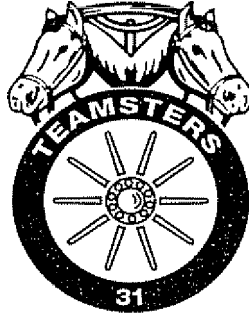


COLLECTIVE AGREEMENT  
BETWEEN  
GULF ISLANDS CARTAGE CO. LTD.



AND  
TEAMSTERS LOCAL UNION NO. 31



AUGUST 1, 2004 – JULY 31, 2009

# COLLECTIVE AGREEMENT

**BETWEEN:**  
**GULF ISLANDS CARTAGE CO. LTD.**  
**(the "Company" OF THE FIRST PART**  
**AND:**  
**TEAMSTERS LOCAL UNION 31**  
**(the "Union") OF THE SECOND PART**

Executed this day of , 2004.

## PREAMBLE

The Union, the Company and the employees covered by this Agreement recognize a mutual obligation to cooperate fully, individually and collectively to advance the interests of the Company and those employed by it.

The parties recognize that the ability of the Company to provide secure and continued employment is determined by its capability of delivering an efficient, safe and economical service to its customers.

## ARTICLE 1 - PURPOSE

The purposes of this Agreement are:

- (a) to establish the terms and conditions of employment for employees of the Company; to set out the rights of the Union and the Company; and
- (b) to establish a procedure for the settlement of disputes between the parties arising from the application or interpretation of this Agreement, the discipline or discharge of an employee covered by this Agreement.
- (c) whenever the masculine gender is used in this Agreement, it shall be deemed to mean the feminine as well.

## ARTICLE 2 - UNION RIGHTS AND RECOGNITION

### 2.01 Bargaining Unit

The Bargaining Unit is comprised of all employees or categories of employees referred to in the Certificate of Bargaining Authority as varied from time to time by the Labour Relations Board of British Columbia, any Dependent Contractors employed by the Company performing work similar in nature to that performed by employees within the bargaining unit, and any other employees included by mutual agreement between the parties.

### 2.02 Bargaining Authority

The Company recognizes the Union as the exclusive bargaining agent for all persons within the bargaining unit.

The Company agrees not to enter into any agreement or contract with employees of the Company, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement without the consent of the Union.

### 2.03 Union Security

The Company will require as a condition of employment or continued employment, except when precluded from doing so by Statute, that all employees and Dependent Contractors within the bargaining unit:

- (a) become and remain members in good standing of the Union; and
- (b) complete and sign an authorization card, provided by the Union, authorizing the Company to deduct from his earnings any Union initiation fees, dues or assessments levied in accordance with the Constitution and By-Laws of the Union.

### 2.04 Union Dues

- (a) The Company shall remit to the Union the initiation fees, dues and/or assessments deducted pursuant to 2.03, not later than fifteen days following the date the deduction was made.
- (b) The Company shall provide a current list of employees and/or Dependent Contractors from whom deductions have been made.

### 2.05 Union Shop

- (a) The Company agrees to give the Union first opportunity to supply Union members for new employment. The Union agrees to take all reasonable steps to ensure that Union members referred to the Company have the skills and experience to perform the work required by the Company.
- (b) In the event the Union is unable to refer suitable Union members for employment, the Company may hire a person not referred by the Union but, in exercising this provision shall:
  - (i) notify the Union office before the person commences work; and
  - (ii) require that the person make application for membership in the Union within three (3) days of commencing employment; and provide the Union with a list of new employees within seven (7) days of their commencement of employment.
- (c) In the event the Company fails to comply with the provisions of this Article they shall, on written request by the Union discharge the person hired and accept applications from persons referred by the Union.
- (d) Nothing in this Article shall be deemed to require the Company to hire any person

who is unsuitable, unqualified or unable to perform the available work.

#### 2.06 Bargaining Unit Work

- (a) The Company agrees that, except as otherwise provided herein, to have all work within the scope of the bargaining unit performed by members of the bargaining unit.
- (b) In an emergency, the Company may have bargaining unit work performed by persons other than members of the bargaining unit.
- (c) In the event the work to be performed requires additional equipment beyond that owned, licensed and insured by the Company, or requires specialized equipment that the Company is unable to provide, then the Company may contract out the work.
- (d) In the contracting out of work, the Company shall make reasonable efforts to give the right of first refusal to a Company whose employees are represented by the Union.

#### 2.07 Bulletin Boards

The Company will provide bulletin boards in the lunchroom and dispatch area for the posting of this Agreement and for such notices as the Union or Company may wish to post. Union notices shall be posted and signed by an authorized representative of the Union.

#### 2.08 Union Insignia

An employee may affix a Union decal not exceeding three (3) inches by four (4) inches to the glass area of the equipment he is operating provided it does not impair the vision of the operator.

#### 2.09 Stewards and Inspection Rights

- (a) Authorized agents of the Union will request and have access to the Company's establishments during working hours for the purpose of investigating conditions related to this Agreement and shall in no way interrupt the Company's working schedule.
- (b) The Union shall elect or appoint Shop Stewards from among its members in the bargaining unit and shall notify the Company in writing forthwith of such appointments and deletions of those employees so elected or appointed. The Company will recognize Shop Stewards and not discriminate against them for lawful Union activity. The Company will notify the Union forty-eight (48) hours prior to the dismissal of a Shop Steward and, upon the Union's request, give the reason in writing.

- (c) Shop Stewards shall not suffer a loss in regular pay as a result of their participation in the Grievance Procedure, Steps 1 and 2 and where possible, if it does not interfere with efficient operations, such participation will take place during the regular working shift. In the event the Company refuses to allow the grievance to be processed in working time, the Steward shall be paid for all time spent meeting with the Company at the appropriate rate.

#### 2.10 Union Right of Collection

In the event the Company fails to remit Health and Welfare, or Dues as required by this Agreement, the Company shall be liable for interest.

#### 2.11 Safety Conditions - Maintenance of Equipment

It is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition. No employee will be required to operate equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment; i.e. brakes, steering, adequate mirrors, signal lights or other lighting equipment.

### ARTICLE 3 - DEPENDENT CONTRACTORS 3.01

3.01 The Company may engage the services of Dependent Contractors to:

- (a) supplement the Company fleet; or
- (b) provide equipment not available when required from the Company fleet.

#### 3.02

Dependent Contractors shall be identified on the check off list and on a separate seniority list.

#### 3.03

Dependent Contractors shall personally and exclusively operate the equipment provided except that the equipment shall be operated by an employee of the Company when the Dependent Contractor is absent on approved leave and upon the request of the Dependent Contractor.

#### 3.04

The Dependent Contractor and the Company shall enter into a written agreement prior to the Dependent Contractor performing any services for the Company and the Company Will provide the Union with a copy of the agreement forthwith.

The Dependent Contractor shall contact the Union prior to the commencement of work and the Union representative may be present during negotiations of the revenue split between the Dependent Contractor and the Company on the request of the Dependent Contractor.

### 3.05

The terms and conditions of the Dependent Contractors shall be those set down in Appendix "C" of this Agreement.

## ARTICLE 4 - TECHNOLOGICAL CHANGE

### 4.01 Definition

Technological and mechanical changes shall be defined to mean the introduction and utilization of vehicular and other equipment changes which have not previously been used with the bargaining unit by the Company and the use of which results in the termination or the laying off of regular employees.

