

**COLLECTIVE AGREEMENT**

**Between**

**PEERLESS LIMITED**

**and**

**THE INTERNATIONAL BROTHERHOOD OF BOILERMAKERS,  
IRON SHIPBUILDERS, BLACKSMITHS, FORGERS AND  
HELPERS, LODGE 359**



**June 1<sup>st</sup>, 2014 – May 31<sup>st</sup>, 2017**

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**COLLECTIVE AGREEMENT**

**BETWEEN: PEERLESS LIMITED**

(hereinafter referred to as the "Company")

**AND: THE INTERNATIONAL BROTHERHOOD OF BOILERMAKERS,  
IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND  
HELPERS, LODGE 359**

(hereinafter referred to as the "Union")

**DATE AND REFERENCE**

This Agreement shall be dated for reference June 1st, 2014 and named for reference the "PEERLESS LIMITED - INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIPBUILDERS, BLACKSMITHS, FORGERS AND HELPERS LODGE #359 AGREEMENT".

WITNESSETH: that the Parties hereto agree as follows:

**ARTICLE 1 - OBJECTS**

1.01 The objects of this Agreement are to maintain a harmonious relationship between the Company and its employees; to provide an amicable and equitable method of settling grievances or differences which might possibly arise; to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement and, generally, to promote the mutual interest of the Company and its employees.

**ARTICLE 2 - DEFINITION OF EMPLOYEE**

2.01 This Agreement covers persons employed in a job classification as listed in Schedule "A" attached hereto at 575 Page Avenue, Penticton, BC.

**ARTICLE 3 - UNION SECURITY**

3.01 The Company recognizes and agrees that the Union is the sole Bargaining Agent for the employees of the Company in accordance with Article 2.

3.02 This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each employee.

3.03 Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, be and remain or become and remain a Union member in good standing for the duration of his employment with the Company.

3.04 The Company shall deduct from each new employee the appropriate Union dues. Upon completion of forty-five (45) days worked, the employer shall deduct from the new employee the remaining levies, and initiation or reinstatement fees of the Union.

3.05 (a) The Company agrees to deduct from the employee's first payroll cheque of each month such dues as may be fixed by the Union from all employees covered by this Agreement. The total amount so deducted, with an itemized statement will be forwarded to the Union monthly.

(b) All employees who work five (5) days or more shall, as a condition of continued employment, pay dues for that month. Such dues shall be deducted from the new employees' first pay period and forwarded with the next regular dues remittance to the Union.

- (c) The Company agrees to show on employees "T4" slips the total Union dues deductions for the previous taxation year.
- 3.06 The Company agrees to have all present and future employees covered by this Agreement, as a condition of continued employment, sign a check-off card authorizing the Company to implement the provisions of 3.04 and 3.05 hereof, and the Union agrees to indemnify the Company and hold it harmless against any claim which may arise in complying with the provisions of this Article.
- 3.07 Should an employee at any time cease to be a member in good standing of the Union, the Company shall, upon notification in writing from the Union, discharge such employee forthwith.
- 3.08 The right to hire employees of its choice is vested exclusively in the Company but when the Company requires new employees, it shall so notify the Union so that the Union may have the opportunity to provide the Company with suitable applicants.

#### **ARTICLE 4 - HOURS OF WORK**

- 4.01 The starting and stopping time, as well as the meal period, shall be mutually arranged by the Company and the Union, it being understood that the meal period shall not be less than thirty (30) minutes.
- 4.02 The standard work day shall consist of eight (8) hours and the standard work week shall consist of forty (40) hours, Monday to Friday.
- 4.03 The Company may operate an additional shift of eight (8) hours within eight and one-half (8 1/2) consecutive hours. Additional shift premium for all time worked shall be one dollar (\$1.00) per hour.  
  
(The Parties agree that the practice of the afternoon shift working four (4) ten (10) hour shifts (Monday - Thursday inclusive) shall continue.
- 4.04 It is intended that every employee should have a full shift break of eight (8) hours between shifts. In the event that an employee is recalled to work before a full shift break occurs, he shall be considered as still working on his previous shift and shall be paid the appropriate overtime rates for work performed after recall.
- 4.05 No employee shall be permitted to resume work before a full shift break occurs without permission of his supervisor.
- 4.06 Subject to the exceptions set forth in this Agreement, any employee reporting for work at the start of the employee's shift will be guaranteed eight (8) hours work at the employee's regular job, or pay equal thereto, provided that, if there are insufficient hours of work available at the employee's regular job, the employee will perform such other work as may be assigned to the employee to qualify for such pay. This provision will apply only once each day and it will only apply to an employee's regular shift.

