

**COLLECTIVE AGREEMENT**

**BETWEEN**

**ARROW TRANSPORTATION SYSTEMS INC.**

**AND**

**TEAMSTERS LOCAL UNION No. 213**

**FEBRUARY 27, 2007 – FEBRUARY 29, 2012**

**DON MCGILL**  
**Secretary—Treasurer**

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THIS AGREEMENT made as of this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

**BETWEEN:**            **ARROW TRANSPORTATION SYSTEMS INC.**  
(CHILLIWACK DIVISION)  
(hereinafter referred to as the “Company”)

**AND:**                 **TEAMSTERS LOCAL UNION No. 213,**  
affiliated with the International  
Brotherhood of Teamsters  
(hereinafter called the “Union”)

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

NOW, THEREFORE, the parties hereto agree to 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, or Article shall be affected and this Agreement shall be otherwise unaffected and 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 the employees covered by this Agreement for those employees at Vancouver/Richmond, Chilliwack and Cache Creek and working at the classified occupations list in Appendix “A”.
- 2.02            All employees covered by this Agreement must be members in good standing of the Union. New employees shall be granted membership in the Union within sixty (60) days of commencing employment.
- 2.03            The Union shall have the exclusive right to determine who is a member in good standing, within the guideline of the Local Union By-Laws, the Constitution and the laws of British Columbia.

### **Authorization of Deductions:**

- 2.04            New employees shall be required to sign authorization cards for deduction of initiation fees, dues and assessments as required by the By—Laws of 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. It is understood that dues are payable in advance.

The Company shall furnish to the Union a list of new employees and Owner Operators taken into employment by the Company stating the initial date and location within sixty (60) days of their being hired, and all such employees and Owner Operators will be added to the current checkoff list. Owner Operators will be identified on such list.

- 2.05 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors, and assigns. In the event an entire business or any part thereof is sold, leased, transferred, or taken over by sale, transfer, lease, assignment, receivership, or bankruptcy proceedings, such business or any part thereof shall, without recourse to the vending Company, continue to be subject to the terms and conditions of this Agreement for the life thereof.

**Picket Lines:**

- 2.06 It shall not be a violation of this Agreement or cause for discharge or other disciplinary action if an employee refuses to cross a picket line which has not been declared illegal by a Court of Competent Jurisdiction.

**Unfair Jobs:**

- 2.07 It shall not be considered a violation of this Agreement or reason for discharge or other disciplinary action if an employee refuses to deliver to a job or project which has been considered unfair by the British Columbia and Yukon Territory Building and Construction Trades Council or any of its affiliated area Building Trades Councils or by the Teamsters Local Union No. 213. Whenever the Union has information concerning any such unfair job or project it shall immediately notify the Company.

**Strike and Lockouts:**

- 2.08 There shall be no lockout by the Company, and no strike, stoppage of work or slowdown, either partial or general, by the employees of the Union, as long as this Agreement remains in effect. The Union shall be responsible for the conduct of its members.
- 2.09 The Union agrees that, in the event the Company becomes involved in a controversy with any other Union, the Union will do all in its power to help effect a fair settlement, and the Union will not participate in any sympathetic cessation of work or slowdown program while the controversy is being settled.

**Shop Stewards:**

- 2.10 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 duties. The Union shall be notified in writing if a Shop Steward is discharged for cause and such cause shall be stated in the notice. 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 upon forty—eight (48) hours' notice.

- 2.11 In the carrying out of regular duties, Business Representatives of the Local Union shall have access to Company premises covered by this Agreement. Notice is to be given to available manager, superintendent or foreman by telephone prior to visiting the Company's premises.

### **ARTICLE 3 - HIRING**

- 3.01 The Company retains the right to hire new employees, through Union referral, Canada Manpower, advertisement, or employment agencies. The Company will notify the Union of any job vacancies. The Union may refer qualified members for a job interview and make application for the vacant position(s).
- 3.02 For employees hired after the signing of this Agreement (notwithstanding drivers hired prior to March 31, 2007) it is understood that admission to the United States of America, as a D.O.T. qualified truck driver, is condition of employment. Should an employee fail to be granted admission, his employment will be terminated. For drivers hired previous to the signing of this Agreement, being U.S.D.O.T. qualified to drive truck in the United States of America is voluntary.

#### **Contract and Hired Trucking:**

- 3.04 The Company retains the right to contract cartage work to carrier(s) of its choice. The Company's priority will be to employ existing Lease Operators currently contracted at other Arrow Divisions.
- 3.05 Owner Operators (Dependent Contractors) shall be members in good standing of the Union, prior to commencing work for which he was hired. (Appendix "C")
- 3.06 Prior to the employment of any Dependent Contractor or Owner Operator, the Company and the Union agree to negotiate an appropriate per trip rate.
- 3.07 The Company agrees that cartage work presently performed by employees of the Company will not be let out to contract or carried out by hired equipment if appropriate Company equipment is available for this work and employees normally performing this work would be laid off as a result.

## **ARTICLE 4 - NEW CLASSIFICATIONS**

### **Rates and Effective Dates:**

- 4.01 The Company shall notify the Union when any new classification coming under the jurisdiction of this Agreement is added. The Union and the Company shall negotiate on the rate to be established and that rate, once established, shall be retroactive to the introduction date of the new classification.

## **ARTICLE 5 - DISCHARGE OF EMPLOYEES**

- 5.01 The management and operation of and the direction and promotion of its working forces is vested in the Company. However, nothing in any of the provisions of this Article shall in any way limit, void or affect the other provisions of this Agreement.

### **Discharge:**

- 5.02 The Company has the right to discharge any employee for just cause. Employees shall be notified in writing the reason for their dismissal. A copy of this notice shall also be forwarded to the Union.

