

SOURCE	Union
EFF.	1/1/10
TERM.	98/01/17
No. OF EMPLOYEES	20
NOMBRE D'EMPLOYÉS	20

COLLECTIVE AGREEMENT

BETWEEN: NORTH STAR AIR SERVICES
 (hereinafter called "the Company")

OF THE FIRST PART

**AND: INTERNATIONAL ASSOCIATION OF MACHINISTS
 AND AEROSPACE WORKERS,
 AUTOMOTIVE LODGE 1857**
 (hereinafter called "the Union")

OF THE SECOND PART

This agreement is made and entered into by and between North Star Air Services, hereinafter referred to as "The Company" and the International Association of Machinists and Aerospace Workers, Lodge #1857, hereinafter referred to as "The Union".

Aug. 20197 - D.F.
 - Union's covers Richmond, B.C. (Known as Vancouver branch)
 & Victoria, B.C.

Table of Contents

	Definitions	
Article 1.	Purpose	4
Article 2.	Recognition	4
Article 3.	Management Rights	5
Article 4.	Union Dues and Union Membership	6
Article 5.	Probation	6
Article 6.	Hours of Work	6
Article 7.	Overtime	8
Article 8.	General Holidays	9
Article 9.	Vacation	10
Article 10.	Special and Other Leave	11
Article 11.	Seniority	12
Article 12.	Lay-off and Recall	13
Article 13.	Dismissal, Suspension and Discipline	15
Article 14.	Severance Pay	16
Article 15.	Grievance and Arbitration Procedure	16
Article 16.	Employee General Duties	17
Article 17.	Joint Advisory Committee	17
Article 18.	Health and Safety	17
Article 19.	Medical Benefit Plan	18
Article 20.	Pay Day and Pay Cheques	29
Article 21.	General	20
Article 22.	Payment of Wages	21
Article 23.	Travel Expenses	21
Article 24.	Technological Change	21
Article 25.	Training	21
Article 26.	Savings Clause	22
	Term of Agreement	22
	Appendix "A"	23
	Appendix "B"	24
	Letter of Agreement	25

Definitions:

1. Agreement - means the agreement in effect, including amendments or interpretations thereto agreed upon and covered by letters signed by the Union and a designated officer of the Company.
2. Employee - any person working in a position covered by this Collective Agreement and within the jurisdiction of the Canada Labour Board Certification.
3. Calendar **Week** - from 00:01 Monday until 23:59 Sunday local time.
4. Calendar Year - from 00:01 January 1st until 23:59 December 31st.
5. Day - from 00:01 until 23:59 hour's local time.
6. Union - means the International Association of Machinists and Aerospace Workers, Lodge #1857.
7. The Company - means North Star Air Services.
8. Company Seniority - the employee's length of continuous service in any capacity within the Company.
9. Union Seniority - the employee's length of continuous service within the bargaining unit of the Company.
10. Qualifications - those facts that show whether an employee is capable of meeting the Company's requirements for a position following an appropriate period of training. The Company shall set requirements for a position in a manner reasonable and fair to all employees.
11. Regular Full Time Employee - an individual who has successfully completed their probation period and who is employed on a continuous full time basis on a regular work schedule.
12. Regular Part Time Employee - an individual who has successfully completed their probation period and who is employed on a continuous basis whose normal work schedule does not on a regular basis exceed an average of forty (40) hours per week.

ARTICLE 1 - PURPOSE

- 1.01 In making this agreement, the parties hereto recognize the objectives of promoting and maintaining the safety of air transportation, and the high quality of customer service. The parties also recognize that compliance with the terms of this agreement and the development of a spirit of cooperation are essential for mutual benefit and in the public interest and for the intent and purpose of this agreement.

ARTICLE 2 - RECOGNITION

- 2.01 The Company recognizes the Union as the sole collective bargaining agent for employees covered by this agreement in accordance with the jurisdiction of the Canada Labour Board Certification. Properly accredited officers of the Union shall be recognized by the Company.

- 2.02 There shall be no discrimination against any employee because of the employee's membership in the Union.

