

COLLECTIVE AGREEMENT
between
**Central Heat Distribution
Limited**
and
**International Union of Operating
Engineers, Local 882**

Term of Agreement: January 1, 2006 to December 31, 2009

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THIS AGREEMENT was fully executed the 13th day of March 2007

BETWEEN: CENTRAL HEAT DISTRIBUTION LIMITED
of the City of Vancouver, in the Province of British Columbia
hereinafter referred to as the "**Company**"

AND: INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 882
of the City of Burnaby, in the Province of British Columbia
hereinafter referred to as the "**Union**"

WHEREAS the Company and the Union desire to co-operate in establishing and maintaining conditions which will promote a harmonious relationship between the Company and the employees covered by this agreement, and in providing methods for a fair and amicable adjustment of disputes which may arise between them, and whereas both parties are pledged to assist in the operation of the plant and distribution system under methods that will promote safety and efficiency to the fullest extent.

NOW THEREFORE the Union and the Company mutually agree as follows:

ARTICLE I - RECOGNITION

- (1) The Company recognizes the Union as the sole bargaining agency on behalf of its employees for whom the Union has been certified as sole bargaining authority.
- (2) Notwithstanding the provisions of **Section 35 of the Labour Relations Code of British Columbia** where a Business or part thereof is sold, leased or transferred, the purchaser, lessee, or transferee is bound by all the proceedings under the Labour Code of British Columbia Act before the date of sale, lease or transfer, and the proceedings shall continue as if no change has occurred; and the Collective Agreement continue to bind the purchaser, lessee or transferee to the same extent as if it had been signed by him/her.

ARTICLE II - SECURITY

- (1) All employees covered by this Agreement shall be members in good standing of the Union. The Company agrees to employ no other employees in the Job Classifications listed in Appendix "A" than those who are supplied by the Union, and the said Union agrees to furnish competent personnel, as required by the Company. If the Union cannot furnish competent personnel, the Company may hire such personnel on condition that they make application to become members in good standing within three (3) days from initial date of employment.
- (2) If a new job or classification is created within the Bargaining Unit, the pay rate for the position is to be negotiated before the employee assumes the position. Failing to reach agreement, either party may refer the matter to the Arbitration procedure of this Agreement for final and binding settlement.
- (3) A temporary employee on the payroll of the Company for ninety (90) consecutive calendar days will be taken on to continuing staff and accorded all benefits and seniority rights due him/her.
- (4) In accordance with **Section 16 of the Labour Relations Code**, the Company will deduct Union fees, dues and/or assessments and remit them to the Union at the end of each month. All such deductions will be shown on the T-4 slips of the employees.
- (5) **Wage statements will conform to Employment Standards Act Section 27. Cut off for Friday payday will be 8 a.m. on Wednesday. Any changes after this will be shown on the next wage statement.**

ARTICLE III - DEFINITION AND JURISDICTION

- (1) Work of the employees shall comprise all work heretofore regularly performed by them and as defined by job descriptions which will be revised from time to time by mutual agreement between the Union and the Company.
- (2) It is understood that no salaried employee or supervisory personnel shall perform the work normally done by members of this bargaining unit.

(3) Contracting out

The parties agree that temporary operation requirements may dictate periodic short term contracting out.

It is the intent of the Employer to utilize its unionized workforce to the full extent possible and not reduce the workforce by contracting out. No employee shall be laid off, suffer a reduction in classification or have recall withheld because of contracting out.

Where work has been contracted out and where employees in the future will be expected to service and maintain the equipment which has been installed by a contractor, the Employer will provide an opportunity for a current employee(s) to work with, or observe, the contractor in the installation of such equipment.

The Employer will endeavor to use the services of the unionized workforce to perform work.

ARTICLE IV - WORKING HOURS AND OVERTIME

- (1) (a) The hours of work will be based on an average thirty-eight (38) hours per week, or the equivalent thereof, at the option of the Company. The normal hours of work per day will not exceed eight (8) hours **except on scheduled twelve (12) hour weekend shifts**. The normal work day will consist of not more than eight (8) consecutive hours **except on scheduled twelve (12) hour weekend shifts**, lunch break included, with the employee on call at all times. Employees will, where necessary, work on a shift basis with the arrangements of working shifts to be by mutual consent of both parties.
- (b) Normal hours of work for shift engineers will be **6:30 am – 2:30 pm; 2:30 pm – 10:30 pm; 10:30 pm – 6:30 am**. Twelve (12) hour shifts on weekends will be from **6:30 am – 6:30 pm; 6:30 pm – 6:30 am**.
- (c) Normal hours of work for service line employees will be 8:00 am- 4:00 pm.
- (d) **Shift Engineers and Assistant Engineers working twelve (12) hour weekend shifts will be relieved by another engineer at the end of their twelve (12) hour shift. It is incumbent upon the Shift Engineers to ensure a person(s) is relieved at the end of their twelve (12) hour shift.**

