

COLLECTIVE AGREEMENT

Between

WEQ PRODUCTION EQUIPMENT LP

and

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

JULY 1, **2007** - JUNE 30, **2010**

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COLLECTIVE AGREEMENT

BY AND BETWEEN:

WEQ PRODUCTION EQUIPMENT LP

(hereinafter referred to as the "Company")

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

(hereinafter referred to as the "Union")

WITNESSETH: that the parties hereto agree as follows:

ARTICLE 1: OBJECTS

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

For the purpose of this Agreement, the masculine shall be considered to include the feminine and the singular to include the plural.

ARTICLE 2: BARGAINING AGENCY

2.01 The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of the Company within the Province of British Columbia.

2.02 This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each employee.

2.03 SUPERVISORS, OFFICE PERSONNEL DO NOT WORK: - No supervisors or office personnel will be allowed to use hand tools or carry out work which would be normally done by employees in the bargaining unit, except in the instruction or training of employees.

ARTICLE 3: UNION SECURITY

3.01 UNION SECURITY: - Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, be and remain or become and remain, a Union member in good standing for the duration of this Agreement or for the duration of his employment with the Company, whichever is shorter. Counting from the date he commences employment with the Company, each new employee will be allowed thirty (30) calendar days within which to make application to join the Union and tender the appropriate initiation fees. The Union shall have the exclusive right to determine who is a member in good standing. Should an employee at any time cease to be a member in good standing of the Union, the Company shall, upon notification in writing from the Union, discharge such employee forthwith.

- 3.02 CHECK-OFF: - The Company shall deduct from each new employee an amount equal to the Union dues from the employee's first payroll cheque after completion of six (6) days of work in a calendar month and add that employee's name and the said amount to the closest applicable check-off; i.e., if the check-off for that month has not been remitted to the Union, it shall be added to that check-off; if that month's check-off has been remitted, it shall be added to the following month's check-off and shown as the previous month worked.
- 3.03 AMOUNTS DEDUCTED: - Union dues deducted under this provision or other check-off provisions shall be remitted to the Union not later than the fifteenth of the month following the month in which such check-off applies.
- 3.04 JOINT MANAGEMENT/UNION LIAISON: - On the request of either party, the parties shall meet at least once every two (2) months for the purpose of discussing issues relating to the workplace that affect the parties or any employee bound by this Agreement.

The purpose of the consultation committee is to promote the cooperative resolution of workplace issues, safety issues, to respond and adapt to changes in the economy, to foster the development of work related skills and to promote workplace productivity, but does not replace the Grievance Procedure set out in this Article.

ARTICLE 4: MANAGEMENT RIGHTS

The Union recognizes and agrees that:

- 4.01 The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.
- 4.02 The Company has and shall retain the right to select its employees, to hire, classify, promote, demote or discipline them and discharge employees for proper cause, provided that a claim of discrimination against an employee in respect to any of these matters, or a claim of violation, of any Section or Article of this Agreement, may be the subject of a grievance and be dealt with as hereinafter provided.
- 4.03 The right to hire employees of its choice is vested exclusively in the Company, but when the Company requires new employees, it shall so notify the Union so that the Union may have the opportunity to provide the Company with suitable applicants.

ARTICLE 5: DEFINITION OF EMPLOYEE

- 5.01 In this Agreement "employee" means a person who is employed by the Company and who is included in a unit of the Company's employees as contained elsewhere in this Collective Agreement.

ARTICLE 6: HOURS OF WORK AND OVERTIME

- 6.01 DAY SHIFT: - The standard work day for all employees except Truck Drivers shall consist of eight (8) hours, between the hours of 7:30 a.m. and 4:00 p.m. The standard work week shall consist of forty (40) hours, Monday to Friday. The standard work day for Truck Drivers shall consist of eight (8) hours between the hours of 5:00 a.m. and 5:00 p.m. The standard work week shall consist of forty (40) hours, Monday to Friday. Graveyard shift shall lead off at 12:01 a.m. Monday.

Hours of work in the Shop may be changed by mutual agreement between the Company and the Union.