Employees called in to work on a Sunday, or on a Statutory Holiday, shall receive a minimum of four (4) hours' pay at prevailing overtime rates.

The provisions of this Section will not apply in case of shutdowns necessitated by emergencies beyond the control of the Company or if the employee:

1. Voluntarily quits.
2. Was previously instructed not to report. (In such event or circumstance, the employee will then only be paid for the actual time he worked.)
3. Does not work a full shift at his own request.
4. Reports for work on a shift for which he was not scheduled.

**4.07** In the case of a general shift change, the Company will provide those employees it knows will be affected with seven (7) calendar days' notice of shift change.

In cases where the Company does not know seven (7) days in advance that an employee will be required to change shift; the Company shall give the employee two (2) working days notice prior to changing his shift.

When it is necessary for an employee to be transferred between shifts, said shifts will continue for a minimum of three (3) consecutive normal working days, or the overtime rates as provided for in this Agreement will apply, except in the case of an emergency.

**4.08** Employees shall be granted two (2), fifteen (15) minute rest periods during the course of each shift.

On a ten (10) hour shift, there shall be three (3), fifteen (15) minute rest periods.

**4.09** All time shall be calculated on a six (6) minute unit basis with a full six (6) minute increment required at the start of the shift.

**4.10** It is agreed that management will discuss and review flexible schedule arrangements to accommodate employees with special scheduling needs.

#### **ARTICLE 5 - OVERTIME**

**5.01** Time worked in excess of standard hours of work shall be considered as overtime and overtime rates of pay shall be as follows:

- (a) Double rate for all time worked in excess of the standard workday.
- (b) Double rate for all work performed on Saturdays in the same week in which the Monday to Friday shift is worked.
- (c) Double rate for all work performed on Sundays.
- (d) Double rate for all work performed on Statutory Holidays.

**5.02** Employees called in before their regular starting time shall be paid at overtime rates for time worked prior to their regular starting time providing the employee completes his regular shift.

**5.03** The parties are agreed that all overtime will be voluntary. However, once an employee volunteers and accepts overtime work, he must report and perform such work, or be subject to appropriate disciplinary action.

**5.04** Employees requested to work more than two (2) hours overtime after completion of their regular shift will be given one-half (1/2) hour on Company time to eat their lunch and will be given eight (8.00) dollars meal money.

**5.05** Employees shall be granted a ten (10) minute rest period for each subsequent two (2) hours' overtime.

**5.06** When it becomes necessary for the Company to work less than the total employees overtime, regularly scheduled employees will be offered the overtime opportunity in the following order:

1. To employees regularly assigned to the department requiring the overtime in order of seniority and ability to perform the work required; If more employees are required
2. To employees in other departments in order of seniority and ability to perform the work required.

For the purposes of this clause the term "regularly scheduled" shall mean:

- For week day overtime at least two consecutive work days including the overtime day worked following a regular shift.
- For weekend overtime five consecutive days worked in the department that week.

This provision shall also apply to new employees.

When available on the premises, the Shop Steward or designate will be provided a list of employees working weekend overtime by lunchtime Friday. In other cases the Shop Steward or designate, if available on the premises, will be notified of overtime before it commences.

#### **ARTICLE 6 - MANAGEMENT RIGHTS**

- 6.01** Management rights exercised by the Company, unless expressly limited by this Agreement, are reserved to and are vested exclusively in the Company. Provided, however, that this Article will not be used in a discriminatory manner against any employee or group of employees.

#### **ARTICLE 7 - GRIEVANCES AND COMPLAINTS**

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

- 7.01** By the aggrieved party with the Shop Steward and the Foreman.
- 7.02** Failing settlement within two (2) days, the employee and/or his representative shall endeavour to settle the matter with the department head, documented in writing.
- 7.03** Should no satisfactory settlement be reached within four (4) days, the employee's representative will discuss the grievance with the manager, documented in writing.
- 7.04** When grievances cannot be finally adjusted by the Company and the Union, the matter shall be submitted in writing within seven (7) days to an Arbitration Board of three (3) persons appointed as hereafter provided.

**NOTE:** All grievances and complaints not settled by the Foreman shall be reduced to writing by the aggrieved employee(s) and filed with the Company through the Shop Steward or Grievance Committee within five (5) working days of occurrence. Any grievances or complaints not so filed shall be deemed to have been waived and shall not be entitled to consideration.

- 7.05** Verbal and written warnings shall be removed from an employee's file one (1) year after the date of issuance providing the employee has not had any further discipline in the one (1) year period.

