

COLLECTIVE AGREEMENT

COWICHAN VALLEY CONCRETE LTD.

AND

UNITED STEELWORKER LOCAL 1-1937

July 21, 2011 – July 20, 2015

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MEMORANDUM OF AGREEMENT

BETWEEN:

COWICHAN VALLEY CONCRETE LTD.

AND:

UNITED STEELWORKERS LOCAL 1-1937

PREAMBLE:

The purpose of this Agreement is to secure for the Company, the Union and the employees the full benefits of orderly and legal collective bargaining, and to ensure to the utmost extent possible, the safety and physical welfare of the employees, economy of operation, quality and quantity of output, and protection of property. It is recognized by this Agreement to be the duty of the Company and the Union and the employees to cooperate fully, individually and collectively, for the advancement of said conditions.

The Company and the Union Agree to abide by the terms set out in this Agreement. The Union further agrees that it will at all times instruct its members to act in accordance with the terms contained in this Agreement. The Company agrees, in the exercise of the functions of management, that the provisions of this Agreement will be carried out.

ARTICLE I - BARGAINING AGENCY

SECTION 1: RECOGNITION

- (a) The Company recognizes the Union as the sole collective bargaining agency of the employees of the Company within the area of the jurisdiction of the USW Local 1-1937 except management, office staff and those employees with the authority to hire or discharge.

- (b) It is agreed that if a dispute arises as to whether or not a person is an employee within the bargaining unit it shall be subject to grievance procedure as provided in Article XVII, Section 1, Step One, and in the event of failure to reach a satisfactory settlement it shall be dealt with by arbitration as set forth in Article XVIII, Section 1.
- (c) The Union agrees to issue a withdrawal card to employees transferred from the bargaining unit to a job outside the bargaining unit providing that no dispute arises within the meaning of Clause (b) herein.

SECTION 2 : MEETINGS

The Company and the Union will meet at such time and place as may be mutually agreed upon for the purpose of discussing wages and working conditions and adjusting any matters within the confines of this Agreement which comes within the scope of collective bargaining between employer and employee.

SECTION 3 : BARGAINING AUTHORITY

The Party of the First Part agrees that the bargaining authority of the Party of the Second Part shall not be impaired during the term of this Collective Agreement. The Party of the First Part agrees that the only certification that they will recognize during the term of this Agreement is that of the Party of the Second Part, unless ordered by due process of law to recognize some other bargaining authority.

SECTION 4 : ACCESS TO OPERATION

Official Union representatives shall obtain access to the Company's operation for the purposes of this Agreement by written permission which will be granted by the Company on request and subject to such reasonable terms and conditions as may be laid down by the Company.

ARTICLE II - EMPLOYER RIGHTS

SECTION 1 : MANAGEMENT AND DIRECTION

The management and the operation of, and the direction and promotion of the working forces, is vested exclusively in the Management; provided; however, that this will not be used for purposes of discrimination against employees. Management reserves the right to carry out their duties as they have in the past including but not limited to operational activities.

SECTION 2: HIRING AND DISCIPLINE

The Company shall have the right to select its employees and to discipline or discharge them for proper cause.

ARTICLE III - UNION SECURITY

SECTION 1: CO-OPERATION

The Company will co-operate with the Union in obtaining and retaining as members the employees as defined in this Agreement, and to this end will present to new employees and to all supervisors and foremen the policy herein expressed.

SECTION 2: UNION SHOP

All new employees shall, within thirty (30) calendar days after the execution of this Agreement, or thirty (30) calendar days after entering employment, whichever date last occurs, become members of the Union and maintain membership therein throughout the term of this Agreement, as a condition of continued employment.

SECTION 3: MAINTENANCE OF MEMBERSHIP

Any employee who is a member in good standing, or is reinstated as a member of the Union shall as a condition of continued employment maintain such membership in good standing throughout the term of this Agreement

SECTION 4: DISCHARGE OF NON-MEMBERS

Any employee who fails to maintain such membership in the Union as prescribed herein by refusal to pay dues and assessments shall be subject to discharge after seven (7) days' written notice to the Company of the said employee's refusal to maintain his membership.