- (2) (a) Overtime rate of double (2T) time shall be paid for all hours worked in excess of eight (8) hours per day or the thirty-eight (38) hours weekly average and double time thereafter until the employee has enjoyed eight (8) hours of unbroken free time.
- (b) Overtime work and premium time for General Holidays may be **banked and** taken as **paid** time off in lieu of pay at the employee's choice; a time off to be by mutual consent and as manpower schedules permit. All **banked** time off shall be taken within the calendar year **with the exception of Christmas and Boxing Day which can be carried over into the next calendar year, but must be taken by March 1st.**
- (c) All work regularly performed by Shift Engineers and Assistant Engineers on Sundays shall be paid for at the rate of time and one-half (1 1/2T). This rate shall not be included in the computation of overtime or premium pay.
- (d) When an employee works more than four (4) hours before the beginning of his/her normal work day or shift, without having received a minimum of eight (8) hours notice, he will not be required to continue working his/her regular hours on this day, except in cases of emergency, until he has enjoyed eight (8) hours of unbroken free time, at which time he will finish working the balance of his/her normal work day or shift.
- (e) When an employee is stood down under these conditions he will suffer no loss of wages for his/her normal work day or shift.

All overtime shall be divided as equally as possible among employees.

(3) **Call Outs**

An employee who is notified or called out to perform work not continuous with, before or after his/her assigned hours shall be allowed:

- (a) A minimum of two (2) hours at regular rate if work is not commenced; or
- (b) A minimum of four (4) hours at regular rate if work is performed for thirty (30) minutes or less; or
- (c) A minimum of four (4) hours at overtime rate if work is performed in excess of thirty (30) minutes.

An employee called out under this clause will not be required to fill out the call-out period for regular maintenance work on completion of the work for which he was called out.

- (4) In the event of an employee temporarily filling a higher rated position, he shall receive the Agreement rate applying to such higher rated position for the entire time he may occupy the position. If an employee is temporarily rendering service in a position paying a lower rate, his/her regular rate shall not be reduced.
- (5) Except in an emergency, an employee, when changing shift schedule, shall have twelve (12) hours off between shifts and forty-eight (48) hours notice of such a change. Should the employee not receive such notice all hours worked on the first shift shall be paid at over-time rates. This clause will not apply where an employee is on a posted relief schedule.
- (6) All employees shall be given a ten (10) minute rest period approximately midway in each half shift at a time to be designated by Management.
- (7) If an employee is required to work more than two (2) hours after completing his/her normal shift, he/she shall be supplied with a meal or **fifteen dollars (\$15.00)** in lieu of a meal. If an employee is called out to work other than his/her normal shift, he/she will provide the first meal normally required for such work period.

ARTICLE V - GENERAL HOLIDAYS

- (1) For the purpose of this Agreement, the General Holidays are:

NEW YEAR'S DAY
GOOD FRIDAY
EASTER MONDAY
VICTORIA DAY
CANADA DAY
BC DAY

LABOUR DAY
THANKSGIVING DAY
REMEMBRANCE DAY
CHRISTMAS DAY
BOXING DAY

- (2) All employees shall receive their regular day's pay for each such holiday and all other General Holidays declared or proclaimed by the Provincial or Federal Governments as a General Holiday or in substitution for any such holiday.
- (3) All work performed on a General Holiday or substitution for any such holiday, shall be paid for at rate and one-half (1-1/2) in addition to the regular day's pay.

- (4) Notwithstanding Article V, Section (2), CHRISTMAS DAY, BOXING DAY and NEW YEAR'S DAY shall be recognized on their respective calendar days for the purposes of General Holiday pay.
- (5)
 - (a) An employee, to qualify for Statutory Holiday pay, must comply with each one of the following conditions:
 - (i) Have been on the payroll 30 calendar days immediately preceding the holiday.
 - (ii) Have worked his/her last regularly scheduled work day before and his/her first regularly scheduled work day after the holiday, unless his/her absence is due to illness, compensable occupational injury or is otherwise authorized by the employer.
 - (b) In case of illness, the employer shall have the right to request a medical certificate. The cost shall be borne by the Company.
- (6) If a statutory holiday falls on a non-working day for an employee, the Employer will provide one of the following:
 - (a) give an employee a day off with pay for each day, **credit the hours to the employee's hour bank** or pay the employee.

ARTICLE VI - VACATIONS

- (1) A vacation with pay will be granted to all employees covered by this Agreement in accordance with the **following**.
- (2)
 - (a) On completion of one (1) year's continuous service, an employee shall receive fifteen (15) working days vacation and, after five (5) year's continuous service, twenty (20) working days vacation. After completion of five (5) years continuous service, an employee shall be entitled to one (1) additional day's vacation for each additional year of continuous service up to a maximum of twenty-five (25) working days vacation.

Effective January 1996, after completion of twenty-five (25) years continuous service, an employee shall be entitled to one (1) additional day's vacation for each additional year of continuous service up to a maximum of thirty (30) working day's vacation.

- (b) Effective January 1, 1996, an employee attaining 15 years of continuous service will receive a one time only additional five (5) working days vacation in recognition of his/her length of service.

Effective January 1, 1996, an employee attaining 20 years of continuous service will receive a one time only additional five (5) working days vacation in recognition of his/her length of service.

Upon request, the Company will consider allowing this one time vacation benefit to be banked for up to three (3) years.