### 4.02 Recognition by Parties

All Parties to this Agreement recognize that technological and mechanical changes that result in the increased efficiency and productivity must be encouraged and further, that all Parties have a direct responsibility to reduce to a minimum the adverse effects that may result from such changes.

### 4.03 Prior Notification

The Company shall provide the Union with reasonable notice, and not less than thirty (30) calendar days prior to the introduction of technological or mechanical changes and the matter shall immediately become the topic of general discussion and consultation between the Company and the Union, and particularly in regard to:

- (a) The effect such changes will have on the number of employees within the bargaining unit.
- (b) The probable effect on working conditions.
- (c) Any changes in job classifications.

### 4.04 Dislocated Employees

In the event technological or mechanical changes result in a reduction in the work force or the demotion or promotion of employees, such reductions, demotions or promotions shall be done in accordance with the provisions of Article 7, Seniority, as contained herein.

#### 4.05 Retraining and Upgrading

The Parties jointly and individually will undertake with the assistance of Employment and Immigration Canada and through recognized provincial or local adult training programs, if necessary, to retain and upgrade regular employees to enable them to become qualified and capable of performing new jobs resulting from or created by the technological or mechanical change.

#### 4.06 New Equipment or Classifications

Prior to any new types of equipment and/or new classifications of employment for which rates of pay are not established by this Agreement are put into use, (a) the Company shall provide the Union with reasonable notice, and (b) not less than thirty (30) days prior to implementation, the matter shall become the subject of discussion between the parties for rates governing such equipment and classifications of employment, and (c) the Company and the Union shall finalize within sixty (60) days after such implementation a rate to be established and such rate to be retroactive to date of implementation.

### ARTICLE 5 - TRANSFER OF BUSINESS

#### 5.01 Notification

The Company shall notify the Union in the event the business or any substantial part thereof, is sold, leased or otherwise transferred not later than the effective date of the sale, lease or transfer.

#### 5.02 Disclosure

The Company agrees to disclose the existence of this Agreement, the Union's bargaining authority and the existence of legislative successor rights to any purchaser.

### ARTICLE 6.- JOB SECURITY

#### 6.01 Lay-off

In the event of a reduction of work, employees shall be laid off in reverse order of seniority provided the remaining employees are qualified and capable of performing the remaining work provided he has been given an opportunity to demonstrate his capability.

#### 6.02 Recall

In the event of an increase in work, employees shall be recalled in order of seniority provided the recalled employees are capable of performing the available work.

#### 6.03 Seniority

Seniority shall be calculated from an employee's date of hire provided he completes his

probation period and has retained his seniority through any preceding lay-off

#### 6.04 Seniority Units

In all areas, seniority shall be branch wide and the branch will include all terminals or warehouses in a particular city and there may be two (2) separate groups.

- (a) Group 1 : All employees employed on a line-haul operation
- (b) Group 2: Employees employed in the city warehouse, pick up and delivery and short line.

There shall be two seniority units within Group #1 and within Group #2; (i) a unit comprised of all Company employees operating Company equipment and (ii) a unit comprised of all Dependent Contractors. Seniority shall not be transferable between units. Line drivers seniority shall be recognized system wide within the jurisdiction of the Local Union in which he is a member for the purpose of bidding on new jobs and vacancies.

#### 6.05 Lay-off and Recall - Dependent Contractors

Dependent Contractors shall be laid off in reverse order of seniority and recalled in order of seniority provided their equipment is capable of effectively performing the work available.

#### 6.06 Seniority Lists

The Company will post and maintain seniority lists and provide copies of the current list to the Union in July and January.

#### 6.07 Loss of Seniority

An employee or Dependent Contractors will lose his seniority when he:

- (a) is discharged for cause, or
- (b) retires, or
- (c) resigns, or
- (d) is on lay-off more than twelve (12) months and has less than five (5) years of seniority or is on lay-off more than eighteen (18) months and has more than five (5) years Of seniority, or
- (e) fails to report for duty when recalled, or
- (f) cannot be contacted for recall by telephone and
  - (a) the Union has been notified, and



- (b) three days have elapsed since the Union was notified, or
- (g) is absent without leave or reasonable excuse for three (3) consecutive working days, or
- (h) accepts a position outside of the bargaining unit, with the prior written consent of the Company, and does not return to the bargaining unit within ninety (90) days, or
- (i) applies for on his own volition and receives a Union withdrawal card.

#### 6.08 Leadman – Chargehand

The necessity of classification of a Leadman (Chargehand) shall be at the discretion of the Company and he shall be defined as:

- (a) An employee who shall direct the work of others while performing the same work himself He shall not have the authority to directly hire, fire, suspend or discipline employees. He shall be a member of the Union. Seniority in the unit shall prevail for layoff purposes.
- (b) Where the Company designates that a Leadman (Chargehand) is required, a bid will be posted and the position will be filled with a qualified person that applies for the position.
- (c) The Company shall have full discretion in the selection of the Leadman (Chargehand), however when qualifications are equal in every respect, the most senior man will be given preference. Such bids for that position will be posted for forty-eight (48) hours at that location
- (d) A chargehand rate of 50¢ per hour on all hours worked will be paid to employees and dependent contractors designated by the Company to act as chargehands.

#### ARTICLE 7 - PROBATION PERIOD

Employees shall be on probation until they complete 120 hours within thirty (30) calendar days of employment and shall not accrue seniority during their probationary period except that on successful completion of their probationary period their seniority shall be retroactive to the date of hire.

#### ARTICLE 8 - LEAVE OF ABSENCE

##### 8.01 Leave of Absence

- (a) When the requirements of the Company's services will permit any employee hereunder upon written application to the Company with a copy of said application

to the Union may, if approved by the Company be granted a leave of absence in writing (with a copy to the Union) for a period of thirty (30) calendar days.

- (i) Upon six (6) months prior notification an employee may request every three (3) years and may be granted up to thirty (30) days leave of absence in conjunction with his holidays. When considered by the Company approval or rejection is to be given in writing with a copy to the Union within thirty (30) calendar days and if approved such approval may not be withdrawn except by mutual consent of the employee and the Company. Under such leaves the employee will retain and accrue seniority only.
  - (ii) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union in writing and seniority will accrue during such extensions.
  - (iii) Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority and his name will be stricken from the seniority list and he will no longer be considered as an employee of the Company.
  - (iv) If an employee, employed in a classification requiring a drivers license, suffers the revocation of his drivers license, he will be re-classified provided he is capable and work is available and such work will not result in the bumping of regular employees. If such employee cannot be re-classified, the Company may grant a leave of absence to such an employee who has suffered a revocation of his drivers license of up to twelve (12) months duration in writing with a copy to the Union. The employee may only take advantage of this section once while in the employ of the Company.
  - (v) Any employee requesting leave of absence for compassionate reasons shall not be unreasonably be denied such request (Example: Illness, death or marriage).
  - (vi) If a regular employee for certified health reasons is unable to perform the work in his regular job, he will be re-classified according to his seniority and capability to perform work in another classification if it exists within the Company. The employee must provide a valid medical opinion of his physical and/or mental ability to perform the new job in accordance with the provisions of this Agreement as it relates to Company required medical examinations.
- (b) When an employee within the bargaining unit covered by this Agreement receives a leave of absence in writing with a copy to the Union to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the bargaining unit. The starting date of such an appointment shall be posted in the terminal. Notice

shall be given to the Union in writing prior to the employee leaving the bargaining unit for any period of time. During this leave of absence such employee shall continue to be covered by the Health and Welfare and the Pension Plan as provided in this Agreement.