SECTION 5: UNION MEMBERSHIP

- (a) No employee shall be subject to any penalties against his application for membership or reinstatement, except as may be provided for in the USW-Canada Constitution, and in accordance with the By-Laws of the following Local Union: No. 1-85, 1-1937,-2009.
- (b) Any employee who applies to join the Union pursuant to the provision herein and whose application is rejected by the Union shall not be subject to discharge from employment.

SECTION 6: CHECK-OFF

The Company shall require all new employees at the time of hiring to execute an assignment of wages, as per Local 1-1937 requirements. The forms to be supplied by the Union, and said forms to be forwarded to the Union not later than fifteen (15) calendar days following the date of hiring. This assignment in the case of employees already members of the Union shall be effective immediately, and for those employees not previously members of the Union, it shall become effective thirty (30) calendar days from the date of execution. The Local Union shall notify the company by letter of the amount of back dues owed by new employees and copies of such letter shall be furnished to the employee and the Shop Committee. The Company shall remit the dues deducted pursuant to such assignment (until and unless said assignment is revoked by the employee) to the Local Union named therein not less often than once each month, with a written statement of names of the employees for whom the deductions were made and the amount of each deduction.

SECTION 7: SOCIAL INSURANCE NUMBER

The Company shall furnish the Union with the Social Insurance number of each employee that will be governed by this agreement, on its payroll on the first occasion when dues are forwarded to the Union after the execution of this Agreement or after the employee enters the employment of the Company, whichever date last occurs.

ARTICLE IV - SHOP COMMITTEE

The Company agrees to recognize a Union or Shop Committee, members of which are elected by the Union members. Said Committee shall be comprised of not less than one (1) employee and not more than three (3) employees with completed probationary period of employment with the Company who are members of the Union. The Union will notify the Company, in writing of the members of the Shop Committee and will notify the Company in writing when any member change takes place on the said Committee.

ARTICLE V - HOURS OF WORK

SECTION 1: HOURS AND OVERTIME

Regular hours of work will be eight (8) hours per day forty (40) hours per week.

- (a) The Company has the right to schedule regular work to accommodate business requirements, within established past practices.

- (b) For the purposes of calculating overtime, any consecutive hours worked in a day greater than ten (10) hours will be considered overtime hours and will be paid a premium of half the regular job rate.
- (c) At the employee's option, overtime hours may be banked and taken off at equivalent straight time hours. One (1) hour overtime can be banked and taken off at straight time at another time.
- (d) An employee's hours of work commence when the employee reports to work at this assigned location.
- (e) An allowance for travel will be granted according to the schedule rates.
- (f) Employees who have not worked five (5) days or thirty five (35) hours between Monday and Friday will be given preference for weekend work that fulfills their regular duties.

SECTION 2 : CASUAL WORK

For the purpose of this agreement, casual work will be defined as the work done by an employee hired specifically to meet the requirements set out in this section.

- (a) The term casual work as used in this agreement shall apply to the following:
 - i. Work on Saturday and/or Sunday
 - ii. Work as a helper
 - iii. Work by a summer student
 - iv. Work on a work experience program
- (b) Casual work will be paid at straight time
- (c) Employees hired as casual work shall not be entitled to accumulate seniority rights and benefits under this collective agreement.
- (d) An employee hired as a casual employee, in this agreement, shall not be used to displace a regular employee.

SECTION 3: REST PERIODS

All employees shall be entitled to one (1), ten (10) minute rest period during each five (5) hour period and one (1), thirty (30) minute unpaid lunch break during each full day of work, providing always that the Company shall have the right to use relief employees in implementing the provision. The Company shall have the right to schedule when the breaks shall be taken.

SECTION 4: NO WORK GUARANTEE

The foregoing provisions of this Article shall not be construed as guaranteeing to any employee any number of hours of work per day or week.

SECTION 5: BANKED HOURS

The Company will automatically use banked hours to make employee hours whole.

If the Employee wishes the banked hours to stay in the bank they must inform the Company and fill in the appropriate forms.

ARTICLE VI – WAGES

SECTION 1: RATES

- (a) The basic rate of pay for drivers/operators will be \$24.60.
- (b) Effective July 21, 2013 the wages will increase by twenty (.20¢) cents per hour for all employees - \$24.80.

Effective July 21, 2014 the wages will increase by twenty five (.25¢) cents per hour for all employees - \$25.05.

