

COLLECTIVE AGREEMENT

Between:

ATLAS COPCO THIESSEN

And:

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 115

Duration: July 23, 2009 to December 31, 2011

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COLLECTIVE AGREEMENT

BY AND BETWEEN:

ATLAS COPCO THIESSEN

(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 (a) 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.
- (b) For the purposes 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 employed at the place(s) set out in the certificate(s) of bargaining authority and at any other premises opened or taken over by the Company in British Columbia, save and except supervisors, persons above the rank of supervisors, office and sales staff and students employed during the school vacation period.
- 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.

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 shall have the opportunity to provide the Company with suitable applicants.
- 4.04 Generally manage the industrial enterprise in which the Company is engaged and, without restricting the generality of the foregoing, to determine the products to be manufactured, methods of manufacture, schedules of work, kinds and locations of machines and tools to be used, process of manufacturing, the engineering and designing of its products, the control of materials and parts to be incorporated in the products produced, to determine the number of personnel required from time to time, to make studies of and to institute changes in work loads, job assignments, and also to determine the extension, limitation, curtailment or cessation of operations, and all other matters concerning the Company's operations not otherwise specifically dealt with elsewhere in the Agreement.

ARTICLE 5 - DEFINITION OF EMPLOYEE AND STUDENT

- 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 for whom the Union has been certified as the collective bargaining agent by the Labour Relations Code of B.C. "Employee" shall also

mean a person employed in a job classification listed in Appendix "A" attached hereto, and working at or from any premises opened or taken over by the Company in British Columbia.

- 5.02 In this Agreement "student" is defined as an individual registered in a course of study at university, college or high school and who works a maximum of 60 days in a 12 month period. Students shall not perform work which is normally done by an employee of the Bargaining Unit. The Company agrees that it will not hire more than 3 Students at any given time.

ARTICLE 6 - HOURS OF WORK AND OVERTIME

- 6.01 DAY SHIFT The standard work day shall consist of eight (8) hours between the hours of 6:30 A.M. to 3:00 P.M. with a half hour unpaid lunch break. The standard work week shall consist of forty (40) hours, Monday to Friday. The parties agree that employees may take their last 15 minute break at the end of their shift and leave at 2:45 P.M.
- 6.02 AFTERNOON SHIFT. The standard afternoon shift shall consist of 10 hours between the hours of 2:45 P.M. and 1:15: A.M. with a half hour unpaid lunch break. The standard work week shall be four (4) days per week for a total of forty (40) hours per week Monday to Thursday. A shift premium equal to \$1.00 will be paid for each hour worked on the afternoon shift. The parties agree that employees may take their last 15 minute break at the end of their shift and leave at 1:00 A.M.
- 6.03 The employer agrees to consult with the Union prior to implementing any new shifts.
- 6.04 LUNCH PERIOD Each shift shall have a half hour lunch period at mid-shift.
- 6.05 SHIFT CHANGE The Company shall give the employee forty-eight (48) hours' 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, said shifts will continue for a minimum of three (3) consecutive normal working days, or the overtime rates as provided for in this Agreement will apply.
- 6.07 SHIFT ROTATION When employees are being worked on two (2) or more shift schedules and where a majority of the employees request it, they shall rotate shifts.
- 6.08 OVERTIME All hours worked outside of the standard work hours, outside the established shift hours or outside the standard work week shall be considered overtime and paid as follows:
- (a) Daily Overtime:
- (i) All posted employees working the eight (8) hour shift shall be paid time and one-half (1.5x) their hourly rate of pay for all hours worked in excess of eight (8) hours up to and including 11 hours. Any hours worked in excess of 11 hours shall be paid at double time.
- (ii) All posted employees working the ten (10) hour shift shall be paid time and one half (1.5x) their hourly rate of pay for all hours worked in excess of ten

(10) hours up to and including 11 hours. Any hours worked in excess of 11 hours shall be paid at double time.

