COLLECTIVE AGREEMENT

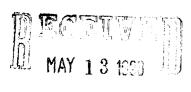
BETWEEN

SEALAND SERVICE INC.

AND

TEAMSTERS LOCAL UNION NO. 31

January 1, 1998 - December 31, 2000



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MEMORANDUM OF AGREEMENT made this 16th day of April, 1998

BETWEEN: SEALAND SERVICE INC.

(hereinafter called the "Company")

OF THE FIRST PART

AND: TEAMSTERS LOCAL UNION NO. 31

of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America

(hereinafter called "the Union")

OF THE SECOND PART

Gender: Wherever the use of the male gender is used herein, it shall also apply to the female gender where applicable.

ARTICLE 1

Section 1 - Recognition

It is recognized by this Agreement to be the duty of the Union, the Company or its bargaining agent and the employees to be fully co-operative individually and collectively, for the advancement of conditions.

Section 2 - Union Co-operation

The Parties agree at all times as fully as it may be within their power to further the interests of the industry.

ARTICLE 2

Section 1 - Bargaining Authority

The Company agrees to recognize the Union as the Sole Bargaining Agent for:

- (a) employees and categories of employees referred to in Appendix "A", and Article 20, Section 2.
- (b) where applicable, all employees, for whom the Employer has voluntarily recognized the Union as their Bargaining Agent, and
- (c) all members of the Union 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 or where no certification exists, as recognized by this Agreement. The Company shall be responsible for the printing of these Collective Agreements.

ARTICLE 3

Section 1 - Posting of Agreement

The Company will provide a bulletin board in each Company lunchroom or dispatch area for the posting of this Agreement and for such notices as the Union or Company 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.

Section 2 - Check-off

Each new employee when hired by the Company will be informed by the Company that he is to contact the Union office or Shop Steward for the purpose of becoming a Union member and signing the authorization card authorizing the Company to deduct from his earnings Union initiation fees, Union dues and/or other assessorial charges as levied against him in accordance with the constitution and by-laws of the Union of which he is a member and so indicated on the monthly or quarterly check-off list as provided by the Union to the Company. The Company shall remit same to the Union not later than (15) days from the date that the deduction was made from the employee's wages.

Section 3 - Union Shop

- (a) Every employee of the Company covered by this Agreement shall be a member of the Union in good standing during the whole of the term of this Agreement as a condition of employment with the Company, save as hereinafter expressly provided.
- (b) When additional employees are required within an area which is serviced by a permanently established and operating Union hiring hall, the Company shall give the Union first opportunity to supply suitable Union members for employment. In the event the Union is unable to supply suitable persons and the Company hires a person who is not a member of the Union, the Company must contact the appropriate Union office before the person commences work, or else the Company will remove such person from the job at the request of the Union.
- (c) In the event that a person, not a member of the Union, is taken into employment by the Company, such person shall make application to join the Union and if approved by the Union shall join the Union within three (3) days of his hiring, and shall be added to the checkoff list forthwith. In the event the person is not approved such person shall be replaced forthwith.
- (d) The Company shall furnish to the appropriate Union area' office designated, in writing, by the Union, a list of new employees taken into employment by the Company, showing the

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location of their employment within seven (7) calendar days of their being hired.

Section 4 - Union Security

- (a) In the event the Company on any basis uses equipment or vehicles, other than its own whether hired, leased or otherwise, no member of the bargaining unit shall have his normal earnings or security of employment affected, whether it be by lay-off, termination, or reduction in hours or otherwise. Also, all suitable equipment and vehicles of the Company must be in use before additional equipment can be leased or hired, and at all times the Company will maintain its vehicles and equipment in a proper state of repair in order to comply with this paragraph. In the hiring or leasing of equipment, on any basis, the Company shall first make every effort to obtain such equipment operated by a member of the Union from a Company signatory to an Agreement with the Union, provided such company meets the service and competitive requirements of the Company.
- (b) All storing and handling of merchandise or other goods or materials shall be carried on by Company employees, members of the Union, categories of which are set out in Appendix "A", where such work is under the control of the Company.
- (c) Wherever physically possible and where such work is under the control or direction of the Company, all equipment shall be loaded and unloaded by the employees of the Company, members of the Union. The practice of loading and unloading equipment by other than employees of the Company where such work is under the control or the direction of the Company shall not be increased and shall wherever possible be discontinued.
- (d) The Company agrees not to contract out any work normally performed by employees covered by this Agreement if any employee is on lay-off for lack of work at the time such contracting out is introduced or if the contracting out would cause the lay-off of any employee. The Company shall not contract out bargaining unit work.
- (e) Provided capable employees are available, all suitable equipment must be in use before additional equipment can be leased or hired.
- (f) Where physically possible and where such work is under the control and direction of the Company, the stripping and loading of containers shall be done by members of the Union, except where otherwise mutually agreed.

ARTICLE 4

Section 1 - Regular Employee

A regular employee shall be considered as such an employee of the Company when:

- (a) he has completed his probationary period
- (b) he makes himself available to the Company for full time employment
- (c) it shall not be a cause for discipline 'or discharge for an employee to seek and/or accept gaInful employment elsewhere, provided the employee complies with Sub-Section (b) herein
- (d) when a Company tries to contact any regular employee who is either on lay-off in excess of two weeks, or has failed to report for duty within twenty-four (24) hours of contact and cannot be contacted by telephone regarding his availability for employment, the Company will then make final contact by registered mail with a copy to the Union, and will be allowed seven (7) consecutive days from receipt or attempted delivery date to report for work. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal

Section 2 - Casuals

A casual hourly employee shall:

- (a) be hired on an incidental and temporary basis to provide for additional manpower
- (b) be given first opportunity to qualify as a regular employee as openings become available, providing he meets all Company qualifications and requirements
- (c) not be covered under the provisions of the Health and Welfare Plan until such time as he becomes a regular employee
- (d) not be eligible for any monetary provisions of the Collective Agreement, except as specifically provided herein
- (e) be entitled to hourly rate set forth in Appendix "A"
- (f) be guaranteed a minimum of five (5) hours

ARTICLE 5

Section 1 - Conflicting Agreement

The Company agrees not to enter into any agreement or contract

with employees of the Company, members of the Union, individually or collectively, which in any way conflicts with, the terms and provisions of this Agreement. Any such agreement will be null and void.

Section 2 - Transfer of Company Title or Interest

This Agreement shall be binding upon the Parties hereto, their successors, administrators, executors and assigns. In the event an entire business or any part thereof is sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such business or any part thereof, shall continue to be subject to the terms and conditions of this Agreement for the life thereof. The Company shall notify the Union, in writing, not later than the effective date of the fact of any sale, transfer, lease, assignment, receivership or bankruptcy proceeding, not including financial arrangements thereof.

Section 3 - Protection of Conditions

It shall be a violation of this Agreement for the Company to require that an employee purchase vehicular equipment or that an employee purchase or assume any proprietary interest or other obligation in the business as a condition of continued employment.

Section 4 - New Equipment and Classifications

Prior to any new types of equipment and or new classifications of employment for which rates of pay are not established by this Agreement are put into use, the Company shall advise the Union as far in advance as possible, and not less than thirty (30) days prior to implementation, the matter shall become the subject of discussion between the Parties for rates governing such equipment and classifications of employment. The Companies and the Union shall finalize within thirty (30) days after such implementation a rate to be established and such rate to be retro-active to date of implementation.

ARTICLE 6

Section 1 - Seniority

Seniority shall be maintained in the reduction and restoration of the working force, providing the senior man is capable of performing the remaining job or jobs.

Section 2

All jobs are subject to seniority. Provided the employee is capable and is given the opportunity to demonstrate his capability, seniority shall prevail in the appointments to new

jobs and, except by mutual agreement of the Parties hereto, for the purpose of shift preference. Except where a job or shift has been discontinued, there shall be no job or shift bumping privileges. Senior employees shall be given preference to fill posting on differential rated equipment if qualified.

Where an employee is laid off for lack of work, he will then have the right to fill, if capable and qualified, and has been given the opportunity to demonstrate his skill, any other position within the bargaining unit.

Section 3

All newly hired employees shall be considered as probationary employees for the first thirty (30) calendar days. There shall be no responsibility on the part of the Company in respect of the employment of probationary employees should they be laid off for lack of work or discharged during the probationary period. However, the Company shall inform the probationary employee as to whether he has been discharged or laid-off and the reasons therefore, with notification, in writing, to the Union dispatcher.