#### **ARTICLE 8 - ARBITRATION**

- 8.01** The party desiring arbitration shall appoint a member for the Board and shall notify the other party in writing of the name and address of the person so appointed and particulars of the matter in dispute.
- 8.02** The party receiving the notice shall within five (5) days thereafter appoint a member for the Board and notify the other party of its appointment.
- 8.03** The two (2) arbitrators so appointed shall confer to select a third person to be Chairman and failing for three (3) days from the appointment of the second of them, to agree upon a person willing to act, either of them may apply to the Honourable Minister of Labour to appoint such third member.
- 8.04** The Arbitration Board shall sit, hear the parties, settle the terms of the question to be arbitrated, and make its award within ten (10) days from the date of the appointment of the Chairman.
- 8.05** If the Arbitration Board finds that an employee has been improperly suspended, discharged, or laid off, that employee shall be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension, discharge, or lay-off had not taken place, provided, that if it is shown to the Board that the employee had been in receipt of wages or other compensation during the period between discharge, suspension, or lay-off and reinstatement, the amount so received shall be deducted from wages payable by the employer pursuant to this Clause.

AND PROVIDED THAT the Arbitration Board shall have authority to order the employer to pay less than the full amount of wages lost if, in the opinion of the Board, such lesser sum is fair and reasonable.

- 8.06 The Arbitration Board will not sit during normal Company working hours.
- 8.07 The Arbitration Board shall have the power to determine whether a particular issue is arbitrable under this Agreement.
- 8.08 The Arbitration Board's decision shall be final.
- 8.09 The expenses and remuneration of the Chairman shall be paid by the parties in equal shares.

#### **ARTICLE 9 - SENIORITY**

- 9.01 The parties hereto recognize that employees are entitled to a measure of job security based on length of service.

It is further mutually recognized, however, that in connection with job security, the skill and ability of an employee must also be considered as well as seniority standing.

Layoff will be conducted according to skill and ability within the primary classification and level. That is, the highest skilled employees will be the last to be laid off. Where skill and ability are equal then seniority shall be used to determine the order of layoff

The Company agrees, however, that when it is necessary for layoffs to be made, the Shop Steward or designate will be notified four (4) hours in advance and will be fully informed on the matter.

Decisions on layoffs, rehiring, promotions, re-leveling (reclassification) will be the responsibility of the Company, but it is understood that any dispute arising therefrom may be taken up under the Grievance Procedure of this Agreement.

In the event of layoffs, seniority shall be recognized. The principle of last man on, first man off shall prevail, subject to the process noted and agreed to above.

- 9.02 Seniority will be lost and cancelled by:

- (a) Voluntary quitting of job.
- (b) Discharge and not reinstated under the terms of this Agreement.
- (c) Is recalled to work and does not report within five (5) working days.
- (d) Leaving the bargaining unit for more than twelve (12) months to work in a supervisory capacity.
- (e) Is still on lay-off and the seniority retention period has elapsed as described in 9.03.

- 9.03 Return from Layoff

All laid off employees will be called back from the recall list based on skill and ability within the primary classification and level. That is, the highest skilled employees will be the first to return from layoff. Where skill and ability are equal then seniority shall be used to determine the order of recall.

Vacancies will be initiated by the Company and will be determined by the Company's operational needs. In addition, the company reserves the right to determine the required classifications and levels required to meet the business needs. Employees will be notified of recall by telephone or registered mail. An employee being recalled must return to work as soon as reasonably possible after the first notice of recall as described above, but no longer than five (5) working days after date of the registered notice. A copy of the notice will be given to the Shop Steward or Union Committeeman.

It is the responsibility of laid-off employees to keep the Company informed of their current address and telephone number.

A laid-off employee shall retain his seniority and recall rights for the following periods:

Up to 24 month's seniority	6 months
Over 24 month's seniority	24 months

(It is agreed that an employee's accumulation of seniority during lay-off will not bring him into a new retention period.)

- 9.04 When new jobs are available, wherever possible, the Company will promote employees: Seniority and qualifications are to be considered. Availability of such job openings will be posted for a period of three (3) working days.
- 9.05 The Company shall at least once every three (3) months, post on the Union bulletin board an up-to-date list of all employees covered by the Agreement showing the date when each commenced his employment with the Company. The Company shall forward to the Union a copy of each list on the date of its posting.
- 9.06 When a new employee is hired, it is agreed that he shall be on probation for forty-five (45) days worked and during this period seniority will not be applicable. When the probationary period is completed, seniority will commence from the date of hiring.
- 9.07 Where possible the employer will provide employees being laid-off two working days notice.

**ARTICLE 10 - VACATIONS**

10.01 The Company shall give each employee an annual holiday with pay which will be allocated on the basis of seniority and based on the following entitlement to a cut-off date of May 31st in each year.

