

COLLECTIVE AGREEMENT

BETWEEN

672462 B.C. Ltd.

AND

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 115

September 1, 2012 – August 31, 2015

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COLLECTIVE AGREEMENT

BY AND BETWEEN: 672462 B.C. LTD.

(hereinafter referred to as "the Employer")

AND INTERNATIONAL UNION of OPERATING ENGINEERS,
LOCAL 115

(hereinafter referred to as "the Union")

ARTICLE 1 - PURPOSE

- 1.01 It is the intent and purpose of the parties to this agreement, which has been negotiated and entered into in good faith:
- (a) to recognize mutually the respective rights, responsibilities and functions of the parties hereto;
 - (b) to provide and maintain working conditions, hours of work, wage rates and benefits as set forth herein;
 - (c) to establish an equitable system for the promotion, transfer, layoff and recall of employees;
 - (d) to establish a just and prompt procedure for the disposition of grievances;
 - (e) and generally, through the full and fair administration of all the terms and provisions contained herein, to develop and achieve a relationship among the Union, the Employer, and the employees which will be conducive to their mutual well-being.
- 1.02 The omission of specific mention in this agreement of existing rights and privileges established or recognized by the Employer shall not be construed to deprive employees or the Union of such rights and privileges.
- 1.03 Should any part of this agreement be declared or held invalid for any reason, that invalidity shall not affect the validity of the remainder which shall continue in full force and effect and be construed as if this agreement had been executed without the invalid portion.

ARTICLE 2 - RECOGNITION

- 2.01 The Employer recognizes the Union as the sole bargaining agent of all employees in the bargaining unit as defined in Article 2.02 save and except non-working supervisory personnel, office, engineering and survey staff.
- 2.02 This Agreement covers construction projects in British Columbia and Yukon Territory.

- 2.03 There shall be no revision, amendment, or alteration of the bargaining unit as defined herein or of any of the terms and provisions of this Agreement, except by the mutual agreement in writing of the parties. Should classifications and rates other than set out in Schedule "A" be required, the Employer and the Union shall meet and agree as to applicable rate(s).
- 2.04 The Union and the Employer may determine, on a project or site basis, if special dispensation is required to become competitive or the employees have specific concerns not addressed herein and, should the necessity arise, may by agreement in writing, add, amend or delete any terms or conditions of the Agreement for the duration of the job or project.

ARTICLE 3 - MANAGEMENT'S RIGHTS

- 3.01 The Employer's rights, subject to this Agreement, include but are not limited to the following:
- (a) the right to maintain order, discipline, and efficiency; to make, alter, and enforce rules and regulations, policies and practices to be adhered to by its employees; to discipline and discharge employees for just cause;
 - (b) subject to Article 6 the right to select, hire, and direct the working force and employees; to transfer, assign, promote, demote, classify, layoff, recall, and suspend employees; to select and retain employees for positions excluded from the bargaining unit;
 - (c) subject to the terms and conditions of the collective agreement the right to operate and manage the Employer's business in order to satisfy its commitments and responsibilities. The right to determine the kind and location of business to be done by the Employer, the direction of the working forces, the scheduling of or, the number of shifts, the methods, processes and means by which work is to be performed, job content, quality and quantity standards, the right to use improved methods, machinery and equipment, the right to determine the number of employees needed by the Employer at any time and generally, the right to manage the business of the Employer, the right to assign the work, and to plan, direct and control the operations of the Employer, without interference.
- 3.02 The sole and exclusive jurisdiction over operations, building, machinery and equipment shall be vested in the Employer.
- 3.03 The Employer may contract out work where:
- a) he does not possess the necessary facilities or equipment;
 - b) he does not have an/or cannot acquire the required manpower;
 - c) he cannot perform the work in a manner that is competitive in terms of cost, quality, and within required time limits.
- 3.04 a) Upon mutual agreement between the Employer and Union, the parties will engage in promoting opportunities for local residents and aboriginal people.

- b) Refer to Letter of Understanding.

ARTICLE 4 - UNION REPRESENTATION

4.01 For the purpose of representation with the Employer, the Employer recognizes that:

- (a) the Union has the, right to appoint Stewards to assist employees in presenting complaints or grievances and to enforce and administer the Collective Agreement. The number of Stewards shall not normally exceed two (2) per project. Projects involving fewer than fifty (50) employees may be limited to one (1) Steward. The Union will advise the Employer, in writing, of the names of Stewards;
- (b) duly appointed Representatives of the International Union of Operating Engineers Local 115 are representatives of the employees in all matters pertaining to this Agreement and particularly for the purpose of processing grievances, negotiating amendments to and renewals of this Agreement, and enforcing the employees' collective bargaining rights as well as any other rights under this Agreement and under the law. Union Stewards shall not act in the capacity of Representatives. The Union will advise the Employer, in writing, of the names of its duly appointed Representatives.

4.02 The Union acknowledges that Stewards have regular duties to perform as employees of the Employer and such employee will not leave their regular duties for the purpose of conducting business in connection with the administration of the Agreement or the investigation or presentation of grievances without first obtaining the permission of their Foreman or immediate Supervisor. Such permission will not be unreasonably withheld.