## **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 contained in Appendix "A" for the various classifications listed therein. Appendix "A" shall be deemed to be contained in and form part of this Agreement.

### **Statement:**

- 6.02 The Company shall provide every employee covered by this Agreement with a separate, detachable, written or printed itemized statement in respect of all payments made to such employee by the Company. Such statement shall show all trip rates and regular hours worked, the gross amounts of wages, vacation pay, pay for Statutory Holidays, and all deductions made there from.
- 6.03 Employees shall be paid every second Friday during working hours.
- 6.04 If an employee is terminated by the Company, his cheque shall be prepared and dispatched on the following work day for all monies due.
- 6.05 If an employee terminates of his own accord, he shall be paid on the next scheduled pay day.

- 6.06 If an error occurs in the payroll computation of an employees pay cheque and the amount is equal to one (1) day's pay or more, he shall be entitled on request to receive same as soon as is practicable but not later than the week following the pay day on which the error was reported. If an employee improperly completes his time card or pay claim, or does not turn them in immediately on completion of his trip, any pay so affected will be included with the next regular pay period.
- 6.07 No employee shall be asked to make a written or verbal agreement with the Company covering hours of work, wages or conditions during the term of this Agreement.

## **ARTICLE 7 - HOURS OF WORK**

- 7.01 It is understood that to satisfy customer requirements, this Company provides continuous operations, seven days per week.
- 7.02 Dispatch schedules will not require an employee to exceed national safety code requirements for hours worked.
- 7.03 Remuneration will be a per trip basis for all regularly scheduled trips. All other work including in-town hauling will be paid hourly. (Appendix "A").
- 7.04 Any new work will have trip rates established jointly by the Company and the Union.
- 7.05 A "trip" may consist of loading and unloading refuse, loading, tarping, and unloading chips. Each driver shall be responsible for inspecting the unit, completing maintenance log book, fueling tractor, clean tractor, turning in trip documentation and booking in. See Appendix "A1" for details.
- 7.06 For in-town employees, a two-week pay period may constitute up to 95 hours of work, at straight time.

When an employee's hours approach 95 within a pay period and where working an additional shift will cause the 95 hours to be exceeded, the company will ask the employee if an additional shift(s) is desired. If an additional shift(s) is accepted, it will be worked at straight time.

If the employee chooses not to work shifts starting beyond 95 hours in a pay period, the company will release the employee from duty. If the company cannot release the employee from duty, the employee will be paid a rate one and one-half times (1 ½ X) the hourly rate for all hours in excess of 95.

An employee who elects to limit their pay periods to 95 hours maximum must notify the company of their intentions prior to April 1<sup>st</sup> and October 1<sup>st</sup>. New hires must declare their intention within 30 days of hire.

An employee who chooses to limit their hours may be given a day off at any point within the pay period, if there exists a reasonable probability that the employee will be offered 95 hours within the pay period.

Statutory holiday hours will be included in the calculation of hours worked.

Seniority will be considered when allotting days off.

7.07 Any employee who is unable to report for duty for any reason must advise the company as early as possible; but no less than four (4) hours ahead of his scheduled starting time.

7.08 A driver who has reported for duty and his assignment is cancelled shall be paid for two (2) hours pay at the hourly rate.

If an employee starts work and is then sent home for any reason other than the weather, the employee shall receive a minimum of four (4) hours pay.

If any employee starts work and is sent home for weather reasons, the employee will be paid a minimum of two (2) hours. The Company and the Shop Steward or Senior employee on duty will make the decision regarding work stopped due to Weather.

7.09 Routing will be via Highway #1, Highway #7 and the Fraser Canyon. Should routing changes or excessive delays be encountered (in excess of one half (1/2) hour), drivers will be paid for said hours at the appropriate hourly rate in addition to the trip rate.

**Dead Head:**

7.10 Every employee covered under this Agreement when required to travel by any other mode of transportation than Company equipment shall be paid in the following manner:

- a. All hours travelling on public transportation from the point dead head commenced to the destination point designated by the company shall be paid for at his regular straight time rate plus the subsistence allowance if applicable and the cost of such transportation.
- b. Each employee who is covered by this Agreement and who is required by the Company to ride on Company equipment in a dead head manner will be paid the regular straight time hourly rate for all hours spent in riding such equipment.
- c. The Company shall bear the moral obligation for the proper attention, care of and appropriate transportation home, if required, to an employee who is injured or becomes ill while away from his home terminal.



- 7.11 If start times need to be changed, a reasonable effort will be made to provide forty-eight (48) hours notice of such change.

## **ARTICLE 8 - SENIORITY**

### **Probationary Period:**

- 8.01 New hires shall be on probation for sixty (60) days. Upon successful completion, seniority will be from date of hire.

### **Layoff and Rehire:**

- 8.02 Seniority shall be maintained in the reduction and restoration of the working force, providing the senior person is capable of performing the remaining job or jobs.

The Company shall maintain two seniority lists at each location. The Branch Seniority list will include employees at all terminals. The Terminal list may be composed of separate groups or units for seniority purposes:

- Unit # 1: Drivers
- Unit # 2: Mechanics

An employee wishing to apply his seniority for placement in another terminal shall be pre-qualified.

When an employee is laid off for lack of work, he will then have the right to fill, if qualified and capable, any position in one of the other units to which his seniority will entitle him.

Seniority shall also apply to preference on extra trips where choice is possible.

- 8.03 When vacancies occur the Company shall recall any laid off employees, by seniority, provided they are capable of performing the work

### **Loss of Seniority:**

- 8.04 Seniority will not be retained by an employee who is laid off for lack of work and who is not recalled within a period of six (6) months from the date of lay-off.

