

COLLECTIVE AGREEMENT

2005- 2009

BETWEEN

T-Mar Industries Ltd

and

USWA Local 1-363

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COLLECTIVE AGREEMENT

BETWEEN: **T-MAR INDUSTRIES LTD.**
(Hereinafter known as the “Company”)

(OF THE FIRST PART)

AND: **UNITED STEEL WORKERS OF AMERICA**
LOCAL 1-363
(Hereinafter known as the “Union”)

(OF THE SECOND PART)

PREAMBLE:

The purpose of this Agreement is to secure for the Management, the Union and the Employees the full benefits of orderly and legal collective bargaining, and to ensure to the utmost extent possible the safety, efficiency, quality and physical quantity of output, and protection of property. It is recognized by this Agreement to be the duty of the Management and the Union and the employees to co-operate fully, individually and collectively for the advancement of said conditions. Employment at T-Mar is based on the principle of pay for hours worked.

The Management, the Union and the employees agree to abide by the terms 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 the Agreement. The management agrees, in the exercise of the functions of management, that the provisions of this Agreement will be carried out.

ARTICLE I – BARGAINING AGENCY

Section 1: Recognition

- (a) The Management recognizes the Union (USW Canada Local 1-363) as the bargaining agent for the employees at and from 5791 Duncan Bay Rd., Campbell River, B.C. except clerical, sales, supervisors.
- (b) It is agreed that when a dispute arises as to whether or not a person is an employee within the bargaining unit, it shall be subject to the grievance procedure as provided in Article XX, Section 1, Step Four and in the event of failure to reach a satisfactory settlement it shall be dealt with by arbitration as set forth in Article XXI, Section 1.
- (c) The Company agrees that the use of Contractors will be limited and will not exceed 450 hours in any single occurrence without consultation with the Shop Committee. The Company will notify the Local Union when they intend to use a contractor and which contractor they are planning on using. It is agreed that the contractor will only be used to cover short term spikes in production. It is also agreed that any such contractor will be required to have the same skill sets and experience as company employees are required for the same type of work. Contractors will be bonafide contractors and will not contract to the company to do work that would normally be done by company employees without prior consultation between the company and the plant committee.

- (d) The Union agrees to issue a withdrawal card to employees transferred from the bargaining unit to a job outside the bargaining unit providing that no dispute arises within the meaning of Clause (b) herein.

Section 2: Meetings

The Management and the Union will meet at such time and place as may be mutually agreed upon. Both parties agree to be responsible for their own expenses that may be incurred as a result of the meetings. It is intended that meetings will be held quarterly.

Section 3: Bargaining Agency

The Party of the First Part agrees that the bargaining authority of the Party of the Second Part shall not be impaired during the term of this Collective Agreement. The Party of the First Part agrees that the only certification that they will recognize during the term of this Agreement is that of the Party of the Second part, unless ordered by due process of law to recognize some other bargaining authority.

Section 4: Access to Operation

Official Union representatives shall obtain access to the company's operation for the purpose of this Agreement by permission, which will be granted by the Management on request and subject to such reasonable terms, and conditions as may be laid down by the Management. Union business will be conducted during breaks and outside of scheduled work hours, unless there is mutual agreement for other times.

ARTICLE II – EMPLOYER'S RIGHTS

Section 1: Management and Direction

The Management and the operation of, and the direction and promotion of the working forces is vested exclusively in the Management; provided, however, that this will not be used for purposes of discrimination against employees.

Section 2: Hiring and Discipline

The Management shall have the right to select its employees and to discipline or discharge them for proper cause.

ARTICLE III – UNION SECURITY

Section 1: Co-Operation

The management will co-operate with the union in working to obtain and retain as members the employees as defined in this agreement and to this end will present this agreement to all new employees and to all supervisors and foremen the policy herein expressed.

Section 2: Union Shop

All non-excluded employees shall within thirty (30) calendar days after the execution of this agreement, or thirty (30) calendar days after entering employment, whichever date last occurs, become members of the union and maintain membership therein throughout the term of this agreement, as a condition of continued employment.

Section 3: Maintenance of Membership

Any employee who is a member in good standing, or is reinstated as a member of the union shall as a condition of continued employment maintain such membership in good standing throughout the term of this agreement.

Section 4: Discharge of Non-members

Any employee who fails to maintain his membership in the union as prescribed herein by reason of refusal to pay dues and assessments shall be subject to discharge after seven (7) days written notice to the Management of the said employee's refusal to maintain his membership.

Section 5: Union Membership

- (a) No employee shall be subject to any penalties against their application for membership or reinstatement, except as may be provided for in the United Steelworkers Constitution, and in accordance with the By-Laws of Local 1-363.
- (b) Any employee who applied to join the union pursuant to the provisions herein and whose application is rejected by the union shall not be subject to discharge from employment.

Section 6: Check Off

The Management shall present all new employees at the time of hiring the assignment of wages in duplicate, the forms to be supplied by the Union, said forms to be forwarded to the Union not later than fifteen (15) calendar days following the date of hiring.

USW CHECK OFF and wage assignment form as provided by the USW

This assignment in the case of employees already members of the Union shall be effective immediately, and for those employees not previously members of the Union, it shall become effective thirty (30) calendar days from the date of execution.