The Employer will pay stewards at their regular hourly rate for time spent attending such duties during their working hours.

4.03 Representatives of the Union will have access to visit job sites or fabricating shops during normal working hours subject to the following:

- (a) the Union Representative shall identify himself to the job Supervisor upon arriving at a job site;
- (b) in no case will such Representative interfere with the progress of work.

4.04 Union stewards will be laid off or reduced in number in accordance with the completion of the various phases of each project. Subject to the operating requirements of the Employer, the Union may request that Union stewards be retained on the job or project in the reduction of the work force. When so requested, the Employer may assign the Union steward to a classification the Union steward is qualified, to perform. In the event the Employer transfers the Steward to another project, a new Steward shall be appointed by the Union.

4.05 The Employer may meet periodically with his employees for the purpose of discussing any matters of mutual interest or concern to the Employer, the Union, and the employees. A Union representative may attend such meetings.

- 4.06 There shall be no Union activity during working hours, on the Employer's premises, except that which is necessary for the processing of grievances and the administration and enforcement of this Agreement as provided for in Article 4.02.

ARTICLE 5 - NO CESSATION OF WORK

- 5.01 During the term of this Agreement, or while negotiations for a further agreement are being held the Union will not permit or encourage any strike, slowdown, or any stoppage of work or otherwise restrict or interfere with the Employer's operation.
- 5.02 During the term of this Agreement, or while negotiations for a further agreement are being held, the Employer will not engage in any lockout of its employees or deliberately restrict or reduce the hours of work.

ARTICLE 6 - EMPLOYMENT POLICY AND UNION MEMBERSHIP

- 6.01 The Union and the Employer will cooperate in maintaining a desirable and competent labour force. The Employer has the right to hire new employees as needed and will give preference to Union members for employment, provided such applicants are qualified, in the Employer's opinion, to meet the requirements of the job.
- 6.02 The Employer will not discriminate against any employee because of Union membership and will inform all new employees of the contractual relationship between the Employer and the Union. Before commencing work, any new employee shall be referred by the Employer to a Steward or a Union Representative in order to give such Steward or Union Representative an opportunity to describe the Union purposes and representation policies to such new employees.
- 6.03 The Union agrees that it will make membership in the Union available to all employees covered by this agreement on the same terms and conditions as are applicable to other members of the Union.
- 6.04 It shall be the policy of the Employer to promote from within wherever possible at the Employer's discretion.
- 6.05 New employees will be hired on a thirty (30) calendar day probationary period and thereafter shall attain regular employment status subject to the availability of work. The parties agree that the discharge or layoff of a probationary employee because of skills, abilities, or qualification shall be in the discretion of the Employer.
- 6.06 Probationary employees are covered by the Agreement, excepting those provisions which specifically exclude such employees. Employees laid off and recalled by the employer within one year of previous employment shall not serve a new probationary period.

ARTICLE 7 – UNION SECURITY

- 7.01 The Company shall deduct such fees and dues as provided by the Union from the pay, which is known by the employees as the "*end of period pay*". These deductions shall be submitted monthly to the Union before or near the twenty-fifth (25th) day of the month in which said monies were deducted. The Union shall indemnify the Company for such remittances and deductions when in accordance with Union instructions.

- 7.02 Each employee shall, as a condition of employment and/or continued employment, become and remain a member in good standing of the Union. 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. In the event the Company is requested by the Union to discharge employees pursuant to this Article, the Union agrees to indemnify the Company in the event of subsequent proceedings being brought against the Company for such discharge.
- 7.03 The Company shall hand each new employee a Union membership card and dues deduction card. The employee shall complete said cards and return them to the Company. The Company shall *ensure that the cards are completed and* submit the Union membership card to the Union *prior to the first dues being submitted as per Article 3.01*, and shall retain the dues deduction card on the employee's file.
- 7.04 The Company shall submit a check-off list containing the names and social insurance numbers of each employee and the dues applicable to each employee.
- 7.05 Notwithstanding any provisions contained in this Article, there shall be no financial responsibility on the part of the Company for fees, dues or assessments of an employee unless there are sufficient unpaid wages of that employee in the Company's hands.
- 7.06 The Union shall indemnify and save the Company harmless against any and all such claims, demands, suits or other forms of liability that shall arise out of or by reason of such action taken or not taken by the Company for the purpose of complying with any of the provisions of this Article.
- 7.07 The Company agrees and covenants it shall make no written or verbal agreements with any employee(s) regarding items covered by this Collective Agreement.

ARTICLE 8 - WAGE RATES OF PAY

- 8.01 Wage Schedules and other provisions applicable to various job classifications and work descriptions are as set forth in Schedule "A" attached hereto and made a part hereof. It is understood and agreed that the Employer and the Union will jointly determine the wage schedule applicable to a project prior to its commencement if there is a possible dispute.
- 8.02 (a) Additional classifications may be established only by mutual agreement between the Employer and the Union during the term of this Agreement, and the rates for same shall be subject to negotiations between the Employer and the Union.
- (b) When a new job classification is introduced which is not included in the list of classifications in Schedule "A", the Company and the Union shall promptly negotiate a wage rate for such classification.
- 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 are not able to agree to an acceptable hourly rate or schedule in 8.01 or 8.02 the matter shall be referred to arbitration as provided for in Article 23 or shall be referred to the Canadian Joint Grievance Panel.