- (3) **Employees will submit to the company by 1st December each year, their vacation requests for the following year, which will then be posted by 15th January.**

Once a vacation schedule is posted, there shall be no deviation from this schedule by the employee except by mutual consent of all interested parties.

- (4) The vacation period shall be the calendar year. The Company shall make every effort to provide sufficient relief so that more than one employee, but not more than one employee from any one classification, may be scheduled for vacation at any one time, provided that doing so will not require payment of overtime.

- (5) Once all vacations are scheduled, accumulated time **and banked time off** may be scheduled for the remaining period during the calendar year.

- (6) **Holiday Coinciding with a Day of Vacation**

Where an employee is on vacation leave and a day of paid holiday falls within that period, **the employee shall have the option of being paid for the day or having the time credited to their hour bank** for each such holiday.

- (7) The Employer must allow an employee who is entitled to an annual vacation to take it in periods of one or more week periods unless it is an emergency.

- (8) **Vacation pay will be paid on the regular pay period.**

- (9) The Employer will not reduce an employee=s annual vacation or vacation pay because of sick pay.

- (10) **No employee will be called to work while on vacation, except in cases of a declared plant emergency or where no one else is available.**

- (11) **Each twelve (12) hour shift taken as a scheduled day off will be considered to be the equivalent of one and one half days vacation, or twelve (12) hours time used.**
- (12) **In cases of plant emergency or when no one else is available, if a member is called in to work on a vacation day they shall be paid the applicable overtime and have their vacation day(s) rescheduled at a mutually agreeable time. The rescheduled day will be without pay.**

ARTICLE VII - WAGES

- (1) The classifications and wage rates are outlined in Appendix "A" and are part of this Agreement.
- (2) Employees required to work **an eight (8) hour** afternoon shift shall receive in addition to his/her regular rate of pay three percent (3%) of his/her basic hourly rate.
- (3) Employees required to work **an eight (8) hour** the night shift shall receive in addition to his/her regular rate of pay six percent (6%) of his/her basic hourly rate.
- (4) **Employees required to work a twelve (12) hour weekend shift shall receive in addition to his/her regular pay, six percent (6%) of his/her basic hourly rate for night shift hours. Employees required to work a twelve (12) hour weekend shift will not be paid shift differential for day shift.**
- (5) The aforementioned shift differentials shall not be included in calculating General Holiday pay nor overtime.

ARTICLE VIII - MANAGEMENT

The Management of the Company and the direction of the working force is vested exclusively in the Company except as otherwise specified in this Agreement.

ARTICLE IX - SENIORITY

- (1) (a) **Seniority is defined as the length of continuous service with the Employer within the bargaining unit.**
- (b) Promotions and preferences for transfers to shifts (in the event a vacancy occurs on any shift) shall be based on ability and length of service; where ability between employees is reasonably equal, length of service shall determine.

- (c) Lay-offs and re-hiring shall be based on length of service. Length of service shall not accumulate, but shall be retained for a period of twelve (12) months following the lay-off.
 - (d) The Company agrees to post vacancies for seven (7) days but may fill such vacancies on a temporary basis until applications have been processed and a regular appointment is made. A copy of the posting to be sent to the Union **and Chief Shop Steward**. Regular appointments shall be made within one (1) week. The times in this section may be extended by mutual agreement.
- (2) For the purposes of this Article, a job vacancy occurs when the Company requests a replacement for a regular full-time employee whose employment has been terminated or when the Company creates a new job and seeks applications for same.

ARTICLE X - HEALTH AND WELFARE

- (1) The Company shall establish and continue the Health and Welfare Program as outlined in Appendix "B".
- (2) Sick leave with pay is only payable because of sickness. Employees who are absent from duty because of sickness may be requested when they report sick to prove such sickness to the satisfaction of the Company. Employees must notify the Company as promptly as possible of any absence from duty because of sickness and must notify the Company prior to their return.
- (3) The Company shall notify the Union in writing prior to any contemplated changes in carriers in the welfare package.

ARTICLE XI - JURY DUTY

Employees called upon to perform jury duty, including Coroner's Court, or appear as a subpoenaed Crown Witness, shall not suffer any loss of normal wages thereby, subject to the following conditions:

- (a) Such employee shall furnish the Company with such statements of earnings as the Courts may supply.
- (b) Relief arrangements to be discussed by the parties prior to performance of jury duty.

ARTICLE XII - BEREAVEMENT LEAVE

The Company will grant up to five (5) days bereavement leave with pay in the case of death in the employee's immediate family, to include father, mother, sister, brother, spouse, son, daughter, father-in-law, mother-in-law, or common-law spouse and children, when such leave is necessary to make arrangements for or to attend the funeral.

ARTICLE XIII - UNIFORMS

The Company will supply and give laundered uniforms at no cost to employees.

ARTICLE XIV - TECHNOLOGICAL CHANGE

- (1) The Company shall notify the Shop Committee and the Union not less than six (6) months in advance of intent to institute mechanization, technological change or automation, which would result in the discharge or lay-off of employees. If such notice is not provided by the Company an employee discharged or laid off due to such a change will be eligible for remuneration at his/her regular rate of pay for all or part thereof of the six (6) months notice not given.
- (2) The Company shall co-operate with Government agencies in training or re-training of employees so affected.
- (3) Employees discharged or laid off because of mechanization, technological change or automation, shall be entitled to severance pay of one (1) week's pay for each year of service or part thereof with the Company.