- 6.02 AFTERNOON SHIFT: - If a second shift is employed, the hours of work shall be seven and one-half (7-1/2) hours of work between the hours of 4:30 p.m. and 12:30 a.m. for which eight (8) hours will be paid and a shift premium of thirty-five cents (35¢) shall be added on to the classified hourly rate.
- 6.03 NIGHT SHIFT: - If a third shift is employed, the hours of work shall be seven (7) hours of work between the hours of 12:30 a.m. and 8:00 a.m. for which eight (8) hours shall be paid and a shift premium of fifty cents (50¢) shall be added on to the classified hourly rate.
- 6.04 LUNCH PERIOD: - Each shift shall have a one-half (1/2) hour lunch period at mid-shift.
- 6.05 SHIFT CHANGE: - The Company shall give the employee seven (7) days notice prior to changing of shifts.
- 6.06 SHIFT - TRANSFER OF EMPLOYEE: - When it is necessary for an employee to be transferred from one shift to another shift the said shift will continue for a minimum of five (5) consecutive normal working days, or the overtime rates as provided for in this Agreement will apply.
- 6.07 In cases where hours of work must be varied in customers' camps to comply with Provincial Fire Regulations such work as is carried out under these conditions shall be at straight time rates for the first eight (8) hours.
- 6.08 SHIFT ROTATION: - When employees in the same classification are being worked on two (2) or more shifts and where a majority of such employees request it, they shall rotate shifts every two (2) weeks.
- 6.09 BANKING OVERTIME: - The Company shall permit the banking of overtime. The employees shall be responsible for indicating on time slips which hours are to be allocated to their bank prior to handing in the time slips.

An employee shall have no more than forty (40) straight time hours in their bank at any given time and shall not exceed eighty (80) straight time hours in any one (1) year. I.E. one double time hour = two (2) straight time hours.

Banked hours may be withdrawn by an employee in whole or in part upon proper notification of same. I.E. Prior to pay period ending.

In the event an employee wishes time off, such time will be by mutual agreement between the Company and the employee and subject to the operational needs and service requirements of the business.

- 6.10 OVERTIME: - Overtime will be paid on the following basis:
- (a) All hours in excess of eight (8) hours worked in a day to be paid at one and one-half time (1-1/2x).
 - (b) All hours in excess of eleven (11) hours worked in a day to be paid at double time (2x);

- (c) All hours worked on a scheduled day(s) off or a Paid Holiday to be at time and one-half (1-1/2x) for the first eight (8) hours worked and then double time (2x) for hours worked beyond eight (8) hours;
- (d) All hours worked on the 7th work day in a one (1) week period to be at double time (2x).

6.11 OVERTIME - VOLUNTARY: - All overtime shall be on a voluntary basis.

6.12 **ALLOCATION OF OVERTIME:** - *When it becomes necessary to work overtime, overtime shall be allocated in the following order:*

Daily Overtime

1. ***Overtime shall be offered first to the employee who was performing the work during the regular work hours.***
2. ***Overtime shall be offered second to the senior employee in the classification with the skill and ability to perform the work.***

Overtime Saturday, Sunday, General Holidays

All overtime on Saturday, Sunday and General Holidays shall be allocated by seniority among employees in the classification with the skill and ability to perform the work.

6.13 OVERTIME BREAK: - Employees who work beyond twelve (12) hours per day shall receive a minimum of one-half (1/2) hour's pay for time off to eat a meal.

6.14 REST BETWEEN SHIFTS: - It is intended that every employee should have twelve (12) hours' rest between shifts. In the event that an employee is recalled to work before such twelve (12) full hours elapse, he shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work on his own accord until twelve (12) full hours have elapsed.

6.15 WORK AFTER REGULAR SHIFT: - Employees called back to work after their regular shift shall receive a minimum of four (4) hours' pay at the prevailing overtime rate.

6.16 WORK THROUGH REGULAR LUNCH PERIOD: - Where a shop employee is required to work through his regular established lunch period, such employee shall be paid the applicable overtime rate and be allowed reasonable time off to consume a meal with no loss of pay.

6.17 WORK WEEK - GUARANTEED:

- (a) An employee who reports for work at the start of the standard work week shall be guaranteed full pay for the balance of the standard work week. The twenty-four (24) hour notice of layoff provided in the Seniority Section of this Agreement shall take precedence when an employee is laid off on a Thursday. He would work Friday and Monday and by working Monday is not entitled to full pay for that week.

- (b) If an employee of his own volition does not report for his regular shift or shifts, then his weekly minimum five (5) shift pay base shall be reduced to the number received by subtracting the number of shifts missed from base 5.

6.18 CALL TIME:

- (a) An employee reporting for work on his regular shift shall receive a minimum of eight (8) hours' pay at his regular rate.
- (b) An employee called to work on a Saturday, a Sunday or on a General Holiday, (or days observed as General Holidays) shall receive a minimum of four (4) hours' pay at the prevailing overtime rates.
- (c) ***When an employee has been called out, completed the call and returned home, he shall be entitled to receive a minimum of four (4) hours' pay at the prevailing overtime rate, should he receive another call-out.***
- (d) The provisions of this Section shall not apply if an employee voluntarily quits or lays off, or is discharged for proper cause.

6.19 PREPARATION TIME: - The Company will pay one (1) hour personal preparation time to employees being sent on out-of-town jobs for a period of overnight or longer at regular rates. This will not be paid if an employee prepares for a trip during his normal working hours or if the employee has had a minimum of twenty-four (24) hours notice that he will be going out of town.