Employees who have been granted such a leave of absence must remain a member of the Union and be covered under all benefits of the Collective Agreement but shall not perform any duties covered by the bargaining unit. In such appointments seniority shall be a consideration. The successful appointee shall not have the right to hire and fire during the ninety (90) day leave of absence.

Not later than on the ninetieth (90) calendar day of this period, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain within the unit for a minimum period of one hundred and twenty (120) calendar days prior to exercising such privilege again.

#### 8.02 Bereavement Leave

- (a) An employee is entitled to three (3) days leave of absence without loss of regular straight-time hourly pay upon the death of his spouse, mother, father, sons, stepsons, daughters, stepdaughters, brothers, sisters, mother-in-law, father-in-law, grandmothers, grandfathers, or step-mother or step-father having the status of mother or father.
- (b) An employee is entitled upon written request and twenty-four (24) hours' notice to leave of absence without pay for the purpose of attending a funeral provided such leave does not interfere with the efficient operation of the business.

#### 8.03 Court Duty Leave

- (a) An employee is entitled to leave of absence without loss of regular straight time pay for the purpose of:
  - (i) attending court as a witness under subpoena concerning matters occurring during the regular course of his employment, or
  - (ii) performing duty as a juror.
- (b) An employee on performing jury duty or witness duties will make himself available for work before or after such duty whenever practical.
- (c) An employee on leave of absence with pay for jury or witness duty shall assign to the Company any fees received as a result of such duty.
- (d) An employee shall not be entitled to Court Duty Leave while on other leave of absence, vacation, regular days off or lay-off or while receiving benefits under the Health and Welfare Plan or Workers' Compensation.

#### 8.04 Medical Examination Leave

- (a) An employee shall be entitled to leave of absence without loss of regular straight-time pay for the purpose of attending a Company or Government required medical or physical examination during working hours.
- (b) An employee required to attend a Company required medical or physical examination outside of his regular working hours shall receive straight time pay to a maximum of two hours for such time except when such an examination precedes his return to work following illness or injury.

#### 8.05 Sick Leave

The sick leave plan does not form a part of the Health and Welfare Plan.

- (a) All regular employees who have one (1) continuous year's service or more shall thereafter accumulate paid sick leave at the rate of one-half (1/2) day per employed month to a maximum of thirty (30) days. The accumulation of paid sick leave shall be based on the following provisions;
  - (i) The employee shall begin accumulation of sick leave at the start of the pay period immediately following the date he completes one (1) year of continuous employment.
  - (ii) The employee must be paid for not less than one hundred and twenty-eight (128) hours in a four (4) week period to be credited for a half (1/2) day in that month including vacation and general holidays.
  - (iii) Employees absent from work due to leave of absence for any reason, or sickness and compensation, will not accumulate sick leave during this absence.
- (b) Where any absence, occasioned by sickness or accident is not covered for payment from either the Teamsters Transport Health and Welfare Trust Plan or Workers' Compensation, paid sick leave shall be applied as follows:
  - (i) 1/2 days pay for first day of absence provided that day is a regular workday.
  - (ii) One (1) full days pay for each of the second (2nd) and third (3rd) days of sickness, provided those days are regular work days.
  - (iii) A day's pay for employees will be eight (8) hours pay at the regular hourly rate for his classification.
  - (iv) It shall be the responsibility of the employee to claim for accredited sick

leave on such forms as the Company may prescribe.

- (c) Any proven abuse of the Sick Leave Provision will subject the employee to immediate dismissal without recourse to the Grievance Procedure.
- (d) A medical certificate may be required to claim benefits under this provision.

## ARTICLE 9 - VACATION

### 9.01 Anniversary Year

An employee's vacation entitlement shall be calculated on a calendar year basis.

### 9.02 Entitlement

An employee will have an annual vacation entitlement as follows:

Years of Employment	Entitlement
Second and Third	10 days
Fourth to Ninth	15 days
Tenth to Fifteenth	20 days
More than Fifteen	25 days

### 9.03 Vacation Pay

An employee will be entitled to vacation pay based on his previous year's earnings or on his hourly rate of pay in effect at time of taking his vacation, whichever is greater.

Vacation Entitlement	% of Previous Year's Earnings	or	Hours of Pay
10 days	4%		80
15 days	6%		120
20 days	8%		160
25 days	10%		200

An employee will be entitled to any vacation pay accrued to date on request in writing.

### 9.04 Vacation Schedule

- (a) Employees shall be granted their vacation in order of their seniority subject to the efficient operation of the business.
- (b) The Company shall post a schedule for employees to select their vacation not later than January 31, and employees shall indicate their selection not later than March 31.

- (c) The Company shall review the selections and post an approved schedule not later than April 30. An approved schedule may not be changed except by mutual agreement between the Company and the employees affected.
- (d) All employees shall be entitled to a minimum of two weeks vacation during the prime period defined as June 1 to September 30 inclusive, December 15 to January 15 inclusive, and the school Spring break.
- (e) Employees with a vacation entitlement in excess of two weeks shall be granted the balance of the vacation in order of seniority subject to the efficient operation of the business. No employee may schedule more than two (2) consecutive weeks vacation during prime period.
- (f) An employee who fails to select his vacation prior to April 30 may be assigned his vacation period by the Company.

ARTICLE 10 PAID HOLIDAYS

- (a) The following have been designated paid holidays:

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
B.C. Day	Boxing Day

In the event a General Holiday is proclaimed by the Federal or Provincial Government, such holiday shall be observed as a General Holiday.

- (b) An employee shall be entitled to pay for a holiday provided he:
  - (i) has completed his probationary period; and
  - (ii) has worked within the thirty (30) calendar days preceding the holiday; or
  - (iii) is absent by reason of non-compensable illness or injury for a period not exceeding six (6) months; or
  - (iv) is recalled to work within the fifteen (15) calendar days following the holiday, provided he has less than three (3) years' seniority, or
  - (v) is recalled to work within the thirty (30) calendar days following the holiday, provided he has three (3) years' or more seniority.
- (c) An employee, except a line driver, shall receive eight (8) hours pay at his regular rate as holiday pay. A line driver shall receive ten (10) hours pay.

- (d) In the event a paid holiday falls on an employee's regular day off the day designated by the employer preceding or following shall be taken off in lieu.
- (e) Paid holidays falling during an employee's vacation shall be scheduled on the day preceding or the day following the vacation at the time the vacation is scheduled.

Selection shall be subject to the efficient operation of the business and the senior employee shall have preference in resolving a conflict.

## ARTICLE 11 - HOURS OF WORK

### 11.01 Regular Hours

The regular hours of work shall consist of eight consecutive hours exclusive of the meal period between 6:00 a.m. and 6:00 p.m. inclusive.

### 11.02 Regular Week

The regular work week shall be five (5) days with two (2) consecutive days off in each calendar week.

## ARTICLE 12 - OVERTIME

### 12.01 Daily Overtime

Overtime shall be paid for time worked in excess of a regularly scheduled shift on basis:

- (a) time and one-half for the first two (2) hours, and
- (b) double time for hours worked in excess of (a).

The compensation for overtime is on a daily basis and not cumulative.

### 12.02 Day of Rest Overtime

Overtime shall be paid for hours worked on a day of rest on the following basis:

- (a) time and one-half for the first eight (8) hours, and
- (b) double time after eight (8) hours.

### 12.03 Allocation of Overtime

Overtime shall be allocated to the most senior, capable employee who is available and willing to work.