ARTICLE XV - GENERAL

- (1) The authorized Business Agent or Representative of the Union shall be permitted, after notifying the Manager, to talk with any employee regarding **Company/Union** matters during regular working hours, but all interviews of employees by the Union Representative shall be carried on in a place in the plant or office designated by the Company.

- (2) Chairman of the Safety Committee to meet with Management at least once every month. These meetings will be held at such times and places so there is no time loss to the employee. Unsafe conditions reported by the Chairman shall be investigated by the Company and notification in writing shall be given to the Chairman of the rectification within seven (7) days.
- (3) Company to supply one (1) pair of safety shoes per employee to a maximum of **one hundred and sixty dollars (\$160.00)** every two (2) years, or the option of a maximum of **ninety-five dollars (\$95.00)** per year.
- (4) The Company shall **pay for** one pair of prescription eyewear (glasses or contact lens) **only upon receipt of purchase up to a maximum of two hundred and sixty-five dollars (\$265.00) every twenty-four (24) months per eligible employee or eligible dependant.**
- (5) **Medical Examinations**
 - (a) An employee who has been absent from work on medical leave shall provide to the company a certificate of medical fitness prior to returning to work at **Employer's expense.**
 - (b) **An employee who is absent from work due to medical leave shall provide updates of recovery status and changes to their return to work date in writing at the Employer's expense.**
- (6) **Transportation of Accident Victims**

Transportation to the nearest hospital for employees requiring immediate medical care as a result of a work accident shall be at the expense of the Employer.
- (7) **Injury Pay Provision**

An employee who is injured on the job during working hours and is required to leave for treatment or is sent home for such injury shall receive payment for the remainder of his/her shift without deduction from sick leave.
- (8) **New Hires**

The Union and the Employer agree that new hires (this does not affect promotions from within) will have a step in wages. From the date of hire, for nine (9) months, the wage rate will be ten percent (10%) below the rate **for a fourth (4th) class.**

ARTICLE XVI - STRIKES AND LOCKOUTS

- (1) It is mutually agreed that there shall be no cessation of work or lockouts, and there shall be no sympathetic strikes during the term that this Agreement shall be in force.
- (2) No employee shall be required to go through any lawfully established picket line, except in the case of emergency (damage of property or life).

ARTICLE XVII - LEAVE OF ABSENCE

- (1) The Company shall grant unpaid Leave of Absence to employees who are appointed or elected to Union Office for a period up to and including one (1) year. Further Leave of Absence may be granted by mutual consent. Notwithstanding Article IX (1) (b), upon the return to work of an employee granted leave under this clause, the Company reserves the right to lay off the employee hired to replace him/her while he/she is on leave.
- (2) The Company shall grant unpaid Leave of Absence to employees who are elected as representatives to attend Union meetings and/or Union conventions.
- (3) The Company shall grant paid Leave of Absence where necessary for Shop Stewards to attend negotiation meetings between the Company and the Union.
- (4) In order for the Employer to replace the employee with a competent substitute, it is agreed that before the employee receives this Leave of Absence, as set forth, in subsection (1) and (2), the employer will be given (10) days notice in writing.
- (5) **FURTHER STUDY**
 - (a) **Upon successful completion of the BCIT correspondence material for the relative exam being written, for a Fourth Class Power Engineering Certificate, or possessing equivalent qualifications (BCIT full time studies graduate) and having the qualifying time required by the BC Safety Authority for boilers and pressure vessels, employees shall be granted three (3) weeks leave of absence with pay to attend BCIT to study in preparation for writing the government examination for the Fourth Class Power Engineering Certificate.**

- (b) Upon successful completion of the BCIT correspondence material for the relative exam being written, for a Third Class Power Engineering Certificate, or possessing equivalent qualifications (BCIT full time studies graduate) and having the qualifying time required by the BC Safety Authority for boilers and pressure vessels, employees shall be granted five (5) weeks leave of absence with pay to attend BCIT to study in preparation for writing the government examination for the Third Class Power Engineering Certificate.**
- (c) Upon successful completion of the BCIT correspondence material for the relative exam being written, for a Second Class Power Engineering Certificate, or possessing equivalent qualifications (BCIT full time studies graduate) and having the qualifying time required by the BC Safety Authority for boilers and pressure vessels, employees shall be granted ten (10) weeks leave of absence with pay to attend BCIT to study in preparation for writing the government examination for the Second Class Power Engineering Certificate.**

 - (i) Five (5) weeks leave of absence with pay shall be granted to complete Part “A.”**
 - (ii) Five (5) weeks leave of absence with pay shall be granted to complete Part “B.”**
- (d) One (1) weeks pay shall be equal to thirty-eight (38) hours at the straight time hour rate of the employee’s regular job.**
- (e) Leaves of absence with pay will be granted to Steam Plant personnel on the basis as set forth in (a), (b), and (c) above. Any further time off required to pass each respective certificate shall be at the employee's expense.**
- (f) The Company will bear all the costs of the books, correspondence material, evaluations, examination and tuition fees associated with studying and writing Power Engineering Certificates. The Company will reimburse the employee for these costs incurred when he/she has completed part “A” of their certificate. The Company will then reimburse the employee for the remaining costs after he/she has completed part “B” of their certificate.**
- (g) Normally it will not be possible to grant leave of absence to more than one Steam Plant employee at a time. However, if relief is available this limit may, at the discretion of Management, be exceeded.**

ARTICLE XVIII - MATERNITY/PATERNITY LEAVE

(1) Maternity Leave

The company is fully supportive of any employee taking maternity and/or parental leave in accordance with all provincial and federal laws. The company will provide time off and all other attributes in accordance with all such legislation.

(2) Paternity Leave

On the birth of his/ her child, a male employee may apply for and shall be granted paternity leave with pay up to **three (3)** days. In the event of birth complications affecting either the mother or child the leave may be extended up to a further three (3) days with pay upon the prior approval of Management. **Any application to extend this leave using vacation, banked or accumulated time off will not be unreasonably denied.**

ARTICLE XIX - UPGRADING

The Company shall pay for the cost of tuition, books and fees upon successful completion of any course or upgrading an employee takes which is related to his/her job (welding, instrumentation etc.) and has been approved by Management.

ARTICLE XX - ADJUSTMENT OF GRIEVANCE AND GRIEVANCE PROCEDURE

- (1) It is the intention of the parties that this Article shall provide a peaceful method of adjusting grievances so that there shall be no suspension or interruption of normal operations as a result of any grievance. The parties shall act in good faith in proceeding to adjust grievances in accordance with the provisions of this Article.
- (2) Any complaint, disagreement, or difference of opinion between the Company, the union, or the employees covered by this Agreement, which concerns the interpretation or application of the terms and provisions of this Agreement, shall be considered a grievance. Any grievance, which is not presented within thirty (30) days following the event giving rise to such grievance, shall be forfeited and waived by the aggrieved parties. All grievances shall be submitted in writing and shall clearly set forth the issues and contentions of the aggrieved parties.

(3) The procedure for adjustment of disputes and grievances shall be as follows:

(a) **Step 1:**

The employee with or without a Shop Steward (at the employee's option) shall discuss the issue with their immediate Superior. If a satisfactory settlement cannot be reached, then the grievance will be reduced to writing and submitted to the immediate Superior.

(b) The immediate Superior shall within three (3) **working** days report to the next in line of authority (**Management Supervisor**).

(c) **Step 2:**

Within ten (10) working days the Management Supervisor will submit a written response to the grievor, copies of which will be sent to the Chief Shop Steward and the Union.

If a satisfactory settlement cannot be reached; then

(d) **Step 3:**

Within a further ten (10) working days the Union Business Representative and Company Labour Relations Officer will agree to meet to discuss the grievance.

(e) **Within a further ten (10) working days of this meeting, the Company Labour Relations Officer will submit a written response to the grievor, copies of which will be sent to the Chief Shop Steward and the Union Business Representative.**

(f) If a satisfactory settlement is not reached; then

The matter shall be referred to the Board of Arbitration established in Article XXI.

(g) If a Grievance has not advanced to the next step under sections (b), (c) and (d) within ten (10) days after the completion of the preceding step, then the grievance shall be deemed to be abandoned and all rights of recourse to the grievance.

ARTICLE XXI - BOARD OF ARBITRATION

- (1) If the Union and Company labour representative cannot reach an adjustment, upon request of either party, the grievance shall be submitted to a Board of Arbitration composed of three (3) members. The Company and the Union shall each select one (1) member, and the third member shall be selected by mutual agreement of the two (2) members first selected. The third member shall act as Chairman of the Board. If an agreement cannot be reached within seven (7) days in respect to the appointment of the Chairman of the Board of Arbitration, the matter shall be referred to the Department of Labour, who shall appoint a Chairman.
- (2) No person involved directly in the controversy under consideration shall be a member of the Board of Arbitration.
- (3) The Board of Arbitration shall receive and consider such material evidence and contentions as the parties may offer, and shall make such independent investigation as it deems essential to a full understanding and determination of the issues involved. In reaching its decision the Arbitration Board shall be governed by the provisions of this Agreement. The Board of Arbitration shall not be vested with the power to change, modify, or alter any of the terms of this Agreement.
- (4) All grievances submitted shall present an arbitrable issue under this Agreement, and shall not depend on or involve an issue or contention by either party which is contrary to any provisions of this Agreement or which involves the determination of a subject matter not covered by or arising during the term of this Agreement.
- (5) The findings and decision of the Board of Arbitration on all arbitrable questions shall be binding and enforceable on all parties. A decision of a majority of the Board of Arbitration shall be deemed to be a decision of the Board.
- (6) The expense of arbitrators shall be borne equally by the parties to the arbitration.

ARTICLE XXII - CANCELLATION OF PREVIOUS UNDERSTANDINGS

This Agreement is not subject to any other provisions, understandings, or agreement, either written or verbal (except as prescribed by law) between the parties of this Agreement, and any such understandings are hereby cancelled.

ARTICLE XXIII (A) - TERMINATION OF SERVICE AND LAYOFF

- (1) The Company agrees that, when desirous to dispose of the services of any employee, such employee shall be given two (2) weeks notice or paid two (2) weeks wages in lieu thereof, except in such cases where the Company, by law, is entitled to dismiss without notice.
- (2) The Engineers Union agrees that such employees shall give the Company two (2) weeks notice when they desire to leave the employ of the Company.
- (3) **AA week of layoff@** means a week in which an employee earns less than fifty percent (50%) of the employee=s weekly wages, at the regular wage, averaged over the previous eight (8) weeks.

For the purpose of determining the termination date, the employment of an employee who is laid off for more than a temporary layoff is deemed to have been terminated at the beginning of the layoff. A temporary layoff becomes a termination when a layoff exceeds thirteen (13) weeks in any period of twenty (20) consecutive weeks.

- (4) An employee cannot be terminated, served layoff or severed while on annual vacation, leave, strike or lockout.
- (5) If an employee is terminated, laid-off or chooses to not maintain his/her seniority right of recall for twelve (12) months as a result of a layoff, any money owing to him/her must be paid within six (6) days of termination, layoff or notification of the employee cancelling his/her recall rights in writing.
- (6) If an employee terminates his/her employment, the Employer must pay all money owing to the employee within six (6) days, unless two (2) weeks= written notice has not been provided to the Employer, in which case payment will be made no later than ten (10) business days from the employee=s last day of employment.
- (7) Any payment made does not discharge liability for any other payment the employee is entitled to receive, and any payment is not effected whether or not the employee has obtained other employment.

ARTICLE XXIII (B) - SEVERANCE PAY

Upon layoff, other than a temporary layoff, a permanent employee will have the option to choose severance pay in amounts, and under the conditions as follows:

- (a) An employee who has completed one (1) year of continuous service will receive one (1) week of pay for each year of service up to twenty-five (25) weeks.
- (b) An employee choosing severance pay may do so in writing, acknowledging that seniority is relinquished within fifteen (15) days of layoff.
- (c) No compensation will be paid if an employee is given advance written notice of termination equal to the number of weeks for which the employee is eligible.
- (d) The Employer may give a combination of written notice and compensation equal to the number of weeks= pay for which the employee is eligible.
- (e) Once an employee has received severance pay he will be removed from the recall list and will be deemed to have resigned from his/her position.
- (f) Notice or compensation is not provided if:
 - (i) the employee has less than four (4) months of permanent employment.
 - (ii) the employee quits or retires.
 - (iii) the employee is terminated for cause.
 - (iv) the employee works on an on-call basis doing temporary assignments.
 - (v) the employee was employed for definite terms and for specific work to be completed in twelve (12) months or less.
 - (vi) it is impossible to perform the work because of some unforeseen event or circumstances (other than bankruptcy, receivership or insolvency).
 - (vii) the employee refused comparable alternative employment within Central Heat.

ARTICLE XXIV - COURT RULING

In the event of any Article, Section or portion of this Agreement being held improper or invalid by a Court of Law or equity, such decision shall not invalidate any other portions of the Agreement than those directly specified by such decision to be invalid, improper, or otherwise unenforceable.

ARTICLE XXV - UNION PATRONAGE

The Engineers Local pledges itself to promote the mutual interests of the parties to this Agreement and to continue to present amicable relations, to advertise the standing of this Company through the usual channels as a Union concern and use the Organization's good offices on behalf of the Company in every honourable manner.

ARTICLE XXVI - HARASSMENT DEFINED

PURPOSE:

Section 1 **The purpose of this Agreement is to maintain a harmonious relationship between the Company and its employees; to define clearly the hours of work, rates of pay and conditions of employment; to provide for an amicable method of settling differences which may from time to time arise; and to promote the mutual interest of the Company and its employees and in recognition whereof, the Parties hereto covenant and agree as follows:**

Section 2 **No Discrimination**

The parties hereto subscribe to the principles of the Human Rights Code of British Columbia. The Employer and the Union agree that there shall be no discrimination with respect to an employee=s employment by reason of race, colour, ancestry, place of origin, political belief, religion, marital status, family status, physical or mental disability, sex, sexual orientation, age, criminal or summary conviction that is unrelated to the employment of that person, nor by reasons of their membership or activity in the Union.

HARASSMENT DEFINED:

- (a) The Union and the Employer recognize the right of employees to work in an environment free from sexual and personal harassment. Harassment is a form of discrimination and includes personal harassment, which is any improper behavior by any person, which is offensive to any employee and which that person knows or ought reasonably to know is inappropriate and unwelcome. Harassment is also comprised of objectionable conduct; comment or display occurring either once or continuously that demeans, belittles, or causes personal humiliation or embarrassment to an employee. The Employer and the Union will work together to ensure all members of the Employer=s organization, as well as all employees, understand their personal responsibility to promote a harassment-free and safe work environment.**
- (b) To constitute harassment, behaviour may be repeated or persistent or may be a single serious incident.**

HARASSMENT COMPLAINT PROCEDURES:

If possible, the complainant will discuss the problem with the person(s) concerned. If the problem is not resolved, or if the individual cannot discuss the problem with the alleged harasser(s), then the following procedure shall apply:

- (a) An employee who wishes to pursue a concern arising from an alleged harassment may submit a complaint in writing within thirty (30) days of the latest alleged occurrence directly to the President/Designate. Upon receipt of the written complaint, the Employer shall advise the designated Union staff representative. Complaints of this nature shall be treated in strict confidence by both the Union and the Employer.**
- (b) An alleged offender shall be given notice of the substance of such a complaint under this clause and shall be entitled to attend, participate in, and be represented at any hearing under this Clause.**
- (c) The Employer designate and a Union representative shall jointly investigate the complaint and shall submit their reports to the President/Designate in writing within fifteen (15) days of receipt of the complaint. The President/Designate shall within ten (10) days of receipt of the reports give such orders as may be necessary to resolve the issue.**
- (d) Pending determination of the complaint, the President/Designate may take interim measures to separate the employees concerned, if deemed necessary.**

- (e) **In cases where harassment may result in the transfer of an employee every effort will be made to relocate the harasser, except that the harassee may be transferred with their written consent. The Union will be consulted throughout the process.**
- (f) **Where either complainant or the respondent, in conjunction with the Union is not satisfied with the President=s response, the Union will put the complaints, within thirty (30) days before a mutually agreed upon, independent adjudicator who specializes in cases of personal harassment or sexual harassment. The adjudicator shall work with the parties to achieve a mutually acceptable resolution and if this is not achieved, the adjudicator shall have the right to:**
 - 1. **dismiss the complaint; or**
 - 2. **determine the appropriate level of discipline to be applied to the harasser; or**
 - 3. **make further recommendations as are necessary to provide a final and conclusive settlement of the complaint.**
- (g) **Where the complaint is determined to be of a frivolous, vindictive or vexatious nature, the Employer will take appropriate action, which may include discipline.**
- (h) **Complaints under this Article shall be treated in strict confidence by all parties involved.**

ARTICLE XXVII - EXPIRATION AND RENEWAL

This Agreement shall be in full force and effect from the **1st day of January, 2006** until the **31st day of December, 2009**, and thereafter from year to year until a new Agreement has been consummated.

Should either party desire to make any changes in this Agreement the party desiring the changes shall notify the other party according to provisions of **Section 46 of the Labour Relations Code of British Columbia**.

IN WITNESS WHEREOF the Parties hereto have executed these presents this **13th day of March, 2007**

CENTRAL HEAT DISTRIBUTION LIMITED

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 882

President

President

Secretary

Business Manager

APPENDIX "A"

CLASSIFICATION AND WAGE RATES

| CLASSIFICATIONS | Jan 1, 2006 3% | Jan 1, 2007 3% | Jan 1, 2008 3% | Jan 1, 2009 3.75% |
|--|-------------------|-------------------|-------------------|----------------------|
| 1. Senior Service Engineer | 34.12 | 35.14 | 36.19 | 37.55 |
| 2. Relief Maintenance Engineer (2 nd) | 33.75 | 34.76 | 35.80 | 37.14 |
| 3. Relief Shift Engineer (2nd) | 32.78 | 33.76 | 34.77 | 36.07 |
| 4. Shift Engineer (2 nd) | 32.78 | 33.76 | 34.77 | 36.07 |
| 5. Service Engineer (3 rd) | 30.50 | 31.42 | 32.36 | 33.57 |
| 6. Assistant Engineer (4 th) | 27.85 | 28.69 | 29.55 | 30.66 |
| 7. Welder | 32.70 | 33.68 | 34.69 | 35.99 |
| 8. Service Engineer Helper (4th) | 27.85 | 28.69 | 29.55 | 30.66 |
| 9. Service Engineer Helper | 23.43 | 24.13 | 24.85 | 25.78 |
| 10. Casual | 15.45 | 15.91 | 16.39 | 17.00 |

January 1, 2006 Wage Increase to be paid retroactively, plus signing bonus

- For years 2008 and 2009, a COLA adjustment will apply if BC CPI exceeds 3% up to 5% calculated at the conclusion of years 2007 and 2008.
- One time signing bonus to all current members covered by the Collective Agreement of \$1,500.00.
- Premium pay recognition of 3rd Class Power Engineer's qualification. \$0.50/hr additional pay to Assistant Engineers Fourth (4th) once they have achieved a Third Class (3rd) certification and while working as a Fourth (4th) Assistant Engineer.

AUTOMATIC BANK PAYROLL DEPOSIT:

Wages shall be paid every two (2) weeks by automatic bank deposit on the Thursday evening prior to pay day.

The deposits will be made at the employee=s bank of choice.

Wages will be paid as is currently the practice; subject to bank fees remaining competitive to other forms of payroll.

APPENDIX "B"

HEALTH AND WELFARE PLAN

Employer will maintain the plan in Compliance with all Federal and Provincial regulations and statutes.

I. ANNUITY PLAN

- (1) **Eligibility** - Plan is optional to the employee. Three months of service is required.
- (2) **Benefit Amount** - An annual pension at normal retirement date of one-half of the total required contributions made by the employee to the Plan. The normal pension is payable for life with a minimum guarantee of 60 monthly payments. Optional types of annuity of equivalent value may be elected at any time prior to retirement.

