

COLLECTIVE AGREEMENT

BETWEEN

CLAYBURN INDUSTRIES LTD.

AND

TEAMSTERS LOCAL UNION No. 213

April 1st, 2006 - March 31st, 2009

**DON MCGILL
Secretary-Treasurer**

TABLE OF CONTENTS
CLAYBURN INDUSTRIES LTD.

ARTICLE	PAGE
ARTICLE 1 - INTERPRETATION AND EXTENT	1
ARTICLE 2 - UNION SECURITY	1
ARTICLE 3 - NEW CLASSIFICATIONS.....	3
ARTICLE 4 - DISCHARGE OF EMPLOYEES.....	3
ARTICLE 5 - MANAGEMENT RIGHTS.....	4
ARTICLE 6 - WAGES AND WAGE STATEMENTS	4
ARTICLE 7 - HOURS OF WORK AND OVERTIME.....	4
ARTICLE 8 - SENIORITY.....	7
ARTICLE 9 - STATUTORY HOLIDAYS	8
ARTICLE 10 - ANNUAL VACATIONS.....	10
ARTICLE 11 - GENERAL WORKING RULES AND CONDITIONS.....	12
ARTICLE 12 - GRIEVANCE PROCEDURE	15
ARTICLE 13 - HEALTH & WELFARE & PENSION.....	16
ARTICLE 14 - SAVINGS CLAUSE.....	18
ARTICLE 15 - LEAVE OF ABSENCE	18
ARTICLE 16 - TERMINATION CHEQUES.....	18
ARTICLE 17 - TECHNOLOGICAL CHANGE	18
ARTICLE 18 - DURATION	19
SIGNATORY PAGE	19
APPENDIX "A"	20
LETTER OF UNDERSTANDING	23

THIS AGREEMENT made as of the day of , 2006.

BY AND BETWEEN: CLAYBURN INDUSTRIES LTD.

33765 Pine Street,
Abbotsford, B.C.
V2S 5C1

(hereinafter referred to as "THE COMPANY")

AND: TEAMSTERS LOCAL UNION No. 213,
of the International Brotherhood of Teamsters

(hereinafter referred to as "THE UNION")

WHEREAS, it is the intention and purpose of the Company and the Union to foster and promote harmonious industrial relations between the Company and its employees.

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE 1 - INTERPRETATION AND EXTENT

Interpretation:

- 1:01 The headings of each article of this Agreement may be referred to in the interpretation of the various sections thereunder, and this Agreement shall be interpreted as a whole.
- 1:02 In the event that any word, phrase, sentence, Section, or Article of this Agreement is declared invalid by any Court of competent jurisdiction, only such word, phrase, sentence, Section, or Article shall be affected and this Agreement shall continue in full force and effect.

ARTICLE 2 - UNION SECURITY

Coverage:

- 2:01 The Company recognizes the Union as the sole bargaining agent for those employees covered by the Certification and working at the classified occupations listed in the Appendices and for such other employees as may be assigned to new classifications coming under the Union's jurisdiction.

Membership:

- 2:02 All employees covered by this Agreement must be members in good standing of the Union.
- 2:03 Any employee who does not retain his/her membership in the Union shall not be retained by the Company within the bargaining unit or Certification.

2:04 Any employee who has been laid off for any reason and who does not retain his/her membership in the Union will not retain his/her seniority with the Company.

Authorization of Deductions:

2:05 New employees shall be required to sign authorization cards for deduction of initiation fees, dues and assessments as required by the Union. Such deductions shall be forwarded to the Union not later than the last business day of the month in which these deductions were made. Dues shall be deducted from the second pay period previous to the quarter for which they are applicable. The Company shall record on each employee's T-4 slip, the total Union dues deducted and submitted on behalf of that employee.

Picket Lines:

2:06 It shall not be a violation of this Agreement or cause for discharge if an employee refuses to cross a picket line.

Hiring:

2:07 The Company shall advise the Union Dispatch Office of all new job openings. The Dispatch Office shall refer any available, suitable applicants for consideration. In filling each vacancy every effort will be made by the Company to obtain the best applicant available from all sources and the final hiring decision shall be the responsibility of Management.

2:08 When a Union member is not available, then the Employer may obtain employees elsewhere. Such employees have fourteen (14) days in which to become members of the Union.

2:09 When employees are hired as provided above, they shall be considered an employee of the Employer and shall be entitled to all employee benefits, as they become eligible for same.

Strike and Lockout:

2:10 During the term of the Agreement, there shall be no lockout by the Company and no strike, stoppage of work or slow down, either partial or general, by the employees.

Contracting Out and Hired Trucking:

2:11 (a) The Company agrees to have all work at its brick manufacturing operation within the scope of the bargaining unit performed by members of the bargaining unit.

(b) The Company agrees that it shall not contract out the work of incumbent employees in the mining operation until such employees retire, resign or are discharged for just cause.

- (c) In the event that work to be performed in the brick manufacturing operation requires additional equipment of a type not owned or leased by the Company, the Company may contract out the work.
- (d) When Company equipment that is normally operated by members of the bargaining unit is leased or rented for a fee to other persons or companies such equipment shall be operated by Company employees who are members of the bargaining unit.
- (e) In an emergency, or when bargaining unit personnel are not available, the Company may have bargaining unit work performed by persons other than members of the bargaining unit.

2:12 Should it become impossible for the Company to hire outside equipment locally from -

- (a) Companies or Dependent Contractors with employees under agreement to this Local Union or
- (b) Dependent Contractors of this Local Union

then the Company shall be free to hire outside equipment from -

- (a) Companies or Dependent Contractors with employees under agreement to another Teamsters Local or
- (b) Dependent Contractors of another Teamsters Local.