In the event no employee volunteers to work overtime, the Company may assign the overtime work to capable employees in reverse order of seniority.

## ARTICLE 13 – SHIFT SCHEDULES

### 13.01 Intent

The Company will make reasonable efforts to limit the amount of regularly scheduled work to be performed on Saturday or Sundays. The parties, however, recognize that there is a requirement for a regular Saturday or Sunday shift.

### 13.02 Shift Assignment

- (a) The most senior, qualified and capable sixty (60) percent of the work force employed during the calendar week shall be assigned to work Monday to Friday inclusive wherever possible.
- (b) Employees in the least senior, qualified and capable forty (40) percent of the work force scheduled to work may be assigned to work shifts including Saturday and/or Sunday.
- (c) The most senior, qualified and capable sixty (60) percent of employees employed during the calendar week shall be guaranteed a minimum forty(40) hours work.
- (d) Employees among the least senior forty (40) percent will be called to work as and when required in order of seniority pursuant to Article 6.
- (e) Permanent openings shall be posted. An employee shall have forty-eight (48) hours to bid posting. Vacancies will be awarded to the senior applicant. Displaced drivers will have forty-eight hours (48) to bump on a seniority basis.

## ARTICLE 14 - REPORTING PAY

### 14.01 Eight Hour Guarantee

An employee reporting for work on a regularly scheduled work day shall be paid a minimum of eight (8) hours' pay except as otherwise provided in this Article.

### 14.02 Part-time Guarantee

An employee who has not been scheduled to a full five (5) day shift who reports to work when required shall be paid:

- (a) a minimum of two (2) hours pay if there is no work available on reporting, or
- (b) a minimum of four (4) hours pay if he commences work, or



(c) a minimum of six (6) hours pay if he works more than four (4) hours, or

(d) pay for hours worked if he works more than six (6) hours.

#### 14.03 Minimum Call Out

An employee who has left the work site and is called back to work after completing his regular shift or on a day of rest including a paid holiday and reports shall be paid a minimum of four (4) hours pay at the appropriate rate.

However, an employee who completes the work for which he was called may decline to continue to work and shall be paid for time worked at the appropriate rate with a minimum of two (2) hours pay.

#### 14.04 Meetings and Workshops

(a) All employees and dependent contractors who are required to attend any meetings or workshops by the Company or customer outside of the employee's or dependent contractor's regular work day or scheduled hours of work shall be paid two (2) hours at their straight time rate and for all hours in excess of two (2) hours.

(b) Employees and dependent contractors will sign and date a sign-in sheet which shall be verified by a Company representative and a shop steward. The shop steward shall be provided with a copy of the sign-in sheet.

### ARTICLE 15 - MEAL AND REST BREAKS

#### 15.01 Meal Period

Employees shall have one scheduled meal period scheduled as closely as practical to the middle of their shift. The meal period shall be not less than thirty (30) minutes nor more than sixty (60) minutes and shall be without pay.

#### 15.02 Rest Breaks

Employees shall have a fifteen (15) minute rest break with pay in the first and second half of each shift.

#### 15.03 Overtime Rest Periods

A coffee break will be provided during the first half (1/2) of overtime provided the overtime worked is to exceed one half (1/2) hour but not if a meal period is scheduled as provided in 15.05.

#### 15.04

Employees have fifteen (15) minute rest break with pay during each two (2) hour period of overtime scheduled at the conclusion of the first half (1/2) hour of overtime.

#### 15.05 Overtime Meal Period

Employees required to work overtime in excess of two (2) hours shall be entitled to a thirty (30) minute meal break with pay at the end of his regular shift. Where such interruption of work is not practical, the meal break shall be taken later,

### ARTICLE 16 - PAY PERIODS

#### 16.01 Bi-Weekly Pay

Except as otherwise provided in this Article, employees shall be paid bi-weekly on alternate Fridays all wages earned during the two-week period ending on the preceding Sunday at 00:01 hours.

#### 16.02 Statement

The Company will provide employees with a separate itemized statement of earnings and deductions with their pay cheque.

The statement shall include:

- (a) the dates of the pay period;
- (b) the total straight time hours worked;
- (c) the total overtime hours worked;
- (d) the appropriate rates of pay applicable;
- (e) the total miles driven and paid for;
- (f) all deductions by category.

#### 16.03 Pay on Termination

An employee shall be paid all monies owing to an employee terminating employment as soon as possible and not more than seven (7) days from the last day worked. A terminating employee, including an employee temporarily laid off, shall receive his Record of Employment on request and such request shall not affect his status as an employee.

### ARTICLE 17 - SAFETY

### 17.01 Occupational Health and Safety Regulations

The Company will comply with all Regulations governing occupational health and safety including, without limiting the generality of the foregoing, the W.C.B. Occupational Health and Safety Regulations and the Motor Vehicle Act and Regulations.

### 17.02 Employee Responsibility

Employees shall report all mechanical or safety defects on Company equipment and shall report all accidents, whether or not they result in damage or injury to the Company, as soon as reasonably possible in the form and manner prescribed by the Company.

## ARTICLE 18 - MANAGEMENT RIGHTS

- (a) The Union recognizes the exclusive right of the Company to manage and direct the Company's business in all respects and in accordance with its commitments, and to alter from time to time rules and regulations to be observed by employees, which rules and regulations shall not be inconsistent with this Agreement.
- (b) The Company shall always have the right to hire and to discipline, demote or discharge employees for proper cause.
- (c) Nothing contained in this Agreement will be deemed to obligate the Company to continue to operate any of its terminals, operations, properties or any of its parts thereof. However, the Company will provide sixty (60) days advance notice if possible to the directly affected employees and the Union of the termination of runs, a terminal closure or re-domiciling of a Linehaul driver.
- (d) The Company agrees not to convert any current existing Company-operated terminal to a third party agency or any other third party leasing device or contract out any existing work that would have the purpose of circumventing the current agreement for the duration of this agreement, through the use of third party agencies.

## ARTICLE 19 - GRIEVANCE AND ARBITRATION

### 19.01 Grievance Procedure

Whenever any dispute arises between the Company and the Union or between the Company and one or more employees, the men shall continue to work and the dispute shall be adjusted in accordance with the following procedures.

Time limits to institute this Grievance Procedure must be done no later than:

- (a) Termination or lay-off- ten (10) calendar days.

(b) All other grievances - thirty (30) calendar days.

In any dispute over a pay cheque or pay statement or any matter thereon, the time limit shall be calculated from the date the employee received the pay cheque or pay statement.

Step 1.

Any grievance of an employee shall first be taken up between such employee and the Company supervisor, however, the employee will be entitled to be represented by a shop steward or a Union representative,

Step 2:

Failing settlement under Step 1., such grievance shall be taken up between a representative of the Union or a shop steward and the Company supervisor.

Step 3:

Failing settlement under Step 2, such grievance and any dispute arising between the Union and the Company over the interpretation or application of the provisions of this Agreement, including any dispute as to whether a matter is subject to this grievance procedure shall be referred to two (2) authorized representatives of the Union and two (2) authorized representatives of the Company. The representatives of the Union and the Company shall exchange statements in writing setting forth their respective positions relative to the matter(s) in dispute not later than at their initial meeting.

Step 4:

Failing settlement under Step 3, either Party may refer the matter to an. agreed upon neutral arbitrator who will meet with the authorized representatives of the Union and the Company to hear both sides of the case.