Certified Trades - Effective July 21, 2012 the wages will increase by fifty (.50¢) cents per hour.

- (c) The rate of pay for labourers will be between \$8.80 and \$13.80 per hour.
- (d) The rate of pay for skilled labourers will be between \$13.80 and \$18.80 per hour.
- (e) Regular employees will receive their normal rate of pay if completing a shift by labouring.

SECTION 2: BENEFITS

A person will be considered a full time employee after the completion of their probationary period for the purposes of eligibility for benefits.

- (a) Effective May 1, 2009 at no cost to the employee
 - i. BC Medical Services Plan
 - ii. Pacific Blue Cross Extended Health and Medical Plan
 - iii. USW-Coastal Health and Welfare Plan
 - iv. IWA Forest Industry Long Term Disability Plan as a non-taxable benefit.

- (b) Effective May 1, 2009 at no cost to the employee.

- a. Pacific Blue Cross Dental Plan
 - i. Basic Dental 80%
 - ii. Restorative Dental 60%
 - iii. Orthodontics 60% lifetime maximum \$2,500.00

- (c) Effective July 21, 2013 the Company will contribute an additional five (\$0.05) cents and July 21, 2014 the Company will contribute an additional ten (\$0.10) cents to the employee R.R.S.P. for each full hour the employee works. An employee must have been a full time employee for the greater of one calendar year or 1500 actual hours. The Company will make these contributions into the Employee R.R.S.P. quarterly. The Company will provide reports quarterly to the employees.

| Effective | Contribution per Hour |
|---------------------|-----------------------|
| i. August 1, 1998 | \$0.25 |
| ii. August 1, 1999 | \$0.50 |
| iii. July 21, 2001 | \$0.60 |
| iv. July 21, 2002 | \$0.70 |
| v. July 1, 2004 | \$0.80 |
| vi. July 20, 2007 | \$0.90 |
| vii. July 20, 2008 | \$1.00 |
| viii. July 20, 2009 | \$1.10 |
| ix. July 20, 2010 | \$1.20 |
| x. July 21, 2013 | \$1.25 |
| xi. July 21, 2014 | \$1.35 |

ARTICLE VII – EQUIPMENT & TOOLS

- (a) Where the following articles of equipment are required to be used by the Employer or by the Workers' Compensation Board, the Employer shall:
- (i) Supply new employees with the articles of equipment as required.
 - (ii) Replace articles of equipment as required when they are presented worn or damaged beyond repair by an employee, at no cost to the employee.

- 1. Hard Hats
- 2. Welding goggles, etc.
- 3. Dust protection
- 4. Eye protection
- 5. Ear protection
- 6. Coveralls (for the shop only)

- (iii) Safety shoes are the responsibility of the employee.

Boot Allowance:

Full time Cowichan Valley Concrete drivers with over one calendar year or 1500 hours uninterrupted service will be refunded 50% of the cost of proper boots up to a maximum of \$100.00 per year upon submitting a valid original invoice with a request form.

The Company will negotiate with suppliers in order that employees receive a discount.

- (iv) Any articles of equipment that the employer deems to be, worn, damaged or lost due to neglect on the part of an employee shall be replaced at the expense of the employee responsible.
 - (v) Upon termination of an employee he/she is responsible for returning all safety equipment or the replacement cost will be deducted from their final cheque.
- (b) The Company will replace the personal tools of any shop employee who breaks or damages their tools in the process of performing their duties, subject to the employee making all reasonable attempts to have the tool replaced through warrant, insurance or similar means first.

ARTICLE VIII - PAY DAYS

The Company will provide for pay days every second week and each employee shall be furnished with an itemized statement of earnings and monthly deductions.

