



AGREEMENT BETWEEN

AI INDUSTRIES

AND

CANADIAN IRON, STEEL AND
INDUSTRIAL WORKERS' UNION,
LOCAL 1

MAY 1ST, 2012 – APRIL 30TH, 2015

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AND
CANADIAN IRON, STEEL AND
INDUSTRIAL WORKERS' UNION,
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THIS AGREEMENT entered into this 1st day of May, 2012.

BETWEEN:

A.I. INDUSTRIES
12349 - 104th Avenue
Surrey, British Columbia
V3V 3H3

(hereinafter referred to as the "Employer" or the "Company")

AND:

**CANADIAN IRON, STEEL AND INDUSTRIAL
WORKERS' UNION, LOCAL 1**
17 East Broadway
Vancouver, British Columbia
V5T 1V4

(hereinafter referred to as the "Union")

WHEREAS the Employer and the Union desire to establish and maintain conditions which will promote an harmonious relationship between the Employer and the employees covered by this Agreement and to provide methods of fair and amicable adjustments of disputes which may arise between them;

The Union and the Employer mutually covenant and agree hereto as follows:

ARTICLE 1
PURPOSE

1.01 The purpose of this Agreement is to establish and maintain an orderly collective bargaining relationship between the Company and its employees, to set forth all agreements concerning rates of pay, hours of work and working conditions to be observed by the parties hereto, and to provide an amicable method of settling any differences that may arise in the interpretation,

application, administration or alleged violation of the Agreement.

ARTICLE 2
SCOPE AND RECOGNITION

- 2.01 The Company recognizes the Union as the sole bargaining agent for all shop employees of the Company.
- 2.02 Employee or employees wherever used in the Agreement shall mean respectively an employee or employees in the bargaining unit described in Article 2.01.
- 2.03 The Union and the Employer may determine on a project or site basis if special dispensation is required to become competitive or the members have specific concerns not addressed herein and should the necessity arise, may by mutual agreement and in writing, add, amend or delete any terms or conditions of the Agreement for the length of the project.

ARTICLE 3
UNION SECURITY

- 3.01 All employees covered by the Agreement must make an application to become members in good standing of the Union and the Union agrees to issue membership.

All new employees covered by this Agreement must apply to become members and must maintain membership in good standing in the Union as a condition of employment.

- 3.02 Upon written authorization from each employee, the Company agrees to deduct from the first pay of each month, from the earnings of every employee covered by this Agreement, a sum equal to the monthly dues set forth herein and remit same to the Financial Secretary of the Union not later than the fifteenth (15th) of the month in which the deduction is made, with a list, in duplicate, of the names of the employees to whom said monies are to be credited. Should any employee have no earnings due

him or her on the first day of any month, such deduction shall be made from the next succeeding pay of the employee in question. Upon receipt of such deduction and list, said Financial Secretary shall receipt and sign one copy of the list and promptly return same to the Company. The Union dues are in the amount of \$10 by each employee who received forty (40) hours of pay or more in any month. Such dues shall not be changed except in accordance with the provision of the Constitution and By-laws of the Union, and in such event, said Financial Secretary shall notify the Company in writing.

3.03 The Union recognizes the right of the Employer to hire its own employees. The Employer shall give the Union the opportunity to refer suitable applicants for employment. The Company shall give preference to laid-off employees. Employees seeking re-employment must maintain a current telephone number and address with the Company.

3.04 All new employees are subject to a sixty (60) working day probationary period within the first six (6) month period. Employees are not entitled to any Health and Welfare Benefits during the probationary period. The Company may discharge a probationary employee if it considers the individual to be unsuitable, unqualified or for unsatisfactory performance.

3.05 Notice of any employee layoffs (numbers only) is to be given by the Company to the Head Shop Steward not less than 48 hours prior to layoff occurring. Employees will be given eight (8) hours notice of any layoff.

ARTICLE 4 **MANAGEMENT RIGHTS**

4.01 The management of the Company's plant and the direction of its working forces, including the right to establish new jobs, abolish or change existing jobs, increase or decrease the number of jobs, change materials, processes, products, equipment and operation shall be vested exclusively in the

Company. The Company shall also have the right, subject to the provision of this Agreement to hire employees, schedule and assign work to be performed and transfer or lay off employees because of lack of work, or other legitimate reasons, suspend, demote, discipline or discharge for proper cause.