In every instance such equipment shall be operated by members of the Teamsters Union.

Contract Work - Hired Construction Firms for Plant Construction:

2:13 Notwithstanding the language in 2:12, current contracting out practices will remain unchanged.

Shop Stewards:

2:14 Shop Stewards shall be recognized by the Company and shall not be discriminated against. The Company shall be notified by the Union of the name or names of such Stewards. Reasonable time shall be given to the Shop Steward to carry out his/her duties.

Business Representatives of the Union:

2:15 The Business Representative of Local 213 shall have access to all jobs and plants, etc. covered by this Agreement, in carrying out his/her regular duties, after first notifying the Employer.

2:16 Members of the Negotiating Committee (maximum of four (4)) shall be paid for the time spent in negotiating for that portion of time which falls within regular working hours of such employee at one-half (1/2) the employee's normal rate.

ARTICLE 3 - NEW CLASSIFICATIONS

Rates and Effective Dates:

3:01 The Company shall notify the Union when any new classifications coming under the Agreement are added. The Union and management shall negotiate a new rate.

An interim rate shall be paid until the negotiated rate is agreed upon. Any difference in these rates shall be paid retroactively to the effective date of classification.

ARTICLE 4 - DISCHARGE OF EMPLOYEES

- 4:01 The Company has the right to discharge any employee for just cause. Employees shall be notified, in writing, the reason for such dismissal and a copy of notice sent to the Union within three (3) working days of the Discharge.
- 4:02 The record of an employee shall not be used against him/her at any time after twelve (12) months following a suspension or disciplinary action, including letters of reprimand or any adverse reports, provided no additional adverse reports are written within the twelve (12) month period.

ARTICLE 5 - MANAGEMENT RIGHTS

- 5:01 The management and operation of and the direction and promotion of its working forces is the exclusive responsibility of the Company, provided, however, that nothing in any of the provisions of this clause shall, in any way, limit, void or affect the other provisions of this Agreement.

ARTICLE 6 - WAGES AND WAGE STATEMENTS

Wages:

- 6:01 The Company shall pay wages to every employee covered by this Agreement at the hourly rates for the various classifications contained in the Appendices. These rates are the minimum rates. The Appendices shall be deemed to be contained in and form part of this Agreement. Direct deposit payroll will apply to all employees without exception.

Statement:

- 6:02 The Company shall provide every employee covered by this Agreement with a separate, detachable written or printed itemized statement in respect to all payments made to such employee by the Company each pay day. Such statement shall show the regular hours worked, the total overtime hours worked, the rate or rates applicable, the gross amounts of wages, vacation pay and pay for Statutory Holidays and all deductions made therefrom.

Vacation Pay:

- 6:03 Vacation pay may be paid on separate cheque.

Payment of Wages:

- 6:04 Employees shall be paid every second Friday during working hours.

ARTICLE 7 - HOURS OF WORK AND OVERTIME

7:01 (a) The work week for employees covered by this Agreement shall be five (5) consecutive days, Monday to Friday, as follows:

8:00 a.m. - 4:30 p.m.

Where there is a requirement for additional shifts the hours will be:

4:30 pm - 12:30 am

12:30 am - 8:00 am

Work schedules may be varied by mutual consent between the Company and the Union.

(b) The work day shall be a seven and one-half (7 1/2) hour period for unionized office staff or eight (8) hour period for unionized plant employees (whichever applicable), excluding a one-half (1/2) or one (1) hour break (whichever applicable) for a meal, mid-shift.

(c) Hours of work - Continuous Shift Workers (Burners, Burners' Helpers, Rotary Kiln Operators). Provide for exact hours for continuous shift workers incorporating the following principles:

i) Shifts will be scheduled to give each employee a maximum number of days off based on an average of 40 hours per week, therefore shifts will be as follows:

7 days on 3 days off

7 days on 3 days off

6 days on 2 days off

ii) Continuous shift workers will work an equal number of the various shifts and will have the same days off over a period of 28 days.

iii) Spare Burner will be used for relieving Burners and Burners' Helpers.

iv) All work performed by an employee in a continuous shift position or a combination of shifts in excess of seven (7) days in a row will be considered as overtime, subject to Article 7:14.

(d) Notwithstanding any other provision of this Agreement, effective January 1st, 1989, the Company has the right to establish a seven (7) day a week continuous shift operation in any or all of the classifications covered by the Collective Agreement:

(1) any employee assigned to a seven (7) day a week continuous shift operation shall be entitled to a shift premium of 15¢ cents per hour worked;

- (2) any employee assigned to a seven (7) day a week continuous shift operation and working other than the day shift (either the afternoon shift or the graveyard shift) shall be entitled to the following additional premiums:
 - Afternoon shift - 30¢ cents per hour worked.
 - Graveyard shift - 40¢ cents per hour worked.
- (3) In the event the Company establishes a seven (7) day a week continuous shift operation the Union and the Company shall meet to discuss scheduling and any other details, excluding compensation, in accordance with the following principles:
 - (i) the hours of work of employees working a seven (7) day a week continuous shift operation calculated on a monthly basis should not exceed an average of 40 hours per week; and
 - (ii) all other provisions of the Collective Agreement will be changed or modified as required in order to provide for a seven (7) day a week continuous shift operation without increase in costs to the Company.
- (4) It is understood that the provisions of Article 7.01 (c) and the shift premiums set out in Appendix "A" shall continue to apply to any employees classified as Burners, Burners' Helpers or Rotary Kiln Operators and working a seven (7) day a week continuous shift operation.