Upon the conclusion of any thirty (30) calendar day period during which a probationary employee has worked one hundred and fifty (150) hours the employee's name shall forthwith be placed on the regular employee Seniority List effective from the first day of employment of the thirty (30) calendar day period, and the employee shall be entitled to all rights and privileges as provided in this Agreement.

Section 4

The Company will post a Seniority List twice yearly, January and July, setting out the name and date of hiring of each employee. Copies of such lists shall be provided to the Union.

Section 5

When an employee's employment is terminated by the Company for proper cause or he leaves by his own choice, he will automatically be struck from the Seniority List. If an employee on his own volition obtains a withdrawal card from Local 31, he shall be struck from the Company Seniority List.

Section 6

In the event that the Company purchases a business or any part thereof, the employees of which are covered by a Collective Agreement with a Local Union of the International Brotherhood of Teamsters, the seniority of such employee shall be computed from the date that they respectively first become an employee of the business aforesaid.

Section 7

Any employee who has been on lack of work lay-off for one (1) year or more shall be removed from the Seniority List, and the Company shall be under no further obligation to such employee, except in the case where a lay-off is a direct result of a labour dispute, involving another Company, or when the laid-off employee has accrued five (5) years or more seniority in which case seniority will be carried for eighteen (18) months.

Section 8 - Leave of Absence

- (a) (i) When the requirements of the Company's services will permit, any employee hereunder, upon written application to the Company with a copy of said application to the Union, may, if approved by the Company, be granted a leave of absence, in writing (with a copy to the Union), for a period of thirty (30) calendar days. When considered by the Company, 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 Company. Under such leaves the employee will retain and accrue seniority only.
- (ii) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union, in writing, and seniority will accrue during such extensions.
- (iii) Any employee hereunder, on leave of absence, engaged in gainful employment, without prior written permission, from both the Company 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.
- (iv) Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied.
- (v) Upon six (6) months prior notification an employee may request every three (3) years and shall be granted up to thirty (30) days leave of absence in conjunction with his holidays. Under such leaves the employee will retain and accrue seniority only.
- (vi) If a regular employee for certified health reasons is unable to perform the work in his regular job, he will be reclassified according to his seniority and capability to perform work in another classification if it exists within the Company. The employee must provide a valid medical opinion of his physical, and/or mental ability to perform the new job in accordance with the provisions of this Agreement as it relates to Company required medical examination.

(b) When an employee within the bargaining unit covered by this Agreement receives leave of absence, in writing, with a copy to the Union, to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the bargaining unit. The starting date of such an appointment shall be posted in the terminal. Notice shall be given to the Union, in writing, prior to the employee leaving the bargaining unit for any period of time. During this leave of absence such employee shall continue to be covered by the Health and Welfare and Pension Plan as provided in this Agreement.

Employees who have been granted such a leave of absence must remain a member of the Union and be covered under all benefits of the Collective Agreement, but shall not perform any duties covered by the bargaining unit. In such appointments seniority shall be a consideration. The successful appointee shall not have the right to hire and fire during the ninety (90) day leave of absence.

Not later than on the ninetieth (90th) calendar day of this period, 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 period of one hundred and twenty (120) calendar days prior to exercising such privilege again.

- (c) (i) Any employee who is appointed to a full time paid position with the Union to complete an unexpired term (not to exceed eighteen (18) months) shall continue to accumulate seniority until the date of the first election following such appointment. Subsequent to the election date the employee, if elected to a full time paid position with the Union, shall retain seniority with the Company and remain whole.
- (ii) Any employee who is appointed or elected to a part-time position with the Union shall continue to accumulate seniority and remain whole.

ARTICLE 7

Section 1 - Meal Period

The employee shall, except by mutual agreement between the Parties hereto, take at least one (1) continuous period for meals of not less than thirty (30) minutes nor more than one (1) hour in any one day. Wherever reasonably possible, meal periods will be thirty (30) minutes. Further, no employee on a ten (10) hour, shift shall be required to take a thirty (30) minute meal period before he has been on duty four and one-half (4 1/2) hours or after he has been on duty eight (8) hours. No employee on an

eight (8) hour shift shall be required to take a thirty (30) minute meal period before he has been on duty three and one-half $(3\ 1/2)$ hours or after he has been on duty six (6) hours. However, any employee directed by the Company to stay with or operate equipment during his meal period will be paid at the regular rate of pay.

Where an employee is required to work in excess of two (2) hours overtime, he shall be entitled to paid time off for the purpose of eating at the end of his regular shift, except in a situation where interruption of work is not practical, in which event the period may be staggered or postponed. Said meal period shall be paid at the applicable overtime rate of pay as' provided in Article 23, Section 2 of this Agreement.

Section 2 - Rest Break

Any employee on a ten (10) hour shift shall be entitled to one (1) break of twenty (20) minutes during both the first half and second half of any shift and, where practical, during each two (2) hour period of overtime excepting during that period where a meal period is provided under Section 1 above. Any employee on an eight (8) hour shift shall be entitled breaks of fifteen (15) minutes, as above.

A rest break shall be provided if the overtime worked is to exceed thirty (30) minutes. The commencement of this break may be staggered, but not beyond one half hour.

ARTICLE 8

Section 1 - Safety Conditions

- (a) Maintenance of Equipment it is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition. No employee will be required to operate equipment on public streets and thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements for mobile equipment; i.e. brakes, steering, adequate mirrors, signal lights or other lighting equipment.
- (b) It shall be the duty of the employee to report, in writing, on the appropriate forms of the Company, promptly, but not later than the end of the shift, all safety and/or mechanical defects on the equipment which they have operated during that shift.
- (c) The Company shall designate the person to whom all defects reports of mobile equipment are submitted, and all employees will, be notified the name of such person.
- (d) In the event essential repairs cannot be effected to make the

equipment safe, the equipment will be correctly identified and kept out of service until repaired, and it shall not be considered a violation of his employment when a Company employee refuses to operate such identified equipment. Identification red tags shall be supplied and made available by the Company.

- (e) It shall be the obligation of the Company to direct the repairs as necessary to conform with the safe and efficient operation of that equipment.
- (f) In order to provide adequate vision, front and rear, the Company shall install heaters, mirrors and heated defrosters on all trucks and tractors; the mirrors to be of 'a size not less than 6" x 12", except where a smaller size or a different type is more adequate to the safe operation of the vehicle. Also, convex mirrors on the right hand side of the vehicle will be made available where required and where necessary. Also, convex mirrors on both sides of tractor will be made available where required and where necessary.
- (g) An employee will not be required to operate mobile equipment, if in the reasonable opinion of the employee such machine does not have adequate visibility for its safe operation.
- (h) The Company shall not require employees to multi-deck trailers at night in an area without proper lighting.
- (i) Wherever reasonably possible, trucks shall have installed steps or devices to allow reasonable access to the body.
- (j) All warehouses shall be equipped with efficient and safe loading plates, properly anchored.
- (k) All tractors used during hours of darkness will be equipped with back-up lights.
- (1) The Company shall inform, direct and supply to the employee proper information and handling devices or equipment for hauling dangerous cargo.

ARTICLE 9

Section 1 - Fay Period

(a) Except as otherwise mutually agreed between the Parties, all regular employees covered by this Agreement shall be paid not less frequently than on every other Friday, all wages earned by such employee to a day not more than fourteen (14) days prior to the day of payment. The pay period shall commence each Saturday at, 00:01 hours. The Company shall provide every employee covered by this Agreement with a separate or detachable written or printed itemized statement in respect of all wage payments made to such

employee. Such statement shall set forth the dated pay period, the total hours worked, the total overtime hours worked, either time and one-half or double time, the rate of wages applicable, and all deductions made from the gross amount of wages. Pay cheques shall be made available before an employee, starts his shift, except under circumstances beyond the control of the Company.

(b) Employees can receive a separate cheque in advance of taking holidays in an amount equal to one week's vacation or more only by notifying the Company in writing at least fourteen (14) calendar days prior to commencement of holidays.

If an employee fails to exercise this entitlement, such vacation pay will be paid to him on the first regular pay day following his return to work.