8.03 Start Time Pay

An employee who reports for work as scheduled, without having been notified that there is no work available, and who is sent home because of lack of work, shall receive a minimum of two (2) hours pay at his prevailing hourly rate providing that the employee has reported to work in person and is fit to perform his or her duties and complies with recognized Health and safety Regulations including those of the Workers Compensation Board.

Where an employee believes that the Employer may not have work available on a particular day, the employee may phone the Employer's answering service before proceeding to the job site - in order to determine whether or not work is available. If the Employer's answering service states that work is not available, the Employee shall not be call out time.

8.04 Starting Work

An employee who starts work and is prevented from completing his normal work day shall receive a minimum of four (4) hours pay at his prevailing hourly rate except when the work is suspended because of inclement weather or other reasons completely beyond the control of the Employer in which case the minimum shall be two (2) hours. The employee shall also receive his full lodging allowance if and when applicable.

8.05 When there is a temporary shortage of work within a given work day in a specific classification, the Employer may employ the affected employees in another classification at the rate of pay of their usual specified classification provided the employee is qualified to do the required work.

8.06 Employees given the option to work in another classification for which they are qualified instead of being laid off shall be paid the rate for the new classification.

8.07 If the Employer bids on jobs which specify a specific rate Schedule, the parties agree to meet to determine the rate to be paid for the particular project.

8.08 The Employer, in consultation with the Operating Engineers Training Plan, may hire employees with lesser skills or experience and shall pay those wages at not less than 80% of the established wage rate in their respective classification. The Employer agrees that those employees who excel and increase in individual quality, productivity, and performance shall receive increases in their individual wage rate up to 100% of the established wage rate in their respective classifications.

8.09 Employees shall be paid at least bi-monthly by cheque or automatic bank deposit at the option of the employer, no later than Friday in any week and the employee's pay shall be accompanied by a slip outlining all hours of work, overtime hours, and deductions for income tax, unemployment insurance, union dues, pension and health and welfare. All employees shall receive their pay slips during working hours.

8.10 Whenever the Employment Insurance Separation Certificates and pay cheques and vacation pay monies are not given to the employee at the time of layoff or termination, they shall be sent by the Employer to the Employee by mail to his last known address on file with the Employer within three (3) working days of the time of termination.

8.11 The Employer may withhold a reasonable amount of wages not to exceed one (1) week's wages in order that the payroll may be prepared.

ARTICLE 9 - HOURS OF WORK & OVERTIME

- 9.01 (a) Standard Work Week: Monday to Sunday: the standard hours of work for all employees shall be based on forty (40) hours per workweek exclusive of traveling time to and from the job or required marshalling point.
- (b) All hours worked after forty (40) hours and up to a maximum of twenty-six (26) hours inclusive shall be paid at one and half times (1.5x) the regular rate of pay Monday through Sunday.
- (c) All hours worked after sixty-six (66) hours and any hours worked on a general holiday shall be paid two times the regular rate of pay Monday through Sunday.
- (d) Hours worked in excess of eleven (11) hours per day shall be paid at two (2) times the hourly rate.
- 9.02 When a Statutory Holiday occurs during the week, overtime shall be paid for all hours in excess of thirty-two (32) hours worked
- 9.03 The Employer will, subject to operating requirements, attempt to distribute overtime work as evenly as possible among employees who normally perform the work and who indicate they wish to work overtime.
- 9.04 Hours of work and overtime as set out in this Article may be modified by mutual agreement between the Employer and the Union for selected contract projects.
- 9.05 It is agreed that the provisions of this Article are for the purpose of computing overtime and shall not be construed to be a guarantee of or a limitation on the hours of work to be done per day or per week other than those stipulated in Articles 8.03 and 8.04.
- 9.06 There will be two (2) coffee breaks of ten (10) minutes duration on each shift, one in the first half of the shift and one in the second half of the shift. Employees will be given a meal period of one half (1/2) hour per shift but such period will not be considered as time worked. Employees shall be entitled to an additional coffee break for every four (4) hours' overtime worked in a given day.
- 9.07 Provided the employee notifies the Employer at the time of hire, the Employer agrees to respect an employee's wishes with regards to not working certain days of the week or certain hours of the day because of religious convictions.
- 9.08 12:01 A.M. Monday shall be deemed the first day of the week.

ARTICLE 10 - LAY-OFFS

- 10.01 The Employer agrees to notify the Union office of the names of employees laid off within the pay period of the date during which the layoff occurred, together with the employee's classification and latest available phone number.

ARTICLE 11 - VACATION & VACATION PAY

- 11.01 Vacation and General Holiday pay shall be accrued at the rate of ten percent (10%) of gross earnings, five percent (5%) for annual vacation and five percent (5%) for general holidays and shall be paid to the employee upon termination of employment, or when an employee takes his annual vacation.
- 11.02 Vacation pay and statutory holiday pay shall be paid to employees on each paycheque.
- 11.03 The Employer will grant vacations at the times requested, considering business requirements.