- 2.03 **Human Rights**

The Parties agreed that there shall be no discrimination, interference, restriction, coercion, harassment, intimidation, or any disciplinary action exercised or practiced with respect to an employee by reason of age, race, creed, colour, national origin, religious affiliation, sex, sexual orientation, family status, or membership or activity in the union. The Company and the Union also recognize the right of employees to work in an environment free from sexual harassment and agree that sexual harassment will not be tolerated in the work place. Should any dispute arise regarding any of the foregoing, the employee shall be entitled to recourse through the grievance procedure in the Agreement.

- (a) The initial stage of the grievance procedure shall be waived if a person hearing the grievance is the subject of the complaint.

- 2.04 **All** work covered within the scope of this agreement shall be performed by those persons coming within the Bargaining Unit who are members of the Union. This provision does not apply in emergency or peak periods.

As the nature of the Company's operation is subject to unexpected peak periods, it is understood and agreed that Management and/or other Company employees outside the Bargaining Unit shall assist in the performance of Bargaining Unit work during these periods when the volume of work requires. The Company agrees to keep the shop steward informed of these situations.

- 2.05 The Company agrees that all written correspondence between the Company and the Union, related matters covered by this Agreement, shall be sent to the Business Representative of the Union or his/her designate.

The Company agrees that a copy of any written correspondence between the Company and any employee in the bargaining unit covered by this Agreement, pertaining to the interpretation or application of any clause in this Agreement, as it applies to that employee, shall be forwarded to the Business Representative of the Union or his/her designate and the shop steward.

- 2.06 The Union agrees that all written correspondence between the Union and the Company, related to matters covered by this Agreement, shall be sent to the Company Representative or his/her designate.

The Union agrees that a copy of any written correspondence between the Union and any employee in the bargaining unit covered by this Agreement, pertaining to the interpretation or application of any clause in this Agreement, as it applies to that employee, shall be forwarded to the Company Representative or his/her designate.

2.07 Access to Company Premises

An authorized agent of the Union shall have access to the employer's establishment during working hours for the purpose of conducting Union business. A Union representative will contact the Company's management representative to set up a mutually agreed upon arrival time of the Union agent at the Company's establishment. The Union agent shall in no way interrupt the Company's work schedule.

- 2.08 Employees shall make every effort to report to work and perform their assigned duties, if an employee encounters a picket line he will immediately contact his shift/CSR supervisor or Company representative who will identify a solution such as alternate access. It will not be a violation of the collective agreement to refuse to cross a legal picket line.

2.09 Recognition and **Rights of Stewards**

- (a) The Company will be advised in writing of the appointed Shop Stewards and subsequent changes.
- (b) A reasonable allowance of time during working hours will be provided for the steward to submit and discuss grievances.

2.10 Discharging Steward

When the Company finds it necessary to discharge a steward, the Business Representative of the Union shall be notified prior to such action taking place.

ARTICLE 3 - MANAGEMENT RIGHTS

- 3.01 The Union agrees that the entire management of the Company and the direction of the working forces are vested exclusively with the Company. Nothing in this Agreement shall be so construed as to invalidate the right of the Company to suspend, transfer, lay off or discharge or otherwise discipline an employee for just cause.

ARTICLE 4 - UNION DUES AND UNION MEMBERSHIP

- 4.01** Membership in the Union shall be available to any employee eligible under the constitution of the Union on payment of initiation or reinstatement fees uniformly required of all other such applicants by the Union Local.
- 4.02** New employees shall become members of the Union within thirty (30) days of the date they commenced employment and shall maintain membership as a continuing condition of employment.
- 4.03** The Company agrees that all employees covered by this Agreement shall have bi-weekly dues deducted from their wages as a condition of employment.
- The Company agrees to deduct employee authorized initiation/reinstatement fees from employee's paycheque.
- The Company agrees to remit monthly to the Union, the dues and initiation/reinstatement fees that are deducted by not later than the twentieth (20th) day of the following month.
- 4.04** The amount to be deducted will be advised by the Union. The Company shall be notified in writing of the name of the Union Official to whom the money so deducted shall be sent.
- 4.05** Except in the case of a clerical error, if the wages of an employee payable on payroll for a pay period are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee by the Employer in such pay period. The Employer shall not, because the employee did not have sufficient wages payable to him on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier pay period.