<u>YEARS OF CONTINUOUS SERVICE</u>	<u>VACATION PERIOD</u>	<u>VACATION PAY</u>
Less than one year	1 day for each major fraction of month worked (max. 10 working days)	4%
1 year but less than 3 years	2 weeks	4%
3 years but less than 8 years	3 weeks	6%
8 years but less than 15 years	4 weeks	8%
15 years and over	5 weeks	10%

One week is equal to forty (40) hours.

- 10.03 (a) The Company agrees to consult with their employees and attempt to meet their individual holiday preferences. The Company will also attempt, but will not guarantee, three (3) or four (4) consecutive weeks' vacation to eligible employees.
- (b) To facilitate vacation scheduling the employer will post a vacation schedule on March 1<sup>st</sup> of each year and employees will indicate their preferred vacation periods before March 31<sup>st</sup>. Vacations will be awarded in order of seniority within job classifications and production needs. By May 1<sup>st</sup> the employer will confirm the vacation schedule.
- (c) Employees who have indicated a preference for vacation periods during the March 1<sup>st</sup> to March 31<sup>st</sup> period but cannot be granted their preference will have the opportunity during April to provide suitable alternate preferences.
- (d) Between May 1<sup>st</sup> and November 30<sup>th</sup> vacations will be scheduled on a first come first serve basis subject to production needs and previously scheduled vacations.



- (e) Vacations not scheduled by December 1<sup>st</sup> of each vacation year may be scheduled unilaterally by the Company.
- 10.04 An employee's scheduled vacation period shall not be changed by the Company within the one (1) month period immediately preceding the start of the vacation period without the consent of the employee concerned.
- 10.05 Each employee shall be required to take the full annual holiday period that he is entitled to under the provisions of this Agreement in the current year. However, if an employee has been laid-off, on weekly indemnity or WCB for an extended period of time during the year, the Company, at the request of the employee, may reduce the vacation period by an amount of vacation days proportionately equivalent to the period of time the employee was off. The Shop Steward will be advised of any variances granted under this provision.
- 10.06 Vacation allowances of five (5) or more days may be drawn on the working day preceding the vacation providing one (1) week's notice is given by the employee to his foreman. Vacation allowances of less than five (5) days will be paid on the next pay cheque.
- 10.07 Vacations shall be granted in accordance with the holiday procedure of the Company.
- 10.08 The entitlements of an employee under this Section shall at no time be less beneficial than those he would be entitled to under the provisions of any government legislation or any orders or regulations made thereunder.
- 10.09 For vacations scheduled after May 1st, a vacation request submitted on the appropriate form and initialed by the Supervisor when submitted will be deemed to be accepted if the employee is not advised otherwise within five (5) working days.

**ARTICLE 11 - RECOGNIZED HOLIDAYS**

11.01 All employees covered by this Agreement shall receive eight (8) hours (ten (10) hours if working the afternoon shift) pay at their regular straight time rates, including shift premium if applicable, for each of the following Recognized Holidays in addition to any wages which they may be in receipt of for work performed on such holidays:

- |                   |                      |
|-------------------|----------------------|
| 1. New Year's Day | 8. Thanksgiving Day  |
| 2. Family Day     | 9. Remembrance Day   |
| 3. Good Friday    | 10. December 24th    |
| 4. Victoria Day   | 11. Christmas Day    |
| 5. Canada Day     | 12. Boxing Holiday   |
| 6. BC Day         | 13. Floating Holiday |
| 7. Labour Day     |                      |

The floating holiday will be given on mutually agreed upon day and will be paid at eight hours of the employees' regular straight time rate.

11.02 When a Recognized Holiday falls on a Saturday or on a Sunday or an employee's weekly day off, then the next working day shall be observed as the holiday.

When mutually agreed by both the Union and the Company, a holiday falling mid-week may be moved to a Monday or Friday to provide a three-day weekend.

11.03 In order to qualify for eight (8) or ten (10) hours pay for the above Recognized Holidays:

- (a) The employee has been in the employ of the Company for thirty (30) calendar days.
- (b) The employee has worked the full regularly scheduled work day prior to and the first regularly-scheduled work day following the holiday.
- (c) The employee's failure to work on such prior or next following day shall be excused for this purpose

if due to one of the following reasons:

- 1 A personal injury arising out of and in the course of employment with the Company (limited to the first holiday following such injury).
  - 2 A temporary lay-off within fourteen (14) days before a holiday.
  - 3 Temporary illness or injury supported by a medical doctor's certificate and not exceeding twenty-six weeks.
  - 4 Or any other reason acceptable to the Company.
- (d) In order to qualify for the Floating Holiday, employees must have been in the employ of the Company for six (6) months and have worked at least four (4) months during the contract year. The Floating Holiday will always be scheduled as an eight (8) hour day.

