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COLLECTIVE AGREEMENT

Between

VAE NORTRAK LTD.

and

**UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED
INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION (UNITED STEELWORKERS)
ON BEHALF OF LOCAL UNION 2952**

October 1, 2006 – September 30, 2011

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COLLECTIVE AGREEMENT

BY AND BETWEEN:

VAE NORTRAK LTD.

(hereinafter referred to as "the Company")

AND:

**UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND
SERVICE WORKERS INTERNATIONAL UNION (UNITED
STEELWORKERS)**

(on behalf of Local Union No. 2952)

(hereinafter referred to as "the Union")

WITNESSETH:

WHEREAS it is the intent and purpose of the Parties hereto that this Agreement will promote and improve industrial and economic relationships between the Company and the Union, and to set forth herein the basic Agreement covering rates of pay, hours of work, and conditions of employment to be observed between the Parties hereto.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the Parties hereto mutually agree as follows:

ARTICLE 1 - BARGAINING AGENCY AND RECOGNITION

- 1.01 The Company recognizes the Union as the sole and exclusive bargaining agency for its employees, as described in the current Certification issued by the British Columbia Department of Labour, for the purpose of collective bargaining with respect to rates of pay, hours of employment and other conditions of employment.
- 1.02 Employees whose regular jobs are not in the bargaining unit will not work on any jobs which are included in the bargaining unit except for the purposes of instruction and experimentation or in emergencies when regular employees are not available.

If a grievance originates from this subsection it will be instituted at Step #2 of the grievance procedure.

ARTICLE 2 - DEFINITION OF EMPLOYEE

- 2.01 The term "employee" as used in and for the purpose of this Agreement shall include those employees of the Company at and from the Company's present or relocated premises for which the Union is certified, except those employees excluded by the Labour Relations Board of British Columbia.

ARTICLE 3 - MANAGEMENT

- 3.01 Management rights exercised by the Company, unless expressly limited by this Agreement, are reserved to and are vested exclusively in the Company. Provided, however, that this Article will not be used in a discriminatory manner against any employee or group of employees.

ARTICLE 4 - UNION SECURITY PROVISIONS

4.01 Membership

The Company agrees that all employees covered under this Agreement, and all new employees hired subsequent to the effective date of this Agreement shall, as a condition of their hiring or continued employment:

- (a) authorize the Company in writing to deduct union dues from their pay. The Union will provide a *Check-off Authorization* to the Company for this purpose, the “copy” portion of which is to be mailed by the Company to the servicing staff office of the United Steelworkers at 7820 Edmonds Street, Burnaby, B.C. V3N 1B8.
- (b) become members of the Union on completion of the probationary period and remain members of the Union in good standing.
- (c) complete and sign a Union Death Benefit card provided by the Union to the Company for such purpose, which will be mailed to the servicing staff office with the Union portion of the Check-off Authorization as per Article 4.01(a).

4.02 Check-Off: Process and Procedures

- (a) The Company shall deduct from the pay of each member of the bargaining unit, an amount equivalent to the monthly dues, fees and assessments prescribed by the International Constitution of the United Steelworkers.
- (b) The Union will give reasonable notice to the Company of any changes in Union dues, fees or other amounts which the Company is required to deduct. All changes will coincide with the beginning of the Company’s next pay period.
- (c) Prior to the 15th of the month following that in which they were deducted, the dues so deducted shall be made payable and remitted to:

International Secretary-Treasurer
United Steelworkers
Unit D, Box 34223
Vancouver, BC V6J 4N1
- (d) The monthly remittance shall be accompanied by a completed **USWA R115 Form** (a summary of the dues calculations made for the month, each month), as well as a statement showing the names of each employee from whose pay deductions have been made and the total deducted for the month. Such statements shall also list the names of the employees from whom no deductions have been made and the reason why, ie W.C.B., W.I., laid off, etc.
- (e) A duplicate R115 Form and employee deduction statement as in (d) above shall be forwarded by facsimile to:

United Steelworkers, Local 2952
Attn: Financial Secretary @ (604) 525-4568
- (f) The Company agrees to print the amount of total deductions paid by each employee for the previous calendar year on their annual statement of Remuneration (T4 slip).
- (g) The Union agrees to indemnify and save the Company harmless against all claims or other forms of liability that may arise out of, or by reason of deductions made or payments in accordance with this Article.

ARTICLE 5 - HOURS OF WORK

- 5.01 The standard workday will consist of eight (8) hours, worked between 7:00 a.m. and 3:30 p.m. with a designated thirty (30) minute lunch period.
- 5.02 **AFTERNOON SHIFT** Where a second shift is employed, the hours of work will be seven and one-half (7 1/2) for which eight (8) hours will be paid, plus a premium of forty-five cents (\$.45) per hour. There will be a thirty (30) minute lunch period.
- 5.03 **NIGHT SHIFT** Where a third shift is employed, the hours of work will be seven (7) for which eight (8) hours will be paid, plus a premium of sixty cents (\$.60) per hour. There will be a thirty (30) minute lunch period.
- 5.04 **CHANGE OF START AND STOP TIMES** By mutual agreement between the Company, Unit President and Shop Stewards the regular starting and stopping times of standard work shifts may be changed.
- 5.05 **REGULAR WEEK** Five shifts, Monday to Friday inclusive, will constitute a regular week's work on all shifts.
- 5.06 **WORK PERFORMED ON SATURDAY, SUNDAY AND PLANT HOLIDAYS**
- (a) Time and one-half will be paid for work performed on Saturday for the first four (4) hours and double time thereafter. Truck drivers working out-of-town will receive time and one-half for work performed on Saturday for the first eight (8) hours and double time thereafter.
 - (b) Double rate will be paid for work performed:
 - Sundays
 - Plant Holidays as listed in Article 6
 - (c) Overtime rate will not be paid for work performed:
 - On a night shift, when completing the fifth (5th) weekly shift on Saturday after midnight Friday.
 - to complete a night shift after midnight at the start of a Plant Holiday
 - when commencing on a night shift on a Sunday prior to midnight and ending Monday morning.
- 5.07 **OVERTIME**
- (a) **OVERTIME - DAILY** All overtime will be paid for at time and one-half for the first three (3) hours and double rate thereafter.
 - (b) **OVERTIME - VOLUNTARY** The Parties are agreed that all overtime will be voluntary.
 - (c) Breaks for employees on overtime shall be as per the following table. There shall be a 10 minute break between shifts where overtime is contiguous with regular shift.

Assigned to Overtime Shift						
Normal		A	B	C	D	E
	Shift Assigned	A	N/A	N/A	12hr Same as C 10hr Same as A	Same as D Same as A
B		N/A	N/A	12hr Same as C 10hr Same as B	Same as D Same as B	N/A
C		Same as A	Same as B	N/A	N/A	N/A
D		Same as A	Same as B	N/A	N/A	N/A
E		N/A	N/A	12hr Same as C 8hr Same as E	Same as D Same as E	AA

AA – As Agreement, ie. 10 minute break between shifts where overtime is contiguous with regular shift.

- (d) **OVERTIME DISTRIBUTION** Overtime will be distributed equitably among the employees in a particular job classification who have signified voluntarily that they will work overtime. Employees should not be called in to perform work outside their job classification, except when there are no employees in that job classification available to do the work.
 - (e) **OVERTIME - WHERE SHIFT PREMIUM PAID** If overtime is worked on a shift where a shift premium is paid, the shift premium will not be included in the rate for the calculation of overtime.
- 5.08 **REST BETWEEN SHIFTS** Employees will have eight (8) hours rest between shifts. In the event an employee is recalled to work before such eight (8) hours elapse, he will be considered as still working on his previous shift and will be paid the appropriate premium rate for the hours worked.
- 5.09 **HOURS BEFORE AND BEYOND REGULAR SHIFTS** Hours worked before regular starting time and beyond regular quitting times shall be considered as overtime and paid at overtime rate for time worked, except when other arrangements are made by mutual agreement between the Company and the Shop Stewards.
- 5.10 **LUNCH PERIOD** The mid-shift lunch period will be mutually arranged between the Company and the Shop Steward. If employees are required to work during the mid-shift lunch period they will be given an alternate lunch period but not more than four and one-half (4 1/2) hours from the shift start time or as mutually agreed upon.
- 5.11 **EMPLOYEE CHANGE OF SHIFTS** If an employee is required to change shift more than once in a calendar week he will be paid at overtime rate for the balance of the week, unless the second change is to return to his original shift.
- 5.12 (a) **SHIFT CHANGE** Shift changes, listing individuals, will be posted on the fourth (4th) calendar day in advance.
- (b) **EXCHANGING SHIFTS** Employees may exchange shifts with other employees upon approval of their Supervisor and they shall receive straight time for the exchanged shifts.
- 5.13 **GUARANTEED DAY** Subject to the exceptions set forth in this Section and in Section 5.14, any employee reporting for work at the start of the employees' shift, will be guaranteed eight (8) hours work at the employee's regular job, or pay equal thereto, provided that, if there are insufficient hours of work available at the employee's regular job, the employee will perform such other work as may be assigned to the employee to qualify for such pay.

The provisions of this Section will not apply in case of shutdown necessitated by emergencies beyond the control of the Company, or if the employee:

- 1 Voluntarily quits.
 - 2 Was previously instructed not to report. In such event or circumstance the employee will then only be paid for the actual time he worked.
 - 3 Does not work a full shift at his own request.
 - 4 Reports for work on a shift for which he was not scheduled.
 - 5 Is terminated or suspended with just cause.
- 5.14 **CALL TIME** Employees recalled to work after leaving the premises of the Company, after completion of their regular shift, will be paid overtime rate for all hours worked, with a guaranteed minimum payment of two (2) hours at time and one-half rate, i.e., three (3) hours at straight time rate.
- 5.15 **WORK SHORTAGE - CREW REDUCTION** In the event of a work shortage or a reduction or discontinuance of operations, the Company will discuss with the Union for the purpose of considering shortening the working hours and/or working week as an alternative to laying off employees.
- 5.16 **SEVEN DAY OPERATION** The Company may implement a seven-day operation in all or a portion of the plant under the following conditions. Prior to implementing the seven-day operation the Company shall give the union two weeks written notice.

Twelve Hour Shifts

1. The regular work week shall be three shifts, Friday to Sunday.
2. Where a twelve (12) hour shift is employed the hours worked will be twelve (12) hours for which they will receive thirteen (13) hours and twenty (20) minutes pay.
3. Employees shall be entitled to a twenty (20) minute paid lunch period within each twelve (12) hour shift. This meal period shall be established sometime between the fifth (5th) and seventh (7th) hour of the shift.
4. Employees shall be entitled to two twenty (20) minute paid rest periods, one in the first half and one in the second half of each shift.
5. Hours worked before regular starting time and beyond regular quitting time shall be considered as overtime and paid as per Article 5.07.
6. The first four (4) hours of work performed during an employee's four consecutive days off shall be paid at time and one-half. All time worked beyond four hours shall be paid at double time. (ie: Employee works 8 hours each on Tuesday and Wednesday. He would be paid time and one-half for the first four hours on Tuesday and then double time for the rest of that day as well as for all hours worked on Wednesday.)
7. Any hours worked on a day celebrated as a Plant Holiday as specified in Article 6.02 shall be paid at double time.
8. In lieu of Article 6.01, employees shall receive Plant holiday pay as follows:
 - If a Plant Holiday falls on an employee's scheduled work day he shall receive the day off plus thirteen (13) hours and twenty (20) minutes pay at his regular rate.
 - If a Plant Holiday falls on an employee's regular day off he shall receive eight hours pay for that day. He shall not be entitled to an additional day off work nor to overtime pay for his regular hours worked on his next scheduled shift.

- The Parties agree that the extended pay for Plant Holidays falling on the employee's regular work day plus the additional one (1) hour and twenty (20) minutes paid for each day worked mean that this provision meets or exceeds the provisions of the Employment Standards Act.
- 9. The provisions of Article 5.13 shall be amended to guarantee twelve (12) hours work or pay for people on the Friday to Sunday schedule.
- 10. The first shift shall be scheduled from 6:00 a.m. to 6:00 p.m. and no shift premium shall be paid for hours worked during that period.
- 11. The second shift shall be scheduled from 6:00 p.m. to 6:00 a.m. and a shift premium of fifty-five cents (\$.55) shall be paid for all hours.
- 12. The twelve hour shift schedule shall be attached to this Agreement as Appendix "B".
- 13. Assignment of employees to the twelve hour shift shall be first by shift posting in accordance with Article 18 - Job Posting followed, if necessary, by assignment in reverse order of seniority starting with the most junior employee with the ability to perform the work required.
- 14. Once implemented a twelve (12) hour shift schedule shall continue for a minimum of six weeks.
- 15. For the purposes of employees working the twelve (12) hour shift, a vacation week shall be defined as three work days.
- 16. With the approval of his supervisor an employees on a twelve hour (12) shift may have Easter Sunday off work.

Ten Hour Shifts

- 1. The regular work week shall be four shifts, Monday to Thursday.
- 2. Where a ten (10) hour shift is employed the hours worked will be ten (10) hours.
- 3. Employees shall be entitled to a thirty (30) minute unpaid lunch period within each ten (10) hour shift. This meal period shall be established sometime between the fourth (4th) and fifth (5th) hour of the shift.
- 4. Employees shall be entitled to three ten (10) minute paid rest periods.
- 5. Hours worked before regular starting time and beyond regular quitting time shall be considered as overtime and paid as per Article 5.07.
- 6. The first four (4) hours of work performed during the first two of an employee's three consecutive days off shall be paid at time and one-half. All time worked beyond four hours shall be paid at double time. (ie: Employee works 8 hours on Friday would be paid time and one-half for the first four hours and then double time for the rest of the day. Any work on Saturday would be paid at double time.)
- 7. Any hours worked on a day celebrated as a Plant Holiday as specified in Article 6.02 shall be paid at double time.

8. In lieu of Article 6.01, employees shall receive Plant holiday pay as follows:
 - In any week during which a Plant Holiday is celebrated, ten-hour shift employees may work an additional one (1) hour at straight time rates on two (2) other days in addition to their regular shifts. An employee who wishes to work the additional hours shall notify his supervisor in writing in the week prior and the days of the additional one (1) hour of work will be scheduled by the Company. Arrangements for working the extra hours prior to the Christmas period holidays will be made by mutual agreement between the parties.
 - Plant Holiday pay shall be based on eight (8) hours pay at the employee's regular rate in accordance with Article 6.01. The extra hours worked the week before is to ensure employees do not lose the opportunity to earn 40 hours pay during weeks with Plant Holidays.
 - When Plant Holidays fall on a Friday, Saturday or Sunday they will be celebrated on Monday. When two or more holidays fall consecutively on Friday, Saturday, Sunday or Monday they will be celebrated on the following Monday and Tuesday and, if one of the holidays is a Monday, Wednesday.
9. The provisions of Article 5.13 shall be amended to guarantee ten (10) hours work or pay for people on the Monday to Thursday schedule.
10. The first shift shall be scheduled from 6:00 a.m. to 4:30 p.m. and no shift premium shall be paid for hours worked during that period.
11. The second shift shall be scheduled from 6:00 p.m. to 4:30 a.m. and a shift premium of fifty-five cents (\$.55) shall be paid for all hours.
12. The ten hour shift schedule shall be attached to this Agreement as Appendix "C".
13. Assignment of employees to the ten hour shift shall be first by shift posting in accordance with Article 18 - Job Posting followed, if necessary, by assignment in reverse order of seniority starting with the most junior employee with the ability to perform the work required.
14. Once implemented a ten (10) hour shift schedule shall continue for a minimum of twelve weeks.
15. For the purposes of employees working the ten (10) hour shift, a vacation week shall be defined as four work days.

(Note: The Parties agree that some adjustment to the Weekly Indemnity program is necessary in order to accommodate the longer work days and shorter work weeks occasions by the seven-day operation).

ARTICLE 7 - VACATIONS WITH PAY

7.01 **EMPLOYEES WILL RECEIVE VACATIONS AND BE PAID FOR THE VACATION IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:**

<u>Years of Continuous Service</u>	<u>Vacation Period</u>	<u>Vacation Pay</u>
Less than 1 yr	1 day for each major fraction of month worked (max. 10 working days)	4% of gross earnings
1 yr but less than 3 yrs	2 weeks	4% or 2 weeks*
3 yrs but less than 7 yrs	3 weeks	6% or 3 weeks*
7 yrs but less than 14 yrs	4 weeks	8% or 4 weeks*
14 yrs but less than 18 yrs	5 weeks	10% or 5 weeks*
18 yrs and over	6 weeks	12% or 6 weeks*

* pay at employee's current classified rate whichever is greater at the time the vacation is taken.

7.02 **VACATION ALLOTMENT - SICKNESS - INJURY - LAY OFF** Authorized leave of absence for sickness or accident or other causes acceptable to the Company, shall not effect the employee's right in respect to vacation time off.

In order to qualify for vacations with pay as set out above, employees must have at least 1600 paid hours in the previous year. Vacation time, Plant Holidays and time spent on Workers' Compensation or Union Leave under Article 16.02 to count as paid time. Employees with less than 1600 hours paid time will be entitled to vacation pay at a percentage of their gross earnings only.

7.03 (a) **CUT OFF DATE** May 31

(b) There shall be a running total of monies received from June 1st to May 31st on each pay cheque stub.

7.04 **VACATION PERIOD** Vacations will be scheduled by May 1st of each year for the vacation period of June 1st to September 30th. Employees will have preference of vacation periods in accordance with their seniority within departments and/or job groupings, to the extent that they will not unduly interfere with production schedules.

Vacations for the period October 1st to May 31st must be scheduled by the last day of August and taken by May 31st. Vacations not scheduled by the last day of August shall be done so by consultation between the employer, employee and shop steward. If no agreement is reached, the employer may assign the vacations not settled.

7.05 **VACATIONS EXCEEDING TWO WEEKS** Vacations with pay in excess of two (2) weeks for which employees may be eligible shall be scheduled sufficiently in advance and taken at a mutually agreed upon time, that will not unduly interfere with production schedules.

7.06 **VACATION SHUT-DOWN** The Company reserves the right to shut down a part or all of an operation, for a part or all of a scheduled vacation, during the period of July 1st to August 31st. The date of the shut-down period will be announced by April 1st.

7.07 **VACATION PAY - WHEN PAYABLE** In accordance with Article 7.01 vacation pay will be paid on the employee's regular pay cheque on the regular payday and will relate directly to the portion of the vacation time entitlement being taken at that time. Any outstanding vacation pay from the previous vacation year will be paid on the closest pay period after May 31st as part of the employee's regular pay cheque. There will be no prepayment of vacation pay.

7.08 **VACATION PAY - ON TERMINATION** Employees who leave the employ of the Company will be paid vacation pay at the time of severance on the following percentage basis on the earnings of the employee for which vacation pay has not been previously paid.

Less than 1 years	4%
1 year but less than 3 years employment	4%
3 years but less than 7 years employment	6%
7 years but less than 14 years employment	8%
14 years but less than 18 years employment	10%
18 years and over	12%

7.09 In addition to the above, employees who are in a transition year to a higher vacation entitlement will receive extra vacation time at the rate of one-half day per month from his anniversary date to the cut-off date to a maximum of five (5) days. His pay for extra days will be calculated at 2% of gross earnings from his anniversary date to the cut-off date.

ARTICLE 8 - SENIORITY

- 8.01 (a) **SENIORITY PRINCIPLE** The Parties recognize that job opportunity and seniority should increase in proportion to length of service. It is agreed that the term "seniority" as used herein, shall have reference to an employee's right to a job based upon his length of service with the Company, and his potential to efficiently fulfill the job requirements.
- (b) All promotions, transfers, filling of vacancies, lay-offs, terminations, and re-hiring after lay-offs or termination will be done strictly in accordance with the principles set forth in 8.01 (a).
- (c) An employee shall not have any seniority, and shall be considered as a probationary employee until the employee shall have attained seniority status by actually working a total of three hundred and sixty (360) hours worked which may be accumulated over a period of six (6) months. Upon completion of this probation period, an employee shall acquire seniority status, and shall have a seniority date back-dated to his date of original hire. This probationary period may be extended by mutual agreement between the union and the Employer.

8.02 **SENIORITY WILL BE MAINTAINED AND ACCUMULATED DURING:**

- (a) occupational injury.
- (b) absence from employment while serving in the non-permanent armed forces of Canada.
- (c) absence due to illness or non-occupational injury.
- (d) jury duty, Union gatherings and collective bargaining negotiations.
- (e) authorized leave of absence.
- (f) lay-off for a period equal to their length of employment to a maximum of two years, after which their seniority will terminate.

8.03 **SENIORITY STANDING WILL BE CANCELLED IF AN EMPLOYEE:**

- (a) voluntarily leaves the employ of the Company.
- (b) over-stays authorized leave of absence except by reasons of force majeure.
- (c) is discharged and not reinstated under the terms of this Agreement.
- (d) is recalled to work and does not report within six (6) working days of receiving notice by registered mail at his last known address.
- (e) is still on lay-off and the seniority retention period has elapsed as described in 8.02 (f).
- (f) leaves the bargaining unit for more than twelve (12) months cumulative to work in a supervisory capacity.

8.04 **RECALL PROCEDURE** Laid-off employees with seniority will be given the first opportunity to be rehired. Employees will be notified of recall by telephone or other type of message which will be confirmed by registered mail. An employee being recalled must return to work as soon as reasonably possible after the first notice of recall as described above, but no longer than six (6) working days after issue of the registered notice. A copy of the notice will be given to the Shop Steward or Union committeeman.

It is the responsibility of laid-off employees to keep the Company informed of their current address and telephone number.

On recall from layoff of less than sixty (60) days, the process shall be, to the extent possible, the reverse of the layoff process and employees shall, to the extent possible, be returned to the position (classification and shift) they were in prior to the layoff or reduction and consistent with seniority as per Article 8.01.

8.05 (a) **SENIORITY LISTS** The Company will prepare Seniority lists of all employees and present to the Union within thirty (30) days of the signing of the Agreement. This list will be posted for a period of sixty (60) days, and will establish the seniority, regular rate and classification of an employee who does not protest his status in writing, within the said sixty (60) days. Said lists will commence with the most senior employee, carry on downward to the most junior employee, and contain the following information:

1. employee's name and clock number
2. employee's starting date
3. employee's regular classification and regular rate of pay
4. probationary employees will also be shown on the list.

(b) **SENIORITY LISTS - ADDITIONAL** Additional revised lists will be furnished to the Union as required from time to time. The Union agrees not to request such lists more frequently than once each four (4) months except during the months of April through September when they will be supplied each month if requested.

8.06 **UNION PREFERENTIAL HIRING**

- (a) The Company agrees to advise the Union as vacancies arise and to allow the Union to supply competent applicants for consideration. The Company is not obliged to hire applicants referred by the Union.
- (b) New employees will be introduced to the Stewards when they commence work.
- (c) Hiring for bargaining unit positions will be conducted on a gender neutral basis, subject only to the availability of applicants with the skills to do the job.

- 8.07 (a) In the event legislation governing lay-offs is implemented which overrides the Collective Agreement, an employee who is entitled to severance pay as a result of a lay-off may elect to take the severance pay at that time, or at any other time up to the end of the employee's recall rights. In the event the employee accepts such severance pay, the employee's seniority and recall rights shall be terminated.
- (b) Severance pay shall include pay in lieu of notice of lay-off.

ARTICLE 9 - SAFETY & HEALTH

9.01 SAFETY AND HEALTH - RESPONSIBILITY

- (a) The Company agrees that it is the responsibility of the Company to make adequate provision for the safety and health of the employees during the hours of their employment.
- (b) The Union and the employees agree to co-operate fully with the Company on all matters of health and safety.

9.02 **SAFETY COMMITTEE** It is mutually agreed that a Safety Committee consisting of employees selected by the Union will meet with a Management representative or representatives not less frequently than once a month. Minutes of such meetings will be posted on the notice board.

9.03 **HOUSEKEEPING AND SANITATION** All employees, as well as the Company, will observe the rules of good housekeeping and sanitation.

9.04 **WASHROOM, LUNCHROOM** Adequate washroom, lunchroom and a place to hang clothing will be provided by the Company and kept in a sanitary condition. The Company will supply towels, soap, and other supplies normally found in rest rooms. Employees will co-operate by observing the rules of cleanliness.

- 9.05 (a) **INJURED EMPLOYEE - REPORTING PROCEDURE** Any employee suffering an injury while in the employ of the Company (performing or engaged in any activity which is covered by Workers' Compensation) must report immediately to the First Aid Department (Attendant) or as soon thereafter as possible, and also report to this Department (Attendant) on returning to work.
- (b) A Union member of the Joint Health and Safety Committee shall be notified in the event of an illness or injury that results in lost time or requires medical attention.

9.06 **INJURED EMPLOYEE - TRANSPORTATION** Employees injured on the job will be provided free transportation by the Company to and from a doctor's office, or a hospital and will be accompanied by a qualified person with First Aid training, if available on the Company premises. Employees requiring transportation home from a doctor's office or hospital following initial treatment shall be reimbursed for costs of such transportation.

9.07 **INJURED EMPLOYEE - DAILY EARNINGS** If an employee is injured on the job and a doctor recommends no further work on that day, the Company will maintain the employee's normal daily earnings for the day of injury.

9.08 **EMPLOYEES WORKING ALONE** Where an employee is employed under conditions where he might be injured and not be able to secure assistance, the employer shall devise some method of checking on the well-being of the worker at intervals of not less than once per hour.

9.09 **SAFETY BOOT ALLOWANCES**

Employees will be reimbursed for the purchase of CSA approved safety boots, which also meet the company's safety policy requirements for approved footwear. The reimbursement will be up to one hundred and forty-five dollars (\$145) on October 1, 2006 the first year of the collective agreement and an additional five dollars (\$5.00) each subsequent year. A receipt must be provided. Any part of the allowance not used in prior contract years may be carried forward into the next contract year and added to the maximum amount, which will be reimbursed in that year.

October 1, 2007 - \$150.00

October 1, 2008 - \$155.00

October 1, 2009 - \$160.00

October 1, 2010 - \$165.00

9.10 **PRESCRIPTION SAFETY GLASSES** The Company agrees to replace prescription safety glasses broken or damaged on the job at no cost to the employee, provided that the glasses are in agreement with the Company eyewear/facewear policy.

9.11 **SAFETY DEVICES**

(a) The Company shall provide, free of charge, all safety devices except safety boots, which an employee is required to use under the terms of:

- 1) Company orders, rules or regulations, and
- 2) The provisions of the Workers' Compensation Act and regulations and orders pertaining thereto.

(b) Items referred to in this section shall be furnished on a loan basis, and the employee will be required to return them to the Company in good condition (fair wear and tear excepted) as and when the Company requires.

9.12 **ACCIDENT PREVENTION**

(a) It is understood and agreed that the Parties to this Agreement shall at all times comply with the Accident Prevention Regulations of the Workers' Compensation Act and any refusal on the part of a member to work in contravention of such regulations shall not be deemed to be a breach of this Agreement. Further, no member shall be discharged because he fails to work under unsafe conditions as set out in the regulations. Any refusal of a member to abide by Workers' Compensation Board Regulations or posted Company Safety Regulations, after being duly warned, will be sufficient cause for dismissal.

(b) Any employee may refuse to work where, in his opinion, adequate safety precautions have not been provided. The operator of a vehicle or piece of equipment may refuse to drive or operate such vehicle or equipment if in his opinion, there is any reasonable doubt as to the safety of the unit or if he feels it is improperly loaded. He may not be ordered to operate said vehicle or equipment until he has been satisfied any defects have been corrected.

(c) A Management and a Union Representative of the OH&S Committee shall accompany a Compensation Board Inspector on plant investigations.

(d) Copies of Safety Meetings will be posted and a copy given to a Shop Steward.

9.13 **LIGHT EMPLOYMENT** An employee who may be disabled from carrying out normal duties following an on-the-job injury may be offered alternate work which the employee can perform.

The worker's attending physician must be apprised of the nature of the work and must conclude that the job will not harm the patient or slow recovery.

Within reasonable time limits, the worker must agree to return to work.

Prior to assigning a worker to light employment, the Company will discuss the scope of the duties and the appropriateness of the assignment with the Union co-chairman of the OH&S Committee.

It is agreed that light employment assignments will not result in an existing employee losing employment.

ARTICLE 10 - GENERAL PROVISIONS

- 10.01 **CONSULTATION WITH UNION - PRIOR TO CERTAIN CHANGES** The Company agrees to consult with the Unit Chairman or Shop Steward if available on the premises prior to discharging, laying-off, transferring, promoting or demoting any employee.
- 10.02 **BULLETIN BOARDS** The Union will have the exclusive use of one (1) Bulletin Board on the premises of the Company and provided by the Company for the purpose of posting official Union notices which may be of interest to Union members. All such material may be posted only upon the authority of the Executive Committee of the Union or Shop Stewards of the plant.
- 10.03 **NOTICES - BETWEEN COMPANY AND UNION** Any notice required to be given to the Company under the terms of this Agreement will be given by registered mail addressed to it at its registered address. Any notice to be given to the Union under the terms of this Agreement shall be given by registered mail addressed to the Secretary of the Union at its registered address.
- 10.04 **UNION ACCESS TO PLANT** Representatives of the Union will have access to the Company's premises by obtaining the permission of the Company's management. Such permission will not be unreasonably withheld.
- 10.05 **BEREAVEMENT PAY** If a death occurs in the immediate family of an employee, the Company will grant paid leaves of absence as follows:
- 3 days in the event of death of an employee's mother, father, stepmother, stepfather, spouse, children, stepchildren, brothers, sisters, parents-in-law and grandparents.
- 10.06 If the employee is advised of the death while he is working, he will be excused from work and paid for the balance of that shift and such time shall not be charged against the period of absence.
- 10.07 **JURY DUTY** If an employee is summoned or subpoenaed for jury selection or for jury duty, or subpoenaed as a crown witness, the Company will grant the employee leave of absence with pay, which will be the difference between his regular pay and the monies received for jury duty or witness pay.
- On any day when an employee is called but not chosen for duty he must return to work for the balance of the shift. He must supply the Company with a statement of time of reporting and release when not chosen for duty and an official statement of payment for duty.
- 10.08 **REST PERIODS** Employees will be allowed two (2) coffee breaks of ten (10) minutes each on Company time; one in the first half of each shift and one in the second half.
- 10.09 **INSTRUCTION PROCEDURE** Employees will take orders from the Production Manager only when the employees Shop Supervisor or Charge hand is not readily available.
- 10.10 **SHOP SUPERVISORS AND CHARGE HANDS IDENTIFICATION** The names of all Shop Supervisors and Charge Hands, setting forth their official status will be posted on the Company's Bulletin Board(s).
- 10.11 **DISCIPLINE AND DISCHARGE** Before taking disciplinary action, Management will first warn an employee, unless the circumstances justify immediate discipline or discharge. Such warnings must be confirmed in writing to the Shop Steward.

- 10.12 **CLEAN UP** A five (5) minute personal clean-up and time keeping period will be allowed immediately prior to quitting time on all shifts.
- 10.13 **GLOVES** The Company will supply gloves to all employees at no cost on a replacement basis once the used gloves are presented.
- 10.14 **LAY-OFF NOTICE** In cases of lay-off, the Company will give three (3) working days notice or three (3) days pay in lieu of notice.
- 10.15 **UNION APPOINTEES -IDENTIFICATION** The Union will maintain with the Company a current list of the names of Shop Stewards, Committeemen and Staff Representative.
- 10.16 **UNION COMMITTEE** Union Committees as provided for in this Agreement, will be of a size that will not unduly curtail production.
- 10.17 **PICKET LINE** No employee shall be required to cross a legal picket line which has been recognized by the Union.
- 10.18 Employee owned tools will be replaced with tools of equal value if they are broken on company work. Proof may be required.
- 10.19 **COVERALLS** Coveralls will be supplied and laundered at Company expense for all employees.
- 10.20 The Company will provide and maintain a supply of rain gear for yard employees who require it. Rubber boots will be supplied up to a maximum of one hundred and forty-five dollars (\$145.00) per contract year increasing by five dollars (\$5.00) each contract year. Receipts are required.
- October 1, 2007 - \$150.00
October 1, 2008 - \$155.00
October 1, 2009 - \$160.00
October 1, 2010 - \$165.00
- 10.21 **TAPES AND BLADES** The Company agrees to provide tapes and blades on a replacement basis at no cost to the employees upon presenting used/broken tapes and blades.
- 10.22 **LOCKERS** The Company agrees to supply a locker to each employee.
- 10.23 **SHOP STEWARDS** Unit President and Shop Stewards shall be recognized on all jobs and shall not be discriminated against. The Plant Manger shall be notified by the Union of the name or names of such Unit President and Shop Stewards and in the event of a lay-off or reduction in the work force, such Unit President and Shop Stewards shall at all times, be given preference of continued employment.
- 10.24 If employees (other than truck drivers) are sent out of town, provision for the employee's room and board, etc. will be negotiated with the employee and shop steward.
- 10.25 **HUMANITY FUND** The Company agrees to deduct \$20.00 from each employee once yearly and forward to the United Steelworkers Humanity Fund.
- The deduction to be made on the first pay period in October of each year. Anybody not wanting to participate should notify the Company in writing.
- 10.26 **UNION SAVINGS PLAN** The Company agrees to provide payroll deduction for non-probationary employees who enrol in and contribute to the Steelworker District 3 Savings Plan. At the beginning of each calendar year, the employee shall authorize the Company in writing as to a fixed dollar amount to be deducted from the last pay period of the month and forwarded to the Plan. Such authorization shall be irrevocable until the end of the calendar year. Deductions will be forwarded to the Plan by the fifteenth of the month following the deduction.

- 10.27 **HUMAN RIGHTS** The Union and the Company recognize the right of employees to work in an environment of mutual respect free from harassment, including sexual and racial harassment. Management will take measures that are deemed appropriate against persons under their direction who engage in harassment of another employee.

In any arbitration case arising out of this Article, where an arbitrator finds that harassment has occurred, the arbitrator may impose a remedy which is designed to only affect the perpetrator insofar as that is possible and where there is any detriment to be suffered respecting job classification, seniority, wages, etc., such detriment shall fall upon the perpetrator and not upon other employees. The arbitrator may direct a transfer or reassignment of the perpetrator to another location or shift assignment without regard to their seniority.

10.28 **PERSONNEL RECORDS**

- (a) **Personnel Records** One personnel file shall be maintained by the Employer for each Employee in the bargaining unit. Such file shall contain all records and reports concerning the Employee's work performance.
- (b) **Employee Access to Personnel File** An Employee shall have the right to read and review his/her personnel file at any time, upon reasonable notice and by request to the Employer. The employee, shall within a reasonable time of the request, be provided with a copy of any document or record contained in the employee's personnel file.
- (c) **Union Access to Employee Personnel File** A Staff Representative of the Union shall have the right to read and review an Employee's personnel file at any time, upon written authorization of the Employee and upon reasonable notice and by request to the Employer. The Union representative shall be provided with copies of any disciplinary document or record contained in the Employee's personnel file.

10.29 **DISCIPLINE**

- (a) The Employer shall only discipline, suspend or discharge an employee for just cause. The burden of proof of just cause shall rest with the Employer.
- (b) A Shop Steward, Grievance Committee member or other Union designee shall be present at any meeting with an Employee arranged for the purpose of imposing discipline.
- (c) The Employee, the Shop Steward or Grievance Committee member and the Local Union President shall be sent a copy in writing of any disciplinary action taken including, but not limited to all written reprimands, or notices involving suspension or discharge and the reasons in full for such action within twenty-four (24) hours of the taken action.

10.30 **RELIEF**

- (a) An Employee's record of verbal and written warnings will not be used after twelve (12) months from date of infraction.
- (b) Employees may only be warned, suspended or discharged for just cause. Suspension days will run as consecutive working days. Suspensions will not be used after twelve (12) months from date of infraction providing the employee has incurred no further discipline of a similar nature during that twelve (12) months.

10.31 **LETTERS OF UNDERSTANDING AND MEMORANDUMS**

- (a) **Form Part of Collective Agreement** The Company and the Union agree that any and all Letters of Understanding and Memoranda of Agreement made between the parties, shall be attached to and considered as part of the Collective Agreement.

- (b) **Exchange Copies** The parties agree to exchange copies of all Letters of Agreement, Memoranda of Agreement, and Appendices, which will form part of the current Collective Agreement.
- (c) **Failure to Renew**, Letters of Understanding, or Memorandums of Agreement issued prior to the signing of this Agreement, and not renewed, shall become null and void after signing of this Collective Agreement.
- (d) Renewed Letters of Understanding and Memoranda of Agreement shall remain in effect during the terms of this Agreement .

10.32 **UNION REPRESENTATION**

- (a) The Employer acknowledges the right of the Union to appoint or otherwise select Shop Stewards for the purpose of representing employees in the handling of complaints and grievances.
- (b) The Employer agrees to recognize Shop Stewards, as provided in writing from the Union.
- (c) The Employer will be notified by the Union of the names of the Shop Stewards, and any changes made thereto.
- (d) The Employer agrees to recognize and deal with a Union Grievance Committee of not more than two (2) Employees plus the Unit President.
- (e) When the legitimate business of a Unit President, Grievance Committee Member, Shop Steward or Occupational Health & Safety Committee Member requires such Employees to leave their department, but not the premises, the Employee will first receive permission from their Supervisor. Such permission shall not be unreasonably withheld and the employee will not suffer loss of regular pay for such time spent on the premises.

10.33 **NEGOTIATING COMMITTEE**

- (a) The Employer agrees to recognize and deal with a Negotiating Committee of not more than three (3) Employees, who will be regular Employees of the Employer, along with representatives of the International Union.
- (b) The Negotiating Committee is a separate entity from other committees, and will deal only with such matters as are properly the subject matter of negotiations, including proposals for the renewal or modification of this Agreement.
- (c) The Employer agrees to allow members of the Negotiating Committee the time off work without pay for the purpose of meeting with the Employer in the negotiation of the renewal or modification of this Agreement.
- (d) During negotiations for a new Collective Agreement, the Employer shall place employees, members of the Negotiating Committee on the day shift.

10.34 **JOINT LABOUR MANAGEMENT COMMITTEE:**

- (a) The Employer and Union agree to constitute a Joint Labour Management Committee to discuss matters of mutual concern.
- (b) The Committee will be composed of three members appointed by the Company and three members appointed by the Union.
- (c) The Committee will meet as required but not less than once per month.

ARTICLE 11 - GRIEVANCE PROCEDURE

11.01 GRIEVANCES WILL BE PROCESSED AS FOLLOWS:

STEP 1 It is generally understood that an Employee has no complaint or grievance until he, either directly or through the Union, has first given the Employee's Supervisor or his designate an opportunity to adjust the complaint.

If, after registering the complaint with the Employee's Supervisor or his designate, and such complaint is not settled within five (5) regular working days or within any longer period which may have been agreed to by the Parties, then the following steps of the Grievance Procedure may be invoked.

STEP 2 The grievance shall be submitted in writing to the Production Manager or his designate either directly or through the Union. The Production Manager or his designate will meet with the Employee's Union Steward within five (5) working days of the receipt of the grievance in an attempt to resolve the grievance. The grievor may be present at this meeting, if requested by either Party. The Production Manager or his designate within a further five (5) working days give the Employer's answer on the grievance form, and return it to the Union.

STEP 3 If the grievance remains unsettled at the conclusion of Step 2, the grievance may be submitted to the General Manager of Operations or his designate, who shall within five (5) working days, hold a meeting between the Union Grievance Committee (not to exceed three (3) in number) and the appropriate representatives of the Employer, in a final attempt to resolve the grievance. A Staff Representative of the Union and the grievor may be present at this meeting, if requested by either Party. The Employer's representative will within a further five (5) working days give the Employer's decision in writing to the Union on or attached to the grievance form.

STEP 4 - Arbitration or Expedited Arbitration.

11.02 TIME LIMITS (WORKING DAYS) AND STEPS WILL BE AS FOLLOWS:

<u>Appeal to</u>	<u>Time</u>	<u>Answer</u>
Step 1	Within 10 days of the grievor's knowledge of the occurrence of the grievance	5 days
Step 2	Within 5 days of answer	5 days
Step 3	Within 5 days of answer	5 days
Step 4	Within 30 days of answer	

The time limits may be extended by mutual consent if there is reasonable need for extension, and a request for extension is made in writing.

11.03 DISCHARGE CASES If an employee believes that he has been unjustly discharged he may commence grievance procedure and it will be instituted at Step 2.

11.04 GROUP OR GENERAL GRIEVANCES Grievances of a general or group nature will be put in writing and instituted at Step 2.

11.05 TIME LIMITS - FAILURE TO ACT If either Party fails to act within any of the time limits, or with an agreed upon extension, it will be deemed that the Party has abandoned its position and that the position of the other Party has been established, except in a case where the Party withdraws the grievance.

11.06 GRIEVANCE COMMITTEEMEN AND COMPANY REPRESENTATIVES At each of the three grievance steps the Company and the Union may have equal representation.

11.07 COMPANY REPRESENTATIVE - STEPS 2 AND 3 If a Company's administrative staff is such that the same Company representative would be involved in Steps 2 and 3, then Step 2 will not be used, except in 11.03 and 11.05.

- 11.08 All grievance meetings between the Company and the Union will be conducted during regular working hours and no Union members shall suffer any loss in pay for attending such meetings.

ARTICLE 12 - EXPEDITED ARBITRATION

- 12.01 Notwithstanding any other provisions of this Agreement, the following Expedited Arbitration Procedure is designed to provide prompt and efficient handling of routine grievances.

The Expedited Arbitration Procedure shall be implemented in light of the circumstances existing within the collective agreement, with due regard to the following.

- 12.02 An Arbitrator, shall be appointed by the Vice-Chairman - Mediation Services to hear the cases. Their expenses and fees will be borne by the Parties. The fees are to be in an amount agreed to by all three Parties.
- 12.03 (a) Within thirty (30) calendar days after receipt of the Step 3 answer the Company or the Union initiating the grievance may by mutual agreement refer it to Expedited Arbitration.
- (b) The date of the hearing shall be within ten (10) calendar days of the appeal unless an extension of time is mutually agreed upon by all three parties.
- 12.04 Grievances shall be presented in the Expedited Arbitration Procedure by a previously designated Local Union 2952 Committee member and a designated representative of the local Plant Management. Attendance of other persons at the Arbitration hearing shall be limited to those who have personal knowledge of the grievance being presented.
- 12.05 (a) The hearing shall be informal
- (b) No briefs shall be filed or transcripts made
- (c) There shall be no formal evidence rules
- (d) The Arbitrator shall have the obligations of assuring that all necessary facts and considerations are brought before him by the representatives of the parties. In all respects, he shall assure that the hearing is a fair one.
- (e) If the Arbitrator or the parties conclude at the hearing that the issues involved are of such complexity or significance that the case should require further consideration by the parties, the case shall be referred back to the initiating party for final deposition.
- (f) If the Arbitrator concludes that the case is not appropriate for the Expedited Arbitration process, the case shall be referred back to the initiating party for further determination as if at the conclusion of the Third Stage of the grievance procedure.
- (g) The Arbitrator shall render his written decision within five (5) workdays following the date of the hearing. Their decision shall be based on the facts presented by the parties at the hearing, and shall include a brief written explanation of the basis for their conclusion. Except with respect to the specific grievor these awards will not be cited as a precedent at any discussion of any other grievances at any stage of the grievance procedure or in any subsequent Arbitration, and will be considered binding by both parties.
- 12.06 (a) Grievances subject to this Expedited Arbitration Procedure must be confined to issues which do not involve novel problems and which have limited contractual significance or complexity.
- (b) The Arbitrator under this Expedited Arbitration Procedure shall have the same powers as granted to the Arbitrator under Section 13 of this Agreement.

ARTICLE 13 - ARBITRATION

- 13.01 Where a difference arises between the parties relating to the interpretation, application or administration of this Agreement, including any question as to whether a matter is arbitrable, or where an allegation is made that this Agreement has been violated, either of the parties may after exhausting the grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference or allegation to arbitration.
- 13.02 Any matter referred to arbitration, as provided in 13.01 hereof, shall be submitted to a single arbitrator selected from the following list:
1. Don Munroe
 2. Bob Blasina
 3. Vince Ready
 4. David McPhillips
- 13.03 The arbitrator shall have the authority to act as a mediator/arbitrator upon application of either party and will hear and determine the difference or allegation, and will issue a decision, and the decision is final and binding upon the parties, and upon any Employee affected by it.
- 13.04 The arbitrators will rotate on each subsequent arbitration, but should anyone be unable to act within thirty (30) calendar days, the Arbitrator shall be passed over to the next on the list.
- 13.05 The arbitrator will have the right to enter any premises where work is being done or has been done by the Employee, or in which the Employer carries on business, or where anything is taking place or has taken place concerning any of the differences submitted to the Arbitrator and inspect and view any work material, machinery, appliance or article therein, and interrogate any person respecting any such thing or any of such differences.
- 13.06 If, during the life of this Agreement, one of the Arbitrators named in 13.02 hereof withdraws from the list or the Parties agree to change the list, the Parties will appoint a replacement by mutual agreement in writing.
- 13.07 Except where otherwise provided for in this Agreement, each of the Parties hereto will bear its own expenses with respect to any arbitration proceedings. The Parties hereto will bear jointly the expenses of the arbitrator on an equal basis.
- 13.08 No matter may be submitted to arbitration which has not first been properly carried through all preceding steps of the Grievance Procedure.
- 13.09 The Arbitrator will have jurisdiction and authority to interpret and apply the provisions of this Agreement insofar as it may be necessary for the determination of a grievance referred to it, but will not have the jurisdiction and authority to alter or amend any of the provisions of this Agreement.
- 13.10 A claim by an Employee that the Employee has been unjustly discharged, suspended or laid-off may be settled by confirming the Employer's decision in discharging, suspending or laying-off the Employee, or by reinstating the Employee with such compensation, either full, partial or such other settlement as may be agreed upon by the conferring parties or determined by the Arbitrator as the case may be.

ARTICLE 14 - INSURANCE AND MEDICAL PLAN

14.01 A Medical and Insurance Plan will be maintained in accordance with the following:

14.02 **COVERAGE**

MEDICAL - the medical coverage will be equivalent to that supplied by the Medical services Plan of British Columbia.

EXTENDED HEALTH BENEFITS

The extended health maximum benefit payable is one million dollars (\$1,000,000.00) lifetime.

MSA NET

INSURANCE COVERAGE

1. **LIFE INSURANCE**

October 1, 2006 - \$110,000.00

2. **A.D.&D.**

October 1, 2006 - \$110,000.00

3. **WEEKLY INDEMNITY**

October 1, 2006 \$510* (1-4-26)

October 1, 2008 \$515* (1-4-26)

October 1, 2010 - \$525.00* (1-4-26)

* Indexed to E.I., maximum if amount above exceeded.

4. Sub-Sections 2 and 3 above will not apply when Workers' Compensation is payable

5. The Company will install an Employee Assistance Program.

14.03 **GENERAL PRINCIPLES**

1 Premium costs of both the Medical and Insurance Plans will be paid:

Employer 100%

2 Participation in the Plan will be a condition of employment.

3 Coverage will be provided during lay-off at no cost to the employee for one month beyond the current month of layoff.

4 The Company is entitled to keep the employee share of the E.I. rebate.

14.04 **INSURANCE COVERAGE COMMENCES:**

Three (3) month waiting period for employees first entering the employ of a Company.

Three (3) month waiting period for employees who have been on lay-off beyond their seniority retention period.

ARTICLE 15 - DENTAL PLAN

15.01 The Employer will supply a dental plan as follows:

15.02 (a)	COVERAGE BASIC DENTAL	100%
	PROSTHETIC APPLIANCES AND CROWN AND BRIDGE PROCEDURES	50%

(b) \$1,500.00 limit per year for both Basic and Extended Dental Costs per person.

Effective October 1, 2000 the limit will be \$2,000.00 per year, per person.

15.03 **PREMIUM DIVISION**

Employer100%

15.04 **PARTICIPATION** A condition of employment.

15.05 **EFFECTIVE DATE** For new employees dental coverage will commence on the first of the month following three (3) months of employment. Coverage will be provided during layoff up until the end of the month of layoff.

15.06 An annual financial statement of costs of the dental plan will be supplied to any Union whose members are covered under this Plan and a named Union representative may obtain knowledge of the Plan and discuss claims with the underwriter.

ARTICLE 16 - LEAVE OF ABSENCE WITHOUT PAY

16.01 **LEAVE FOR PERSONAL REASONS**

- (a) An employee may be allowed a leave of absence subject to Company approval without pay for up to sixty (60) days for personal reasons if:
 - (i) he requests it from the Company in writing, and
 - (ii) the Company believes the leave is for a good reason and does not interfere with the Company's operations.

If the employee takes a job elsewhere during this leave of absence without joint approval of the Company and the Union, he will be considered as having terminated his employment.

- (b) A leave of absence may be extended if there is a good reason and the Company and the Union committee agree to it. The employee must request the extension in writing before his first leave period has terminated.
- (c) The Union will be notified of all leaves granted under this Section.

16.02 **LEAVE TO ATTEND UNION GATHERINGS**

- (a) Employees who have been elected or appointed by the Union to attend International, National or local gatherings will be granted leave of absence without pay for this purpose. Not more than two (2) employees may take such leave at one time and they must give the Company ten (10) working days notice in writing. This notice must be confirmed by the Union. Leave will not exceed three (3) weeks, plus reasonable travel time.
- (b) Leave of absence will be granted on request to not more than three (3) employees who have been selected by the Union to attend collective bargaining sessions or emergency gatherings of the Union.

16.03 **LEAVE FOR UNION BUSINESS**

The Company shall grant an employee a leave of absence of not more than three (3) years to work in an official capacity for the Local or International Union. The employee must request the leave in writing and the Union must approve it. This leave shall be extended for additional three (3) year periods upon request. One month notice in writing must be given prior to requesting this leave.

16.04 **GROUP RRSP/PENSION** – A Group RRSP will be established based on the Employer's contributions. . The Employer has instructed Sun Life that employees are entitled to transfer all contributions to their own financial account.

Contributions will be paid on hours worked.

October 1, 2006 – December 31, 2006 - \$2.40

16.04.01: (a) Effective October 1, 2006 the company will contribute \$0.10 and effective January 1, 2007 the Company will contribute \$2.10 per hour worked to the Vancouver Steelworkers Pension Plan effective November 16, 1987 ("the Steelworkers Pension Plan") on behalf of each employee who is a Pension member of the Steelworkers Pension Plan for each pay period. The Company will contribute \$.10 per hour worked during an employee's first year of employment (this is not in addition to the \$.10 for the period October 1 to December 31, 2006). Further increases: October 1, 2007 \$.10, (\$2.20); October 1, 2008 \$.20, (\$2.40); October 1, 2009 \$.10, (\$2.50); October 1, 2010 \$.20, (\$2.70).

(b) Per hour worked in 16.04.01(a) means hours of paid vacation and statutory holidays and hours actually worked only.

16.04.02: The contributions shall be delivered by mail (or such other method as may be agreed to) to the Steelworkers Pension Plan by the Company within 15 days after the end of each calendar month in which the pay period ends, or as soon as reasonably possible thereafter.

16.04.03: Upon reasonable request by the Trustees of the Steelworkers' Pension Plan (the "Trustees"), the Company shall provide all information necessary to demonstrate to the Trustees that the Company is properly calculating and remitting contributions in accordance with this article. Such information will include, but may not be limited to:

- 1) a complete list of all employees in the bargaining unit in a given month, inclusive of employees who were hired after the commencement of the month and employees who were laid off or whose employment was terminated prior to the expiry of the month; and
- 2) for each employee listed, a total of the hours worked and social insurance number for each employee.

16.04.04: The Company shall provide to the Trustees such information as is reasonably necessary to enable the Trustees to properly administer the plan as amended to September 20, 2006, including, without limiting the generality of the foregoing, all documentation and information as may be reasonably requested and which is necessary to calculate pension entitlements for beneficiaries and to enable the Trustees to comply with the Pension Benefits Standards Act.

16.04.05: The Union agrees that other than making contributions to the Steelworkers Pension Plan and providing information to the Trustees as required by articles 16.03 and 16.04 above, the Company has no other obligations with respect to the Steelworkers Pension Plan whatsoever.

16.04.06: The Steelworkers Pension Plan and the Trust Agreement do not form part of this Collective Agreement and are not incorporated by reference into this Collective Agreement.

- 16.04.07: The Union and the Company agree that the Company's obligations contained in this article, including the Company's obligations to the Trustees, may be enforced at the instance of the Union pursuant to the grievance and arbitration procedures of this Collective Agreement.
- 16.05 (a) The Company will pay the pension contribution for employees granted leave of absence under Section 16.02 – LEAVE TO ATTEND UNION GATHERINGS.
- (b) The Company will be reimbursed for the Company contributions from the employee's first pay after the leave of absence.
- (c) If the leave continues beyond one month or the employee otherwise has no earnings on the first pay after the leave of absence then the Company will invoice the Union and the Union will reimburse the Company.

ARTICLE 17 - WAGES

17.01 WAGE SCHEDULE

- (a) The job classifications and rates of pay listed in the attached Wage Schedule is agreed upon by both parties and is a part of this Collective Agreement.
- (b) The rates set forth in the attached Wage Schedule may not be used in any way for the purpose of reducing the wage rate(s) presently received by an employee(s).
- (c) The rates for the classifications set forth in this Agreement, and for any subsequent mutually agreed upon additions thereto, are the agreed upon rates for those classifications, and therefore no employee may perform work within the classifications for a rate other than the rate set forth in this Agreement, subject only to the provisions of daily rate retention. The refusal of any employee to perform work contrary to the provisions of 17.01 (c), shall not constitute grounds for any reprimand or any form of disciplinary action, or dismissal by the Company.
- 17.02 (a) **NEW OR CHANGED JOB CLASSIFICATION:** If any new job classifications are established, or if there is a significant change in the job content of any job classification(s) set forth in this Wage Schedule, or if any job classification(s) have been overlooked in this Wage Schedule, the Parties hereto are agreed to negotiate a rate for the job(s) in question.
- (b) If the Parties are unable to reach agreement then the dispute will be settled through the Grievance and Arbitration procedures of this Agreement.
- 17.03 **DAILY RATE RETENTION** Employees working in a higher rated classification for more than one half hour will be paid the higher rate for that portion of time. If the portion of time exceeds four (4) hours, the employee will be paid the higher rate for the entire shift and any overtime will be based on the higher rate.
- 17.04 **CHEQUE ISSUE - NO DELAY** Employees must provide bank account information for purposes of payroll via direct deposit. Payroll statements will be distributed on Thursdays to correspond with the deposit in bank accounts.
- 17.05 **STATEMENT OF EARNINGS** The rate or rates of pay, hours of work, details for overtime hours and all necessary and pertinent information will be furnished to each employee on his pay statement so that the employee can clearly understand how his total pay was calculated.
- 17.06 **FIRST AID ATTENDANTS** First Aid Attendants will be paid as follows:
- Level I - \$.25 per hour over occupational rate when designated. Designation shall be based on Article 8.01.
- Level II \$.80 per hour over occupational rate

Upon successful completion of first aid courses, designated first aid attendants will be reimbursed for the cost of the course tuition and required books and regular wages for time lost in attendance at the required course and examination.

17.07 **PAYMENT OF WAGES - IRREGULAR** Any employee being discharged, laid off, or leaving of his own accord will be paid all wages due to him as promptly as possible, or, in any event, within forty-eight (48) hours of the expiration of the next working day.

17.08 **CHARGE HAND DEFINITIONS** A Chargehand is an employee who is assigned to instruct others in the performance of their work and may be held responsible for the quality and quantity of work.

Any employee working as chargehand will receive the appropriate premium above the highest classification supervised or above his own rate, whichever is the greater.

Premium - Chargehand - \$1.00 per hour

While training may be included within the duties of a charge hand the fact that an employee is assigned training duties does not constitute that employee to be a charge hand.

17.09 **EDUCATION FUND** Effective October 1st, 2006, the Employer shall contribute to the Union the sum of three cents (\$.05) per hour per employee for each hour worked for education and training of Union members.

The money shall be made payable to Local Union 2952 Education & Training Fund, 7820 Edmonds Street, Burnaby, B.C., V3N 1B8 and shall be remitted by the 15th of each month for the previous month and the employer shall provide necessary information regarding amounts paid for each employee.

Upon request, but no less than once each contact year, the Union shall provide the Company with an account of the fund disbursements.

ARTICLE 18 - JOB POSTING

18.01 **JOB OPENINGS (NOT TEMPORARY)** All job postings (not temporary) in the bargaining unit, will be posted on the Bulletin Board for three (3) working days for all shifts.

18.02 **JOB OPENINGS (TEMPORARY)**

(a) Job openings in the bargaining unit not subject to the Job Posting Procedure shall mean those job openings resulting from absences allowed under the terms of this Agreement up to a maximum of (30) days.

(b) All job openings (temporary) shall be filled in accordance with the principle established in 8.01 (a) and (b) of the collective agreement.

18.03 **JOB APPLICATIONS (DELAYED)**

(a) If an employee is not at work, for the following reasons, when a job is posted, he may apply for the job, if he does so within three (3) working days of his return to work.

- 1 vacation,
- 2 authorized leave of absence not exceeding thirty (30) days,
- 3 absence resulting from an accident or illness not exceeding thirty (30) days,
- 4 absence on Workers' Compensation not exceeding thirty (30) days.

(b) An employee absent in excess of thirty (30) days due to leave of absence, accident, illness or injury may apply within three (3) working days of his return to work for any vacancy posted in the thirty (30) days prior to his return to work.

- 18.04 **SELECTION OF SUCCESSFUL APPLICANT** Preference will be given to applications from the most senior employees in accordance with the principles established in Section 8.01 (a) of this Agreement.
- 18.05 **TRIAL PERIOD** The successful applicant may be entitled to up to two hundred and forty (240) working hours and not less than eighty (80) working hours trial period.
- 18.06 **RETURN TO FORMER JOB**
- (a) In the event that an employee is promoted in accordance with the provisions of this Article and within two hundred and forty (240) hours of such promotion he is not performing efficiently, or the employee wishes to do so, he will revert to his immediate previous job, without loss of seniority.
- (b) If additional people are required, they will be drawn from the previous posting, provided, however, there are enough applicants on the previous posting to fill the vacancy.
- 18.07 **SUCCESSFUL APPLICANT NOTICE** The name of the successful applicant will be posted no later than five (5) days after the removal of the Job Posting notice. All job postings not filled by successful applicants within thirty (30) days are considered void.
- 18.08 In the event that none of the applicants meets the requirements of the job in relation to Section 8.01 (a) of this Agreement, the Company may fill the vacancy in accordance with 8.06.
- 18.09 No employee shall be entitled to successfully post down into a lower rated classification more than once in each contract. Exceptions to this shall be the Shipper/Receiver and Storekeeper jobs or when the Employee applies for a posting due to medical reasons. An employee posting down shall not be entitled to revert at his option.

ARTICLE 19 - TECHNOLOGICAL CHANGE

- 19.01 In the event that the Company introduces a technological change which results in:
- (a) Displacement of employees from employment with the Company. The Company will cooperate with Human Resources Development Canada (HRDC) training facilities to train such employees, if there are job openings with the Company, and such employees have the necessary potential to fill the positions.
- (b) An employee being terminated due to technological change will receive one (1) week's pay for each year of seniority in excess of five (5) years seniority.

ARTICLE 20 - SAVINGS CLAUSE

- 20.01 Should any part of this Agreement or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any judgment of order of a court, tribunal or board of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and such remaining portions shall continue in full force and effect.
- 20.02 In the event that any clause 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 implementing the requirements of any such order, judgment or legislation or 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 matter to arbitration.

ARTICLE 21 - SEVERANCE PAY

21.01 In the event of permanent plant closure, employees terminated will receive one (1) week's pay for every completed year of service to a maximum of ten (10) weeks pay.

ARTICLE 22 - DURATION OF AGREEMENT

22.01 This Agreement shall be for the period from and including October 1st, 2006 to and including September 30th, 2011 and from year to year thereafter subject to the right of either Party to the Agreement within four (4) months immediately preceding the date of expiry of this Agreement, which is September 30th, 2011 immediately preceding the last day of January in any year thereafter, by written notice to require the other Party to the Agreement to commence collective bargaining.

22.02 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 Employer shall give notice of lockout or the Parties shall conclude a renewal or revision of this Agreement or a new Collective Agreement whichever shall first occur.

22.03 The operation of Section 50 (2) & (3) of the Labour Relations Code is hereby excluded.

IN WITNESS WHEREOF:

The Parties have executed this Agreement at Richmond, B.C. this _____ day of January, 2007.

**UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

VAE NORTRAK LTD.

APPENDIX "A"

Group	Classification	Oct 1/06	Oct 1/07	Oct 1/08	Oct 1/09	Oct 1/10
		2%	2%	2%	2.2%	2.5%
A	Frog Fitter	29.13	29.71	30.31	30.97	31.75
	Frog Fitter Trainee					
	1st 26 weeks	25.89	26.41	26.93	27.53	28.21
	2nd 26 weeks	26.64	27.18	27.72	28.33	29.04
	3rd 26 weeks	27.64	28.19	28.76	29.39	30.13
	Maintenance Machinist	28.86	29.43	30.02	30.68	31.45
	Machinist	27.85	28.40	28.97	29.61	30.35
	Machinist Trainee					
	0-1040 hrs	24.79	25.29	25.79	26.36	27.02
	1041-2080 hrs	25.34	25.85	26.36	26.94	27.62
	2080-3120 hrs	26.46	26.99	27.53	28.13	28.84
	Maintenance Man	27.85	28.40	28.97	29.61	30.35
	Tool Room Attendant	27.85	28.40	28.97	29.61	30.35
	Truck Driver/Crane Operator	27.85	28.40	28.97	29.61	30.35
B	Operator "B"	25.25	25.75	26.26	26.84	27.51
	Shipper/Receiver	25.25	25.75	26.26	26.84	27.51
	Storekeeper	25.25	25.75	26.26	26.84	27.51
	Welder	25.25	25.75	26.26	26.84	27.51
C	* Assemblyman	24.94	25.44	25.95	26.52	27.18
D	Operator "C"	24.42	24.91	25.41	25.96	26.61
	Yardman	24.42	24.91	25.41	25.96	26.61
E	Grinder	23.65	24.13	24.61	25.15	25.78
F	General Duty	22.41	22.86	23.31	23.83	24.42
	0-12 mo.	19.77	19.77	19.77	19.77	19.77
	13-24 mo.	20.87	20.87	20.87	20.87	20.87
G	Student	14.63	14.63	14.63	14.63	14.63

NOTES TO APPENDIX "A"

- 1) All positions are paid at \$1.00 per hour below rate during probationary period.
- 2) Machinists with valid British Columbia or Interprovincial Machinists ticket will receive fifty cents (\$.50) per hour premium.
- 3) Employees in this classification will receive a \$.25 reclassification no later than 12 months from date of posting to a job.

JOB DESCRIPTIONS

YARD

Shipper/Receiver	Responsible for all aspects of the shipping and receiving function including all paperwork. Must be able to operate material handling equipment (fork lifts and loaders) and will be required to operate them when other regular operators are not readily available.
Storekeeper	Storekeeping duties, inventory control, warehouse duties, shipping/receiving duties. Operate forklift and loader when other regular operators not available.
Yardman	Loader Operation, forklift operation, tie machine operation, material handling and preventative maintenance (i.e. check oil, gas, tires, etc.). Remove fit rails in Q.A. area.
Truck Driver/Crane Operator	Load, unload and transport materials and products using truck and boom crane in and out of town. May be required to work in the plant or yard when the performance of the above duties is not required. For out-of-town trips, employee should be given three working days notice. A class 1 drivers license and air ticket endorsement is required for this job. Also to be proficient in operating the boom crane.

MACHINE SHOP

Machinist	Planer and planer mill operations, milling machine operations, machinery repair. Employees who have not previously held this classification, will require a valid Journeyman ticket or a minimum of 6 years Machinist experience in order to enter the classification.
Machinist Trainee	<ul style="list-style-type: none">(a) The Machinist Trainee Position is to help the Company in developing Nortrak machinists to adequately fulfill job requirements. Employees have the opportunity to bid up into this position upon meeting prerequisites. The intent is to identify opportunities as far in advance as possible.(b) When a need or vacancy is identified, postings shall be for machinist trainee and upon meeting the prerequisites, appointments for machinist trainee shall be made in accordance with the job posting provisions of the collective agreement currently in effect.(c) Same duties as machinist reclassified to machinist after three thousand, one hundred and twenty (3,120) hours work in this classification.(d) Employees who possess the prerequisite qualifications shall be eligible for bidding as a machinist trainee.(e) If for some reason the employee does not make it through each one thousand and forty (1,040) hour segment, he reverts back to his previous position.(f) For each three (3) machinists hired after ratification the Company agrees to post for a machinist trainee.

(g) Prerequisites

- Level I CNC, BCIT or equivalent (8 weeks)
- Milling Machine Operator, BCIT or equivalent (6weeks)
- Aptitude/Mechanical Ability Test
- 6 years experience in manufacturing of track equipment, building products.

(h) Rates of Pay

- 89% of Machinist Rate – First 1040 hours worked and qualifications achieved
- 91% of Machinist Rate – Second 1040 hours worked and qualifications achieved
- 95% of Machinist Rate – Third 1040 hours worked and qualifications achieved

Maintenance Machinist	Must be able to operate all equipment usually associated with the machinist trade and to be able to repair or manufacture parts for machines. Also, must have the ability and experience necessary to install, erect and maintain all types and sizes of machine tools. Must be a Journeyman machinist with a valid British Columbia or Interprovincial Machinist ticket.
Tool Room Attendant	Inventory control, warehouse duties, shipping/receiving duties. Operate forklift incidental to this classification when other regular operators not available. Maintenance and repair of power tools, milling and planing cutters, jigs, fixtures, punching dies, drill bits and portable plant equipment.
Operator "B"	Punching and layout operations on punch press, Ironworker, lathe operations, flash butt welder.
Operator "C"	Heating (furnace) and forming (hydraulic press) operations, bending (hydraulic press) operations, radial arm drilling operations, shear, stamp, saw operations.
Maintenance	Required to have suitable experience and training to fabricate or repair machinery with welding and other metal working techniques. Perform regular production duties when repair work not required.
Frog Fitter	Build solid and RBM frogs and other frog related products. Must be able to assist in all aspects of frog fitting. Expected to handle new products as introduced. Minor welding may be required.
Frog Fitter Trainee	Same duties as frog fitter. Reclassified to frog fitter Trainee 2 after 1040 hours worked in this classification. Employees who post out of this classification and later post back in will be treated as new to the classification. Minor welding may be required.
Frog Fitter Trainee 2	Same duties as frog fitter. Reclassified to frog fitter trainee 3 after 1040 hours worked in this classification. Employees who post out of this classification and later post back in will be treated as new to the classification.
Frog Fitter Trainee 3	Same duties as frog fitter. Reclassified to frog fitter after 1040 hours worked in this classification. Employees who post out of this classification and later post back in will be treated as new to the classification. Minor welding may be required.

Employees who post out and later post back in lose hours accumulated over the highest completed classification.

Assemblyman	<p>Able to fit solid and RBM frogs with some guidance. Straighten castings, and bending rail products in the vertical and horizontal press. Welding and grinding will be required to assist with fitting of rails and to prepare castings for Q.A. Major track layout assembly requiring turn-out blueprint reading.</p> <p>An Assemblyman who had demonstrated his ability and is assigned without guidance to fit solid or RBM Frogs will be entitled to the Frog Fitter Trainee 1 rate.</p>
Welder	<p>All aspects of welding including Robotic, Torch, Wirefeed, stick and some minor grinding. Also responsible for layout relating to welding. Ability to read and understand drawings a must. Requirement for a minimum of interprovincial class "C" welding ticket.</p>
Grinder	<p>Grinding on frogs and switch points and other products. Assembly of switchrods, gauge plate and hollow tie assembly.</p>
General Duty	<p>Forklift operation (restricted to work incidental to this classification) ie. lifting switchplates, packing & unpacking in/out bound boxes, and sandblasting, painting, hand tool operations, clean-up operations, counting and sorting products, material handling, operating portable rail saws/drills, chainsaws and bench drills, occasional grinding, deburring and number stamping by hand, miscellaneous tasks in yard or shop, loading and unloading railcars and trucks, simple assembly work.</p>
Students	<p>Students may be hired during the period June 1st up to Labour Day and will not attain seniority as set out in Article 8.01. If however, they do not return to school and the Company elects to keep them at work, their seniority will date from date of hire and they will receive General Duty rate of pay or receive the appropriate rate of pay for the job they are performing. Students will receive the student rate of pay while performing General Duty work but will receive the classified rate if assigned to work above that classification.</p>

APPENDIX "B"

12 HOUR SHIFT SCHEDULE

Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
Off	Off	Off	Off	C	C	C	Off	Off	Off	Off	C	C	C
Off	Off	Off	Off	D	D	D	Off	Off	Off	Off	D	D	D

C Day Shift - 3 days - 12 hour day - paid for 40 hours - 6:00 a.m. to 6:00 p.m.

D Afternoon Shift - 3 days - 12 hour day - paid for 40 hours - 6:00 p.m. to 6:00 a.m.

APPENDIX "C"

10 HOUR SHIFT SCHEDULE

Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
A	A	A	A	Off	Off	Off	A	A	A	A	Off	Off	Off
B	B	B	B	Off	Off	Off	B	B	B	B	Off	Off	Off

A Day Shift - 4 days - 10 hour day - 1/2 hour lunch - 6:00 a.m. to 4:30 p.m.

B Afternoon Shift - 4 days - 10 hour day - 1/2 hour lunch - 6:30 p.m. to 4:30 a.m.

LETTER OF UNDERSTANDING #1

BETWEEN: VAE NORTRAK LTD.

**AND: UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

By their signatures below, the above referenced parties agree as follows:

1. Employees in the Truck Driver/Craneman classification will receive Truck Driver/Craneman rate when operating a truck and crane and Yardman rate when doing yard work.
2. Overtime on Saturdays, when not in VAE Nortrak’s yard, will be paid on the basis of time and one-half for the first eight (8) hours and double time thereafter.
3. The Truck Driver/Craneman - hourly pay based upon Appendix “A”, and retained for work performed at the plant as noted below. Charge Hand premium will apply to this classification when the employee is directing other employees off-site.

Mileage Pay based on: .37/km

Subject to clauses involving layoff, shutdown, holiday and leave of absence. When the amount of work available in this job does not result in the equivalent of 40 hours of earnings, the operator will be transferred to work under the direction of the Shop Supervisor and additional work will be made available to at least that amount.

4. 2) Hourly rate to be paid:
 - (a) during road trips to Vancouver Island and within the Lower Mainland (eg. 50 mile radius).
 - (b) during short stops of 1/2 hour or more on road trips to adjust the load, wait as scales, refuel, or for any other stop beyond the control of the driver. Except meal stops.
 - (c) when loading, unloading or handling materials and products on the company premises and at road trip destinations.
5. Travel rate to be paid when driving the truck to transport materials and products to destinations, with the exceptions noted in 2 a).
6. Overtime Rate (Hourly): As per 5.06 and 5.07, but also time and one-half for hourly paid work which may be performed after driving eight (8) hours. Overtime on Saturdays, when not in VAE Nortrak’s yard, will be paid at time and one-half for the first eight (8) hours and double time thereafter.
7. Board Allowance: Will be set at a maximum of forty dollars (40.00) per day. Receipts are required.

Signed this _____ day of January, 2007

**UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

VAE NORTRAK LTD.

LETTER OF UNDERSTANDING #2

BETWEEN: VAE NORTRAK LTD.

**AND: UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

By their signatures below, the above referenced parties agree as follows:

1. For the purposes of this Letter of Understanding the current Monday-Friday shift schedule will be called "E" shift.
2. Vacancies on the A,B,C,D or E shift will be posted using the same process as set out in Article 18 - Job Posting in the Collective Agreement.
3. Where there are vacancies on more than one shift, applicants may indicate their preference of shift assignment.
4. Assignment to shifts will be on the basis of seniority, shift preference and ability to perform the work required.
5. Where there are insufficient applicants to fill vacancies, workers will be assigned to shifts in reverse order of seniority starting with the most junior employee with the ability to perform the work required.

Signed this _____ day of January, 2007

**UNITED STEELWORKERSON BEHALF OF
LOCAL UNION 2952**

VAE NORTRAK LTD.

LETTER OF UNDERSTANDING #3

BETWEEN: VAE NORTRAK LTD.

**AND: UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

By their signatures below, the above referenced parties agree as follows:

By their signatures below, the Parties agree that the Company will bear one hundred percent (100%) of the cost of printing two hundred (200) booklets of the 2006 Collective Agreement.

Signed this _____ day of January, 2007

**UNITED STEELWORKERS
ON BEHALF OF LOCAL UNION 2952**

VAE NORTRAK LTD.