The Local Union shall notify the Management by letter of the amount of back dues owed by new employees and copies of such letter shall be furnished to the employee and the Shop Committee. Specific assignment must be provided by the employee before back due funds can be remitted by the company on behalf of the employee.

The Management shall remit the dues deducted pursuant to such assignment (until and unless said assignment is revoked by the employee) to the Local Union named therein not less often than once each month, with a written statement of names of the employees for whom the deductions were made and the amount of each deduction.

Section 7: Social Insurance Number

The Management shall furnish the Union with Social Insurance Number of each employee on its payroll on the first occasion when dues are forwarded to the Union after the execution of this Agreement or after the employee enters the employment of the Company whichever date last occurs.

ARTICLE IV – SHOP COMMITTEE

Section 1: Definition

For the purpose of this Agreement when the term “Shop Committee” is used, it shall mean Shop or Plant Committee, members of which are designated by the Union.

Section 2: Composition

- (a) The Shop Committee shall consist of not less than two (2) active employees and not more than five (5) active employees with completed probationary period of employment who are member of the Union and, wherever possible, they shall be elected on a representational basis.
- (b) Meetings between the Shop Committee and Management will be scheduled to discuss concerns which may arise from time to time.

Section 3: Notification

The Union will, within sixty (60) days from the date of this Agreement, notify the Management in writing of the members on the Shop Committee. The Union or Shop Committee will inform the Management in writing when any member change takes place on the said committee. No member of the Shop Committee will be recognized by the Management unless the above procedure is carried out.

Section 4: Exceptions

The provision of Section 1,2 and 3 will not apply in reference to:

- (a) Article XIV – Accident Prevention Committee, where the members are designated according to the provisions of the Workers’ Compensation Act.

ARTICLE V – HOURS OF WORK

Section 1: Hours and Overtime

- 1) Management will schedule the hours of work and will consult with the shop committee prior to schedule changes and will review the schedules at the scheduled management/union meetings.

- 2) The regular schedule will be 5 days at 8 hours per day or 4 days at 10 hours per day but not more than 40 hours a week unless an averaging agreement is made in advance.
- 3) Overtime would be at the appropriate rate after the regular shift in any one day or forty hours in any one week, as follows;
 - (i) Overtime rate of rate and one-half for hours worked up to and including the twelfth (12th) hour on a 10 hour shift and up to and including the eleventh (11th) hour on an eight (8) hour shift.
 - (ii) Overtime rate of double straight-time rates shall be paid for hours worked more than twelve (12) hours on a ten (10) hour shift and for hours more than eleven(11) on an eight (8) hour shift.
 - (iii) When an employee is working an overtime day all hours worked will be at time and one half up to and including the tenth (10th) hour of work and double time for the eleventh (11th) and subsequent hours of the overtime day.

Only straight time hours will be used to calculate total hours for weekly overtime. It is agree that scheduled rest days will attract overtime day premiums unless it is agreed in advance that it is a regular time make up day for lost time.

- (iv) Overtime travel will always be paid at rate and one-half except travel for training which will always be at straight time.
- (v) Where practicable, Management will offer overtime amongst employees commencing with the most senior employees who are on the shift in the classification(s) where overtime is required subject to competency requirements of the tasks.
 - (i) However should not enough volunteers be available, the most junior competent employee(s) in the classification may be required to work.
 - (ii) Assignment of overtime will always be subject to continuity in projects and to the competency requirements of the tasks.
 - (iii) It is agreed that overtime may be necessary in order to respond to the efficient operation and service requirements of the business. However no employee may be required to work more than twenty (20) hours overtime per pay week.

Section 2: Hours Of Work

- (a) Shift start times will be flexible to meet the needs of the business in responding to customer requirements. Shift start times will be reviewed at three months and if necessary fixed shift start times will be established.
 - (i) In order that employees may attend medical appointments with a minimum loss of work, the Company will allow flexibility for employees to reschedule their lunch break.
 - (ii) Shift rotation as traditionally done may be maintained.

- (b) The Parties agree that where possible and by mutual agreement employees may be allowed to work a modified work week, provided that the efficiency of operations, quality and quantity of work are not impaired.
- (c) If the Company operates all or part of the plant on a two or three-shift basis, details of the hours of work shall be provided to the Local Union and the employees as soon as reasonably possible, so as to minimize the inconvenience to employees effected by a shift change.
- (d) A premium of one dollar & fifty cents (\$1.50) per hour shall be paid to employees working on a second or third shift.
- (e) Shifts starting after 10:30 will be considered a second shift.

Section 3: Rest Periods and Breaks

- (a) All employees shall be entitled to two fifteen (15) minute rest periods during each regular shift.
- (b) Employees are entitled to one-half (1/2) hour break without pay during a regular shift.
- (c) Employees are entitled to have an eight (8) hour break between regular shifts.
 - (i) If an employee is required to return to work before his eight (8) hour break has ended, the employee shall be paid the appropriate overtime rate until he has had a full eight (8) consecutive hours break. (i.e. an employee who works on overtime to 3:00 a.m., and is called to work at 8:00 a.m. will be paid the overtime rate for all hours worked until he has had a break of eight (8) consecutive hours from work).
 - (ii) An employee working overtime and is instructed to take an eight (8) hour break before the start of his next regular shift will not receive less than eight (8) hours pay (i.e. An employee on day shift works to 3:00 a.m. on overtime, takes an eight (8) hour break, returns to work at 11:00 a.m. will receive a minimum of eight (8) hours pay, unless there is eight (8) hours work and the employee has reason to leave before eight (8) hours work completed).