11.04 Should any of the above stipulated Recognized Holidays occur during the employee's vacation period, he shall be given an extra day's vacation with pay.

#### **ARTICLE 12 – Wages, Classifications & Skill & Ability**

12.01 The Company shall remunerate an employee at the wage rate applicable to the job classification in which such an employee is employed. The job classifications and applicable wage rates shall be those agreed to and set out in Schedule "A", attached hereto, and forming part of this Agreement. A step progression system will define rate of pay targets for each level within each of the classifications. Levels "I" through "U" will be a % of the level "O" base pay rate.

12.02 Pay days will be every second Friday. The Company will endeavor to distribute pay stubs at the end of Wednesday's afternoon shift and Thursday's day shift.

12.03 **Classifications:** An eight (8) classification system will be used as follows:

- **W** (Welding, Fitting & Assembly)
- **A** (Air, Electrical & Hydraulic Assembly)
- **R** (Rail Assembly)
- **P** (Painting)
- **S** (Supply Chain)
- **MH** (Material Handler)
- **M** (Maintenance Millwright)
- **H** (Helper)

Within each classification there are four (4) levels which define a level of skill and ability, with the exception of the Material Handler and Helper category, which has only two. A Skill & Ability matrix has been developed for definition of classification and level descriptions.

Each current employee, either active or on layoff, and all new hires, will be required to demonstrate skill and ability within a specific classification in order to determine the appropriate level.

Employee's skill, ability and performance will be formally assessed annually against the standards within their current classification and level, and at a minimum assessed within 6 months of return to work from Layoff. The Shop Steward will be invited to attend this skill & ability assessment as an observer at the employee's request.

The Company will consult with "O" level employees and cell leaders to gain insight on the classification of employees.

All new hires will be assessed by management within forty-five 45 days worked period to determine

appropriate level going forward.

Employees will be accountable for production levels and standards established for their own classification level. Failing to meet the designated performance levels as specified in the skill matrix may result in reclassification. In addition, employees that are not meeting acceptable performance standards may be subject to disciplinary action, and it is understood that this is subject to grievance by the Union.

### **ARTICLE 13 – SAFETY**

- 13.01** **LUNCHROOM** - The Company will supply suitable accommodation where employees may have their lunch.
- 13.02** **WASHROOM** - Adequate wash room and locker facilities will be provided by the Company and kept in a sanitary condition. Employees will cooperate by observing the simple rules of cleanliness.
- 13.03** In lieu of coveralls, the Company will pay a coverall allowance of ten dollars (\$10.00) for each week worked. Painters to be included in the employees eligible for the clothing allowance.
- 13.04** Once every two (2) years the Company will provide replacement prescription lenses for those pitted or damaged in the course of employment. Employees will go to Penticton Optical or its successor provider for the new lenses. This provision shall not apply until the employee has completed one hundred and eighty (180) working days of service with the Company. The lenses may be single vision or progressive bi-focals with hardening. Employees must get approval before getting new lenses.
- 13.05** A Safety Committee will be established in accordance with WorkSafe BC regulations.
- 13.06** Any employee suffering any injury while in the employ of the Company (performing or engaged in any activity which is covered by WorkSafe BC) must report immediately to the First Aid Department and his foreman, or as soon thereafter as possible, and also report to his foreman on returning to work and comply with the Peerless Return to Work Program.
- 13.07** Employees injured on the job will, if required, be provided free transportation by the Company to and from a doctor's office, or a hospital, and will, if required, be accompanied by a qualified person with First Aid training, if available on the Company premises.
- 13.08** If an employee is injured on the job and not able to continue or report back to work, the Company will maintain his normal daily earnings for the day of injury.
- 13.09** The Company will supply one pair of gloves to each employee. Additional gloves will be supplied at the foreman's discretion.
- 13.10** The Company shall supply strikers' flints, measuring tape blades, soapstone, lens for welding helmets and goggles. Earmuff suppressors and welders' leathers will be supplied as a tool crib item.
- 13.11** **BOOT ALLOWANCE** – On June 1<sup>st</sup> of each year all employees with six (6) months or more service in the year shall receive one hundred seventy five dollars (\$175.00) to be used for the purchase of safety boots. Due to destructive nature of the paint used in the paint process each Painter is entitled to be reimbursed, up to one hundred seventy five dollars (\$175.00) per pair, with receipts, for up to three (3) pairs of protective steel-toed boots per year, provided as required, and as agreed to with the Safety Coordinator prior to purchase.
- 13.12** The Company shall pay the tuition for employees taking first aid course. If it is necessary for the employee to travel outside Penticton in order to take all or part of the course, an appropriate mileage allowance will be paid.