ARTICLE IX - STATUTORY HOLIDAYS

SECTION 1: STATUTORY HOLIDAYS OBSERVED

- (a) Designated Holidays are New Year's Day, the designated Easter Holiday, Victoria Day, Dominion Day, British Columbia Day, Labour Day, Thanksgiving Day, Remembrance Day and Christmas Day.
- (b) At the Option of the Company either Good Friday or Easter Monday shall become the designated Easter Holiday, and the Company shall notify its employees of the designation at least one (1) week prior to the said holiday
- (c) Where a Statutory Holiday falls on a Saturday or a Sunday, it shall be observed on the preceding Friday or the following Monday, or a portion of the employees on one day and a portion on the other, at the option of the company by mutual agreement with the Shop Committee.
- (d) Where a Statutory Holiday falls on a Tuesday, Wednesday or Thursday, the said holiday may be observed the preceding Monday or the following Friday respectively, at the option of the Company by mutual agreement with the Shop Committee.
- (e) Qualified employees who do not work on a Statutory Holiday shall be paid eight (8) hours straight time for the day.
- (f) Qualified Employees who work on a Statutory Holiday shall be paid time and a half for all hours worked plus shall be granted eight (8) hours off with pay at a mutually agreed upon day.

SECTION 2: QUALIFYING CONDITIONS

- (a) An employee, to qualify for Statutory Holiday pay, must comply with each one of the following three conditions:
 - (i) Have been on the payroll thirty (30) calendar days immediately preceding the holiday.
 - (ii) Have worked fifteen (15) of the previous thirty (30) calendar days.

- (iii) After ten (10) years of seniority must have worked (10) days of previous (30) calendar days.
- (iv) It is agreed that any Casual or Probationary employees shall not qualify for statutory holiday pay.

SECTION 3: WEEKLY WORK SCHEDULE

Hours paid as Statutory Holiday pay shall not be included in the weekly work schedule for the purposes of Article V, Section 1.

ARTICLE X - VACATIONS WITH PAY

With respect to annual vacations and vacation pay the following provisions shall apply:

SECTION 1: ONE TO FIVE YEARS' SERVICE

The annual vacation for employees with one (1) to five (5) years' service covered by this Agreement shall be two (2) weeks, and the pay therefor shall be based upon four per cent (4%) of the total wages or salary earned by the employee during the period of entitlement.

SECTION 2: FIVE TO TEN YEARS' SERVICE

The annual vacation for employees with five (5) to ten (10) years' service covered by this Agreement shall be three (3) weeks, and the pay therefor shall be based upon six (6%) percent of the total wages earned by the employee during the period of entitlement.

SECTION 3: TEN TO FIFTEEN YEARS' SERVICE

The annual vacation for employees with ten (10) to fifteen (15) years' consecutive service covered by this Agreement shall be three (3) weeks, and the pay therefore shall be based upon seven percent (7%) of the total wages earned by the employee during the period of entitlement.

SECTION 4: FIFTEEN OR MORE YEARS; SERVICE

The annual vacation for employees with fifteen (15) or more consecutive years' service covered by this Agreement shall be three (3) weeks, and the pay therefore shall be

based upon eight percent (8%) of the total wages earned by the employee during the period of entitlement. One additional week of holidays may be taken.

SECTION 5 - VACATION PAY ON TERMINATION

An employee whose employment is terminated shall receive, their portion, of unpaid vacation pay at the appropriate percentage of the wages earned during the period of entitlement in accordance with the employee's years of service.

SECTION 6: VACATION TIME

- (a) Vacations for employees shall be taken at such time as to not impair the quantity and regularity of production.
- (b) All earned vacations must be taken,
- (c) Annual vacation shall be scheduled according to stated company policy.

SECTION 7: PAYMENT OF VACATION PAY

Accumulated vacation pay shall be paid to each employee at one of the two following occasions:

- (a) At any time during the year with the employee providing written notification two (2) weeks in advance of the next scheduled pay day.
- (b) Annually on the first pay day after July 15.

SECTION 8: YEARS OF SERVICE

- (a) The calculation of one year of service shall be, the greater of, a minimum 1500 actual hours of work or one (1) calendar year.
- (b) Where an employee does not work 1500 actual hours in a calendar year, the anniversary date for purposes of this article shall be revised to represent the ending date of the payroll period in which 1500 actual hours are achieved.

SECTION 9: EMPLOYMENT STANDARDS ACT

Part 7 - Annual Vacation of the Employment Standards Act, Bill 25, 1995 and amendments thereto, except where varied or modified by the provisions herein, shall become a part of this Agreement.

ARTICLE XI - CALL TIME

SECTION 1: WHERE NO WORK

Any employee who is called for work and on reporting finds no work available due to reasons beyond his or her control, shall be entitled to two (2) hours at the usual rate. This shall not apply if weather conditions prevent commencement of work or if the Company gives sufficient notice canceling said call.