Section 4: Off Property Premium

The company will pay a premium of two dollars and fifty (\$ 2.50) per hour for all time spent on Company business while off company property, except for pickup, deliveries and training. This premium shall not attract overtime rates.

Section 5: Stand-by Time and Call Out

All employees will be compensated for standby or call out on the following basis:

- (a) Standby: Those employees designated for standby shall receive eighty dollars (\$80.00) per week – Start of shift Monday a.m. to start of shift next Monday a.m.

- (b) Statutory Holidays: Those employees designated for a standby, as in (a) above, and when a standby day is a Statutory Holiday, employees on standby shall receive an additional fifty (\$50.00) for the Statutory Holiday. (Includes first call out.)
- (c) Call Out
 - (a) For each call out, part department employees will be compensated at fifty-five dollars (\$55.00) per call. (except as in (b) above.)
 - (b) Parts call outs between 10:01pm and 6:00am will be compensated at \$100.00 subject to the customer being invoiced for this service.
 - (c) All other employees who respond to a call out shall be paid a minimum of (4) hours pay at straight time rates.

Section 6: No Work Guarantee

The foregoing provisions of this Agreement shall not be construed as guaranteeing to any employee any number of hours of work per day, per week or per year.

Section 7: Lay over

Any employee required to lay over on an outside job shall receive the regular shift hours at the appropriate rate for each full calendar day of layover.

ARTICLE VI – WAGES

Section 1: Wage Scale

Rates will be as per Appendix “A”.

Section 2: RRSP

The company shall contribute (\$2.75) per hour worked per full-time employee to an RRSP Plan from the first pay period following completion of six (6) months of employment (six months after hire date). The company will contribute an additional 25 cents beginning in commencement of the 2nd year of this agreement. This RRSP contribution is the only pension fund contributions made by the company on behalf of the employees.

Section 3: Banking of Over Time

All regular full time employees may bank their overtime up to 120 hours of straight time hour’s equivalent. (10 hours of double time (2x rate) would be banked as 20 hours of straight time).

Section 4: New Jobs

The parties agree that the rates for new union employee jobs, not listed in Appendix “A” shall be established by negotiation between the parties, not later than sixty (60) days after the new job is established. This shall also apply to significantly changed existing jobs.

Section 5: First Aid Attendants

The company will fulfill WCB requirements for First Aid Coverage.

Designated First Aid Attendants, if a union member, will be paid an hourly premium as follows:

- a) \$.80 for Level 2 or better.
- b) \$.40 for Level 1 tickets.

The company will pay the cost of training and mandated retraining for required first aid tickets including lost time wages. These costs will be paid to the employee upon successful completion of the required course. The company will only pay once per required test.

The company will provide inoculations prescribed by the Local Health Authority for First Aid Attendants

Section 6: Tools

- (a)
 - (i) The Company shall, at its expense, insure for damage or loss caused by fire or flood, while on Company premises, the tools of its employees which are required to be used in the performance of their work.
 - (ii) The Company shall at its expense, insure the tools of its employees which are required to be used in the performance of their work, for loss by theft where tools are stored in a designated place of safety within the control of the Company and there is forcible breaking and entering. The insurance coverage provided shall be subject to a deductible of seventy-five (\$75.00) in respect of each employee's claim.
 - (iii) Each employee shall furnish the Company with an inventory of the tools used in the performance of his work every six (6) months to qualify for the above coverage. The proof of inventory will be in a format acceptable to the insurance company.
- b) Broken, damage and loss
The company will replace or repair in a timely fashion, tools & tool boxes damaged, broken, or are irretrievable, in the performance of regular duties on company business, upon presentation of the damaged or broken tools. Replacement tools and toolboxes must be of equal or better value of those being replaced. Tools damaged due to abuse will not be replaced.
- (c) All trades shall provide required hand tools associated with their trade as per appendix B

ARTICLE VII – PAY DAYS

The company shall provide for paydays every second Friday following the two-week pay period ending the previous Sunday. Each employee shall be furnished with an itemized statement of earnings and monthly deductions. Employees working other than day shift will receive their pay cheques during Thursday's shift.

ARTICLE VIII - STATUTORY HOLIDAYS

Section 1: Statutory Holidays

All employees working on a designated statutory holiday shall receive one and one half their regular rate for the first twelve hours of work and double time their regular rate for all hours worked thereafter. All employees that work a stat holiday are entitled to another day off in lieu. All eligible regular full time employees shall receive pay based on their scheduled shift prior to the holiday at their regular straight time rates for the following designated statutory holidays:

New Year's Day, Good Friday, Easter Monday, Victoria Day, Canada Day, British Columbia Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day.

Section 2: Qualifying Conditions

- a) An employee, to qualify for Statutory Holiday pay must:
 - i) Have been employed by the company for at least thirty (30) calendar days.
 - ii) Vacation days count as days worked when determining entitlement to statutory holiday pay.
- b) An eligible employee with a regular schedule of hours who has worked at least 15 of the last 30 calendar days prior to a statutory holiday is entitled to a regular day's pay for the holiday.
- c) An eligible employee who has worked irregular hours on at least 15 of the 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 30-day period (excluding overtime) by the number of days worked.
- d) An eligible employee who has worked fewer than 15 of the 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 30-day period (excluding overtime) by 15.