For the purpose of this Section, a week containing a general holiday shall be considered to have three (3) days, excepting Christmas week, which shall be considered to have two (2) days.

An employee receiving vacation time in ten (10) hour increments in accordance with Article 24, Section 9 (e) ($\pm i$) will receive vacation pay as part of his next regular pay when the Company has been notified in writing of such designation prior to the cut-off date for the pay period in which the vacation day was taken.

Section 2

Casual employees will be paid on the Friday following the cut-off for the week in which they worked. Cheques will be mailed to the employee if he requests same in writing with current mailing address on his time card.

Section 3

If an error occurs in an employee's pay cheque and the amount is equal to one (1) day or more, he shall be entitled on request to a cheque being issued in favour of such employee within seventy-two (72) hours.

Section 4

Except as elsewhere herein provided, upon termination or quitting, the Company shall pay all money due to the employee as soon as possible, but not later than seven (7) calendar days hereafter.

ARTICLE 10

Section 1 - Paid-For Time

All employees covered by this Agreement shall be paid for all time

spent in the service of the Company. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work or registers in, whichever is later, until he is effectively released from duty.

Section 2 - Bereavement Leave

- (a) An employee shall be granted a maximum of forty (40) hours regularly scheduled work time leave, without loss of pay or benefits, in the case of the death of a parent, spouse, brother, sister or child.
- (b) An employeeshall be granted a maximum of three (3) days regularly scheduled work time leave, without loss of pay or benefits, in the case of death of a parent-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, grandparents which includes spouses, and grand-children and legal guardian.
- (c) In the event an employee, while on scheduled vacation, experiences a death in the family (family as outlined in this article), the employee can choose to cancel their remaining vacation days so that bereavement entitlements can be exercised.

When an employee chooses to exercise this provision, they must contact Sea-Land Management immediately. Upon advising Seal-Land Management, the employee's remaining vacation days will be cancelled and bereavement leave will then be scheduled. The resulting unused vacation days will be credited back to the employee and re-scheduled to another date(s) which are acceptable to both the employee and the company.

In the event an employee while on scheduled vacation, experiences a death in the family and does not choose to exercise the above arrangements, the employee will not be entitled to be reavement leave upon completion of their scheduled vacation.

NOTE: Bereavement entitlements begin from the date of death in (c) above.

- (d) Funeral leave is not compensable when the employee is on leave of absence, bona fide lay-off or annual vacation or for hours falling outside the regular work schedule, except as noted in (c) above.
- (e) Upon giving twenty-four (24) hours notice, an employee shall be granted time off, without pay, for the purpose of attending a funeral, provided that the granting of such time off shall not be inconsistent with the efficient operation of the business.

Section 3 - Jury Duty

An employee summoned to jury duty or subpoenaed as a witness concerning matters occurring during the regular course of his employment with the Company shall be paid wages amounting to the difference between the amount paid for such service, and the amount they would have earned had they worked on such days. Employees on jury duty shall furnish the employer with such statements of earnings as the courts may supply.

This clause will have no application for an employee on leave of absence or when receiving benefits under the Health and Welfare Plan, annual vacations, workmens' compensation or as otherwise covered by this Agreement.

Section 4 - Medical

(a) **Any** Company or Government required physical or medical examination shall be promptly complied with by all employees provided, however, the Company shall pay for all such physical or medical examinations or for any time lost as a result thereof during his working hours, and provided further the examination is required for bona fide reasons.

Where a regular employee is required by the Company for bona fide reasons to take a medical outside of his regular hours of work, the Company shall pay, to a maximum of two (2) hours straight time wages for such time spent, including instances where an employee is returning to work or is about to return to work following illness or disability.

- (b) If following a medical examination under (a) of this Section, the employee is dissatisfied with the decision of the Company doctor, the employee may seek a decision from his personal doctor. Should the decision of the Company's doctor and the employee's doctor differ, the Company or the Union is entitled to direct that the employee be examined by a medical specialist, whose specialty covers the disability. The Company's doctor and the employee's doctor together, shall then select such a specialist. The decision of the medical specialist shall be final and binding upon the Parties involved and the employee shall not suffer loss in wages or Health and Welfare Plan benefits, whichever applies, as a result of such examination(s).
- (c) An employee who has been absent from work because of illness or accident shall not suffer a reduction in his regular wages only because the Company requires a medical examination prior to the employee resuming work. If such employee is entitled to work under seniority and recall procedures, he will be paid his regular, wages for each day or days until he returns to work, provided the Company medical examiner certifies the employee fit to resume work.

Section 5 - Illness and Discharge Coverage

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

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

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

In the event any 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 Company for said amount.

Section 6 - License Tests

- (a) Whenever it becomes necessary for an employee to undertake **tests** for renewal of licenses or tickets, the Company shall, upon request, provide appropriate equipment for this purpose. Time taken off for such purpose shall be paid for at the employee's straight time rate.
- (b) Any driver with one (1) or more years of seniority who is required under the Motor Vehicle Regulations to undertake a physical examination, as a condition of continuing to hold a valid driver's license, shall receive a Company contribution to a maximum of sixty dollars (\$60.00) to the cost of the examination, provided a receipt is submitted to the Company.

ARTICLE 11 Work Jurisdiction

Work Assignments

- (a) The Company agrees to respect the jurisdictional rules of the Union. Additionally, the Company shall not direct nor require its employees or persons, other than the employees in the bargaining unit. to perform work of the employees in the bargaining unit. This is not to interfere with bona fide contracts with bona fide unions.
- (b) In the event that members of a union, other than the Union which is signatory to this Agreement, attempt to encroach on the

working practices and arrangements governed by this Agreement or within the Union's jurisdiction rules, the Union reserves the right to inform the employees affected of their obligation to carry out the terms and conditions of this Agreement.

ARTICLE 12 Discharge or Suspension-Management's Rights

Subject to the terms of this Agreement, all matters concerning the operations of the Company business shall be reserved to the management.

The Union recognizes that it is the function of the Company;

- -1. to maintain order, discipline and efficiency
 - 2. to discharge, classify, suspend for proper cause, direct or transfer employees from one classification to another, move employees from one location to another for proper cause
 - 3. to increase and decrease working forces
 - 4. to make or alter from time to time rules and regulations to be complied with by its employees. These rules and regulations are to be filed with the Union
 - 5. The Company reserves the right to use camera equipment (either concealed or visible) in an effort to ensure the security of customers cargo and Company equipment and property. Camera equipment will NOT be installed (either concealed or visible) in employee lunch or washroom areas.

Review of camera tapes will not be used for disciplinary action except where related to the security of customer cargo, company equipment and property, and safety related issues.

Prior to any disciplinary action resulting from review of camera tapes, the union will be contacted to review the tape.

6. an employee will receive a copy of any written reprimand or warning letter placed on his file with a copy to the Union. Such written reprimand or warning letter shall become a permanent part of the employee's personal work history. However, any incident causing such written reprimand or warning letter over a period of twelve (12) months will not be used to compound other disciplinary action against the employee

ARTICLE 13

Section 1 - Protection of Rights

It shall not be a violation of this Agreement nor cause for

discharge of any employee in the performance of his duties to refuse to cross a legal picket line recognized by the Union.

The Union shall notify the Company as soon as possible of the existence of such recognized legal picket lines.

Section 2 - Controversy With Other Unions

If a dispute arises as the result of the employees of a Company bound by the terms of the 8.C. Master Cartage and Warehousing Agreement handling or transporting any commodities for a Company or business that is being legally picketed by a Local Union of Teamsters' Canadian Conference, the Company and the Union shall immediately meet with the objective of arriving at a mutually satisfactory solution.

Section 3

It is agreed, in the event of a strike among the employees of any other firm with which the Company does business, the Company will not ask its employees to perform any labour they do not ordinarily perform.

Section 4

It is mutually agreed that there shall be no strike, lockout or slowdown whether sympathetic or otherwise during the term that this Agreement shall be in force.

ARTICLE 14 Technological and Mechanical Changes

Definition - technological and mechanical changes shall be defined to mean the introduction and utilization of vehicular and other equipment changes which have not previously been used with the bargaining unit by the Company and the use of which results in the termination or the laying off of regular employees.

termination or the laying off of regular employees.

Recognition by Parties - all Parties to this Agreement recognize that technological and mechanical changes that result in the increased efficiency and productivity must be encouraged, and further that all Parties have a direct responsibility to reduce to a minimum the adverse effects that may result from such changes.

