

COLLECTIVE AGREEMENT

Between

**A.J. FORSYTH, A DIVISION OF RUSSEL METALS INC.
PRINCE GEORGE, B.C.**

and

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE
WORKERS, VANCOUVER LODGE NO. 692**

MAY 1, 2011 - APRIL 30, 2013

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COLLECTIVE AGREEMENT

**BY AND BETWEEN: A.J. FORSYTH, A DIVISION OF RUSSEL METALS INC.
PRINCE GEORGE, B.C.**

(hereinafter referred to as the "Company")

OF THE FIRST PART

**AND: INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS, VANCOUVER LODGE NO. 692**

(hereinafter referred to as the "Union")

OF THE SECOND PART

WITNESSETH: That in consideration of the mutual covenants and agreements herein set forth, the Parties hereto, and the affected employees are mutually agreed as follows:

GENERAL PURPOSE: The purpose of this Agreement is 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, and generally to promote the mutual interests of the Company and its employees.

Therefore, the Union accepts responsibility to bind its International and District Officers and Local Representatives to the observance of each and all of the provisions and conditions of this Agreement.

ARTICLE 1 - BARGAINING AGENCY

- 1.01 The Company recognizes the Union as the sole bargaining agency for its employees, as duly certified under the Labour Relations Code of British Columbia, for the purpose of collective bargaining with respect to rates of pay, hours of employment, and all other working conditions.
- 1.02 The Representatives of the Union may *with permission of Management* have access to the Company's shops or yards at any time, provided that *it does not cause any work disruption*.
- 1.03 The Company agrees that as a condition of continued employment, all employees who are or may be covered by the Certificate of Bargaining Authority issued to the Union by the Labour Relations Board British Columbia must become Members of the Union within thirty (30) calendar days of commencing employment and remain Members during the life of this Agreement.
- 1.04 All present and new full-time employees of the Company who are or may be covered by the Certificate of Bargaining Authority issued to the Union by the Department of Labour of the Province of British Columbia shall pay the Union, as a condition of employment, and not later than thirty (30) days after the commencement of his/her employment, dues, initiation or reinstatement fees by payroll deduction, as may from time to time be established by the Union for its Members, in accordance with its Constitution and/or By-Laws.
- 1.05 The term "employee" as used in and for the purpose of this Agreement, shall include all persons employed in the Company's operations and as covered by the Provincial Government Certification and without restricting the generality of the foregoing shall not include foremen, office workers, supervisory officials, salesmen, watchmen and those having authority to hire or discharge employees.

Notwithstanding the provisions of Article 1, Section 4, preceding, 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 five (5) 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 checkoff; if the 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.

- 1.06 All deductions as required under Article 1, Sections 4 and 5, shall be made in each calendar month the employee is employed by the Company.

The monies so deducted shall be forwarded by the Company to the Secretary of the Union not later than the *15th of the month following the month in which said deductions are taken*. *The remittance will be accompanied* by a statement listing the names of the employees and their Social Insurance Number, for whom deductions were made and the amount of each deduction.

ARTICLE 2 - UNION SECURITY

All new, substitute and/or temporary employees, as a condition of employment shall sign a form authorizing the deduction of dues or levies and initiation or reinstatement fees of the Union. These forms to be presented and completed by the employee on the date of hire.

ARTICLE 3 - MANAGEMENT

- 3.01 The management and operation of the plants and the direction of the working forces are vested exclusively in the Company.
- 3.02 The Company has and shall retain the right to select its employees, to hire, discharge, classify, transfer, promote, demote or discipline them; subject to the Grievance and Seniority procedures enumerated in Articles 6, 7 and 8 of this Agreement.
- 3.03 In the case where an employee is laid off, disciplined or discharged, the Shop Steward shall be notified prior to any action being taken.
- 3.04 The right to hire employees is vested in the Company, provided in the case of new vacancies, the Union is notified in advance and may have the opportunity to provide the Company with suitable applicants.

ARTICLE 4 - HOURS OF WORK AND OVERTIME

- 4.01 The starting and stopping time as well as the *unpaid* meal period shall be mutually arranged by the Company and the Union, it being understood that the meal period shall not be less than thirty (30) minutes.
- 4.02 The standard work day shall consist of eight (8) hours and the standard work week shall consist of forty (40) hours on the first shift worked between the hours of 8:00 a.m. to 5:00 p.m. and/or those hours mutually agreed to between the Company and the Union.
- 4.03 If a second shift is employed, the hours of work shall be seven and one-half (7 1/2) hours per shift, for which eight (8) hours will be paid and a shift premium of sixty five cents (\$.65) per hour shall be added on to the classified hourly rate.
- 4.04 If a third shift is employed, the hours of work shall be seven (7) hours per shift for which eight (8) hours shall be paid, and a shift premium of seventy-five cents (\$.75) per hour shall be added on to the classified hourly rate.
- 4.05 Five (5) shifts, Monday to Friday inclusive shall constitute a regular week's work on all shifts.

When an employee is attending school for upgrading which is mutually beneficial to both the employee and employer, a change of shift can be obtained.

- 4.06** The Company will give employees forty-eight (48) hours notice of shift change except where time will not permit. Example: Company or customer break-downs and repairs, absences requiring the moving of employees to man a shift. An employee will not lose time from the Standard work week of forty (40) hours as a result of a shift change made for the benefit of the Company.

Management will normally post the work schedule by 3:00 p.m. on Thursday for the following work week.

- 4.07** Time worked in excess of standard hours of work shall be considered as overtime, and shall be paid at double time rates of pay.