Section 3: Arrangement for Change

- a) Where the company and the Shop Committee mutually agree, a statutory holiday may be observed on the preceding Monday or following Friday respectively, in accord with surrounding industry.
- b) An employee who qualified for such Statutory Holiday on the day it occurs, and works on that day will be paid for the Statutory Holiday at straight time rates.

Section 4: Weekly Work Schedule

Hours paid as Statutory Holiday pay shall not be included in the weekly work schedule.

ARTICLE IX – VACATIONS WITH PAY

Section 1: First and Second year of employment – 4 1/2 % on wages.
Eligible for two (2) weeks vacation time.

Section 2: Third, Fourth, Fifth and Sixth year of employment - 6 1/2% on wages.
Eligible for three (3) weeks vacation time.

Section 3: Seventh and more years of employment – 8 1/2% on wages.
Eligible for four (4) weeks of vacation time.

Holiday pay calculations are based on earned wages excluding the calculated holiday pay.

Section 4: Vacation Time

Employees must request their choice of vacation time on the appropriate vacation request form no later than April 30th. Holidays will be allocated, subject to the operating needs or service requirements of the business, by seniority.

Employees who have not requested holidays prior to April 30th will have holidays allocated on a first come basis, subject to the operating needs or service requirements of the business.

Schedules may be altered through mutual agreement.

Section 5: Payment of Vacation Pay

Annual vacation pay shall be calculated and paid on bi-weekly paydays.

ARTICLE X – CALL TIME

Section 1: Where No Work Commences

Any employee who is called for work and on reporting finds no work available due to reasons beyond his control, shall receive two (2) hours at the usual rate. This shall not apply if the Company gives the employee notice canceling the said call prior to the employee leaving for work.

Section 2: Where Work Commences

In the event that an employee commences work on his shift and the operation closes prior to the completion of four (4) hours of work, the employee shall receive four (4) hours pay at the employees regular rate of pay, except where his work is suspended because of inclement weather or other reasons completely beyond the control of the Company

ARTICLE XI – HEALTH INSURANCE BENEFITS

The company provides and maintains the following coverage for each qualified employee.

The benefits provided under this article will be subject to the terms as provided by the Insurance Carrier.

The parties recognize that the plan may contain restriction, exceptions, and other terms affecting entitlement to benefits. Questions of entitlement and eligibility will be determined by the terms of the insurance plan.

Section 1 – Insurance Coverage

- (a) Group Insurance \$100,000
- (b) Accidental Death and Dismemberment \$100,000
- (c) B.C. Medical Coverage
- (d) Extended Health Benefits
- (e) Weekly Indemnity – 67% of gross weekly salary up to \$600 maximum. This is payable from the first day of an accident, 4th day of an illness and payable for 26 weeks.

The Union agrees that if the Company maintains Weekly Indemnity Plan benefits which will meet the standard requirements for full premium reduction for wage loss replacement plan under the Unemployment Insurance Act, the employees 5/12th share of the premium reduction is retained as payment in kind in the provisions of the Weekly Indemnity Plan benefits.

- (f) Dental Benefits – coverage for each qualified employee and dependents.

Plan A - Basic Benefit – 100%

Plan B - Major – 80%

Combined total of A&B maximum annual benefit is \$2000 per person.

Orthodontic - 50% Dependent children only - Lifetime maximum of \$2000

- (g) Long Term Disability – 67% of monthly earnings rounded to the next higher \$1.00 (if not already a multiple) up to a maximum of \$2,500.00.

Non-Evidence Maximum - \$2,500.00

Elimination Period: 17 weeks or the expiration of the Weekly Indemnity Benefit, whichever is later.

Maximum Benefit Period: to age 65

Section 2 - Premiums

- (a) 100% Employer, other than LTD and W.I. which the employee will pay 100%.
- (b) Eligibility – First day of the month following successful completion of the probationary period for new full time employees.
- (c) Participation – is a condition of employment
- (d) Extension of Benefits – Coverage during lay-off, or while the employee is receiving weekly Indemnity benefits or WCB Compensation, will be provided as follows:

Employees with up to 2 completed years of employment - two (2) months.

Employees with more than 2 completed years of employment – three (3) months.

An employee on leave of absence or temporary lay-off may continue his coverage beyond the specified extension period for a further three (3) months by paying the full amount of the Insurance premiums. In order for an employee to be eligible for the provisions of this subsection an employee must apply and remit payment to the company prior to the end of the month in which the leave commenced or lay-off coverage ceased.

- (e) Where necessary, employees on lay off will be re-enrolled on all coverage following a recall to work on the first day of the month following recall to work, in accordance with the following schedule:
 - i) an employee who is recalled to work and is employed for 5 full days within a calendar month will be re-enrolled for a one-month period.
 - ii) an employee who is recalled to work and is employed for 10 full days within a calendar month will be re-enrolled for a two-month period.
 - iii) an employee with more than 2 completed years of employment, who is recalled to work and is employed for 15 full days within a calendar month will be re-enrolled for three months.