Prior Notification - the Company shall advise the Union as far in advance as possible, and not less than thirty (30) calendar days prior to the introduction of technological or mechanical changes, and the matter shall immediately become the topic of general discussion and consultation between the Company and the Union and particularly in regard to:

(a) the effect such changes will have on the number of employees' within the bargaining unit

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- (b) the probable effect on working conditions
- (c) any changes in job classification

Dislocated Employees - in the event technological on mechanical changes result in a reduction in the work force or the demotion or promotion of employees, such reductions, demotions or promotions shall be done in accordance with the provisions of Article 6, Seniority, as contained herein.

Re-training and Upgrading - the Parties jointly and individually will undertake with the assistance of Canada Manpower and through recognized provincial or local adult training programs, if necessary, to re-train and upgrade regular employees, to enable them to become qualified and capable of performing new jobs resulting from or created by the technological or mechanical changes.

ARTICLE 15

Section 1 - Inspection Privileges

Authorized agents of the Union will request and have access to the Company's establishments during working hours for the purpose of investigating conditions related to this Agreement and shall in no way interrupt the Company's working schedule.

Section 2 - Shop Stewards

- (a) The Union shall elect or appoint Shop Stewards from among its members in the bargaining unit and shall notify the Company, in writing, forthwith of such appointments and deletions of those employees so elected or appointed. The Company will recognize Shop Stewards and not discriminate against them for lawful Union activity. The Company will notify the Union forty-eight (48) hours prior to dismissal of a Shop Steward.
- (b) Grievances shall be processed during the normal working hours of the Shop Steward. A Steward shall receive his regular rate of pay when grievances or pending grievances are processed with the Employer on Employer property or at any other place which is mutually agreed upon by both the Union and the Employer.
- (c) If the Employer representative is unable to meet the Steward during the Steward's normal working hours, the Steward shall be paid for all the time spent during the processing of the grievances with the Employer on the Employer's property or at any other place which is mutually agreed upon by both the Union and the Employer.

ARTICLE 16

Section 1 - Sanitary Conditions

- (a) Where possible, and where required, the Company agrees to maintain at its terminals adequate, clean, sanitary toilet facilities, lunchrooms and washrooms having hot and cold running water, with proper ventilation. It shall be the responsibility of the employees to use all facilities carefully, considerately, without unnecessary damage and dirtiness.
- (b) All new terminals shall be adequately equipped with facilities as per Section 1 (a) above where required.

Section 2 - First Aid Supplies

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

Section 3 - First-Aid Attendant

The Company agrees to have a sufficient number of qualified Industrial First aid attendants to meet WCB regulations including sufficient coverage for employees' scheduled times off.

Any employee holding a First-Aid Certificate recognized under the Workers' Compensation Board regulations who is designated by the Company to carry out duties of a First-Aid Attendant, Level 2, shall receive in addition to his regular rate as provided in Appendix "A" herein, a premium of eighty (80) cents per hour.

- (1) Where an employee possesses a first-aid ticket and is required by the Company to upgrade or renew, all time off and the cost of the course, including the day of the exam, shall be paid by the Company.
- (2) Any employee who does not possess a ticket and who, with the Company's approval, successfully completes the first aid course, shall be compensated by the Company for the cost of the first-aid course, including the day of the exam.

ARTICLE 17

Section 1 - Union Label

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

Section 2 - Uniforms Supplied

Where any employee is required to wear any kind of uniform or coveralls as a condition of continued employment, such uniform or coveralls shall be furnished and maintained by the Company at no cost to the employee. No employee shall be disciplined or discharged for refusing to wear a uniform or coveralls that are not clean, or do not fir properly, or that do not bear a Union Label.

However, the employee must furnish at his own expense suitable clothing, shoes, gloves and winter weather protective clothing in order to perform his job efficiently and safely, except as provided in Section 3 (a) and (b) herein.

Section 3 - Protective Clothing

- (a) Any employee who is exposed to a hazard by reason of handling toxic or noxious chemicals shall be provided with adequate protective clothing and equipment as required by Workers' Compensation Board regulations, and the cost shall be borne by the Company.
- (b) Where the Company makes it a condition of employment for all employees to wear safety-toed boots, the Company will supply same.

ARTICLE 18 Posting

- (a) The Company will provide postings by 12:00 noon Thursday, for the following week's work. These postings will designate days off, daily starting times and minimum classification qualifications necessary for each shift posted.
- (b) Employees will bid on the available shifts in order of seniority, provided the senior man is qualified, until all shifts are filled.
- (c) The Company will provide a "Standing Default Proxy" which an employee may complete. The Company will maintain the proxies on file for use when all other bidding preferences are unavailable. The Company will not refer to the a default proxy prior to 3:00 p.m. on the bidding Thursday.
- (d) Those shifts requiring special qualifications must be filled by the last available qualified employee if not taken previously by the senior qualified employees.
- (e) The bidding will be completed by 4:00 p.m. of the same day.
- (f) Employees may bid by either written or telephone proxy to the designated supervisor by 3:00 p.m. on the bidding Thursday.

- (g) If any employee has not provided either a written or telephone proxy to the designated supervisor as per Sub-section (f) above, the employee will be assigned his shift in accordance with the designated preferences on his standing default proxy. If the employee has not completed a standing default proxy, the supervisor will designate the employee's shift.
- (h) The shifts will remain posted until the following Thursday.
- (i) Shifts shall not be traded once bid into.
- (j) (i) A minimum of 15% of the posted shifts shall have both Saturday and Sunday as designated days off.
- (ii) A minimum of 15% of the posted shifts, in addition to (j) (i) above, shall have Sunday as a designated day off.
- (iii) A minimum of 20% of the posted shifts, in addition to (j) (i) and (ii) above, shall have Saturday as a designated day off.
- (iv) All shifts allocating Saturday and Sunday as regular work days shall have three (3) consecutive days off.
- It is agreed that all percentages shall be rounded up when determining the number of shifts in this Section (eg. 15% of 28 posted shifts = 4.2 shifts = 5 shifts).
- (k) Any employee bidding into a shift with a classification designation or premium shall be paid the rate as per Appendix "A" or the applicable premium for the entire bid week.
- (1) The Company shall post a minimum of one (1) and a maximum of nine (9) shifts consisting of five (5) eight (8) hour days. The Company shall not post shifts consisting of eight (8) hour days with fewer than five (5) shifts in a bid week.
- (m) The Company may post "training shifts" stating starting times and days worked. Any such shift will pertain only to employees with six (6) months or less seniority, and will exempt those employees from the regular shift bidding process. These shifts will be assigned by the Company and will not total more than 30 working days.

These shifts will not exempt employees from the application of seniority in the event of lay-offs.

ARTICLE 19 Paid-For Day of Accident

If an employee, after starting work, meets with an accident which' incapacitates him from carrying on his duties, he shall be paid his full day's wages for the day of his injury, provided he is not

in receipt of compensation from the Workers' Compensation Board for that day.

ARTICLE 20

Section 1 - Pay For Change in Classification

When an employee from a lower-rated classification is requested to work in a higher-rated classification for (a) up to two hours, he shall be paid for the period worked at the higher rate, and (b) for two or more hours, he shall be paid for the entire day at the rate paid for the higher-rated classification.

An employee who is required, as a condition of employment, to be the holder of a valid and subsisting license shall receive the appropriate rate of pay for whichever license he is required to hold. This clause shall not apply if an employee exercises his seniority into a different classification.

Section 2 - Chargehand Defined

(a) A chargehand, when so designated and classified by the Company, shall be defined as an employee who shall direct the work of other employees while performing similar work himself. He shall not have the authority to directly hire, fire, suspend or discipline members. He shall be a member of the Union and shall have seniority in accordance with Article 6 herein.

(b) FOREMAN

A foreman, when so designated and classified by the Company, shall be defined as an employee who shall direct the work of all employees including the chargehand, should one be designated by the Company.

In the absence of the supervisor, the foreman shall perform such departmental supervisory duties as may be assigned by the employer.

To estimate time, material and manpower required for various duties.

To schedule work, allocate manpower and oversee the day-to-day work of the staff as directed.

To ensure that safety procedures are adhered to at all times.

To perform relevant day-to-day departmental operational duties as assigned.