In order to qualify for the above, the employee must receive approval from the Company prior to commencing the course.

The Company agrees to pay the employees' wages for the day of a Level II or better test providing the test day is on one of the employee's regular shift, and if there are fewer than four Level II or better tickets in the shop.

In using the WorkSafe BC rules as a guideline, Peerless Ltd. agrees to pay any and all fees payable for a retest of the First Aid Course if the employee fails in his first attempt of the test. In addition, Peerless Ltd. agrees to pay the employee's normal wages of the date of testing.

If the employee fails to pass on their second attempt, it will be at the sole discretion of the Company if they wish that employee to further attempt to obtain their First Aid ticket as per WorkSafe BC policy.

- 13.13 CUSTOM MOLDED HEARING PROTECTION** – The Company will arrange for custom molded hearing protection for employees in positions requiring hearing protection. The Company will cover one-half (1/2) the cost, one time only. Future cost of replacement plugs will be the employee's responsibility. New hires will have the opportunity to participate in the program after the completion of their probation period. This plan is subject to changes at the discretion of Peerless and may be altered or terminated at any time.

#### **ARTICLE 14 - GENERAL PROVISIONS**

- 14.01 COMPANY RULES** - Company rules shall be posted in a conspicuous place within the plant. Any employee being discharged for disobeying the rules of the Company will only be paid up to the time of discharge. The Company will consult with the Union prior to implementing new rules.
- 14.02** No shop steward, committee member, or employee shall be discriminated against or jeopardized in seniority standing or suffer any loss of employment on account of membership or activity in the Union, provided that such activity is not allowed to interfere with the work and production of the Company. Stewards will be given adequate time during working hours for meetings with management.
- 14.03** When the Company finds it necessary to lay off or discharge a shop steward, the business representative of the Union shall be notified prior to such lay-off or discharge.
- 14.04** Union notices may be posted only on special Union bulletin boards furnished by the Company at the time clock and lunchroom.
- 14.05** The Company shall allow leave-of-absence without pay for any employee in the service of the Union but not to exceed 100 hours in any one calendar year. No employee who acts within the scope of subsection 13.06 shall lose his job or be discriminated against for so acting.
- 14.06** No supervisor or office personnel will be allowed to use hand tools or carry out work which would be normally done by employees in this bargaining unit. Foremen are allowed to use hand tools only for the purpose of instruction.
- 14.07 BEREAVEMENT LEAVE** - If an employee suffers a death in the immediate family, he shall be granted compassionate leave-of-absence with full pay for three (3) days. Immediate family means: spouse, mother, father, brother, sister, children, mother-in-law and father-in-law, sister-in-law, brother-in-law, grandparents and grandchildren.
- In the event of a death of an employee's niece or nephew, the employee shall be granted compassionate leave of absence with full pay for one (1) day.
- 14.08 TECHNOLOGICAL OR PROCEDURAL CHANGE** - In the event the Company proposes the introduction of equipment in its operations, requiring specialized training, the Company agrees to give the first opportunity to present employees.
- 14.09 JURY DUTY** - If an employee is summoned or subpoenaed for jury duty or jury selection, the Company shall grant the employee leave-of-absence with pay, which shall be the difference between his regular pay and the monies received for jury duty. On any day when an employee is called but not chosen for duty, he must return to work for the balance of the shift. He must supply the Company with a statement of time of reporting and release when not chosen for duty and an official statement of payment for duty.
- 14.10** Employees shall be allowed a shop/employee cleanup period of five (5) minutes before the completion of their shift.

- 14.11 Employees will take orders from the plant manager or plant superintendent only when the employee's immediate foreman or charge hand is not readily available. This will not prevent salesmen, engineers, etc. from giving technical direction to employees.
- 14.12 Before taking disciplinary action management will first warn an employee, unless the circumstances justify immediate discipline or discharge. Such warning to be witnessed by a Shop Steward, or designate.
- 14.13 It shall not be considered a violation of this Agreement for an employee to request, and/or honour, or refuse to cross a picket line which has been legally established as a result of a bona fide labour dispute between a recognized trade union and an employer with whom the picketing union has a dispute.
- 14.14 An employee assigned to work in a higher classification for more than four hours in a shift will be paid at the rate of the higher classification for the entire shift.

**ARTICLE 15 - HEALTH AND WELFARE**

The Company will provide and maintain the following coverage for its employees who have completed their probationary period. In the event of temporary layoff, coverage will be maintained for one full month beyond the month in which the layoff occurs.