ARTICLE XII – SENIORITY

Section 1: - Principle

- (a) The management recognizes the principle of seniority, subject to competency in the requirement of the tasks considered and continuity in projects. When continuity in a project is triggered by the essential nature of the job in progress, the company will consult with the shop committee, to determine what, if any, adjustments of seniority should be made, so that objectives of high quality, high value, fair price and timely completion can be met.

- (b) The selection and promotion of employees to supervisory positions will be entirely a matter of management discretion, with consideration given to length of service.
- (c) All supervisors may perform work in accordance with past practices with the understanding that their primary purpose is the supervision and direction of other employees.

Section 2: Lay off and Recall of Employees

- (a)
 - (i) In the event of layoff of forces, the last person hired shall be the first released subject to the competency of the person involved and the provisions of Section 1. Where a reduction of forces is caused by emergency conditions the application of Seniority may be postponed for such period as may be necessary. If the management decides to exercise its right under this provision it shall notify the Shop Committee as soon as possible.
 - (ii) When recalling forces after a period of layoff, employees shall be recalled in order of Plant Seniority subject to the provisions of Section 1. If an employee refuses to return to work, or is not available to return to work when required for reasons that are within his control, he will be subject to discipline, which may include forfeiture of all seniority rights and discharge unless otherwise agreed to by the company. The company will respect the employee's responsibility to temporary employers. It is the employee's responsibility to ensure that his supervisor or the payroll department is kept informed of any telephone number or address changes needed for contact purposes.
- (b) During a reduction of forces where an employee's seniority is such that they will not be able to keep their regular job, they may elect, subject to competency, whether or not to apply their seniority to obtain another job or accept a layoff until their regular job becomes available, providing however:
 - (i) If during the layoff period the employee wishes to return to work and so notifies the management they shall be called back to work as soon as their seniority entitles them to a job.
 - (ii) The application of this provision shall not result in employees in the exercise of their rights, bumping an employee with less seniority.

Section 3: Retention During Layoff

It is agreed that seniority during layoff will be retained on the following basis.

- (a) Employees who have completed the probationary period and have less than one year's service shall retain their seniority for a period of six (6) months.
- (b) Employees with one (1) or more years' service shall retain their seniority for twelve (12) months plus one month for each completed year of additional service to maximum seniority retention of 18 months.

- (c) A laid off employee's seniority retention is reinstated on the completion of one (1) full day's employment after recall.
- (d) If seniority retention expires the laid off employee is deemed to be terminated.

Section 4: Job Posting

Vacancies will be posted for a period of not less than three (3) working days except when otherwise agreed to with the shop committee.

Section 5: Probationary Period

Notwithstanding anything to the contrary contained in this agreement, it shall be mutually agreed that all employees are hired on probation; the probationary period to continue for 480 working hours, during which time no seniority rights shall be recognized. Upon completion of 480 working hours they shall be regarded as regular employees, and shall then be entitled to seniority dating from the date on which they entered the company's employ.

Section 6: Seniority List

It is agreed that a seniority list will be supplied to the Union by the company once during each calendar year and a current seniority list will be provided to the union prior to any employee votes, setting out the name and starting day of each regular employee.

Section 7: Reinstatement

A member who moves to a supervisory position will continue to accumulate seniority for six (6) months while acting as a supervisor. After six (6) months he will no longer continue to accumulate union seniority. In any case where an employee has been transferred by the management to a supervisory position and at a later date ceased to be a supervisory worker and the management desires to retain their services, it is hereby agreed that reinstatement can be made within the bargaining unit. The supervisor returning to the job will be placed where their seniority and competency qualifies them. Seniority will be the amount of seniority they held at the time they stopped accumulating seniority.

Section 8: Students and Casual Employees

Students and casual employees shall not participate in the Health Insurance and Pension provisions of this agreement, nor shall they accrue any seniority while so employed

Section 9: Absence Without Leave

An employee who, for reasons that are within his control, is absent without leave for a period of more than three (3) consecutive working days shall forfeit all seniority rights and be subject to discipline, which may include termination from their employment at the company unless otherwise agreed to by the company.

ARTICLE XIII – LEAVE OF ABSENCE

Section 1: Injury or Illness

The company will grant leave of absence to employees suffering injury or illness during the term of illness, subject to a medical certificate. The employee's condition, which requires their absence, shall be reported to the company as soon as may be reasonably possible.

Section 2: Written Permission

Any employee desiring leave of absence must submit in advance the completed company leave request form and obtain permission in writing from the management for such leave, except in the case of injury or illness covered by section 1 above. Reasonable notices or certificates must be provided (Upon Request) to substantiate all paid leaves of absence prior to payment being made.

Section 3: Maternity Leave, Parental Leave

These unpaid leaves will be as outlined in the Employment Standards Act of British Columbia.

Section 4: Jury Leave

Any regular full time employee who is required to perform jury duty, on a day they would normally have worked will be reimbursed by the management for the difference between the pay received for said jury duty and their regular straight time hourly rate of pay for their regularly scheduled hours of work, not to exceed 8 hours per day or forty hours per week. These hours of reimbursement will not be counted as hours worked for the purpose of computing overtime or holiday pay.

Section 5: Bereavement Leave

When death occurs to a member of a regular full-time employee's immediate family, the employee will be granted up to a maximum of three (3) days leave of absence for which they will be compensated at their regular straight time hourly rate of pay for their regular work schedule. These hours of compassionate compensation will not be counted as hours worked for the purpose of computing overtime or holiday pay.