#### 19.02 Minister of Labour

If the Parties fail to agree upon a neutral arbitrator within five (5) days (excluding Saturdays, Sundays and General Holidays) after one Party has served written notice on the other Party of its intention to refer the matter to a neutral arbitrator, the Minister of Labour will be requested to appoint a neutral arbitrator.

#### 19.03 Arbitrator's Decision

The arbitrator shall be required to hand down his decision within fourteen (14) days (excluding Saturday, Sunday and General Holidays) following completion of the hearing, and his decision will be final and binding on the two Parties to the dispute and shall be applied forthwith.

The decision of the arbitrator shall be specifically limited to the matter submitted to him, and he shall have no authority in any manner to amend, alter, or change any provisions of this Agreement

#### 19.04 Costs

The cost of the arbitrator will be borne equally by the Union and by the Company.

#### 19.05 Meeting Chairman and Minutes

Under Step 3, the Company will act as recording secretary and will furnish the Union with a copy of any such minutes. All copies of minutes will be signed by both the Union and the Company representatives under step 3, the meeting chairman will be rotated between the Union and the Company.

### ARTICLE 20 - GENERAL

#### 20.01. Picket Lines

It shall not be a violation of this Agreement or cause for discipline for any employee to refuse to cross a legal picket line recognized by the Union, The Union shall notify the Company as soon as possible of picket lines that will affect the Company's operations.

#### 20.02 No Strike or Lockout

There will be no strike, lockout, or slowdown whether sympathetic or otherwise during the term of this Agreement.

#### 20.03 Savings Clause

- (a) If any Article or Section of this Agreement or any of the riders hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement and of any rider thereto, or the application of such article or section to person or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.
- (b) In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either party for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the procedure as outlined in Article 19.

#### 20.04 Marginal Notations

The marginal section and 'article heading shall be used for purposes of reference only and may not be used as an aid in the interpretation of this Agreement

## ARTICLE 21 - WAGES

### 21.01 Wages

The regular hourly and mileage rates shall be those set out in Appendix "A" of this Agreement.

### 21.02 Maintenance of Standards

The Company agrees that all conditions of employment relating to wages, hours of work, overtime differentials, and general working conditions shall be maintained at not less than the highest standards in effect at the time of signing of this Agreement except where specifically changed in this Agreement.

## ARTICLE 22 - HEALTH AND WELFARE

### 22.01 Health and Welfare

The Teamsters -- Transport Health and Welfare Trust Plan (the Health and Welfare Plan) covering members of the Union as set out in Appendix "B" hereunto annexed and forming part of this Agreement shall continue. The Company agrees to cover all members of the Union in the Health and Welfare Plan and to abide by the terms and conditions of the Teamsters-Transport Health and Welfare Trust Plan and as set out in Appendix "B" hereunder annexed and forming part of this Agreement,

### 22.02 Payment of Dues and Contributions

- (a) The Company agrees to make remittances to the Union for Union dues, the administrator of the health and welfare Plan, to which the Company is required to make contributions under this Agreement in accordance with the appropriate article or appendix to this Agreement
- (b) The Company agrees to hold in trust, until remitted, all amounts payable in respect of Union dues, the health and welfare plan, which the Company is obliged to make contributions pursuant to this Agreement and shall be liable, as such, for failure to remit for any reason including, but not limited to liquidation, assignment or bankruptcy of the Company.

### 22.03 Trust Agreement

The Company agrees that it shall be bound by the terms and conditions of the Agreement and Declaration of Trust (the Trust Agreement) covering the health and welfare plan, to which the Company is required to make contributions pursuant to this Agreement.

### 22.04 Delinquency

- (a) The Company acknowledges that the trustees of the Health and Welfare Plan to

which contributions are payable shall have the right to take legal action against the Company to obtain payment of all contributions and interest thereon due pursuant to this Agreement.

- (b) The Company agrees to make contributions to the Union for Union dues and to the trustees of the Health and Welfare Plan within the time limits specified in this Agreement and further agrees that, if such contributions are not received by the Union or applicable plan administrator within the agreed time period (or postmark on the envelope enclosing the contributions is not within the agreed time period), then the Company shall be liable for the payment of such contributions plus interest on the contributions at the rate of two percent (2%) per month from the date such contributions were due to the date of receipt by the Union or the appropriate plan administrator.
- (c) The Company agrees that, if the Union or the trustees of any plan to which the Company is required to make contributions pursuant to this Agreement incur any legal or other costs to recover contributions due and payable by the Company, the Company shall be liable to reimburse the Union or the applicable trustees for such costs.

## ARTICLE 23 - LINE HAUL

### 23.01 Definition

Line Haul shall mean transporting goods and/or equipment distances in excess of one hundred (100) miles from the Company terminal but shall not include Vancouver Island or the Sunshine Coast.

### 23.02 Line Haul Conditions

#### Section 1 - Mileage Condition

- (a) Except as otherwise mutually agreed between the parties hereto, all employees engaged in Line Operations shall be subject to all terms and conditions provided by the Agreement save as hereafter expressly provided. This Article shall cover all employees of the Company engaged in hauling commodities over one hundred (100) miles from base of operations.
- (b) Local warehouse work and city pickup and delivery service are not subject to the terms and conditions of this Article
- (c) In respect of employees/Dependent Contractors making pick-up and deliveries at terminals, employees /Dependent Contractors, engaged in over-the-road operations, including operators of lease equipment and contract haulers may be asked to load and unload freight or to perform duties other than normal duties of a line driver.

#### Section 2 -- Reporting Notice

(a) Employees shall be given at least two (2) hours notice when ordered to report for duty at both the home terminal and at the end of the run or where they have been effectively released from duty by the Company.

(b) Mileage Guide:

The P.C. Miler mileage guide will be used as the guide to determine the number of miles driven. The authority to determine the number of miles driven shall be the Department of Highways of the various provinces, states or territories.

(c) 10 Hour Guarantee

When an employee has been called for duty and has begun his trip or tour, he shall be guaranteed a minimum of ten (10) hours work and/or pay at the hourly work time rate for the trip or any portion thereof.

(d) When an employee reports to work after being called and no work is available, he shall receive a minimum of five (5) hours pay at the work time rate.

(e) 5 Hour Guarantee

When an employee reports in accordance with an established reporting time and no work is provided, he will receive the minimum number of hours pay (five -- 5) hours, UNLESS he has been notified at least two (2) hours ahead of the regular reporting time that no work is available. An employee who has an established reporting time and is unable to report for duty for any reason will advise the Company at least two (2) hours prior to such reporting time.

(f) Local Dispatching Rules

All drivers and operators shall be dispatched according to agreed upon local dispatching rules, which shall be posted. Failure of the Company and the Union to agree on such rules shall result in applying the grievance procedure.

(g) Run-around

Time lost when an employee is available, but not dispatched in proper order under agreed upon local dispatch rules between the Company and the Union, he shall be paid at the hourly rate from the time he should have been dispatched until actual time of departure on trip and/or tour with a maximum of ten (10) hours at the applicable work time rate in each twenty-four (24) hour period.

### Section 3 -Work time

(a) Work time shall include, but not be limited to loading, unloading, repairs of equipment, chaining and unchaining (of tires), time spent on ferries or boats (except as otherwise provided in this agreement herein and when drivers are required to



stay with the equipment). When the driver performs the function, fuelling at Company pumps, and key pumps, hooking up, unhooking, switching on complete interchange of equipment will be included as work time

- (b) There will be fifteen minutes (15) free work time at each switch point, i.e. begin and end of tour of duty, i.e. pre-trip, posttrip, checking reefers.