- 8.05 An employee will automatically lose his seniority and cease to be an employee of the Company if he is absent from work for three (3) consecutive days without having notified the Company and received permission to be absent in advance.

- 8.06 If an employee has been laid off, recalled and declines or fails to report for three consecutive shifts he will lose his seniority and cease to be an employee of the Company.

- 8.07 If an employee has been laid off and is notified by registered mail to return to work and he does not report to work, then his name will be removed from the seniority list and his employment terminated. All employees must keep the Company advised of their current address and available telephone number.
- 8.08 Every employee who wishes to continue their employment beyond their sixty—fifth (65th) birthday, will meet with a review panel consisting of both Union and Management, to consider their continued employment. This review panel will continue to meet no less than once each year, and will determine the type of work, if any, to be made available to employees over the age of sixty-five (65) years, on an individual basis.

**Severance Pay:**

- 8.09 Should the Company decide to close down any terminal or operation, in full or in part, which would result in the layoff or termination of regular employees, it is agreed that the Union and affected employees will be given as much notice as possible.

The Company and the Union shall meet as soon as possible to discuss the following:

- a. Relocation of employees.
- b. Retention of seniority.
- c. Payment of severance pay in lieu of notice.

In the case of severance pay in lieu of notice, the Company agrees to pay each employee with three (3) years or more of service with the Company one (1) week's pay for each year of service at the employee's current regular rate of pay.

If severance pay is paid to any employee upon his request before his right to recall expires, the employee forfeits his right to recall.

**Job Posting:**

- 8.10 All full-time position vacancies, new or existing, are subject to seniority and shall be posted for seventy-two (72) hours in a conspicuous place on the lunchroom bulletin board at all locations. The posting will outline the job description and any special qualifications.

All full-time and spareboard part-time employees shall be entitled to bid on such postings and the Company shall designate, on the original posting, the successful bidder.

If a senior employee to the successful bidder is absent due to sickness, injury, leave of absence, or vacation, the Shop Steward will make every effort to notify the employee within seventy-two (72) hours of the bid

closing to provide that employee with the opportunity to bid.

If the absent employee is successful, he will be required to fill the position within ninety (90) days of the award or the posting will go to the next senior qualified applicant on the original posting.

If the absent bidder is successful, the job will be filled on a temporary basis until his return. Temporary job bids will only be made for terms in excess of thirty (30) days. Temporary postings will only be made available to those available to fill the posting immediately.

Provided the employee is capable and is given the opportunity to demonstrate his capability his seniority shall prevail in the appointments to new jobs or vacancies. Starting time preference shall be given to senior employees on established shifts.

### **Returning Employees:**

- 8.11 An employee who returns to work after;
- a leave of absence.
  - b compensation claim.
  - c short or long term disability.;

will return to his original position on the Seniority List as well as his original assignment.

### **Dispatching:**

- 8.12 Dispatching of employees will be according to seniority. In the event of job cancellation for any reason (short term or long term), displaced employees will have the right to any job he/she is qualified and capable of performing, as in 8.02, displacing junior most employees whenever possible. Displaced employees will be placed in the junior most position qualified for.

### **Spareboard:**

- 8.13 All spareboard employees will have bidding rights on all postings provided they meet all the requirements. Postings will be awarded to the most senior qualified applicant.

Seniority on the permanent full-time list of Arrow Transportation Chilliwack Division will commence on the date the full time posting was awarded. This change in the date of seniority will not affect the employees overall company seniority in regards to Health and Welfare or vacations.

In the event of a layoff of employees from the permanent full—time list, those displaced employees would return to their appropriate position on the spareboard. If they return to their steady position within six (6) months their seniority will be retained with their steady position. If the layoff is in excess

of six (6) months they will lose their seniority of their steady position, retaining their spareboard seniority.

**ARTICLE 9 - VACATIONS**

9.01 The Company will post the vacation schedule in a place where the employees have access to it.

9.02 All employees in service of the Company for one year or longer shall be granted vacation in accordance with the schedule outlined in Article 9.03 and based upon service with the Company. Election of the first two (2) weeks of vacation must be made by April 1st.

Seniority will prevail for the choice of the first two (2) weeks of vacation time. Choice of additional weeks will be allowed by seniority after April 1st where additional space is available. This will enable junior employees some selection of premium time and ensure the continued operation of the business.

9.03 **Vacation allowance:**

<b>Years of Service</b>	<b>Length of Vacation (Weeks)</b>	<b>Payment</b>
1 year - 5 years	2	4% of Gross
6 years - 10 years	3	6% of Gross
11 years and over	4	8% of Gross

9.04 Employees shall be entitled to take their vacation in one (1) continuous period, dependent upon the efficient operation of the business. At the employee's request, annual vacations will be divided into two (2) periods, no less than one (1) week in one of the two (2) periods, i.e. three (3) weeks entitlement - two (2) weeks and one (1) week.

**Statutory Holiday:**

9.05 The following days shall be recognized as Statutory Holidays;

New Years Day	British Columbia Day	Christmas Day
Good Friday	Labour Day	Boxing Day
Victoria Day	Thanksgiving Day	Canada Day
Remembrance Day		

Regular employees will receive a standard days pay at their applicable hourly rate for the Statutory Holidays listed above, based upon ten (10) hours. In-town drivers will be based upon (10) hours unless their average hours per day over the past thirty days is less than (10) upon which they will be paid (8) hours.

- 9.06 If a Statutory Holiday falls on Saturday or Sunday, the following Monday shall be observed as the holiday. If two (2) consecutive Statutory Holidays fall on Saturday and Sunday, the following Monday and Tuesday shall normally be observed as the holidays. The Company may substitute other days if Monday or Tuesday are not considered a holiday within the industry.
- 9.07 Should the work schedule require an employee to work on the Statutory Holiday, he will be paid for the day at one and one—half (1 1/2) times the regular rates plus Statutory Holiday pay for the day.

## **ARTICLE 10 - GENERAL WORKING CONDITIONS AND RULES**

- 10.01 The Company shall not require any employee covered by this Agreement to work from his regular starting time more than five (5) consecutive hours without a break of at least thirty (30) minutes without pay.

### **Coffee Break:**

- 10.02 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 midway in the second half of the shift as possible. Time allowed for coffee breaks shall be fifteen (15) minutes each.

### **Labour Management and Safety Meetings:**

- 10.03 It shall not be reason for discharge or suspension if any employee refuses to work in any area that is unsafe in accordance with the Workers Compensation Act and regulations. Any such area will be referred to the Labour Management and Safety Committee.

### **Equipment and Safety:**

- 10.04
- a. It is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition.
  - b. Employees shall not be required to operate mobile equipment which is restricted to terminal or terminal yard operations that is in such a state of disrepair as to endanger the operator or other personnel working in the areas.
- 10.05 When an employee meets with a personal accident or injury while on the job and is unable to continue working for the balance of his shift, he shall be paid his full days wages for the day of the accident or injury, less the amount the employee receives from his health care plan or the Workers Compensation Board.
- 10.06 Should an employee be involved in an accident while on Company time or with a Company vehicle, he shall be allowed time off without loss of pay to go to Court or any other agency as may be required, provided the employee did not act in breach of motor vehicle regulations or the criminal code. The

Company shall 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 the employee is required to appear as a witness on behalf of any court case or accident as outlined above.

10.07 The Company shall supply boots (maximum \$120 per year) and coveralls to the Hill Crew.

All employees shall be supplied with hardhats, safety vest and gloves on an exchange basis.

**Jury Duty:**

10.08 Leave of absence with eight (8) hours' pay for each normally scheduled day missed. The employee will return to the Company any monies received from the Court on the days he/she receives money from the Company.

10.09 It is agreed that employees must make themselves available for work when not required to be in attendance as jurors.

**Bereavement Leave:**

10.10 When death occurs to a member of a regular full—time employee's immediate family, the employee will be granted, upon request, an appropriate leave of absence without pay. In addition, he will be excused from and paid for the balance of that working shift.

10.11 A regular employee's immediate family is defined as an employee's spouse, mother, father, son(s) and stepson(s), daughter(s) and step—daughter(s) brother(s) and sister(s), mother-in—law, father-in—law, grandfather, and grandmother.. Step and foster parents shall be deemed to mean father and mother.

10.12 Upon giving reasonable notice, an employee shall be granted time off without pay for the purpose of attending a funeral, provided that the granting of such time off shall not be detrimental to the efficient operation of the business.

**Leave of Absence:**

10.13 Leave of absence for up to six (6) months may be granted at the discretion of the Company. All applications for leaves of absence must be made in writing. An application shall be replied to in writing.

Any employee on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union, or who fails to return to work upon expiry of the leave, shall no longer be considered an employee of the Company.

**Licence Tests:**

- 10.14 Whenever it becomes necessary for an employee to undertake tests for renewal of licences or tickets, the Company shall, upon request, provide appropriate equipment for this purpose. Such tests will be taken on the employee's own time.
- 10.15 Any driver with two (2) or more years of service who is required under the Motor Vehicle Regulations or U.S.D.O.T. Regulations to undertake a physical examination as a condition of continuing to hold a valid driver's licence shall be reimbursed to the full amount charged provided a receipt is submitted to the Company.

**Part Time Employees:**

- 10.16 A part time employee shall:
- Be hired on an incidental and temporary basis to provide for additional manpower.
  - Be carried on a part time employees' seniority list
  - Be given the first opportunity to qualify as a regular employee as openings become available, providing he meets all Company qualifications and requirements.
  - Full time status as to Health and Welfare will be determined by the Company and Shop Steward at the beginning of each month. A guideline of twelve (12) days worked in previous month will be used.

**Working Foremen:**

- 10.17 A working foreman at Company stations may be employed.
- He shall be a member of the Union and be entitled to all rights and conditions in accordance with this Collective Agreement.
- 10.18 The Company will provide bulletin boards at its terminals on which to post changes in Company rules and regulations and on which the Union may post necessary notices to its member. All Union notices are to be dated and signed by an official of the Union.

**Training:**

- 10.19 Training will be provided on an as needed basis. If the bargaining unit has no qualified employees for a particular job the Company reserves the right to hire a qualified employee from outside, no full-time employee will be laid off without receiving reasonable training for a new position. This training will not be provided to bump any existing full-time trained employee. The Company and the Union will establish what is reasonable.

## **ARTICLE 11 - GRIEVANCE PROCEDURE**

### **Qualifying Period:**

11.01 If, during the term of this Agreement, there should arise any differences between the Parties bound by this Agreement concerning its interpretation, application, operation, or any violation thereof, an endeavour shall be made to settle the differences by negotiations between representatives of the Company and Union.

Where a grievance refers to a particular occurrence or incident other than a payroll error, no consideration shall be given to either party unless such grievance is submitted in writing to the Manager within ten (10) days from the date of the alleged occurrence or incident. In the case of payroll errors the time limit will be thirty (30) days or the grievance shall be deemed to be abandoned. Once a grievance is placed, the onus is upon both parties to resolve the matter as quickly as possible.