Members of the employee's immediate family are defined as the employees spouse, mother, father brothers, sisters, sons, daughters, mother and father-in-law, sons and daughters-in-law, grandparents, grandchildren, brother and sisters-in-law.

Section 6: Compassionate Leave

The management may grant leave of absence up to six (6) months without pay or benefits to employees for bona fide compassionate reasons on the following terms:

- (a) that the employee apply at least one month in advance unless the grounds for such application could not reasonably be foreseen.
- (b) that the employee shall disclose the grounds for application.

- (c) the management will consult with the Shop Committee in respect of any application for leave under this section.

Section 7: Union Business

- (a) The management will grant leave of absence to employees who are appointed or elected to Union Office for a period of up to and including one (1) year. Further leave of absence may be granted by mutual consent. The employee who obtains this leave of absence shall return to their employer within thirty (30) calendar days after completion of their term of employment with the union.
- (b) The management will grant leave of absence to employees who are elected as representatives to attend union meetings and union conventions as members of USW-Canada in order that they may carry out their duties on behalf of the union.
- (c) It is agreed that before the employee receives this leave of absence, as set forth in clause (a) and (b) above, the employer will be given due notice in writing: and in the case of (b) above a minimum of ten (10) calendar days
- (d) Only one employee at a time may obtain leave under the above section.

Section 8: Public Office

- (a) The company will grant unpaid leave of absence for campaign purposes to candidates for Federal, Provincial or Municipal elective public office for periods up to and including eight (8) weeks providing the company is given written notice twenty (20) days in advance. Only one employee at a time may obtain leave under this section.
- (b) Employees elected to Federal, Provincial or Municipal office shall be granted as much unpaid leave as is necessary during the term of such office. Municipal office holders, where the term of the public office is served intermittently, shall give the company reasonable notice for absence from work for conducting Municipal business. Only one employee at a time may obtain leave under this section. The employee who takes leave under this section must return to work at the company within 30 days of completion of the term of office.

ARTICLE XIV – ACCIDENT PREVENTION COMMITTEE

Section 1: Composition and Duties.

The company will maintain an Accident Prevention Committee and act in accordance with the WCB requirements.

Section 2: Cessation of Work

Any one or all employees working in the immediate proximity when a fatal accident has occurred may refrain from working the balance of the shift.

Section 3: Reporting of Injuries

In the event that an employee suffers an injury at work it must be reported to the first aid attendant and the incident must be entered in the report book at the earliest reasonable moment, whether or not it has the potential to turn into a WCB claim. This requirement is in accordance with the WCB regulations and is a condition of employment. Failing to report at the earliest reasonable moment may result in discipline.

ARTICLE XV – SAFETY EQUIPMENT

- (a) The company shall continue to make reasonable provisions for the safety and health of its employees during the hours of their employment, including safety regulations, personal protective equipment and such other safety devices to maintain safe working conditions. This equipment will be supplied at no cost to employees as required in the performance of their duties, initially and upon return of the worn or damaged equipment, as is the current policy.
- (b) The employer shall make coveralls available and maintain same for the use of the employees during the hours of their employment.
- (c) The company shall, on the receiving of receipts, reimburse an employee up to two hundred (\$200.00) per calendar year towards the cost of purchasing safety footwear or repairing safety footwear to be paid once per year. Employee must have one year seniority to qualify.
- (d) Fines and penalties arising from traffic violations while operating a company provided vehicle shall be the responsibility of the employee driving the vehicle.
- (e) Employees and employers are jointly responsible for ensuring that all duties are carried out in a safe manner and that a safe working environment is maintained.
- (f) The company will upon receiving a receipt, reimburse an employee for up to ninety dollars (\$90) towards the purchase of custom earplugs. Replacements will be provided on an exchange as required upon receiving the receipt basis, up to a maximum \$90 every three years.
- (g) Each employee with 12 months or longer service required to wear prescription safety glasses shall be reimbursed by the company for the initial cost of the glasses up to a maximum of \$200.00, one time only. Receipts required. Replacement prescription lenses and or frames shall be reimbursed when damage is caused by pitting and or breaking resulting from the employment with the employer when receipts and the damaged lenses and or frames are presented. This replacement reimbursement is limited to a maximum of \$200.00 per year. Employees must use up vision care benefits before claiming re-imburement from company

ARTICLE XVI – CONTRACTORS AND SUB-CONTRACTORS

- (a) Work will be contracted out in accordance with past practices.
- (b) No employee will engage in moonlighting on work that competes with T-Mar work.
- (c) Employees of customers whose machines are in the company's shops will be welcome in the shop to work along with T-Mar employees.

ARTICLE XVII – PERMANENT CLOSURES

Permanent closures will be according to the B.C. Employment Standards Act except that employees will receive 10 days of severance for each year of service.

ARTICLE XVIII – TRADES

Section 1: Accommodations on Off Site Jobs.

It shall be the responsibility of the company to provide appropriate accommodation for service workers on an outside job when necessary.

Section 2: Conditions on Off Site Jobs

The company shall support employees leaving a job because of verbal or physical harassment.

Section 3: Meals

Meals will continue to be paid as per existing policy.