- 7:02 All hours worked immediately prior to or immediately following his/her regular hours shall be totalled and paid at double time.
- 7:03 Double time shall be paid for all hours worked on an employee's normal day off.
- 7:04 Ten (10) hours shall be the minimum break between an employee's finishing time and his/her following starting time otherwise overtime rates shall prevail.
- 7:05 Any employee who reports to work shall be paid not less than seven and one-half (7 1/2) or eight (8) hours (whichever applicable) at the prevailing rate. This provision shall not apply if the failure to provide work is caused by reason of machinery breakdown, fire, flood, power failure or other unexpected causes beyond the control of the Company.
- 7:06 Overtime shall be on a voluntary basis. The Company's operations must not be adversely effected by a shortage of personnel. When overtime is required, the qualified junior person or persons in the classification required must work if the work is refused by senior persons.
- 7:07 Overtime shall be distributed in the following order:

To the employee on shift that holds the job classification, if more than one employee holds the job classification, to the most senior;

To the employees on shift, in order of their Plant Seniority, subject to qualifications and/or ability; and

To the employees, beginning with the most junior employee, subject to qualifications and/or ability.

- 7:08 Employees shall be notified prior to the completion of their shift if they are not required the following day and shall not report until recalled. When additional shifts are required a two (2) week swing shift shall be established. The senior persons shall have first choice as to which shift they shall start at and will then swing.
- 7:09 Any employee called back after having worked that day, or called out prior to his/her regular shift, shall receive two (2) hours pay at double time rates. Should an employee be required to work over two (2) hours, he/she will be guaranteed not less than four (4) hours pay at double time rates. An employee called out to work on his/her normal day off shall be entitled to the above provisions.
- 7:10 In the event that additional shifts are not required for three (3) consecutive days, or more, overtime rates shall be paid.
- 7:11 Additional shifts shall not commence more than one (1) hour prior to the end of the previous shift.
- 7:12 Where it is essential to establish two (2) shifts to take advantage of daylight hours, the first shift may be started between the hours of 4:00 a.m. to 8:00 a.m. and each shift shall be of seven (7) hours duration, for which eight (8) hours' pay shall be paid.
- 7:13 When it becomes necessary to transfer an employee from one shift to another, the employee must be given twenty-four (24) hours' notice of such change. Should an employee be transferred without the required twenty-four hours' notice he/she shall be on overtime rates for the first shift worked, or if an employee is required to start his/her new shift with less than sixteen (16) hours from the finish of his/her previous shift he/she shall be on overtime rates for the first shift worked.
- 7:14 Overtime, or premium time as defined in this and other articles of this Agreement, shall be paid for as provided, but such time or times paid for on one basis shall not be duplicated on any other basis, nor shall such time or times be compounded or pyramided in any way.

ARTICLE 8 - SENIORITY

8:01 All new employees shall have a probationary period of sixty-five (65) working days except for qualified Maintenance employees who shall have a probationary period of forty (40) working days.

8:02 The Company shall keep on its premises an up-to-date list of all employees covered by this Agreement, showing the date when each commenced his/her employment, and classification. The Company will forward a copy of said list to the Union at least once every six (6) months.

8:03 When the Company determines to reduce the work force in any classification, the employees in the affected classification shall be laid off in the following manner: First probationary employees, next the employees in the classification with the least seniority.

Employees who have been laid off in the manner above shall, seniority permitting, displace the least senior employee in the highest job classification in which the employee is reasonably competent to perform the normal requirements of the job. Any employee obtaining a classification as outlined above must return to his/her classification when requested.

Employees who do not have sufficient seniority to retain a job shall be laid off from the plant.

8:04 When vacancies occur, the Company shall rehire laid off employees according to their seniority with the Company, beginning with the most senior employee and proceeding in turn thereafter, provided the employee is reasonably competent to perform the normal requirements of the job(s).

8:05 The Company shall post and keep posted for not less than seventy-two (72) hours, or three (3) consecutive working days, in a conspicuous place, at each place of business maintained by the Company, notice of vacant positions, new positions and promotions. Any employee of the Company covered by this Agreement may apply for any such vacant or new position and the Company shall fill such position with the applicant employee who has the greatest overall seniority, provided such employee is reasonably competent to do the work in the judgment of the Company.

8:06 Any employee however, who previously worked at the classification as a posted employee and is capable of performing the job, or a trained employee who posted for a training position may be given preference. However, any experience gained by a junior employee through a temporary assignment may not be used to the disadvantage of a more senior employee when a permanent job assignment is being made.

8:07 The successful applicant shall be on a trial period in his/her new job for fifty (50) working days, except for qualified Maintenance employees who shall be on a trial period for twenty-one (21) working days, during which time he/she may be returned to his/her former job, if he/she does not make satisfactory progress, or if he/she applies to the Company to be returned. The Union shall receive copies of all postings and the assignment of such positions. The awarding of job postings shall be made within three (3) working days of

the expiration of the posting or the employees will be notified of the reason for any delay. Payment at the new rate will commence not later than twenty-one (21) work days after the expiration of the posting.

8:08 No employee may change job positions through the posting procedure more than twice in any twelve (12) month period; subsequent postings to be reviewed by Union and Management.