To ensure that the quantity and quality of work performed meets the established and acceptable standards.

To perform other duties that may be deemed necessary in ensuring established Company standards are maintained.

He shall not have the authority to directly hire, fire, suspend or discipline members. He shall be a member of the Union and shall have seniority in accordance with Article 6 herein.

Section 3

Any employee temporarily assigned by the Company to a terminal or operation located beyond reasonable commuting distance shall be reimbursed by the Company for reasonable expenditures for room and board.

ARTICLE 21 Wages

The regular hourly rates paid shall be those set out in Appendix "A" attached hereto and forming part of this Agreement.

ARTICLE 22

Section 1 - Payment of Contributions

The Health and Welfare Plan covering all Company employees, members of the Union, as set our in Appendix "B" hereunto annexed and forming part of this Agreement shall continue.

Section 2

The Teamsters B.C. Master Employees Pension Plan covering members of the Union as set out in Appendix C hereunto annexed and forming part of this Agreement shall continue.

Section 3

The Company agrees to make remittances to the Union for Union dues to the administrator of the Health and Welfare Plan, the administrator of the Pension Plan and the administrator of any other program to which the Company is required to make contributions under this Agreement in accordance with the appropriate Article or Appendix to the Agreement and this Article 22.

Section 4

The Company agrees to hold, in trust, until remitted all amounts payable in respect of Union Dues, the Health and Welfare Plan and the Pension Plan, and any other plan which the Company is obliged to make contributions pursuant to this Agreement and shall be liable, as such, for failure to remit for any reason including, but not limited to liquidation, assignment or bankruptcy of the

Company.

Section 5

The Company agrees that it shall be bound by the terms and conditions of the Trust Agreement covering each of the Health and Welfare Plan, the Pension Plan and any other plan to which the Company is required to make contributions pursuant to this Agreement. The Company further acknowledges, regardless of the terms and provisions of the trust agreement under which contributions are received, that the Trustees shall have the right to take legal action against the Company to obtain payment of all contributions and interest thereon due to the Trustees pursuant to this Agreement.

Section 6

The Company agrees to make contributions to the Union for Union Dues and to the Trustees of the Pension, Health and Welfare Plan, to which they are required to do so pursuant to this Agreement within the time limits specified in this Agreement and further that if such contributions are not received by the Union or applicable Plan Administrator within the agreed time period (or postmark on the envelope enclosing the contributions is not before the agreed time period) then the Company shall be liable. Interest on the contributions at the rate of 2% per month (30 days) for the number of days such contributions are not received. For illustration, if the contributions due in respect of the month of November were not received until January (45 days after the day they are first due) then the interest penalty on such contributions would be 3% of the amount of such contributions.

Section 7

The Company agrees that if the Union or the Trustees of any plan to which the Company is required to make contributions pursuant to this Agreement incur any **legal** or other costs to recover contributions due and payable by the Company, then the Company shall be liable to reimburse the Union or the applicable Trustees for such costs in addition to any interest penalties due under this Article 22.

ARTICLE 23

Section 1 - Regular Work Day/Week

(a) Except as hereinafter provided, the regular **work** day shall consist of either eight (8) or ten (10) consecutive hours, not including the meal period. The regular work week shall consist of either five (5) eight (8) or four (4) ten (10) hour days in the period from Saturday to Friday, both days included.

(b) Shift Differential

The Company may institute shift work, that is to say work done wholly or partly outside the regular hours of work.

Any employee who commences work at 1:00 p.m. or later shall be guaranteed ten (10) hours pay plus differential.

(i) An employee who is working four (4) consecutive afternoon shifts shall receive one and one-quarter (1 1/4) hour differential per shift.

(ii) An employee who is working fewer than four (4) consecutive afternoon shifts shall receive one and one-half (11/2) hours of differential per shift.

(iii) A casual employee shall receive one and one-quarter (11/4) hour differential.

(iv) A regular employee may receive his differential as Accumulated Time Off (ATO). The employee will indicate his intention to receive differential as ATO by filling out a form provided for that purpose by the Company. Such form will remain in effect for the balance of the calendar year.

(v) Any ATO not taken as time off will be paid out, at the rate accumulated, on the first regular pay period the following year.

(c) Daily Guarantee

(i) Any regular employee who is called out to work on a regular work day shall be paid not less than ten (10) hours pay, excepting an employee who has posted into an eight (8) hour shift, who shall be paid not less than eight (8) hours.

Any employee who is called out to work on a fifth, sixth, seventh shift or overtime day shall be guaranteed five (5) hours pay, and if he works in excess of five (5) hours, he shall be guaranteed seven and one-half (7 1/2) hours. For hours worked in excess of seven and one-half (7 1/2), he shall be paid for time worked. The reference to a fifth shift in this paragraph shall not apply to employees who have posted into a regular weekly shift comprised of eight (8) hour days.

- (ii) When a part-time casual hourly rated employee is called and reports for duty, he shall be guaranteed a minimum of five (5) hours pay, and if he works in excess of five (5) hours shall be guaranteed seven and one-half (7 1/2) hours, and if he works in excess of seven and one-half (7 1/2) hours he shall be paid for ten (10) hours. However, in the event that such part-time employee commences work at 1:00 p.m. or later, he shall be guaranteed ten (10) hours pay plus the overtime or shift differential premiums.
- (iii) To qualify for the benefits of Sub-Sections (i) and (ii) of this Article, this Section, the employee will perform work, within

the bargaining unit, in jobs other than his normal or regular job in the event that his services are not required in his normal or regular job.

(d) Record of Employment

Any employee on lay-off who requests his U.I.C. Record of Employment shall not be considered terminated.

Section 2 - Overtime Provisions

The Company shall not post a designated eight (8) hour overtime shift and shall pay overtime rates of wages to every employee entitled thereto as follows:

- (a) for any employee posted to a ten hour shift, all time worked over and above ten (10) hours per day on any shift shall be deemed overtime until a break of eight (8) hours occurs; for an employee posted to an eight hour shift, all time worked over and above eight (8) hours per day on any shift shall be deemed overtime until a break of eight (8) hours occurs
- (b) for an employee posted to a ten (10) hour shift, for all time worked in excess of his regular shift two (2) times his hourly rate; for an employee posted to an eight (8) hour shift, for the first two (2) hours one and one-half $(1\ 1/2)$ times his hourly rate, thereafter two (2) times his hourly rate
- (c) for the first ten (10) hours worked on a General Holiday, an employee shall be paid two (2) times his regular rate of wages. The rate to be paid for all hours beyond the 10th hour shall be three (3) times the regular rate.

Where any employee posted on a ten (10) hours per day weekly shift works on his fifth shift, he shall be paid at one and one-half times his regular rate for the first ten (10) hours; two times his regular rate for the eleventh (11th) and twelfth (12th) hour and three (3) times his regular rate thereafter. For an employee posted on an eight hours per day weekly shift, this paragraph applies for his sixth shift.

Where an employee posted to a ten (10) hour per day weekly shift works on his sixth or seventh shift, he shall be paid at two (2) times his regular rate for the first ten (10) hours; three (3) times his regular rate for the eleventh (11th) and twelfth (12th) hour and four (4) times his regular rate thereafter; for an employee posted to an eight (8) hours per day weekly shift this paragraph shall apply only to his seventh shift.

(d) For the purpose of this Section the work week shall be from 00:01 Saturday to 24:00 hours Friday. With respect to General Holidays, the foregoing overtime provisions are in addition to ten

- (10) hours wages, which shall be paid in any event, excepting employees posted to an eight (8) hours per day weekly shift, who shall receive eight (8) hours wages in any event.
- (e) 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 employee shall be required to work overtime.
- (f) Except in case of emergency or where it is unavoidable, no employee shall work weekly overtime until all regular employees in their unit have worked the full quota of regular hours, provided there are capable and qualified regular employees amongst those who have not worked their **full** quota of regular hours. Provided the foregoing has been complied with, seniority will prevail in classifications for the allocation of overtime.
- (g) Employees may bank overtime. Overtime which is banked shall be credited in terms of hours and, when taken as time off, shall be paid out at the same hourly rate as banked. (eg, work 1 hour at $1\ 1/2$ and be credited = $1\ 1/2$ hours in bank).

Where an employee desires to bank overtime, he shall request same in writing on a form to be provided by the Company, which will be binding for the remainder of the calendar year, and may be renewed from year to year during the life of the agreement.