(b) Weekend (or days off) Overtime:

- (i) All posted employees shall be paid one and one half times (1.5x) their hourly rate of pay for the first 8 hours worked on the weekend (Saturday/Sunday) or their regularly scheduled days off.
- (ii) All posted employees shall be paid two times (2x) their hourly rate of pay for all hours worked in excess of eight (8) hours on the weekend or their regularly scheduled days off.

(c) Overtime During Vacation:

Any employee called out to work during their scheduled Vacation time shall be paid one and one-half times (1.5x) the hourly rate of pay of the classification of work performed for the first eight (8) hours of that Vacation week. For all hours worked in excess of eight (8) hours and/or on additional days during the same week, the employee shall receive two (2x) times the hourly rate of pay of the classification of work performed.

(d) Make Up Hours

The Parties agree that an employee who has missed regular shifts due to illness during the week may request to make up their hours at straight time up to a weekly maximum of 40 hours on the weekend or on their normal scheduled days off if such work is available. For clarity, if the Employer asked the employee to work on their day off or during the Weekend the Employee will be eligible for overtime payment in accordance with this Article.

6.09 BANKED OVERTIME Employees may bank overtime equivalent to eighty (80) hours straight time maximum. Employees shall state whether overtime is to be banked or paid at the beginning of each fiscal quarter. If employees fail to state their preference overtime will be paid out on each pay period. All overtime banked shall be banked at the appropriate rate governed by 6.10 and the rate of pay as outlined in Appendix "A".

Banked hours may be withdrawn by an employee in whole or in part at the rate of pay it was earned. Employees must notify the person responsible for payroll a minimum of 2 weeks prior to the pay period in which they want the overtime paid. In the event an employee wishes time off, such time will be by mutual agreement and subject to operating needs and service requirements of the business.

Banked hours may not be withdrawn during a month in which a disciplinary suspension is being levied. Banked overtime will not be used to fulfill the requirements of Clause 6.21 (Work Week Guaranteed).

All unused remaining banked overtime at December 31 of each year shall be paid out in the first pay period of January of the following year. All overtime payments will be subject to vacation pay.

6.10 OVERTIME VOLUNTARY All overtime shall be on a voluntary basis. It is agreed that overtime may be necessary in order to respond to the efficient operation and service requirements of the business.

6.11 OVERTIME - CALCULATION OF Without detracting from the minimum overtime hours worked and/or minimum overtime pay guarantees as provided elsewhere in this Agreement, when an employee works overtime, his time worked shall be calculated on a fifteen (15) minute unit basis. If an employee works any part of a fifteen (15) minute unit, he shall receive credit for time worked for that full fifteen (15) minute unit.

For purpose of clarity, the parties agree that the first 15 minute period directly following the end of the employees' regular shift shall not constitute overtime unless it has been pre-approved by the Supervisor.

6.12 REST BETWEEN SHIFTS It is intended that every employee should have eight (8) hours' rest between shifts. In the event that an employee is recalled to work before such eight (8) 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 eight (8) full hours have elapsed.

CLARIFICATION: Employees working after midnight reporting for work next shift after an eight (8) hour break will not lose the time taken from the shift to make up the eight (8) hour break.

6.13 WORK BEFORE REGULAR SHIFT Employees called in before their regular starting time shall be paid at the applicable overtime rate for time worked prior to their regular starting time.

6.14 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.

6.15 WORK THROUGH REGULAR LUNCH PERIOD Where an employee is required to work through his regular established lunch period, and is not able to reschedule his lunch during his regular shift, such employee shall be paid the applicable overtime rate.

6.16 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 forty-eight (48) hour notice of lay-off 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.

6.17 DAILY GUARANTEES

(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, 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) The provisions of this section shall not apply if an employee voluntarily quits or lays off, or is discharged for proper cause.

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 thirty (30) 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.

STEP C - If an agreement is not reached under the provisions of Step B above, upon mutual agreement between the Union and the Company and at any time prior to the appointment of an Arbitrator, or other body, a mediator may be requested to confer with the Union and the Company to assist in the settlement of any difference arising from an alleged violation of this Agreement. All expenses incurred by the appointed party will be paid equally by the Union and the Company. The parties may agree that the recommendation rendered at this Step will be binding on both parties. 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.