Section 4: Welder Testing

The company will pay the cost of required testing and retesting of welders including time lost to take the test when required by the company. The company will only pay once per required test. The company will test employees for company utilized transferable SMAW(stick) and FCAW(flux core) CWB tickets. Any employee who has failed the required test will be given a 30 day grace period during which time they must pursue and acquire recertification. Consideration would be given for timing of CWB tester's schedule. Failure to acquire certification during the grace period may result in termination.

Section 5: Apprentices

Upon successful completion of course, registered apprentices, who as a requirement of their apprenticeship, attend school, shall be paid 35% of their regular wages as a bonus based on a forty (40) hour week while attending school, in addition to governmental subsidies. The company will pay 50% of regular wages as a bonus for first two weeks if there is a waiting period for government subsidy but requires written confirmation of the disposition of the employees claim and a record of attendance from the school before issuing the bonus. In no case

will the bonus combined with government subsidies exceed 100 % of their normal regular wages. The company will not pay bonuses more than once for the same course. Test failure may result in dismissal.

Section 6: Private Vehicles

Compensation will be provided by the company for the use of private vehicles used in the course of company business.

ARTICLE XIX – TRAINING

If the employer mandates training, the employee will be compensated in full (regular day's pay plus expenses) while taking training. If an employee proposes a course and the employer agrees, the employee may be reimbursed cost of the course upon successful completion.

ARTICLE XX – ADJUSTMENT OF GRIEVANCES

Section 1: Procedure

The management and the union mutually agree that, when a grievance arises it shall be taken up in the manner set out below:

- Step One: The individual employee involved shall first take up the matter with the supervisor directly in charge of the work within fourteen (14) days of knowledge of the said grievance.
- Step Two: If the question is not satisfactorily settled in this way, the same individual with a shop committee member, shall take up the problem with the supervisor directly in charge.
- Step Three: If a satisfactory settlement is not then reached, the shop committee shall take up the problem with the manager of the plant or such person as designated by management. The parties concerned shall exchange a statement in writing of the alleged grievance, together with a statement in writing by the manager.
- Step Four: If the problem is not then satisfactorily solved, it shall be referred to the union and the management.
- Step Five: If a satisfactory settlement is not then reached, it shall be dealt with by arbitration as set forth in Article XXI.

Section 2: Time Limit

If the grievance has not advanced to the next stage under step two, three, four or five within fourteen (14) days after completion of the preceding stage, then the grievance shall be deemed to be abandoned and all right of recourse to the grievance procedure shall be at an end. Where either party is not able to observe this time limit by reason of the aggrieved employee or the shop

committee not being able to be available, the said time limit shall not apply. Both parties shall be bound to proceed in such a case as quickly as may be reasonably possible.

Section 3: Policy / Interpretation Grievances

Policy Grievances arising as to the intent or interpretation of this agreement shall be commenced at step 3.

ARTICLE XXI – ARBITRATION

Section 1: Procedure

- (a) In the case of a dispute arising under the agreement, which the parties are unable to settle between themselves as set out in Article XX, the matter shall be determined by arbitration in the following manner:

Either party may notify the other party and the arbitrator in writing by registered mail, of the question or question to be arbitrated.

After receiving such notice and statement the arbitrator and the other party shall within three (3) days acknowledge receipt of the question or question to be arbitrated.

The arbitrator shall be appointed by the Minister of Labour or by mutual consent of the parties.

- (b) The decision of the arbitrator shall be final and binding upon the parties of the first and second parts.
- (c) The arbitrator shall be required to hand down a decision within fourteen (14) days following completion of the hearing.

Section 2: Cost Sharing

The parties of the first and second parts shall bear in equal proportion the expenses and allowances of the arbitrator and expenses connected with the arbitration.

Section 3: Place of Hearing

An arbitration to be held hereunder shall be held at such place as may be decided by the parties.

ARTICLE XXII – STRIKES AND LOCKOUTS

- (a) There shall be no strikes or lockouts by the parties to this agreement with respect to any matter arising out of the agreement for which arbitration is provided under the terms of the agreement.

- (b) The parties to this agreement expressly agree that there will be no activity within the meaning of (a) above threatened, declared, authorized, counseled, aided or brought about on its part.
- (c) In the event of a strike during the term of this agreement the union will instruct its members and officers who may be involved to cease such activity and comply with the terms of this agreement.

ARTICLE XXIII – DURATION OF THE AGREEMENT

- (a) The parties hereto mutually agree that this agreement shall be affective from and after the 1st day of July, 2005 to midnight, the 30th day of June 2009 and thereafter from year to year unless sixty (60) days written notice of contrary intention is given by either party to the other party. The notice required hereunder shall be validly and sufficiently served at the head office of the company of at the local office upon the local union officers of the union, at least sixty (60) days prior to the expiry of this agreement. If no agreement is reached at the expiration of this contract and negotiations are continued, the agreement shall remain in force up to the time an agreement is reached or until negotiation are discontinued, by either party.
- (b) The Parties hereto agree that the operation of Sections 50(2) and 50(3) of the Labour Relations Code of British Columbia, R.S.B.C. 1996, c. 224 is excluded from the Agreement.

Signed on Behalf of:
USW Local 1-363

Signed on behalf of:
T-MAR INDUSTRIES LTD

Rick Wangler

Gordon Olafsen

President

Stan Beech

Financial Secretary

Dated at Campbell River B.C. This 22nd day of June, 2005.