Requests for time off using the banked hours shall be granted at the discretion of the Company, consistent with the efficient operation of the business. Any unused banked overtime accrued in each calendar year will be paid out on the first payroll in January of the following year.

Section 3 - General Holidays

Pay for holidays when not worked shall be as follows:

Employees shall be paid for time not worked at the regular rate on New Year's Day, Good Friday, Victoria Day, Dominion Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, Floating Birthday and in the event a general holiday is proclaimed by the Federal or Provincial Government, such holiday shall be observed as a general holiday. The rates of pay for these general holidays will be at the regular applicable work time rate. Employees entitled to those paid holidays shall have been on the payroll thirty (30) calendar days previous to the holiday.

Employees absent from work by reason of illness, not in excess of six (6) months, shall receive full pay for general holidays as designated herein. **An** employee will receive pay for general, holidays in hourly increments (either eight (8) or ten (10)) dependant upon his regular schedule in the previous thirty (30) calendar days prior to illness. For the purpose of this

paragraph, regular is defined to mean fifty percent (50%) or more of the shifts actually worked in the previous thirty (30) calendar day period.

Employees absent by reason of leave of absence, discharge, quit or suspension shall not be entitled to general holiday pay.

The employee, who is terminated or discharged for just cause within the thirty (30) calendar day period, shall not be entitled to general holiday pay. If an employee who has been laid off temporarily is returned to work within thirty (30) calendar days after the holiday, he shall be entitled to the paid general holiday.

When a general holiday falls on a regular employee's regular day off, then such employee will be granted a day off in lieu of such general holiday on a day mutually agreed upon between the employee and the Company.

ARTICLE 24

Section 1 - Two Weeks Vacation

Upon completion of one year's service employees shall receive two (2) weeks vacation with eighty (80) hours pay at their hourly rate of pay in effect at the time they take their vacation or four percent (4%) of annual gross earnings, whichever is the greater. Vacation pay at four percent (4%) shall be paid to all employees with less that one (1) year of service.

Section 2 - Three Weeks Vacation

Any employee completing three (3) years of continuous service shall receive six percent (6%) or one hundred and twenty (120) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 3 - Four Weeks Vacation

All employees with nine (9) years or more continuous service shall thereafter receive eight percent (8%) or one hundred and sixty (160) hours, at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 4 - Five Weeks Vacation

All employees with fifteen (15) years or more continuous service shall thereafter receive ten percent (10%) or two hundred (200) hours, at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 5 - Six Weeks Vacation

All employees with twenty-one (21) years or more of continuous service shall thereafter receive twelve percent (12%) or two hundred and forty (240) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 6

Absence by reason of accident or illness shall be counted as hours worked in the intervening years between the employee's first year and final year of employment. In any such year, the employee will be credited with a maximum of five hundred (500) hours for such absence, if he has less than twelve hundred (1200) hours of work in that year to qualify for vacation herein stipulated.

In any year where an employee has not qualified for a full vacation as a result of accident or illness, he will still be credited with a year of service to determine future vacations.

Section 7

Twelve hundred (1200) hours shall constitute a year's service, but no employee will be permitted to accumulate more than one (1) year of service, or any additional fraction thereof in any single calendar year. However, general holidays shall count as hours worked.

Section 8

- (a) A calendar year shall be the period between January 1st and December 31st.
- (b) All employees shall receive vacation on a calendar year basis.
- (c) Vacation pay cheques will be issued to all employees in accordance with the provisions of Article 9, Section 1 (b) of this Agreement.
- (d) Employees receiving holiday pay in advance, as stipulated in Article 9, Section 1 (b), will receive such pay no later than the last working day prior to beginning holidays.
- (e) An employee hired after January 1st in any year, and who does not qualify for a full annual vacation, shall be paid an amount equal to four percent (4%) of his total wages from the date of employment to December 31st of that year.

An employee receiving wages on this basis will be paid on the first regular pay period following the issuance of their T4 income

tax statement, unless mutually agreed.

Employees then work **a** full year before receiving a full annual vacation with pay. Time off (without pay) will be allowed during this year with such time off being calculated on the basis of holiday pay.

(f) Employees who receive their vacation pay on the percentage basis shall be paid the appropriate percentage of gross income shown on their T4 income tax statement.

At the same time T4 slips are made available, the employer shall type on the amount of Union dues paid by each Union member in that year.

Section 9

(a) All employees entitled to more than two (2) weeks vacation may receive them in one continuous period, only if they take their vacation in the off-season. The Union and the Company may, however, waive this provision where an employee requests, for compassionate reasons, that he be granted all of his vacation continuously, within the prime season.

Prime Season defined:

June 1st September 30th inclusive December 15th • January 15th inclusive Spring Break • When it occurs

- Employees entitled to three (3) weeks vacation, but whose seniority is such that they would not otherwise qualify for a vacation in the prime season, shall be given one week in that season.
- (c) Employees, with the exception of those described in (b) above, requesting a vacation during the prime season shall receive two (2) weeks in one (1) continuous period. The remainder of the vacation to which such employee is entitled shall be given by mutual agreement.
- (d) Employees shall be granted their vacation dates, in order of their seniority, consistent with the efficient operation of the business.
- (e) (i) In instances when employees are commencing vacation for a duration of one (1) week or more, such vacation period to start on completion of employee's bid work week, and end on the first day of his bid work week on the completion of his vacation.
- (ii) Employees can take holidays in one (1) day increments upon' mutual agreement. Employees will receive vacation hours in increments consistent with the balance of their work week, either

eight (8) or ten (10) hours.

Employees can book holidays of one (1) week or more by advising the Company of their intention in writing at least fourteen (14) calendar days in advance. Such allocation of holidays shall be consistent with the efficient operation of the Company and subject to (a) (b) (c) and (d) above.

For the purpose of this Article, a week containing a general holiday shall be considered as three (3) paid days of annual vacation, excepting when applied to an employee on a 5 x 8 hour shift, where a week containing a general holiday shall be considered as four (4) paid days of annual vacation.

- (f) Where an employee has less than twelve hundred (1200) hours and is terminating employment, voluntarily or otherwise, he shall receive 4%, 6%, 8%, 10%, or 12% or his earnings in lieu of the holidays to which he is entitled.
- (g) Unless otherwise mutually agreed between the Company and the employee, every employee shall be notified at least fourteen (14) days prior to being required to take any vacation period. Once vacation periods are established the time shall not be changed, except where mutually agreed between the employee and the Company.
- (h) Vacation lists shall be posted January 2nd of each year and employees shall designate their choice of vacation time before February 28th. If an employee fails to designate his choice of vacation on such listing while posted, vacation time shall be granted at the Company's discretion. The Company shall post the final vacation schedule by April 1st and it shall remain posted for the balance of the year.
- (i) Any employee who accepts gainful employment while on vacation may be terminated.
- (j) Any regular employee receiving premium pay on a regular basis, this premium will become part of his regular hourly rate of pay, and shall be paid on all general holidays and annual vacations.

For the purpose of this section, "regular basis" is defined as the employee having been in receipt of the premium for 50% or more of the previous calendar month.

ARTICLE 25 Maintenance of Standards

Deleted.

ARTICLE 26

Section 1 - Savings Clause

If any Article or Section of this Agreement of any of the riders hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction 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 rider 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 effected thereby.

Section 2 - Negotiations for Replacement of Articles Held Invalid

In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either Party, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the procedure as outlined in Article 28 following.

ARTICLE 27 Marginal Notations

The Marginal Section and Article heading shall be used for purposes of reference only, and may not be used as an aid in the interpretation of this Agreement.

ARTICLE 28

Section 1 - Grievance Procedure

Whenever any dispute arises between the Company and the Union, or between the Company and one or more employees, the men shall continue to work and the dispute shall be adjusted in accordance with the following procedures.

Time limit to institute this Grievance Procedure:

- (a) termination or lay-off ten (10) calendar days
- (b) All other grievances thirty (30) calendar days

In any dispute over a pay cheque or pay statement, or any matter thereon the time limit shall be calculated from the date the., employee received the pay cheque or pay statement.

Step 1: Any grievance of any employee shall first be taken up

between such employee and the Company supervisor, however, the employee will be entitled to be represented by a Shop Steward or a Union Representative.