15.01	<b><u>DENTAL</u></b>	Plan A (Basic)	100%
		Plan B (Prosthetics)	50%
		Annual Dental Plan	Maximum \$2,000
		Effective June 3, 2014 Orthodontia for children (lifetime max \$2,000)	

15.02 **MEDICAL** - Medical Services Plan of British Columbia.

15.03 **WEEKLY INDEMNITY** - Sickness and accident insurance with 66.6% of basic weekly earnings to the EI maximum, payable on the first day of disability due to non-occupational accident and on the fourth day of disability due to sickness for a maximum period of fifty-two (52) weeks.

It is understood and agreed that the entire UIC premium rebate shall belong to the employer.

15.04	<b><u>INSURANCE</u></b>	
	Life Insurance	1 1/2 times employee's annual earnings taken to the next thousand dollars.
	Accidental Death Insurance	1 1/2 times employee's annual earnings taken to the next thousand dollars and a reduced amount for loss of limb, sight or hearing.

15.05 Extended Health Benefits

15.06 Vision Care \$200/24 month for each covered family member, effective ratification.

**ARTICLE 16 - PENSION PLAN**

16.01 The Company shall remit one dollar thirty cents (\$1.30) per hour to the Boilermakers, Lodge 359 Pension Plan on behalf of eligible employees. On June 1, 2015 this amount shall be increased by twenty cents (\$0.20) and the Company shall remit one dollar fifty cents (\$1.50) per hour to the Boilermakers, Lodge 359 Pension Plan on behalf of eligible employees. On June 1, 2016 this amount shall be increased by fifteen cents (\$0.15) and the Company shall remit one dollar sixty five cents (\$1.65) per hour to the Boilermakers, Lodge 359 Pension Plan on behalf of eligible employees.

At an employee's request the Company will deduct and remit additional contributions to the Boilermakers Lodge 359 Pension Plan. Employees may notify the Company to make the additional contributions once per year.

**ARTICLE 17 - DURATION OF AGREEMENT**

- 17.01** This Agreement will be effective from June 1st, 2014 to and including May 31st, 2017 and thereafter from year to year unless written notice of intent to terminate or amend the Agreement at the expiration of any yearly period is given by either party to the other within the four (4) month period prior to the termination date.
- 17.02** Within five (5) days after receipt of any notice given pursuant to this Article by either party, the parties to this Agreement will commence negotiations. During the period of negotiations, this Agreement will continue in full force and effect.
- 17.03** The operation of Section 50 (2) & (3) of the Labour Relations Code of British Columbia is hereby excluded.

DATED AT \_\_\_\_\_, B.C., this \_\_\_\_\_ day of \_\_\_\_\_, 2014

**INTERNATIONAL BROTHERHOOD OF  
BOILERMAKERS, IRON SHIP BUILDERS,  
BLACKSMITHS, FORGERS & HELPERS,  
LODGE 359**

**PEERLESS LIMITED**

**SIGNATURES ON FILE**

\_\_\_\_\_  
**Rob Kappel**  
Business Representative  
Boilermakers Lodge 359

\_\_\_\_\_  
**Tom Watts**  
Vice President, Human Resources,  
McCoy Corporation

\_\_\_\_\_  
**Les Liszicsan**  
Shop Steward

\_\_\_\_\_  
**Lee Babcook**  
General Manager, McCoy Trailers  
(Peerless Limited)