7.03 CANADIAN JOINT GRIEVANCE PANEL The parties may, upon mutual agreement, refer any outstanding grievance to the Canadian Joint Grievance Panel process. The Panel decision shall be final and binding on the Parties. The Panel shall not have the authority to change this Agreement or to alter, modify or amend any of its provisions. However, the panel shall have the authority to dispense of a grievance by any arrangement that is deemed just and equitable. It is further agreed that in the event the Panel is unable to render a majority decision that the grieving party may refer the matter to a Schedule II Hearing under the Panel process, refer the matter back to the arbitration process as outlined above in this Article or, withdraw the grievance.

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 within seven (7) days, either party may, within thirty (30) days of receipt of the answer at Step B, notify the other party in writing of its desire to submit the grievance to Arbitration. The parties shall attempt to agree upon an Arbitrator by exchanging nominations, and failing agreement within ten (10) days as to the appointment of an Arbitrator, a request from either party shall be made to the Minister of Labour of the Province of British Columbia for the appointment of an Arbitrator.

The decision of the arbitrator shall be final and binding. Each Party shall pay its own costs.

8.02 The Arbitration Board shall have the right to modify any penalty imposed by the Company on an employee.

8.03 The expenses and remuneration of the Arbitrator shall be paid by the Parties in equal shares.

8.04 Without restricting the specific powers hereinbefore mentioned, the Arbitrator shall have all the general powers of an Arbitration Board.

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 full-time 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 and 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 within 24 months of his last day worked shall not be subject to another probation period.

9.04 LAY-OFFS

(a) In the event of lay-offs, 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 forty-eight (48) hours' notice on lay-offs, exclusive of Saturdays, Sundays and General Holidays.

(b) If lay-offs occur, providing a senior man is capable of performing another job, he shall be given the opportunity to take such a job.

(i) An employee laid off in one classification will be given the opportunity of displacing an employee with less seniority in a similar, higher or lower level position provided the senior employee has the ability and qualification to perform the job in a manner which will not adversely affect the efficiency of

the department beyond a short term (10 working days - maximum) familiarization period.

- (ii) Employees who bump to a lower level job will be paid at the step in the new position which is closest to their current pay.
 - (iii) Employees who accept a position under this Article shall have the right to reinstatement in their former position when such becomes available. The job, in such instances, shall not be posted and the employee shall be reinstated in his former classification.
- (c) If lay-offs are to take place out of seniority, the company will discuss the matter with the Union during the forty-eight (48) hour notice period. If no agreement can be reached, the lay-offs will occur and the matter referred to the grievance procedure.

9.05 SENIORITY RETENTION A laid-off employee shall retain his seniority and recall rights with the Company for:

Less than one (1) year seniority - 6 months
Over one (1) seniority - 12 months
Over five (5) years seniority - 24 months.

Present employees with less than one (1) year seniority who have completed a probationary period will maintain a twelve (12) month right to recall.

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, subject to their classification.

The Company shall contact laid-off employees either personally, by mail or through the Union dispatcher 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.

9.07 LAY-OFF PAY 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 one (1) year's service with the Company, that employee shall be paid two (2) weeks' pay based on eighty (80) hours at their applicable rate of pay for each year of service with the Company. 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 he shall forfeit all seniority rights accruing to him under this Agreement by reason of his term of service with the Company. The Lay-Off payment in this Article shall not exceed 40 weeks.

9.08 DEEMED TERMINATED - An employee shall lose his seniority when any of the following occur:

- (a) An employee leaves voluntarily or is discharged for just cause.
- (b) An employee fails to notify the Company of his intention to return to work from a lay off, within five (5) working days after he has been notified by registered mail at his

last address on file with the Company, or fails to return within seven (7) working days, unless a satisfactory reason acceptable to the Company is given.