### **Time to Resolve Dispute:**

11.02 In the event that the Company and Union representatives fail to reach a satisfactory settlement within fifteen (15) days after the date the grievance is filed, or within such longer time as the parties agree to, then it may be referred to an Arbitration Board of three (3) persons or, if mutually agreed upon, a single Arbitrator as follows:

### **Arbitration:**

11.03 The party desiring arbitration shall appoint a Member of the Board and shall notify the other party in writing of its appointment, and particulars of the matter in dispute.

11.04 The party receiving the notice shall, within fifteen (15) days thereafter, appoint a Member of the Board and notify the other party of its appointment.

11.05 The two arbitrators so appointed shall confer to select a third person. to be Chairman, and failing for ten (10) days from the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Minister of Labour to appoint such third Member.

11.06 The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award within ten (10) days, or as otherwise agreed by the Arbitration Board.

11.07 The award of the Arbitration Board shall be final and binding upon both parties.



**Cost of Chairman:**

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

**ARTICLE 12 - HEALTH AND WELFARE**

**Health and Welfare**

12.01 Effective February 27, 2007 the Employer agrees to continue participation in the Teamsters Local 213 Health and Welfare Plan and Trust Fund (The Plan and Fund) for all regular employees subject to the jurisdiction of this Agreement (hereinafter referred to as "employees") The Employer will continue and/or commence contributions to the Plan and Fund on the following basis:

- (1) From the effective date for all employees who have completed the requirements set forth in (2) below as of the effective date;
- (2) For all other employees as of the effective date and all employees whose date of employment is after the effective date, from the first (1st) day of the month next following or coincident with the date which is three (3) months after his date of employment.

Part-time (or Casual) employees shall not be covered under the provisions of the Health and Welfare Plan until the first (1st) of the month following ninety (90) calendar days after the date they become regular employees.

The Employer agrees to make such monthly contributions to the Trust Fund for the benefits to be provided to its employees as the Trustees of the Plan and Trust Fund shall establish from time to time and do such other things as may be required to become and remain an Employer under the Plan and Trust Fund.

It will be the responsibility of the Employer to ensure that all employees complete such forms as are required in the operation and administration of the Plan and for making the required contributions to the Trust Fund on their behalf. Failure of the Employer to secure the necessary administration forms from employees, forward completed forms and/or remit contributions on the due date to the Administrator as appointed by the Trustees, will cause the Employer to be liable for any claims arising as a result of such failure.

It shall be the Union's responsibility to supply all necessary administration forms to the Employer.

12.02 The Employer shall remit the required contributions effective January 1st, 2007 of \$350.25 per employee per month under this Article to the Administrator appointed by the Trustees of the Teamsters Local 213 Health and Welfare Plan by the tenth (10th) day of the month for which such

contributions are due. Cheques are to be made payable to the Teamsters (Local 213) Distribution Fund.

12.03 The required contributions may be increased by the increase of the Medical Services Plan of B.C. from the date of such increase and the portion of the contribution attributed to the Dental Benefits may be increased by the increase of the College of Dental Surgeons of B.C. Fee Guide.

Should there be a further increase in premiums after February 29, 2012 and prior to the signing of a new collective agreement, the Employer agrees to pay such increase.

12.04 The Employer may request that the Weekly Indemnity, short term disability benefit be increased to the minimum required to establish or retain the E.I. Premium Reduction and agrees to pay the increased contributions required to provide for this benefit increase.

12.05 When an employee goes off work ill or on compensation or a grievance is invoked on his discharge, the Employer shall continue to pay his Welfare fees and Union dues for a maximum of three (3) months, so that at all times the employee shall be protected to the utmost. At the end of three (3) months, the affected employee may clear up his deficit, upon so doing he will be eligible for a further three (3) months' protection. When an employee returns to work, the Employer shall deduct from his earnings any monies the employee would normally have paid.

The employee shall be notified when he is three (3) months in arrears and the period of such coverage shall exceed six (6) months only by mutual agreement of the two (2) parties.

12.06 The full cost of the Health and Welfare Plan shall be borne one hundred percent (100%) by the Employer.

12.07 An employee who is off sick or injured must be eligible for and collecting either W.C.B. or Teamsters Local 213 Members Benefits Plan Weekly Indemnity or Long Term Disability or be granted a medical leave of absence. A medical leave of absence in four (4) month increments may be granted at the recommendation of a joint Union/Company review panel. When W.C.B., Teamsters Local 213 Members Benefits Plan or a medical leave of absence, does not support the employee, he/she will be considered absent without leave as described in section 8.07 of this Agreement.

12.08 The Union shall make every effort to ensure that all employees who are off on weekly indemnity are assessed on a regular basis to ensure that their inability to work is confirmed.

**ARTICLE 13 - TERMS AND CONDITIONS**

- 13.01 On or about January 1, 2009 the parties will commence negotiations for the remaining 3 year renewal of the wage, pension package and contentious issues. If the parties fail to agree to reach an impasse the matter will be settled by binding arbitration.
- 13.02 Full-time hill workers will be paid \$120.00 per year boot allowance, paid January of each year. Hill workers starting full-time during the year will be paid the equivalent amount prorated through December.
- 13.03 All employees may elect to get a Hepatitis "B" shot. The Company will reimburse the cost of the shots as long as a receipt is provided.

**ARTICLE 14 - DURATION**

- 14.01 This Agreement shall be for a five year period from and including February 27, 2007 to and including February 29, 2012 and from year to year thereafter, subject to the right of either party signatory to this Agreement within four (4) months immediately preceding the date of expiry of this Agreement, which is February 29, 2012 or immediately preceding the last day of October in any year thereafter, by written notice to require the other party to the Agreement to commence collective bargaining.

A letter of understanding to show these changes that will be in force and effect after ratification will be signed by both parties.

- 14.02 Providing either party has given written notice to the other party to commence negotiations, the Agreement will continue in full force and effect until the Union shall give notice of strike or the Company shall give notice of lockout, or the parties shall conclude a renewal or revision of the existing Agreement or a new Collective Agreement.

**ARTICLE 15 - GENDER**

- 15.01 Wherever the use of either gender is used herein, it shall also apply to the other gender wherever applicable.

DATED AT Vancouver, British Columbia, this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

Signed on Behalf of the COMPANY:

Signed on Behalf of the UNION:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**APPENDIX “A”**

**RATES PER HOUR**

<b>Classification</b>		<b>Effective Feb. 27/07</b>	<b>Effective Feb. 27/08</b>	
8 Axle and Hill Crew	Hourly Rate	\$22.25	\$23.00	
	Pension	\$ 0.45	\$ 0.50	
		<hr/>	<hr/>	s
		\$22.70	\$23.50	
7 Axle	Hourly Rate	\$21.80	\$22.55	
	Pension	\$ 0.45	\$ 0.50	
		<hr/>	<hr/>	s
		\$22.25	\$23.05	
6 Axle	Hourly Rate	\$20.80	\$21.55	
	Pension	\$ 0.45	\$ 0.50	
		<hr/>	<hr/>	s
		\$21.25	\$22.05	
Mechanics w/ Trade Card	Hourly Rate	\$25.79	\$26.31	
	Pension	\$ 0.45	\$ 0.50	
		<hr/>	<hr/>	s
		\$26.24	\$26.81	

**WORKING FOREMAN**

Working foreman will receive seventy—five cents (75) per hour in addition to the driver’s rate.

**MECHANICAL APPRENTICE**

<b>Rates of Pay</b>	1st year	-	60% of the journeyman rate
	2nd year	-	70% of the journeyman rate
	3rd year	-	80% of the journeyman rate
	4th year	-	90% of the journeyman rate

Apprentices must attend and eventually graduate from an accredited vocational or apprenticeship program under Provincial or Federal government jurisdiction in order to qualify for first class journeyman with trade card.

**TRIP CYCLE TIMES**

Trip rates have been calculated incorporating duties performed during normal operations. All trip rates include: pre-post inspection, fuelling, hooking up, unhooking, switching equipment, tarping, scaling, cleaning tractor and turning in complete trip documentation.

<u>TRIP</u>	<u>CYCLE TIME</u>
<u>Includes Driver Loading Refuse and Unloading Chips, Hog or Sawdust*</u>	
CCLF-S&R-CRRP-CCLF	11 Hours 5 Minutes
CCLF-S&R-STS-CCLF	10 Hours 35 Minutes
CCLF-S&R-MTS-CCLF	10 hours 45 Minutes
CCLF-S&R-NSTS-CCLF	11 Hours 50 Minutes
CCLF-Silver-CRRP-CCLF	11 Hours 20 Minutes
CCLF-Silver-STS-CCLF	11 Hours 20 Minutes
CCLF-Silver-MTS-CCLF	10 Hours 10 Minutes
CCLF-Silver-NSTS-CCLF	12 Hours
<u>Includes Driver Unloading Chips, Hog or Sawdust</u>	
CCLF-S&R-City Barge-CCLF	11 Hours 20 Minutes
CCLF-Silver-City Barge-CCLF	10 Hours 40 Minutes
<u>Includes Driver Loading Chips, Hog or Sawdust</u>	
CCLF-100 Mile-CCLF	3 Hours 50 Minutes
CCLF-Chasm-CCLF	3 Hours
<u>No Loading or Unloading Required</u>	
CCLF-Tilbury Barge-CCLF	11 Hours
CCLF-Arrow Chilliwack-CCLF	7 Hours 45 Minutes

\* If the trailers are pre-loaded with refuse at the Transfer Station, one half hour (1/2 hour) will be deducted from the posted Trip Cycle Times

From time to time, the Company reserves the right to review Trip Cycle Times to ensure accuracy and fairness. Any adjustments (+/-) will be not be retroactive.

The Company reserves the right to add additional Trip Cycles to the above list. Trip Cycle Times will be agreed upon between the Company and Union.

- 20 -  
**APPENDIX “A-1”**

**NORMAL TRIP RATES**

These will be the paid rates for trips that are “NORMAL”.

- Extra time will be allowed and paid for the following items:

- 1) Routing changes. i.e.: sent to Matsqui then to Coquitlam or due to mechanical problems.
- 2) Excessive loading time.
- 3) Mechanical problems enroute.
- 4) Excessive wait for trailers in Cache Creek.
- 5) Excessive delays @ scales,
- 6) Switch tractors Peterbilt or Cummins
- 7) Excessive delays due to highway closure.

If these items occur they must be documented in detail on the time sheet.

If no explanation is provided, trip time only will be paid.

Lunch breaks and rest stops must be noted.

**APPENDIX "B"**

**PENSION PLAN**

Such contributions shall be submitted by the 15<sup>th</sup> day of the month following that to which they refer.

**A. Regular Employees**

Effective February 27<sup>th</sup>, 2007 – forty five cents (\$0.45) per hour.  
Effective February 28<sup>th</sup>, 2008 – fifty cents (\$0.50) per hour

The Company will contribute contributions per hour for each hour for which wages are payable to the Teamsters Local Union 213 Pension Plan

**B. Trip Rated Employees**

Effective February 27<sup>th</sup>, 2007 – forty five cents (\$0.45) per trip rate hour.  
Effective February 28<sup>th</sup>, 2008 – fifty cents (\$0.50) per trip rate hour

The hours for trip rated employee will be calculated and paid on the agreed trip times.

**C.** Contributions and remittances referred to in A. and B. shall be remitted monthly by the fifteenth (15<sup>th</sup>) day of the month following the month to which they refer, together with a form, supplied to the Company by the Union, which shall provide full instructions.

**D.** Timely Payment of contributions to the Trust Fund provided for in this Agreement is essential for the protection of the beneficiaries. Delinquency and continued failure to remit contributions for the Trust Fund shall be dealt with as follows:

The Union will advise the Company, in writing, of any delinquency.

If the Company has failed to respond with forty eight (48) hours of receipt of notification, exclusive of Saturdays, Sundays and Holidays, the Union may then request a meeting with the Company to provide for payment of funds.

In the case of failure of the Company to contribute into the funds on the due date, the Trustees in their joint names may take legal action against the Company for recovery of the amount due.

## **APPENDIX "C"**

### **DEPENDENT CONTRACTORS**

#### **1. TRIP RATE CALCULATIONS**

- (a) Rate will be increased or decreased to reflect changes in the price of diesel fuel
- (b) The current fuel escalation agreement at other Arrow Divisions will be observed and continued for the duration of the Agreement.

#### **2. OTHER PAY**

- (a) The Company will provide a mid month advance to all Dependant Contractors. Double shifted units will be advanced five thousand dollars (\$5,000.00). Single shifted units will be advanced two thousand five hundred dollars (\$2500.00).

#### **3. PREMIUMS**

- (a) The Owner Operator/Dependant Contractor shall assume complete responsibility for the following:

Providing their Drivers with the terms and conditions established by the main body of the collective agreement and/or the Owner Operator/Dependant Contractor Driver Agreement.

Union Dues, Initiation Fees and Assessments.

Contributions normally assessed against an employee for Employment Insurance, Canada Pension Plan and Workers Compensation.

#### **4. RULES AND REGULATIONS**

- (a) Dependant Contractors will have full rights to Grievance Procedure of this Agreement.
- (b) The Dependant Contractor will operate his/her unit and work under the Rules and Regulations of the new Hours of Work (Safety Standards Code) legislation, when imposed by the Government.
- (c) There shall only be one (1) Dependant Contractor/Owner Operator per unit (tractor only) with the provision for a Driver as per the Dependant Contractor/Owner Operator Driver Agreement.



**5. SAFETY EQUIPMENT**

- (a) The Company agrees to provide hard hats, high visibility vests and gloves to Owner Operator/ Dependant Contractor Drivers.

**6. ADDITIONAL HAULS**

- (a) On any haul, tentative haul rate will be set at the time of inception and reviewed within a thirty (30) day trial period and adjusted up or down.

**7. INSURANCE**

- (a) The Dependant Contractor/Owner Operator Driver will purchase insurance through the Company and the cost of such insurance will charged to the Owner Operator/Dependant Contractor.

**8. HEALTH AND WELFARE**

- (a) Owner Operator/Dependant Contractors will have to option of purchasing Health and Welfare coverage through the Teamsters Local No. 213 at the same cost as employees of which Arrow will pay the premiums to the Teamsters Local No. 213 and then deduct the said premium from the Dependant Contractor's Monthly Statement.
- (b) Owner Operator/Dependant Contractors must apply for coverage on the first (1<sup>st</sup>) day of the month immediately thirty (30) calendar days from the date of employment with the Company.
- (c) Dependant Contractors declining coverage or cancelling coverage after being insured cannot be reinsured during the term of the Collective Agreement.

**9. PENSION CONTRIBUTION**

- (a) The Company will deduct pension contributions from the Dependant Contractor's Monthly Statement for each applicable trip rate hour and submit to the Teamsters Local No.213. It is the responsibility of the Owner Operator/Dependant Contractor to fill out the "Monthly Truck Route Review" to allocate the pension accordingly for each driver as per the Dependant Contractor/Owner Operator Driver Agreement by the first (1<sup>st</sup>) working day of the following month.

**10. TRACTOR PAINTING**

- (a) The Company agrees to provide 36 months for a new Owner Operator/Dependant Contractor to paint his/her tractor unit. Any new factory orders or used replacement tractors must be painted as per the Company paint code.

**ARROW TRANSPORTATION SYSTEMS INC.**

**(CHILLIWACK DIVISION)**

**ADDENDUM**

The signatory parties agree to add to the Arrow Bulk Carriers Ltd. (Chilliwack Division) the following addendum which will be construed as an extension of the Collective Agreement as follows:

Owner Operator/Dependant Contractor Driver Agreement

The following provisions apply to the Owner Operator/Dependant Contractor Drivers whose terms and conditions of work are established by the main body of the collective agreement with the exception of all the following Articles:

It is a requirement for any Owner Operator/Dependant Contractor that has contract for services with Arrow Transportation Systems Inc. Chilliwack Division to recognize the Teamsters Union as bargaining agent for such drivers and execute the following terms and conditions of employment of such drivers. Any Owner Operator/Dependant Contractor that fails or refuses to execute these terms and conditions with respect to their drivers risk having their own contract with Arrow cancelled.

Neither the Teamsters Union nor the Lease Operators will assert that Arrow is the true employer of the Owner Operator/Dependant Contractor drivers or that Arrow bears any liability for enforcement or fulfillment of the terms and conditions, should the Owner Operator/Dependant Contractor or any of them fail to fulfill their obligations with respect to any of their employees.

7.00 HOURS OF WORK

7.08 Owner Operator/Dependant Contractor Drivers who is called in to work shall not be paid less than four (4) hours pay at the applicable trip rate wage.