ARTICLE 7: GRIEVANCE PROCEDURE

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

STEP A - The employee or the Union, together with such person or persons as he or the Union may wish, shall take the matter up with the Company within twenty (20) calendar days.

STEP B - Should a solution not be reached by Step (A) then a Business Representative of the Union, accompanied by the employee if the employee or Business Representative so wish, shall discuss the matter with the Company. If a solution is reached, this shall be final.

7.02 **GRIEVANCE - TIME LIMIT:** - Any discharged or suspended employee may, within seventy-two (72) hours of his discharge or suspension, (exclusive of Saturdays, Sundays and General Holidays) in writing, require the Company to give him the reasons for his discharge or suspension and the Company will give such reasons to him, in writing, within seventy-two (72) hours of such request and in the event of any dispute or difference as to whether or not there was proper cause for the discharge or suspension of such an employee, only the reasons so set forth in writing, shall constitute cause.

ARTICLE 8: ARBITRATION

8.01 If the procedures set forth in Section 7.01, Step A and Step B do not result in a solution being reached, the dispute shall be referred to Arbitration.

8.02 The request must be made in writing to the other party within seven (7) working days or such further period as is mutually agreed upon by the Company and the Union. At this time both parties will attempt to come to agreement on selecting a single arbitrator.

In the event the parties are unable to agree on a single arbitrator the Minister of Labour of British Columbia shall be asked to appoint an arbitrator.

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

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

ARTICLE 9: SENIORITY

9.01 SENIORITY LIST: - The Company shall at least once every six (6) months, post in a conspicuous place on its premises an up-to-date list of all employees covered by this Agreement showing the date when each commenced his employment with the Company. The Company shall forward to the Union a copy of each list on the date of its posting.

9.02 PROBATIONARY PERIOD: - When a new employee is hired, it is agreed that he shall be on probation for ninety (90) calendar days with a written review on the 30th and 60th day. During this period seniority will not be applicable. When the probationary period is completed, seniority will commence from the date of hiring.

9.03 EMPLOYEE - RE-EMPLOYMENT: - An employee re-entering the employ of the Company after his right to recall has expired shall not be subject to another probation period.

9.04 LAY-OFFS: - In the event of layoffs, seniority shall be recognized. The principle of last man on, first man off, shall prevail, subject to job classification. The Company shall give at least twenty-four (24) hours' notice on layoffs, exclusive of Saturdays, Sundays and General Holidays.

9.05 SENIORITY RETENTION:

(a) A laid-off employee shall retain his seniority and recall rights with the Company for twelve (12) months after the date of layoff.

(b) If a laid-off employee is called back to work with the Company within his right to recall period, there shall be deemed to have been no break in such an employee's continuous service with the Company by reason of such layoff.

9.06 RECALL: - When vacancies occur, the Company shall rehire laid-off employees according to their seniority and the principle of last man off, first man on shall prevail.

The Company shall contact laid-off employees either personally, by mail or through the Union at the address or at the telephone numbers supplied by the employee. It shall be

the responsibility of the employee to keep the Company and the Union informed of his current address and telephone number while laid-off.

ARTICLE 10: VACATIONS

10.01 Employees will receive vacations and be paid for the vacation in accordance with the following Schedule:

| <u>Years Of Continuous Service</u> | <u>Vacation Period</u> | <u>Vacation Pay</u> |
|------------------------------------|------------------------|---------------------|
| Less than one (1) year | | 4% |
| After one (1) year | 2 weeks | 4% |
| After three (3) years | 3 weeks | 6% |
| After seven (7) years | 4 weeks | 8% |
| After ten (10) years | 5 weeks | 10% |

Pay at employee's current classified rate, whichever is greater at the time the vacation is taken.

10.02 CALENDAR YEAR: - An employee's seniority date will govern his attainment of vacation entitlement.

10.03 VACATION PAY ON TERMINATION: - In the event an employee's employment relations are severed, for any reason, before such employee has received his vacation or vacation pay, such employee shall receive his vacation pay at the time his employment relations are severed.

10.04 VACATION PAY - STATEMENT OF: - Prior to an employee going on his vacation, the Company shall furnish the employee with a statement showing the period for which the employee is receiving his or her vacation pay, how the vacation pay was calculated, and shall include all overtime payments, commissions, or anything of a monetary value on which the employee has to pay income tax, and also a cheque for the proportionate vacation pay the employee is entitled to.

10.05 VACATION PERIOD: - If an employee so requests, the Company will provide two (2) weeks of the employee's vacation time in the summer months (May 15th to September 15th). If a dispute arises, vacation periods will be allocated on the basis of seniority. The Company will be informed by March 31st each year.

