

AGREEMENT BETWEEN:

**INLAND KENWORTH**

AND:

**INTERNATIONAL UNION OF OPERATING  
ENGINEERS, LOCAL 115**

November 1, 2005 to October 31, 2008

INDEX

<u>ARTICLE</u>		<u>PAGE</u>
I	OBJECTS	3
II	DURATION	3
III	DEFINITION OF EMPLOYEE	4
IV	BARGAINING AGENCY	4
V	HOURS OF WORK AND OVERTIME	4
	Mechanical Department	4
	Bodyshop	5
	Parts Department	6
	Clarification of Tues. to Sat. Work Week	7
	Parts Call Out	8
	Clarification	8
	All Employees	9
	Clarification	9
	Preparation Time	10
VI	MANAGEMENT RIGHTS	11
VII	GRIEVANCE PROCEDURE	12
VIII	SENIORITY	14
IX	VACATIONS	15
X	GENERAL HOLIDAY PAY	18
XI	WAGES	19
	Payment of Wages	19
XII	TRANSPORTATION AND EXPENSES	21
XIII	GENERAL PROVISIONS	22
	Standby Time	24
	Layover Time	24
	Bonding	24
	Tool Insurance	24
	Tool Allowance	24
	Customer Co-op	26
	Leave of Absence	26
	Union Notices	26
	Technological or Procedure Changes	27
	Job Posting, etc.	27
	Dismissed or Improper Charges	28
	Article Headings	28
	Truck Maintenance & Safety	28
	Workmanship Review Committee	30
	Severance & Layoff Pay	30
	Health & Welfare	30
	Group Life - Accidental Death Insurance	31
	Dental Plan	31
	Sick Time	32
XIV	SAVINGS CLAUSE	34
	SCHEDULE "A" - Classifications and Wage Rates	35
	LETTER OF UNDERSTANDING #1      Re: Driving	39
	LETTER OF UNDERSTANDING #2      Pension Plan	41
	Release & Waiver	42
	Declaration	43

LETTER OF UNDERSTANDING #3

CUSTOMER COOP

44

BETWEEN:

**INLAND KENWORTH**  
1995 Quinn Street  
Prince George, British Columbia  
V2N 2X2

(hereinafter called the "Company")

PARTY OF THE FIRST PART

AND:

**INTERNATIONAL UNION OF OPERATING ENGINEERS,  
LOCAL 115**

(hereinafter called the "Union")

PARTY OF THE SECOND PART

WITNESSETH: that the parties hereto agree as follows:

**ARTICLE I: OBJECTS**

The objects of this Agreement are to maintain a harmonious relationship between the Company and its employees, to provide an amicable and equitable method of settling grievances or differences which might possibly arise, to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement.

**ARTICLE II: DURATION**

This Agreement shall be in full force and effect from and including **November 1, 2005** to and including **October 31, 2008**, and shall continue in full force and effect from year to year thereafter subject to the right of either party to this Agreement within four (4) months immediately preceding the date **October 31, 2008**, or immediately preceding the anniversary date in any year thereafter, by written notice to the other party, require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.

Should either party give written notice to the other party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike, or the Company shall give notice of lockout or the parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

By agreement of the parties hereto, the provisions of Section 50 (2) & (3) of the Labour Code of British Columbia are specifically excluded.

**ARTICLE III: DEFINITION OF EMPLOYEE**

In this Agreement, "employee" means a person who is employed by the Company, and who is included in a unit of the Company's employees for whom the Union has been certified as the collective bargaining agent by the Labour Relations Board of British Columbia.

**ARTICLE IV: BARGAINING AGENCY**

1. The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of Inland Kenworth Ltd. employed at Prince George.
2. This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each employee.
3. Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, be and remain or become and remain a Union member in good standing for the duration of this Agreement or for the duration of his employment with the Company, whichever is shorter. Counting from the date he commences employment with the Company, each new employee will be allowed thirty (30) calendar days within which to make application to join the Union and tender the appropriate initiation fees. The Union shall have the exclusive right to determine who is a member in good standing. Should an employee, at any time, cease to be a member in good standing of the Union, the Company shall, upon notification in writing from the Union, discharge such employee forthwith.
4. The Company shall deduct from each new employee an amount equal to the Union dues, from the employee's first payroll cheque after completion of six (6) days of work in a calendar month and add that employee's name and the said amount to the closest applicable checkoff, i.e., if the month's checkoff has been remitted, it shall be added to the following month's checkoff and shown as the previous month worked.

**ARTICLE V: HOURS OF WORK AND OVERTIME**

A. MECHANICAL DEPARTMENT

1. The standard shop work day shall consist of eight (8) hours, 7:30a.m. to 4:30p.m. The standard work week shall consist of forty (40) hours, Monday to Friday.
  2. Effective December 1, 1999 if a second shift is employed, the hours of work shall be seven and one-half (7½) hours of work between the hours of 12:00p.m. and 12:00a.m. Monday through Friday for which eight (8) hours shall be paid and a shift
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premium of seventy cents (.70¢) shall be added to the classified hourly rate. The Company agrees to run only one second shift at any given time. The Company recognizes the concerns of the employees as well as competitive concerns and will make every effort to consider both in setting schedules. Other than the 4:00p.m. to midnight shift the Company agrees to give two (2) weeks notice to employees when changing the start time of the second shift.

3. Each shop shift shall have a minimum of one-half (½) hour lunch period at mid-shift.
4. The Company is entitled to implement a regular Tuesday to Saturday shift, between the hours of 7:30a.m. and 4:30p.m. Employees who work on the Tuesday to Saturday shift shall be paid a premium of one dollar and twenty-five cents (\$1.25) per hour on all hours worked on this shift.
5. No more than fifty percent (50%) of the total employees in the Mechanical Department and the Bodyshop shall be assigned to the Tuesday to Saturday shift at any one time.
6. The Company shall endeavour to share overtime on a fair and equal basis with all consideration given to seniority.
7. **Effective December 1, 2005 if a Sunday to Wednesday shift is employed:**
  - a) Hours of work shall be 7:00a.m. to 5:30p.m. Monday to Wednesday and 7:00a.m. to 4:30p.m. Sunday.
  - b) Thirty-nine (39) hours worked for forty (40) hours pay.
  - c) Shift premium shall be one dollar (\$1.20) per hour worked.
  - d) Employees shall receive ten (10) hours pay for General Holidays.
  - e) If the General Holiday falls on a Thursday or Friday, employees working this shift will take the Wednesday immediately before the General Holiday.
  - f) Only volunteers and/or employees hired after December 1, 2004 shall be required to work this shift.
  - g) Rotation will not apply to this shift.

B. BODYSHOP

1. The standard bodyshop work day shall consist of eight (8) hours, 7:30a.m. to 4:30p.m.. The standard work week shall consist of forty (40) hours, Monday to Friday.

2. Effective December 1, 1999 if a second shift is employed, the hours of work shall be seven and one-half (7½) hours of work between the hours of 12:00p.m. and 12:00a.m. Monday through Friday for which eight (8) hours shall be paid and a shift premium of seventy cents (.70¢) shall be added to the classified hourly rate. The Company recognizes the concerns of the employees as well as competitive concerns and will make every effort to consider both in setting schedules. Other than the 4:00p.m.to midnight shift the Company agrees to give two (2) weeks notice to employees when changing the start time of the second shift.
3. Each shop shift shall have a minimum of one-half (½) hour lunch period at mid-shift.
4. The Company is entitled to implement a regular Tuesday to Saturday shift, between the hours of 7:30a.m.and 4:30p.m. Employees who work on the Tuesday to Saturday shift shall be paid a premium of one dollar and twenty-five cents (\$1.25) per hour on all hours worked on this shift.
5. No more than fifty percent (50%) of the total employees in the Mechanical Department and the Bodyshop shall be assigned to the Tuesday to Saturday shift at any one time.
6. The Company shall endeavour to share overtime on a fair and equal basis with all consideration given to seniority.
7. **Effective December 1, 2005 if a Sunday to Wednesday shift is employed:**
  - a) Hours of work shall be 7:00a.m.to 5:30p.m. Monday to Wednesday and 7:00a.m.to 4:30p.m.Sunday.
  - b) Thirty-nine (39) hours worked for forty (40) hours pay.
  - c) Shift premium shall be one dollar (\$1.20) per hour worked.
  - d) Employees shall receive ten (10) hours pay for General Holidays.
  - e) If the General Holiday falls on a Thursday or Friday, employees working this shift will take the Wednesday immediately before the General Holiday.
  - f) Only volunteers and/or employees hired after December 1, 2004 shall be required to work this shift.
  - g) Rotation will not apply to this shift.