ARTICLE 12 - HOLIDAYS & HOLIDAY PAY

- 12.01 For clarification purposes, it is the intent that holiday pay is paid on all monies that are taxable to the employee.

Employees who have completed twelve (12) months of continuous employment from their date of hire (excluding temporary layoff) upon request shall be entitled to a minimum of three (3) consecutive weeks' vacation. Vacation periods will be arranged by mutual agreement between the employee and the Employer, it being understood no fare and travel time is payable.

The recognized holidays are: New Year's Day, Good Friday, Easter Monday, Victoria Day, Canada Day, first Monday in August (British Columbia Day), Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and any day declared a public holiday by the Federal and/or Provincial Government. No work will be performed on Labour Day. All work performed on General Holidays shall be paid for at double time rates. In the event that any additional day or days are declared public or provincial holidays by the Federal and/or Provincial Government, then such holidays shall be recognized and the General Holiday pay shall be increased by one-half of one percent (0.5%) for each additional day.

* SEE APPROPRIATE SCHEDULE

When a General Holiday falls on a Saturday or Sunday, the following Monday will be observed.

July 1st, Canada Day, shall be observed on the actual day of the holiday, except Saturday or Sunday where the following Monday will be observed.

When Christmas Day and Boxing Day fall on Saturday and Sunday, the following Monday and Tuesday will be observed.

When a General Holiday falls on a Tuesday, Wednesday or Thursday, exclusive of Remembrance Day, Christmas Day, Boxing Day and New year's Day, then the holiday shall be observed on the nearest Monday and the actual day of the holiday shall be worked and paid for at the appropriate straight time rate. Work performed on the day upon which it has been agreed that the holiday will be observed will be paid for at double time rates.

When working in a location where the Employer is prevented by the owner from working on a General Holiday, then the actual General Holiday will be observed.

ARTICLE 13 - LODGING ALLOWANCE

- 13.01 Whenever employees covered by this Agreement are required by the Employer to be away from their normal place of residence overnight, the Employer shall pay a lodging allowance which will be appropriate to the project and be calculated so as to cover the cost of reasonable lodging, or alternatively, provide, at his own expense, suitable accommodation for the employees. Allowances will not be paid for any day on which an employee lays off work of his own accord for reasons other than sickness or accident. When an employee is absent for the reasons noted above, he shall furnish the Foreman on the job with satisfactory evidence of illness and/or accident or he shall forfeit the allowances. In order to be eligible for lodging, an employee's permanent residence must be further than one hundred (100) kilometres by shortest public road from the job site.
- 13.02 The Employer will provide transportation from the employee's point of hire in British Columbia to the project at the commencement of employment and return to the same point upon layoff at no cost to employees. If an employee quits within his probationary period, he shall not receive the benefits provided herein. There shall be a free travel zone of fifty (50) kilometres by shortest public road from a job site. All additional mileage to jobs beyond fifty (50)km. from such centres, will be paid at a rate of fifty cents (50¢) per km each way for such additional mileage to reimburse the employee for daily travel allowance and traveling time.
- 13.03 Travel allowances, where applicable, shall be paid bus fare and accommodation if overnight stay is required. If the parties are unable to agree, the matter shall be settled by binding arbitration.

ARTICLE 14 - UNION-MANAGEMENT COMMITTEE

- 14.01 The Union and the Company recognize the mutual benefits of ongoing consultations and open communications. Without limiting the opportunities for employees and Management to use other avenues for communications, the parties agree to the utilization of a Union-Management Committee wherein matters of mutual concern and interest can be freely and candidly discussed with a view to exploring possible solutions which are acceptable and beneficial to employees and the Company.
- 14.02 The parties understand and agree that the Union-Management Committee is a vehicle for joint discussion and consultation, and is in no way intended to restrict or replace the rights reserved to the parties by this Agreement; nor is the Committee intended to take the place of normal communications between employees and management.
- 14.03 The Union-Management Committee shall meet at least every three (3) months or as required. The Committee shall be comprised of three (3) representatives from the Union and three (3) representatives from the Company.

The lead shop steward (or designate) and the Human Resources Superintendent (or designate) shall be in attendance at all meetings.

As required, additional representatives of Union or Management may attend Union Management Committee meetings to represent their respective positions or departments as indicated by the agenda. Topics not on the agenda and without proper representation should not be discussed at these meetings.

A committee member attending the Union-Management meetings during regular working hours shall be entitled to his regular hourly rate of pay. In the event that such meetings are held outside of regular working hours, the Employer agrees to pay the committee member their rate of pay for each meeting attended.

14.04 The Employer may meet periodically with his employees for the purpose of discussing any matters of mutual interest or concern to the Employer, the Union, and the employees.

14.05 In the event that consultation fails to resolve a matter of contention, the Union reserves the right to refer unresolved matters to the Canadian Joint Grievance Panel.