The Company will consider three (3) weeks' vacation during the summer months for those employees eligible for five (5) weeks, or more vacation, if so requested.

10.06 VACATION ENTITLEMENT: - In any year that an employee becomes entitled to an additional vacation upon reaching his anniversary date of employment, he will be entitled to one (1) week's vacation with pay at that time. The Company will be informed one (1) month in advance.

(i.e. - An employee who reached his second (2nd) anniversary on October 1st would be entitled to one (1) week's vacation at that time plus two (2) weeks' vacation in the ensuing vacation period or he could save his newly achieved vacation time and take three (3) weeks' vacation in the ensuing vacation period).

- 10.07 VACATIONS - SCHEDULE CHANGE: - An employee's scheduled vacation period shall not be changed by the Company within the one (1) month period immediately preceding the start of the vacation period without the consent of the employee concerned.
- 10.08 VACATIONS - REQUIREMENT TO TAKE: - Each employee shall be required to take the full annual holiday period that he is entitled to under the provisions of this Agreement.

ARTICLE 11: GENERAL HOLIDAYS

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

- | | |
|-------------------|---------------------|
| 1. New Year's Day | 7. Labour Day |
| 2. Good Friday | 8. Thanksgiving Day |
| 3. Easter Monday | 9. Remembrance Day |
| 4. Victoria Day | 10. Christmas Day |
| 5. Canada Day | 11. Boxing Day |
| 6. B.C. Day | 12. Floater Day |

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

A floater day may be taken off with pay within the first three (3) calendar months of each year ("Floater Day"). The Floater Day cannot be banked or paid-out. The Floater Day is intended to be awarded in lieu of the federal government "Heritage Day". If an additional statutory holiday is declared by any level of applicable government, being an additional statutory holiday that is not currently recognized under this Collective Agreement, then the Floater Day will cease to be granted in the event that an additional statutory holiday is recognized within the Collective Agreement.

- 11.02 GENERAL HOLIDAY - SATURDAY AND SUNDAY: - When a General Holiday falls on a Saturday or on a Sunday or on an employee's weekly day off then the next work day shall be observed as the holiday.
- 11.03 GENERAL HOLIDAY PAY WILL BE PAID: - Without limiting the general application of Section 11.01, but subject to the provisos contained herein, General Holiday pay provisions will prevail:
- (a) Where an employee has completed his probationary period and such employee has worked the full shift on the last regular work day immediately preceding and the full shift on the first regular work day immediately following the holiday.
 - (b) Where an employee is off work due to sickness, quarantine or an accident provided such an employee has earned wages from the Company during the sixty (60) calendar days immediately preceding the holiday. If the Company so requests, a doctor's certificate shall be submitted as proof of disability.

- (c) Where an employee is laid off by the Company and such lay-off commenced not more than ten (10) working days preceding the holiday.
- (d) Where an employee is off work due to a death in the immediate family or is acting as a juror or witness as provided elsewhere in this Agreement.
- (e) Or by mutual agreement between both parties.
- (f) The above is not designed and shall never be used to penalize those who are sick, injured, or due to unavoidable circumstances, cannot report for work and have informed the Company of such. Payment for General Holidays will not be made to employees drawing Workers' Compensation or Weekly Indemnity Benefits.

11.04 GENERAL HOLIDAY - DURING VACATION: - When a General Holiday falls within an employee's scheduled vacation, he shall receive the pay of a normal shift for the holiday in addition to his vacation pay, or a day off with pay in conjunction with his vacation.

ARTICLE 12: WAGES

12.01 The Company shall remunerate an employee at the wage rate applicable to the job classification that such an employee is employed in. The job classification and applicable wage rates shall be those agreed upon and set out in Appendix "A", attached hereto, and forming part of this Agreement.

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

12.03 TIME SLIPS: - An employee shall be required, on Company time, to fill out time slips, service reports and job or work reports daily if the Company so requests.

12.04 CONSTRUCTION RATES:

- (a) Construction rates of pay shall be paid to employees to install permanent machinery on construction sites or who do repair work on construction sites that would otherwise be done by members of Building Trades Unions. The construction rates of pay shall only apply to the actual hours worked on the construction site.
- (b) Construction rates shall not apply to service calls, inspection calls, warranty work and delivery jobs.

12.05 ACCIDENTS - PAY TO EMPLOYEES: - Employees involved in an accident while on the job shall receive eight (8) hours' pay at his classified rate for the day of the accident. ***Should an employee need to take further time off to see a doctor for a scheduled appointment relating to the injury, he shall be paid for all time lost on the day relating to the appointment. It is understood and agreed that this requires a great deal of communication and cooperation by both parties and every effort will be made to have doctor's appointments outside of regular shift hours.***

12.06 WAGE RATE - HIGHEST DAILY RATE: - Where an employee works in a higher hourly wage classification, he shall be paid the higher rate for the hours worked in such classification.