- (c) If employee fails to return to work on the first regular work day following the expiration of leave of absence, unless due to extenuating circumstances beyond the employee's control prevents him from returning.
- (d) If any employee accepts a management position with the Employer outside the bargaining unit, his seniority will be frozen for a period of up to 12 months provided the employee returns to the bargaining unit. An employee who works in such a position for more than 12 months shall lose his seniority rights within the bargaining unit.
- (e) If an employee is absent from scheduled work for a period of three (3) or more consecutive working days, without notifying the Employer of such absence and providing a reason satisfactory to the Employer.
- (f) If an employee is on sick leave for a period in excess of 24 months and is not able to return to his former job permanently, the Employer may undertake a review of the leave and the employment relationship.

ARTICLE 10 – VACATIONS

10.01 The vacation entitlement for all employees hired prior to May 1, 2006 shall be as follows:

<u>YEARS OF CONTINUOUS SERVICE</u>	<u>VACATION PERIOD</u>	<u>VACATION PAY</u>
1 year but less than 5 years	3 weeks	6% or 120 hours
5 years but less than 10 years	4 weeks	8% or 160 hours
10 years but less than 15 years	5 weeks	10% or 200 hours
15 years and over	6 weeks	12% or 240 hours

The vacation entitlement for all employees hired on or after May 1, 2006 shall be as follows:

<u>YEARS OF CONTINUOUS SERVICE</u>	<u>VACATION PERIOD</u>	<u>VACATION PAY</u>
Less than one year	1 day for each major fraction of month worked (max. 10 working days)	4 %
1 year but less than 2 years	2 weeks	4% or 80 hours
2 years but less than 7 years	3 weeks	6% or 120 hours
7 years but less than 18 years	4 weeks	8% or 160 hours
18 years but less than 25 years	5 weeks	10% or 200 hours
25 years and over	6 weeks	12% or 240 hours

10.02 CALENDAR YEAR The Employees date of hire shall be used for the purpose of determining a calendar year's employment to qualify an employee for vacations and vacation pay.

- 10.03 VACATION PAY The Parties agree to maintain the current practice of paying employees vacation pay on each pay period.
- 10.04 ACCRUAL BASED VACATION PAY Notwithstanding Article 10.03 above, the Parties agree that should the majority of employees wish to revert to an accrual based vacation pay process, they will meet to discuss the implementation.
- 10.05 VACATION SCHEDULING Employees shall submit their vacation request to their immediate supervisor in accordance with the timelines established. Vacation will be granted based on operational demands. If a dispute arises, vacation periods will be allocated on the basis of seniority. In order to allow as many employees as possible with time off during prime time (May 15 to September 15) it is agreed that employees will not generally be granted more than 3 weeks off during this period. Exceptions may be considered based on extenuating circumstances.
- 10.06 VACATION - ANNIVERSARY DATE AND CUT-OFF DATE An employee's anniversary of employment date will govern his attainment of vacation entitlement. His vacation pay and time off will be adjusted from his anniversary date to the cut-off date. The Company may establish a vacation cut-off date.
- 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 Vacation time must be taken in the year in which it was earned. Vacation time cannot be accrued from one year to another unless the employee receives prior approval from management.
- 10.09 VACATION ENTITLEMENT - RELATED TO STATUTES The entitlements of an employee under this Section shall at no time be less beneficial than those he would be entitled to under the provisions of any Government legislation or any Orders or Regulations made thereunder.
- 10.10 VACATION ENTITLEMENT Eligibility for vacation time shall be maintained, but not accumulated during absence
- (a) due to temporary illness or non-occupational accident exceeding fifty-two (52) weeks;
 - (b) with authorized leave of absence.
- 10.11 Eligibility for vacation time will be maintained and accumulated during absence due to:
- (a) a compensable accident;
 - (b) serving in the non-permanent Armed Forces of Canada;
 - (c) temporary illness or non-occupational accident not exceeding fifty-two (52) weeks;
 - (d) Lay off.

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 | 6. Labour Day |
| 2. Good Friday | 7. Thanksgiving Day |
| 3. Victoria Day | 8. Remembrance Day |
| 4. Canada Day | 9. Christmas Day |
| 5. B.C. Day | 10. Boxing Day |

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

The Employer shall allow one-half (1/2) day off with pay on Christmas Eve and New Year's Eve as per existing practice or on the regular work day immediately preceding Christmas Eve and New Year's Eve.

11.02 GENERAL HOLIDAY - SATURDAY & 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. If Christmas Day and Boxing Day fall on a Saturday and on a Sunday, respectively, or on an employee's weekly days off, then the next two (2) work days shall be observed as holidays.

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 is off work due to any circumstance for which he is eligible to receive compensation under Workers' Compensation Act, provided such employee has earned wages from the Company during the sixty (60) calendar days immediately preceding 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 or is on an approved leave of absence provided such an employee has earned wages from the Company during the two (2) calendar weeks immediately preceding the week in which the holiday occurs.
- (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.

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 (a) 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.

(b) Payment of wages shall be made on a bi-weekly basis by automatic deposit in the employees' bank account.

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 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. If an employee is required to take time off while on the job to consult a doctor with regard to any compensable injury he has received on the job, he shall be paid for such time off provided a doctor's letter or note is supplied and he returns to complete the day's work, if practicable.

12.05 WAGE RATE - HIGHEST DAILY RATE Where an employee works in a higher hourly wage classification for one complete shift or more, he shall be paid the higher rate for the hours worked in such classification.

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, and provides the Company or its duly appointed representative with supporting medical evidence that he is unable to return to work in any capacity, he will automatically be granted leave of absence

until such time as his doctor states he can return to work. For purposes of clarity, the Workers' Compensation Board, in the case of a work related injury, or the Insurance Carrier in the case of a Short Term or Long Term Disability claim, shall retain sole adjudication rights over the employee's eligibility for any benefits under these programs.

- (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 instances 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 attendant 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 (a) SAFETY CLOTHING The company will provide all Personal Protective Equipment (PPE) required in the workplace including but not limited to the following:

- Respirators with cartridges
- Rubber clothes
- Rubber boots
- Welders' gloves
- Welders' aprons
- Goggles
- Helmets of a reasonable fit and a reasonable quantity as a tool crib item for shop, yard and field use
- Hard hats for job use where required.

NOTE: It must be recognized that an understanding of this nature requires a high degree of cooperation between employees and the Company. Employees will not arbitrarily stop work without advising their supervisors

- (b) SAFETY GLASSES – The Employer will pay for the cost of providing safety wear prescription glasses for those employees who need them.

15.04 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. There shall be at least three (3) changes available each week.

15.05 LUNCH ROOM The Company will supply suitably enclosed heated accommodation where employees may have their lunch. Lockers for personal storage shall be provided.

15.06 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.

15.07 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.

15.08 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 layoff or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.

(c) Upon approval of 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) Upon approval of the employee's immediate supervisor, 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.

15.09 PICKET LINE It shall not be considered a violation of this Agreement for an employee to refuse to cross a picket line which has been legally established as a result of a bona fide labour dispute between a recognized Trade Union and an Employer with whom the picketing Union has a dispute.

15.10 TOOLS Employees who have personal tools in the workplace will be required to provide an inventory of his tools on each anniversary date of the Agreement on a form supplied by the Company. Any stolen or damaged tools shall be replaced by the Company. The Company will explore the option of supplying all tools required in the workplace. Employee will be advised if their personal tools are no longer required.

15.11 SUB-CONTRACTING The Company agrees that it shall not contract out any work normally done by a member of the Bargaining Unit if such contracting out shall result in a lay off or non-recall of an employee.

It is agreed that should sub-contracting be required that the parties will meet and discuss the circumstance to seek mutual agreement on the impact to the existing employees and if

other alternate avenues are available. The Company and the Union will meet semi-annually to discuss problems regarding sub-contracting.

15.12 NOTICE BOARD

- (a) A notice board shall be provided for the posting of all official Union notices exclusively, and will not be used for the purpose of disseminating political information. The right is reserved to the Company to request the removal of material offensive to the Company.
- (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
 - 4. Retirement Plan Provisions

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

15.13 SEVERANCE 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) week's pay for each year of service with the Company to a maximum of 40 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 Article 9.07 of this Agreement, request and receive payment of such pay.

For purposes of clarity, the Severance provisions in this Article shall not be added to the Lay-off Pay provisions of Article 9.07. Employees will either qualify for Lay-Off Pay or Severance, but not both.

15.14 BEREAVEMENT PAY In the event of a death of an immediate family member, an employee shall be granted up to three (3) consecutive days without loss of regular pay for scheduled hours. The three (3) days must be taken in conjunction with the date of the burial. For the purpose of this policy, immediate family member shall mean spouse, mother, father, brother, sister, son, daughter, son-in-law, daughter-in-law, mother-in-law, father-in-law, sister-in-law, brother-in-law, grandparent or grandchild. Employees will be eligible for one (1) day of bereavement leave without loss of regular pay for scheduled hours in the event of the

death of a niece or nephew. Should additional time off be required, the employee may be granted additional compassionate leave at management's discretion.

Should bereavement leave be required for attending a funeral of a person not falling within the definition of immediate family, the company may in its discretion grant an unpaid leave of absence for compassionate purposes.

15.15 JURY DUTY

- (a) An employee who is summoned for jury duty or as a court witness shall be granted Jury Leave or Court Attendance Leave. On conclusion of Jury or Court Attendance Leave, the employee shall be reinstated to the position most recently held.
- (b) Jury or Court Attendance Leave will be with pay, provided the employee agrees to the following conditions:
 - (i) The employee is required to return to work immediately if services as a juror, or as a court witness, are not required; and
 - (ii) The employee shall provide a copy of the jury summons or summons to witness and submit a certified statement of fees paid by the court, or any other parties, for serving and such fees will be deducted from the employee's regular base pay. Fees paid by the court do not include reimbursement to the employee for expenses such as travel expenses.

15.16 ARTICLE HEADINGS The article headings shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

15.17 EDUCATION FOR UPGRADING The Company agrees to consider the reimbursement of fees to an employee who wishes to improve or upgrade himself in his line of work. The Company reserves the right to deny or approve any requests for reimbursement.

Where required by the Employer and pre-approved, employees will be reimbursed for the cost of Tradesmen Qualification Examinations upon successful completion.

The Company shall pay for all authorized industrial first-aid courses as well as all required refresher courses for designated first-aid attendants.

15.18 SAFETY BOOT ALLOWANCE Safety boot allowance will be as per the company Safety Boot Policy. One pair of CSA safety boots per year will be provided up to a value of two hundred and fifty dollars (\$250.00). The boots can be purchased at the company's safety clothing supplier. Other retailers that supply safety boots can be accessed, but not beyond the value listed above.

- a) Probationary employees shall be reimbursed for the cost of their boots upon successful completion of their probationary period.
- b) The Company will reimburse the cost for replacement boots during the year if required based on unusual wear and tear.

15.19 UNION MANAGEMENT COMMITTEE There shall be a Labour Management Committee comprised of two representatives of the Union, one of whom shall be the Lead Shop Steward, or shop floor representative approved by the Union and two Employer representatives with decisional authority from the management team. The function of the committee shall be to discuss matters of mutual concern to the parties, but it is understood and agreed that the committee will not discuss grievances. The Committee shall meet on an informal basis at a time convenient to the parties.

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. 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.

The Company agrees to work with the Union and access any government programs available at the time, 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. 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. Decisions for promotion will be made based on the employee's qualifications and ability to perform the requirements of the position. Where skills and abilities are relatively equal, seniority shall govern.

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 thirty-six (36) hours 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 skills and 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 Step C grievance procedure in accordance with Article 7.