The Company reserves any and all of its prior rights which have not been modified, limited, restricted or released by specific wording elsewhere in this Agreement.

- 4.02 The Company shall have the right to establish, maintain, and enforce reasonable rules and regulations to assure orderly plant operation. The Company shall post on its bulletin boards, a written or printed copy of all such rules and regulations and all changes therein.

ARTICLE 5

UNION REPRESENTATION

- 5.01 The Union will appoint a Shop Representative elected by shop employees who, in turn, may appoint further alternates who shall not be discriminated against with respect to carrying out their lawful duties as Elected Representatives. The Company shall be notified by the Union of the name of the elected Representatives. When the elected Representative's immediate supervisor is notified, the Company agrees to pay reasonable time to the Elected Representative to carry out his lawful and reasonable duties, during working hours, on site.
- 5.02 The Company agrees to allow other Union Representatives reasonable access to the Company's work premises, subject to site restrictions, provided that the request for such entry has been made to the Company prior to the entry. That permission shall not be unreasonably withheld. Union Representatives shall not in any way interfere with the normal operations.
- 5.03 Bulletin Board: The Union will have use of one bulletin board at the shop for the purposes of posting official Union notices.

Such material may be posted only on the authority of the elected Representatives or Union official.

ARTICLE 6
FAIR PLAY

- 6.01 A review/investigation by Union representatives and/or management may take place at any time during this Agreement to ensure that victimization and/or unfair layoff and re-engagement practices have not taken place.

ARTICLE 7
GRIEVANCE PROCEDURE

- 7.01 The Elected Representative and his alternates shall constitute the Shop Committee. They shall not be discriminated against for performing duties as hereinafter provided for. The Union shall notify the Company within fifteen (15) days after the signing of this Agreement of the names of its members who are appointed and shall within three (3) days notify the Company when changes occur.
- 7.02 Grievance as used in this Agreement is a complaint or unsatisfied request involving any matter relating to wages, hours or working conditions, including questions of interpretation or application of, or compliance with, the provisions of this Agreement.
- 7.03 The Company, employee or Union must present all grievances within five (5) working days from the date there is evidence of a grievance having occurred. The procedure for the adjustment of a grievance shall be as follows:

STEP 1

Any employee who believes that he has a justifiable complaint or unsatisfied request may discuss the matter with his Foreman, with the Elected Representative or his alternate present. At this stage, the employee must clearly state that he is initiating Step 1 of this Grievance Procedure. The Foreman

shall give his reply within two (2) working days, or at a time mutually agreed upon.

STEP 2

Should the employee be dissatisfied with the Foreman's disposition of such complaint, the grievance may be referred to the Superintendent. At this step, the grievance shall be committed to in writing, giving all particulars including the applicable Article of the Agreement if interpretation or alleged violation of the Agreement is involved. The Superintendent will answer the grievance in writing within five (5) working days, or at a time mutually agreed upon.

STEP 3

If no settlement is reached in Step 2, the grievance may be referred to the Manager of Company or in his absence his representative. The Manager will answer the grievance in writing within five (5) working days or at a time mutually agreed upon.

- 7.04 Grievances not processed from one step to another within five (5) working days shall be deemed to be settled on the basis of the last written reply to the Grievor. Failure to reply to the grievance within the agreed time limit shall mean that the grievance is conceded or abandoned and, in no circumstances unless mutually agreed in writing, shall time limits be extended or abridged.
- 7.05 All settlements arrived at under this Article shall be final and binding upon the Company, the Union and the employees or group of employees concerned.
- 7.06 The Union or the Company shall have the right to initiate a group grievance or a grievance of a general nature at Step 3, Subsection 7.03.
- 7.07 Insofar as possible, all grievances and disputes not settled as provided for in Step 1 of this Article shall be taken up on the same one day of each week to be mutually agreed upon. Grievances pertaining to serious breaches of safety requiring



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immediate action shall be handled during working hours without loss of pay to the Shop Committee.

- 7.08 The Elected Representative or his alternate provided for and mentioned in this Article 7 shall have and possess power and authority to act for and bind the Union only in connection with those functions, rights, obligations and matters provided for in this Agreement. They shall not have, or be deemed to have, any other authority to act for or bind the Union.

ARTICLE 8 **ARBITRATION**

- 8.01 Any differences or disputes between the Company and the Union, or between the Company and an employee or employees, relating to the interpretation, application, administration or alleged violation of this Agreement, including any question as to whether or not a matter is arbitrable, that has not been satisfactorily settled pursuant to the grievance procedure as set forth in the preceding section of this Agreement shall upon the written request of either party, which request must be made within fifteen (15) calendar days after the dispute in question has been processed pursuant to the preceding Article of this Agreement, be submitted to an Arbitrator, to be mutually agreed upon.
- 8.02 The Arbitrator shall hear and determine the difference or allegation and shall issue a majority decision in writing, such decision shall be final and binding upon the parties and upon any employee affected by it. The Company, the Union and the employees covered by this Agreement shall do or refrain from doing anything required of them by the decision of the Arbitrator. The expense of the Arbitrator shall be borne equally by the Company and the Union.
- 8.03 The foregoing provisions for arbitration are not intended and shall not be construed as in any way qualifying or making subject to change, any term or condition of employment specifically covered by this Agreement, nor shall the Arbitrator

have any authority to alter or change any of the provisions of this Agreement, or substitute any new provisions in lieu thereof, or make any decision inconsistent with the terms and provisions of the Agreement. It is expressly understood and agreed that the foregoing provision for arbitration shall not apply to any dispute as to terms or provisions to be incorporated in any proposed new agreement between the parties. Any dispute between the parties as to the interpretation or construction to be placed upon the award made as hereinabove provided for shall be submitted to the Arbitrator who made the award, who may thereupon construe or interpret the award so far as necessary to clarify the same, but without changing the substance thereof, and such interpretation or construction shall be binding upon all parties.

ARTICLE 9
NO STRIKE – NO LOCKOUT

- 9.01 The Company agrees that it will not cause or direct any lockout of its employees for the duration of this Agreement. The Union agrees that neither it nor its representatives will, during the term of this Agreement, authorize, call, cause, condone, or take part in any strike, picketing, sit-down, stand-in, slow-down or curtailment or restriction of or interference with work in or about the Company's plant, premises, or places of work. The Union further agrees that any employee or employees participating in, taking part in, instigating or assisting in instigating such strike, picketing, sit-down, stand-in, or curtailment or restriction of reduction or interference with work in or about the Company's plant, premises, or places of work, for the duration of this Agreement, shall be subject to discipline or discharge. The term "slow-down" shall mean a condition of willful restriction or reduction of production by an employee which is within such employee's reasonable control.

ARTICLE 10
RE-ENGAGEMENT

- 10.01 The Company will make a reasonable effort to re-engage those employees on layoff who have previously been employed by the Company for more than sixty (60) working days by either a telephone call to their last known telephone number or by a Security Registered and Acknowledgement of Receipt letter to their last place of residence on the records of the Company. An employee must respond by telephone within twenty-four (24) hours of receipt of letter.
- 10.02 A right to re-engagement under Article 10.01 shall be automatically terminated if the employee:
- (a) quits; or
 - (b) is discharged, and not reinstated in accordance with the provisions of this Agreement; or
 - (c) is absent from work for three (3) or more consecutive days without notifying the Company, unless he gives reasons satisfactory to the Company for this failure to notify; or
 - (d) is absent from work due to illness or injury for a period of twenty-six (26) weeks or less without providing the Company with a medical certificate from a qualified medical practitioner upon his return to work, certifying that the employee was incapable of working due to such illness or injury for a specified period of time which coincides with his absence from work; or
 - (e) is laid off for a period in excess of six (6) months; or
 - (f) fails to return to work within two (2) days after being given notice of recall; or
 - (g) works for another employer while absent from this employment with the Company, except while on layoff; or
 - (h) uses an authorized leave of absence for a purpose other than that for which the leave was granted; or
 - (i) fails to return to work upon the expiration of an authorized leave of absence or vacation unless a reason, satisfactory to the Company is given.

ARTICLE 11
LEAVE OF ABSENCE

- 11.01 The Company may grant a leave of absence to an employee without pay if, in the judgment of the Company, the proposed leave of absence can be arranged without undue inconvenience to normal operations, or in the case of emergency.

ARTICLE 12
BEREAVEMENT LEAVE

- 12.01 Bereavement pay of three (3) days only will be paid by the Company for a death in the immediate family: spouse, children, mother, father, brother or sister. One (1) day will be paid by the Company for the death of: mother-in-law, father-in-law. These days will be paid provided the employee attends the funeral.

ARTICLE 13
LEAVE-OF-ABSENCE FOR UNION BUSINESS

- 13.01 The Company may grant a leave of absence without pay to not more than two (2) employees, for a combined total period not exceeding thirty (30) days in any calendar year, to represent the Union at Union conventions, seminars and education classes provided the Company is given thirty (30) days advance notice in writing by the Union and, in the judgment of the Company, such leave of absence can be arranged without undue inconvenience to normal operations.
- 13.02 The Company may grant a leave of absence without pay to not more than one (1) member of the Shop Committee for the purpose of preparing for arbitration under Article 7 or other Union business provided the Company is given at least two (2) days advance notice in writing by the Union.

- 13.03 The Company may grant a leave of absence without pay to members of the Union's negotiating committee for the purpose of negotiating a new Collective Agreement provided the Company is given at least two (2) days advance notice in writing by the Union.

ARTICLE 14
WAGES

- 14.01 The Company and the Union agree that the wage schedule effective during the term of this Agreement shall be attached hereto as Appendix "A".
- 14.02 The Company may create new classifications and assign duties for the classification; however, the wages shall be mutually agreed to, in writing, between the Company and the Union prior to implementation.
- 14.03 Employees shall be paid by direct deposit on a regularly designated payday, once every two (2) weeks. It is the responsibility of the employee to provide to the Company the correct and relevant banking information in a timely manner in order to accommodate payment by direct deposit.
- 14.04 When an employee is laid off or discharged, he shall be paid all wages due him within two (2) working days after termination. Employees who voluntarily quit shall be paid all wages due, not later than five (5) working days after termination. A manual cheque may be issued in both situations noted above.
- 14.05 Required welding tests will be performed on Company time and will be paid for by the Company. Welders that fail their test shall retest on their time and be responsible to pay the fee for the retest.
- 14.06 Designated first aid attendants will be compensated for time spent to attend a renewal/refresher course to a maximum of forty (40) hours at their regular rate of pay every two (2) years.

Upon successful completion of the course, the company will pay the course fees.

- 14.07 The Company shall pay wage rates for Apprentices based on the Journeyman's Fabrication rate as outlined in Appendix A of this agreement.

Hours	Minimum Schooling	Rate
0 - 800		55%
800 - 1600		60%
1601 - 2400	Level 1	70%
2401 - 3200	Level 1	75%
3201 - 4000	Level 2	80%
4001 - 4800	Level 2	85%
4801 - 5600	Level 3	90%
5601 - 6400	Level 3	95%
J. Fabricator	Level 4	100%

- 14.08 The Company shall pay 50% (75% if obtaining a grade between 75% to 79%, 100% if obtaining a grade of 80% or better) of tuition fee for Apprentices enrolled in post-secondary training as long as the Apprentice successfully completes and passes the required courses.

ARTICLE 15 **HEALTH AND WELFARE**

- 15.01 The Company agrees to pay the following:
1. BC Medical Coverage
 2. a) Employee Life Insurance and AD & D - \$50,000
 - b) Extended Health Benefit
 - c) Dental Plan Coverage

All benefits, including BC Medical, Life Insurance, Extended Health, Dental Plan and RRSP are to begin after probationary period and only when all required administration paper work has been returned to the Company. It is the onus of the employee to complete and return all required paperwork prior to being eligible to receive benefits described above.

- 15.02 In the event of employee lay-off, the Company will continue the payment, in 15.01 aforementioned, for the one (1) month following the month of lay-off.
- 15.03 For any employee that is rehired within 6 months of lay-off, coverage as outlined in 15.01 will commence after 10 consecutive working days of employment.
- 15.04 Registered Retirement Savings Plan (RRSP). The Company will contribute the following into an employee's individual RRSP:

All Helpers classifications

May 1st, 2012 – April 30th, 2015 \$0.75 / worked hour

All other job classifications

May 1st, 2012 – April 30th, 2015 \$1.75 / worked hour

In order for the employee to receive RRSP benefit, he or she is required to have completed the sixty (60) working day probationary period and is required to open a TD Future Builders Account. The employee will NOT be enrolled in the program until all documentation is completed and benefits will NOT be backdated.

- 15.05 If rehired within six (6) months of lay-off, RRSP benefits will commence immediately. If rehired after six (6) months, the employee will be considered a new hire and, therefore, be required to complete the probationary period prior to receiving RRSP benefits.

ARTICLE 16
HOURS OF WORK AND OVERTIME

- 16.01 When more than one shift is employed, the shifts shall be named respectively, night shift, day shift and afternoon shift. The regular scheduled work week for each employee shall begin with the starting time of his or her regular scheduled shift

on Monday of each week (night shift will commence Sunday nights) and end on Sunday of each week (night shift will end on Saturday) as set forth herein.

- 16.02 All employees must be at their respective work station/area at the start of shift and after breaks.
- 16.03 When only one shift is employed, a regular work day shall consist of eight (8) consecutive hours, exclusive of the lunch period with pay for eight (8) hours and the regular work week shall consist of forty (40) hours
- 16.04 When two shifts are employed, a regular work day for the afternoon shift shall consist of seven and one-half (7 ½) consecutive hours, exclusive of the lunch period, with pay for eight (8) hours upon completion of a full shift, and the regular work week for the afternoon shift shall consist of thirty seven and one-half (37 ½) hours. An afternoon shift employee will be paid a shift differential of fifty cents (\$0.50) per hour above the employee's regular rate for eight (8) hours upon completion of a full shift on the afternoon shift.
- 16.05 When three shifts are employed, a regular work-day for the night shift shall consist of seven (7) consecutive hours, exclusive of the lunch period, with pay for eight (8) hours upon completion of a full shift, and the regular work week for the night shift shall consist of thirty five (35) hours. A night shift employee will be paid a shift differential of fifty cent (\$0.50) per hour above the employee's regular rate for eight (8) hours upon completion of a full shift on the night shift.
- 16.06 An employee who works a full shift (eight hours for day shift, seven and one-half for afternoon shift, seven hours for night shift) shall be entitled to a thirty (30) minute unpaid meal period, one (1) fifteen minute coffee break and one (1) ten minute coffee break at mutually agreeable times during the day. By mutual agreement employees may leave early in place of one coffee break.



An employee who works four (4) hours or more in a day shall be entitled to a thirty (30) minute unpaid meal break and one (1) fifteen minute coffee break.

16.07 Overtime at time and one-half (1 ½) shall be paid for the first three (3) hours of overtime work per shift. Overtime hours in excess of three (3) hours per shift shall be paid at double time.

16.08 The first eight (8) hours of overtime work performed on the weekend (defined as Saturday or Sunday for day and afternoon shift and Friday or Saturday for night shift) shall be performed at time and one-half (1 ½). All overtime performed in excess of eight (8) hours on the weekend shall be performed at double-time. Overtime rates will only apply when an employee has worked full regular hours (forty hours for day shift, thirty seven and one-half for afternoon shift and thirty five hours for night shift) during the work week. Shift differential amounts do not apply to overtime rates regardless of when the overtime is worked.

16.09 There shall be no discrimination in the assignment of overtime work and overtime shall be allocated as equitably as practicable. It shall not be mandatory for an employee to work overtime and it is agreed that the Union will not attempt to dissuade or prevent any employee from voluntarily performing overtime.

16.10 The Company does not guarantee hours of work or days of work per week, however, an employee who reports for and commences work as scheduled is entitled to a minimum of four (4) hours pay, except in cases beyond the Company's control where the employee must be paid the greater of two (2) hours or the actual time worked. An employee who reports for work as scheduled is entitled to two (2) hours pay if no work is available and has not been advised in advance.

16.11 At the employee's option, it is understood that while the plant is operating two (2) shifts per day, the employees may elect to operate an afternoon shift for employees who will work thirty eight (38) hours per week on a four (4) day per week basis and

will receive forty (40) hours at their regular straight time wage on the basis of ten (10) hours pay for each regular shift worked. Afternoon shift employees that qualify for Statutory Holiday pay will be paid for eight (8) hours.

ARTICLE 17
PAID HOLIDAYS

17.01 The following holidays are recognized as paid holidays for the purposes of calculating paid holidays:

New Year's Day	British Columbia Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
Labour Day	Boxing Day
Easter Monday	

Any and all newly declared provincial and federal statutory holidays are deemed inclusive with this Agreement.

17.02 The parties may agree to designate a day other than the calendar day for the observance of a paid holiday provided that when an alternative day is so designated the provisions of this Article shall apply to the alternative day and not the calendar day of the holiday.

17.03 An employee who is required by the Company to work on any of the above holidays shall be paid one and one-half (1-1/2) times his regular basic hourly rate for time worked on such holiday.

17.04 An employee must work the day before and the day immediately after the above stated paid holidays to receive pay for that respective paid holiday.

17.05 To be eligible to receive pay for any paid holiday, an employee must have been employed by the Company not less than thirty (30) calendar days prior to that paid holiday.

Any employee who has completed his probationary period, been laid off and is recalled, the following will apply:

- 1) **Recalled within thirty (30) calendar days of layoff where you worked a minimum of fifteen (15) calendar days:**
 - Receive payment for any holiday that occurred during the period of layoff

- 2) **Recalled after thirty (30) calendar days but before six (6) months of layoff where you worked a minimum of fifteen (15) calendar days:**
 - Receive payment for any holidays that occur after fifteen (15) calendar days of recall

- 3) **Recalled after six (6) months of layoff:**
 - Considered a new employee therefore will receive payment for any holidays after thirty (30) calendar days from rehire

17.06 Should an employee be laid off, they will receive statutory holiday pay for any statutory holiday that occurs within 15 calendar days of layoff.

ARTICLE 18 **VACATION PAY**

18.01 Vacation pay shall be paid out at the time of vacation. Each April 30th, the employee will have the option to have accrued vacation pay paid outright.

18.02 Vacation pay rates are as follows:

One (1) to four (4) years	2 weeks vacation – 4%
Four (4) completed years to nine (9) years	3 weeks vacation – 6%
Nine (9) completed years to fifteen (15) years	4 weeks vacation – 8%
Fifteen (15) completed years and over	5 weeks vacation – 10%

- 18.03 Management reserves the right to limit the number of employees taking vacation during the June 1st to September 30th time period to 25% of the applicable work force (by classification) in any one week. Employees must give the Company a minimum of thirty (30) calendar days notice of requested vacation for vacations during this time period.

ARTICLE 19
SAFETY AND HEALTH

- 19.01 The parties hereto recognize the importance of safety provisions on the job for the welfare of the employees and the protection of the Company's property. The Company agrees to make reasonable provisions for the safety and health of its employees during their hours of employment.
- 19.02 Any employee suffering injury while in the employ of the Company must report immediately to the First-Aid Attendant, or as soon thereafter as possible. Employees injured on the job shall be paid for the balance of the work day.
- 19.03 A Safety Committee will be established in accordance with the General Accident Prevention Regulations of the Workers' Compensation Act (BC). The Safety Committee shall consist of a minimum of four (4) persons of which three (3) persons shall be from the Union and one (1) person shall be from Management.

ARTILCE 20
TOOLS AND BOOTS

- 20.01 Employees shall provide their own hand tools. CSA approved safety boots to be worn at all times by all shop employees.
- 20.02 The Company shall provide to all employees the following items as listed below. It is understood that the Company may control

the items below by whatever manner it sees fit to avoid abuse and misuse:

- Safety glasses, goggles, shields and ear protection
- The replacement of welding and burning lenses
- Adequate rain attire for those employees assigned to perform work in outside departments
- Gloves required to perform their particular job classification safely
- Respirators

20.03 The Company will provide coverall service (three pairs) to all employees excluding probationary employees. It is the responsibility of the employee to provide adequate work attire for him or herself during the probationary period. All coveralls will be returned in good condition (fair wear and tear accepted) at the time of layoff or termination.

Employees rehired within the first six (6) months of layoff will receive coverall service (three pairs) after fifteen (15) working days. If rehired after six (6) months, the employee will be considered a new hire and therefore be required to complete the probationary period prior to receiving coverall service.

20.04 Adequate washroom and lunchroom facilities will be provided by the Company and kept in a sanitary condition. The Company shall supply towels, hot water, soap and other supplies normally found in the restrooms. Employees will cooperate by observing the simple rules of cleanliness.

ARTICLE 21

TECHNOLOGICAL CHANGE

21.01 In the event that the Company introduces a technological change which results in:

- (a) Displacement of employees from employment with the Company, the Company will cooperate with Canada Manpower training facilities to train such employees, if there are job openings within the Company, and such

- employees have the necessary potential to fill the positions;
- (b) An employee being terminated as a result of technological change will receive one (1) week's pay or the equivalent notice for each year of seniority in excess of three (3) years seniority to a maximum of eight (8) weeks.

This section does not apply when an employee retires, resigns or is discharged for just cause, nor does it apply when plant closure follows a labour dispute.

ARTICLE 22 **WORKING CHARGEHAND**

- 22.01 The Company will be entitled to appoint working Chargehands who shall be members of the Union. The Company may protect their chargehands at the time of layoff.

ARTICLE 23 **SAVING CLAUSE**

- 23.01 It is assumed by the parties hereto that each provision of this Agreement is in conformity with all applicable laws of Canada and the Province of British Columbia. Should it later be determined that it would be a violation of any legally effective Federal or Provincial Order or Statute to comply with any provision or provisions of this Agreement, the parties hereto agree to renegotiate such provision or provisions of this Agreement for the purpose of making them conform to such Federal or Provincial Order or Statute, and the other provisions of this Agreement shall not be affected thereby.

ARTICLE 24 **NOTICES**

- 24.01 Any notice in writing which either party gives to the other shall be by registered mail, postage prepaid, addressed as noted on the front of this Agreement.

24.02 Any notice provided in this Agreement to be mailed by registered mail shall be deemed given as of the next day after the date of mailing. The registration receipt shall establish the date of mailing.

24.03 The Company or the Union may change its address for service of notice of any time by notice as set out in this Article.

ARTICLE 25
INTERPRETATION

25.01 Unless otherwise stated, the word "day" or "days" wherever used herein shall be deemed not to include Saturdays, Sundays, and paid holidays observed by the Company.

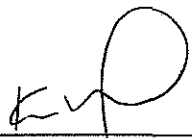
ARTICLE 26
TERM

26.01 The Agreement shall be effective May 1st, 2012 to April 30th, 2015 and shall continue in force thereafter unless ninety (90) days' written notice is given to either the Company or the Union to commence bargaining for a new amended collective agreement.

IN WITNESS WHEREOF the parties have executed this Agreement at
Vancouver, British Columbia, this 13th day of
September, 2012.

AI INDUSTRIES

**CANADIAN IRON, STEEL AND
INDUSTRIAL WORKERS' UNION,
LOCAL #1**

Per: 
Authorized Signatory

Per: 
Authorized Signatory

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APPENDIX "A"
WAGE RATES

CATEGORY	RATES		
	<u>1-May-12</u>	<u>1-May-13</u>	<u>1-May-14</u>
<u>WAGE SCHEDULE</u>			
APPRENTICE TRAINED AND/ OR COMPANY APPROVED JOURNEYMAN FABRICATOR	\$29.43	\$30.02	\$30.62
FABRICATOR	\$27.07	\$27.61	\$28.16
INSPECTOR	\$29.43	\$30.02	\$30.62
MAINTENANCE	\$26.57	\$27.11	\$27.65
WELDER (CP Welders)	\$27.59	\$28.15	\$28.71
WELDER 2 (NON CJP Welders)	\$25.54	\$26.05	\$26.58
YARD CONTROL	\$26.04	\$26.56	\$27.09
SAW OPERATOR	\$25.36	\$25.87	\$26.38
PAINTER	\$24.15	\$24.64	\$25.13
SHIPPER	\$24.15	\$24.64	\$25.13
HELPER 1	\$20.07	\$20.07	\$20.07
HELPER 2**	\$16.00	\$16.00	\$16.00
HELPER 3 - Students	\$10.50	\$10.50	\$10.50
Drill Line / Plate Machine Operator	\$23.89	\$24.37	\$24.85
Assigned First Aid Attendant	\$1.00/hr		
Backup First Aid Attendant	\$0.25/hr		

Lead Hand - To be paid two percent (2%) per hour above highest job classification which he supervises. 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 in the nature of the work as so recognized by the Company.

Charge Hand - To be paid five percent (5%) per hour above the Journeyman Fabricator Rate. A Charge Hand is defined as being a person responsible for total shift control. There will be a maximum of one Charge Hand per shift.

** All Helper 2's employed at April 30th, 2012 will make a minimum of \$17.53/per hour.