ARTICLE 13: TRAVEL TIME - TRANSPORTATION - EXPENSES

13.01 WORK OUTSIDE BRANCH AREA: - Employees required to report for work outside the base branch and who cannot return home daily, shall be paid all their transportation, accommodation and meal expenses, upon the provision of receipts.

13.02 WORK OUTSIDE CITY LIMITS:

- (a) In going to work outside the limits of Greater Vancouver and returning daily, men shall be at such city limits at the starting time, and allowed time to return to such city limits at the close of the work day. They shall be paid all fares to and from the city limits to place of work, or alternatively, be supplied with transportation by the Company. It is understood that where employees reside in the city where the work is being done, they shall report to and finish work at the regular starting and stopping time.
- (b) All time spent driving or riding in a motor vehicle to and from such job or jobs shall be considered as time worked.

13.03 JOBS AWAY FROM HOME:

- (a) When an employee is going out on a job which will require his absence from home for one or more nights, the Company shall inform such an employee, on or before the day of his departure, of the approximate length of time he will be out on the job. If an employee is sent out on one job and subsequently is assigned to other jobs, the total period will not be extended beyond fourteen (14) days.
- (b) If there is reason to extend this period, and the employee requests to return home, the Company will transport such an employee back to his home base and during such transportation such an employee shall be accorded all the benefits and conditions as to travelling as provided under this Agreement.
- (c) This will not preclude long term out-of-town assignments which will be arranged in advance.

13.04 STANDBY TIME: - If an employee reports to a field job outside the Greater Vancouver area and through no fault of his own, is unable to work, he shall immediately contact the Company for instructions. Nevertheless, while being required to stand by the job, he shall be paid for a regular shift of eight (8) hours in each twenty-four (24).

13.05 LAYOVER TIME: - Where an employee is required to remain in the field on Saturday, Sunday or a General Holiday, he shall be paid eight (8) hours for each such day at straight time rates.

13.06 EMPLOYEE VEHICLES: - Employee vehicles shall not be used on Company business.

ARTICLE 14: LEAVE OF ABSENCE

14.01 UNION SERVICE:

- (a) The Company shall allow time off work without pay for any employee who is serving on a Union committee for purposes of discussions with the Company, or serving as a Union delegate to any conference or function, provided all requests for time off are reasonable and do not interfere with the proper operation of the business.
- (b) No employee who acts within the scope of this sub-section shall lose his job or be discriminated against for so acting.

14.02 LEAVE OF ABSENCE DUE TO INJURY:

- (a) When an employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave of absence until such time as his doctor states he can return to work.
- (b) When any employee suffers an injury or illness which requires his absence, he shall report the fact to the Company as soon as possible, prior to his actual starting time, so that adequate replacement may be made if necessary.

14.03 LEAVE OF ABSENCE - APPLICATION FOR: - If an employee desires a leave of absence for reasons other than those referred to in this Section, he must obtain permission, in writing, for the same from the Company, a copy to be supplied to the Union.

14.04 LEAVE OF ABSENCE - OTHER EMPLOYMENT DISALLOWED: - In any instance where an employee accepts other employment without the consent of Management, when on leave of absence for any reason, his employment may be terminated, subject to proper proof of same.

ARTICLE 15: GENERAL PROVISIONS

15.01 INJURY REPORT: - An employee suffering injury while in the employ of the Company must report to the first aid department immediately, or as soon thereafter as practicable, and also report to that department on returning to work.

15.02 WASHROOM FACILITIES: - Adequate washroom facilities will be provided by the Company and kept in sanitary condition. Employees will cooperate by observing the simple rules of cleanliness.

15.03 SAFETY CLOTHING: - The Company will provide the following: gloves, safety shields, leather aprons, hearing protection, rainwear for employees who work outside, goggles, and hard hats for job use where required.

15.04 WATERLESS HAND CLEANER: - Waterless hand cleaner shall be supplied at all mechanical operations covered by this Agreement.

15.05 COVERALLS: - All employees required to wear coveralls or smocks shall have these supplied and cleaned by the Company at no expense to the employees involved. Any smock or set of coveralls supplied, shall be of the proper size to fit the employee.

- 15.06 LUNCH ROOM: - The Company will supply suitably enclosed heated accommodation where employees may have their lunch. Lockers for personal storage shall be provided.
- 15.07 REST PERIODS: - An employee shall be granted two (2) fifteen (15) minute breaks during the course of each shift - one (1) in each half of the shift.
- 15.08 CLEAN-UP: - Employees shall be allowed a minimum of five (5) minutes personal clean-up time each shift, such time to precede the end of the shift.
- 15.09 SHOP STEWARD:
- (a) The Union may elect or appoint a Shop Steward or Shop Stewards to represent the employees and the Union shall notify the Company as to the name or names of such Shop Steward or Shop Stewards. The Company agrees that no Shop Steward shall suffer any discrimination by reason of holding such office.
 - (b) When the Company for any reason finds it necessary to lay off or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.
 - (c) Upon informing Management, authorized agents of the Union shall have access to the Company's premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to in the operation.
 - (d) The Shop Steward shall be allowed reasonable time during working hours to carry out his duties. Any employee being reprimanded by the Company shall have the right to request that the Shop Steward be in attendance.
 - (e) ***Shop Steward shall be in attendance at all Safety Committee meetings.***
- 15.10 PICKET LINE - It shall not be considered a violation of this Agreement for an employee to refuse to cross a picket line.
- 15.11 BONDING: - If, at any time, the Company requires an employee to be bonded by an individual bond, the cost of such bonding shall be assumed by the Company. An employee shall not fill out the required bonding application form until such application form has been sanctioned by the Union.
- 15.12 TOOL INSURANCE: - The Company shall provide, at its expense, tool insurance coverage to each eligible Journeyman and Apprentice. Such coverage shall pay the cost of replacing an employee's tools, tool for tool, at no cost to the employee. Each employee will provide a brand name inventory of his tools on a form supplied by the Company to be eligible for tool insurance.
- Such tool insurance shall include coverage on an employee's tool box.
- 15.13 TOOL REPLACEMENT ALLOWANCE: - Mechanics with twelve (12) months' service shall receive ***three hundred dollars (\$300.00)*** annually as tool allowance. (This allowance will only be paid upon provision of receipts.)

15.14 SUB-CONTRACTING: - Where the Company's facilities, space and trained personnel are available, the Company shall continue to have all work which is presently performed by its employees performed by members of the bargaining unit.

15.15 NOTICE BOARD:

- (a) A notice board shall be provided for the posting of all official Union notices exclusively.
- (b) The following information shall be kept in a central location, readily accessible to the Shop Steward:

- 1 - Seniority List;
- 2 - Copy of the Agreement;
- 3 - Welfare Plan Provisions.

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

15.16 SEVERANCE AND LAY-OFF PAY:

- (a) If an employee is laid off for a period that exceeds his right to recall as provided for in the seniority provisions of this Agreement and that employee has a minimum of two (2) years' service with the Company he shall be paid two (2) weeks' pay based on eighty (80) hours at his then applicable rate of pay. Such an employee may elect to accept lay-off pay under the provisions of this Section before the end of his right to recall period, but in so doing shall forfeit all seniority rights accruing to him under this Agreement, by reason of his term of service with the Company.
- (b) In the event of amalgamation, permanent closure of the plant, or a department thereof, or automation, causing an employee to lose his employment with the Company, the Company hereby agrees to pay severance pay to such an employee provided the employee has a minimum two (2) years' service with the Company. Severance pay shall be based on an employee's regular rate of pay at the date of his severance and shall be paid in accordance with the following schedule:
 - Two (2) weeks' pay for an employee with more than two (2) years service.
 - One (1) additional week's pay for each year of service thereafter, to a maximum of ten (10) weeks.

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

15.17 BEREAVEMENT PAY: - If an employee suffers a death in the immediate family, he shall be granted compassionate leave of absence with full pay for three (3) days. Immediate

family means: spouse, mother, father, brother, sister, children, mother-in-law, father-in-law, grandparents and grandchildren.

- 15.18 JURY DUTY: - When an employee returns from serving on jury duty or from participating as a witness, he will be returned to the job held prior to serving.
- 15.19 EDUCATION FOR UPGRADING: - The Company agrees to consider the reimbursement of fees to an employee where he is improving or upgrading himself in his line of work. The cost of Tradesmen Qualification Examinations will also be considered.

The Company will be consulted prior to the employee incurring the obligation.

- 15.20 SAFETY BOOT ALLOWANCE: - Safety boots will be replaced once each year. The Company shall contribute a maximum of **one hundred and thirty dollars (\$130.00)** to the cost of each pair of safety boots required to be paid, upon proof of purchase.

ARTICLE 16: TECHNOLOGICAL OR PROCEDURE CHANGES

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

The Company agrees to work with the Union and with Canada Manpower in order to arrange for training of employees whose jobs no longer exist as a result of automation or a substantial change in job content, but whose seniority entitles them to continued employment. Such employees shall have the choice of taking the training provided or of accepting a lay-off.