#### Section 4 --- Travel Time

- (a) All hours travelling on public transportation from the point deadhead commenced to the destination point designated by the Company shall be paid for at his regular straight-time hourly rate plus the subsistence allowance if applicable and the cost of such transportation.
- (b) Deadhead

Each employee who is covered by this Agreement, and who is required by the Company to ride Company equipment in deadhead manner will be paid as per the Collective Agreement

#### Section 5 -- Wait Time

- (a) Wait-time shall be paid for all time spent waiting to load, unload, waiting for loads, waiting for equipment to be repaired and waiting for roads to be cleared with a maximum of eight (8) hours pay for waiting time in each twenty (20) hour period.

Wait time is clarified as follows: wait-time is not cumulative and shall not be subject to overtime. For the purpose of determining wait time pay each stop shall be considered a separate waiting period.

When a driver is held more than one (1) day, he shall receive wait time pay for the first eight (8) hours of each twenty (20) hour period.

- (b) All time lost due to delays as a result of overloads or certification violations involving federal, state, provincial, or city regulations shall be paid for at regular applicable wait-time rate in this Agreement unless required to stay with equipment.

Where possible it shall be the duty of the employee to ascertain that he is not hauling an overload. It shall be the duty of the employee to ascertain that he has all the necessary and required licenses, certificates and permits before leaving the Company terminal provided, however, that the Company shall arrange for all permits to be made available to its employees.

## Section 6

- (a) In the event that drivers are required to lay over during any one round trip or tour away from their home terminals, they shall be compensated for layover time as follows:

It being understood that layover time shall not be cumulative, but shall mean only one layover on such round trip or tour.

For the first twelve (12) hours of each layover - no pay for the next ten (10) hours layover rates as stipulated in this Agreement for the next twelve (12) hours - no pay.

For the next ten (10) hours, rates as stipulated in this Agreement and continuing on the same basis for each twenty-two (22) hour period of continuing layover.

- (b) When drivers arrive at the layover point and are placed on layover, they will be advised on arrival or else put on wait-time, save and except where the drivers have been previously instructed on their drivers' orders.

## Section 7 --- Bobtail

Driving of tractor without trailer shall be paid for on the same basis as driving tractor-trailers.

## Section 8 - Definition Mileage Rates

Mileage rates, as specified in Appendix "A" are composite rates and shall be paid to compensate for the following duties performed:

Driving, checking equipment, making Company required reports.

## Section 9 -- Miles and Hours

All runs or trips shall be paid for at the mileage rate for miles driven except that the hourly rate shall apply in the event that the amount earned under the applicable mileage rates provides less than the hourly rate for the total driving time on a particular trip. The onus is upon the driver to question the rate of pay by marking his trip and pay report accordingly.

## Section 10 -- All Line Drivers Transferring Over-The-Road-Drivers

- (a) When a Branch, Terminal, Division or Operation is closed or partially closed and the work of the Branch, Terminal, Division or Operation is transferred to another Branch, Terminal, Division or Operation, in whole or in part, an employee/Dependent Contractor at the closed or partially closed down Branch, Terminal, Division or Operation shall have the right to transfer to the Branch,

Terminal, Division or Operation to which the work was transferred. It shall be a matter of policy that drivers/Dependent Contractors may be required to make such move within 3 months of the transfer date.

- (b) Such employees will be dovetailed into seniority list as of the date they first become employees in their classification within the Local Union's jurisdiction or certification unless other arrangements are mutually agreed upon.
- (c) Whenever a man is transferred at the request of the Company, his reasonable moving expenses shall be borne by the Company.
- (d) For the purpose of this section "expense " is defined to mean the moving expenses of normal household goods and chattels up to a maximum of one thousand (1,000) cubic feet.
- (e) When the Company contributes to the cost of moving it shall be entitled to select the mover.

ARTICLE 24 - TERM OF AGREEMENT

This Agreement shall be for the period from and including August 1, 2004 to and including July 31, 2009. Either Party to this Agreement may, within four months immediately preceding July 31, 2009 give to the other Party written notice to commence collective bargaining.

After expiry of the term of this Collective Agreement, and subject to the limitations necessarily resulting from the exercise of the rights of the Parties under Part 5 of the Labour Relations Code including the right to strike or lockout the terms and conditions of employment as set out in this Agreement will be observed and not varied except by the Parties mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement. The parties agree that Section 50 of the Labour Relations Code shall be excluded.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2005

IN WITNESS WHEREOF the Parties hereto have set their hands and seals the day and year first above written.

FOR THE COMPANY

FOR THE UNION

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**APPENDIX "A"**  
**WAGE SCHEDULE**

Classification	Aug. 1/04	Aug. 1/05	Aug. 1/06	Aug. 1/07	Aug. 1/08
Company Driver Hourly Rate:	\$17.90	18.15	18.50	18.65	19.05
Company Driver Mileage Rate:	40.50¢	41.0¢	42.0¢	43.0¢	44.0¢

**Shift Differential**

50¢ per hour. Shift differential will be paid before 6:00 a.m. and after 6:00 p.m.

**Line Haul Drivers**

- (a) Additional pickups or deliveries will be paid at the hourly rate for work time/wait time.
- (b) A subsistence rate of twelve dollars and fifty cents (\$12.50) per trip.

**APPENDIX "A1"**  
**WAGE SCHEDULE**  
**Owner Operators**

Classification	Aug. 1/04	Aug. 1/05	Aug. 1/06	Aug. 1/07	Aug. 1/08
Owner Operator	\$39.25	39.50*	40.00	40.25	41.00
Mileage Rates					
5 Axle	\$1.185/per mile	1.20	1.21	1.22	1.23
6 Axle	\$1.235/mile	1.25	1.26	1.27	1.28
Alberta Mileage Rate					
5 Axle	\$1.135/mile	1.15	1.16	1.17	1.18
6 Axle	\$1.185/mile	1.20	1.21	1.22	1.23

\* Effective May 1, 2005 for owner operator hourly rate only.

- (a) The mileage rate stipulated is a composite mileage rate, which includes sixty minutes (60) loading and sixty minutes (60) unloading in B.C. Additional loading or unloading time will be at the applicable hourly rate.
- (b) Additional pickups or deliveries will be paid at the applicable hourly rate.

## **APPENDIX "B" - HEALTH AND WELFARE**

### Section 1 – Participation

It is agreed that the Company will participate in the Teamsters - Transport Health and Welfare Trust Plan (the Plan) instituted 1 July, 1971, and operated under an Agreement and Declaration of Trust revised on 26 November, 1990.

The Company's participation in the Plan will continue throughout the life of this Agreement.

### Section 2 - Board of Trustees

A Board of Trustees will be constituted of those persons provided for in the Agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) people appointed by the Teamsters Local Union No. 31.

### Section 3 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the Board of Trustees, provided the Plan is administered in accordance with the Collective Agreement and any applicable government law or regulation.

The Plan and the activities of the Board of Trustees will be governed by an Agreement and Declaration of Trust, and benefit entitlement will be subject to such rules, limitations and exceptions contained in Plan documents and insurance contracts as are established and accepted by the Trustees from time to time.