ARTICLE 18 - JOINT OCCUPATIONAL HEALTH & SAFETY COMMITTEE

- 18.01 (a) The employer agrees to establish a well-founded and well-managed OHS program that is in compliance with the Workers' Compensation Act and Part 4 of the Provincial regulations.
- (b) The JOHS Committee shall participate in the identifications and control of existing or potential hazards in the workplace. Committee representatives will be review complaints relating to safety and health of the employees represented and will participate in any inquiries and any significant investigations. It is the primary responsibility of the committee to promote safety and health for the education and information of the Company and its employees.
- (c) Committee members will be allowed sufficient time, administrative support and wages to carry out duties related to such activities.

ARTICLE 19 - MEDICAL - INSURANCE - DENTAL - PENSION

- 19.01 The Parties acknowledge that the Company has a universal employee benefit plan which is applicable to all employees of the Company across Canada. The company will continue to make available to the employees the Hospital, Medical, Insurance, Dental and Short-term Indemnity Plan. The Company may amend the plan at anytime provided the benefits in affect at the time of ratification are not substantially decreased during the term of this Agreement. The Company agrees to pay 100% of the cost of said plans. The Company shall consult with the Union prior to making any changes Benefit Plans
- 19.02 The Company shall also provide a Long Term Disability plan. The employee shall pay the group rate currently in effect which will be deducted from their paycheque. Under current tax rules, this ensures that the tax-free status of the benefit is maintained.

The details of the Benefits Plans are available to employees in Booklet form.

- 19.03 ELIGIBILITY An employee will be eligible for all coverage outlined above on the first (1st) day of the month following completion of his probationary period. This provision will be effective for new employees only from the date of ratification. Current employees on recall or beyond the recall period who may be rehired are not subject to this provision and require no probationary period.
- 19.04 INSURED BENEFIT COVERAGE - ON LAY-OFF An employee who is laid off will be eligible for continued Health & Welfare Benefit coverage (i.e. Medical, E.H.B. & Dental) for sixty (60) days after the end of the month of lay-off. Coverage will continue for the period stated so long as the Employee is unemployed and not receiving income from another Company.

- 19.05 SICK/PERSONAL DAYS All employees are eligible for up to five (5) paid sick/personal days per calendar year upon completion of their probationary period. In the first year of employment, the number of sick days will be pro-rated based on the employee's start date.

Sick/Personal days are provided for illness of the employee or a close family member or for other personal family related reasons for which the employee requires the time off.

Unused sick/personal days at December 31 of each calendar year shall be paid out in the first pay period of January of the following year.

- 19.06 PENSION PLAN The Parties acknowledge that the Company has a universal employee Pension Plan which is applicable to all employees of the Company across Canada. The Company will continue to make available the current pension plan in effect at the time of this agreement.

Notwithstanding the above, the Employees may opt to leave the Company Plan and elect to be part of the Union Pension Plan. In order to exercise this option the majority of employees must elect this option. The Parties agree that there shall be no additional cost to the Company if the employees chose to change Pension Plan. For clarity, the Company's contribution rates to the Pension Plan will not increase. The Employees will have 3 months from the date of ratification of this contract to exercise this option. Beyond the 3 month window, the option will not be available for the duration of the term of this Collective Agreement. Once notified by the Employees, the Company will have 3 months to implement the changes. The timelines in this Article may be extended by mutual agreement.

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 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.
- 20.03 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 23, 2009, to and including December 31, 2011 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 December 31, 2011, 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 goes on strike, or the Company locks out, 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 B.C. are specifically excluded.

Signed this _____ day of _____, 2009.

ATLAS COPCO THIESSEN

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

APPENDIX "A" - WAGE SCHEDULE

Effective Date of Ratification:

JOB CLASSIFICATION	Start Rate	After Probation	After Year 1	After Year 2*
Journeyman Machinist	25.92	27.31	28.85	30.37
Machine Operator	21.66	23.51	25.35	26.34
Millwright/Maintenance	25.92	27.31	28.85	30.37
Journeyman Welder	25.92	27.31	28.85	30.37
Labourer	15.62	18.10	20.15	22.21
Shipper Receiver	18.10	20.15	22.21	24.39

* Employees who have completed 2 years of service or greater at the time of ratification shall receive the 2 year rate.