SECTION 2: WHERE WORK COMMENCES

In the event that an employee commences work on his shift and the operation closes prior to the completion of two (2) hours work the employee shall receive our (4) hours pay at the employee's regular rate, except where his work is suspended because of inclement weather or other reasons beyond the control of the employer, then two (2) hours must be paid.

ARTICLE XII - SENIORITY

SECTION 1: PRINCIPLE

- (a) The Company recognizes the principle of seniority, competency considered, except where a customer requests a specific employee, the Company retains the right to comply with the customer's request.
- (b) The selection and promotion of supervisory officials shall be entirely a matter for the Company's decision, but in making such selection or promotion, length of continuous service shall be given due consideration.

SECTION 2: REDUCTION & RECALL OF FORCES

- (a)
 - (i) In the event of a reduction of the forces, the last person hired shall be the first released subject to the competency of the person involved and the provisions of Section 1. Where a reduction of forces is caused by temporary conditions the application of seniority may be postponed for such period as may be necessary but not exceeding ten (10) working days. If the Company decides to exercise its right under this provision it shall notify the Shop Committee as soon as possible.
 - (ii) When recalling forces after a period of lay-off following a reduction of forces, an employee shall be recalled in order of his seniority subject to the competency of the person involved and the provisions of Section 1.

- (b) During a reduction of forces where an employee's seniority is such that he will not be able to keep his regular job he may elect to obtain a job paying a higher rate, subject to the Company confirming the competency of the person involved.
- (c) During a reduction of forces where an employee's seniority is such that he will not be able to keep his regular job he may elect whether or not to apply his seniority to obtain a lower paying job or a job paying the same rate of pay or accept a lay-off until his regular job becomes available, provided however:
 - (i) If during the layoff period the employee wishes to return to work and so notifies the Company, he shall be called back to work as soon as his seniority and competency entitles him to a job.
 - (ii) The application of this provision shall not result in an employee, in the exercise of his rights, bumping an employee with less seniority.
- (c) Details of the application of this Section shall be worked out by the Local Union and the Company.

SECTION 3: RETENTION DURING LAYOFF

It is agreed between the Parties that seniority during layoffs shall be retained on the following basis:

- (a) Employees with less than one (1) years' service shall retain their seniority for a period of three (3) months.
- (b) Employees with more than one (1) years' service and less than five (5) years' service shall retain their seniority for six (6) months.
- (c) Employees with five (5) or more years' service shall retain their seniority for one (1) year.
- (d) Seniority retention shall be reinstated on the completion of five days' work.

It shall be the employer's responsibility to maintain an address file of his employees and it shall be the employee's responsibility to notify his employer in writing of any change of address.

SECTION 4: PROBATIONARY PERIOD

Notwithstanding anything to the contrary outline in this agreement, it shall be mutually agreed that all employees are hired on probation, the probationary period to continue for ninety (90) working days, during which time they are to be considered temporary workers only, and during the same period no seniority rights shall be recognized. Upon

completion of ninety (90) working days, they shall then be entitled to seniority dating from the day on which they entered the Company's employment.

SECTION 5: SENIORITY LIST

It is agreed that a seniority list shall be supplied to the Union by the Company once during each calendar year, setting out the name and starting date with the Company of each regular employee.

ARTICLE XIII - LEAVE OF ABSENCE

SECTION 1: INJURY OR ILLNESS

The Company will grant leave of absence to employees suffering illness or injury for the term of this Agreement subject to a medical certificate if requested by the employer. The Company reserves the right to request a second medical opinion. The employee shall report or cause to have reported the injury or illness which requires his absence to the Company as soon as may be reasonably possible.

SECTION 2: WRITTEN PERMISSION

Any employee desiring leave of absence must obtain permission in writing from the Company for such leave, except in cases of illness or injury covered by Section 1 above.

SECTION 3: LEAVE OF ABSENCE

The Company will grant leave of absence up to a maximum of six (6) months without pay to employees for compassionate reasons or for educational or training extended vacation purposes, conditional on the following terms:

- (a) That the employee applies at least one (1) month in advance unless the grounds for such application could not be reasonably foreseen.
- (b) That the employee shall disclose the grounds for application.
- (c) That the Company shall grant such leave where a bona fide reason is advanced by the applicant, or may postpone leave for educational or training purposes where a suitable replacement is not available.