\_\_\_\_\_  
**Dan McCune**  
Committee Member

\_\_\_\_\_  
**Rob Folk**  
Shop Steward

**SCHEDULE "A"**

CLASSIFICATION		O 100%	U 95%	L 85%	I 75%
Welder	June 1, 2014	\$32.12	\$30.51	\$27.30	\$24.09
	June 1, 2015	\$32.60	\$30.97	\$27.71	\$24.45
	June 1, 2016	\$33.25	\$31.59	\$28.26	\$24.94
Air, Electrical	June 1, 2014	\$32.12	\$30.51	\$27.30	\$24.09
	June 1, 2015	\$32.60	\$30.97	\$27.71	\$24.45
	June 1, 2016	\$33.25	\$31.59	\$28.26	\$24.94
Hydraulics	June 1, 2014	\$32.12	\$30.51	\$27.30	\$24.09
	June 1, 2015	\$32.60	\$30.97	\$27.71	\$24.45
	June 1, 2016	\$33.25	\$31.59	\$28.26	\$24.94
Rail Assembly	June 1, 2014	\$32.12	\$30.51	\$27.30	\$24.09
	June 1, 2015	\$32.60	\$30.97	\$27.71	\$24.45
	June 1, 2016	\$33.25	\$31.59	\$28.26	\$24.94
Painter	June 1, 2014	\$31.61	\$30.03	\$26.87	\$23.71
	June 1, 2015	\$32.08	\$30.48	\$27.27	\$24.06
	June 1, 2016	\$32.72	\$31.08	\$27.81	\$24.54
Supply Chain	June 1, 2014	\$27.73	\$26.34	\$23.57	\$20.80
	June 1, 2015	\$28.15	\$26.74	\$23.93	\$21.11
	June 1, 2016	\$28.71	\$27.27	\$24.40	\$21.53
Maintenance	June 1, 2014	\$32.12	\$30.51	\$27.30	\$24.09
	June 1, 2015	\$32.60	\$30.97	\$27.71	\$24.45
	June 1, 2016	\$33.25	\$31.59	\$28.26	\$24.94
Helper	June 1, 2014	\$24.03	*	*	\$18.02
	June 1, 2015	\$24.39	*	*	\$18.29
	June 1, 2016	\$24.88	*	*	\$18.66
Material Handler	June 1, 2014	\$25.03	*	*	\$18.77
	June 1, 2015	\$25.41	*	*	\$19.06
	June 1, 2016	\$25.92	*	*	\$19.44

\* Level does not exist in classification

CELL LEADER	\$1.75
CHARGE HAND	\$1.25
LEAD HAND	\$1.00
NIGHT SHIFT PREMIUM	\$1.00

**LETTER OF UNDERSTANDING #1**

**BETWEEN**

**PERRLESS LIMITED**

**And**

**INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON  
SHIPBUILDERS, FORGERS AND HELPERS, LODGE 359**

By their signatures below the above referenced Parties agree as follows:

1. Article 10.02 of the Collective Agreement shall be interpreted such that an employee who takes a vacation day while assigned to day shift shall have eight (8) hours vacation deducted from their vacation entitlement. An employee who takes a vacation day while assigned to night shift shall have ten (10) hours vacation deducted from their vacation entitlement.
2. Subject to the employer's vacation policy, employees may take vacation in four (4) hour blocks.

Original signed on December 19, 2005.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014

**For the Union:  
SIGNATURES ON FILE**

**For the Company:**

\_\_\_\_\_  
**Rob Kappel**  
Business Representative  
Boilermakers Lodge 359

\_\_\_\_\_  
**Tom Watts**  
Vice President, Human Resources,  
McCoy Corporation

\_\_\_\_\_  
**Les Lisziesan**  
Shop Steward

\_\_\_\_\_  
**Lee Babcook**  
General Manager, McCoy Trailers(Peerless Limited)

\_\_\_\_\_  
**Dan McCune**  
Committee Member

\_\_\_\_\_  
**Rob Folk**  
Shop Steward



**LETTER OF UNDERSTANDING #2**

**BETWEEN**

**PERRLESS LIMITED**

**And**

**INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON  
SHIPBUILDERS, FORGERS AND HELPERS, LODGE 359**

**Re: Overtime & Attendance**

The intent of this Letter of Understanding is to assist with the assignment of overtime, by the Company, that meets the needs of the operation and is fair and appropriate to the interests of the Union and the employees.

Notwithstanding the procedure noted in Article 5.06 of the Collective Agreement, the following will apply in the assignment of overtime by the Company:

“When it becomes necessary for the Company to work less than the total employees overtime, regularly scheduled employees will be offered the overtime opportunity in the following:

*Employees may be disqualified for overtime if they have documented attendance problems as determined by the Company under the Company’s Attendance Policy. If an employee is disqualified then the Company will assign overtime according to Article 5.06 (1) & (2), as applicable:*

1. To employees regularly assigned to the department requiring the overtime in order of seniority and ability to perform the work required; If more employees are required
2. To employees in other departments in order of seniority and ability to perform the work required.”

This letter shall remain in force only for the term of the current Collective Agreement, which expires May 31, 2017.

**For the Union:  
SIGNATURES ON FILE**

\_\_\_\_\_  
**Rob Kappel**  
Business Representative  
Boilermakers Lodge 359

\_\_\_\_\_  
**Les Liszicsan**  
Shop Steward

\_\_\_\_\_  
**Dan McCune**  
Committee Member

\_\_\_\_\_  
**Rob Folk**  
Shop Steward

**For the Company:**

\_\_\_\_\_  
**Tom Watts**  
Vice President, Human Resources,  
McCoy Corporation

\_\_\_\_\_  
**Lee Babcook**  
General Manager, McCoy Trailers(Peerless Limited)