### Section 4- Eligibility Conditions

- (a) For the purposes of this section a regular employee or member of the Union hired by the Company shall include Dependent Contractors as defined under Article 3 of this Agreement. Dependent Contractors shall be considered a regular employee on his date of hire.
- (b) Any member of the Union who is a regular employee in the employ of the Company on the date of this Agreement shall join the Plan on the date of this Agreement.
- (c) Any member of the Union who is hired by the Company after the date of this Agreement shall join the Plan on the first day of the month coincident with or immediately following the month in which the employee becomes a regular employee.
- (d) Notwithstanding subparagraph "(c)" above, any member of the Union who is hired by the Company after the date of this Agreement who has been covered under the Plan within the 30 day period immediately prior to the date on which he commences work with the Company, and who becomes a regular employee, shall

join the Plan on the later of his date of hire or the day following termination of his previous coverage.

- (e) If an employee whose coverage has been terminated due to lay-off is recalled and works a minimum of one full shift, coverage for the weekly indemnity and long term disability benefits will commence on the date of return to work, and all other benefits will be reinstated as of the first day of the month in which return to work occurs.
- (f) Article 22 notwithstanding, employees shall not be covered by the Health & Welfare Plans until the 1st of the succeeding month following completion of ninety (90) calendar days.

#### Section 5 - Rehabilitative Employment

Any employee who, immediately following a period of disability for which benefits were payable under the Plan, may, with the approval of the Union, the Board of Trustees and the Company return to work on a trial basis, either on full or limited duties without right or entitlement coverage under the Plan other than would have been provided had such return to work not have occurred.

During such periods of "rehabilitative employment," it is agreed that:

- (a) The employee will be paid by the Company at his normal rate of pay for hours worked.
- (b) The duration of such rehabilitative employment shall exceed thirty (30) days only by mutual consent of all parties.

#### Section 6 - Benefits

Benefits provided by the Plan are established by the Board of Trustees. Benefits currently provided are:

- (a) Group Life Insurance
- (b) Accidental Death and Dismemberment Insurance
- (c) Weekly indemnity
- (d) Long Term Disability
- (e) Dental
- (f) Extended Health
- (g) Medical Services Plan of B.C.

The amounts of coverage and details of each benefit are established by the Board of Trustees, and are subject to amendment by them from time to time.

It is understood that, should the provision of Medical Services Plan of B.C. coverage be removed from the Plan, the Company will be fully responsible for providing such coverage, and that the cost of such coverage will be paid for by the Company, It is further understood that entitlement to coverage for Medical Services Plan of B.C. coverage will be identical to entitlement to coverage under the Plan.

#### Section 7 – Cost

The Company shall contribute one hundred percent (100%) of the contribution rate established by the Board of Trustees. for any month in which any employee is covered by the Plan for one day or more.

Definition: The Company agrees to the contribution rate established by the Board of Trustees from time to time and also any increase in the premium rates of the B.C. Medical Plan. This means that the Company will be responsible for any monies required to keep the Plan whole.

#### Section 8 - Payment

Contributions will be made on a calendar month basis for each eligible employee and the Company shall remit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the month for which coverage is required.

Payment of contributions by the Company shall be subject to the conditions and provisions of Article 22 of this Agreement.

#### Section 9 - Termination of Coverage

- (a) All coverages under the Plan will terminate at the end of the month in which lay-off or any other temporary interruption of employment commences.
- (b) If employment is terminated, coverage for the weekly indemnity and long term disability benefits will terminate immediately upon termination of employment and all other coverages will terminate at the end of the month in which termination of employment occurs.
- (c) It shall be the responsibility of the Company to advise the Administrator of the Plan in a timely fashion of termination of a member's coverage and the Company will be held responsible for any costs incurred by the Board of Trustees that result from late notification of termination of coverage.

#### Section 10 - Failure to Remit Contributions



It is agreed that, if the Company fails to remit contributions due under this Agreement on behalf of any eligible employee, the Company shall be liable for the payment of all benefits the employee does not receive from the Health and Welfare Plan but would have received had the Company remitted the required contributions.

Section 11- General

- (a) It shall be the responsibilities of the Trustees of the Plan to provide all necessary enrolment and administrative forms to the Company.
- (b) It shall be the responsibility of the Company to provide the employee the necessary forms to enrol and make claim under the Plan.
- (c) It shall be the responsibility of the employee to cause such forms to be completed.

## **APPENDIX "C" - DEPENDENT CONTRACTORS AGREEMENT**

1. The Company shall be held responsible for the action of the Dependent Contractor respecting compliance with the Motor Carrier Act and regulations pursuant thereto only while such equipment is being operated as specifically directed or authorized by the Company. The Company shall not direct a Dependent Contractor to haul without proper permits.
2. The Company and the Dependent Contractor shall each maintain adequate insurance coverage appropriate to their areas of responsibility as required by statute and each shall file with the other proof of insurance coverage.
3. The Dependent Contractor shall display the name of the Company on the vehicle and have it painted as required by the Company, plus whatever is required by the Motor Carrier Commission and/or Motor Vehicle Regulations.
4. The Dependent Contractor shall be responsible for any expenditures made by the Dependent Contractor in the name of the Company subject to the Dependent Contractor having received authorization from the Company prior to making of such expenditures. Such expenditures on his own equipment shall be subject to deduction by the Company from the Dependent Contractor.
5. This Agreement may be cancelled by either the Company or the Dependent Contractor on giving thirty (30) days prior notice or such longer period as mutually agreeable to the Company and the Dependent Contractor, excepting that this Agreement may be cancelled immediately by either the Company or the Dependent Contractor for reasons of default, violation of Company policy or violation of this Agreement
6. Except where otherwise mutually agreed in writing by the Union and the Company, the Company shall pay to the Dependent Contractor for service rendered, not less often than once every calendar month:
  - (a) The Company shall pay rates as outlined in Appendix "A-1".
  - (b) The Company will indemnify Owner Operators for fuel increases over 3.5 cents/litre from those fuel prices in effect on January 3, 1995 as posted by Chevron (i.e. after 42.12 cents/litre at Flood Fuelling Station).
  - (c) The existing Appendix "C" 6(b) shall continue to be available to owner operators employed by the Company as of the date of the Memorandum of Agreement. (current owner operators). Current owner operators may, on a one-time basis, elect to be covered by the amended Appendix "C", 6(d), provided this election is made in writing to a designated representative of the Company within thirty (30) days of ratification of the Memorandum of Agreement.
  - (d) For all owner operators hired after the date of the Memorandum of Agreement (Oct. 19, 2004) the following conditions will apply.
    - i. The Company will indemnify owner operators for fuel increases

- over 3.5 cents/litre on fuel price of 50¢/litre at Flood Fuelling Station.
- ii. Owner operators must achieve 5.5 miles/gallon in order to receive fuel indemnity.
  - iii. Owner operator hourly rate to be increased 65¢/hour or .06 cents/mile on September 1, 2004, over and above the agreed rates in the collective agreement.
7. In addition to compensation provided for under Section 6 herein, the Company shall assume complete financial responsibility for the following:
    - (a) Contributions normally assessed against an Employer for the Health and Welfare Plan.
    - (b) The painting of the Company signs on the equipment.
    - (c) The bonding of the Dependent Contractor,
    - (d) Cargo insurance and trailer insurance.
    - (e) Any administration fees incurred as a result of engaging the services of the Dependent Contractor.
    - (f) Operating Authorities certificates.
  8. The Dependent Contractor shall assume complete financial responsibility for the following:
    - (a) Union dues, initiation fees and assessments.
    - (b) Contributions normally assessed against an employee for Unemployment Insurance and Canada Pension Plan.
    - (c) All fuel, tires and maintenance for the equipment.
    - (d) The painting of the equipment, except as provided in Section 7 (b) herein.
    - (e) The insurance on the equipment.
    - (f) All licences except as provided in Section 7 (f) herein.
    - (g) Worker's Compensation.
  9. Owner operators shall be paid the applicable hourly rates for all work or wait time hours excepting as provided in Appendix "A-1"
  10. There shall be a designated payroll person at each terminal that has Gulf Islands Cartage Dependent Contractors. The payroll person will look into and resolve payroll concerns of Dependent Contractors.
  11. Dependent Contractors shall not be required, as part of their daily routine, to photocopy pro bills or bills of lading or perform any paperwork other than fill in their trip sheet and logbook. The Dependent Contractors shall hand all cargo documentation to the dispatcher for processing at the end of the trip.
  12. Dependent Contractors shall be offered all work and dispatched in seniority order provided the Dependent Contractor is capable and qualified to do the work and has hours of work available in his log book.
  13. There will be one seniority list for line-haul Dependent Contractors at each

- terminal (pro-rated trucks to be on the same seniority list as non pro-rated trucks).
14. The Company shall post an updated seniority list every six (6) months at each terminal where Gulf Island Cartage Dependent Contractors are dispatched from. A copy of the seniority list will be sent to the Union.
  15. A. Dependent Contractor shall be given a departure time when dispatched as well as an arrival time at the loads destination.
  16. Dependent Contractors shall have their trip mileage determined based on the P.C. Miler mileage charts.
  17. All Dependent Contractors shall be offered and have the ability to be pro-rated for Alberta if they wish to do so.
  18. The monthly deductible for licensing and insurance shall not exceed a pro-rate amount of the current license and insurance (ie. 1/6 for six months or one twelfth (1/12) per month per calendar year).
  19. In the event the Company directs Dependent Contractors to use toll highways or bridges, the Company will pay the toll or bridge charges for the haul. The Company will pay telephone charges relation to Company business and administrative weigh charges incurred by the Dependent Contractor.
  20. The Company agrees to a mid-month draw for Dependent Contractors currently paid on a monthly basis provided the monies are due and owing.

## **APPENDIX "D" -- TEAMSTERS NATIONAL PENSION PLAN**

### Section 1

The Teamsters' National Pension Plan is designed to supplement other forms of pension an employee may have.

The Company together with other Companies signing a Collective Agreement that is the same or substantially the same as the B.C. Master Cartage and Warehousing Agreement on the one Part, and Teamsters Local 31 on the other Part, have together established a Pension Plan to be known and described as:

#### Teamsters' National Pension Plan

The Plan will continue throughout the life of the Collective Agreement.

The Plan will operate under the supervision and guidance of 5 Trustees appointed by the Companies and 5 Trustees appointed by the Union.

The Plan and the activities of the Trustees will be governed by a Trust Agreement aforesaid. The following eligibility conditions shall apply to the Plan:

- (a) Any member of the Union who is a regular employee in the employ of the Companies described as part one above on the effective date of the Plan shall join the Plan from that date.
- (b) Any member of the Union who is hired by the Companies after the effective date shall join the Plan on the first day of the month immediately following that month in which the employee becomes a regular employee.
- (c) Notwithstanding the provisions of Sub Section (b) of this Section, any member of the Union who is hired by the Company after the effective date of the Plan shall join the Plan as an active participant on the day he is so hired, provided that within the previous thirty (30) day period he was a participant in the plan.
- (d) Notwithstanding the provisions of Sub-Section (b) of this Section, any member of the Union hired as replacement for regular employees shall join the Plan on the first day of the month following the month in which the employee is hired.

### Section 2

The Trustees shall establish benefits from time to time in conformity with the sound financial applications of the negotiated contributions.

### Section 3

The cost of the Plan shall be borne by the Companies,

The Company shall contribute in respect of each employee at a rate of contribution for each hour worked as follows:

All straight time hours worked by (or paid for) an eligible regular employee, not to exceed 40 hours per week or 168 hours per month, except:

- (a) Any employee working a four day workweek shall be entitled to 40 hours per week, provided the employee works each day of the stipulated workweek.
  - (b) In respect of a linedriver not to exceed 168 hours per month. Hours worked by a linedriver in any month in excess of 168 hours to be banked and to be carried forward by the Company for payment in any month in which the hours worked are less than 168.
2. All hours, but no more than 168 hours per month, for an employee within the regular bargaining unit on leave of absence by reason of their being appointed or elected to a part-time or full-time position in the Union. (These contributions shall be paid by the Union).
  3. The following shall be deemed to be periods of work for which contributions are required to be paid by the Company
    - (a) jury duty
    - (b) bereavement leave
    - (c) vacation pay
    - (d) statutory holiday pay
    - (e) special personal floating holiday pay

No contributions are required to be paid for:

- (a) change in shift penalty
- (b) call time - where a call involves a four hour minimum embodying call time and hours worked, only hours worked are contributed for
- (c) severance allowance

The following rate of contribution shall apply:

Effective Date	Cents Per Hour
August 1, 2003	45¢
August 1, 2005	55¢
August 1, 2007	65¢
August 1, 2008	75¢

Contributions shall be made on a calendar month basis for each regular employee and the Companies shall submit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the following calendar month.

**APPENDIX "E"**  
**TEAMSTERS LOCAL NO.31 UNION/INDUSTRY ADVANCEMENT FUND**

The Teamsters Local No. 31 Union/industry Advancement Fund shall be for the enhancement of all persons dependent upon any industry represented by Teamsters Local Union No. 31. Effective on the date of ratification of this Agreement, the Employer shall make contributions of five cents (\$.05) per hour for which wages are payable hereunder for each employee and Dependent Contractors covered by this Collective Agreement.

Payment of said funds shall be made to the Teamsters Local No. 31 Union/industry Advancement Fund by the 15th of the month following that to which they refer.

This payment will be independent and separate from any other payment made to Teamsters Local Union No. 31.





**LETTER OF UNDERSTANDING #2  
BETWEEN:  
GULF ISLANDS CARTAGE CO. LTD.  
AND:  
TEAMSTERS LOCAL UNION NO. 31  
RE: OVERWAITEA CONTRACT**

The parties agree to the following conditions:

**COMPANY DRIVERS**

1. The Company (Gulf Island) agrees that all "LTL" will be picked up and delivered by Van Kam Freightways.
2. The Company (Gulf Island) agrees that all warehouse work will be performed by Van Kam Freightways.
3. The Company (Gulf Island) agrees that it will not bid (haul) any freight that is currently being performed by Van Kam Freightways.

The parties further agree that this Letter of Understanding will expire on the expiry date of the current Gulf Island Collective Agreement.

One (1) free hour per trip.

Signed this                  day of                                  , 2005

SIGNED FOR THE COMPANY

SIGNED FOR THE UNION

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**LETTER OF UNDERSTANDING #3**  
**BETWEEN:**  
**GULF ISLANDS CARTAGE CO. LTD.**  
**AND:**  
**TEAMSTERS LOCAL UNION NO.31**

1. The Company agrees to rescind its 10-minute rule at CP Intermodal. (The Company's position is that theft of Company time is a very serious offence which could lead to discipline and may include suspension or termination).
  
2. Union Cards - RE the Part-Time List Spareboard: Part-time or unsigned employees will be removed from the job site by either the Union Representative or Shop Steward within 30 days by the Union, if the Local Union has not received signed authorization cards.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2005

SIGNED FOR THE COMPANY

SIGNED FOR THE UNION

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_