- (d) Failure to return to work on the first workday following the expiration of an approved leave of absence may be considered a voluntary termination.
- (e) Employees on leave of absence will be subject to lay off on the same basis as employees who are actively at work.
- (f) Employees on leave of absence must communicate with the Company on a regular basis, at least once each month, regarding their status and anticipated return to work date.
- (g) Employees on leave of absence who seek or accept other employment without the Company's prior written approval may be subject to disciplinary action, up to and including possible termination.
- (h) Employees who falsify the reason the reason for their leave of absence may be subject to disciplinary action, up to and including possible termination.
- (i) In order for an employee to retain benefits during a leave of absence the full premiums must be paid monthly in advance by the employee, unless the company chooses otherwise.

SECTION 4 : MATERNITY LEAVE

The Company will grant a reasonable period of extended maternity leave without pay to female employees where there is a valid reason.

SECTION 5 : LEAVE OF ABSENCE FOR UNION BUSINESS

The Company will grant leave of absence without pay to employees to attend to Union Business when requested by the Local Union in writing five (5) calendar days in advance.

SECTION 6 . BEREAVEMENT LEAVE

When a death occurs to a member of a regular employee's immediate family, the employee will be granted an appropriate leave of absence for which he/she shall be compensated at his/her regular straight-time hourly rate of pay or salary, for a maximum of one (1) day. Members of the immediate family are defined as the employee's spouse, mother, father, brothers, sisters, sons, daughters, mother-in-law, father-in-law, son-in-law, daughter-in-law, step-children, step-parents, grandparents, grandparents-in-law and grandchildren.

Two (2) additional days unpaid if required, but will be counted as days worked for statutory holiday purpose.

SECTION 7: LOSS OF DRIVER'S LICENSE

Employees who lose their driver's license shall receive a Leave of Absence conditional on the following terms:

- (a) The loss of license shall not be for any offense committed on company time.
- (b) The loss of license must not be for more than twelve-month period.
- (c) Confirmation of reinstatement of driver's license will be provided to the employer prior to resumption of duties.
- (d) Leave of absence will be granted solely at the company's discretion to an employee where the loss of their driver's license is the result of impaired changes.
- (e) Leave of absence will be granted due to loss of driver's license where such loss is due to medical reasons. The Company may require confirmation by an acceptable medical certificate prior to resumption of duties.
- (f) The cost of benefits shall be paid monthly in advance by the employee during such leave of absence.

ARTICLE XIV – ALCOHOL, DRUG AND CONTROLLED SUBSTANCE

SECTION 1: POLICY

It shall be mutually agreed that there will be a zero tolerance alcohol, drug and controlled substance policy, for any employee governed by this agreement, prior to or during work on company property, projects or in company equipment. Any employee violating the zero tolerance alcohol, drug and controlled substance policy will be subject to immediate termination.

SECTION 2: TREATMENT PROGRAMS

- (a) The Company will grant, on a case-by-case basis, a leave of absence for up to two (2) months, for any employee who voluntarily enters himself in a recognized alcohol, drug or controlled substance treatment program.

- (b) Before any employee shall be allowed to return from an alcohol, drug or controlled substance treatment leave of absence, they must submit a certificate of completion from the treatment program.

ARTICLE XV - SAFE OPERATIONS

Each employee is responsible for the safe operation of any and all company vehicles and equipment. In addition to normal supervision, the annual driver's abstract will be reviewed to determine a propensity for unsafe operation, and may be subject to disciplinary action up to and including termination.

ARTICLE XVI - ACCIDENT PREVENTION COMMITTEE

SECTION 1: COMPOSITION

- (a) The Management of every operation shall maintain an Accident Prevention Committee consisting of not more than four (4) members and not less than two (2) members.
- (b) The said committee shall consist of an equal number of representatives of the company and the employees. Employee representatives will be elected by a vote supervised by the Union.
- (c) Employee representatives shall be regular employees in the operation with at least one (1) years' experience in that type of operation over which their inspection duties shall extend.