C. PARTS DEPARTMENT

1. The starting and stopping time on standard shifts, as well as
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the meal period shall be mutually arranged by the Company and the Union, it being understood that the meal period shall not be less than thirty (30) minutes.

2. The standard work day shall consist of eight (8) hours, and the standard work week shall consist of forty (40) hours on the first shift, worked between the hours of 7:30a.m. and 5:30p.m.
3. Effective December 1, 1999 if second shift is employed, the hours of work shall be seven and one-half (7½) hours of work, between the hours of 12:00p.m. and 12:00a.m. Monday through Friday for which eight (8) hours shall be paid and a shift premium of seventy cents (.70¢) shall be added to the classified hourly rate. The Company recognizes the concerns of the employees as well as competitive concerns and will make every effort to consider both in setting schedules. Other than the 4:00p.m. to midnight shift the Company agrees to give two (2) weeks notice to employees when changing the start time of the second shift.

On the second shift the Company agrees to pay the lead hand rate, when the partsman has to do the lead hand job or if alone.

4. Five (5) shifts Monday to Friday inclusive, and/or Tuesday to Saturday inclusive, shall constitute a regular week's work.

The hours of work for the Tuesday to Saturday shift shall be between the hours of 7:30 a.m. to 4:30p.m. These employees shall receive a premium of one dollar and twenty-five cents (\$1.25) per hour.

#### Clarification of Tuesday to Saturday Work Week

- (a) The Tuesday to Saturday work week shall be on a voluntary basis, unless the Company cannot obtain enough volunteers to fill the requirements, then the junior men in the required categories will be requested to work such shift.

Where the Company has to appoint men to this shift, any one period of service shall not exceed twenty-one (21) calendar days.

- (b) The standard work week shall consist of forty (40) hours on day shift, Tuesday to Saturday inclusive. Sundays and Mondays shall be regular days off for this shift, and any work performed on these days off shall be paid at overtime rates as provided for in this Agreement.

NOTE: Tuesday to Saturday work week - Sunday and Monday being regular days off, any General Holiday falling on or celebrated on these days off shall be celebrated on Tuesdays.

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All General Holiday payment provisions contained in this Agreement shall be applicable to this Tuesday General Holiday.

5. All overtime, call-in pay, etc. shall be that as set out in the General Hours of Work provisions to apply to all employees.
6. Parts call-out:  
**If the designated parts person is required to carry a phone to be on call they shall also receive an additional one hundred dollars (\$100.00) for the week in addition to any other call-out pay.**

All employees recognized by the Company as being suitably qualified will be requested on a voluntary basis, to rotate for weekly parts call out standby.

In the event that the designated individual is unable to fulfil their standby requirements it would be their responsibility to ensure that the duties/responsibilities are fully re-assigned and carried through. It is the responsibility of the person on standby to handle the call out if possible, or call whomever can do the job.

If sufficient qualified parts people do not volunteer for call out standby, the two most junior qualified parts people shall be appointed on a rotating basis.

For Clarification: Eighty-five dollars (\$85.00) per Call Out as has been in the past.

In addition, all time spent by an employee on any parts call-outs in excess of one-half ( $\frac{1}{2}$ ) hour shall be paid at the appropriate overtime rates. Call-outs shall be on a rotating basis where possible.

If the designated employee is available and parts are supplied, he shall be paid the call-out even if he is not required to come to the shop. The intention of this clause shall not be abused by the Company.

7. The Company shall endeavour to share overtime on a fair and equal basis with all consideration given to seniority.
8. **Effective December 1, 2005 if a Sunday to Wednesday shift is employed:**
  - a) **Hours of work shall be 7:00a.m.to 5:30p.m.Monday to Wednesday and 7:00a.m.to 4:30p.m.Sunday.**
  - b) **Thirty-nine (39) hours worked for forty (40) hours pay.**

- c) **Shift premium shall be one dollar (\$1.20) per hour worked.**
- d) **Employees shall receive ten (10) hours pay for General Holidays.**
- e) **If the General Holiday falls on a Thursday or Friday, employees working this shift will take the Wednesday immediately before the General Holiday.**
- f) **Only volunteers and/or employees hired after December 1, 2004 shall be required to work this shift.**
- g) **Rotation will not apply to this shift.**

D. ALL EMPLOYEES

- 1. The Company shall give the employee forty-eight (48) hours' notice prior to changing shifts.
- 2. When it is necessary for an employee to be transferred from one shift to another shift, said shifts will continue for a minimum of three (3) consecutive normal working days, or the overtime rates as provided for in this Agreement will apply.
- 3. If an employee is working on the second or third shift and is unable to start the shift on time and/or to complete the shift, then the hourly rate for such an employee shall be computed by dividing the employee's total pay for a regular full shift by the applicable total number of hours he would be required to work to qualify for a full second or third shift, multiplied by the actual hours worked.
- 4. It is intended that every employee should have eight (8) hours' rest between shifts. In the event that an employee is recalled to work before such eight (8) full hours elapse, he shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work on his own accord until eight (8) full hours have elapsed.

Clarification:

Employees working after midnight reporting for work next shift after an eight (8) hour break will not lose time taken from the shift to make up the eight (8) hour break.

- 5.(a) Employees called in before their regular starting time shall be paid at the double time rate for time worked prior to their regular starting time.
- (b) Employees called back to work after their regular shift shall receive a minimum of four (4) hours' pay at the prevailing overtime rate.

6. All hours worked outside of the standard work hours, outside the established shift hours and outside the standard work week shall be considered overtime and paid as follows:
- (a) Double time for all hours worked after the regular shift.
    - (i) All overtime in one calendar week shall be paid at double time.
    - (ii) All overtime for bodymen, painters and apprentices in the bodyshop in one calendar week shall be paid at double time.
  - (b) Double time for all hours worked on a Sunday, or on any General Holiday listed in Article X, or day observed as such under the terms of this Agreement. This double time is in addition to any General Holiday pay an employee may be entitled to under other provisions of this Agreement.
- 7.(a) An employee who reports for work at the start of the standard work week shall be guaranteed full pay for the balance of the standard work week. The forty-eight (48) hour notice of layoff provided in the Seniority section of this Agreement shall take precedence when an employee is laid off on a Thursday. He would work Friday and Monday and by working Monday is not entitled to full pay for that week.
- If an employee of his own volition does not report for his regular shift or shifts, then his weekly minimum five (5) shift pay base shall be reduced to the number received by subtracting the number of shifts missed from base 5.
- (b) An employee reporting for work on his regular shift shall receive a minimum of eight (8) hours' pay at his regular rate.
  - (c) An employee called to work on a Saturday, (and on Monday in the Parts Department where applicable), a Sunday or on a General Holiday (or day observed as General Holiday), shall receive a minimum of four (4) hours' pay at the prevailing overtime rate.
  - (d) The provisions of this section shall not apply if an employee voluntarily quits or lays off, or is discharged for proper and sufficient cause.
8. Preparation Time:  
The Company will allow and pay for personal preparation time to employees being sent on out-of-town jobs for a period of overnight or longer at the prevailing overtime rates if done outside the regular shift hours.
9. Where an employee works through his regular established lunch
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period, such employee shall be paid the applicable overtime rate and be allowed one-half (½) hour time off to consume a meal with no loss in pay.

10. Employees involved in an accident while on the job shall receive eight (8) hours' pay at his classified rate for the day of the accident. If an employee is required to take time off while on the job to consult a doctor with regard to any compensable injury he has received on the job, he shall be paid for such time off provided a doctor's letter or note is supplied and he returns to complete the day's work, if practicable.
11. All overtime shall be on a voluntary basis.
12. All field service shall be on a rotating basis where possible.
13. Without detracting from the minimum overtime hours worked and/or minimum overtime pay guarantees as provided elsewhere in this Agreement, when an employee works overtime, his time worked shall be calculated on a fifteen (15) minute unit basis. If an employee works any part of a fifteen (15) minute unit he shall receive credit for time worked for that full fifteen (15) minute unit.

If the Company has a time clock when an employee works overtime his time worked shall be calculated on a ten (10) or twelve (12) minute period depending on time clock calibrations. If an employee works any part of a ten (10) or twelve (12) minute unit, he shall receive credit for time worked for that full ten (10) or twelve (12) minute unit.