Effective January 1, 2010 and January 1, 2011, the Wage Grid will be adjusted by a minimum of 2% and up to a maximum of 3% subject to the Vancouver CPI. The following examples have been provided for purposes of clarity:

- 1) If the Vancouver CPI for 2009 is 2.8% , the wage rates will increase by 2.8%
- 2) If the Vancouver CPI for 2009 is 1.5%, the wage rates will increase by 2%
- 3) If the Vancouver CPI for 2009 is 3.5%, the wage rates will increase by 3%

PREMIUMS

LEAD HAND \$1.00 per hour; 1 employee per shift

A Lead Hand is an employee who is able and willing to instruct others in the performance of their work, or who, because of exceptional skill and ability or the nature of his work, is so recognized by the Company.

AFTERNOON SHIFT \$1.00 per hour

FIRST AID ATTENDANT When an employee is designated as First Aid Attendant by the Company, he shall have his regular hourly rate increased by the following schedule:

Level 2: \$35.00 each two week pay period

Level 1: \$20.00 each two week pay period

The Employer agrees that any employee who has a First Aid Ticket shall be paid the appropriate premium regardless of W.C.B. minimum requirements.

SAFETY OFFICER

\$1.00 per hour (as per current practice)

APPENDIX "B"

B.01 - APPRENTICES

The Parties agree that the decision to approve an employee for an Apprenticeship rests exclusively with the Company. The Company shall have the ability to determine the number of Apprentices required and who will be sponsored. In selecting employees for an apprenticeship, the Employer shall post the opening in the workplace with clearly identified qualifications, skills and abilities. Where these factors are relatively equal, the hiring decision will be based on seniority.

- (a) The length of an Apprenticeship contract for a given trade shall be in accordance with the rules and regulation of the Provincial Industry Training Authority.
- (b) Any registered Apprentice, who, as a requirement of his Apprenticeship attends school, shall be paid his regular wages by the Company, based on a forty (40) hour week, while attending school. This pay shall only apply for up to a maximum of eight (8) weeks in each calendar year and the amount of any Government grant received by such Apprentice shall be deducted therefrom.

Any further change as directed by the authorities having jurisdiction shall be adhered to.

- (c) An Apprentice, having served his required time and having passed any necessary examinations presented by the Provincial Industry Training Authority, will be classified as a Journeyman at the next available opportunity.
- (d) The number of Apprentices employed shall not exceed the ratio of one (1) Apprentice to each four (4) Journeymen.
- (e) A Welding Apprenticeship Contract shall be for a term of two (2) years provided the prospective Apprentice has a minimum of six (6) months' Technical Welding Training in a Provincial Vocational School.
- (f) The wage rate for an Apprentice shall be based on a percentage of the Journeyman's wage rate and where applicable the following scales shall apply:

- 1st 6 months - 60% of Journeyman rate
- 2nd 6 months - 65% of Journeyman rate
- 3rd 6 months - 70% of Journeyman rate
- 4th 6 months - 75% of Journeyman rate
- 5th 6 months - 80% of Journeyman rate
- 6th 6 months - 85% of Journeyman rate
- 7th 6 months - 90% of Journeyman rate
- 8th 6 months - 95% of Journeyman rate

- (g) An Apprentice shall not receive further percentage increments without having passed the required training modules and having served his required time on the job.

- (h) The Parties hereby agree that apprentices indentured to the said Apprenticeship program are required to pass all prescribed courses in order to be paid as per Appendix "B" of the Master Agreement.
- (i) The Company shall be responsible for the preauthorization/registration of benefits payable through the Human Resource Department Commission.

LETTER OF UNDERSTANDING

BY AND BETWEEN:

ATLAS COPCO THIESSEN

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

RE:

The Parties agree that the above noted employee will continue to receive a \$3.00 premium above his classification rate for the duration of his employment with Atlas Copco Thiessen.

Signed this _____ day of _____, 2009.

ATLAS COPCO CANADA INC.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 115

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