9.00 STATUTORY HOLIDAYS

9.05 Pay for holidays when not worked shall be as follows:

Regular Owner Operator/Dependant Contractor Drivers shall be paid for time not worked at the regular rate on New Year's Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day.

The rate of pay for these General Holidays shall be paid at 10 (ten) hours pay at the applicable trip rate wage.

- 9.07 In addition, in the event the Owner Operator/Dependant Contractor Drivers are required to work on a statutory holiday he will be compensated at regular trip rate wages.
- 9.08 Regular Owner Operator/Dependant Contractor Drivers entitled to these nine (9) paid holidays if they have been employed for at least 30 calendar days before the General Holiday and worked for 15 of the 30 calendar days.
- 9.09 Regular Owner Operator/Dependant Contractor Drivers absent by reason of leave of absence, discharge, quit or suspension shall not be entitled to General Holiday Pay.

#### ANNUAL VACATIONS

- 9.03 The Regular Owner Operator/Dependant Contractor Driver's anniversary date for the purpose of calculation annual vacations shall be the Regular Owner Operator/Dependant Contractor Driver's starting date with same Owner Operator/Dependant Contractor.

##### Two Weeks

Upon completion of one (1) years service, Regular Owner Operator/Dependant Contractor Drivers shall receive two (2) weeks vacation. Vacation pay will be calculated at four percent (4%) of their gross earnings.

##### Three Weeks

Upon completion of five (5) years service, Regular Owner Operator/Dependant Contractor Drivers shall receive three (3) weeks vacation. Vacation pay will be calculated at six percent (6%) of their gross earnings.

#### 6.00 WAGES

- 6.08 The Regular Owner Operator/Dependant Contractors shall compensate their Drivers on a trip rate basis. The trip rate is calculated using the posted cycle time multiplied by the hourly rate listed in Appendix "A" which includes all overtime allowances for 120 hours on any 14 consecutive days.

#### 10.15 LICENSE TESTS

The Regular Owner Operator/Dependant Contractor Drivers with two (2) or more years of seniority who is required under the Motor Vehicle Regulations to undertake a physical examination as a condition of continuing to hold a valid driver's license shall receive a contribution to a maximum of thirty (\$30.00) to the cost of the examination.

#### 10.07 GLOVES AND PPE

Where required the Regular Owner Operator/Dependant Contractor Driver will be supplied on an exchange basis, gloves, hard hat, and a safety vest.

8.00 PROBATIONARY PERIOD

8.01 All newly hired Owner Operator/Dependant Contractor Drivers shall be considered as probationary employees for the first sixty (60) calendar days during which a probationary employee has worked two hundred forty (240) hours.

10.16 a. REGULAR OWNER OPERATOR/DEPENDANT CONTRACTOR DRIVER

A Regular Owner Operator/Dependant Contractor Driver shall be considered as such when:

He has completed his probationary period.

He makes himself available to One Owner Operator/Dependant Contractor for full time employment of more than 120 hours per month.

He has no other outside employment except where such employment may be specifically permitted.

10.16 b. PART-TIME OWNER OPERATOR/DEPENDANT CONTRACTOR DRIVER

A Part-Time Owner Operator/Dependant Contractor Driver shall be considered as such when:

He has been hired on an incidental and temporary basis to provide for additional manpower of less than 120 hours per month for any One Owner Operator/Dependant Contractor

Part Time Owner Operator/Dependant Contractor Driver's shall be paid an amount equal to eight percent (8%) of their regular earnings in lieu of the following: General Holidays, Annual Vacations, Health and Welfare and Pension Plan.

10.10 BEREAVEMENT LEAVE

When death occurs to a member of a Regular Owner Operator/Dependant Contractor Driver immediate family, the Driver will be granted 3 days of unpaid leave.

10.11 A Regular Owner Operator/Dependant Contractor Driver's immediate family is defined as a Driver's spouse, mother, father, sons and step-sons, daughters and step-daughters, brothers and sisters, mother in-law and father in-law, grandfathers and grandmothers, which will also include the spouse's grandparents.

10.08 JURY DUTY

Regular Owner Operator/Dependant Contractor Driver's called to jury duty will receive no compensation. Driver's will suffer no loss of benefits while on jury duty.

APPENDIX “A”

Long Haul Trip Rate

Classifications	Effective Feb 27/07	Effective Feb 27/08
Regular Owner Operator Contractor Driver 8 axle	\$22.25	\$23.00
Part-Time Owner Operator Contractor Driver 8 axle	\$22.70	\$23.50

In-town Trip Rate

Classifications	Effective Feb 27/07	Effective Feb 27/08
Regular Owner Operator Contractor Driver 7 axle	\$21.80	\$22.30
Part-Time Owner Operator Contractor Driver 7 axle	\$22.25	\$22.80
Regular Owner Operator Contractor Driver 6 axle	\$20.80	\$21.30
Part-Time Owner Operator Contractor Driver 6 axle	\$21.25	\$21.80

APPENDIX “B”

The Owner Operator/Dependant Contractor shall provide the “Teamsters Local 213 Health and Welfare Plan” to all Regular Owner Operator/Dependant Contractor Drivers and eligible dependents.

- a) Any Regular Owner Operator/Dependant Contractor Driver who has completed the probationary period shall be covered effective the first day of the calendar month following such period.

APPENDIX “C”

The Owner Operator/Dependant Contractor shall submit Pension contributions by first (1<sup>st</sup>) day of the following month to which they refer.

- a) Any Regular Owner Operator/Dependant Contractor Driver who has completed the probationary period shall be covered effective the first day of the calendar month following such period per the following:

Effective February 27, 2007-forty five cents per hour for all trip rate hours  
Effective February 27, 2008-fifty cents per hour for all trip rate hours