ARTICLE 17: JOB POSTING

- 17.01 PROMOTION: - When new jobs are available, wherever possible, the Company will promote employees to a better paying job, seniority, qualifications and ability to be considered.
- 17.02 JOB POSTING:
- (a) In the event that a new job is created or a vacancy occurs or new equipment is installed in the operation, the Company shall post a notice on the bulletin board notifying that a vacancy exists in a particular job.
 - (b) Employees desiring such job shall then apply, in writing, within five (5) days of such posting, except that employees on vacation or out of town on work for the Company at such time shall have the privilege of applying when they return. The senior employee applying who has the ability to do the job, subject to the Technological or Procedure Changes Article of this Agreement, shall receive such job.

17.03 NEW JOB CLASSIFICATION:

- (a) When a new job classification is introduced which is not included in the list of classifications in Appendix "A" and/or "B", the Company and the Union shall promptly negotiate a wage rate for such classification.
- (b) Every effort will be made by the Parties to conclude negotiations within thirty (30) days, but in any event, the rate established shall be retroactive to the day the new job commenced.
- (c) In the event the Parties hereto are unable to conclude negotiations the matters in dispute shall be referred to a single Arbitrator agreed upon between the Parties. Failing such agreement, either Party at any time may call upon the Minister of Labour of British Columbia to appoint an Arbitrator.

ARTICLE 18: TRUCK MAINTENANCE AND SAFETY

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

- (a) The Company shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety equipment, seat belts, or stickers prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment.
- (b) All trucks owned or leased by the Company must have steps or other similar devices to enable drivers to get in and out of the body for safety purposes.
- (c) It is agreed between the Company and the Union, having regard for the safety and driver health factor, that all vehicles shall have adequate heaters, windshield wipers, and defrosters installed.
- (d) The Company shall not compel any driver to operate a vehicle which weighs in excess of the legal gross weight limits. Where a driver with the knowledge of the Company operates with an overload and is convicted, the Company shall be responsible for any fines involved. Drivers who of their own accord, operate with an overload may be subject to discipline and responsible for their own fines.

ARTICLE 19: BENEFITS PLAN

19.01 The Company shall provide and maintain coverage for their employees as indicated below:

- 100% employer paid.

At no time will coverage be less than that currently in place.

19.02 EYE GLASSES: - The Company shall reimburse an employee to a maximum of two hundred dollars (\$200.00) every twenty-four (24) months for the purchase of prescription **safety** eyewear.

19.03 PENSION PLAN

Effective July 1, **2007**, the Company shall make contributions at the rate of **two dollars and eighty-five cents (\$2.85)** per hour earned hereunder to each employee within the scope of this Agreement to the Operating Engineers' Pension Plan;

Effective July 1, **2008**, the Company shall make contributions at the rate of **two dollars and ninety-five cents (\$2.95)** per hour earned hereunder to each employee within the scope of this Agreement to the Operating Engineers' Pension Plan.

Effective July 1, **2009**, the Company shall make contributions at the rate of **three dollars and five cents (\$3.05)** per hour earned hereunder to each employee within the scope of this Agreement to the Operating Engineers' Pension Plan.

No contributions will be made for students or employees in their probationary period.

The Operating Engineers' Pension Plan shall be controlled by a Board of Trustees composed of eight (8) representatives from the Union.

The Company agrees to be bound by the terms of the Trust Agreement.

The Company is required to report on the forms provided by the Pension Plan.

Contributions must be forwarded by the Company to the Operating Engineers' Pension Plan by the fifteenth (15th) day of the month following that which contributions cover.

In the event a Company fails to remit contributions to this Plan, in conformity with this section of the Agreement, the Union is free to take any economic action it deems necessary against such Company and such action shall not be considered a violation of this Agreement.

The Business Representatives of the Union may inspect during regular business hours a Company's record of time worked by employees and contributions made to the Plan.

Payments to the Pension Plan shall be made by cheque, payable at par at the Municipality of Burnaby, Province of British Columbia, to the Operating Engineers' Pension Plan.

ARTICLE 20: SAVINGS CLAUSE

20.01 No employee, who prior to the date of this Agreement was receiving more than the rate of wages as set out in the Schedule(s) attached hereto or working less hours than stipulated in this Agreement, shall suffer a reduction of wages or increase in hours worked per week because of the adoption of this Agreement.

20.02 Nothing herein contained shall preclude higher wages being paid to employees of special ability.

- 20.03 If any Article or section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.
- 20.04 In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the Grievance Procedure.

ARTICLE 21: DURATION

- 21.01 This Agreement shall be in full force and effect from and including July 01, **2007**, to and including June 30, **2010**, and shall continue in full force and effect from year to year thereafter subject to the right of either Party to this Agreement within four (4) months immediately preceding the date June 30, **2010**, or immediately preceding the anniversary date in any year thereafter, by written notice to the other Party, require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.
- 21.02 Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike, or the Company shall give notice of lockout, or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.
- 21.03 By agreement of the Parties hereto, the provisions of Section 50 (2) and (3) of the Labour Relations Code of British Columbia are specifically excluded.