APPENDIX “A”

WAGES

July 1st through June 30th:					
Effective Jan. 1, 2005	1.25% Effective July 1, 2005	2% Effective July 1, 2006	2% Effective July 1, 2007	2.25% Effective July 1, 2008	
Full Time Shop Rates:					
Journeyman 1	26.69	27.02	27.56	28.12	28.75
Journeyman 2	24.93	25.24	25.75	26.26	26.85
Journeyman 3	23.73	24.03	24.51	25.00	25.56
Assemblyman	22.00	22.28	22.72	23.17	23.70
Helper	16.11	16.31	16.64	16.97	17.35
Labourer	12.68	12.84	13.10	13.36	13.66
Student Casual	9.27	9.39	9.57	9.77	9.98
Premiums:					
Charge Hand	2.00	2.00	2.00	2.00	2.00
Lead Hand	1.00	1.00	1.00	1.00	1.00

All permanent employees will receive ten (10) cents per hour premium for each completed year of service from hire date with the company, to a maximum of **\$1.50 per hour** worked.

Apprentices – Rates as a percentage as laid out by the apprenticeship contract.

JOURNEYMAN 1-

Include Mechanics, Machinists, Fabricators and Partsmen with TQ’s
Existing Journeymen 1 employees will remain at level 1.

JOURNEYMAN 2 –

Includes Welder and Warehousemen with TQ certificates and mechanics, machinists and fabricators without tickets.

JOURNEYMAN 3 –

Partsmen without tickets.

ASSEMBLYMEN EQUIPMENT AND COMPONENTS

Possesses acceptable qualifications as identified at the time of hire.

Certification Process for Fabricators and Welders

All Welders and Fabricators must pass CWB testing requirements.

APPENDIX “B”

MACHINISTS EMPLOYEE SUPPLIED TOOLING REQUIREMENTS

- Dividers
- Combination Set/w 12” Rule
- Small and Large Hammers
- Scriber
- Tape Measure
- De-burring Tool
- Hand Wrenches
- 3/8 Drive Socket Set
- 12” Crescent Wrench
- Standard and Metric Allen Wrenches - up to 3/8 & 10
- Screwdrivers
- Pliers
- 6” Rule
- Micrometers - 6”
- Inside Micrometer - 12”
- Telescoping Gauge up to 2”
- 6” Vernier
- Dial indicator and Mag Base
- Scientific Calculator
- Machinist Handbook or Pocket Reference
- Small Files
- Punches
- Fine - Metric and Standard Thread Pitch Gauges
- Plate Protractor
- Tool Box
- Machinist Box
- Roll Cabinet
- Boots - CSA Steel Toe

WELDER AND WELDER/FABRICATOR EMPLOYEE SUPPLIED TOOLING REQUIREMENTS

WELDER

- Helmet
- Cutting Goggles (glasses)
- Chipping Hammer
- Ball Pein Hammer
- Crescent Wrenches - 10”, 12”
- Tape Measure
- Mig Pliers
- Allen Wrenches

FABRICATOR

All Above, Plus:

- Levels, Squares, and Measuring Implements necessary to the Trade.

MECHANICS EMPLOYEE SUPPLIED TOOLING REQUIREMENTS

- Screwdrivers
- Chisels and punches
- Pliers, side cutters, vice grips, snap ring pliers, needle nose
- Sae combination wrenches to two inches
- Metric combination wrenches to 24mm.
- Metric Allen head sockets and wrenches to 19mm.
- Sae. Allen head sockets and wrenches to 7/8"
- 3/8" drive complete socket set sae and metric
- 1/2" drive sae complete socket set to 1 1/2"
- 1/2" drive metric socket set to 32mm.
- 3/4" drive complete to 2" socket
- Torque wrenches to 1/2" drive/ 250Ft. lbs (3/8" to 1/2")
- Pipe wrenches to 18"
- Crescent wrenches to 18"
- Dial indicator
- Vernier Calipers
- Digital multimeter
- Hacksaw, no blades
- Hammers to four pounds
- 1/2" drive impact wrench, sae and metric impact sockets to 1 1/2", 32mm.
- die grinder (air)
- carbide burrs (TMAR to supply replacements)
- drill index to 1/2" TMAR to supply replacement bits

Sae and metric taps and dies to 1/2", 13mm TMAR to supply all replacements

APPENDIX “C”

USW Local 1-363 and T-Mar Industries Ltd. agree that the process for workers to be promoted or moved to another higher category will be as follows;

1. A review process setting the criteria for reviews and promotion will be discussed and agreed upon with the Shop Committee and implemented for each category.
2. The criteria will be based on current job descriptions and the skills needed to meet that criterion.
3. The reviews will be conducted on an “individual by individual basis”.
4. The worker will approach the Shop Committee to identify their desire to be reviewed and moved to the higher category. The worker will identify to the shop committee the reasons they believe they should be moved to the higher category.
5. The Shop Committee will, if in agreement with the employee, approach the Company and request a review of the workers performance and qualifications.
6. The company would make the final decision whether or not an individual would be promoted from one category to another.
7. The review of the worker will be an open and transparent process with the written review available to the worker and the Shop Committee upon request.

The above process will not alter any other review processes that are currently in affect and will not preclude the company from awarding advancement to an individual worker without following this process. If the company advances a worker without following this process the shop committee can review the promoted workers written review. This will ensure a fair and transparent process for all employees.