- Step 2: Failing settlement under Step 1_7 such grievance shall be taken up between a representative of the Union or a Shop Steward and the Company supervisor.
- Step 3: Failing settlement under Step 2, such grievance and any dispute arising between the Union and the Company over the interpretation or application of the provisions of this Agreement, including any dispute as to whether a matter is subject to this Grievance Procedure, shall be referred to 'two (2) authorized representatives of the Union and two— (2) authorized representatives of the Company. The representatives of the Union and the Company shall exchange statements, in writing, setting forth their respective positions relative to the matter(s) in dispute, not later than at their initial meeting.
- Step 4: Failing settlement under Step 3, either Party may refer the matter to an agreed upon neutral arbitrator who will meet with the authorized representatives of the Union and the Company to hear both sides of the case.

Section 2 - Minister of Labour

If the Parties fail to agree upon a neutral arbitrator within five (5) days (excluding Saturdays, Sundays and General Holidays) after one Party has served written notice on the other Party of its intention to refer the matter to a neutral arbitrator, the Minister of Labour will be requested to appoint a neutral arbitrator.

Section 3 - Arbitrator's Decision

The Arbitrator shall be required to hand down his decision within fourteen (14) days (excluding Saturday, Sunday and General Holidays) following completion of the hearing, and his decision will be final and binding on the two Parties to the dispute and shall be applied forthwith.

The decision of the arbitrator shall be specifically limited to the matter submitted to him, and he shall have no authority in any manner to amend, alter or change any provisions of this Agreement.

Section 4 - Costs

The cost of the arbitrator will be borne equally by the Union and by the Company.

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Section 5 - Meeting Chairman and Minutes

Under Step 3, the Company will act as Recording Secretary and will furnish the Union with a copy of any such minutes. All copies of minutes will be signed by both the Union and the Company representative(s). Under Step 3, the meeting chairman will be rotated between the Union and the Company.

Section 6

The Company is obliged to invoke any discipline within ten (10) calendar days and failing to issue discipline forthwith the discipline is deemed revoked.

ARTICLE 29 Term of Agreement

This Agreement shall be in full force and effect from January 1st, 1998 until the 31st of December, 2000 and shall remain in full force and effect from year to year thereafter, provided that either party may, not less than ninety (90) day immediately preceding the 31st day of December, 2000 or immediately preceding any succeeding 31st day of December thereafter by written notice to the other party:

- (i) require the other party to commence collective bargaining with ${m a}$ view to the conclusion of ${m a}$ renewal or revision of the collective agreement or a new collective agreement
- (ii) terminate the Agreement on the next succeeding anniversary date thereof and require the other party to commence collective bargaining with the view aforesaid
- (iii) terminate the Agreement on the next succeeding anniversary date thereof

Should either party give written notice to the other party pursuant to sub-section (i) hereof, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike or the Company shall give notice of lockout or the parties shall conclude a renewal or revision of the Agreement of a new Collective Agreement.

DATED THIS 16th DAY OF APRIL, 1998.

In witness whereof the Parties hereto have set their hands and seals the day and year first above written.

SIGNED ON BEHALF OF THE PARTY OF THE FIRST PART SIGNED ON BEHALF OF THE PARTY OF THE SECOND PART

Medwally

Ras Talucardi

APPENDIX "A"

WAGE SCHEDULE

CLASSIFICATION	JAN. 1/98	JAN. 1/99	JAN. 1/2000
Warehouseperson	\$19.41 \$20. <u>0</u> 8	\$19.66 \$20.33	\$19.91 \$20.58
Forklifts (under 8,000 lbs)	\$0.05/hr over	checker's	rate
Clamp Trucks	\$0.10/hr over	checker's	rate
Forklifts (over 7,999 lbs)	\$0.25/hr over	checker's	rate
Hostler	\$0.50/hr over	checker's	rate
Chargehand	\$0.75/hr over	checker's	rate
Foreman	\$1.25/hr over	checker's	rate

APPENDIX "B" - HEALTH AND WELFARE

Section 1 - Institution

It is agreed that a Health and Welfare Plan be instituted in accordance with the principles hereinafter set out. The name of the Plan shall be "Teamsters - Transport Health and Welfare Trust Plan."

The Plan will continue throughout the life of the Collective Agreement.

Section 2 - Board of Trustees

A Board of Trustees will be constituted of three (3) members representing the Teamsters Union Local 31.

Section 3 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the Trustees, provided the Plan is administered in accordance with the Collective Agreement and any applicable government law or regulation.

The Plan and the activities of the Trustees will be governed by a Trust Agreement, and benefit entitlement will be subject to such rules, limitations and exceptions contained in Plan documents and insurance contracts as are established and accepted by the Trustees from time to time.

Section 4 - Eligibility Conditions

- (a) Any member of the Union who is a regular employee in the employ of the Company on the effective date of the Health and Welfare Plan shall join the Plan from that date.
- (b) Any member of the Union who is hired by the Company after the effective date of the Health and Welfare Plan shall join the Plan on the first day of the month immediately following that month in which the employee becomes a regular employee and coverage shall be in accordance with the Plan.

Section 5 - Benefits

- (a) Group Life Insurance
- (b) Accidental Death and Dismemberment Insurance
- (c) Weekly Indemnity
- (d) Long Term Disability
- (e) Dental
- (f) Extended Health
- (g) Medical Services Plan of B.C.

The amounts of coverage and details of each benefit are established by the Board of Trustees and outlined in an employee booklet issued by the Plan from time to time.

Section 6 - Cost

The Company shall contribute one hundred (100%) percent of the contribution rate established by the Board of Trustees for any month in which an employee is covered by the Plan for one day or more.

Definition: The Company agrees to the contribution rate set out by the Trustees and also any increase in the premium rates of the 8.C. Medical Plan. This means that the Company will be responsible for any monies to keep the plan whole.

It is agreed between the Company and the Union that the Weekly Indemnity benefit be maintained to meet the standard requirements for full premium reduction under the Employment Insurance Act and that the employees 5/12th share of the premium reduction is retained by the Company as payment in kind.

Section 7 - Payment of Contributions

Contributions shall be made on a calendar month basis for each eligible employee and the Company shall remit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the month for which coverage is required.

Section 8 - Lay-Off and Termination of Employment

All coverage under the Plan will be terminated at the end of the month in which lay-off or termination of employment occurs.

If an employee whose coverage has been terminated due to lay-off is recalled and works a minimum of one full shift, coverage for the weekly indemnity benefit and long term disability benefit will commence on the date of return to work and all other benefits will be re-instated as of the first day of the month in which return to work occurs.

Section 9 - General

- (a) It shall be the responsibility of the Company to provide to the employee the necessary health and welfare forms.
- (b) It shall then be the responsibility of the employee to cause such forms to be completed.
- (c) The trustee of the Plan shall ensure any payments due to the employee are made not less frequently than his normal pay periods.

(d) Any proven abuse of the Health & Welfare Plan will subject the employee to immediate dismissal and it is agreed that such abuse is just cause for dismissal.

Section 10 - Sick/Personal Leave

- (a) The sick/personal leave plan does not form a part of the Health and Welfare Plan.
- (b) The employee shall begin earning sick/personal leave on the first day of the month following the month in which the employee becomes a regular employee. The sick/personal leave days will be prorated for the first partial year based on the number of months remaining in the year divided by twelve, multiplied by 12. The result will be rounded to the nearest day.
- (c) Each employee to start with a bank of twelve (12) days on the 1st of January of each year, starting in 1995, and the Company will pay-out any unused sick/personal days on the last pay period of each year. The accumulated sick/personal leave pay-out shall be allowed to be taken at a mutually agreed time or in cash or a combination thereof.
- (d) The employee must be paid for not less than one hundred and twenty-eight (128) hours in a calendar month to be credited for one (1) day in that month including vacation and general holidays.
- (e) If an employee has not earned the full twelve (12) days, as credited, it will be adjusted at the year's end as follows:
- (i) If the employee has not used the days as sick/personal time the adjustment will be made on the payout;
- (ii) If the days have been used, then the adjustment will be made on the following year's credit (i.e. the employee is credited twelve (12) days at the beginning of the year, but earns only eleven (11) days payout. If he had used all twelve (12) days as sick/personal time, he would then be credited with only eleven (11) days at the beginning of the following year, which would be the regular twelve (12) less the one (1) day not earned, but used in the previous year).
- (f) Employees absent from work due to leave of absence for any reason, or sickness and compensation, will not accumulate sick/personal leave during this absence.
- (g) A medical certificate may be required to claim benefits under the sick leave portion of this provision.