Signed this _____ day of _____, 2007.

WEQ PRODUCTION EQUIPMENT LP

INTERNATIONAL UNION OF
OPERATING ENGINEERS, LOCAL 115

APPENDIX "A" - WAGE SCHEDULE

| | <u>July 01, 2007</u> | <u>July 01, 2008</u> | <u>July 01, 2009</u> |
|------------------------------|----------------------|----------------------|----------------------|
| SHOP | | | |
| GROUP 1: JOURNEYMAN MECHANIC | \$28.95 | \$29.96 | \$31.00 |
| GROUP 2: MECHANIC* | 19.85 | 20.54 | 21.25 |
| TRACTOR TRAILER | 25.37 | 26.25 | 27.16 |
| TRUCK DRIVER | 19.19 | 19.86 | 20.54 |
| YARD/PICKUP DRIVER | | | |
| Start | 13.63 | 14.10 | 14.59 |
| One Year | 15.56 | 16.10 | 16.65 |
| Two Years | 16.46 | 17.03 | 17.62 |
| PREMIUMS: | | | |
| FIRST AID ATTENDANT | 0.60 | 0.60 | 0.60 |

ON CALL: **\$150.00** per week

* NOTE:

Classification: GROUP 2 - MECHANIC

This classification is for those non-ticketed mechanics who have no experience working with this type of equipment, but can perform initial inspections, battery levels, fluid level checks and some light mechanical duties as directed by the Company, before turning the equipment over to the journeyman mechanic for repairs and final inspection.

APPENDIX "B"

APPRENTICES

- (a) All Apprentices employed by the Company shall be indentured to the Operating Engineers' Apprenticeship Plan in accordance with the provisions of the Operating Engineers' Apprenticeship Plan.
- (b) A ratio of one (1) Apprentice shall be allowed for each four (4) Journeymen.
- (c) Registered Apprentices who, as a requirement of their Apprenticeship, attend school, shall be paid regular wages based on a forty (40) hour week up to a maximum of five (5) weeks in each calendar year while attending school, less the Government grant.
- (d) An Apprentice having served his required time and having passed any necessary examinations will automatically be classified as a Journeyman.
- (e) Indentured Apprentice Scale:
 - 1st 6 months - 50% of Journeyman rate
 - 2nd 6 months - 55% of Journeyman rate
 - 3rd 6 months - 60% of Journeyman rate
 - 4th 6 months - 65% of Journeyman rate
 - 5th 6 months - 70% of Journeyman rate
 - 6th 6 months - 75% of Journeyman rate
 - 7th 6 months - 80% of Journeyman rate
 - 8th 6 months - 90% of Journeyman rate

SICK TIME:

The Company shall provide four (4) paid sick days per year. The Company may at any time require a doctor's note from an employee.

An employee shall be paid out any unused sick time at the end of the calendar year based on the following: Any new employee shall be paid out on a pro rated system equal to 1 (one) day's pay for every three (3) months of employment.

In the event an employee's employment relations are severed, for any reason, they shall be entitled to be paid out based on the same pro rated system of one (1) day for every three (3) month period of employment in the calendar year in which their employment relations are severed.

LETTER OF UNDERSTANDING #1

BY AND BETWEEN:

WEQ PRODUCTION EQUIPMENT LP

(the "Company")

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

(the "Union")

Re: WORK WEEK – TUESDAY-SATURDAY

- a) If business conditions warrant that a Tuesday-Saturday work week be established, it is agreed such a work week shall be for drivers **and yardmen** and a **one dollar (\$1.00)** per hour premium shall apply to all hours **payable**.
- b) Staffing for a Tuesday through Saturday work week schedule shall first be on a voluntary basis. Secondly, the Employer will give consideration to seniority in the classification, it being understood that the least senior employee shall be required to work the shift, however the importance of a high degree of communication and cooperation is recognized by both parties whenever utilizing this clause.
- c) Lay-offs and lay-off notice shall be in accordance with Article 9.04. However, lay-off notice shall be exclusive of Sundays, Mondays, and General Holidays.
- d) It is understood that for the purposes of Article 16.16: Guaranteed Work Week, the Tuesday-Saturday shift shall be considered a standard work week.
- e) This letter can be cancelled by either party upon thirty (30) days' written notice.

Signed this _____ day of _____, 2007.

WEQ PRODUCTION EQUIPMENT LP

INTERNATIONAL UNION OF
OPERATING ENGINEERS, LOCAL 115