(a) All hours worked in excess of regular shift hours shall be paid at double time rates.

- 4.08** It is intended that every employee shall have a full eight (8) hour shift break between shifts. In the event that an employee is recalled to work before such shift break has elapsed, he shall be considered as still working on his previous shift and shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work of his own accord until a full shift has 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.

- 4.09** Employees called in before the regular starting time shall be paid at double time rates for time worked prior to their regular starting time.

- 4.10** (a) Subject to the exceptions set forth in this Section, any employee reporting for work on his scheduled shift shall receive a minimum of four (4) hours pay at his regular wage rate. An employee leaving by his own choosing shall only be paid for only those hours worked.

(b) Any employee completing the first half of his regular shift, and who commences work on the second half of his regular shift, shall receive a minimum of eight (8) hours' pay at his regular wage rate.

PROVIDED that if four or eight hours (a) or (b) above is not available at his regular job, the employee shall perform such temporary work as may be assigned to him to qualify for such pay.

The provisions of this Section shall not apply in the event of an emergency such as fire, flood, power failure, etc., beyond the control of the Company, or if:

- A. He voluntarily quits or lays off; or is discharged for cause,
- B. He was previously instructed not to report,

and in any such event or circumstance he shall be paid for the actual time worked.

- 4.11 Any employee called in to work on a Saturday, Sunday or Statutory Holiday shall be paid the double time rates required by this Agreement, with a minimum of four (4) hours.
- 4.12 All employees called in to work after normal shift hours during the week shall be guaranteed three (3) hours' pay at double time rates.
- 4.13 **Tuesday to Saturday Work Week** For those employees hired after May 1st, 1990, a Tuesday to Saturday shift may be required. Those employees hired prior to May 1, 1990 will not be required to work this shift.
 - (a) Five (5) consecutive eight-hour day shifts Tuesday to Saturday inclusive shall constitute the regular work week of this shift.
 - (b) Sundays and Mondays shall be regular consecutive days off for this shift and any work performed on these days off shall be paid at the overtime rates and conditions as provided for in this Collective Agreement.
 - (c) An employee hired prior to May 1, 1990 who agrees to work this shift, shall be required to remain on this shift for thirty (30) days.
 - (d) Employees working the Tuesday to Saturday shift will be paid ***\$1.55 per hour*** over their regular classification rate for each hour worked on this shift.
- 4.14 Employees may work the shift of their preference according to seniority, provided that the balance is suitable to the employer's needs, in order to maintain the required productivity of the shift.

ARTICLE 5 - WORKING CONDITIONS

- 5.01 Employees shall take orders from only their respective foreman, charge hand or lead hand, or from the general management when foremen are not immediately available.
- 5.02 Employees shall observe the rules of the Company and shall perform a fair day's work in the category in which the employee is engaged and shall be subject to discipline by the Management for failure to do so.
- 5.03 Employees will not absent themselves from work without advising the Management. Employees will not leave the plant during their working hours without permission. Failure to obtain permission may be cause for discipline.

ARTICLE 6 - GRIEVANCES AND COMPLAINTS

6.01 An honest effort to settle all grievances without stoppage of work shall be made in the following manner:

- (a) By the aggrieved party with the Shop Steward and the Foreman.
- (b) Failing settlement within five (5) days, the employee and/or his representative shall endeavour to settle the matter with the Department Head.
- (c) Should no satisfactory settlement be reached within seven (7) days, the employee's representative will discuss the grievance with the Management.
- (d) When grievances cannot be finally adjusted by the Company and the Union representatives, the matter shall be submitted, within seven (7) days, to an Arbitrator appointed as hereafter provided.

NOTE: All grievances and complaints not settled by the foreman shall be reduced to writing by the employee(s) and filed with the Company through the Shop Steward or Shop Committee within fifteen (15) working days of occurrence. Any grievance or complaint not so filed shall be deemed to have been waived and shall not be entitled to consideration.

ARTICLE 7 - ARBITRATION

7.01 In the event of a grievance arising under this Agreement, which the parties are unable to settle themselves as set out in Article 6, the matter shall be determined by Arbitration in the following manner:

- (a) The aggrieved party shall notify the other party in writing of the grievance to be Arbitrated.
- (b) The Parties will attempt to select a mutually satisfactory Arbitrator. If unable to select one which is mutually acceptable the parties further agree to request the Honourable Minister of Labour of the Province of British Columbia to appoint an Arbitrator.
- (c) The Parties shall, within 10 days of the notice being given in (a), refer the matter to the Arbitrator selected.

7.02 The Arbitrator shall sit, hear the Parties, settle the terms of question to be arbitrated, and make its award as expeditiously as possible.

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

- 7.04 If the award of the Arbitrator is subsequently set aside by a court of competent jurisdiction, the question may, at the request of either party, be referred back to the Arbitrator for their re-consideration of the matter by taking into consideration the merits of the respective arguments of the Company and Union on the issue in dispute together with the ruling of the court of competent jurisdiction.
- 7.05 The expenses and remuneration of the *Arbitrator* shall be paid by the Parties in equal shares.
- 7.06 Without restricting the specific powers hereinbefore mentioned the Arbitrator shall have all the general powers of an Arbitration Board but will not have the jurisdiction or authority to alter or amend any of the provisions of this Agreement.

ARTICLE 8 - SENIORITY

- 8.01 Upon request, the Company will provide the Union and the Shop Steward with an up-to-date list of all employees covered by this Agreement showing the date when each commenced his employment with the Company and his seniority date.
- 8.02 When a new employee is hired, it is agreed that he shall be on probation for *four hundred and eighty (480) hours worked* and during this period seniority will not be applicable. When the probationary period is completed, seniority will commence from the date of hiring.
- 8.03 An employee re-entering the employ of the Company within twelve (12) months will not be subject to another probationary period.
- 8.04 The Parties hereto recognize that employees are entitled to a measure of job security based on length of service.

It is mutually recognized, however, that in connection with job security, the skill and efficiency of an employee must also be studied as well as seniority standing. It is agreed that, other things being equal, laying off work and resuming work will be done according to seniority with the company in the classification in which the employee is engaged; but each of the parties hereto agree that the skill, ability and efficiency mentioned above must be taken into account where such lay-offs are necessary.

The Company however, agrees that when it is necessary for the lay-offs to be made which are not strictly in accordance with the seniority list, the shop committee will be notified in advance and will be fully informed on each matter.

Decisions on lay-offs, rehiring, promotions etc. will be the responsibility of the Company, but it is understood that any dispute arising there from may be taken up under the Grievance Procedure of this Agreement.

When an employee is terminated, Part 8 of the Employment Standards Act 1996 shall apply for the duration of this Agreement.

8.05 Seniority Retention A laid-off employee shall maintain and accumulate his seniority and recall rights for three (3) months after which he will retain but not accumulate seniority for the following periods: (The three-month accumulation will not bring an employee into a longer retention period.)

Period of Seniority:

Less than 12 months	6 months retention
12 months to 48 months	12 months retention
Over 48 months	24 months retention

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

8.06 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, ability and efficiency. The Company shall make *every effort to* contact laid-off employees. *It is the responsibility of the employee to provide the most current contact information to the Company.*

- 8.07** (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, including qualifications required and a general description of duties.
- (b) Employees desiring such job shall then apply, in writing, within ten (10) calendar days of such posting, except that employees on vacation or out of town on work for the Company at such time shall have the privilege of applying when they return.
- (c) Seniority, qualifications and ability shall be the determining factors in selecting applicants. Seniority shall be the governing factor if there is more than one qualified applicant

- (d) The successful applicant on a job vacancy shall be considered to be on a trial period for up to thirty (30) working days. During this trial period, the employee must demonstrate that he can satisfy the requirements of the work performance criteria for the job.
- (e) During the trial period, an employee who fails to demonstrate the ability to perform the job or who chooses not to retain the position shall be returned to their former position, without a loss of seniority. In such cases, the Employer shall have the right to require all employees who changed job positions in consequences of the promotion, to move back into their job positions and wage rates, which they occupied prior to the promotion, and the initial vacancy will be reposted.
- (f) The vacancy may be temporarily filled until a permanent replacement is decided through the application of this Article.
- (g) When circumstances prevent job posting, the Company shall inform the Shop Steward as to why the posting has not been done.

The Company recognizes that as employees get older or circumstances change that they may want to work at different jobs within the Company. The Company will try to accommodate these employees where possible.

8.08 Seniority will be maintained and accumulated during absence due to:

1. A compensable accident.
2. Serving in the non-permanent Armed Forces of Canada.
3. Temporary illness or non-occupational accident not exceeding twenty-six (26) weeks.

8.09 Seniority will be maintained, but not accumulated during absence due to:

1. Temporary illness or non-occupational accident, exceeding twenty-six (26) weeks.
2. Authorized leave-of-absence.
3. Lay-off without recall, for a period not to exceed the employee's seniority retention period.
4. If an employee is given a Management position he shall have six (6) months in which he may work for the Company and maintain his Union seniority.

8.10 Seniority will be broken by:

1. Voluntary quitting of job.
2. Exceeding authorized leave-of-absence, unless for legitimate cause.
3. Failure to report back to work within four (4) calendar days after notification to return to work unless failure proved to be unavoidable; it being understood that the employees may refuse a recall of less than three (3) continuous weeks duration.
4. Discharged and not reinstated under the terms of this Agreement.
5. Lay-off exceeding the employee's seniority retention period.

ARTICLE 9 - LEAVE-OF-ABSENCE

- 9.01 The Company agrees to grant leave-of-absence with pay to employees who are designated by the Directing Business Representative of the Union to represent the employees in conference with Management of the Company during working hours. This will apply to contract negotiations and grievances. It is understood that during contract negotiations, only one (1) employee, who shall be selected by the Union will be granted leave-of-absence with pay.
- 9.02 Any employee who is required to attend a Union Convention or perform any other function on behalf of this Union necessitating a leave-of-absence other than as set forth in Article 9, Section 1 of this Agreement, shall upon application, be granted a leave-of-absence by the Company without loss of seniority. It is also agreed that only one (1) employee be absent at one time to attend such Union functions and shall receive no wages from the Company.
- 9.03 Leave-of-absence may also be granted, at the Company's discretion, for funerals or trade upgrading. It is further agreed that providing one (1) years notice is given the Company by the employee, the Company may grant two (2) weeks leave-of-absence for personal use by the employee. It is also understood that such leave-of-absence cannot be used by the employee for the purpose of accepting employment elsewhere. The employee will receive six (6) months notice of the Company decision in writing.

ARTICLE 10 - VACATIONS

- 10.01 (a) *The vacation year runs from June 1, to May 31st, however the accrual vacation bank is calculated on the pay period within the vacation year, not the actual calendar dates of June 1 to May 31 and employees will receive vacation time off and vacation pay in accordance with the following schedule:*

<u>YEARS OF CONTINUOUS SERVICE</u>	<u>VACATION PERIOD</u>	<u>VACATION PAY</u>
- 6 months to 1 year	1 week	4%
- 1 year but less than 3 years	2 weeks	4% or 2 weeks*
- 3 years but less than 8 years	3 weeks	6% or 3 weeks*
- 8 years but less than 15 years	4 weeks	8% or 4 weeks*
- 15 years but less than 20 years	5 weeks	10% or 5 weeks*
- 20 years and over	6 weeks	12% or 6 weeks*

* pay at employee's current classified rate whichever is greater at the time the vacation is taken.

- (b) An employee working less than *150 days based on 8 hr/days* 1200 hours per vacation year (employee's seniority date to seniority date) will be paid only on a percentage of earnings basis.

(c) Employees with 30 years of service or more will have the choice of taking their full six (6) weeks of vacation tie off or banking a maximum of one (1) week of his vacation to be paid at their posted rate when the employee retires.

10.02 Three (3) weeks vacation, as far as practicable, will be granted during the period of June 1st to September 30th to conform with the wish of the employee. Scheduling will be taken into consideration to necessitate the maintaining of production.

Vacation schedules shall be posted by January 1st and the preferred positions in the selection and allocation of vacation periods shall be awarded on the basis of seniority.

All requests for vacations must be submitted no later than March 31st. After March 31st, those employees who have not recorded their choice of vacation time will not be able to exercise seniority rights for vacation purposes. Employees who fail to designate their preference by March 31st shall receive vacations only during those periods not already allotted. The approved and assigned vacation schedule will be posted no later than April 15th.

The dates for the application of this section may be altered by mutual agreement between the Parties.

10.03 An employee's scheduled vacation period shall not be changed by the Company within the one-month period immediately preceding the start of the vacation period without the consent of the employee concerned.

10.04 Each employee shall be required to take the full annual vacation period that he is entitled to under the provisions of this Agreement in the current year.

10.05 No fractions of weeks shall be taken by the employee during this first year; and in cases where they are entitled to more than two (2) weeks vacation, the time shall be divided in half for every six (6) months worked. (i.e. If the employee is eligible for four (4) weeks, he would be entitled to two (2) weeks after six (6) months of that year and two (2) weeks on completion of that year.)

It is understood that employees entitled to more than three (3) weeks vacation may take the additional weeks of vacation on a fractional basis (i.e.: daily or multi-day basis). Partial weeks may be taken with the approval of management during the period of June 1st to September 30th.

10.06 One (1) week leave-of-absence is negotiable in the first year by the employee if he so desires to make up a full two (2) weeks vacation in prime time.

10.07 An employee may, during the calendar year in which he is eligible for an additional week's vacation, take that week during that year subject to Article 10, Section 3, but will not receive payment for that week until the anniversary date has passed.

ARTICLE 11 - STATUTORY (GENERAL) HOLIDAYS

11.01 (a) All employees covered by this Agreement shall receive eight (8) hours' pay at their regular straight time rates for each of the following guaranteed general holidays, in addition to any wages which they may be in receipt of as enumerated in (b) below. Any other statutory or general holiday declared, proclaimed or celebrated by the Federal Government shall be paid for on the same basis:

- | | | |
|-------------------|---------------|--------------------------------------|
| 1. New Year's Day | 5. Canada Day | 9. Thanksgiving Day |
| 2. Good Friday | 6. B.C. Day | 10. Remembrance Day |
| 3. Victoria Day | 7. Labour Day | 11. Christmas Eve Day |
| 4. Christmas Day | 8. Boxing Day | 12. Two (2) Floating Holidays |

(b) Double time shall be paid for all work performed on a Statutory Holiday, plus any applicable holiday pay.

(c) The above thirteen (13) Statutory Holidays are guaranteed irrespective of which day they fall on.

11.02 (a) The day observed or celebrated by the Nation or Province shall be considered the Holiday, with the provisions that the General Holidays falling on Saturday or Sunday, will be celebrated on the previous Friday or the immediately following Monday.

(b) In all cases, the day observed by the Nation or the Province shall be considered the Holiday,

(c) **PROVIDED THAT:**

- 1) The employee has been in the employ of the Company for thirty (30) calendar days.
- 2) The employee has worked any part of the regularly scheduled work day prior to and the first regularly scheduled work day following the Holiday.

Exceptions to the foregoing shall be made in cases where the following conditions prevail:

(a) ***The employee is off work due to industrial accident or disease for a period not in excess of two (2) calendar months.***

(b) ***The employee is prevented from working due to a bona fide illness for a period not in excess of two (2) calendar months. A doctor's certificate shall be submitted as proof.***

- (c) Temporary lay-off not exceeding two (2) calendar weeks and/or termination of service within two (2) calendar weeks of any designated holiday.
- (d) *Where leave-of-absence has been approved and the employee has worked some time during the two (2) calendar weeks preceding the week in which the holiday occurs.*

11.03 FLOATING HOLIDAYS

The *two (2)* Guaranteed Floating Holidays with pay shall be granted to all employees who qualify with the provisions contained in Article 11, Section 4 of this Agreement. It shall be the employee's option to observe these days on the date of their individual preference. One week's notice of intent shall be required for an employee to take a Floating Holiday *by mutual agreement between the manager and the employee. Such request shall not be unreasonably denied.*

An employee shall be eligible for one (1) Floating Holiday during each three (3) month period during the calendar year, to a maximum of *two (2)* Floating Holidays *provided the employee has worked during that period.* All Floating Statutory Holidays must be taken in the year in which they are earned.

ARTICLE 12 - WAGES

Wages and Classifications shall be those agreed upon and set out in Appendices attached hereto and forming part of this Agreement.

Upon creation of a new job classification by the Company, the wage rate will be assigned based on existing bargaining unit wage rates in effect. Any difference that arises between the Union and the Company on the appropriateness of the wage rate shall be subject to resolution under the grievance and arbitration procedures of the Collective Agreement.

ARTICLE 13 - GENERAL PROVISIONS

- 13.01** *Employees* who are required to work overtime in excess of two (2) hours will be provided with a good meal paid for by the Company. The minimum cost of an overtime meal shall be seven dollars and fifty cents (\$7.50).
- 13.02** Employees shall be granted two (2) ten (10) minute coffee breaks during the course of each shift.
- 13.03** Any employee suffering injury while in the employ of the Company must report immediately to the First Aid Department, or as soon thereafter as possible, and also report to this Department upon returning to work. A copy of the employee's accident report will be supplied to him on request.

- 13.04 Free transportation to the nearest doctor or hospital will be arranged by the Company on the day of an injury on the job.
- 13.05 A buzzer or other device to summons a First Aid Attendant will be provided in companies where it is required to have First Aid Services.
- 13.06 Any employee being discharged for disobeying the rules of the Company will only be paid up to the time of discharge. Company rules shall be posted in a conspicuous place within the Plant.
- 13.07 A Notice Board will be provided for the posting of all official Union notices exclusively, and not to be used for disseminating political propaganda. All notices shall be submitted to a Company official for approval before posting.
- 13.08 Locker facilities, *lunchroom* and adequate washrooms, in accordance with the *BC Work Safe Regulations*, will be provided by the Company and kept in a sanitary condition. Employees will cooperate by observing the simple rules of cleanliness *in the workplace*.
- 13.09 Pay days will be every second Friday, and wages will be paid by direct deposit.
- 13.10 The employees employed in this plant will elect one (1) Union Member from each shift and each separate shop, which will be known as Shop Stewards or Shop Committee and in no case shall this Committee be comprised of more than three (3) employees. The Union agrees to officially notify Management of the employees elected as Shop Stewards and will also notify them promptly when there is any change in representation.
- 13.11 There shall be a fifteen (15) minute Shop Stewards' Meeting once in each month.
- 13.12 No Shop Steward, Committee or employee shall be discriminated against or jeopardized in seniority standing or suffer any loss of employment on account of membership or activity in the Union, notwithstanding such activity is not allowed to interfere with the work and production of the Company.
- 13.13 **JURY DUTY** If an employee is called or selected for Jury Duty and/or subpoenaed *as a Crown* witness, the Company shall make up the difference between the employee's regular pay and the amount the employee shall receive for such jury duty, and if called as a witness as described above, the employee shall receive his regular pay while absent from work. If an employee is called for jury duty but not selected he will return to work within a reasonable length of time.
- 13.14 (a) **GLOVES** The Company will supply suitable working gloves at no cost to the employee.

- (b) **SAFETY BOOTS** The Company will contribute two hundred and *fifteen* dollars (*\$215.00*) per year to each employee having completed six (6) months service for the purchase of CSA Class 1 Safety Boots with metatarsal protection, payable before the last day of May of each year.
- (c) **EAR PROTECTION** The Company will provide all employees suitable ear protection.
- (d) **SAFETY LENSES** Company approved prescription safety eyewear will be provided to employees through a Company selected vendor. Non serviceable frames and/or lenses will be replaced on an as required basis.

Regular Safety Glasses reimbursed to a maximum of one hundred and seventy five dollars (\$175) or, Progressive Safety Glasses reimbursed to maximum of three hundred dollars (\$300).

New employees may purchase safety lenses but if the employee terminates *his employment* before *the completion of* one (1) year service, the cost of those lenses will be deducted from his final pay cheque.

- 13.15 When the Company finds it necessary to lay-off a Shop Steward, the Business Representative of the Union shall be notified prior to such layoff or discharge.
- 13.16 **SAFETY** A Safety Committee will be formed to meet with Management and discuss unsafe working conditions for improvement of plant efficiency. There shall be a safety committee meeting once in each month.
- 13.17 All employees required to wear coveralls or smocks shall have these supplied and cleaned by the Company. Employees are expected to take reasonable care of clothing supplied.
- 13.18 **BEREAVEMENT PAY** On the death of a father, mother, spouse, grandparent, brother, sister, mother-in-law, father-in-law or child of an employee, the Company agrees to pay *three (3) days* ' bereavement pay to an employee who attends the funeral. No time will be paid for weekends but *four (4) days* paid leave-of-absence will be paid for funerals of relatives previously mentioned that are further than 750 km by road from Prince George.
- 13.19 **MOONLIGHTING** The Company and the Union agree in principle to eliminate the practice commonly known as "moonlighting". The term "moonlighting" shall refer to an employee who regularly makes a practice of working for two or more employers and for the purpose of this Agreement, the term "moonlighting" shall also refer to employees who take employment of any sort during their annual vacation:
 - (a) When this practice affects the Company's business or the employee's ability to perform his job, it shall be cause for reprimand or dismissal.

- (b) When this practice affects the Union, the Company agrees to cooperate with the Union in reprimand and/or dismissal.

13.20 LEAD HANDS who are required to perform the work of a Charge Hand shall be paid the Charge Hand rate for all such work performed.

13.21 WORK RETENTION AND SUB-CONTRACTING Where the Company's facilities, space and trained personnel are available, the Company shall have all the work performed by employees in the Bargaining Unit.

Where work must be performed by others, the Company shall have its sub-contract work performed by:

- (a) A Union Shop, signatory to the International Association of Machinists and Aerospace Workers, Lodge 692 Collective Agreement, or:
- (b) If a Machinists Lodge 692 shop cannot perform the work, then a Union shop mutually agreed to between the International Association of Machinists and Aerospace Workers, Vancouver Lodge 692 and the Company will be chosen.
- (c) *Once (a) and (b) have been attempted, management reserves the right to subcontract the work to a qualified shop.*

13.22 TECHNOLOGICAL CHANGE In the event that the Company introduces or intends to introduce a measure, policy, practice or change that affects the terms, conditions, or security of employment of a significant number of employees the Company agrees to be bound by the provisions of Section 54 - Adjustment Plan - of the Labour Relations Code of B.C.

13.23 The Company shall make available block heater plug-ins for all employee automobiles. All plug-ins will be set to turn on automatically at -10 degrees Celsius.

13.24 Temporary Help may be employed by the Company in one of the existing classifications, as they may require from time to time to cover absences due to Vacations, health or Leave-of-Absence, or when temporary help may be required to complete a job on schedule.

A person hired as Temporary Help must be NOTIFIED IN WRITING prior the commencement of employment that they are to be employed in a temporary position. Temporary Help shall be excluded from Article 8, Section 4, Paragraph 5 (Notice of Termination), the Pension Plan and from any Company profit sharing programs that may be in effect. Vacation time earned shall be paid only on a percentage of earnings basis. Also, the "1200 hour" clause in Article 10, Section 1 shall not apply. All other provisions of the Collective Agreement shall apply.

Upon completion of two thousand (2000) hours of employment with the Company the employee will no longer be considered as Temporary Help.

13.25 It is understood and agreed that operators of the following machines can be expected to operate more than one machine:

- (a) All machines with an automatic cycle.
- (b) All N.C. Machinery

ARTICLE 14 - HEALTH & WELFARE

The benefits provided under this Article will be subject to the terms of the Collective Agreement and to the terms of the insurance contracts between the Company and the insurance carrier.

The parties recognize that the insurance contracts may contain restrictions, exceptions, qualifications and other terms affecting entitlement to benefits. Questions regarding such restrictions, exceptions and qualification will be determined by the terms of the insurance plans. Copies of Booklets summarizing the benefit coverage shall be distributed to all employees.

14.01 The Company shall pay 100% of the premiums of the Medical Services Plan as provided by the Medical Services Act of the Province of British Columbia. This plan shall be made available to all employees covered by this Agreement.

14.02 The Company shall provide the following coverage to qualified employees. As a condition of employment new hires will join the benefits plan on completion of 3 months continuous service. Employees must apply for coverage for themselves and their eligible dependents and complete the required forms. ***With the exception of Long Term Disability premiums, the Company shall pay 100% of the premiums.***

Life Insurance	\$45,000.00
A.D. & D. Insurance	\$45,000.00
Weekly Indemnity	67% of straight time hourly wages up to the current EI maximum. Benefits are payable first day for accident or hospitalization and on the fourth day for illness after being seen and examined by a licensed medical practitioner. The maximum period for benefits is 26 weeks The Company shall pay the first three days wages that an employee normally loses when going on weekly indemnity.
Health Care	\$1,000,000 out of country coverage.
Vision Care	Eye examinations for employees only to a maximum of \$80.00 in any 24-month period.

- Dental Care:
- (A) Basic Dental 100%
 - (B) Prosthetic Appliances, Crowns and Bridges 50%
- (A)&(B) combined annual maximum \$1,500.00 per individual.

For taxable benefit reasons, the Long Term Disability benefit is paid by the employee.

Long Term Disability - 65% of straight time hourly wages to a maximum of \$3,500.00 monthly.

14.03 Continuation of Coverage

- a) Injury or Illness: if a covered employee is off work on an approved disability claim related to an occupational or non-occupation illness or injury the Company will, for three (3) months, continue benefit coverage and pay the premiums for the employee's BC Medical Services Plan, Healthcare, Dental care, Vision care, Life and AD&D, Insurance, Weekly Indemnity and Long-Term Disability plans. If the employee wishes to be covered for an additional three (3) months he may do so by paying 100% of the premiums through the Company office.
- b) Layoff, *retirement* or Leave of Absence – if a covered employee is placed on a temporary lay-off, *retires* or is on an approved leave of absence for reasons other than maternity or parental leave, the Company will, for 31 days, continue coverage and pay premiums for the BC Medical Services Plan, Healthcare, Dental care, and Vision care plans.
- c) Maternity and Parental Leave – the Company will for the period of the leave continue coverage and pay premiums the employee's BC Medical Services Plan, Healthcare, Dental care, Vision care, Life and AD&D, Insurance, Weekly Indemnity and Long-Term Disability plans.

On termination of employment, all benefits shall cease on the employee's final day of service.

ARTICLE 15 - SICK LEAVE AND ABSENCE CONTROL

15.01 After twenty-four (24) months service, excluding full months on layoff, employees shall be eligible for three (3) days sick leave per year, payable at their current classified rate.

The date for calculating the twenty-four (24) months service and the classified rate shall be *March 31* of each calendar year.

The company will pay three (3) sick days payable in advance at the current classified rate before the last day of *April* of each year. No accumulation of sick time to occur.

Payment in the year of termination or retirement shall be pro-rated on the length of service during that year.

- 15.02** The employer may require an employee to provide a medical certificate as evidence of the employee's illness or injury as a cause for the employee's absence from work. The Company shall reimburse employees for doctor's certificate required by the employer.
- 15.03** Every employee who is unable to report for work due to illness or injury shall make every reasonable effort to notify the employer, or to have someone else notify the employer on his behalf, prior to the employee's normal reporting time, or as soon after that time as is possible in the circumstances. Failure to do so without proper justification may result in discipline.

ARTICLE 16 - SAVINGS CLAUSES

- 16.01** No provision of this Agreement shall be used to remove working conditions or reduce wages presently in force.
- 16.02** **ARTICLE HEADINGS CLAUSE** The Article Headings of this Collective Agreement shall be used for the purpose of reference only, and shall not be used as an aid in the interpretation of this Agreement.
- 16.03** The Company reserves the right to pay higher wages than the minimum provided herein. However, where off-schedule rates are applied it shall be at the discretion of the Company to maintain or cancel as circumstances warrant.
- 16.04** It shall not be a violation of this Collective Agreement if Members of this Union respect and/or honour a legal picket line.
- 16.05** Should any part hereof or any provisions herein contained be rendered or declared invalid by reason of any existing or subsequently-enacted legislation, or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and such remaining portions shall continue in full force and effect.
- 16.06** Employees who are past their probationary period shall not be demoted from their current classification without prior consultation with the employee and Union representative.

ARTICLE 17 - OVERTIME BANKING

- 17.01** The main purpose of the Overtime Banking is to curtail lay-offs as much as possible.
- 17.02** Overtime hours may either be paid for in wages or accumulated. The decision to bank overtime hours or have them paid in wages should be indicated to the supervisor before overtime is worked.

- 17.03** *An employee may only accrue a maximum of eighty (80) hours of banked overtime (40 overtime hours worked) in the calendar year in which it is earned.*
- 17.04** *The banked overtime shall be taken before April 30th, in the twelve (12) preceding months in which it is earned and at a time which is mutually agreeable between the Company and the employee. If any of the accumulated overtime remains outstanding, the Company will pay out any remaining banked time on the last pay in April.*
- 17.05** Banked *time* cannot be taken in the prime holiday period or added to vacations taken in the prime holiday period unless previously agreed to.
- 17.06** *Banked time cannot be used for sick time.*
- 17.07** All overtime shall be offered as equally as possible amongst employees who have indicated they will work overtime in order to give all employees a chance to accumulate hours. On request by the Shop Steward, the Company will provide an updated overtime list no more often than once each month.
- 17.08** When an employee desires extended time off, one weeks notice should be given if possible.
- 17.09** Working for a second employer at any time during banked time off shall be construed as moonlighting and will be subject to disciplinary action.
- 17.10** When an employee chooses to bank overtime, the employee shall take this as banked time and shall not cash it in without Company permission.

ARTICLE 18 – GROUP RRSP

The Company offers a Group RRSP arrangement for employee's. The Company will match employee contributions to a maximum of five percent (5%).

Employees must join the Plan and contribute 2 1/2 percent of earnings upon commencement of employment as a condition of employment. Upon completion of 1 year of service, the employer's matching contribution will commence to the maximums indicated above.

Deduction of his contribution from his pay cheque and this amount, together with the Company's contribution, shall be forwarded monthly to the plan for credit to the individual's RRSP account.

These funds will be under the direction and control of the employee. Employee contributions and investment return may be rolled over by the employee at any time into another lawful RRSP in accordance with all applicable laws and regulations governing this rollover of RRSP funds. Employer contributions and investment return may only be withdrawn by the employee at termination.

There shall be no vesting period and an employee can contribute additional funds if he so desires.

ARTICLE 19 - DURATION OF AGREEMENT

A. This Agreement shall be in full force and effect from and including May 1st, 2011, to and including April 30th, 2013, subject to the right of either Party to this Collective Agreement, within four (4) months immediately preceding the date April 30th, 2013 or immediately preceding the anniversary date in any year thereafter, by written notice to 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.

Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike, or the Company shall give notice of lockout and such strike or lockout takes place and/or either Party gives notice of termination, or the Parties shall conclude a renewal or revision of the Collective Agreement or a new Collective Agreement.

The operation of Section 50 (2) and (3) of the Labour Relations Code of British Columbia are hereby excluded.

B. During the life of this Agreement, or while negotiations for a further Agreement are in progress, there shall be no strikes or stoppage of work on the part of the Members of the Union, or any lockout of employees on the part of the Company.

DATED AT, Prince George B.C., this 11 day of Nov, 2011.

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692**

Al Cyr

Kevin Rahn

**A.J. FORSYTH, A DIVISION OF
RUSSEL METALS INC.
PRINCE GEORGE, B.C.**

Francine McMullen

Tony Brady

Al Willis

APPENDIX "A"

WAGE RATES

<u>CLASSIFICATION</u>	<u>May 1/11</u>	<u>May 1/12</u>
PRODUCTION MACHINE OPERATOR	\$ 30.99	\$ 31.61
SPECIALIST	\$ 29.76	\$ 30.36
HELPER	\$ 27.27	\$ 27.82
LABOURER	\$ 25.34	\$ 25.85
STUDENT	\$ 14.49	\$ 14.78
LUMP SUM	\$650.00	
Lump sum will be paid following the ratification of the Agreement.		

General Labour

<i>0 – 1038 Hours</i>	<i>80% of Labour Rate</i>
<i>1039 – 2076 Hours</i>	<i>90% of Labour Rate</i>
<i>2077 – 3114 Hours</i>	<i>95% of Labour Rate</i>
<i>Over 3114 Hours</i>	<i>100% of Labour Rate</i>

Current General Labour on the date of ratification shall have their rate grandfathered.

Present employees when working in these classifications will maintain their present wage rates and will receive the increases applying to those rates.

PREMIUMS

CHARGE HAND

(7% above the highest rate supervised or their own rate, whichever is greater.)

LEAD HAND

(4% above the highest rate supervised or their own rate, whichever is greater.)

FIRST AID PREMIUM - The Company shall pay the cost of the Industrial First-Aid course if completed successfully. The Company will decide who will take the course and when only "Level II" Tickets are required and will be paid for. Designated First Aid Attendants shall receive thirty-*five* cents (\$.35) per hour above their regular wage rate.

APPENDIX "B"

DEFINITIONS

For the purpose of this Agreement the various Job Positions are defined as follows:

A Charge Hand is an employee who is assigned to instruct others in the performance of their work and may be held responsible for the quality and quantity of the work.

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.

A Production Machine Operator is an employee who is fully qualified to operate all production machinery.

A Specialist is an employee who is fully qualified to operate at least one piece of production machinery, e.g. cut-to-length line, shear, brake, multi-torch burner, etc.

A Helper is an employee who is able to independently operate hand tools and efficiently assist in the lay-out work and operation of the shear and brake.

A Labourer is an employee hired for General Clean-Up, and Material Handling and will not be employed to displace Helpers.

A Student is an employee who is hired during the summer vacation period for general clean-up and other similar duties. Students shall not displace any Member of the Bargaining Unit nor shall they be employed when any Member of the Bargaining Unit is on lay-off.

Hiring will be limited to two (2) students per shop where practical. In larger shops three (3) students may be employed.

Students shall pay union dues as a condition of employment.

LETTER OF UNDERSTANDING #1

BETWEEN: **A.J. FORSYTH, A DIVISION OF RUSSEL METALS INC.
PRINCE GEORGE, B.C.**

AND: **INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, VANCOUVER LODGE #692**

The Company agrees that the employees listed below shall receive the hourly wage noted below effective from the date indicated.

May 1/11	May 1/12
\$ 31.66	\$ 32.29

Bakala, David
Castonguay, Gerard
Doknick, George
Meda, Wayne
Yates, James
Watts, Edward
Work, David


DATED AT Prince George B.C., this 11 day of Nov, 2011.

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692**

**A.J. FORSYTH, A DIVISION OF
RUSSEL METALS INC.
PRINCE GEORGE, B.C.**


Al Cyr


Francine McMullen


Kevin Rahn


Tony Brady


Al Willis

LETTER OF UNDERSTANDING #2

BETWEEN: A.J. FORSYTH, A DIVISION OF RUSSEL METALS INC.
PRINCE GEORGE, B.C.

AND: INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, VANCOUVER LODGE #692

Pre-Retirement Program – 3 year trial basis

As part of the discussions on the implementation of a transition to retirement program, the parties agree to the following:

The progressive retirement program is available for employees with thirty (30) years of service or more and is only available in the fifty-two (52) weeks preceding the employee's retirement date.

To qualify for the program, the employee must:

- *Confirm his retirement date*
- *Submit a written request to the Operations Manager.*

Following the employee's request, the progressive retirement plan will begin on a date agreed upon by the Operations Manager and the employee.

The reduced work week cannot exceed fifty-two (52) weeks from the request.

The employee's work week may be reduced to four (4) days per week.

There cannot be more than five (5) employees participating in the program.

Only one employee can be off per day according to the program. If more than one employee requests it, the day will be given according to employee seniority.

If more than five employees request to take part in the program, the choice will be made according to the date of the request. If the dates requested are the same, then the choice will be made according to seniority.

- *Employees participating in the program will have their vacation time converted to four (4) day/weeks (i.e.:five weeks of four days at 10% of earnings.)*
- *Statutory holidays and floating holidays will be paid at 80% of the employee's regular earnings for a workday.*
- *Statutory holidays are not deferrable and will be paid based on whether or not they correspond with a working day for the employee.*

- *This agreement and conditions are based on the individual and not the position they hold.*
- *When assigning overtime; employee participating in the pre-retirement program will be on the bottom of the availability list.*

This on-trial pre-retirement program is valid for a period of three (3) years, from July 1, 2011 to June 30, 2014 on a trial basis.

The employer of the union may decide to put an end to the program after this period. In any event, employees already participating in the program will remain on the program until their scheduled retirement.

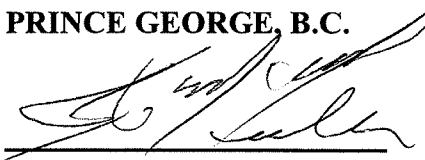
DATED AT, Prince George B.C., this 11 day of Nov, 2011.

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
VANCOUVER LODGE NO. 692**


**A.J. FORSYTH, A DIVISION OF
RUSSEL METALS INC.
PRINCE GEORGE, B.C.**



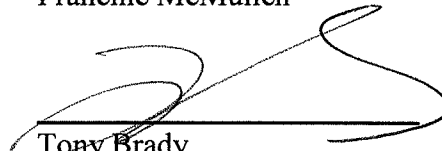
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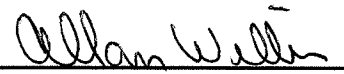
Francine McMullen



Kevin Rahn



Tony Brady



Al Willis