

SOURCE	Co		
EFF.	2000	04	01
TERM.	2005	03	31
No. OF EMPLOYEES			60
NOMBRE D'EMPLOYÉS			60

United Parcel Service

Employees' Association

Contract



April 1/2000 - March 31/2005

ENTERED

09815(03)

THIS COLLECTIVE AGREEMENT entered into this 1st day of April 2000,
between:

UNITED PARCEL SERVICE (CANADA) LTD

(hereinafter referred to as the "Employer")

PARTY OF THE FIRST PART

and:

UNITED PARCEL SERVICE (CANADA) LTD EMPLOYEES ASSOCIATION

(hereinafter referred to as the "Association")

PARTY OF THE SECOND PART

ARTICLE 1

PURPOSE

1.01 The purpose of this Agreement is to maintain a harmonious relationship between the Employer and its employees; to define clearly the hours of work, rates of pay and conditions of employment, an amicable method of settling differences, and to promote the mutual interest of the Employer and its employees.

1.02 Wherever the singular or feminine is used in this agreement the same shall be construed as meaning the plural or masculine unless the context or Parties require otherwise.

ARTICLE 2
BARGAINING UNIT AND RECOGNITION

2.01 The Employer recognizes the Association as the sole bargaining authority for, and this Agreement shall apply solely to, employees in the bargaining unit for which the Association is certified under the Canada Labour Code and shall be binding on the Employer and the Association and their respective successors.

ARTICLE 3
UNION SECURITY

3.01 The Employer agrees that all employees upon the commencement of employment shall become and maintain membership in the Association as a condition of employment. This will include all employees as defined in ARTICLE 5.02, 5.03, and 5.04 with the exception of temporary employees.

3.02 The Employer further agrees that all new employees hired subsequent to the effective date of the Agreement, shall as a condition of employment, become and maintain their membership in the Association.

3.03 Upon written authorization from the employee, the Employer agrees to deduct the amount authorized as Association dues, initiation and/or assessments once each month and to transmit the monies so collected to a member of the Association executive by the fifteenth (15) of the following month, together with a list of employees from whom such deductions were made. The Association agrees that, upon remittance to the Association, the Employer shall be saved harmless for such remittance.

ARTICLE 4 EMPLOYER RIGHTS

4.01 The Association acknowledges that the Employer has the exclusive right to operate the business, except where such operation conflicts with this Agreement, including the right to maintain order, discipline, and generally manage the business, sub-contract, or transfer work between operations and hubs and establish and enforce safety and working rules and regulations.

4.02 The Employer and the Association agree that members will be given equal opportunity to apply for all job openings with an understanding that the company shall make the final decision.

The Association members who successfully transfer to other UPS jobs will have their wages and benefits governed by the appropriate wage and benefit plan. The employees original employment date will be maintained for the purpose of vacations and retirement plan.

It is further understood that an employee who successfully transfers to another location will no longer maintain membership with the Association.

ARTICLE 5 DEFINITION OF EMPLOYEES

5.01 Probationary Period and Seniority Employees

A new employee shall work under the provisions of this Agreement, but shall be employed on a sixty (60) days work trial basis, during which period the employee may be discharged without further recourse, provided however, that the Employer may not discharge or discipline for the purpose of evading this Agreement or the discrimination against Association members.

After sixty (60) working days, the employee will acquire seniority which if effective will be at the date that employment was originated.

5.02 Full Time

A full time employee is any person employed on a full-time permanent basis whose duties fall within the bargaining unit as defined in ARTICLE 2 of this Agreement, who has completed the probationary period as set out in ARTICLE 5.01 and who is hired to work those hours as set out in ARTICLE 6.01.

5.03 Part Time

A part time employee is any person employed who works more than fifteen (15) hours and less than forty (40) hours per week on a regular scheduled basis whose duties fall within the bargaining unit as defined in ARTICLE 2 of this Agreement and who has completed the probationary period as set out in ARTICLE 5.01. The company agrees to attempt to balance the workload of any employees who feel that hours are assigned unevenly.

5.04 Casual Employees and Temporary Employees

A casual employee or temporary employee may be used to perform the work caused by absence due to vacations, approved leave of absence, sickness, disability, holidays, and peak periods volume fluctuation, as outlined in ARTICLE 22.01, and ARTICLE 22.02.

ARTICLE 6 HOURS OF WORK AND OVERTIME

6.01 Regular Work Day

A regular work day shall consist of forty (40) hours per week consisting of eight (8) consecutive hours per day, and five (5) days in a seven (7) day period.

6.02 Lunch periods will be scheduled by the Employer and shall be unpaid.

6.03 Full time employees are allowed two (2) paid break periods of fifteen (15) minutes each per day. Part time employees are eligible for one (1) paid break period of fifteen (15) minutes per day.

Break periods will be scheduled at the discretion of the Employer based upon the needs of the operation and service commitments.

An additional fifteen (15) minute paid break may be taken by part time employees if their work day exceeds six hours.

6.04 Regular Work Week

Scheduling of hours of work of relief periods as provided in ARTICLE 6 may be varied at the sole discretion of the Employer. Whenever possible, the Employer will provide notice of changes to the Association. When the company needs employees to work additional hours or to come to work earlier than scheduled, the company will endeavor to give the employee as much notice as possible.

6.05 Overtime Premiums

All time worked in excess of 8 hours in the regularly established working day shall be considered as overtime and paid at the rate of one hundred and fifty (150%) percent of the employee's pro-rated hourly rate. Overtime may be requested by the Employer, and where available, the Employer will endeavor to assign overtime on an equitable basis amongst the employees having due regard to operating requirements.

ARTICLE 7
STATUTORY HOLIDAYS

7.01 Subject to ARTICLE 7.02 the Employer agrees to provide all employees with the following statutory holidays, without loss of pay:

New Years Day	Good Friday
Victoria Day	Canada Day
Labour Day	Thanksgiving Day
Boxing Day	Christmas Day
Remembrance Day	

Any other day that may be stated a legal holiday by the Federal Government will be granted.

The Employer further agrees that should one (1) of the above statutory holidays fall on an employee's regular day off, the employee shall receive an additional days pay or alternate day (s) off at a time mutually agreed to by the Employer and employee, and be in compliance with the current applicable Labour Standards of the Canada Labour Code.

7.02 In order to qualify for holiday pay, an employee must be on the payroll at least thirty (30) calendar days prior to the holiday and must be entitled to at least fifteen (15) days' wages during the thirty (30) calendar days preceding the holiday.

7.03 In addition to the holidays stipulated in ARTICLE 7.01, the employees may qualify for four (4) paid optional days and one (1) sick day. The employee will have the option of using the paid sick day as a floating holiday between Christmas and the New Year.

- a) An employee who is hired between July and September and has completed sixty (60) working days of employment is entitled to two (2) paid optional holidays and one (1) paid sick day during that year including October, November and December;
- b) An employee who is hired between January and June, and has completed sixty (60) working days of employment is entitled to four (4) paid optional holidays and one (1) paid sick day during that year including October, November and December;

ARTICLE 7 continued

c) In each subsequent year an employee will be entitled to four (4) paid optional holidays and one (1) paid sick day during that year including October, November and December.

The holidays as set out in a), b), and c) will be known as optional holidays and sick days to be taken each calendar year at a time mutually agreeable to the Employer and the employee. Optional holidays and the paid sick day may be carried over to the first week of the following year but no later than the 7th day of January of that year.

Any employee eligible for four (4) optional holidays and one (1) sick day may combine these days for an additional week's vacation. This additional week must be selected simultaneously with the normal selection of vacation periods. Any change of the selected weeks must be approved by management.

7.04 In the event any of the holidays enumerated in ARTICLE 7.01 above occur during the period of an employee's vacation, an additional day's pay or an additional day's vacation with pay may be allowed for each holiday so occurring. The employee must request such a day at the time of vacation selection.

7.05 The employer agrees to follow federally mandated laws regarding statutory holiday pay. A day's pay will be determined by the average hours worked in the previous twenty (20) working days within a thirty (30) day calendar period, to a maximum of eight (8) hours a day.

**ARTICLE 8
ANNUAL VACATIONS**

8.01 Vacation Schedule

<u>Length of Employment</u>	<u>Vacation</u>
1 year employment	2 weeks
5 years employment	3 weeks
10 years employment	4 weeks
20 years employment	5 weeks
25 years employment	6 weeks

Vacation pay shall be computed in the following manner:

<u>Number of weeks</u>	<u>% of gross earnings since last computed Vacation period</u>
2	4.5%
3	6.5%
4	8.5%
5	10.5%
6	12.5%

8.02 Vacations will, as far as practicable, be granted at the time desired by the employees on a seniority basis. However, the Employer reserves the right to designate vacation periods in a manner consistent with efficient operations.

8.03 The Employer will allow up to 10% of employees who are eligible and available to be off for vacation in any one week period consistent with paragraph 8.02.

Calculations that result in .5 to .9 shall be rounded up to the next whole number.

ARTICLE 9 LEAVE

9.01 Bereavement Leave

In cases of death in the immediate family, an employee shall be granted up to four (4) working days leave of absence with full pay starting with the day of death, if not worked, and not extending beyond the day following the funeral. These days shall not extend beyond the day of the funeral unless an additional day is required for travel.

The immediate family shall mean husband, wife, common-law spouse, son, daughter, step-child, father, father-in-law, mother, mother-in-law, sister or brother, grandparents, grandchildren, spouse's grandparents or grandchildren, step mother and step father.

In the event more time is required for any reason relating to the death, a leave of absence may be granted upon request.

9.02 Maternity Leave

Maternity leave shall be granted in accordance with the Canada Labour Code. Seniority shall accrue during maternity leave.

9.03 Jury Duty

An employee summoned to jury duty or subpoenaed as a Crown witness shall be paid wages amounting to the difference between the amount paid them for jury service or acting as a subpoenaed witness and the amount they would have earned, had they worked on such days. Jury duty pay plus regular earnings not to exceed one hundred (100%) percent of normal payroll.

9.04 Voting Rights

The Employer agrees to follow Federally mandated laws regarding voting rights as provided in the Canadian Election Act.

ARTICLE 10
SICK LEAVE AND BENEFITS

10.01 Health Plan

Subject to the plan documents, a Seniority Employee will be eligible to become a member of the UPS Health Care Program on the first (1st) of the month following completion of sixty (60) working days of continuous employment. The Employer agrees to provide a booklet to each employee, which outlines the health and welfare benefits of the plan.

ARTICLE 11
RETIREMENT PLAN

11.01 Subject to the plan documents a Seniority Employee will be eligible to become a member of the UPS Retirement Plan. The Employer agrees to provide a booklet to each employee which outlines the benefits of the plan.

ARTICLE 12 SALARIES

12.01 Employees will be hired or classified in accordance with the skills used and shall be paid not less than the salary specified for such classification in accordance with the table of categories and the job descriptions as set forth in Appendix "A" and Appendix "B", which are attached hereto and made part of this Agreement. Any position not covered by Appendix "A" and Appendix "B", or any new position which may be established during the life of this Agreement, shall be subject to negotiations between the Employer and the Association. In the event that the Parties are unable to agree as to the rate of pay for the new classification the matter may be submitted to the arbitration procedure, as defined in ARTICLES 16 and 17 of this Agreement.

12.02 The Employer reserves the right to institute a merit system of pay based upon the employee's performance development appraisal. This system may be in the form of incentives, bonuses, or other forms of remuneration to an individual employee and shall remain at the discretion of the Employer.

12.03 Promotional Increases/Decreases

An employee who is promoted to a higher position shall be placed in the same wage range in the new grade.

An employee who is promoted to a higher position shall complete a thirty (30) working day probationary period prior to receiving an increase in salary.

If an employee is not successful in the thirty (30) day probationary period, the employee will return to their previous grade level.

Should an employee select and receive a job of a lower classification, they shall be placed on a step in the salary range for the new job classification.

12.04 Salary Progression

Employees shall progress through the salary range for their job groupings in accordance with the required service on the job. Salary progression may be withheld for inadequate performance so long as the employee is notified at least one (1) month in advance. When the employee improves his/her performance to an acceptable level he/she shall then receive the new step in the salary range that had been withheld.

ARTICLE 12 continued

12.05 An employee assigned to a higher job classification or temporarily replacing another employee in such higher classification, shall be paid at the higher rate for the period so employed, provided the employee has the qualifications necessary and fulfills the duties of the higher job. This provision shall not apply for brief relief periods of less than one-half (1/2) day except that if an employee is required to work at a higher classification on a recurring basis i.e., each day, each week or each month, the higher rate of pay shall apply.

12.06 All permanent Association job openings, including part time positions converted to full time positions, shall be posted on all appropriate bulletin boards in the designated areas. The aforementioned openings shall be posted for a period of no less than five (5) business days prior to removal, and the subsequent assignment of the openings to be given no later than ten (10) business days after the posting has been removed.

12.07 The Employer shall offer the permanent full time and part time Association members the opportunity to bank overtime hours, in lieu of monetary payment should the employee so desire. The following guidelines will apply:

1. The scheduled time off will be mutually agreed upon between the Employer and employee in a manner consistent with efficient operations.

2. Overtime hours is defined as hours worked in excess of eight (8) hours in any one day period.

3. Overtime hours proposed to be banked will be signed off daily as worked, by the employee and the supervisor. All banked hours not scheduled by the end of a quarterly period during a calendar year will be paid out at a straight time rate of pay.

4. The Employer in its absolute discretion can cancel the opportunity to bank overtime hours, as described in ARTICLE 12.07 (1) (2) (3). However, the Employer will not do this until it has a meeting with the Association executive to inform the executive of its decision.

ARTICLE 13
SENIORITY

13.01 Seniority shall mean length of continuous service with the Employer. Vacancies, promotions, lay-off and recall shall be made on the basis of qualifications, ability and experience. In the event two (2) or more employees have the same relative qualifications, ability and experience, seniority will govern.

ARTICLE 14
DISCHARGE AND TERMINATION

14.01 It is hereby agreed that the Employer has the right to discharge for just cause.

ARTICLE 15
TECHNOLOGICAL OR PROCEDURAL CHANGES AND
SEVERANCE PAY

15.01 Notice

Wherever possible, the Employer shall provide the Association with notice of intention to introduce automated equipment or reduction of personnel. The Employer and the Association shall meet in an effort to reach a satisfactory agreement for all concerned in the affected operation. The Employer agrees to follow federally mandated laws as set forth by the Canada Labour Code.

15.02 Wherever practical employees becoming redundant due to new equipment or procedures, shall be eligible for re-training to equip them for the operation of such new equipment or procedure, or to qualify for new positions. Such re-training will be provided by the Employer without loss of pay, to the affected employees.

15.03 In cases where in the opinion of the Employer the re-training of employees is not practical, or where other positions with the Employer are not available, the employee (s) shall elect for termination of employment or shall elect to be placed on a recall list for a period of six (6) months. Recall shall be in accordance with ARTICLE 13.01.

15.04 Severance Pay

Employees whose services are terminated because of automation, changes in procedures, mergers or suspension of business, shall receive severance pay. The amount of the severance pay shall be equal to five (5) days pay for every year worked.

ARTICLE 16 GRIEVANCES

16.01 The Employer encourages and adheres to an open door policy with employees. In the event a grievance arises, it shall be handled in the following manner. A grievance shall consist of a dispute concerning interpretation and application of any clauses in this Agreement.

Grievances shall be in writing. Whenever possible, grievances shall be discussed by the employees and his/her immediate supervisor. Failing resolution, the grievance shall be taken up by an Association Representative and the Division Manager. All grievances must be initiated by the employee, Association or Employer, in writing, and dealt with within five (5) days of the employee, Association or Employer having reasonable information to initiate the grievance.

The time limits in the Article are mandatory and if not followed, the defaulting parties shall be deemed to have abandoned the grievance; however, time limits may be extended upon mutual agreement, in writing, between the Association and the Employer.

ARTICLE 17
SINGLE ARBITRATOR

17.01 Failing resolution of grievances as set out in ARTICLE 16, the Parties to this Agreement may use the services of a single arbitrator as a mean of settling grievances and disputes.

- a) The Party desiring arbitration under this Article will notify the other Party, in writing, in accordance with the provisions of Article 17, step 3.
- b) The Parties to the dispute will thereupon meet to decide upon an Arbitrator. Failing agreement on this within ten (10) working days, a Party may apply for the appointment of an Arbitrator.
- c) Upon agreed appointment of an Arbitrator, the Arbitrator shall hear the Parties, settle the terms of the question to be arbitrated and make his/her award within fifteen (15) days of the appointment or within such extended period as may be mutually agreed to by the Parties to the dispute.
- d) The Arbitrator shall deliver his/her award, in writing, to each of the Parties and this award shall be final and binding upon each of the Parties and shall be carried out forthwith. The Arbitrator shall not have the right to alter or change any provisions or substitute any new provisions in this Agreement or substitute any new provisions in lieu thereof, or give any decision inconsistent with the terms and provisions of this Agreement. The Arbitrator, however, shall have the power to vary or set aside any penalty or discipline imposed relating to the grievance.

17.02 Each Party shall pay their own costs and expenses of the Arbitration and one-half (1/2) the remuneration and disbursements or expenses of the Arbitrator.

ARTICLE 18
GENERAL

18.01 During the life of the Agreement, there shall be no lockout by the Employer or any work stoppages or strike by the Association.

18.02 The Employer will allow the Association to have meetings during working hours. However, this is with the understanding that this time will be unpaid and will not adversely impact the operation.

ARTICLE 19 LEAVE OF ABSENCE

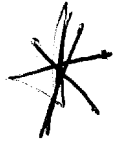
19.01 Leave of Absence

Any employee desiring a leave of absence from their employment shall secure a written permission from the Employer. The leave of absence must be presented to their immediate supervisor and must have the approval of the department manager and the Human Resources manager. It is understood that the employee shall not engage in other gainful employment during this period of absence. Failure to comply with this provision will result in the complete loss of seniority rights.

A request for a particular vacation or an extended vacation necessitated by prolonged travel shall be considered.

ARTICLE 20
MANAGEMENT - EMPLOYEE RELATIONS

20.01 There shall be a committee composed of members of management and the Association, being equal in number to discuss problems and concerns that may arise. This committee shall meet on a monthly basis unless otherwise so stipulated.



ARTICLE 21 DURATION

21.01 This Agreement will be in full force and effect on and after the 1st day of April, 2000, to and including the 31st day of March, 2005, and shall automatically be renewed form year to year thereafter, unless either Party serves written notice to commence collective bargaining upon the other Party hereto, at least sixty (60) days prior to the 31st day of March, 2005, or sixty (60) days prior to the 31st of March, in any year subsequent thereto.

ARTICLE 22 CASUAL

22.01 Casual Employees

Casual employees may be used to perform the work caused by the absence due to vacations, approved leave of absence, sickness, disability, holidays, and peak periods volume fluctuations.

Employees hired as casuals will not be entitled to any daily, weekly, or reporting guarantees.

Time worked as a casual shall not accrue towards seniority. Vacations, holidays, jury duty, and other benefits provided for seniority employees shall not apply to such casuals.

Casual employees shall not be used in any job in which qualified seniority employees are laid off.

Seniority employees cannot be laid off and replaced by a casual employee.

Casual employees are paid the starting wage of the job classification that they are covering. They are not entitled to any increases.

Casual employees based on length of service will be given the opportunity to fill permanent Association positions in accordance with ARTICLE 13.01.

22.02 Temporary Employees

Temporary employees from an outside agency may be used to perform the work caused by the absence due to vacations, approved leave of absence, sickness, disability, holidays, and peak periods volume fluctuations.

Seniority employees cannot be laid off and replaced by a temporary employee.

The company also agrees that if it needs to work temporary employees from an outside agency more than thirty (30) days, this must be approved by the Association executives.

Appendix A (Employees hired prior to January 21,1996)

	Grade 1	Grade 2	Grade 3	Grade 4
April 1, 2000	11.00	13.35	14.02	15.40
April 1, 2001	11.00	13.35	14.02	15.40
April 1, 2002	11.00	13.35	14.02	15.40
April 1, 2003	11.25	13.60	14.27	15.65
April 1, 2004	11.45	13.80	14.47	15.85

Full time employees in Appendix A will receive a bonus of \$350 on the first day of April 2000, 2001 and 2002.

Part time employees in Appendix A will receive a bonus of \$175 on the first day of April 2000, 2001 and 2002.

Appendix B (Employees hired on or after January 22,1996)

	Grade 1	Grade 2	Grade 3	Grade 4
Progression- Hire	7.75	8.65	9.70	10.90
3 months	8.10	9.10	10.20	11.40
6 months	8.50	9.50	10.65	11.95
12 months	8.90	9.95	11.15	12.50
24 months	9.15	10.25	11.50	12.90
36 months	9.45	10.55	11.85	13.30
48 months	9.75	10.85	12.20	13.70
Progression Plus 1 year	10.00	11.10	12.45	13.95
Progression Plus 2 years	10.25	11.35	12.70	14.20
Progression Plus 3 years	10.50	11.60	12.95	14.45
Progression Plus 4 years	10.75	11.85	13.20	14.70

It is understood that the employees in progression will follow the wage progression schedule as outlined in Appendix B.

Once they complete the progression wage schedule, they will assume the “Progression Plus” wage rate depending on the number of years.

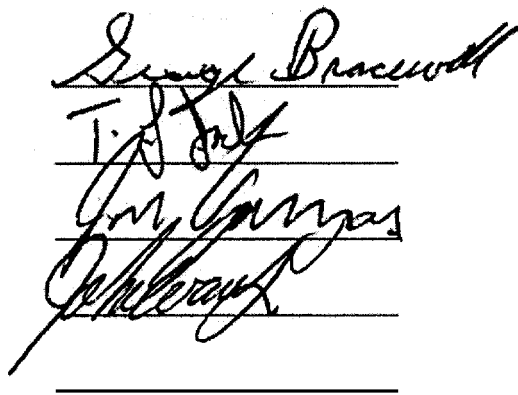
Full time employees in Appendix B will receive a bonus of \$350 on the first day of April 2000.

Part time employees in Appendix B will receive a bonus of \$175 on the first day of April 2000.

United Parcel Service team consisted of

George Bracewell
Jack Dempsey
Jose Vargas
John Evans
Lorran Jack
Niran Nadarajah

Signed on Behalf of the Employer

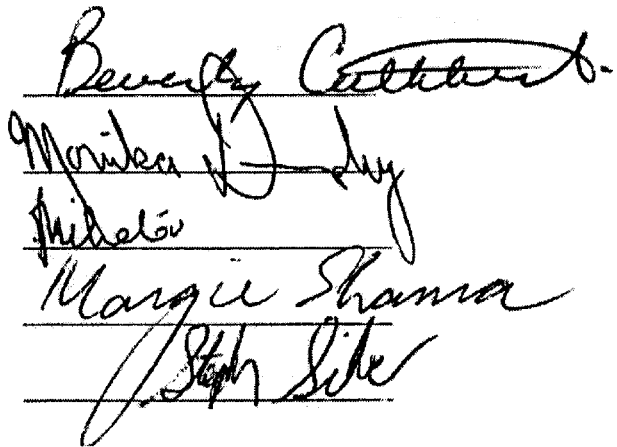


November 18th, 1999

The Association team consisted of

Beverly Cuthbert, President
Monika Dunphy, Vice President
Françoise Mihatov, Treasurer
Margie Sharma, Secretary
Stephen Silver, Member

Signed on Behalf of the Association



Richmond, BC, Canada