8:09 **Loss of Seniority**

An employee shall lose his/her seniority and his/her name shall be removed from the Seniority List and his/her employment with the Company terminated for the following reasons:

- 1) He/she voluntarily quits;
- 2) He/she is discharged for just cause;
- 3) For those employees with two (2) years' service or more who are laid off and not recalled within a period of twelve (12) months from the date of lay-off; or for those employees with less than two (2) years' service who are laid off and not recalled within a period of six (6) months from the date of layoff;
- 4) He/she is laid-off for a period of thirty (30) days or more and does not return to work within seven (7) days of being notified by registered mail to return to work. Those employees affected by a lay-off shall keep the Company advised of their current address and available telephone number.

8:10 An employee who is transferred to a position outside the bargaining unit shall, if he/she is subsequently transferred back into the bargaining unit, retain seniority but not the specific posting at the time of transfer, provided that such transfer back to the bargaining unit occurs within six (6) months of the initial transfer. Transfer back to the bargaining unit may occur at the request of either the employee or the Employer within the six (6) month period.

ARTICLE 9 - STATUTORY HOLIDAYS

9:01 (a) Every employee covered by this Agreement who has been regularly employed for thirty (30) calendar days shall receive a day's pay equivalent to the day worked prior to the holiday, for New Year's Day, Good Friday, Victoria Day, Canada Day, British Columbia Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, December 31st and any other holiday proclaimed by the Provincial or Federal Governments, provided, however, the employee shall have worked his/her "scheduled" work day before and after such holiday, unless express permission to be absent shall be obtained from his/her Department Manager. Any employee required to work on

any of the above holidays shall be paid at double time (2x) for the day plus an additional day off with pay.

- (b) In addition to the above, each employee employed as of the date of ratification who has completed six (6) months of continuous employment will be entitled to an additional "Floating Holiday" to be taken at a time mutually agreed between the employee and his/her Plant Manager. Employees hired after the date of ratification shall not qualify for the floating holiday. Should the Provincial or Federal Government proclaim an additional Statutory Holiday, it shall take the place of this "Floating Holiday" in which case it will apply to all employees.

9:02

- (a) If a Statutory Holiday falls on Saturday or Sunday, the following Monday shall be observed as the holiday. If two (2) consecutive Holidays fall on Saturday and Sunday, the following Monday and Tuesday shall be observed as the holidays or the preceding Friday and following Monday. For continuous shift workers, the Statutory Holiday shall be observed on the actual holiday date.
- (b) When a Statutory holiday listed in 9:01 is observed during an employee's vacation, the employee shall receive a day off with pay in addition to his/her vacation pay. The employee may:
 - 1) Take the day(s) in conjunction with his/her vacation.
 - 2) Take the day(s) off mid-week.
 - 3) Accumulate such day(s) and take them off at one time.
- (c) Continuous shift workers: If any of the Statutory Holidays listed in 9:01 is observed on a continuous shift workers normal day or days off, a substitute day or days off with pay shall be taken on the following basis:
 - 1) The employee may take the day(s) in conjunction with his/her normal days off.
 - 2) The employee may take the days off mid-week.
 - 3) The employee may accumulate such days off and take them off at one time.

It is understood that in both Article 9:02 (b) and 9:02 (c) that the days off chosen will be by mutual agreement between the employee, the Company and the Union and will not conflict with the vacation schedule. All such holidays must be taken within the calendar year in which they fall.

9:03 The Company shall pay employees for all Statutory Holidays falling within the first month following the date of absence due to illness or accident, excluding employees receiving Workers' Compensation benefits.

9:04 Employees with six (6) months seniority, who are on lay-off, shall qualify for Statutory Holiday pay if they worked within thirty (30) days immediately preceding the date of the holiday, or within thirty (30) days immediately following the date of the holiday.

ARTICLE 10 - ANNUAL VACATIONS

Two (2) Weeks:

10:01 Each employee who has completed one (1) year's continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during this period shall be entitled to two (2) consecutive weeks vacation with pay equal to two (2) full weeks straight-time pay at the employee's regular rate, or four percent (4%) of annual gross earnings, whichever is the greater.

Three (3) Weeks:

10:02 Each employee who has completed two (2) years continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to three (3) consecutive weeks vacation with pay equal to three (3) full weeks straight-time pay at the employee's regular rate, or six percent (6%) of annual gross earnings, whichever is the greater.

Four (4) Weeks:

10:03 Each employee who has completed eight (8) years continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to a total of four (4) weeks vacation with pay equal to four (4) full weeks straight-time pay at the employee's regular rate, or eight percent (8%) of annual gross earnings, whichever is the greater.

Five (5) Weeks:

10:04 Each employee who has completed fifteen (15) years continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to a total of five (5) weeks vacation with pay equal to five (5) full weeks straight-time pay at the employee's regular rate, or ten percent (10%) of annual gross earnings, whichever is the greater.

Six (6) Weeks:

10:05 Each employee who has completed twenty-four (24) years of continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to a total of six (6) weeks vacation with pay equal to six (6) full weeks straight-time pay at the employee's regular rate, or twelve percent (12%) of the annual gross earnings, whichever is the greater.

Seven (7) Weeks:

10:06 Each employee who has completed thirty (30) years of continuous service in the employ of the Company and has worked a minimum of one thousand (1,000) hours for the Company during the preceding twelve (12) months shall be entitled to a total of seven (7) weeks' vacation with pay equal to seven (7) full weeks straight-time pay at the employee's regular rate, or fourteen percent (14%) of the annual gross earnings, whichever is the greater.

