</i>	\$8.50	\$8.50	\$8.00
<i>After three (3) months</i>	\$9.50	\$9.00	\$9.50
<i>After twelve (12) months</i>	\$10.00	\$9.50	\$10.50
<i>After twenty-four (24) months</i>	\$11.50	\$10.75	\$11.00
<i>After thirty-six (36) months</i>	\$12.50	\$11.75	\$12.25

ATTACHMENT 1

Employee Bonus Program

Historically our Gross Profit hovers around 38.0%.

Cost of Goods Sold is therefore 62%.

Our Wage Costs expressed as a percentage of the Gross Profit Dollars generated by the operation is 46% and that leaves 54% to pay rent, telephones, heat, light, insurance, interest and all of the other expenses required to operate this business, not to mention some profit for the owners.

With almost half of the Profit Dollars generated by this business going to pay Wages, our objective is to decrease this percentage so more of the GP dollars get to the bottom line. We are prepared to share some of that anticipated profit increase with the employees who can help to make it happen.

In order to lower the wage percentage, we can increase Sales and/or Gross Profit percent or decrease the Wages. Of course the net effect of any changes would rely on no opposing changes in the other elements. In other words, an increase in Wages or a decrease in Gross Profit might reduce or offset the effect of an increase in Sales.

The number we are focusing on is the percentage that Wages are of Gross Profit Dollars.

Example:

Sales	\$1000	100%
Cost of Product Sold	\$ 620	62% of Sales
Gross Profit	\$ 380	38% of Sales
Wages	\$ 175	46% of GP
Available for Expenses and Profit	\$ 205	

So with this background, here is the plan:

If the Wage Percent goes below 45% then we will share one-half of the profit generated by this reduction with the Bargaining Unit staff to a maximum annual amount of \$1600 per staff member.

1. The calculation will be done at the close of each year after the year-end inventory is final and all adjustments are made so the closing Gross Profit can be verified.
2. This Bonus Program may be subject to change. (This is necessary because expenses that we are unable to control may increase to a level that makes this Bonus Program unsuitable. Examples of these types of costs would be insurance rates or basic rents.)

3. To be eligible a staff member must have been employed with the Company for the entire twelve (12) months of the year the Bonus is based on.
4. The Employee's A/R account must be current, otherwise the Company is authorized to use all or a portion of any Bonus due to settle the A/R account before payment is made to the Employee.

Bonus Scenarios

Base Year: February 2003 to January 2004

Base Pool Participants: 6

Scenario 1

8% Increase in Sales over Base Year
 Wage Costs remain equal to Base Year
 Gross Profit remains equal to Base Year

Bonus Pool \$ = \$3,654.00, or\$0.29 per hour per member

Scenario 2

8.6% Increase in Sales over Base Year
 1% Increase in Gross Profit of Base Year
 Wage Costs remain equal to Base year

Bonus Pool \$ = \$9,600.00, or\$0.77 per hour per member

AGREED TO THIS 2nd DAY of November, 2004.

FOR THE UNION:
 UNITED FOOD & COMMERCIAL WORKERS
 UNION, LOCAL 1518

FOR THE EMPLOYER:
 INDUSTRIAL PLASTICS (1975) LTD.

Brooke Sundin
 President

D. Flaig

LETTER OF UNDERSTANDING #1

RE: Customer Service Rep/ Inside/ Outside Sales

The Employer may, during the life of this Collective Agreement, introduce a new classification of "Customer Service Rep/ Inside/ Outside Sales." If the Employer chooses this option the Employer will negotiate the terms of this classification, including wages and benefits with the Union in advance of the introduction of this classification.

AGREED TO THIS 2nd DAY of November, **2004.**

FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS
UNION, LOCAL 1518

FOR THE EMPLOYER:
INDUSTRIAL PLASTICS (1975) LTD.

Brooke Sundin
President

D. Flaig

LETTER OF UNDERSTANDING #2

RE: Vacation Settlement

In an interest of settlement the parties agree that the following employees will enjoy a further week of paid vacation for the year ending 2004.

- Ron Jones
- Travis Leask
- Norman Pletz
- Mark Nicholls

This agreement is without prejudice and precedent.

AGREED TO THIS 2nd DAY of November, 2004.

FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS
UNION, LOCAL 1518

FOR THE EMPLOYER:
INDUSTRIAL PLASTICS (1975) LTD.

Brooke Sundin
President

D. Flaig

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