Example: Employee contributes \$1,650 each year for 30 years, or a total of \$49,500.
His/her normal retirement annuity will be 1/2 of that amount, or \$24,750 per year (\$2,062.50) per month.
On a life expectancy of 14 years after age 65 this would produce an average return of \$346,500.
- (3) (a) **Employer Contribution Rate** - The Employer to pay the two point four percent (2.4%) portion up to the CPP maximum.

(b) **Employee Contribution Rate** - Contributions beyond the CPP maximum remain unchanged at four percent (4%) at employee=s cost.
- (4) **Normal Retirement** - Age 65.
- (5) **Early Retirement** - Ten years of service is required; pension is actuarially reduced.
- (6) **Postponed Retirement** - Employee continues to contribute and to earn additional pension credits at the regular rate until actual retirement. If he dies after his/her normal retirement date while still in the service of the Company and before his/her postponement retirement actually occurs, it will be deemed that he had retired at the end of the month immediately prior to the date of death and any optional type of annuity that he had selected will go into effect.

- (7) **Death Before Retirement** - Employee's beneficiary will receive a refund of employee's contributions with interest at rates related to the earnings of the fund from time to time...the initial rate to be 5.3/4% per annum.
- (8) **Withdrawal Before Retirement** - On withdrawal before retirement employee will receive a refund of his/her contributions with interest as described above; or if he has ten or more years of service he may elect to leave his/her contributions on deposit to receive a deferred annuity based on his/her contributions and the Company's contributions to date.

II. GROUP LIFE INSURANCE

- (1) **Eligibility** - Three months of service is required.
- (2) **Benefit Amount** - Flat **\$150,000.00** for each employee.
- (3) **Employee Contributions** - 30% of the monthly premium.
- (4) **Type of Insurance** - Yearly renewable term insurance. On total and permanent disability occurring before age 60, coverage will continue and premiums (contributions) will be waived.
- (5) Insurance terminates on termination of employment. On retirement or attainment of age 65, whichever first occurs, insurance is continued for one year, and then is reduced by 10% per year for 5 years to a level of 50%.

III. GROUP ACCIDENT INSURANCE

- (1) **Eligibility** - Employee who participates in the Group Life Insurance.
- (2) **Benefit Amount** - The same amount as for Group Life Insurance (**\$150,000.00**).
- (3) **Employee Contributions** - 30% of the monthly premium.

IV. MEDICAL INSURANCE

- (1) **Eligibility** - One month of service is required.
- (2) **Benefit** - BC Government Medical Plan including Extended Health Benefits.

(3) **Employee Contributions:**

Extended Health Benefits - Twenty percent (20%) of the monthly premium.

Medical Plan - Upon ratification (December 13, 2002), the employee may choose from one of two options:

Option 1 Forty percent (40%) of the monthly premium; or

Option 2 One hundred percent (100%) when the Company pays one hundred percent (100%) of the monthly dental premium.

V. TEMPORARY DISABILITY INCOME

A. COMPANY PLAN (Uninsured)

(1) **Eligibility** - Three months of service is required.

(2) **Benefits** - One (1) full day's pay per month of service to a maximum of seven (7) days or one (1) week's wages per disability.

(3) **Employee Contributions** - None.

B. INSURED SHORT TERM DISABILITY INCOME

(1) **Eligibility** - Three months of service is required.

(2) **Benefits** – **66 2/3% of salary to a maximum of \$850.00 per week.** The insured short term disability income will be payable from the eighth day of injury or illness and will continue for a maximum of 26 weeks per disability.

Note: Two weeks of disability that are not separated by a return to work for at least 30 days will be considered to be one continuous period of disability unless the second disability is entirely unrelated, in cause, to the first period of disability.

Benefits under this Plan are paid in full whether the employee is insured elsewhere or not (occupational disabilities excluded).

(3) **Employee Contributions** - 100% of the monthly premium.

C. INSURED LONG TERM DISABILITY

- (1) **Eligibility** - Three months of service is required.
- (2) **Benefits** - Sixty-six and two thirds percent (66 2/3%) of basic annual salary, which is 1,976 hours times hourly rate to a maximum of **forty two thousand dollars (\$42,000.00)** up to age 65. Plan will contain a two (2) year Own Occupation Clause.
- (3) **Employee Contributions** - None.

VI. DENTAL PLAN

- (1) **Eligibility** - One month of service is required. 100% participation of the bargaining unit is required except where an employee is already covered by another dental plan.
- (2) **Benefits** - 80% under Part "A" of Plan, no deductibles.
80% under Part "B" of Plan, no deductibles.
50% under Part "C" (orthodontic), no deductibles.

Orthodontic services are subject to a lifetime maximum payment of **\$3,000.00** per patient with no run-off for claims after termination of employment.

- (3) **Employee Contributions:**

Option 1 - 40% of the monthly premium; or

Option 2 - 0% (Effective January 1, 1996, the Company will pay 100% of the employee's dental premium when the employee pays 100% of his/her medical premium.)