ARTICLE 15 – ACCIDENT PREVENTION

15.01 The Company and the Union recognize the benefits to be derived from safe working conditions and work practices. Accordingly, it is agreed that all employees, Union representatives and Supervisors at all levels, shall cooperate to promote safe work practices, safe and healthy working conditions and the enforcement of safety rules. Further, all employees of the Company are fully obligated to comply with any and all reasonable rules of conduct established by the Company and bearing on safety and health

15.02 It is understood and agreed that the parties of this Agreement shall at all times comply with the accident prevention regulations of the Workers' Compensation Act, and any refusal on the part of the workman to work or to continue work in contravention of such regulations shall not be deemed to be a breach of this Agreement. The Company is to give thorough instruction to its members in all standard safety regulations.

15.03 SAFETY MEETINGS - Safety Meetings shall be held once a month in each branch on Company time with bargaining unit representation present. A copy of the minutes of the meeting to be posted on the bulletin boards.

15.04 OCCUPATIONAL HEALTH & SAFETY COMMITTEE:

1. The Committee shall be comprised of an equal number of company and union representatives.

This Committee shall review the activities of all branches related to health and safety included but not limited to:

- (a) tool box meetings
- (b) inspection reports
- (c) all incident/accident reports and conduct investigations on any medical and/loss time or serious near misses as appropriate

- d) make recommendations to the company or other agencies on matters of health and safety.
 2. The Committee's mandate and schedule may be adjusted as established by the Committee.
 3. Time spent on the OHSC and safety committee's is considered time worked.
- 15.05 All safety matters shall be handled in accordance with the established Workers' Compensation Procedures and the Employer's Safety Manual.
- 15.06 Light Duty Work Programs

If an employee is injured on the job and requires medical attention, the employee is entitled to Light Duty Work and he shall inform the attending physician of the same.

The Employer shall inform the physician of the types of light duty work available to the employee and shall make the same available to the employee with the employee's physician's approval.

ARTICLE 16 – BENEFITS AND PENSION PLAN

- 16.01 The Employer shall make contributions for Benefits and Pension Plans in such amounts and under such conditions as set forth in this Agreement, and shall be paid on hours worked.

Payments of all contributions shall be made by cheque to the respective Union Plan, namely the Operating Engineers' Benefits and Pension Plans.

These monies shall be forwarded, to the respective Plan, once each month. Such payment shall be made not later than the fifteenth (15th) day of the month following the month that the contributions cover. The Employer shall make the contributions on the forms supplied by the plans.

Business Representatives of the Union may inspect during regular business hours, the Employer's record of time worked by employees and contributions made to the Plans.

The Unions auditor shall be permitted to inspect and audit the Employer's record of time worked by employees and contributions made to the Plans, and shall be allowed the time necessary to complete the audit.

ARTICLE 17 - TOOLS

- 17.01 The employees shall be held responsible for all tools issued to them by the Employer. The Employer shall provide adequate security for all tool storage on the site.
- 17.02 The list of tools to be supplied by trades shall be established by the Employer in consultation with the Union.

ARTICLE 18 - PROTECTIVE EQUIPMENT

- 18.01 All employees shall wear safety hats to be made available by the Employer.
- 18.02 All employees shall wear gloves and safety shoes where required, furnished by the employee.
- 18.03 The Employer will furnish employees with safety equipment (including safety glasses) and rain gear if and when required. Said equipment shall remain the property of the Employer. Any worn out safety equipment will be replaced upon presentation of the worn equipment. The employees shall be held responsible for loss or improper maintenance of Employer furnished items. The company shall provide and have cleaned coveralls for all mechanics, welders and millwrights at no cost to the employee.

ARTICLE 19 - LEAVES OF ABSENCE AND BEREAVEMENT PAY

- 19.01 The Employer shall grant leaves of absence without pay for the following reasons:
- (a) marriage of the employee;
 - (b) sickness of the employee or employee's immediate family;
 - (c) death in the immediate family;
 - (d) Union activity other than directly relating to the Employer.
- 19.02 Leave of absences under Article 21.01 shall not exceed one (1) week unless time is mutually agreed upon between the Employer and the employee.
- 19.03 An employee will be granted three (3) days leave of absence with pay, at his regular straight time hourly rate, to make arrangements for and to attend the funeral of the employee's spouse, child, mother or father.
- 19.04 Employees who fail to report for work as scheduled without giving a justifiable reason shall be deemed to have voluntarily quit.

ARTICLE 20 - GRIEVANCE PROCEDURE

- 20.01 Employees shall attempt to settle any differences, complaints or disputes with their immediate Supervisor before proceeding with the Grievance Procedure. Employees are encouraged to promptly bring forward any differences so that problems can be clearly understood and resolved.
- 20.02 Nothing contained in this Agreement shall preclude an employee's right to the Grievance Procedure.
- 20.03 If there should arise any difference between the Company and the Union regarding the interpretation, application, or alleged violation of the Collective Agreement, or a question as to whether any matter is arbitrable, an earnest effort shall be made to settle the dispute in the following manner.

STAGE ONE

20.04 Within seven (7) workdays of the employee or employees becoming aware of, or the date they should have become aware of, the grievance shall be submitted in writing to the immediate Supervisor. The Supervisor, together with such other management person he wishes, shall meet promptly with the grievor(s) and/or his Steward in an attempt to resolve the grievance. The Supervisor shall respond in writing within seven (7) workdays of his receiving the written grievance. Failing settlement then;

STAGE TWO

20.05 Within seven (7) workdays from the time the immediate Supervisor responded in writing, or should have responded, the grievor(s) or his Steward and/or Lead Steward shall present the grievance in writing, on the Union grievance form, to the appropriate Department Superintendent or his designated substitute. The Department Superintendent, or his designated substitute, shall give his decision in writing within seven (7) workdays from the time the grievance was advanced to Stage Two. Failing a settlement, then,

STAGE THREE

20.06 Within seven (7) workdays from the time when the decision at Stage Two has been or should have been given, a Business Representative of the Union may give notice in writing, requesting further consideration of the matter to the General Manager or his substitute designated by him to handle such matters at Stage Three. A meeting shall be held within fourteen (14) workdays from the date upon which the General Manager received written notice requesting further consideration of the matter at Stage Three. The employee(s) making the complaint may be present at this meeting if the Company or the Union so requests. A Business Representative of the union or his designate, accompanied by the lead Steward or Steward involved, shall be present at this meeting. The General Manager may, if he so desires, be accompanied by other officials of the Company.

The General Manager shall give his decision in writing on behalf of the Company within seven (7) workdays after such a meeting. Failing settlement either party may express its intent within ten (10) workdays to the other party in writing to submit the grievance to arbitration, according to the provisions of Article 15 of this Agreement.

20.07 (a) A grievance which alleges that an employee has been suspended without just cause may be commenced at Stage Two above provided it is done within seven (7) workdays after the alleged grievance has arisen.

(b) A grievance, which alleges that an employee has been discharged without just cause, may be commenced at Stage Three above provided it is done within seven (7) workdays after the alleged grievance has arisen.

20.08 Any difference which arises between the Company and the Union concerning an interpretation, application, operation or alleged violation of this Collective Agreement, instead of following the procedure herein before set out, may be submitted as a written grievance to be initiated at Stage Three, within twenty-one (21) days of the occurrence giving rise to the grievance.

- 20.09 Each step to be taken under the procedure set forth in this Article (including any reference to arbitration and those relating to discharge cases) shall be taken by the party concerned within the time limits set forth or the matter shall be deemed to have been abandoned.
- 20.10 Any and all time limits fixed by this Article for the taking of action by either party or by an employee may at any time be extended by mutual agreement in writing.
- 20.11 The Second and Third Stage meetings of the Grievance Procedure shall normally commence during the day shift, however, this does not preclude a meeting commencing before or continuing after this period. Every attempt shall be made by the parties to schedule grievance meetings at a mutually acceptable time.
- 20.12 The parties may, upon mutual agreement, refer any outstanding grievance to the Canadian Joint Grievance Panel process that is attached to and forms part of this Agreement. 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. The decisions rendered are final and binding, but not precedent setting. Each grievance is heard and a decision reached on its own merit. 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 11 Hearing under the Panel process, refer the matter back to the arbitration process as outlined above in the Article or, withdraw the grievance.

ARTICLE 21- ARBITRATION

- 21.01 If the parties fail to settle the grievance at Step 2 of the Grievance Procedure, the grievance may be referred to arbitration.
- 21.02 The party initiating arbitration must serve the other party with written notice of desire to arbitrate within fourteen (14) days after receiving the decision given at Step 2 of the Grievance Procedure.
- 21.03 If a notice of desire to arbitrate is served, the two parties shall attempt to obtain an agreement to refer the matter to an agreed upon single Arbitrator within seven (7) days of service, who will meet with the authorized representatives of the Union and the Employer in a hearing to ascertain both sides of the case.
- 21.04 If the parties fail to agree to refer the matter to an agreed single Arbitrator within seven (7) days of service as aforesaid, either Party may request the Minister of Labour to appoint a single Arbitrator.
- 21.05 Notice of desire to arbitrate and of nominations of an Arbitrator shall be served by fax and mail. The date of mailing shall be deemed to be the date of service.
- 21.06 If a party refuses or neglects to answer a grievance at any stage of the Grievance Procedure, the other party may commence arbitration proceedings and if the party in default refuses or neglects to appoint an Arbitrator, the party not in default may apply to the Minister of Labour to appoint a single Arbitrator to hear the grievance. The decision of the Arbitrator shall be final and binding upon both parties.

- 21.07 It is agreed that the single Arbitrator shall have the jurisdiction, power, and authority to give relief for default in complying with the time limits set out in Articles 22 and 23 where it appears that the default was owing to reliance upon the words or conduct of the other party.
- 21.08 An employee found to be wrongfully discharged or suspended will be reinstated without loss of seniority and with back pay, less any monies earned, or by any other arrangement which is just and equitable in the opinion of the Arbitrator.
- 21.09 Where the single Arbitrator is of the opinion that there is proper cause for disciplining an employee, but considers the penalty imposed too severe in view of the employee's employment record and the circumstances surrounding the discharge or suspension the single Arbitrator may substitute a penalty which is, in the opinion of the single Arbitrator, just and equitable.
- 21.10 The decision of the single Arbitrator will be final and binding on the two parties to the dispute and shall be applied forthwith.
- 21.11 The parties will equally bear the expense of the single Arbitrator.
- 21.12 An Arbitrator shall be empowered to render his decision or interpretation consistent with the provisions of this agreement.
- 21.13 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 22 - DISCHARGE, SUSPENSION, AND WARNING

- 23.01 An employee may be suspended or discharged for proper cause by the Employer. Proper cause may include without limitation, the refusal by an employee to abide by Safety Regulations; the use of illegal narcotics or alcohol or reporting for work while under the influence of such substances; the refusal by the employee to abide by the requirements of the Employer's clients; the refusal by the employee to abide by the requirements of the Employer's rules, regulations, policies and practices. Such suspension or discharge is subject to the Grievance procedure.
- 22.02 When the attitude or performance of an employee calls for a warning by the Employer, such a warning shall be noted by the foreman/supervisor. The foreman/supervisor shall inform the Union and Steward of the warning within twenty-four (24) hours.

ARTICLE 23 - DURATION

- 23.01 This Agreement shall be effective on the first (1st) day of September, two thousand and twelve (2012) and shall remain in effect until the thirty-first (31st) day of August, two thousand and fifteen (2015), and for further periods of one year unless notice shall be

given by either party of the desire to delete, change, or amend any of the provisions contained herein, within the period from one hundred and twenty (120) to sixty (60) days prior to the renewal date. Should either of the parties give such notice, this Agreement shall continue until the parties renew, revise, or reach a new Agreement.

23.02 The Parties agree to exclude the operation of Section 50 (2) and (3) of the Labour Relations Code.

SIGNED at, _____ B.C, this ____ day of _____, 2012.

672462 B.C. LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS LOCAL 115

Authorized Representatives

Authorized Representatives

SCHEDULE "A"

CLASSIFICATIONS & HOURLY RATES

WAGES AND BENEFITS

Labourer #1

Sept 1, 2012	March 1, 2013	March 1, 2014
26.13	26.78	27.32

Benefits as per the Road Builders Agreement

	Sept 1, 2012	March 1, 2013	March 1, 2014
Benefits Plan	2.20	2.30	2.30
Pension Plan	4.35	4.45	4.50
Apprenticeship	0.38	0.38	0.38
Working Dues	0.55	0.56	0.57
O.E. Advancement Fund	0.155	0.155	0.155
Rehabilitation Fund	0.02	0.02	0.02
Tool Allowance Fund	0.08	0.08	0.08
Totals:	7.74	7.95	8.01

Pipe Layer premium of one dollar (\$1.00) per hour worked above Labourer #1 rate of pay.

Labourer #2

Labourer #2 will be considered a training position. This position will have a graduated wage scale as described below.

	Sept 1, 2012	March 1, 2013	March 1, 2014
0-6 Months 65%	16.98	17.41	17.76
6-12 Months 70%	18.29	18.75	19.12
12-24 Months 80%	20.90	21.42	21.86
24-36 Months 90%	23.52	24.10	24.59
30-36 Months 95%	24.82	25.44	25.95

Trainees

As some trainees may have experience, an evaluation shall be done with input from both Management (Direct Supervisor) and the experienced peers they are working with. The Trainee rate of pay and duration time is meant to be minimums, higher rates of pay, and shorter time durations may be used.

	Sept 1, 2012	March 1, 2013	March 1, 2014
Benefits Plan	2.20	2.30	2.30
Pension Plan	3.35	3.45	3.50
Apprenticeship	0.38	0.38	0.38
Working Dues	0.55	0.56	0.57
O.E. Advancement Fund	0.155	0.155	0.155
Rehabilitation Fund	0.02	0.02	0.02
Tool Allowance Fund	0.08	0.08	0.08
Totals:	6.74	6.95	7.01

Employees on probation will pay permit fees in the amount of \$40.00 (forty dollars) per 30 days until they become members of the Operating Engineers Union, Local 115.

OPERATORS

Operators #1

	Sept 1, 2012	March 1 st 2013	March 1 2014
Benefits Plan	2.20	2.30	2.30
Pension Plan	4.35	4.45	4.50
Apprenticeship	0.38	0.38	0.38
Working Dues	0.55	0.56	0.57
O.E. Advancement Fund	0.155	0.155	0.155
Rehabilitation Fund	0.02	0.02	0.02
Tool Allowance Fund	0.08	0.08	0.08
Totals:	7.74	7.95	8.01
Hourly Wage Rate Classifications			
Mechanic * /Welder	28.62	29.14	29.67
Group 1	28.09	28.59	29.11
Group 2	27.81	28.31	28.83
Group 3	27.40	27.89	28.40
Group 4	27.28	27.76	28.27
Group 5	26.82	27.29	27.79
Group 6	26.14	26.59	27.07
Note: Packer (Non – asphalt work)	23.16	23.54	23.96
Grader moves to Group 1	28.09	28.59	29.11

- NOTE:
1. Rock truck will be Group #5 Rate
 2. Tandium axle trucks will be Group #5 rate
 3. Truck and trailer will be Group #4 rate

Operator #2

Sept 1, 2012	March 1, 2013	March 1, 2014
26.23	26.89	27.43

	Sept 1, 2012	March 1, 2013	March 1, 2014
Benefits Plan	2.20	2.30	2.30
Pension Plan	4.35	4.45	4.50
Apprenticeship	0.38	0.38	0.38
Working Dues	0.55	0.56	0.57
O.E. Advancement Fund	0.155	0.155	0.155
Rehabilitation Fund	0.02	0.02	0.02
Tool Allowance Fund	0.08	0.08	0.08
Totals:	7.74	7.95	8.01

Signed this _____ day of _____, 2012

For the Company

For the Union

SCHEDULE "B"

Operating Engineers Health Care Benefits Plan Booklet

SCHEDULE "C"

FOR INDUSTRIAL CONSTRUCTION LIST OF PERSONAL TOOLS – WELDERS

The following are the basic required tools:

ITEM#	Description	"B" Pressure	Apprentice & Journeyman
1.	Cutting Goggles	X	
2.	Welding Hood (to fit hard hat)	X	X
3.	Chipping Hammer	X	X
4.	6" Level	X	
5.	Tri-Square	X	
6.	Two (2) Crescent Wrenches (8" minimum)	X	X
7.	Tip Cleaner	X	X
8.	Rod Pouch	X	
9.	Soap Stone Holder	X	
10.	Lockable Box (c/w personal lock)	X	X

**FOR INDUSTRIAL CONSTRUCTION
LIST OF PERSONAL TOOLS – HEAVY DUTY MECHANICS**

ITEM	DESCRIPTION	JOURNEY- MAN	APPRENTICE
1.	Ball Pen Hammer (1) 4 oz.		
2,	Ball Pen Hammer (1) 1 lb.		
3.	Ball Pen Hammer (1) 2½ lbs,		
4.	Ball Pen Hammer (1) soft face hammer		
5.	1 Chisel set - 3/8 to 7/8 flat		
6.	1 Cape Chisel 3/8		
7.	1 Cape Chisel 3/16		
8.	1 set Punches Taper 9", 10", 12" & 14"		
9.	1 set Pin Punches 3/16 to 5/16		
10.	1 Pipe Wrench 8"		
11.	1 Pipe Wrench 12"		
12.	1 Pipe Wrench 18"		
13.	1 Adjustable Wrench 1"		
14.	1 Adjustable Wrench 12"		
15.	1 Adjustable wrench 18"		
16.	1 Chain Wrench - 4" capacity		
17.	1 H. D. Hack Saw		
18.	1 Set round blade screw drivers 1½-12"		
19.	1 Phillips Screw Driver		
20.	(1) set Pliers – slip joint – needle nose & diagonal cutter		
21.	1 - 10" Circular Snips		
22.	1 - 10" Vice Grips		
23.	1 Set 3/8" Drive Socket		
24.	1 Set ½" Drive Socket		
25.	1 Set Combination Wrenches - 3/8" to 2"		
26.	1 Set Tappet Wrenches – 3/8" to 1"		
27.	1 Set Ignition Wrenches		
28.	1 Cat Bar 16"		
29.	1 12' Steel Tape		
30.	1 Bernier Caliper		
31.	1 Set Feeler Gauges		
32.	1 Tube Cutter & Flaring Tool Set		
33.	1 Putty Knife		
34.	1 Set Easy Outs		
35.	1 Stud Remover		

LETTER OF UNDERSTANDING

BY AND BETWEEN: 672462 B.C. LTD.

AND INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 115

RE: FIRST NATIONS PROTOCOL

Reasonable efforts to co-operate with local Aboriginal groups or First Nations whose traditional territories are directly affected by the project, make reasonable attempts to address any concerns resulting from the project that are advanced by such First Nation or aboriginal groups; and

Whereas various First Nation groups have voiced a desire to be provided with opportunities to enter the work force; and

Whereas some of the training and employment opportunities will be within the Bargaining Unit; and

1. The Company shall make available to members of the designated First Nations groups opportunities to obtain employment and training that would permit them to obtain the basic knowledge and personal skills and practices necessary to succeed in the obtaining of regular employment.
2. No member of the Bargaining Unit will be laid off or disadvantaged as a result of such training.
3. Prior to the commencement of training the Company will notify the Union of the First Nations persons participating in any training and employment opportunities.
4. To be eligible to participate in such training and employment opportunities the Company may require the First Nations member to have certain basic skills and education.
5. To be eligible to participate in these training and employment opportunities the individual must be designated by their "Band Chief: as a candidate for this program.
6. Persons will only be given one training and exposure opportunity.
7. The total number of First Nations persons who may participate in training and employment opportunities within the Bargaining Unit, at any one time, will be a maximum of six.

8. All standard operating rules and policies of the Company shall apply to First Nations participants.
9. Persons participating in these training and employment opportunities will be paid in accordance with applicable hourly rates set out in the Collective Agreement.
10. Persons will be required to pay the equivalent of Union dues, but they will not be required to join the Union or pay initiation fees.
11. First Nations persons participating in these training and employment opportunities will be covered by the various provisions of the Collective Agreement save and except lay off provisions and the grievance procedure as it applies to terminations.

SIGNED at, _____ B.C, this ____ day of _____, 2012.

672462 B.C. LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS LOCAL 115

Authorized Representatives

Authorized Representatives