SECTION 2: DUTIES

The general duties of the Accidental Prevention Committee shall be as directed by the regulations made pursuant to the Workers' Compensation Act.

SECTION 3: PAY FOR MEETINGS

- (a) The Company will pay straight-time rates not exceeding two (2) hours per month to employee members for the actual time spent in attending Accident Prevention Committee Meetings.
- (b) The rates to be paid to employee members shall be the employee's regular straight-time job rate.

SECTION 4: INVESTIGATIONS

In the case of a fatal accident, the Accident Prevention Committee in the operation shall, within forty-eight (48) hours, conduct an investigation into such fatal accident.

SECTION 5: CESSATION OF WORK

Any one or all employees working in the immediate proximity when a fatal accident has occurred, may, without discrimination refrain from working the balance of the shift.

ARTICLE XVII - ADJUSTMENT OF GRIEVANCES

SECTION 1: PROCEDURE

The Company and the Union agree that, when a grievance arises in the plant coming under the terms of this Agreement, it shall be taken up in the manner set out below.

Step One

The individual employee involved shall first take up the matter with the supervisor, with the authority to hire or discharge, directly in charge of the work within seven (7) days of the date of the said grievance.

Step Two

If the grievance is not satisfactorily settled in this way, the same individual, with the Shop Committee, shall notify in writing and then take up the problem with either the Personnel Officer or Foreman, or both, as designated by the Company.

Step Three

If a satisfactory settlement is not then reached, the Shop Committee shall take up the problem with either the Personnel Officer or Superintendent, or both, as designated by the Company. A statement in writing of the alleged grievance, together with a statement in writing by the Foreman, shall be exchanged by the parties concerned.

Step Four

If the problem is not then satisfactorily resolved, it shall be referred to the Union and the Management.

SECTION 2: TIME LIMIT

If a grievance has not advanced to the next stage under Step Two, Three, or Four within ten (10) days after completion of the preceding stage, then the grievance shall be at an end, unless the Shop Committee and the Company mutually agree in writing.

ARTICLE XVIII - GRIEVANCES

SECTION 1: GRIEVANCES

- (a) In the case of a dispute arising under this Agreement, which the Parties are unable to settle between themselves as set out in Article XVII, the matter shall be determined by arbitration in the following manner:

Either Party may notify the other Party and the Arbitrator in writing, by registered mail, of the question or questions to be arbitrated.

After receiving such notice and statement, the Arbitrator and the other Party shall, within three (3) days, acknowledge receipt of the question or questions to be arbitrated.

- (b) No one shall serve as an Arbitrator who:
- (i) Either directly or indirectly has any interest in the subject of the arbitration;
 - (ii) Has participated in the grievance procedure preceding the arbitration;
 - (iii) Is, or has been within a period of six (6) months, preceding the initiation of arbitration proceedings, employed by any Local Union, National Office, USW-CANADA, or a Company directly competing with the business of the Party of the First Part.
- (c) The decision of the Arbitrator shall be final and binding upon the Parties of the First and Second Parts.
- (d) If the Arbitrator finds that an employee has been unjustly suspended or discharged, that employee shall be reinstated by the Council without loss of pay and with all his rights and privileges preserved under the terms of this Agreement, provided always that if it is shown to the Arbitrator that the employee has been in receipt of wages during the period between discharge (or suspension) and reinstatement, or date of failure to re-hire and re-hiring, the amount so received shall be deducted from wages payable by the Council pursuant to this Section, further provided that the wages so deducted shall be first reduced by the amount required for the payment of fare from the original place of employment and to the place where employed during the period of discharge (or suspension) and return.

- (e) The Arbitrator shall be required to hand down his decision within fourteen (14) days following completion of the hearing.
- (f) The parties will endeavour to agree on a single arbitrator to hear the grievance. If they are unable to agree, a single arbitrator shall be selected on a rotational basis from a panel of eight arbitrators established by the parties. If the Parties fail to appoint the panel of eight arbitrators prior to arbitration arising under this Agreement, they shall agree to an arbitrator or, failing that, either party may request the Registrar of the Arbitration Bureau to appoint the arbitrator required.

SECTION 2: COST SHARING

The Parties of the First and Second Parts shall bear in equal proportions the expenses and allowances of the Arbitrator, and stenographic and secretarial expense, and rent connected with his duties as Arbitrator.