Section 11 - Rehabilitative Employment

Any employee who immediately following a period of disability for which benefits were payable under the Plan may, with the approval of the Union, the board of trustees and the Company, return to work on a trial basis, either on full or limited duties without right or entitlement to coverage under the Plan, other than would have been provided had such return not have occurred.

During such periods of "rehabilitative employment", it is agreed that:

- (a) the employee will be paid by the Company at his normal rate of pay for hours worked;
- (b) the duration of such rehabilitative employment shall exceed thirty (30) days only by mutual consent of all parties.

APPENDIX "C"

TEAMSTERS' - B.C. MASTER EMPLOYEES PENSION PLAN

Section 1

The Teamsters - 8.C. Master Employees' Pension Plan is designed to supplement other forms of pension an employee may have.

The Company together with other Companies signing a Collective Agreement that is the same or substantially the same as the 8.C. Master Cartage and Warehousing Agreement on the one Part, and Teamsters Local Union No. 31 on the other Part, have together established a Pension Plan to be known and described as:

Teamster - B.C. Master Employees Pension Plan

The Plan will continue throughout the life of the Collective Agreement.

The Plan will operate under the supervision and guidance of 5 Trustees appointed by the Companies and 5 Trustees appointed by the Union.

The Plan and the activities of the Trustees will be governed by a Trust Agreement aforesaid.

The following eligibility conditions shall apply to the Plan:

- (a) any member of the Union who is a regular employee in the employ of the Companies described as part one above on the effective date of the Plan shall join the Plan from that date.
- (b) any member of the Union who is hired by the Companies after the effective date shall join the Plan on the first day of the month immediately following that month in which the employee becomes a regular employee
- (c) notwithstanding the provisions of Sub-section (b) of this Section, any member of the Union who is hired by the Company after the effective date of the Plan shall join the Plan as an active participant on the day he is so hired, provided that within the previous thirty (30) day period he was a participant in the Plan
- (d) notwithstanding the provisions of Sub-section (b) of this Section, any member of the Union hired as a replacement for regular employees shall join the Plan on the first day of the month following the month in which the employee is hired

Section 2

The trustees shall establish benefits from time to time in conformity with the sound financial applications of the negotiated contributions.

Section 3

The cost of the Plan shall be borne by the Companies.

The Company shall contribute in respect of each employee at a rate of contribution for each hour worked as follows:

- (1) All hours worked by (or paid for) an eligible regular employee. Hours worked at an overtime rate shall be contributed for as actual hours worked.
- (2) All hours, but no more than 176 hours per month, for an employee within the regular bargaining unit on leave of absence by reason of their being appointed or elected to a part-time or fulltime position in the Union. (These contributions shall be paid by the Union).
- (3) The following shall be deemed to be periods of work for which contributions are required to be paid by the Company:
- jury duty
- bereavement leave
- vacation pay
- statutory holiday pay special personal floating holiday pay
- personal leave pay

No contributions are required to be paid for, however, the Company is required to report hours for the following, based on an employee's regular hours of work:

- (a) Workers' Compensation
- Weekly Indemnity (d)
- (c) Long Term Disability

No contributions are required to be paid for:

- change in shift penalty (Accumulated Time Off) call time where a call involves a four hour minimum embodying call time and hours worked, only hours worked are contributed for
- severance allowance

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The following rate of contribution shall apply:

1 January, 1995\$2.40/hr 1 January, 1996\$2.70/hr 1 January, 1997\$3.00/hr 1 January, 1998\$3.25/hr 1 January, 1999\$3.50/hr 1 January, 2000\$3.75/hr

Contributions shall be made on a calendar month basis for each regular employee and the Company shall submit the total contribution to the Trust aforesaid, not later than the twentieth (20th) day of the following calendar month.

REDUCED WORK WEEK TOWARD RETIREMENT

Each employee on retirement at 55 years of age or older with a minimum of five years continuous service, shall receive two weeks pay at the employee's regular rate of pay, without having to work. This payment shall be treated as regular wages for tax purposes and will be by separate cheque on the normal payroll cycle. This payment is in recognition and consideration of his work while employed with the Company.

APPENDIX "D"

TEAMSTERS LOCAL NO. 31 UNION/INDUSTRY ADVANCEMENT FUND

The Teamsters Local No. 31 Union/Industry Advancement Fund shall be for the enhancement of all persons dependent upon any industry represented by Teamsters Local Union No. 31.

The Employer shall make contributions of five cents (\$.05) per hour for which wages are payable hereunder for each employee and dependent contractor covered by this Collective Agreement.

Payment of said funds shall be made to the Teamsters Local No. 31 Union/Industry Advancement Fund by the 15th of the month following that to which they refer.

This payment will be independent and separate from any other payment made to Teamsters Local Union No. 31.

LETTER OF UNDERSTANDING

BETWEEN: SEALAND SERVICES INC.

AND: TEAMSTERS LOCAL UNION NO. 31

Re: Banked Overtime and Differential A.T.O.

It is agreed between the Parties that the banked time relating to the above captioned shall be recorded and maintained locally and shall be made available on a confidential basis for employees to scrutinize.

SIGNED THIS 16TH DAY OF APRIL, 1998.

FOR THE COMPANY

FOR THE UNION

Metury

LETTER OF UNDERSTANDING

BETWEEN: SEALAND SERVICES INC.

AND: TEAMSTERS LOCAL UNION NO. 31

Re: BOT/ATO/AV/PLD/STATS/BEREAVEMENT/JURY DUTY

It is agreed between the Parties that an employee will receive pay for the above captioned in hourly increments consistent with the balance of his bid work week.

In the event that the time off involves an entire work week, the employee will be considered to be on the same schedule as the week he last worked, for the purpose of determining hours used.

SIGNED THIS 16TH DAY OF APRIL, 1998.

FOR THE COMPANY FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN: SEALAND SERVICES INC.

AND: TEAMSTERS LOCAL UNION NO. 31

Re: Article 24, Section 9, (h)

It is agreed between the Parties that all employees will be considered to be on a 4×10 hour schedule for the purpose of complying with the above captioned Article.

An employee's vacation allotment shall be recorded in hours and any adjustment required resulting from vacation being used at the 5×8 rate will be made between the employee and the Company once a balance of hours has been determined.

SIGNED THIS 16TH DAY OF APRIL, 1998.

FOR THE COMPANY

FOR THE UNION

Medicing

Ros Talucardi

*** REFERENCE ONLY ***

LETTER OF UNDERSTANDING

BETWEEN: INTERNATIONAL SEA-LAND SHIPPING

SERVICE LTD.

AND: TEAMSTERS LOCAL UNION NO. 31

It is agreed between the Parties that every employee on the seniority list as of December 31, 1992, will have his "continuous service record", as referred to and applied in Article 24 herein (Vacation Entitlement), rolled back three (3) years from the date currently recorded.

SIGNED THIS 16TH DAY OF APRIL, 1998.

FOR THE COMPANY

FOR THE UNION

LETTER OF UNDERSTANDING

BETWEEN:

SEA-LAND SERVICE, INC.

AND:

TEAMSTERS LOCAL UNION NO. 31

RE:

ARTICLE 18 POSTINGS

It is agreed between the Parties that the following paragraph be added to Article 18 - Postings:

- 1. (i) The Company will have the right to cancel or change postings if the anticipated cargo does not arrive due to vessel breakdown, bad weather, strikes or labour slowdowns or any other reasons beyond the control of the company, with the understanding that the company will obtain prior approval from the union, where possible. If prior approval could not be obtained, the company will justify the action taken to the union.
 - (ii) It will be the company's responsibility to contact all of the employees affected by a posting cancellation or change.
 - (iii) All changes to a posting will be done on the basis of seniority.
 - (iv) Any senior employee who, because of a posting change, works less hours than a junior employee will be compensated for the difference in hours. For example, if a junior employee works 30 hours and a senior employee works 20 hours as a result of posting changes, the company will pay a senior employee 10 additional hours.

SIGNED THIS 16TH DAY OF APRIL, 1998.

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FOR THE COMPANY	FOR THE UNION
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