14. When employees are being worked on two (2) or more shift schedules and where a majority of the employees request it, they shall rotate shifts.
- 15.(a) Employees who work beyond ten (10) hours per day shall receive a maximum of one-half (½) hour's pay for time off to eat a meal and each four (4) hours thereafter, but may take up to forty-five (45) minutes off for such purpose. Further to this, if an employee feels that he requires additional time off, he will request such additional time from the Foreman and if the request is reasonable, the Foreman shall grant same. This break shall occur at the regular meal hour.
- (b) **The Company shall pay the cost of a meal to a maximum of twenty-five dollars (\$25.00).** In all cases, a detailed receipt shall be obtained and turned in to the Company with the amounts being justified.

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**ARTICLE VI:            MANAGEMENT RIGHTS**

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The Union recognizes and agrees that:

- (a) The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.
- (b) The Company has and shall retain the right to select it's employees, to hire, classify, promote, demote or discipline them and discharge employees for proper cause, provided that a claim of discrimination against an employee in respect to any of these matters, or a claim of violation, of any section or Article of this Agreement, may be the subject of a grievance and be dealt with as hereinafter provided.
- (c) Any illegal work stoppage during the term of this Agreement could result in termination of the employees involved.

**ARTICLE VII: GRIEVANCE PROCEDURE**

Should a dispute arise between the Company and an employee or the Union as an entity regarding the interpretation, application, operation or any alleged violation of this Agreement, including any questions as to whether any matter is arbitrable, it shall be resolved in the following procedural manner:

- (a) The employee or the Union, together with such person or persons as he or the Union may wish, shall take the matter up with the Company within thirty (30) calendar days.
- (b) Should a solution not be reached by step (a) then a Business Representative of the Union, accompanied by the employee if the employee or Business Representative so wish, shall discuss the matter with the Company. If a solution is reached, this shall be final.
- (c) If the procedures set forth in (a) and (b) above do not result in a solution being reached within seven (7) days of the first discussion between a Business Representative of the Union a representative of the Company, or within such further period as the Company and the Union agree to in writing, the dispute shall be referred to an Arbitration Board of three (3) persons appointed as follows:
  - (i) The party desiring arbitration shall appoint a member for the Board and shall notify the other party in writing of the name and address of the person so appointed and particulars of the matter in dispute.
  - (ii) The party receiving the notice shall within five (5) days appoint a member for the Board and notify the other party of it's appointment.

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

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

If the Arbitration Board finds (or if at any earlier stage of the grievance procedure it is found) that an employee has been unjustly suspended or discharged, that employee shall be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place, or if the Arbitration Board finds (or if at any earlier stage of the grievance procedure it is found) that an ex-employee should have been rehired, that ex-employee shall be employed by the Company and paid all pay which he would have enjoyed and accorded all rights, privileges and benefits which he would have enjoyed if he had been hired at the proper time, provided that if it is shown to the Board that the employee has been in receipt of wages during the period between discharge or suspension and reinstatement, or date of failure to rehire and rehiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Article, less any expenses which the employee has incurred in order to earn the wages so deducted, AND PROVIDED THAT the Arbitration Board, if circumstances are established before it, which, in the opinion of the Arbitration Board, makes it just and equitable to do so, shall have authority to order the Company to pay less than the full amount of wages lost.

The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.

If the award of the Arbitration Board is subsequently set aside by a court of competent jurisdiction, the question shall, at the request of either party, be submitted to another Arbitration board appointed pursuant to and with all the powers provided by this Article.

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

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

- (d) Any discharged employee may, within seventy-two (72) hours of his discharge, in writing, require the Company to give him the reasons for his discharge and the Company will give such reasons to him, in writing within seventy-two (72) hours of such request and in the event of any dispute or difference as to whether or not there was proper cause for the discharge of such an employee, only the reasons so set forth in writing, shall constitute cause. The twenty-four (24) hour periods in Saturdays, Sundays or General Holidays shall not be used as counting hours with regards to such written request.

**ARTICLE VIII: SENIORITY**

1. The Company shall at least once every six (6) months, post in a conspicuous place on it's premises an up-to-date list of all employees covered by this Agreement showing the date when each commenced his employment with the Company. The Company shall forward to the Union a copy of each list on the date of its posting.
2. When a new employee is hired, it is agreed that he shall be on probation for thirty (30) calendar days and during this period seniority will not be applicable. When the probationary period is completed, seniority will commence from the date of hiring.
  - (a) If the Company feels thirty (30) days is not sufficient time, they shall discuss additional time with the Union prior to the employee having completed his thirty (30) day probationary period.
3. An employee re-entering the employ of the company after his right to recall has expired shall not be subject to another probation period.
4. In the event of layoffs, seniority shall be recognized. The principle of last man on, first man off, shall prevail, subject to job classification. There shall be no overlap of Departments with regards to work **unless discussed and approved by the shop stewards**. The positions of Shipper/Receiver (except if enrolled in the Apprenticeship Program), Truck Driver, handyman and/or yardman and Janitor shall not be placed in a specific Department so that these positions are eligible to be bumped by any employee in any Department in case of layoff. The Company will supply a detailed list of which work falls under which Department.

A **third year or more Apprentice** with greater seniority shall

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- not be laid off before a Journeyman with less seniority provided the ratio of Apprentice to Journeyman remains at the four (4) to one (1) ratio as provided elsewhere in this Agreement.
5. If layoffs occur, providing a senior man is capable of performing another job, he shall be given the opportunity to take such a job. The Company shall give at least forty-eight (48) hours' notice of layoffs. The twenty-four (24) hour periods in Saturdays, Sundays or General Holidays shall not be used as counting hours with regard to such lay-off notice.
  6. A laid-off employee shall retain his seniority and recall rights with the Company for twelve (12) months after the date of layoff.
  7. When vacancies occur, the Company shall rehire laid-off employees according to their seniority and the principle of last man off, first man on, shall prevail. The Company shall make contact with laid-off employees by registered mail or telegram with a copy to the Local Union Office.
  8. If a laid-off employee is called back to work with Company within his right to recall period, there shall be deemed to have been no break in such an employee's continuous service with the Company by reason of such layoff.
  9. When new jobs are available, wherever possible, the Company will promote employees to a better paying job, seniority, qualifications and ability to be considered.
  10. Salaried employees hired from the ranks of Union members shall be allowed to maintain seniority rights for nine (9) months after moving into such position. An employee who has been transferred to management position, but goes back to his union position for any reason will not be allowed to change back to a management position in the course of the same Collective Agreement.

**ARTICLE IX: VACATIONS**

1. The Company shall give each employee an annual holiday which will be allocated on the basis of seniority and based on the following entitlements:
    - (a) An employee shall receive two (2) weeks' vacation upon completing a term of one (1) year's service and each year thereafter up to three (3) years' service. He shall receive as vacation pay for each vacation period either eighty (80) hours' pay at his then applicable current rate or four percent (4%) of his gross earnings for the work year immediately preceding the vacation period, whichever is the greater.
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- (b) An employee shall receive three (3) weeks' vacation upon completing a term of three (3) years' service and each year thereafter up to eight (8) years' service. He shall receive as vacation pay for each vacation period either one hundred and twenty (120) hours' pay at his then applicable current rate or six percent (6%) of his gross earnings for the work year immediately preceding the vacation period, whichever is the greater.
- (c) An employee shall receive four (4) weeks' vacation upon completing a term of eight (8) years' service and each year thereafter up to fifteen (15) years' service. He shall receive as vacation pay for each vacation period either one hundred and sixty (160) hours' pay at his then applicable current rate, or eight percent (8%) of his gross earnings for the work year immediately preceding the vacation period, whichever is the greater.
- (d) An employee shall receive five (5) weeks' vacation upon completing a term of fifteen (15) years' service and each year thereafter up to twenty (20) years' service. He shall receive as vacation pay for each vacation period either two hundred (200) hours' pay at his then applicable current rate, or ten percent (10%) of his gross earnings for the calendar year immediately preceding the vacation period, whichever is the greater.
- (e) An employee shall receive one (1) additional day vacation per year upon completing a term of twenty (20) years' service and each year thereafter up to twenty-five (25) years' service. He shall receive as vacation pay for each vacation period eight (8) additional hours per year over the two hundred (200) hours pay at his then applicable current rate of .4% of his gross earnings over the ten percent (10%) immediately preceding the vacation period, whichever is the greater.
- (f) For the purpose of determining a calendar year's employment to qualify an employee for vacations and vacation pay, the parties agree that when an employee has worked a minimum of fifteen hundred (1,500) hours in an employee's calendar year, running from anniversary date to anniversary date, he shall be eligible for vacations as above set forth.

Employees who work less than fifteen hundred (1,500) hours shall be paid as the case may be, four percent (4%), six percent (6%), eight percent (8%), or ten percent (10%) and the additional point four percent (.4%) where applicable of their gross earnings for the work year immediately preceding the vacation period.

- (g) In the event of termination of service with the Company after an employee has had his vacation he earned for the previous
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year, he shall receive as vacation pay four percent (4%), six percent (6%), eight percent (8%), or ten percent (10%) and the additional point four percent (.4%) where applicable, as the case may be of his gross earnings he earned in the year in which he ends his employment for which no vacation has been paid.

- (h) Prior to an employee going on his vacation, the Company shall furnish the employee with a statement showing the period for which the employee is receiving his or her vacation pay, how the vacation pay was calculated, and shall include all overtime payment, commissions, or anything of a monetary value on which the employee has to pay income tax. The Company will pay the employee as if they were on the payroll and pay out the earned holiday pay remaining at the employee's anniversary date within three (3) working days. Holiday pay will be issued on a separate cheque than regular wages.
- (i) If an employee so requests, the Company shall provide three (3) consecutive weeks' vacation during the summer months from May 15th to September 15th.

The Company shall provide four (4) consecutive weeks' vacation during the summer months (May 15th to September 15th), for those eligible, providing only one (1) in this position is on vacation at this time.

Upon management approval the Company agrees to allow more than one (1) employee off at the same time.

The vacation schedule shall be posted by April 1st of each year and vacations shall be posted by May 15th of the same year. Any changes to the above posted vacation shall be by mutual agreement between the management and the employee concerned.

In the event of lay-off and the employee is in receipt of his vacation pay, he may receive a vacation between May 15th and September 15th without pay in accordance with the vacation schedule. Any vacation shall be by mutual agreement between the management and the employee concerned.

- (j) An employee's scheduled vacation period shall not be changed by the Company within the one month period immediately preceding the start of the vacation period without the consent of the employee concerned.
- (k) Each employee shall be required to take the full annual holiday period that he is entitled to under the provisions of this Agreement.

- (l) The entitlements of an employee under this section shall at no time be less beneficial than those he would be entitled to under the provisions of any Government Legislation or any orders or regulations made thereunder.
- (m) Eligibility for vacations shall be maintained, but not accumulated during absence:
  - (i) due to temporary illness or non-occupational accident exceeding twenty-six (26) weeks;
  - (ii) with authorized leave of absence;
  - (iii) due to layoff without recall, for a period not to exceed twelve (12) calendar months.
- (n) Eligibility for vacations will be maintained and accumulated during absence due to:
  - (i) a compensable accident;
  - (ii) temporary illness or non-occupational accident not exceeding twenty-six (26) weeks.

**ARTICLE X: GENERAL HOLIDAY PAY**

1.(a) The Company shall give to each employee a holiday with pay on each of the designated General Holidays. For each such holiday an employee shall be paid not less than the equivalent of the wages he would have earned at his classified rate of pay for his normal hours of work. An employee shall receive such holiday pay even if the holiday falls on a Saturday, Sunday or on an employee's weekly day off. The designated General Holidays shall be:

NEW YEAR'S DAY	GOOD FRIDAY	EMPIRE DAY (VICTORIA DAY)
LABOUR DAY	REMBRANCE DAY	BOXING DAY
DOMINION DAY (CANADA DAY)	THANKSGIVING DAY	CHRISTMAS DAY
B.C. DAY	EASTER MONDAY	CHRISTMAS EVE DAY

and any other holiday declared, proclaimed or celebrated by the Federal and/or Provincial Government.

When a General Holiday falls on a Saturday or on a Sunday or on an employee's weekly day off then the next work day shall be observed as the holiday. If Christmas Day and Boxing Day fall on a Saturday and on a Sunday respectively, or on an employee's weekly days off, then the next two (2) work days shall be observed as holidays.

- (b) Without limiting the general application of sub-section (a) of this section but subject to the provisions contained
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herein, General Holiday pay provisions will prevail:

- (i) Where an employee is off work due to any circumstances for which he is eligible to receive compensation under Workers' Compensation Act, provided such an employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday;
  - (ii) Where an employee is off work due to sickness, quarantine or an accident provided such an employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday. If the Company so requests, a doctor's certificate shall be submitted as proof of disability.
  - (iii) Where an employee is laid off or is on an approved leave of absence provided such an employee has earned wages from the Company during the two (2) calendar weeks immediately preceding the week in which the holiday occurs;
  - (iv) Where an employee is off work due to a death in the immediate family or is acting as a juror as provided elsewhere in this Agreement.
  - (v) A probationary employee must have earned wages or performed work on at least fifteen (15) of the thirty (30) calendar days immediately preceding the General Holiday.
2. When a General Holiday falls within an employee's scheduled vacation, he shall receive the pay of a normal shift for the holiday in addition to his vacation pay, or a day off with pay in conjunction with his vacation.
  3. Both parties agree that there will be enough employees available, on overtime, two (2) per department, so the branch does not have to close for any more than three (3) consecutive days during General Holidays. This shall be on a volunteer basis, unless the Company cannot obtain enough volunteers to fill requirements, then the junior journeymen in the required categories will be requested to work.

**ARTICLE XI: WAGES**

1. The Company shall remunerate an employee at the wage rate applicable to the job classification that such an employee is employed in. The job classifications and applicable wage rates shall be those agreed upon and set out in Schedule "A", attached hereto, and forming part of this Agreement.
  2. Payment of Wages:  
The Company shall, every second Friday, pay to each employee
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all wages earned by the employee to a day not more than three (3) working days prior to the date of payment provided that if a General Holiday falls on the regular pay day, payment will be made the preceding day.

Payment of wages will be made during working hours. When a payroll is not met within the prescribed time unless proper reasons for the delay are forthcoming, it shall not be considered a violation of this Agreement for the employees to cease work until payment of wages or other arrangements are made.

The afternoon shift shall be paid the Thursday prior to the Friday pay day so as the employees can get to the bank on Friday.

In the event that an employee is laid off, the Company shall pay such employee not later than the next business day after he ceases to be an employee of the Company, all wages, salary and holiday pay earned by such employee, excluding authorized deductions.

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

The Company will issue to each employee a separate or detachable itemized statement with each pay showing separately the number of straight time hours worked and the number of overtime hours worked and the respective hourly rates applicable thereon. The statement shall also show the total wages for the pay period and the total deductions therefrom.

An employee shall be required to fill out time slips daily if the Company so requests.

Exchange charges will be added to an employee's pay cheque or otherwise provided for by the Company.

3.(a) **The Company shall pay one dollar and fifty cents (\$1.50) per hour premium to all Service Department employees working off company premises more than fifty (50%) percent of the time.** The Company shall pay one dollar and twenty-five cents (\$1.25) per hour premium to all **other** Service Department employees working off company premises. This premium shall also apply to all employees working outside on company premises between November 1st and March 31st or when the temperature drops below zero. This excludes road testing.

(b) Construction rates of pay shall be paid to employees who

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install permanent machinery on construction sites or who do repair work on construction sites that would otherwise be done by members of building trades unions. The construction rates of pay shall only apply to actual hours worked on the construction site. Construction rates shall not apply to service calls, inspection calls, warranty work and delivery jobs.

- (c) **All service employees on the truck side that possess a valid M.V.I. Certificate shall be paid an additional twenty-five cents (\$0.25) per hour.**

**ARTICLE XII:       TRANSPORTATION AND EXPENSES**

1.(a) Employees required to report for work outside the Prince George area who do not return daily, shall be paid all their transportation, accommodation and meal expenses. Miscellaneous non-receipted items will be paid for with acceptable explanation.

- (b) Travel time and waiting time during the employee's regular shift hours, will be paid at straight time. Travel time authorized by Company or the customer, outside the employee's regular shift hours, will be paid for at time and one-half up to a maximum of eight (8) hours in any twenty-four (24) hour period. All travel time and waiting time on Saturday, Sunday and any General Holiday will be paid for at time and one-half to a maximum of eight (8) hours in any twenty-four (24) hour period.

All time spent driving or travelling in a motor vehicle to and from such job or jobs shall be considered as time worked.

- (c) The exception to this provision would be where first class sleeping accommodation is provided while travelling on a public conveyance. In this instance, time would cease at 9:00p.m. and commence at 8:00a.m. the next day.

2. In going to work outside city limits, starting time shall be calculated from the time the employee leaves the shop.

All time spent driving or travelling in a motor vehicle to and from such jobs shall be considered as time worked.

3. No employee vehicles shall be used on Company business.

4. When an employee is going out on a job which will require his absence from home for one or more nights, the Company shall inform such an employee, on or before the day of his departure, of the approximate length of time he will be out on the job. If an employee is sent out on one job and

subsequently is assigned to other jobs, the total period will not be extended beyond fourteen (14) days.

If there is reason to extend this period, and the employee requests to return home, the Company will transport such an employee back to his home base and during such transportation such an employee shall be accorded all the benefits and conditions as to travelling as provided under this Agreement.

This will not preclude long-term out-of-town assignments which will BE ARRANGED IN ADVANCE.

5. For out of town courses that are arranged in advance the company will endeavour to prepay the expenses. The company will also make a five hundred dollar (\$500) float available to those employees attending a course sponsored by the company. Each employee requesting such a float will sign an agreement of responsibility.
6. All service trucks will be supplied with a company fuel card. The company will also make a five hundred dollar (\$500) float available to outside service technicians. These floats must be reconciled and replenished weekly. Each employee requesting such a float will sign an agreement of responsibility.
7. All service employees working in the field will call the service manager at the end of each field job and advise his location and jobs performed. The company will supply satellite phones to ensure communication is available. The company will also endeavour to always have a customer representative at the location of the work being performed.

#### ARTICLE XIII: GENERAL PROVISIONS

1. An employee suffering injury while in the employ of the Company must report to the First Aid Department immediately, or as soon thereafter as practicable, and also report to that department on returning to work.
2. Adequate washroom facilities will be provided by the Company and kept in sanitary condition. Employees will cooperate by observing the simple rules of cleanliness.
3. Waterless hand cleaner shall be supplied at all mechanical operations covered by this Agreement.
- 4.(a) All employees required to wear coveralls or smocks shall have these supplied and cleaned by the Company at no expense to the employees involved. Any smock or set of coveralls supplied, shall be of the proper size to fit the employee. There shall be at least three (3) changes available each week to the employees involved, and field servicemen going

out on calls shall have several extra sets of coveralls to take with them when they go out on such calls.

- (b) The company shall inventory for Field Service two (2) pair of thermal coveralls of each of sizes 44, 46, 48 & 50 to be issued from the Parts Department and charged to the employee if not returned.
- 5. The Company will supply suitable enclosed heated accommodation where employees may have their lunch.
- 6. An employee shall be granted two (2) ten (10) minute breaks during the course of each shift - one in each half of the shift. An employee shall be granted a ten (10) minute break after each two (2) hours of overtime he works in any day. If an employee is working off the Company's premises, these periods shall be increased to fifteen (15) minutes.

Coffee supplies for coffee breaks shall be supplied by the Company.

- 7. Employees shall be allowed a minimum of five (5) minutes personal cleanup time each shift, such time to precede the end of the shift.
- 8.(a) With the cooperation of employees, the Company will attempt to maintain shop temperatures above 50 degrees Fahrenheit during cold weather. The Company agrees not to require it's employees to perform outside repair work in temperatures below - 20 degrees Fahrenheit, unless adequate protection and some form of heat is provided. Tarpaulins, windbreaks, etc., shall be erected before commencement of work and heat must be made available.

The Company shall supply two complete sets of rain gear, including rubber boots, in a storage locker that shall be maintained (i.e. cleaning after using), by shop employees.

NOTE: It must be recognized that an understanding of this nature requires a high degree of cooperation between employees and the Company. Employees will not arbitrarily stop work without advising their supervisors.

- (b) Adequate plug-ins for block heaters shall be provided on the Company premises at no cost to the employee.
  - 9.(a) The Union may select or appoint a Shop Steward or Shop Stewards to represent the employees and the Union shall notify the Company as to the name of such Shop Steward. The Company agrees that no Shop Steward shall suffer any discrimination by reason of holding such office.
  - (b) When the Company, for any reason, finds it necessary to
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- terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.
- (c) Upon informing Management, authorized agents of the Union shall have access to the Company's premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to in the operation.
- (d) The Shop Steward shall be allowed reasonable time during working hours to carry out his duties. Any employee being reprimanded by the Company shall have the right to request that the Shop Steward be in attendance.
- 10.(a) It shall not be considered a violation of this Agreement for an employee to refuse to cross a picket line which has been legally established as a result of a bona fide labour dispute between a recognized Trade Union and an Employer with whom the picketing Union has a dispute.
- (b) The Union reserves the right to render assistance to other labour organizations. It shall not be considered a violation of this Agreement for an employee to refuse to work with a non-Union workman or workmen.
- 11.(a) Standby Time:  
If an employee reports to a field job outside the Prince George city limits and through no fault of his own, is unable to work, he shall immediately contact the Company for instructions. Nevertheless, while being required to standby the job, he shall be paid for a regular shift of eight (8) hours in each twenty-four (24) hours.
- (b) Layover Time:  
Where an employee is required to remain in the field on Saturday, Sunday, or a General Holiday, he shall be paid eight (8) hours for each such day at the time and one-half rate of pay.
12. No supervisors or office personnel will be allowed to use hand tools or carry out work which would normally be done by employees in the bargaining unit, except in the instructing or training of employees.
13. Bonding:  
If, at any time, the Company requires an employee to be bonded by an individual bond, the cost of such bonding shall be assumed by the Company. An employee shall not fill out the required bonding application form until such application form has been sanctioned by the Union.
- 14.(a) Tool Insurance:  
The Company shall provide, at it's expense, tool insurance
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coverage to each eligible employee in the amount of the full value of each employee's tools. Such coverage shall pay the cost of replacing an employee's tools, tool for tool, make for make. The insurance shall also cover the loss of the tool box.

An inventory of the employee's hand tools must be submitted to the Company at the beginning of each year. The Service Manager will approve and keep a copy of the inventory in the employee's file.

(b) Tool Allowance:

**Effective November 1, 2005** all Journeymen mechanics and welders with twelve (12) months service shall receive **two hundred and seventy-five dollars (\$275.00)** as tool replacement allowance. **Effective November 1, 2006** it will **increase to three hundred dollars (\$300.00)**. **Effective November 1, 2007** it will **increase to three hundred and twenty-five dollars (\$325.00)**. Apprentice mechanics shall receive three quarters (3/4) of **the tool replacement allowance** until completion of two (2) years of their apprenticeship and shall receive the full **allowance** thereafter. Mechanics, welders and apprentices shall replace their own tools broken in the normal course of the employee's duties.

Journeymen mechanics and apprentices with less than twelve (12) months service prior to December 1 of each calendar year shall receive a portion of the above allowance pro-rated to the number of full months employed with the Company. Mechanics, welders and apprentices shall supply their own air wrench to include ½" drive.

The Company shall supply tool box repair on an individual basis as required.

All metric tools shall be supplied by the Company on a tool crib basis.

(c) Air Tool Repair Policy

(i) After one (1) year of service, the employee will be eligible for air tool repair if required.

(ii) Existing Employees: Tool repairs will be paid under the following conditions: that the repairs are necessitated by the use of the tools on company business.

- Impact Wrenches: The Company will pay for the full cost of repairs of impact wrenches. If it is not economical to repair, **then the Company will pay the current value, up to a CP-H of the failed impact wrench not more than once every eighteen (18) months and wrenches of higher quality and**

cost, every three (3) years. If the wrench has been deemed to have failed due to "Dirty Air" as reported by the repair facility, earlier replacement or repair will be allowed.

- The Employer will repair specialty tools, torque wrenches and micrometers, used exclusively to perform their daily work or replace any tools modified for a specific job that, because of the modification, the tool no longer is covered by warranty.

- The Company is prepared to repair serviceman's air tools that fail on the job subject to (i) and (ii).

15. Customer Co-op:

A customer or his employee will be authorized to carry out work on his unit while in the Company's facility. Customers will not be allowed to carry on work normally done by mechanics. On trucks, he may grease, change light bulbs, and clean. On heavy equipment, he may assist with repairs. Only one customer or his employee, may assist, a Company service technician. Union will not issue permits. **All customer infractions must be brought to the employee's immediate supervisor's attention and will be approached and dealt with by management.**

16. Leave of Absence:

- (a) (i) The Company shall allow time off work without pay for any employee who is serving on a Union committee for purposes of discussions with the Company, or serving as a Union delegate to any conference or function, provided all requests for time off are reasonable and do not interfere with the proper operation of this business.
- (ii) No employee who acts within the scope of this subsection shall lose his job or be discriminated against for so acting.
- (b) (i) When an employee suffers an injury, whether on the job or not or suffers from any illness preventing him from reporting to work he will automatically be granted leave of absence until such time as his doctor states he can return to work.
- (ii) When an employee suffers an injury or illness which requires his absence, he shall report the fact to the Company as soon as possible, prior to his actual starting time, so that adequate replacement may be made if necessary.

- (c) If an employee desires a leave of absence for reasons other than those referred to in this section, he must obtain permission, in writing, for the same from the Company, a copy to be supplied to the Union.
- (d) In any instance where an employee accepts other employment without the consent of management, when on leave of absence for any reason, his employment may be terminated, subject to proper proof of same.

17. Union Notices:

- (a) A notice board shall be provided for the posting of all official Union notices exclusively, and will not be used for the purpose of disseminating political information. The right is reserved to the Company to request the removal of material offensive to the Company.
- (b) The following information shall be kept in a central location, readily accessible to the Shop Steward:
  - (i) Seniority List;
  - (ii) Copy of the Agreement;
  - (iii) Welfare Plan Provisions.

Any employee requiring such information shall contact the Shop Steward for same.

18. Technological or Procedure Changes:

In the event the Company proposes the Introduction of equipment in it's operations, requiring specialized training, the Company agrees to give the first opportunity to employees then on the payroll through the job posting procedures of this Agreement, to operate this equipment and/or train to operate the equipment, provided the applicant qualifies with the requirements of an aptitude test, cost of such test to be borne by the Company. Any employee taking such a test is entitled to know the results of such test. The Company further agrees to notify the Union as soon as it's final decision is made as to the introduction of new equipment or any procedural change. Failure on the part of the Company to comply with these provisions will automatically give cause for grievance.

19. Job Posting, etc.:

In the event that a new job is created or a vacancy occurs or new equipment is installed in the operation, the Company shall post a notice on the bulletin board notifying that a vacancy exists in a particular job.

Employees desiring such job shall then apply, in writing,

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within thirty-six (36) hours of such posting, except that employees on vacation or out of town on work for the Company at such time shall have the privilege of applying when they return. The senior employee applying who has the ability to do the job, subject to the Technological or Procedure Changes section of this Agreement, shall receive such job.

20.(a) If an employee suffers a death in the immediate family, he shall be granted compassionate leave of absence with full pay for three (3) days. Immediate family means: spouse, mother, father, brother, sister, children, **grandparents, grandchildren,** mother-in-law and father-in-law. If the employee affected does not attend or arrange services then he shall only be entitled to one (1) day as provided under this section. If an employee is on vacation while a death occurs he shall be granted an additional three (3) days pay and days off.

(i) If an employee's sister-in-law or brother-in-law deceases, he shall be granted compassionate leave of absence with full pay for three (3) days. However, if the employee affected does not attend or arrange services then he shall not be entitled to leave as provided under this section.

(b) All time lost by an employee due to necessary attendance on jury duty or any court proceedings arising out of his employment, or in completing his driver's tests required by the employee for actual employment with the Company, or doctor's examinations in connection therewith, shall be paid for by the Company at the rate of pay applicable to said employee.

If an employee is employed on an afternoon or graveyard shift and attends upon jury duty, or if an employee is attending upon jury duty and becomes scheduled to commence work on an afternoon or graveyard shift, such an employee shall not be required to work such shifts and shall receive pay for time loss pertaining to jury duty as provided in this sub-section. All jury duty pay received by an employee for the days he received pay from the

Company shall be paid over to the Company. Any employee on jury duty shall, subject to this section, make himself available for work before or after being required for such duty whenever practicable during his regular shift.

21. Dismissed or Improper Charges:

When a charge is laid against an employee, such charge arising while the employee was acting within his scope of employment with the Company, and such charge is dismissed or held improper by a court of competent jurisdiction or on an appeal taken therefrom, the Company shall pay the employee at

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his regular rate for the time loss due to attendances on his legal counsel and any court appearances. The Company shall also reimburse the employee for any legal fees and other legitimate expenses that the employee has incurred. Prior to the employee taking steps to defend himself, he shall consult the General Manager of the Company to determine which legal firm should be used.

22. Article Headings:

The Article Headings shall be used for purpose of reference only, and may not be used as an aid in the Interpretation of this Agreement.

23. Truck Maintenance and Safety:

It is to the mutual advantage of both the Company and the employees that employees should not operate vehicles which are not in safe operating condition and not equipped with the safety equipment required by law. The maintenance of equipment in sound operating condition is not only a function but a responsibility of Management and in respect thereto the Company agrees as follows:

- (a) The Company shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety equipment, seat belts, or stickers prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment.
  - (b) All trucks owned or leased by the Company must have steps or other similar devices to enable drivers to get in and out of the body for safety purposes.
  - (c) It is agreed between the Company and the Union, having regard for the safety and driver health factor, that all vehicles shall have adequate heaters, windshield wipers and defrosters installed.
  - (d) It is mutually agreed that a form shall be supplied the driver on which he must report defects in equipment with sufficient copies so that the driver may retain a copy and so that the head office of the Company will have a copy of this report on file.
  - (e) When a driver reports a defect in equipment, he must tag or mark the vehicle involved in such a manner so that any other employee will notice the defective equipment. It shall be the company's responsibility to supply tags or other marking devices. This tag to be left on the vehicle in order to show the work has been completed and shall be removed by the out-going driver.
  - (f) The Company shall not compel any driver to operate a vehicle
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which weighs in excess of the legal gross weight limits. Where a driver with the knowledge of the Company operates with an overload and is convicted, the Company shall be responsible for any fines involved. Drivers, who of their own accord, operate with an overload may be subject to discipline and responsible for their own fines.

- (g) The Company shall supply a fire extinguisher and an adequate First Aid Kit for each service vehicle. Each uncovered service vehicle shall be equipped with a tarpaulin.
  - (h) If ever a mechanic was asked to use a 3/4 ton in icy winter conditions or in a situation that he felt was unsafe, he was at liberty to decline the job with no repercussions or the Company would rent a 4x4 for that particular job.
  - (i) Workmanship Review Committee: A Committee will be formed and hold meetings to investigate and resolve issues of workmanship. This committee investigation meeting will be attended by a representative of the Union and the Company, and the Union worker concerned. These review meetings will be held at regular intervals as required. The intent of this committee is to review, and make recommendations that will reduce excessive time and defective workmanship to an acceptable industry standard.
24. The Company will provide rubber clothes, rubber boots, welders' gloves and welders' aprons as a tool crib item for shop and yard use. Hard hats will be issued by the Company for job use where required.
25. Severance and Layoff Pay:
- (a) If an employee is laid off for a period that exceeds his right to recall as provided for in the seniority provisions of this Agreement and that employee has a minimum of two (2) years' service with the Company, he shall be paid two (2) weeks' pay based on eighty (80) hours at his then applicable current rate of pay. Such an employee may elect to accept layoff pay under the provisions of this section before the end of his right to recall period, but in so doing shall forfeit all seniority rights accruing to him under this Agreement, by reason of his term of service with the Company.
  - (b) In the event of amalgamation, permanent closure of the plant, or a department thereof, or automation, causing an employee to lose his employment with the Company, the Company hereby agrees to pay severance pay to such an employee provided the employee has a minimum of two (2) years' service with the Company. Severance pay shall be based on an employee's regular rate of pay at the date of his severance and shall be
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paid in accordance with the following schedule:

One week's pay for each year of service with the Company.

In the event that part of the plant remains open or that an employee has lost his employment because of amalgamation or automation, an employee eligible to receive severance pay may elect to remain on the seniority list for possible recall. The Company shall hold the severance pay for such an employee for the period of his right to recall but during such period the employee may, subject to the same forfeiture provisions of sub-section (a) of this section, request and receive payment of such pay.

26. Health and Welfare:

- (a) The Company shall provide and maintain the following coverage for its employees at no cost to such employees:

Medical - B.C. Medical with Extended Health Benefits.

Insurance - Sickness & Accident Insurance will be paid at top rate of U.I.C. per week payable on the first day of disability due to an accident and on the third day of disability due to sickness for a maximum period of twenty-six (26) weeks.

Extended Health Benefits - will have an annual deductible of **fifty dollars (\$50.00)** per family. **Effective January 1, 2006.**

Long Term Disability - The Company shall provide a coverage of two thousand dollars (\$2,000.00). The cost of this coverage shall be \$31.44. The cost will be split 50/50 between the company and the employee. The employees cost will be \$15.72 per month.

Qualifying Disability Period - 26 consecutive weeks prior to age 65, or as outlined in the Schedule of Insurance.

(b) Group Life - Accidental Death Insurance:

(i) **\$35,000.00** - Group Life Insurance

(ii) **\$100,000.00** - Occupational Accidental Death and Dismemberment Insurance (24 hour coverage)

(iii) Eye Glass Coverage: An employee will be reimbursed up to one hundred and twenty-five dollars (\$125.00) per contract year towards replacement of eye glass lenses if shown cause to have been damaged under his normal job functions; or up to **two hundred and fifty dollars (\$250.00)** every **two years** if lenses were not damaged

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during first contract year. Employee must provide the Company with proof of purchase.

(c) Dental Plan:

The Dental Plan shall provide one hundred percent (100%) coverage on basic dentistry and fifty percent (50%) coverage on crowns, bridges and dentures.

The insurer is Maritime Life Assurance Co., Group Plan No. 960843.

Orthodontia Coverage: The Company will pay seventy-five percent (75%) to a maximum amount of two thousand dollars (\$2,000.00) i.e. maximum Company portion - fifteen hundred dollars (\$1,500.00) per person for life.

(d) Where the Company presently has an employee benefit plan in effect covering weekly wage indemnity and/or salary continuation, and/or life insurance and/or accidental death and dismemberment coverage in excess of the coverage outlined above, then the Company shall continue such coverage and the cost of the coverage shall be borne between the Company and the employees on the same share basis which presently exists.

(e) An employee will be eligible for all the coverage outlined in (a), (b) and (c) on the first day of the month following the commencement of employment.

Employee coverage under (d) would be predicated upon the required waiting periods of such plans.

(f) An employees common-in-law spouse will be covered for medical coverage only. However, after a twenty-four (24) month period of constant co-habitation the common-in-law spouse will be covered for full Health, Welfare and Medical benefits.

27. Sick Time:

The Company shall grant sick leave credits to each employee. These credits shall be granted on the following basis:

At the beginning of each service year with the Company, an employee shall receive credit for eighty (80) hours' sick leave to apply to the service year which is just commencing. Before reaching the first anniversary date at which sick time shall be received, an employee shall receive during the interim period, sick leave credit based on seven (7) hours per month which will be accumulative to a maximum of eighty (80) hours. A new employee shall not receive sick leave credits until he has been in the employ of the Company for sixty (60) calendar days.

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The Company shall, to the extent that sick leave credits are available, pay to an employee who reports sick on a regular work day the equivalent of the wages he would have earned at his classified rate of pay for his normal hours of work and reduce his sick leave credits by the number of hours that correspond with the number of hours that he would have normally worked.

Safe Working Practises: Employees are expected to come to work in good health, and physical condition, ready to perform the work they are assigned to do. Each employee must promote a safe work environment to insure their personal safety and that of their fellow employees. Those employees who continually work unsafe against WCB regulation and the policy of the Company, will be dealt with jointly by the Company and the Union. Failure to comply to this section with due diligence will result in disciplinary action.

Sick time shall be subject to the following provisions:

- (a) Sick leave shall be granted for an employee's personal use only.
- (b) An employee who reports sick during any day will have his sick leave allotment reduced by the number of hours not worked during that day.
- (c) Sick time is not to be used for any purpose other than legitimate illness.
- (d) All absence due to illness of a duration of more than two (2) consecutive scheduled work days may require a doctor's certificate to an employee's department manager.
- (e) It is the responsibility of an employee to immediately notify his department supervisor of absence due to illness. If there is no notification, absence may be considered absence without pay.
- (f) A Committee of three (3) comprised of an employee's Supervisor, Department Manager and a Business Representative of the Union, shall rule on any contingencies not covered by these provisions.
- (g) In computing time served with the Company for the purpose of determining eligibility for sick time with pay, it will be governed by an employee's commencement date with the Company.
- (h) The Company shall pay out fifty percent (50%) of annual unused sick time to each employee at the end of each service year on the employee's anniversary date. This money will be issued on a separate cheque than regular wages.

- (i) When an employee leaves the employ of the Company for the same reasons as laid out in the Severance and Lay-off provisions of the Collective Agreement, he shall receive pay for fifty percent (50%) of his sick time, not to exceed five (5) days pay.
  - (j) Any employee that is found to have taken sick time other than for legitimate illness may be terminated immediately.
  - (k) To be entitled to the sick time program covered in this Agreement, a form supplied by the Company must be filled out and signed by the claiming employees. The Union agrees to work with the Company to eliminate all abuses of these benefits.
28. The Company agrees to pay all costs of upgrading courses and Tradesman Qualification Exams for those employees who complete the course.

**ARTICLE XIV: SAVINGS CLAUSE**

- 1. No employee, who prior to the date of this Agreement was receiving more than the rate of wages as set out in the Schedule attached hereto, or working less hours than stipulated in this Agreement, shall suffer a reduction of wages or increase in hours worked per week because of the adoption of this Agreement.
- 2. Nothing herein contained shall preclude higher wages being paid to employees of special ability.
- 3.(a) If any Article or section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if the 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 or the application of such Article or section to persons 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 the Union, 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 grievance procedure.

SIGNED AT                      BRITISH COLUMBIA, THIS            DAY OF            **2005.**

INLAND KENWORTH

INTERNATIONAL UNION OF OPERATING  
ENGINEERS, LOCAL 115

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**SCHEDULE "A"**

	Nov. 1/05	Nov. 1/06	Nov. 1/07
<b>MECHANICAL DEPT:</b>			
Journeyman Mechanics, Welders, Bodyman Painters	\$29.26	\$29.89	\$30.71
Probationary Journeyman (30 days)	95% of Journeyman rate		
<b>PARTS DEPARTMENT:</b>			
Journeyman Partsman (over 5 years)	\$27.58	\$28.27	\$29.05
Janitor	70% of Journeyman rate		
Shipper/Receiver/Truck Driver (unless enrolled in an Apprenticeship Program)	60% of Journeyman rate		
Handyman and/or Yardman	65% of Journeyman rate		
<b>Pre-Apprentice</b>	60% of Journeyman rate		

**Pre-Apprentice shall be an entry level position. The parties agree that for this classification only the probationary period shall be ninety (90) days.**

Yardman's duties shall be:

Steam cleaning sales units, installing mud flaps, starting sales units and general cleanup on sales units, not to include insurance claim units.

Shall not do any work normally done by mechanics or apprentices or parts people.

Student Rate: Ten dollars (\$10.00) per hour for the duration of the agreement. Students will accumulate no seniority. Only one (1) student allowed per shift.

All partsmen and technicians must be a holder of a valid certificate of completion of technical training, for their field. Those individuals who feel they qualify, should challenge the Apprenticeship examination to gain certification.

Partsmen Moving from one Company to Another:

1. If same product line they drop one (1) category.
2. If different product line drop two (2) categories.

Any employee put in charge of a shift or branch shall be classified and paid as a Partsman (over five (5) years' service) regardless of his length of service.

No Parts Department employee shall have his job classification reduced below the job classification that he was employed in at the date of the signing of this Agreement.

## APPRENTICES

All apprentices hired after December 1, 1989 shall include Mechanical and Parts Department and shall be indentured under the Apprenticeship Act and with the Operating Engineers Apprenticeship Plan and be paid on the percentage increments as follows:

### Indentured Apprentice Scales:

<u>FOUR YEAR CONTRACT OF APPRENTICESHIP</u>	
1st 6 months	65% of Journeyman rate
2nd 6 months	70% of Journeyman rate
3rd 6 months	75% of Journeyman rate
4th 6 months	80% of Journeyman rate
5th 6 months	85% of Journeyman rate
6th 6 months	90% of Journeyman rate
7th 6 months	95% of Journeyman rate
8th 6 months	95% of Journeyman rate

Any registered apprentice, who, as a requirement of his Apprenticeship, attends school, shall be paid his regular wages by the Company, based on a forty (40) hour week, while attending school. This pay shall only apply for up to a maximum of five (5) weeks in each calendar year and the amount of any Government grant received by such Apprentice shall be deducted therefrom.

An apprentice, having served his required time and having passed any necessary examinations presented by the Apprenticeship and Industrial Training Branch of the Ministry of Advanced Education & Job Training, will automatically be classified as a Journeyman.

The required Company examinations will be given approximately the same time as the Government examinations.

If a registered apprentice is required to attend school for more than the five (5) weeks in each calendar year the Company shall pay wages based on forty (40) hours per week for any additional time spent in school. Any Government grants shall be deducted from this amount.

The Employer shall be responsible for the pre-authorization/registration of benefits through Human Resource Development Commission.

The Employer shall be responsible for tuition fees subject to the successful completion of their schooling.

**A ratio of three (3) mechanics to one (1) apprentice is allowed for hiring purposes only. This will not affect the current layoff practice of four (4) to one (1).**

**ALL EMPLOYEES**

1. When an employee is designated as First Aid Man by the Company he shall receive:

Level 2	<b>.75¢</b>
Level 1	<b>.65¢</b>
  
2. When an employee is designated as a Shop Lead Hand he shall receive one dollar and twenty-five cents (\$1.25) per hour above the highest paid man in the shop.
  
3. When an employee works in a higher hourly wage classification, he shall be paid the higher rate for the hours worked in such classification.
  
4. When a new job classification is introduced which is not included in the list of classifications in this Schedule, the Company and the Union shall promptly negotiate a wage rate for such classification.

Every effort will be made by the parties to conclude negotiations within thirty (30) days, but in any event, the rate established shall be retroactive to the day the new job commenced.

In the event the parties hereto are unable to conclude negotiations the matters in dispute shall be referred to a single Arbitrator agreed upon between the parties. Failing such agreement, either party at any time may call upon the Minister of Labour of British Columbia to appoint an Arbitrator.

5. Boot Allowance:  
Upon completing one (1) year service and upon proof of purchase of Safety Boots an employee will receive **one hundred and seventy-five dollars (\$175.00)** per year. If unused this amount can be carried over to the next year to a maximum of **three hundred and fifty dollars (\$350.00)** to purchase a better quality of boots. This amount can also be used to rebuild an expensive pair of boots. In all instances a receipt must be provided to substantiate proof of purchase or rebuild. **Employees may only carry over one (1) year.**

Felt Pack: All regular Field Service Mechanics or those who become regular Field Service Mechanics or those who work outside of premises on a regular basis shall qualify December 1st for **one hundred and twenty-five dollars (\$125.00)** every two (2) years for Felt Packs.

6. RETIREMENT POLICY  
All employees of the Inland Group must retire no later than
-

the date on which they turn sixty-five (65) years of age.

Retirement Gift

Upon retirement, any employee with 15-20 years of service will receive a gift in the amount of \$1,500.00.

20 years of service and over will receive a gift of \$2,500.00.

This amount would only be issued through the Company's Travel Agency as a certificate for travel.



**LETTER OF UNDERSTANDING #1**

BY AND BETWEEN:

**INLAND KENWORTH**

AND:

**INTERNATIONAL UNION OF OPERATING ENGINEERS,  
LOCAL 115**

RE: DRIVING

Notwithstanding anything to the contrary in the Collective Agreement between the parties, the parties agree as follows:

1. Time spent driving to and from jobs is distinct from travel time as described in Article XII: 1.(b) of the Collective Agreement. This time is considered time worked the rate of pay for such time that falls outside the employee's regular shift hours will be paid for at double time. This shall be effective from December 1,1997.
2. Time spent travelling to or attending training sessions during the regular work week shall be paid at straight time to a maximum of eight hours in any one day. The hours paid shall count toward the weekly guarantee. Time spent in this manner outside the regular work week shall not count as time worked.
3. Time spent travelling to attend apprenticeship training shall not count as time worked. Time spent attending apprenticeship training shall be paid at straight time to a maximum of eight hours in any one day.
4. This Letter of Understanding shall be carried over into the next Collective Agreement following the expiry of the current Collective Agreement (on October 31, 2002) and shall continue to determine the rate of pay for overtime driving time for the duration of that agreement. During the next round of negotiations this issue shall not be taken to impasse and any attempt to do so shall be deemed to be bad faith bargaining. The parties are free to negotiate this issue following the expiration of the next Collective Agreement.

5. No action shall be taken by either party to attempt to evade the effect of this Letter of Understanding. Rod Germaine shall retain jurisdiction to undertake whatever investigation he feels is required to deal with any allegations that this paragraph has been breached and has the jurisdiction to issue non-binding recommendations in response to the allegations.

SIGNED AT \_\_\_\_\_ THIS \_\_\_\_ DAY OF \_\_\_\_\_ 2005.

**INLAND KENWORTH**

**INTERNATIONAL UNION OF OPERATING  
ENGINEERS, LOCAL 115**

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**LETTER OF UNDERSTANDING #2**

BY AND BETWEEN:

**INLAND KENWORTH**

AND:

**INTERNATIONAL UNION OF OPERATING  
ENGINEERS, LOCAL 115**

1. Employees have the right to elect to join the Union Pension Plan, the Company RRSP Plan, another plan of their choice or may elect not to join any pension plan at this time.
2. In the event an employee elects the Union Pension Plan, the employee shall authorize the Company to deduct ten percent (10%) per hour from the employee's pay and upon receipt of the authorization the Company shall remit it to the Union on the employee's behalf.
3. Employees who elect the union plan shall have the right to authorize the Company to remit pension plan contributions which would have been made from the date of the commencement of the Collective Agreement by payroll deductions. Upon receipt of such an employee authorization the Company shall remit the proper amount of the contribution to the union pension plan on the employee's behalf.
4. The Company will contribute up to **eighty dollars (\$80.00)** per month whether the employee contributes or not.
5. Any employee who chooses not to elect the union or company RRSP plan shall sign the applicable waiver form.
6. The procedure by which each employee will elect a pension plan or RRSP plan is attached as Schedule A to this Letter of Understanding and shall be provided to every employee.

SIGNED AT    THIS                  DAY OF    , 2005.

**INLAND KENWORTH**

**INTERNATIONAL UNION OF OPERATING  
ENGINEERS, LOCAL 115**

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**RELEASE AND WAIVER**

I, \_\_\_\_\_, have fully informed myself of the OPERATING ENGINEERS' PENSION PLAN and choose not to participate in this pension fund. My choice is an informed one, and freely made.

I, \_\_\_\_\_, do hereby release and forever discharge the INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115, its members, officers and directors, and employees, and the Trustees, and the OPERATING ENGINEERS' PENSION PLAN and their respective successors, assigns, officers, servants, employees and agents of both the INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115 and the OPERATING ENGINEERS' PENSION PLAN and from any and all actions, causes of actions, claims and demands, whether known or unknown, suspected or unsuspected, whatsoever and wheresoever, whether at law or in equity, which I ever had, or now have, or which I, or my successors, assigns, servants and agents hereafter can, shall or may have and in particular without restricting the foregoing, which have resulted from or in any way arisen out of or developed from, or which may at any time in the future result from or in any way arise out of my choice not to participate in the OPERATING ENGINEERS' PENSION PLAN.

I, \_\_\_\_\_ have carefully read this Release, understand the contents thereof and freely execute this Release.

**IN WITNESS WHEREOF, I,** \_\_\_\_\_, have hereunto set my hand in the \_\_\_\_\_ of \_\_\_\_\_, in the Province of British Columbia, this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

SIGNED, SEALED AND DELIVERED )  
BY \_\_\_\_\_ )  
in the presence of: )  
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\_\_\_\_\_)  
Name )  
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\_\_\_\_\_)  
Address )  
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\_\_\_\_\_)  
Occupation )

**DECLARATION**

TO: **INLAND KENWORTH**

AND: **INTERNATIONAL UNION OF OPERATING  
ENGINEERS, LOCAL 115**

In accordance with the provisions of the Letter of Understanding, dated December 1, 1989, signed between the above parties, I, \_\_\_\_\_ S.I.NO. \_\_\_\_\_ do instruct my employer, Inland Kenworth to deduct and remit the pension contributions as set out in Letter of Understanding to the Administrator of the Operating Engineers' Welfare Plan to be credited to the Operating Engineers' Pension Plan on my behalf.

I further instruct that the pension contributions are to be deducted and remitted effective the date of commencement of the Collective Agreement.

SIGNED AT \_\_\_\_\_, B.C. THIS \_\_\_ DAY OF \_\_\_\_\_, 2005.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature of Applicant

**LETTER OF UNDERSTANDING #3**

between:

**INLAND KENWORTH LTD.**

and:

**INTERNATIONAL UNION OF OPERATING ENGINEERS,  
LOCAL 115**

**RE: ARTICLE XIII 15. CUSTOMER COOP**

Use of enclosed pressure washing station is restricted to employee use only. Any customer pressure washing is to be carried out at the outside washing location with prior approval of Service Management.

Signed at \_\_\_\_\_ the \_\_\_\_\_ day of \_\_\_\_\_ 2005.

**INLAND KENWORTH**

**INTERNATIONAL UNION OF OPERATING  
ENGINEERS, LOCAL 115**

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