SECTION 3: PLACE OF HEARING

Any arbitration to be held hereunder shall be held at the City of Duncan or at such other place as may be decided by the parties.

ARTICLE XIX - STRIKES AND LOCKOUTS

- (a) There shall be no strikes or lockouts by the Parties to the Agreement with respect to any matter arising out of the Agreement for which arbitration is provided under the terms of the Agreement.
- (b) The Parties to this Agreement expressly agree that there will be no activity within the meaning of (a) above threatened, declared, authorized, counseled, aided or brought about on its part.
- (c) In the event of a strike during the term of this Agreement the Union will instruct its members and officers who may be involved to cease such activity and comply with the term of this Agreement.

ARTICLE XX – PERMANENT CLOSURE

The Company agrees that employees affected by a permanent closure of the operation shall be given thirty (30) calendar days' notice of closure.

ARTICLE XXI – REOPENING OF AGREEMENT

When both parties consent and agree, the provisions of this Agreement may be amended during the term of this Agreement.

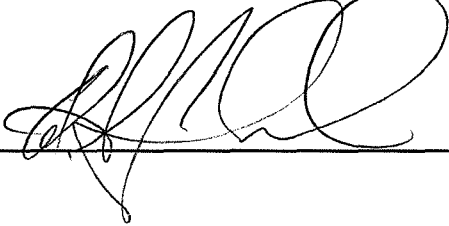
ARTICLE XXII - DURATION OF AGREEMENT

- (a) The Parties hereto mutually agree that this Agreement shall be effective from and after the 21st day of July 2011 to midnight the 20th day of July 2015, and thereafter from year to year unless written notice of contrary intention is given by either Party to the other Party within four (4) months immediately preceding the date of expiry. The notice required hereunder shall be validly and sufficiently served at the Head Office of the Party of the First Part, or at the Local Office upon the Local Officers of the Union, Party of the Second Part, within four (4) months immediately preceding the 20th day of July 2015. If no agreement is reached at the expiration of the Contract and negotiations are continued, the Agreement shall remain in force up to the time an agreement is reached or until negotiations are discontinued by either Party.

- (b) The Parties hereto agree that the operation of Section 50 (2) and 50 (3) of the Labour Relations Code of British Columbia R.S.B.C.1992, C 82 is excluded from this Agreement.


Dated at Duncan this 5th day of Dec. 2012.

COWICHAN VALLEY CONCRETE LTD.



/cm
USW 1-1937

UNITED STEELWORKERS 1-1937



LETTER OF UNDERSTANDING

BETWEEN:

**JOHEL BROTHERS CONTRACTING LTD.
COWICHAN LAKE CONCRETE LTD.
COWICHAN VALLEY CONTRACTING LTD.**

And:

UNITED STEELWORKERS LOCAL 1-1937

RE: LOANING OF EMPLOYEES FROM ONE COMPANY TO ANOTHER

It is understood and agreed upon by the undersigned parties, that Johel Brothers Contracting Ltd. (JBC), Cowichan Lake Concrete, (CLC) and Cowichan Valley Contracting Ltd. (CVC) are separate companies and as such have separate Collective Agreements.

In order to facilitate the use of idle employees of one Company in another Company, if and when management deems the need occurs, the Parties agree to the following:

CVC employees loan to either JBC or CLC will be paid the rate of pay in the Collective Agreement for that particular Company (JBC or CLC). Medical benefits are carried by CVC for the period in the Agreement.

JBC or CLC employee loaned to CVC will be covered by all terms and conditions of the Coast Master Agreement with two exceptions:

1. If a JBC or CLC employee works more than five (5) consecutive days in CVC, the medical/dental benefits are covered in their home base plan with the same coverage that is provided in the CVC Coast Master Plan.
2. RRSP/Pension

JBC or CLC employee loan to CVC, for any amount of time, the Company (CVC) will contribute one dollar and twenty cents (\$1.20) for every hour worked, to the employee's home base RRSP Plan, as well as one dollar and twenty cents (\$1.20) to an education/training fund. This fund shall be jointly administered by a committee made up of Company and Employees.

SIGNED THIS 05 DAY OF December, 2012

FOR THE COMPANY:



/cm

FOR THE UNION: