

COLLECTIVE AGREEMENT

SOURCE	Union
DATE	96/02/01
NO.	97/01/31
NO. OF	
EMPLOYEES	22
NO. OF EMPLOYEES	80

BETWEEN: FRONTIER FREIGHTLINES LTD.

(hereinafter referred to as the "Employer")

PARTY OF THE FIRST PART

AND: TEAMSTERS LOCAL UNION NO. 31

(hereinafter referred to as the "Union")

PARTY OF THE SECOND PART

A. PREAMBLE

This Agreement is effective February 1, 1996 and represents all the terms and conditions which govern the relations between the Union, the Employer and the employees. No other terms and conditions, express or implied are applicable or enforceable, except where further mutual agreements have been committed to writing by the parties and appended to this Agreement.

B. UNION RECOGNITION

The Employer agrees to recognize the Union as the **sole** collective bargaining agent for all employees and categories of employees referred to in the Letter of Understanding dated **October 27, 1978**.

C. INTERPRETATION

Wherever the masculine gender is **used** in this Agreement, it shall **also be** construed as meaning the feminine gender, if applicable. Similarly, wherever the singular is used, the same shall be construed as meaning the plural if the facts or context require.

ARTICLE 1 - UNION SECURITY

1.01 It is agreed that as a condition of employment, each employee not now a member of the Union and **all** new employees shall become and remain a member in good standing of the Union within seven (7) **days** of their

commencing employment with the Employer. The Employer shall not maintain in its employ at any time an employee covered by this Agreement who is not a member in good standing of the Union.

- 1.02** The Employer shall furnish to the Union a list of new employees and owner/operators taken into employment by the Employer within fourteen (14) calendar days of their being hired or placed under contract and all such employees shall **be** added to the check-off list at that time.
- 1.03** Each new employee and owneroperator when hired by the Employer shall sign Union application and authorization cards or be instructed by the Employer to contact the Union office or shop steward in branch terminals in order to sign application and authorization cards provided by the Union authorizing the Employer to deduct Union dues, initiation fees, assessments from the employee's earnings and remit same to the Union.
- 1.04** When additional employees and/or owneroperators are required, the Employer will extend equal opportunity to Union members who meet the Employer's requirements and who apply for employment or have been referred to the Employer by the Union.
- 1.05** Except as otherwise provided for herein, supervisors and other employees outside the scope of this Agreement shall not perform the regular duties of employees within the bargaining unit, unless training or instructing an employee during the performance of his duties.

ARTICLE 2 - UNION ACTIVITY

2.01 Union Agents

Authorized agents of the Union will request and have access to the Employer's establishments for the purposes of investigating conditions related to Union contract clauses.

2.02 shop Stewards

The Union shall appoint or elect shop stewards and shall notify the Employer in writing of the appointment or election. The Employer shall only recognize such shop stewards when notified in writing by the Union and shall not discriminate against them for lawful Union activity. Shop stewards will suffer no loss of regular pay when processing grievances under Step 1, 2 and 3 of the Grievance Procedure during their regular working hours. The Employer will notify the Union prior to the dismissal of any shop steward.

2.03 Steward Time-Off

The Employer shall allow time off without pay to any employee who is serving on a Union committee or as a delegate, providing all requests for time off are reasonable and do not interfere with the proper operation of the business, and provided forty-eight (48) hours written notice is given to the Employer by the Union specifying the length of time off.

2.04 Legal Picket Lines

It shall not be a violation of this Agreement or cause for discharge of an employee in the performance of his duties, to refuse to cross a legal picket line recognized by the Union. The Union shall notify the Employer as soon as possible of the existence of such recognized legal picket line.

2.05 Union Insignia

It shall not be a violation of this Agreement for an employee to post the Teamsters' Union Label in a conspicuous place in the cab of the vehicle or equipment he is operating. The said label shall be in a size not in excess of three inches (3") by four inches (4") and shall not be attached to any glass area.

ARTICLE 3 - NO INTERRUPTIONS OF WORK

3.01 During the life of this Agreement, there shall be no lockout by the Employer and/or strike, sit-down, slow-down, work stoppage or suspension of work, either complete or partial for any reason by the Union.

3.02 The Union agrees that in the event the Employer becomes involved in a controversy with any other union, the Union will do all in its power to help effect a fair settlement and the Union will not participate in any sympathetic cessation of work or slow-down program while the controversy is being settled.

ARTICLE 4 - MANAGEMENT RIGHTS

4.01 The Union recognizes the exclusive right of the Employer to manage and direct the Employer's business in all respects in accordance with its commitments and to alter from time to time rules and regulations to be observed by the employees, which rules and regulations shall not be inconsistent with this Agreement.

4.02 The Employer will always have the right to hire and to discipline, demote or discharge employees for proper cause. Where a demerit point system is not

applicable, an employee's disciplinary record shall only contain those matters conveyed to the employee in writing with a copy to the Union and such disciplinary record may only be used for the previous nine (9) months in any future disciplining of such employee.

4.03 Nothing contained in this Agreement will be deemed to obligate the Employer to continue to operate any of its plants, properties or any parts thereto.

4.04 The Highway Division will not generally sub-contract out work currently being performed by actively employed shop employees, except in emergencies where qualified staff are not available or under special circumstances. Where special circumstances occur, the actively employed employees involved will be re-assigned to other maintenance work within the shop.

ARTICLE 5 - NO DISCRIMINATION BETWEEN EMPLOYERS

5.01 The Union undertakes that no terms which are more advantageous than those contained herein will be extended to or agreed with any competitor of the Employer without first notifying the Employer of such terms.

ARTICLE 6 - DEFINITION OF EMPLOYEES

6.01 Regular Employee

A regular employee shall be considered as such when:

- (a) he has completed his probationary period
- (b) he makes himself available to the Employer for full time employment or as he may be needed
- (c) he has no other outside employment which will in any manner interfere or reflect upon his employment with the Employer
- (d) he is fully qualified in regard to the Employer approved physical examinations or other normal Employer requirements

6.02 Probationary Employee

- (a) All new employees will be considered probationary employees for the first thirty (30) days worked or the first one hundred and twenty-eight (128) hours worked, whichever is the greater.

- (b) Probationary employees shall be on trial to determine their suitability for regular employment. The Employer may dismiss a probationary employee if it does not find him suitable for regular employment or in the case of casual employees, temporary employment. There shall be no responsibility on the part of the Employer in respect of the employment of such employees, should they be terminated for any reason during the probationary period.
- (c) Regular full-time employee status commences only after the employee has been advised in writing by the Employer that he has been granted such status or at the completion of time requirements provided in Article 6.02(a), whichever is earlier.
- (d) No probationary employee shall attain seniority until he is granted regular full-time status but once he is granted such status, his seniority shall date from the commencement of his probationary period.
- (e) A probationary employee may apply for other positions, but need not be accepted.

6.03 Casual Employee

- (a) For the purpose of this Agreement, a casual employee is defined as a person hired for work that is not of a continuing nature, such as:
 - (i) temporary positions created to cover absences due to employee vacations, illnesses, injuries or leaves of absence
 - (ii) temporary positions created to supplement the regular employee work force to provide additional help of an incidental or short-term nature to cover peak work periods or sudden but temporary surges in demand for Company services
- (b) Casual employees shall not be used for the purpose of depriving regular full-time employees of their normal hours of work.
- (c) Casual employees are covered by the terms of this Agreement, except for the following Articles.

Article 7	-	dealing with seniority lists and rights for regular employees
Article 8	-	dealing with lay-offs of regular employees
Article 9	-	dealing with recalls of regular employees

Article 12.01 & 12.02	-	dealing with hours of work for regular hourly paid employees
Article 13	-	dealing with notification of temporary lay-off
Article 15	-	dealing with guarantee for hourly paid employees
Article 16	-	dealing with call-out, call-back provision
Article 20.04	-	dealing with change of shifts
Article 36	-	dealing with reporting notice for linehaul
Article 37	-	dealing with runaround
Article 38	-	dealing with minimum pay guarantee
Article 42	-	dealing with unpaid leaves of absence
Article 43	-	dealing with paid leaves of absence
Article 46	-	dealing with sick leave benefits
Article 47	-	dealing with health and welfare plans
Article 50	-	dealing with paid annual vacation

6.04 Working Agent

A working agent at small and/or remote Employer maintained terminals shall be considered as such:

- (a) he shall be an employee of the Employer
- (b) he shall be used by the Employer only at such small and/or remote locations where the Employer's volume will not support, and the Employer does not employ, more than four (4) employees including the working agent
- (c) he shall be a member of the Union, but otherwise excluded under the terms and conditions of this Agreement, except that the monthly or annual monetary remuneration or benefits to him by the Employer shall be in an amount resulting in not less than he would otherwise receive under the terms of this Agreement.
- (d) he shall be on a monthly salary as described
- (e) his services shall not be utilized to deny other employees of their equitable share of overtime
- (f) if, as and when terminals are closed down or partially closed down or amalgamated or moved to another location, the seniority of such employees shall immediately become a subject of discussion and failure of the parties to agree may be submitted to the Grievance Procedure hereinafter provided for a final decision

6.05 Owner/Operator and/or Dependent Contractor

- (a) An owner/operator and/or dependent contractor shall personally and exclusively operate the equipment supplied pursuant to his agreement with the Employer excepting that such equipment shall be operated by an employee of the Employer in instances where the equipment requires more than one (1) operator and, upon request of the dependent contractor, in instances where the dependent contractor is absent because of vacations, illness, accident or on leave of absence for reasons acceptable to the Employer.
- (b) There shall be a base fleet of seven (7) Employer owned highway units. After the base fleet of seven (7) Employer owned trucks has been established and the Employer increases or reduces the number of operational highway units, such increases or reductions shall be made on the basis of one (1) Employer unit to one (1) dependent contractor unit. However, the foregoing shall not compel the Employer to engage or retain the services of dependent contractors, nor shall the replacement of a dependent contractor with another dependent contractor be a consideration. At no time during this Agreement shall there be fewer than seven (7) Employer units while there are any owner/operators employed.
- (c) The Employer, after establishment of the said base fleet relationship may, on a short-term basis of not more than six (6) months duration, hire owner/operators for additional business not ordinarily performed by Company employees. The Employer will advise the Union of such short-term lease. This term lease may be extended as agreed between the parties.
- (d) All owner/operators shall be bound by the maximum hours of work as prescribed by Labour Canada and/or the U.S. Department of Transport in the relevant Safety Code, the Canadian Motor Vehicle Safety Standards and this Collective Agreement.
- (e) A separate seniority list shall be posted at the terminal showing the names and truck numbers of all dependent contractors. A copy of such list shall be forwarded to the Union forthwith.
- (f) When complying with (c) above, the Employer will not engage the services of an owner/operator to replace or displace any regular employee.

ARTICLE 7 - SENIORITY

7.01 Company seniority and unit seniority are defined as follows:

- (a) company seniority means the date a regular full-time employee started his continuous full-time employment with the Employer
- (b) unit seniority means the date a regular full-time employee started his continuous full-time employment within the unit

7.02 The unit covered by this Collective Agreement shall be as follows:

Unit #1

Line drivers: all line drivers hauling general freight or petroleum products in or out of the Yukon Territory working out of Whitehorse.

Highway Hostlers

Unit #2

Heavy Duty Mechanic Journeyman	Labourer
Heavy Duty Mechanic Tradesman	Truckwasher
Welder Journeyman	Apprentice
Welder Tradesman	

Unit #3

P & D Driver
 Tractor Trailer Driver
 Warehouseman
 Dispatcher

7.03 The Employer shall maintain a seniority list for regular full-time employees only. Such list shall contain the name of the employee, his company seniority date and his unit seniority date.

7.04 These seniority lists will be posted in each unit location in the months of January, May and September and copies of same shall also be provided to the Union. Seniority dates will be subject to question by means of a written protest submitted by the employee to the Union and to the Employer's Industrial Relations department within a period of thirty (30) calendar days from the date of posting and if no dispute arises during this period, the posted seniority dates will be deemed to be correct.

7.05 In the event of identical unit seniority dates, company seniority will govern.

7.06 **Retention of Seniority Upon Promotion**

When an employee within the bargaining unit receives a leave of absence to take a position with the Employer which is excluded from the bargaining unit, he may retain his seniority for a maximum of one hundred and twenty (120) calendar days within the former unit. Notice shall be given to the Union in writing prior to the employee leaving the bargaining unit.

7.07 At the end of this period of one hundred and twenty (120) calendar days, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain within the unit for a minimum of one hundred and twenty (120) calendar days prior to exercising such privilege again.

7.08 Termination of Seniority and Employment

A regular employee will lose all his seniority rights and his employment is deemed to be terminated where any of the following occurs:

- (a) voluntary quitting or leaving the Employer
- (b) discharge for just and reasonable cause
- (c) retirement
- (d) if an employee is absent without leave for three (3) consecutive working days, unless a reason satisfactory to the Employer is provided immediately before or at the expiration of three (3) consecutive working days, unless circumstances beyond the employee's control prevent the employee from submitting a reason during that period.
- (e) If an employee does not return and report for work on the day following completion of his approved leave of absence, unless there were extenuating circumstances and he notified the Employer by mail or telegram or telephone directly to the immediate supervisor prior to the expiration of his approved leave of absence.
- (f) Absence due to lay-off for a period in excess of nine (9) consecutive months excepting where the lay-off is a direct result of a labour dispute involving another company in which case seniority will be carried for twelve (12) months.

ARTICLE 8 - LAY-OFFS

8.01 When a lay-off is necessary within a unit, no regular employee in the job classification where the lay-off is required will be laid-off, while a casual employee is working. Lay-offs of regular employees will be implemented in reverse order of company seniority within that unit.

8.02 A regular employee who is subject to lay-off may bump a probationary-or another regular employee in any job classification within his own unit provided that the job classification is within the same or lower wage group and provided further that:

- (a) the employee has greater company seniority than the employee he wishes to bump
- (b) the employee possesses the necessary qualifications, skills and abilities to properly and efficiently fulfill all of the duties, responsibilities and requirements then current in the job classification into which he wishes to bump
- (c) The employee shall take that job on a trial basis of up to twenty (20) working days during which he must demonstrate that he can properly and satisfactorily perform the job to the satisfaction of the Employer

8.03 A regular employee who is subject to a lay-off and cannot hold a position within his own unit will have the right to apply for any posted vacant position in another unit or bump into any position in another unit currently held by a probationary employee provided that:

- (a) he possesses the necessary qualifications, skills and abilities to properly and efficiently fulfill all of the duties, responsibilities and requirements then current in that position
- (b) the employee has greater company seniority than the employee he wishes to bump
- (c) he is willing to take that job on a twenty (20) working day trial basis during which he must demonstrate that he can properly and satisfactorily perform the job to the satisfaction of the Employer
- (d) he shall return to his former unit when work becomes available

8.04 Employees who wish to exercise their rights under either Article 8.02 or 8.03 must apply to their respective division manager, no later than forty-eight (48) hours from the time at which they have been notified that they have been laid-off or bumped or they are deemed to have forfeited their rights under Articles 8.02 and/or 8.03.

ARTICLE 9 - RECALLS

9.01 The Employer shall recall the employees commencing with the employee(s) with the greatest company seniority and possessing the necessary qualifications, skills and abilities to properly and efficiently fulfill all of the duties, responsibilities and requirements then current in the job classification.

9.02 It is the responsibility of each employee to keep the division manager informed of his current mailing address and phone number by written communication:

- (a) notice of recall may be made by telephone to the employee, telegram, registered mail or by direct personal contact
- (b) an employee who is laid off and fails to return to work when given seven (7) calendar days' notification to return to work shall be deemed to have abandoned his employment with the Employer

ARTICLE 10 - JOB VACANCIES AND JOB POSTINGS

10.01 Where the Employer decides to fill a regular job vacancy or to create a new regular position, it will give present regular employees every reasonable opportunity to apply by posting the position in all locations (listing job classification, unit and wage rate) for a minimum of seven (7) days in a conspicuous place in each unit. The Employer is not required to consider applications from bargaining unit employees after the posting period has expired.

10.02 Positions will be filled on the basis of qualifications, skills, ability and seniority. Provided that the applicant meets all of the qualifications required, preference will be given to the employee with the greatest unit seniority within the unit where the vacancy exists. If there are no qualified applicants from within the unit where the vacancy exists, then provided that the applicant meets all of the qualifications required, preference will be given to the applicant with the greatest company seniority.

- 10.03** Any current employee selected to fill a vacancy *or* a new job shall be given a trial period of up to twenty (20) working days to demonstrate that he can satisfy the requirements of the job to the satisfaction of the Employer.
- 10.04** Should the employee be unable to satisfy the requirements of the job or should he decide that he does not want to continue in the new job within the aforementioned trial period, then he may be returned to his former job at the wage rate he previously earned in the former job, plus any increments to which he would have otherwise been entitled had he not been promoted. The Employer shall have the right to require all other employees who changed job positions to move back into the job positions and wage rates (plus any applicable increments) which they occupied previously.
- 10.05** In such instances, the employee's original unit seniority will be restored without any interruption in the accumulation thereof. No temporary seniority in the classification to which the employee was temporarily promoted shall be deemed to have accumulated.

ARTICLE 11 - PAYMENT OF WAGES

- 11.01** Paid time shall commence from the time that the employee is ordered to report for duty or registers in, whichever is later, until he is effectively released from duty.
- 11.02** The rates of remuneration is listed in this Agreement are considered as minimum rates and shall not preclude payment of premium rates at the discretion of the Employer.
- 11.03** In the event that the Employer should require any employees to engage in work beyond the first drop on pipeline and construction *or* in the confines of a construction site coming within the jurisdiction of another agreement which has established more favourable wage rates than those herein contained, such employee shall be entitled to be paid at the more favourable wage rate while he is so engaged.

11.04 Pay Period

All regular employees shall be paid not less frequently than the first working day following the fifteenth (15th) of each month and the first working day following the end of the month. All other cheques due to an employee shall be issued at the employee's place of employment except termination cheques.

11.05 Pay Statement

The Employer shall provide each employee with a separate or detachable written or printed itemized statement in respect of all wage payments made to such employee. Such statements shall set forth the dated pay period, total hours worked or paid for, the total miles driven (where applicable), the total overtime hours worked, either at time and one-half (1 1/2) or double time the rate of wages applicable and all deductions made from the gross amount of wages.

11.06 Error in Pay

When less than one (1) day's time has been missed, it will be paid on the next pay day. All other time missed will be paid forthwith after being brought to the Employer's attention, provided it was the Employer's error. If it was not the Employer's error, the time missed shall be paid on the next pay day.

11.07 Injury on the Job

When an employee sustains a personal injury while on duty which prevents him from completing his shift and the injury requires medical care, the employee will be compensated for the full shift on that day.

ARTICLE 12 - HOURS OF WORK

12.01 The normal work week for regular hourly paid employees, excepting line haul drivers shall consist of not more than eight (8) consecutive hours of work per day, excluding the meal period and not more than five (5) days per week.

12.02 Hourly paid employees will receive two (2) consecutive days of rest each work week. At least one of these rest days must be either Saturday or Sunday.

12.03 Employees who are not ready to commence work at their starting time and/or who cease work prior to the authorized quitting time or designated break time are subject to disciplinary action and shall have deducted from their hours of work, time as follows:

6 to 14 minutes	-	15 minutes
15 to 29 minutes	-	30 minutes
30 to 44 minutes	-	45 minutes
45 to 60 minutes	-	60 minutes

12.04 Rest Break

An employee shall be entitled to one (1) paid break of fifteen (15) minutes during both the first half and the second half of any shift.

12.05 In the event an employee is required to work less than two (2) hours overtime past the end of his regular shift, he shall be granted a paid fifteen (15) minute break before starting the overtime. Where an employee is required to work in excess of two (2) hours overtime, he shall be entitled to one-half (1/2) hour paid time off at his regular rate of pay for the purpose of eating at the end of his regular shift. Where a break or meal period is provided under this Article, such break or meal period may be delayed but not beyond thirty (30) minutes of commencing such overtime period.

12.06 Meal Periods

Unpaid meal periods of either thirty (30) minutes or one (1) hour, but not both, shall be established by the Employer and shall not be changed except by mutual agreement. Each employee shall have a uniform meal period.

12.07 No employee shall be compelled to take more than one (1) continuous meal period during his shift nor compelled to take any part of such a continuous period before he has been on duty three and one-half (3 1/2) hours or after he has been on duty five (5) hours.

12.08 When an hourly rated employee is required to work through his normal meal period, he will receive two (2) times the regular straight time rate of pay for time worked during the meal period. No employee will be required to work beyond five (5) hours without a meal period as provided for in Article 12.07

ARTICLE 13 - NOTIFICATION OF TEMPORARY LAY-OFF

13.01 Regular hourly paid employees shall be notified before quitting time if they will not be required to work their next regular work day. If an employee is laid-off, then recalled the next day his starting time and pay time will be the same on both days.

ARTICLE 14 - DEAD HEADING

14.01 Every employee covered under this Agreement when required to ride on Company equipment in a deadhead manner or when required to travel by any

other mode of Company or public transportation to a destination point designated by the Employer shall be paid for any hours spent at his regular straight hourly rate during the first ten (10) hours of travel and at one and one-half (1 1/2) times the regular straight hourly rate for any hours spent travelling in excess of ten (10) hours, plus subsistence allowance and/or cost of transportation where applicable.

ARTICLE 15 - GUARANTEE FOR HOURLY PAID EMPLOYEES

15.01 When an hourly rated employee is called in and reports for duty, he shall be guaranteed a minimum of four (4) hours work and/or pay. If he works in excess of four (4) hours, he shall be guaranteed six (6) hours work and/or pay, and if he works in excess of six (6) hours, he shall be guaranteed the full day's pay.

ARTICLE 16 - CALL-OUT/CALL-BACK PROVISION

16.01 Regular warehouse and shop employees reporting for duty on a call-out or call-back basis inconsistent with their regular schedule work day or shift shall be guaranteed a minimum of four (4) hours, but after completion of the duty called for may elect to book-off with a minimum of two (2) hours pay. Hours paid will be at the overtime rates.

ARTICLE 17 - TEMPORARY CHANGE IN JOB CLASSIFICATION

17.01 Any employee working in a higher wage group than his normal job classification for two (2) hours or more per shift shall be paid at the higher wage group rate for the entire shift.

17.02 When an employee in a higher rated classification is working temporarily in a lower paying classification, he will receive the higher rate for the entire shift.

17.03 If an employee works regularly in a combination of job classifications with different hourly pay rates, he will be paid the higher rate of pay.

ARTICLE 18 - SHIFT WORK

18.01 When any type of work is performed on a multiple shift basis, the general principle of shift rotation will be adhered to as far as is practicable.

18.02 Shift work shall have a shift differential paid on the following basis. Any employee working the afternoon shift shall be guaranteed the equivalent of one-half (1/2) hour shift differential and any employee working the night shift shall be

guaranteed the equivalent of one (1) hour shift differential. This shift differential shall be paid at straight time at the employee's classification rate of pay.

- (a) Work on the day shift shall commence between the hours of 0600 and 1400 hours.
- (b) Work on the afternoon shift shall commence between the hours of 1400 and 2200 hours.
- (c) Work on the night shift shall commence between the hours of 2200 and 0600 hours.

18.03 With the exception of a swing shift, shifts once established will not be changed without five (5) days' notice to the employees involved unless the employees involved agree to waive this provision and the shift change is approved in advance by the division manager.

18.04 The Employer may by mutual consent with the employees involved arrange to swing shifts. In case of a dispute as to the manning of a shift(s), the junior man in the job classification affected will be assigned.

ARTICLE 19 - OVERTIME

19.01 All Employer authorized time over eight (8) hours per day shall be deemed overtime if a rest period of eight (8) hours is not granted after an employee has completed his regular shift, except on short change of shift which could result in only seven and one-half (7 1/2) hours of rest between shift applies only on a weekly shift change.

19.02 For the first two (2) hours after completion of the first eight (8) hours at straight time, the overtime rate shall be at time and one-half (1 1/2) the straight time rate of pay for time worked.

19.03 For overtime hours in excess of two (2), the overtime rate of pay will be two (2) times the regular straight time rate of pay until released from duty subject to Article 19.02.

19.04 Daily overtime shall be allocated wherever possible to capable senior employees in their classification in a voluntary manner provided, however, that upon reaching the bottom of the seniority list, the junior employee shall be required to work overtime. Overtime in excess of four (4) hours per week shall be voluntary. However, when overtime is required and senior employees decline, the most

junior employee who has not worked the minimum four **(4)** hours overtime must accept the overtime assignment.

19.05 All hours worked on an employee's designated day of rest will be deemed overtime and paid for at the rate of time and one-half (1 1/2) the straight time rate of pay for the first eight (8) hours worked and two (2) times the straight time rate of pay for any hours worked in excess of eight (8) hours on each such day.

ARTICLE 20 - EXCLUSION OF LINEHAUL DRIVERS

20.01 None of the provisions contained in Articles 12 through 19 inclusive shall apply to linehaul drivers who are engaged in over-the-road runs extending more than one hundred (100) miles from their base of operations within the Yukon Territory.

ARTICLE 21 - LINEHAUL DRIVERS

21.01 The provisions contained in Articles 21 through 37 inclusive govern basic /working conditions and methods of pay solely for linehaul drivers who are engaged in over-the-road runs extending more than one hundred (100) miles from their base of operations within the Yukon Territory.

ARTICLE 22 - SINGLE MAN OPERATIONS

22.01 The regular hours of work for employees engaged in single man operation shall be ten (10) hours per trip. The Employer shall pay for all time driving and working in excess of the regular hours at the overtime rate as specified hereafter and shall continue at the overtime rate until a rest period of eight (8) hours is provided. This rate does not apply to the layover and wait time but is calculated on the driving and work time only at one-half (1/2) the hourly work time rate.

22.02 No single man shall be called for dispatch until he has been off duty for eight (8) hours excluding call time after completing a trip at the home terminal. At points away from the home terminal, the driver shall be entitled to up to eight (8) hours including call time of uninterrupted rest. Drivers held and/or waiting at point other than the home terminal in excess of the maximum rest period will be paid wait time for hours in excess of the full rest period.

ARTICLE 23 - SLEEPER CAB OPERATION

23.01 Sleeper cab operations shall be performed by two (2) drivers in trucks properly equipped with sleeper berths. The Employer shall designate the home terminal

of each driver team and designate the routes to be travelled on each tour from terminal to destination and return and each driver shall be paid for driving one-half (1/2) the mileage the vehicle travelled in making the tour.

23.02 Driver Teams

Once driver teams are established, it is understood that they are not to be separated unless mutually agreed to by the Employer, the Union and driver team involved, except in case of emergency or reduction in forces or temporary training. Such mutual agreement shall not be unreasonably withheld.

23.03 Only two (2) men shall be permitted in sleeper cab equipment at any time, except in case of emergency or when a new type of equipment is put into operation. In no event shall a driver supervisor or other authorized personnel be in the cab in addition to the two (2) drivers for more than three hundred (300) miles.

23.04 No driver under this Agreement shall be placed on layover if routed on any tour with outbound mileage under five hundred (500) miles.

23.05 The Employer may use a sleeper cab driver to effect a single man operation but will not do this when it adversely effects the single man board or when it creates excess layover time for sleeper cab drivers.

23.06 (a) Except in cases of emergency, sleeper cab drivers shall be entitled to have a minimum of four (4) hours off duty excluding call time after completion of their tour.

(b) No sleeper cab driver shall be allowed to take a solo trip of more than four (4) hours until he has had eight (8) hours rest since he was last on duty.

23.07 Bedding and fresh linens for sleeper cabs shall be furnished and maintained by the Employer when requested by the driver.

ARTICLE 24 - TRANSFERRING OVER THE ROAD DRIVERS

24.01 (a) When a branch, terminal, division or operation is closed or partially closed and the work of the branch, terminal, division or operation is transferred to another branch, terminal, division or operation in whole or in part, an employee at the closed or partially closed down branch, terminal, division or operation shall have the right to transfer at the Employer's expense to the branch, terminal, division or operation into which the work was transferred if work is there available.

- (b) Such employees will be dovetailed into the seniority list as of the date they first became employees in their classification.
- (c) Whenever a man is transferred at the request of the Employer, his reasonable moving expenses shall be borne by the Employer.
- (d) For the purpose of this section "expenses" is defined to mean the moving expenses of normal household goods and chattels.

ARTICLE 25 - WORKING CONDITIONS FOR LINEHAUL DRIVERS

25.01 Drivers engaged in over-the-road operations (including owner/operators and contract haulers) and who are making pick-ups and/or deliveries at intermediate terminals shall not be asked to load or unload freight or perform any other duties at a place where the Employer maintains a terminal.

25.02 Drivers may, however, be permitted to load or unload freight or petroleum products where such loading or unloading is in accordance with past practice with regard to petroleum products or where such loading or unloading is made outside the normal hours when the terminal is operated or when contractual terminal employees are not in the terminal. Drivers may also deliver full loads directly to the customer's depot.

25.03 Transport Operation on Winter Road

- (a) Except under snow blockade or other emergency conditions, the maximum driving or working hours in off highway operations will not exceed sixteen (16) hours without a rest period.
- (b) Where sleeping accommodation is not available, trucks equipped with sleeper bunks will be considered as proper accommodation when outfitted with blankets and sheets, except when the driver elects to use alternative bunk covering provided by him.
- (c) Drivers of trucks without sleeper bunks must use such sleeping accommodation as available between eight (8) and sixteen (16) hours after their last place of rest. Drivers must not pass the last available sleeping accommodation if they cannot reach the next sleeping accommodation within a sixteen (16) hour driving period under normal conditions.

- (d) When a driver has completed his rest period and resumes driving and/or working, the first ten (10) hours will be at straight time rates.
- (e) Trucks dispatched on winter road operation will be equipped with survival kits.
- (f) Drivers operating off highway in excess of ten (10) hours from their last off highway rest period will receive five dollars (\$5.00) in addition to meals supplied enroute.

ARTICLE 26 - DISPATCH

26.01 All drivers and operators of equipment shall be dispatched according to agreed upon local dispatching rules.

ARTICLE 27 - MILEAGE RATES

27.01 Mileage rates are calculated to include compensation for duties performed by an employee in driving, checking equipment, hook-up or unhooking, post and pre-trip preparation and processing of relating documents and forms

27.02 The Territorial, Provincial and/or Official State mileages will be used as a guide to determine the number of miles driven. The authority to determine the number of miles driven shall be the Department of Highways of the various States, Territories and/or Provinces.

27.03 Employees on student trips will be paid two (2) cents per mile less than the appropriate rate shown for single drivers in Appendix "B". The driver used to check out the student driver will receive two (2) cents per mile in addition to the prevailing single driver rate as shown in Appendix "B" when checking out a student driver.

The intent of this clause is: employees who are instructed by the Employer to go on student trips will be paid on the basis specified in this provision.

ARTICLE 28 - TRIP RATES

28.01 All trips shall be paid for at the mileage rate for miles driven except that the hourly rate shall apply in the event that the amount earned under the applicable mileage rate provides less than the hourly rate for the total driving time on a particular trip. The onus is upon the driver to question the rate of pay by marking his trip and pay report accordingly.

28.02 If a sleeper team is used on a load that is restricted to a speed of less than thirty-five (35) miles per hour by condition of a government issued permit for oversize and/or overweight loads, the driver team shall receive one and one-half (1 1/2) times the hourly work time rate stipulated in Appendix "B" divided between the drivers for that portion of the tour which is so restricted. It shall be the responsibility of the drivers to claim such hourly rate by marking their pay claim accordingly.

28.03 Runs which include both highway miles and off-line bush miles will be paid for in the following manner: mileage rates for main highway miles and hourly rates for bush miles.

28.04 Calculation of overtime shall be as follows:

- (a) on trips made entirely on highway, overtime shall be paid after ten (10) hours driving (mile or hourly) at one-half (1/2) times the straight time hourly work time rate and shall continue until a rest period of eight (8) hours is provided
- (b) on trips made entirely on bush roads, overtime shall be paid after eight (8) hours driving and work time at one and one-half times (1 1/2) straight time hourly work time rate and shall continue until a rest period of ten (10) hours is provided
- (c) on trips which include both highway miles and bush miles, overtime shall be paid after ten (10) hours driving (mile or hourly) and work time (driving or hourly) at one and one-half (1 1/2) times the straight time hourly work time rate and shall continue until a rest period of eight (8) hours is provided

ARTICLE 29 - BOBTAILING

29.01 Driving of tractor without trailer shall be paid on the same basis as driving of tractor-trailers.

29.02 If hostlers are otherwise employed and tanker or tanker-pup units are ready for loading, drivers of the units that are standing by waiting to be dispatched may load the units. Drivers so employed will receive their regular work time rates.

29.03 Hostler limits shall be restricted to a round trip of one hundred (100) miles except for emergency deliveries and when regular drivers are not available.

ARTICLE 30 - WORK TIME

30.01 Work time shall include, but not limited to, loading, unloading, chaining and unchaining repairs to equipment and time spent on ferries or boats.

30.02 Fuelling at company pumps and key pumps will be included as work time when the driver performs the function.

ARTICLE 31 - WAIT TIME

31.01 For all time waiting to load or unload, waiting for equipment to be repaired, waiting for roads to be cleared and waiting at turn-around points on single man operations, where there are public facilities and conditions available (e.g. restaurants, coffee shops, motels, etc.) to make it safe and possible that the driver does not have to remain in the equipment with a maximum of eight (8) hours pay for waiting time in each eighteen (18) hour period. Wait time is clarified as follows: wait time is not cumulative. For the purposes of determining wait time pay, each stop shall be considered a separate waiting period. In no event shall wait time pay exceed eight (8) hours for each stop in any eighteen (18) hour period. When a driver is held more than one day, he shall receive pay for the first eight (8) hours in each eighteen (18) hour period.

ARTICLE 32 - TIME LOST DUE TO DELAYS

32.01 All time lost due to delays as a result of overloads or certificate violations involving federal, state, territorial, provincial or city regulations shall be paid for at the regular applicable hourly rate in this Agreement. To the best of his ability, it shall be the duty of the driver to ascertain that he is not hauling an overload and to ascertain that he has all the necessary and required licenses, certificates and permits before leaving the Employer terminal provided, however, that the Employer shall arrange for all permits to be made available to the employees.

32.02 When a driver or drivers are required to stay with equipment, it shall be considered work time and shall be paid for as such.

ARTICLE 33 - LAYOVER

33.01 In the event that drivers are required to layover during any one round trip away from their home terminal, they shall be compensated for layover time as follows;

it being understood that layover time shall not be cumulative, but shall mean only one layover per trip.

- (a) for the first ten (10) hours of each layover period - no pay
- (b) for the next eight (8) hours - at the applicable rate
- (c) for the next ten (10) hours - no pay
- (d) for the next eight (8) hours - at the applicable rate
- (e) and continuing on the same basis for each eighteen (18) hour period of continuing layover

33.02 The layover point is to be designated on a driver's original orders prior to dispatch from point of origin of trip, save and except in the case of accident or breakdown, whereby the layover point may be extended to a point beyond the original designated layover point.

33.03 The Employer shall not require any driver to layover unnecessarily.

33.04 When drivers arrive at a layover point they are to be placed on layover or will receive wait time,

ARTICLE 34 - REPORTING NOTICE

34.01 With the exception of "hot-shot" deliveries, drivers shall be given at least two (2) hours' notice when ordered to report for duty at the home terminal and two (2) hours' notice at the end of the run when effectively released from duty by the Employer.

34.02 Where notice has been given to any person who answers the call at the telephone number listed by the driver with the Employer that notice shall be deemed to be valid notice to the driver.

34.03 Where the dispatcher(s) has attempted without success to make contact with the driver by calling the specified telephone number a minimum of three (3) times within a period of thirty (30) minutes, the driver will be deemed to be unavailable to report to duty and will not be eligible for "runaround" pay pursuant to Article 37.

ARTICLE 35 - RUNAROUND

- 35.01** When a driver is available but not dispatched in proper order under agreed upon local dispatching rules between the Employer and the Union, he shall be paid at the hourly rate from the time he should have been dispatched until actual time of departure on a trip and/or tour with a maximum of ten (10) hours at the applicable work time rate for the initial twenty-four (24) hours and continuing on the basis of the first ten (10) hours in each twenty-four (24) hour period thereafter at the applicable wait time rate.
- 35.02** Notwithstanding Article 47.02, any grievance alleging an improper or unfair denial of "runaround" pay must be presented to the Employer in writing within five (5) days of the date on which the driver was allegedly available but not dispatched in proper order. The burden of proof shall be on the employee to show that he was available at his listed telephone number at the time and date in question.
- 35.03** For the purposes of this Agreement, the word "trip" will be used when referring to single man operations. A single man trip is considered from point of dispatch to point of rest, layover or book-off.
- 35.04** For the purposes of this Agreement, the work "tour" will be used when referring to sleeper-cab operations, and shall mean the period between departure from and return to home terminal.

ARTICLE 36 - MINIMUM PAY GUARANTEES

- 36.01** When a driver reports in accordance with an established reporting time and no work is provided, he will receive a minimum of four (4) hours pay at the hourly work time rate unless he has been notified at least two (2) hours ahead of the regular reporting time that no work will be available.
- 36.02** When a driver is called in and reports for duty, he shall be guaranteed a minimum of four (4) hours work and/or pay at the hourly work time rate, even if no work is available. If he works in excess of four (4) hours, he shall be guaranteed six (6) hours work and/or pay, and if he works in excess of six (6) hours, he shall be guaranteed eight (8) hours work and/or pay at the hourly work time rate for the trip or any portion thereof.

ARTICLE 37 - MAINTENANCE OF EQUIPMENT

37.01 It is to the mutual advantage of both the Employer and the employee that employees shall not operate vehicles which are not in a safe operating condition.

37.02 The Employer will not require employees to operate equipment on public streets, highways or thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements on mobile equipment (i.e. brakes, steering, signal lights or other lighting equipment).

37.03 It shall be the duty of the employee to report in writing on the appropriate forms of the Employer, promptly, but not later than the end of their shifts, trips or tour all safety and/or mechanical defects on the equipment which they have operated during that shift, trip or tour.

37.04 It shall be the obligation of the Employer to direct the repair as necessary to conform with the safe and efficient operation of that equipment. In the event repairs cannot be affected immediately, the equipment will be correctly identified and kept out of service until repaired.

37.05 Bulk Heads

Tractors or trailers being used to transport freight which could slide toward the cab of the truck under certain traffic conditions will be equipped with a suitable barrier to protect the operator of the vehicle.

37.06 A driver may obtain information upon request from the dispatch office regarding repairs carried out on his equipment in the preceding thirty (30) days.

37.07 Truck and trailer bodies shall have installed steps or devices to allow reasonable access to the body. I.C.C. rear bumpers and stirrup steps for side doors on the over-the-road line equipment shall be considered as reasonable access.

37.08 In order to provide adequate vision front and rear, trucks and tractors will be equipped with heaters and mirrors. Said mirrors to be of a size not less than six (6) inches by twelve (12) inches or the equivalent on some smaller trucks. All newly purchased highway tractors will have heated mirrors and power steering. All trucks and tractors shall have heated defrosters.

ARTICLE 38 - UNIFORMS AND PROTECTIVE CLOTHING

- 38.01** The Employer agrees that if an employee is required to wear any kind of uniform as a condition of employment, such uniform shall be furnished and maintained free of charge by the Employer. Such uniform shall bear a Union label.
- 38.02** Any employee, physically handling in substantial quantities, meats, hides, creosote items, spun glass, lamp black, barbed wire, acids, bulk petroleum products, calcium chloride] ore or soda ash (or any other toxic or noxious chemicals) shall be provided where required with coveralls, rubber or leather aprons, smocks, gloves, rubber boots, hard hats, safety glasses, breathing respirators and/or ear protectors where needed to perform the job efficiently and safely.
- 38.03** Maintenance shop employees and swamper shall be provided with two (2) pairs of clean coveralls per week. Cost will be borne by the Employer, however, any wilful damage to the coveralls will be charged to the employee. If additional clean coveralls are required, they will be issued.
- 38.04** The Employer will replace welders' gloves when turned in on a worn out basis and the lens for helmets and goggles when damaged on the job.

ARTICLE 39 - UNPAID LEAVES OF ABSENCE

- 39.01** When the requirements of the Employer's operations permit, any regular employee upon written application to the Employer with a copy of said application to the Union may, if approved] by the Employer be granted an unpaid leave of absence in writing (with a copy to the Union) for a period of up to thirty (30) calendar days. Following consideration by the Employer] approval or rejection is to be given in writing (with a copy to the Union) within thirty (30) calendar days and if approved] such approval may not be withdrawn except by mutual consent of the employee and the Employer.
- 39.02** Such leave may be extended for additional periods of thirty (30) days when approved by both the Employer and the Union in writing, and seniority will accrue during such extension.
- 39.03** Any employee on leave of absence engaged in gainful employment without prior written permission from both the Employer and the Union shall forfeit his

seniority and his name will be stricken from the seniority list and he will no longer be considered as an employee of the company.

- 39.04** An employee's request for leave of absence for compassionate reasons shall not be unreasonably denied, but he may be required by the Employer to substantiate the reason before returning to work. Any violation will be subject to disciplinary action.
- 39.05** Subject to Article 44.04, an employee on leave of absence who wishes to retain protection under the Health and Welfare clause of the Agreement (excluding weekly indemnity) must make arrangements with the Employer to continue with the payment required and must deposit with the Employer sufficient funds to cover the premiums while on leave of absence, said amount to be left with the Employer prior to the commencement of the leave of absence. Retention of protection under this section is subject to the insurer's agreement that an employee on leave of absence will be covered if the appropriate premiums are tendered to cover the leave of absence.
- 39.06** An employee who has been elected or appointed to work for the Local Union will be granted a leave of absence by the Employer and the employee may retain seniority to a maximum of one (1) year.

ARTICLE 40 - PAID LEAVES OF ABSENCE

40.01 Bereavement Leave

When death occurs to a member of a regular employee's immediate family, the employee will be granted upon request an appropriate leave of absence and if he attends the funeral he shall be compensated at his regular straight time hourly rate for hours lost from his regular schedule on any of the days prior to the funeral, the day of the funeral and the day after the funeral for a maximum of three (3) days. When the funeral is held outside the Yukon Territory, four (4) days' bereavement leave will be paid.

40.02 Members of the immediate family are defined as the employee's spouse, common-law spouse, mother, father, sons and daughters, brothers, sisters, mother-in-law, father-in-law, employee's grandparents and legal guardian.

40.03 Funeral leave is not compensable when the employee is on unpaid leave of absence or layoff or for days falling outside the employee's scheduled work week or when he is receiving benefits under the Health and Welfare-Plan of Workers' Compensation.

40.04 Jury Duty

Any regular employee who is required to perform jury duty or is subpoenaed to appear as a witness in a court action on any day on which he would otherwise have worked will be reimbursed by the Employer for the difference between the pay received from the jury duty or witness fee and his regular straight time hourly rate of pay for his regular scheduled hours of work. It is understood that such reimbursement shall not be for hours in excess of eight (8) per day or forty (40) per week, less pay received for jury duty or witness fee, whichever applies. The employee will be required to furnish proof of jury service and jury duty pay received. Any employee on jury duty or subpoenaed as a witness shall, subject to the provision, make himself available for work before or after being required for such duty, whenever practicable.

40.05 The preceding provision will have no application for an employee on unpaid leave of absence, lay-off, annual vacation or for days falling outside the employee's scheduled work week or when receiving benefits under the Health and Welfare Plan or Workers' Compensation.

ARTICLE 41 - SAFETY PRECAUTIONS

41.01 For reasons of safety, no shop personnel at the Highway Division shall be expected to work on equipment where the possibility of accident exists without another company person being in the vicinity.

41.02 The Employer shall provide first-aid provisions in accordance with the Workers' Compensation Act.

ARTICLE 42 - HEALTH AND SAFETY PROVISIONS

42.01 Medical Examinations

Any Employer requested medical examination shall be promptly complied with by all employees, provided that the Employer shall pay the costs of all such examinations and provided further that if such examination must take place during the employee's regularly scheduled work day, the employee shall suffer no loss of pay. If such an examination is arranged for an employee's day off, a regular employee shall be entitled to a maximum of two (2) hours wages at straight time pay, except in instances where an employee is about to return to

work or has just returned to work following illness or disability in which case no compensation shall be paid to the employee for the medical examination. If such an examination is arranged for by the Employer after the employee's scheduled shift, a regular employee shall be entitled to a maximum of two (2) hours' wages at straight time pay.

42.02 A probationary employee found to be medically or physically unfit to perform duties required in his specific job classification shall be deemed to be unsuitable for regular employment and shall be terminated.

ARTICLE 43 - SICK LEAVE BENEFITS

43.01 All regular employees hired shall accumulate paid sick leave commencing on the first day following one (1) year of continuous service with the Employer at the rate of one-half (1/2) day, (i.e. four (4)) hours per qualifying month. A qualifying month will be one hundred and twenty-five (125) hours of paid time (including vacation and general holidays) in a calendar month. After accumulating one (1) or more days of sick leave, payment will be made commencing on the first full day of illness on which the employee would otherwise be working and will continue for each day until the employee uses up his sick leave, qualifies for weekly indemnity or until he is able to return to work, whichever occurs first.

43.02 Management has the right to request a medical certificate for any sick leave claimed.

43.03 Any abuse of the sick leave provisions will result in the immediate discharge of the employee.

43.04 An employee who is persistently or habitually absent from work on excuse of illness or sickness may be required to submit to a medical examination by a doctor designated by the Employer. Where such examination does not provide justifiable medical grounds for such absences, the Employer may give the employee a written warning. In the event such absences continue after the written warning, the Employer may discharge the employee.

43.05 Where an employee is declared by a doctor to be physically able and capable of resuming his employment, the employee is obligated to immediately return to work. In the event that the employee fails to return to work following such declaration, the Employer may deem the continuing absence to be a voluntary termination of employment by the employee.

43.06 When an employee is absent from work due to illness, sickness or accident, the employee shall make every reasonable effort to notify his immediate supervisor as early in the day as possible.

ARTICLE 44 - HEALTH AND WELFARE PLANS

44.01 Regular employees shall be covered by a Company paid Health and Welfare Plan commencing on the first day of the calendar month following completion of thirty (30) days of employment with the Employer.

44.02 Notwithstanding the above, if a new employee was a participant within the previous thirty (30) day period in a comparable Health and Welfare Plan of another company which is a party to an agreement identical to this Agreement] the Employer shall then arrange for that employee to join the Health and Welfare Plan effective the day he is hired.

44.03 The Plan shall provide the following benefits:

- (a) Group Insurance providing the following minimum coverage:
 - (i) life insurance coverage in the sum of \$70,000 covering death from any cause
 - (ii) accidental death and dismemberment coverage for loss within ninety (90) days of an accident of life, limb or sight according to the following schedule:

loss of life	\$70,000
loss of both hands or both feet or sight of both eyes	\$70,000
loss of one hand and one foot	\$70,000
loss of one hand and sight of one eye	\$70,000
loss of one foot and sight of one eye	\$70,000
loss of one hand or one foot or sight of one eye	\$50,000
 - (iii) non-occupational weekly indemnity coverage equal to the current Unemployment Insurance Commission rate per week for regular employees, commencing on the first day of necessary absence from work due to accident and the fourth day of necessary absence from work due to sickness continuing for a maximum of fifty-two (52) weeks during any period of disability. Period of disability from the same cause shall be considered as separate periods of disability providing they are separated by a return to active employment with the company for at least one (1) week.

(b) Long Term Disability

- (i) If at the expiration of the fifty-two (52) weeks allowable for weekly indemnity, the employee is considered totally disabled, he shall then be subject to long term disability benefits so long as the disability continues or until the employee reaches age sixty-five (65).

An employee shall be deemed to be totally disabled or total disability shall be deemed to exist when the employee is suffering from such a state of bodily or mental incapacity resulting from injury or disease as would wholly prevent the employee from engaging in any employment for which the employee is reasonably qualified by education, training or experience.

- (ii) in the case of long term disability as outlined above, payment during such disability shall be in the amount of one thousand dollars (\$1,000.00) per month exclusive of Canada Pension Plan benefits.

(c) Basic Medical Plan

Medical, surgical and obstetrical coverage in accordance with the standard plan of service provided by Yukon Medical Service Association for eligible employees and their dependents.

(d) Drug Plan

Drug plan to cover drugs and medicines required by a physician's prescription, excluding drugs used for contraceptive purposes. A twenty-five dollar (\$25.00) deductible is to apply annually with the Plan paying eighty percent (80%) of the balance. The twenty-five dollars (\$25.00) is to apply annually in any twelve (12) month period.

(e) Dental Plan

The dental plan coverage will be equivalent to C.U.& C. Plans A & B.

- (i) One hundred percent (100%) coverage of Basic Plan "A" and Basic Plan "B" for children one (1) to eighteen (18) years inclusive.

- (ii) Eighty percent (80%) coverage of Basic Plan "A" for the employee, spouse and dependent children nineteen (19) to twenty-five (25) years inclusive if attending school or mentally infirm or depending on the employee for support.
- (iii) Fifty percent (50%) coverage of Basic Plan "B" for the employee, spouse and dependent children nineteen (19) to twenty-five (25) years inclusive if attending school or mentally infirm or depending on the employee for support.

The above dental coverage to have a maximum of one thousand dollars (\$1,000.00) per year for each person covered. The fee schedule for payment on dental claims will be that established by the Association of Dentists in the Yukon Territory.

44.04 Coverage for benefits under the Health and Welfare Plan will remain in force for the whole of any calendar month during which the eligible employee is actively employed and receives wages from the Employer for all or part thereof, whether or not the employee remains in the active employment of the Employer for the balance of that calendar month. Active employment will not be deemed to be interrupted by temporary absences due to annual vacation or general holidays.

44.05 When an employee goes off work ill or on compensation or a grievance is invoked on his discharge, the Employer shall continue to pay both his welfare fees and Union dues so that the employee shall be protected to the utmost, provided:

- (a) the employee reimburses the Employer for such contributions normally paid by said employee and is at no time five (5) or more months in arrears, and
- (b) the period of such coverage shall exceed twelve (12) months only by mutual agreement of the two parties

In the event of any employee grievance being rejected, all monies paid by the Employer under this Article including the total premium shall be paid to the Employer by the employee.

When an employee returns to work, the Employer shall deduct from his earnings any monies the Employer has paid out in respect of his contributions.

In the event an employee does not return to work and the employee refuses or neglects on demand at his last known address to make restitution for such

monies paid out, the Union shall then reimburse the Employer for said amount up to a total of five (5) months.

44.06 It shall be the Employer's responsibility to provide to eligible employees the necessary application forms for coverage under the Health and Welfare Plans.

44.07 it shall be the employee's responsibility to arrange to have the necessary forms completed and remitted to the Employer in order that they can be processed.

44.08 For purposes of the Health and Welfare Plan, a common-law spouse will be deemed to be a dependent of an eligible employee commencing one (1) year after the date on which the employee first notifies the Employer of his common-law relationship. The employee is also required to notify the Employer forthwith following the dissolution of his common-law relationship so that the spouse's coverage under the Health and Welfare Plan can be cancelled.

44.09 Subject to the specific provisions stated herein, all benefit plan coverages, terms, conditions and specific eligibility requirements with regard to group life insurance, accidental death and dismemberment insurance, weekly indemnity coverage, long term disability coverage, medical and dental plan coverage and drug plan coverage shall at all times be covered by the actual terms and conditions of the contracts issued by the insurance carrier(s). The benefit plan descriptions contained in this Agreement are provided only for the purpose of general information.

44.10 It is understood and agreed that it is responsibility of each employee to be familiar with the specific details of coverage and eligibility requirements of all benefit plans and that neither the Union nor the Employer has any direct responsibility for ensuring that all requirements for eligibility or conditions of coverage or entitlement to benefits are made by the employee beyond the obligations specifically stipulated in this Agreement.

ARTICLE 45 - GENERAL HOLIDAYS

45.01 Subject to the eligibility provisions set out hereunder, the following days shall be recognized as paid general holidays:

New Year's Day
Good Friday
Victoria Day
Canada Day
Discovery Day

Labour Day
Thanksgiving Day
Remembrance Day
Christmas Day
Boxing Day

and any other days as may be proclaimed a holiday by the Federal or Territorial Government.

45.02 Eligibility Requirements

To be eligible to receive pay for a general holiday, an employee must have worked and received wages from the Employer in that calendar month in which the general holiday occurs and must work and receive wages from the Employer during the calendar month following the month in which the general holiday occurred.

45.03 No employee shall be entitled to be paid for a general holiday if he is assigned to work and does not work on such holiday without prior permission to be absent from work on that day.

45.04 Subject to Article 49.02, employees who are on lay-off or are on an unpaid leave of absence, workers' compensation or short term or long term disability shall not receive pay for holiday(s) which occur during their absence(s).

45.05 General Holiday Payments for Eligible Employees

General holiday payments for eligible employees shall be based on the number of straight time hours worked in the qualifying period in Article 49.02, divided by the number of days in which the straight time hours were worked to a maximum of eight (8) hours pay per holiday.

45.06 Payment for Work Performed on a General Holiday

In the event a regular employee is required to work on a general holiday, he shall receive time and one-half (1 1/2) for each hour worked with a minimum of eight (8) hours in addition to the rate of pay as prescribed for the holiday if he is eligible for such holiday pay. For hours worked in excess of eight (8), he shall be paid two (2) times the straight time rate. Upon request, he shall also be entitled to one day off without pay. Such day to be taken within thirty (30) days and in conjunction with his regular days off, where applicable.

45.07 Where a day that is a designated general holiday for an eligible employee falls within his vacation period, the holiday shall not count as a day of vacation leave and the employee shall be entitled to an extra day of vacation with pay in conjunction with his vacation leave.

ARTICLE 46 - VACATION

46.01 Payment for Work Performed on a General Holiday

An employee is entitled to take vacation leave with pay, provided the employee has earned vacation leave credits in accordance with this Article.

46.02 An employee shall earn vacation leave credits in the following amounts for each completed year of service based on the calendar year commencing January 1 and ending December 31:

Year /Inclusive)	Credit Earned	Vacation Percentage
First and Second	Two (2) Weeks	Four (4) Percent
Third to Ninth	Three (3) Weeks	Six (6) Percent
Tenth to Fourteenth	Four (4) Weeks	Eight (8) Percent
Fifteenth and Subsequent	Five (5) Weeks	Ten (10) Percent

46.03 Vacation pay shall be calculated at the applicable vacation percentage above. The applicable percentage shall be applied to the total wages earned in the year in which the vacation leave credit was earned.

46.04 (a) Senior employees that are entitled to three (3) weeks vacation or more will be allowed to only take three (3) weeks during prime season. Prime season is defined as May 1 until September 30 inclusive.

(b) Preference of vacation time will be given to senior employees. Senior employees may only exercise their seniority for selection once in a vacation year. Vacation lists should be posted February 1st of each year and employees shall designate their choice of vacation time before March 31st. The Employer shall post the final vacation schedule by April 30th. If and employee fails to designate his choice of vacation on such list while posted. vacation time will be granted during the remaining available time. As a general guideline, ten percent (10%) of the workforce may be away on vacation at any one time.

46.05 An employee shall be entitled to take vacation with pay only after the necessary vacation leave credit has been earned. Vacation taken must be in periods of not

less than one (1) week. Vacation pay will be given to the employee, no later than three (3) days prior to that employee's vacation, only for that period of vacation time to be taken.

- 46.06** A year of service is defined as that period of time in which the employee has been actively employed for at least fifteen hundred (1500) hours or more in a calendar year ending December 31. No employee shall be entitled to accumulate more than one (1) year of service in any three hundred and sixty-five (365) day period (or three hundred and sixty-six (366) days in anniversary years where February has twenty-nine (29) days).
- 46.07** An employee who has not been actively employed for at least fifteen hundred (1500) hours or more during any calendar year shall have his vacation leave credit and vacation pay based on the percentage that his total hours of active employment represent compared to a base of two thousand eighty (2080) hours. For purposes of this Article "actively employed" means hours worked paid holidays and paid leaves of absence. Absence by reason of accident or proven illness shall be counted as hours worked up to a maximum of five hundred (500) hours.
- 46.08** In any calendar-year where an employee has not qualified for a full vacation as a result of accident or proven illness, he will still be credited with a year of service to determine future vacations.
- 46.09** The time of vacation shall be fixed by the Employer consistent with the maintenance of efficient operations. Preference of vacation time shall be given to senior employees. Senior employees may only exercise their seniority for selection once in a calendar year.

46.10 Transportation Allowance

During each year of the Agreement, employees will be entitled to the following transportation allowances:

After four (4) years of continuous employment with the Company, full-time employees shall be entitled annually to a transportation allowance equivalent to one (1) return air fare from Whitehorse to either Vancouver or Edmonton. The return air fare will be paid by separate cheque issued along with the first pay period of December.

To qualify for this allowance the employee must have been actively employed for 1,500 hours in the preceding year.

For the purposes of this Article "actively employed" means hours worked, paid holidays and paid leave of absence. Absence due to accident or proven illness shall be counted as hours worked up to a maximum of 500 hours.

There will be absolutely no pro-rates payments for a partial year of service,

- 46.11** Unless the Employer and the individual employee otherwise mutually agree or unless otherwise specifically provided herein, every employee shall be notified at least two (2) weeks prior to being required to take a vacation period.
- 46.12** All vacation leave credits earned must be taken before the expiry of ten (10) months from the date that the vacation was entitled to be taken. In the event that the employee has not taken vacation leave credits by the expiry of ten (10) months from the date that the vacation was entitled to be taken, the Employer will inform the employee when he will be taking vacation with no required notice. The date that the vacation accrued for any year of service is entitled to be taken is one day after the end of that year of service.
- 46.13** Vacation leave credits earned must be used before any unpaid leave of absence to an employee during his first year of employment when he has not yet earned vacation leave credits.
- 46.14** Any employee who accepts gainful employment while on paid vacation shall be deemed to have voluntarily resigned his employment with the Employer.
- 46.15** In the event that an employee terminates his employment with the Employer, he shall receive four (4) percent, six (6) percent, eight (8) percent or ten (10) percent as the case may be of his pay for the period for which he has not already received payment.

ARTICLE 47 - GRIEVANCE PROCEDURE

- 47.01** All questions, disputes and controversies arising under this Agreement or any supplement hereto shall be adjusted and settled within the terms and conditions as set forth in this Agreement in the manner provided by this Article unless otherwise expressly provided in this Agreement.
- 47.02** The procedure for the adjustment and settlement of such grievances shall be as follows:
 - Step 1: Any grievance of an employee shall first be taken up between such employee and the Company supervisor. Time limit to institute grievance:

- (a) termination or lay-off - ten (10) calendar days
- (b) all others - thirty (30) calendar days

However, such employee will be entitled to be accompanied by a shop steward or a union representative.

Step 2: -Failing settlement under Step 1, such grievance shall be taken up between representatives of the Union and the immediate supervisor.

Step 3: Failing settlement under Step 2, the matter will be taken up in presentation to a board consisting of two (2) Union members appointed by the Union and two (2) representatives appointed by the Employer.

Step 4: Failing settlement under the above steps, the matter will be referred to an agreed upon neutral person to act as an arbitrator who will meet with the parties to hear both sides of the case. Failing to agree upon a neutral person, the Federal Ministry of Labour will be requested to appoint a neutral arbitrator. The arbitrator shall be required to hand down his decision within fourteen (14) calendar days following completion of the hearing and his decision shall be final and binding on the two parties to the dispute.

ARTICLE 48 - OPPORTUNITIES FOR UPGRADING

48.01 If the Employer requests the driver to upgrade his license, the appropriate equipment will be provided for test purposes and driver will receive his regular rate of pay during the test period.

48.02 If a driver requests appropriate equipment for test purposes to upgrade his license or for license renewal, it shall be provided by the Employer when available.

48.03 Opportunities for improving a regular employee's mechanical training will generally be given on the basis of seniority within the appropriate unit, unless there are other extenuating circumstances. Where opportunities will not be extended in order of unit seniority, the matter will be discussed with the Union before a final decision is reached.

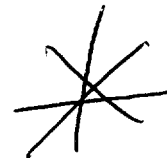
48.04 Allocation of apprenticeships will be on the basis of company seniority from among those meeting government entrance requirements.

ARTICLE 49 - GENERAL AND MISCELLANEOUS PROVISIONS

- 49.01** The Employer will provide a bulletin board in each lunchroom for the posting of such notices as the Union or Employer may from time to time wish to post. The said Union notices shall be posted and signed by an elected or appointed officer or other authorized representative of the Union.
- 49.02** The Employer agrees to maintain adequate lunchrooms and sanitary washrooms having hot and cold running water and toilet facilities at the office locations. The Employer shall not be responsible for personal belongings on company premises.
- 49.03** It shall be the responsibility of employees to use lunchroom and washroom facilities carefully and considerately in order to keep them in a clean and tidy condition and free from unnecessary damage insofar as may be possible with normal usage.
- 49.04** If during the life of this Agreement new classifications and/or different types of equipment coming within the bargaining unit are established, it is mutually agreed that the parties hereto will meet in order to establish a fair rate for the new classification. In the event that the parties are unable to agree within fifteen (15) working days, the matter shall be referred to arbitration as provided for in Step 4 of Article 47.02 and the rate shall apply from the date of implementation.
- 49.05** Each employee must ensure the Employer is provided with his current address and telephone number and any changes thereto as soon as they occur. The employee shall also provide current personal information required for the purpose of benefit plans provided for in this Agreement.
- 49.06** All employees/union members shall receive a copy of this Agreement which is binding upon the bargaining authority and every employee in the unit for which the Union has been certified.

ARTICLE 50 - VALIDITY OF ARTICLES

- 50.01** If any Article or Section of this Agreement or of any supplements hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction and/or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement and of any supplements thereto or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained shall not be affected thereby.



ARTICLE 51 - DURATION OF AGREEMENT

51.01 This Agreement shall be in full force and effect from February 1, 1996 and will continue in full force and effect through January 31, 1997 and from year to year thereafter except as hereinafter provided.

51.02 If a renewal or revision of this Agreement or a new Agreement has not been completed before the expiry of the term of or the termination of this Agreement, then this Agreement shall remain in full force and effect until a renewal or revision of the Agreement or a new Agreement has been concluded or until a legal strike or lock-out commences, whichever occurs soonest.

SIGNED THIS *2ND* DAY OF *May*, 1996 AT WHITEHORSE, YUKON.

FOR THE COMPANY

[Signature]

PRESIDENT

FOR THE UNION

[Signature]

GARNET ZIMMERMAN
PRESIDENT
[Signature]

DON EVANS
BUSINESS REPRESENTATIVE

**PART I
APPENDIX "A"**

SEVERANCECLAUSE

- (a) in the event that employees with two (2) or more years of continuous service are terminated from their employment due to the complete and permanent closure of the division in which they are employed a severance payment will be made of one week's pay per complete year of service commencing from date of employment. Payment shall be at the prevailing rates at the time of closure.

- (b) Divisions mentioned above are defined as:

Highway Division
Freight Sheds
Shop

PART I
APPENDIX "B"

RATES OF PAY

1. Repair Shop and Warehouse

	<u>FEB. 1/92</u>	<u>FEB. 1/93</u>
Journeyman Mechanic	\$ 20.43	\$20.43
2nd Class Mechanic	19.20	19.20
Warehouseman	17.45	17.45
P & D Tractor-Trailer	17.45	17.45
Casual Summer Relief (May1 - Sept 30)	15.45	15.45

2. Highway Drivers

Hourly Rate	\$ 18.45	\$18.45
To Loaded GVW 90,000 - base rate	.494	.494

3 Tool Allowance

The Company agrees to provide a maximum of four thousand dollars (\$4,000.00) tool insurance per mechanic to cover loss of tools due to:

- (a) fire on Company premises
- (b) theft resulting from break-in to the Company premises and/or the mechanic's tool box

To be eligible, the mechanic must supply the Company with an inventory of his tools and their cost by the end of each January thereafter. New employees must supply an inventory within thirty (30) days of commencement of employment.

4. (1) **Sleeper Teams**

Sleeper teams when required and authorized to purchase hotel or motel accommodations at points where the Employer does not maintain a terminal will be reimbursed for the reasonable cost of such rooms upon presentation of a receipt to the Employer.

At terminal points where sleeper teams are placed on layover or are required to wait for schedules that require them to have sleeping accommodation, the Employer reserves the right to designate hotel or motel accommodations and will provide transportation to and from such accommodation. Cost of such accommodation will be borne by the Employer.

(2) **Single Man Operations**

Single man drivers when required and authorized to purchase hotel or motel accommodations at points where the Employer does not maintain a terminal will be reimbursed for the reasonable cost of such rooms upon presentation of a receipt to the Employer.

At terminal points where single man drivers are placed on layover or rest, the Employer reserves the right to designate hotel or motel accommodations and will provide transportation to and from such accommodation. Cost of such accommodation will be borne by the Employer.

(3) When a driver is required to remain at point away from his home terminal in excess of his initial layover (eighteen (18) hours) or in excess of his normal eight (8) hour rest period or in excess of his normal eight (8) hour wait period, the Employer shall then pay such reasonable expenses as may be incurred for meals and room if properly supported by voucher or receipt.

(4) When a driver is required to layover because of breakdown or road block, all reasonable lodging and meals shall be paid for by the Employer if properly supported by voucher or receipt.

Leadman (Definition and Rate of Pay)

PART I
APPENDIX "C"

BANKING OF OVERTIME

1. Where an employee desires to bank his overtime for the purpose of additional vacation, he shall request and complete a form supplied by the Company indicating this which will be binding until December 31st of the current year.
2. Overtime which is accumulated as V/O shall be credited in terms of hours and when taken as time off; shall be paid out at the same hourly rate as accumulated. When an employee leaves the Company, all accumulated hours in the employee's V/O bank will be paid out in total.
3.
 - (1) An employee will be allowed to accumulate a maximum of ten (10) days V/O at which time, the employee will provide fourteen (14) days prior written notice of the days to be taken and these days shall not be granted during the months of June to September inclusive, except where mutually agreed by the employee and Company.
 - (2) Those employees who have accumulated less than ten (10) days V/O as of November 30th of the current year, may request a minimum of five (5) consecutive vacation days and the balance to be taken (written application) in consecutive days necessary to cancel all accumulated banked vacation days.
 - (3) An employee must accumulate a minimum of five (5) vacation days before requesting any days off prior to November 30th. No banking of overtime in month of December.

- (4) An employee having banked ten (10) days or less and having taken all vacation days off, may submit a further request to start banking again as per above conditions.
4. Should too many employees request their V/O at the same time, seniority would be the deciding factor. All V/O must be taken by March 31st of the following year and completed by the next payroll thereafter.
5. The Company will keep a record of all banked V/O which will be available for perusal by the employee.
6. Example of banked V/O:
 - 1 hour at 1 1/2 time - 1 1/2 hour V/O banked
 - 1 hour at double time - 2 hours V/O banked
7. This provision shall take effect on the first day of the month following the signing of the Collective Agreement.

LETTER OF UNDERSTANDING

BETWEEN: FRONTIER FREIGHTLINES LTD.

AND: TEAMSTERS LOCAL NO. 31

Working Agent, Russ Richardson shall have his salary adjusted as follows:

February 1992	\$ 3,600
March 1992 - October 1992	\$ 4,200 per month
November 1992 - January 1993	\$ 3,600 per month
February 1993 - January 1994	open

This Letter of Understanding shall be held separate from copies of contract for distribution to union members.

SIGNED THIS DAY OF , 1992 AT WHITEHORSE, YUKON.

FOR THE COMPANY

FOR THE UNION