10:07 **Summary:**

Years of Service	Length of Vacation	Payment (whichever is the greater)	is the
1 year to 2 years less a day	2 weeks	2 full weeks or 4% annual gross earnings	
2 years to 8 years or less a day	3 weeks	3 full weeks 6% annual gross earnings	
8 years to 15 years less a day	4 weeks	4 full weeks or 8% annual earnings	gross
15 years to 24 years less a day	5 weeks	5 full weeks or 10% annual gross earnings	
24 years to 30 years less a day	6 weeks	6 full weeks or 12% annual gross earnings	
30 years and over	7 weeks	7 full weeks or 14% annual gross earnings	

10:08 The provision requiring employees to have worked a minimum of one thousand (1,000) hours in each twelve (12) months in order to qualify for the

full two (2) week, three (3) week, four (4) week, five (5) week, six (6) week, or seven (7) week provision shall not apply to employees who have worked less than the minimum hours required as a result of being absent through Workers' Compensation or illness. Employees absent through Workers' Compensation or illness shall receive the normal vacation provision they would otherwise be entitled to for that vacation year but shall then be required to requalify by working the minimum of one thousand (1,000) hours in the following year, or they shall be entitled to receive only the applicable percentage of earnings.

- 10:09 The annual vacation calendar year shall be based on the employee's anniversary date. Employees shall be entitled to take their vacations in one (1) continuous period. Vacations are not cumulative and must be taken in the twelve (12) month period immediately following the vacation period in which the vacation was earned. This time limit may be extended by mutual agreement between the employee, the Union and the Company.
- 10:10 Should the Company request employees who are on vacation to return to work during their vacation period, the Company shall pay said employees wages equivalent to those paid for working Statutory Holidays.
- 10:11 The Company shall work with the Union in an effort to increase the number of employees allowed off at any one time for vacations.

Choosing Vacations:

- 10:12 The Company shall post a vacation calendar for the benefit of the employees. All employees shall have from February 1st to April 15th to register their vacation period according to seniority. After the aforementioned period, vacations shall be allocated as mutually agreed upon by the Company and employees.

Vacation Overtime:

- 10:13 (a) By mutual agreement between the Company and the Union accumulation of vacation overtime shall be established for all employees. The Company shall take one hundred percent (100%) of all overtime earned at regular rates and shall credit the hour amounts to the employee's V.O. bank. The time equivalent of amounts in the V.O. Bank shall be scheduled as time off when mutually agreed upon. However, the Company shall have the right to schedule days off to reduce the employee's V.O. Bank to an amount equivalent to eighty (80) hours at the employee's current rate. After the date of ratification, a maximum of hours allowed in the V.O. Bank will be eighty (80) hours. Overtime hours in excess of eighty (80) will be paid out at the time it is earned.

- (b) By agreement between the Company and the Union, an employee may ask to receive cash payment of V.O. time twice yearly on June 15 and December 15 of each year.
- (c) Overtime which is accumulated at V.O. shall be credited in terms of hours and when taken as time off shall be paid out at the same hourly rate as accumulated. At the time of retirement, all accumulated hours in the employee's V.O. Bank will be paid out in total.
- (d) An employee may at any time request all or part of his/her V.O. days. The requested day or days off up to a total of ten (10) days may be granted provided that fourteen (14) calendar days notice has been given. Permission will not be unreasonably withheld. V.O. days shall not be granted during the months of June to September inclusive except where mutually agreed upon by the Company and employees concerned.

ARTICLE 11 - GENERAL WORKING RULES AND CONDITIONS

- 11:01 When an employee meets with a personal accident or injury while on the job, he/she shall be paid his/her full day's wages for the day of the accident.
- 11:02 The Company shall not require any employee covered by this Agreement to work less than three and one-half (3 1/2) nor more than four and one-half (4 1/2) consecutive hours at any time without a one-half (1/2) hour break.
- 11:03 A thirty (30) minute meal period will be taken midway in each shift.
- 11:04 When overtime immediately preceding and/or following an employee's normal shift goes beyond two (2) hours, the employee shall be paid seven dollars (\$7.00) to cover the cost of a meal. The time spent eating such a meal shall not exceed thirty (30) minutes and shall be considered as time worked. The meal allowance provision is applicable after ten (10) consecutive hours worked on any day worked.
- 11:05 This condition shall be repeated each four (4) hours.
- 11:06 A coffee break shall be allowed each employee of the Company as close to midway in the first half of the shift and as close to mid-way in the second half of the shift as possible. Time allowed for coffee breaks shall be fifteen (15) minutes each.
- 11:07 Wherever and whenever the Company or the Workers' Compensation Act regulations require equipment to be used on the job, such equipment shall be provided by the Company at no cost to the employee. The employee shall be held responsible for such equipment and shall be charged for any damage or loss for which he/she can reasonably be held responsible.
- 11:08 The Company shall establish, or continue, during the term of this Agreement a Labour Management Committee.

- 11:09 This Committee shall meet during working hours, at least once each month.
- 11:10 The senior representative of Management, or his/her delegate, shall attend these meetings.
- 11:11 The Company shall establish, or continue, a Safety Committee of which Management personnel shall not outnumber Union members. This committee may meet in conjunction with the Labour Management Committee and shall operate as required by the Workers' Compensation Board regulations.
- 11:12 Should an employee be involved in an accident while on Company time and business, or with a Company vehicle, he/she shall be allowed time off, without loss of pay, to go to court or any other agency as may be required. The Company will supply representation for the employee if there is any possibility of the Company being involved in any action because of the accident. The above to apply if required to appear as a witness on behalf of any case or action as outlined above.
- 11:13 If an employee starts his/her day's work, he/she shall not be paid less than his/her regular posted rate for the day. If work is to be made available at a lower classification, he/she shall be notified the day previously.
- 11:14 If an employee works at a classification of a higher rate for less than four (4) hours, he/she shall be paid a minimum of four (4) hours at the higher rate, and if he/she works at a classification of a higher rate for more than four (4) hours, he/she shall be paid the higher rate for the whole shift.
- 11:15 Drivers or operators shall not be required to operate any vehicle which, in the operator's opinion, violates safety requirements. It shall be the driver's responsibility to report in writing to the management or garage foreman any vehicle considered unsafe. Such vehicle shall be tagged out of service until properly repaired.
- 11:16 Executive officers of the Union or Shop Stewards, who are required to attend meetings at the call of the Union, shall be allowed time off, without pay, by the Company.
- 11:17 The Company shall continue to pay any employee whose absence is due to serving jury duty, provided, however, that all sums received by the employee by way of payment for jury duty, shall be turned over to the Company, to the end that no employee shall receive both his/her regular applicable rate and jury duty pay.
- 11:18 It is agreed that employees must make themselves available for work when not required to be in attendance as jurors.
- 11:19 The Company shall pay employees who are requested by the Company to take a physical examination. The examination shall be during working hours.

- 11:20 If, following a Company requested medical examination, any employee is deemed to be physically incapable of carrying out his/her regular assigned duties, the following procedure shall be applied:
- 11:21 The Company shall assign the employee to other duties if possible. In the event that it is claimed that the employee is totally incapacitated, the Company shall notify the Union of the medical findings in respect to the employee. Should the Union or the employee disagree with the said findings, the employee, at his/her own expense, shall have the right to be examined by his/her personal physician.
- 11:22 Where there is no agreement between the two (2) physicians on the condition of the employee, the two (2) physicians shall select a medical consultant to examine the employee with respect to the dispute.
- 11:23 The findings of the consultant shall be final and binding.
- 11:24 The remuneration of the consultant shall be borne by the Company and the Union on an equal basis.
- 11:25 Should the consultant deem the employee capable of carrying out his/her regular duties, then the employee shall not suffer any loss of earnings caused by his/her having been removed from, or temporarily suspended from, his/her regularly assigned duties.
- 11:26 The Company agrees to maintain on its premises, adequate, clean, sanitary washrooms, having hot and cold water and toilet facilities.
- 11:27 The Company shall provide adequate lunchrooms, which shall be kept clean and tidy.
- 11:28 In the event of a death in his/her immediate family, and upon the request of a regular employee, three (3) straight-time, eight (8) hour or seven and one-half (7 1/2) hour days (whichever applicable) off work will be paid for by the Company. Immediate family shall be defined to include a wife, husband, son, step-son, daughter, step-daughter, mother, mother-in-law, father, father-in-law, brother, or sister. In addition, if the employee is notified of the death while he/she is working, he/she will be excused from, and paid for, the balance of the working shift and such time shall not be charged against the three (3) days of leave. Granting of bereavement leave for relatives or dependents other than those described above shall be at the discretion of the Company.
- 11:29 The Company shall provide first-aid provisions in accordance with the Workers' Compensation Act.
- 11:30 Should the Company or the Superintendent of Motor Vehicles require licenses beyond normal requirements for the job an employee is doing, such as air tickets, or requiring an employee to be bonded, the Company will allow

time off and use of Company equipment, as required, without loss of pay to the employee and the Company shall be required to pay for any examinations, including medical, licenses or bonds required.

- 11:31 Should an insurance company refuse to insure any employee, the Company and said Union will endeavour to find employment within the Company so the employee will not lose his/her employment.
- 11:32 Foremen shall act in a supervisory capacity only and shall not work with the tools or equipment. Such foremen shall not come under the jurisdiction of the Union.
- 11:33 Protective clothing such as gloves, aprons and/or coveralls shall be supplied and maintained on a regular basis by the Company to all employees who have completed their probationary period. All machine operators, maintenance persons and mechanics shall be supplied enough coveralls so they may have at least two (2) clean pair per week, where required.
- 11:34 The Company shall provide to all employees requiring safety footwear on a daily basis and who have one full year of service, an allowance not to exceed one hundred and twenty-five dollars (\$125.00) per contract year. For employees that require such footwear on an occasional basis, this will be one pair every five (5) years. It shall be mandatory for all employees to wear such footwear in all areas so designated by the Company. For Miners, the cost of this boot allowance shall not exceed one hundred and forty-five dollars (\$145.00) per year. In all cases, proof of purchase must be submitted.
- 11:35 Employees working on twelve inch (12") Giant bricks shall be rotated from station to station each two (2) hours.

ARTICLE 12 - GRIEVANCE PROCEDURE

Qualifying Period:

- 12:01 If, during the term of the Agreement, there should arise any difference between the parties bound by this Agreement concerning its interpretation, application, operation, or any violation thereof, an endeavour shall be made to settle the difference by negotiations between representatives of the Company and the Union (Foreman and Shop Steward). Where a grievance refers to a particular occurrence or incident, other than a payroll error, no consideration shall be given by either party unless such grievance is submitted within fifteen (15) days from the date of the alleged occurrence or incident. In the case of payroll errors the time limit will be thirty (30) days.
- 12:02 If the matter is not then resolved, the issue in dispute will be presented to the Department Manager. Written submissions by both the Union and the Company will be exchanged at this time.

12:03 In the event that the said representatives fail to reach a satisfactory settlement within seven (7) days after submission of the grievance or within such longer time as agreed to by the parties, then it shall be referred to the applicable Business Agent and Company Manager. If a satisfactory settlement has not been reached within fifteen (15) days after the meeting between the Business Agent and Manager, the matter may be referred to Arbitration as set out below.

Arbitration:

12:04 Where a party gives notice of its desire to submit a grievance to arbitration, the parties shall first attempt to agree on a single arbitrator. If the parties cannot agree on a single arbitrator within ten (10) working days, they shall request the Minister of Labour to appoint an Arbitrator. By mutual agreement, this ten (10) day period may be extended.

12:05 The Arbitrator shall sit, hear the parties, settle the terms of the question to be arbitrated, and make his/her award within twenty (20) days from the date of the appointment, provided this time not be extended by agreement of the parties.

12:06 The Arbitrator shall not have jurisdiction to add to, delete from, change, modify or make any decision contrary to any provisions of this Agreement.

12:07 As an alternative to the foregoing process, the parties may, if mutually agreed, to address disputes by means of the Canadian Joint Grievance Panel. Such agreement must be reached within the time limitation of 12:04.

Suspension or Discharge:

12:08 If the Arbitrator finds (or if at an 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/her rights, benefits and privileges he/she would have enjoyed if the suspension or discharge had not taken place. The Arbitrator, provided in his/her opinion circumstances are established to make 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 Arbitrator shall have the right to substitute a suspension in lieu of a discharge.

12:09 The Arbitrator shall have the power to determine whether a particular issue is arbitrable under this Agreement.

Cost of Arbitrator:

12:10 The expense and remuneration of the Arbitrator shall be paid by the parties in equal shares.

12:11 The decision of the Arbitrator shall be binding on both parties.

ARTICLE 13 - HEALTH & WELFARE & PENSION

13:01 All eligible employees shall be entitled to Health and Welfare coverage on the first day of the month immediately following the month in which they gain seniority. For new employees, eligibility for dental coverage and Long Term Disability coverage shall be the first day of the month following the month in which they complete one (1) year of service. The Company shall arrange to make available to eligible employees a group benefit plan providing the benefits outlined below. It shall be the responsibility of the Company to take reasonable steps to ensure that all employees complete such forms as are required in the operation and administration of the plan and to make the required contributions to the plan on their behalf.

- (a) M.S.P. of B.C.
- (b) Extended Health Benefits Plan - \$25.00 Deductible, 80% Co-insurance; (includes vision care, hearing aids and hospital co-insurance benefits). The maximum amount of benefits payable by the Benefits Plan carrier under this Extended Health Benefits Plan for any one (1) member or dependent is \$50,000.00.
- (c) Life Insurance \$25,000.00
In addition to the Life Insurance your beneficiary will receive one hundred dollars (\$100.00) per month, guaranteed for ten (10) years.
A.D. & D. Insurance \$25,000.00
- (d) Dental Plan (An Insurance Carrier)
Plan "A" 85% - 15% Co-Insurance
Plan "B" 65% - 35% Co-Insurance
Plan "C" 50% - 50% Co-Insurance
(\$2,500.00 lifetime maximum)
- (e) Weekly Indemnity
Weekly Indemnity payments will be 60% of weekly earnings to the E.I. maximum.
- (f) Long Term Disability - 50% of regular income to a maximum of \$1,200.00 per month.
- (g) If an employee, having not less than one (1) year's employment with the Company, is unable to work because of injury or illness whether covered under the Workers' Compensation Act or otherwise, the Company shall continue its share of the necessary contributions under the Health and Welfare Plan provisions of the Agreement for such employee from the date when such employee became unable to work.
- (h) For those employees laid off with one (1) year of service or more with the Company, the Company shall continue its payments for benefits

(a) - (d) for a period of one (1) month for each year of service up to a maximum of twelve (12) months.

For those employees with less than twelve (12) months service with the Company, the Company shall continue its payments for benefits (a) - (d) for a period of one (1) month following the end of the month in which the employee is laid off.

- (i) The full cost of the Health and Welfare Plan will be borne by the Company.

Eligibility for the payment of any of the benefits outlined above shall be as set out in the plan document and in accordance with the terms and conditions of the plan itself. It is clearly understood that the Company's obligation under this clause is restricted to the payment of the premiums required in order to maintain a plan as above set forth.

Sick Leave:

13:02 Sick leave by an employee will be granted when an employee is sick and absent for up to three (3) days. For such absences an employee with over one (1) year of seniority may receive pay at his/her regular rate for absences totalling up to three (3) days accumulated at the rate of one-quarter (1/4) day per month of service with a five (5) day maximum.

When the five (5) days or part thereof have been used, the employee can then begin to accumulate sick leave again. Sick leave is not accumulative beyond the five (5) days maximum.

Proof of illness may be required by the Company to qualify for the sick leave.

An employee will not qualify for sick leave for any days he/she has received weekly indemnity.

Pension Plan:

13:03 The present hourly pension plan "where applicable" shall continue in conjunction with the Canada Pension Plan.

ARTICLE 14 - SAVINGS CLAUSE

14:01 No employee who, prior to the date of this Agreement, was receiving more than the rate of wages of this schedule, working fewer hours than stipulated in this Agreement, shall suffer a reduction in wages, conditions or increase in hours because of the adoption of this Agreement.

ARTICLE 15 - LEAVE OF ABSENCE

15:01 (i) Leave of absence may be granted at the discretion of the Company. Applications for leaves of absence must be made in writing. All

applications will be replied to in writing and a copy of such reply will be remitted to the Union. Employees' seniority protection shall be in accordance with the Union regulations. Leave of absence over three (3) months will require the joint agreement of the Company and the Union.

- (ii) Any employee hereunder on leave of absence engaged in gainful employment, without prior written permission from both the Company and the Union, shall forfeit his/her seniority and his/her name shall be stricken from the seniority list and he/she will no longer be considered as an employee of the Company.

ARTICLE 16 - TERMINATION CHEQUES

16:01 If an employee is terminated by the Company, he/she shall be paid all monies due on the following work day. The monies due will be payable through head office and will be mailed to the employee upon request.

If an employee terminates of his/her own accord, he/she will be paid on the next scheduled pay day.

ARTICLE 17 - TECHNOLOGICAL CHANGE

17:01 Notwithstanding the provisions of Article 3, the Company shall notify the Union at least one (1) month in advance of any technological change which would affect the terms and conditions or security of employment of a significant number of the employees to whom this collective agreement applies.

17:02 Should automation cause jobs to disappear, the employee shall have the opportunity to work (providing he/she has the seniority) at another classification. Should training be required, the employee shall be allowed up to twenty-one (21) days without any loss of pay.

Severance Pay:

17:03 The Company shall pay to each employee, with three (3) or more years of service, severance pay in the amount of one week's pay for each year of service or any amount as determined under Section 76 (2) (b) (iv) of the Labour Code of British Columbia when his/her employment is permanently discontinued due to automation or technological change.

17:04 If an employee's job is permanently discontinued, the lay-off procedure as described in 8:03 will be followed except that senior employees who may require retraining will be given up to twenty-one (21) working days to achieve normal production standards.

ARTICLE 18 - DURATION

APPENDIX "A"

	EFFECTIVE APR. 1/06	EFFECTIVE APR. 1/07	EFFECTIVE APR. 1/08
CATEGORY I			
Labourers	\$20.14	\$20.44	\$20.85
P & L Press Helper			
Specialties Crew			
Shipping Crew			
Janitors			
CATEGORY II			
D/P Helpers	20.34	20.65	21.06
S/M Hackers			
Burner's Helper			
P & L Press Operator			
Hand Moulder			
Lift Truck Operator (General)			
Drawers			
Setters			
Masonry Saw			
1 Ton Truck			
CATEGORY III			
Specialties Operator	20.79	21.10	21.52
Dry Press Operator			
Rotary Kiln Operator			
Kiln Car Repair			
Pan & Screen Operator			
Pre cast Operator			
CATEGORY IV			
S/M Operator	20.99	21.31	21.73
F.E. Loader Operator (Rubber Tired)			
Burners			
CATEGORY V			
Press Change Operator	21.34	21.66	22.09
Crushing, Grinding, Crane Operator			
CATEGORY VI			
Maintenance Men	27.37	27.79	28.34

APPENDIX "A" - Continued

	EFFECTIVE APR 1/06	EFFECTIVE APR 1/07	EFFECTIVE APR 1/08
MINES DIVISION			
Assistant Shift Boss	22.36	22.70	23.15

*All new employees will be on a starting rate for two (2) years, notwithstanding any other clauses in this contract, and paid at eighty percent (80%) of the classified rate for the first one (1) year and ninety percent (90%) of the classified rate for the next one (1) year. This does not apply to tradesmen in the Maintenance Department.

**In addition to the rates hereinbefore set forth for their respective classification, a premium rate of eighty-five cents (85¢) per hour shall be paid to Continuous Shift Operators (Burners, Burner's Helpers & Rotary Kiln Operators) for all hours worked on Continuous Shift Operation as defined in Section 7:01 (c) in this Agreement contained.

Lead Hand fifty cents (50¢) above highest rate in department.

Mine Shift Boss twenty-five cents (25¢) above lead hand rate.

Tool Insurance - available to mechanical and maintenance employees. Maximum coverage to \$3,000.00. Prior to coverage, employees must supply an inventory of all tools to the Company for verification.

Tool Allowance - The Company agrees to replace employees' tools which become inoperable through wear or breakage.

First Aid premium shall be one dollar (\$1.00) per hour.

APPENDIX "B"

WAGE RATES TECHNICAL

	EFFECTIVE APR 1/06	EFFECTIVE APR 1/07	EFFECTIVE APR 1/08
Receptionist	\$16.08	\$16.32	\$16.65
Intermediate Accounting Clerk	17.21	17.47	17.82
Payroll Clerk	18.14	18.41	18.78
Network Administrator	19.93	20.23	20.64
Inside Sales (Trainee)	16.92	17.17	17.52
Inside Sales	17.62	17.88	18.24
Purchasing Stores Clerk	19.97	20.26	20.67
Q.C. Technician (Trainee)	20.52	20.83	21.25
Q.C. Technician	21.34	21.66	22.09
R & D Technician (Trainee)	21.55	21.87	22.31
R & D Technician	22.34	22.68	23.13
Shipper	22.58	22.92	23.38
Relief Shipper	20.99	21.31	21.73
Purchasing Manager	20.99	21.31	21.73
*Construction Stores Clerk	22.27	22.60	23.06

All new employees will be on a starting rate for two (2) years, notwithstanding any other clauses in this contract, and paid at eighty percent (80%) of classified rate for the first one (1) year and ninety percent (90%) of the classified rate for the next one (1) year.

These trainee rates will not apply to persons hired with adequate experience in the same field of work.

*This rate applies to individuals working in construction for the Construction Department.