ARTICLE 5 - PROBATION

- 5.01** All new employees shall be required to serve a probationary period of:
- (a) Full-time - six (6) months
 - (b) Part-time - the greater of six (6) months and 90 shifts worked.
- 5.02** During the probationary period, the Company reserves the sole right to make any decision regarding the suitability of the employee when determining the retention or termination of the probationary employee. The Union will be advised of the reason for a probationary termination. Employee has access to grievance procedure.

ARTICLE 6 - HOURS OF WORK

- 6.01** The Company shall determine the work force requirements and shift schedules necessary to fulfil Company operational requirements. Prior to implementing major schedule changes the Company agrees to discuss such changes with affected employees.

6.02 Full time employees will work an average 40 hours per week including breaks to be scheduled as per operational requirements but in accordance with shift scheduled examples listed below. Additional shift schedules may be implemented by the Company if deemed necessary.

Shift schedule examples:	Hours
5 days on 2 days off	8
6 days on 3 days off	8.6
3 days on 3 days off	11.4
4 days on 2 days off	8.6
4 days on 3 days off	10.
5 days on 3 days off	9.2
4 days on 4 days off	11.4.

6.03 Employees shall be rotated periodically between all shifts according to schedules produced by the Company.

6.04 Shift scheduling shall be drawn up and posted at least fifteen (15) days in advance. When an employee is unable to report for duty for any reason a schedule change may automatically be put into effect on the eighth (8) day from and including the first day that the employee was absent and the one (1) week notice period will be considered to have expired. On the effective date of any revised schedule, the previous schedule will be considered cancelled eliminating an employee's previously scheduled days off. When a schedule change occurs due to an additional employee being inserted into a shift, one (1) week's notice of change shall not be necessary and no employee shall be considered to be working on a previously scheduled day off.

6.05 Shift Trades

With a minimum two (2) days written notice shift trades may be allowed between qualified employees, subject to Company approval, with due regard to proper rest requirements and subject to all terms of the collective agreement. Once a shift trade has been signed by both employees and an authorized individual of the Company it becomes an official amendment to the posted schedule.

The employee who was originally scheduled to work the day on which a shift trade has been done will be paid for that day.

6.06 Rest and Lunch Breaks

Employees will receive two (2) fifteen (15) minute rest breaks each full day. Normally these rest breaks will occur in mid-morning and mid-afternoon (or equivalent). These will be determined by the shift foremen.

Employees who work longer than four (4) hours, will be given a thirty (30) minute lunch break. Normally this lunch break will be scheduled somewhere near the middle of the employees shift. This break will be determined by the shift foreman.

In the event of an emergency or unusual condition, the shift foreman may change or postpone the employees break if deemed necessary.

6.07 Minimum Hours

Employees shall be paid a minimum of three (3) hours for each shift worked.

In the event that an employee is informed, prior to the commencement of his shift, that he will not be required to work he will not receive compensation for the scheduled shift.

In the event that an employee is not contacted prior to the commencement of his shift and reports to work then he shall receive compensation for the minimum three (3) hour shift.

6.08 Part-Time Shifts

A part-time shift can be established where there is not sufficient work to establish full-time shifts. No part-time shift may be scheduled to commence until one hour after the completion of a prior part-time shift.

6.09 Minimum Rest Periods

No employee may be scheduled to commence a shift less than nine (9) hours after the completion of their previous scheduled shift.

6.10 No employee will be required to work more than fifteen (15) hours in a shift.

6.11 No employee will work more than six (6) days in a seven (7) day period.

ARTICLE 7 - OVERTIME

7.01 Time in excess of standard hours of service as defined in article 6.02 shall be at time and one half the employees regular rate of pay.

Overtime: It is understood that whenever the need for overtime arises, the Company shall receive the co-operation of all employees as required, but the employee's discretion shall prevail, except as qualified by Article 7.02. Seniority shall, subject to operational requirements, prevail in the offering of overtime. Excessive overtime will be cause for immediate discussion between the Union and the Company in an effort to solve the problem.

7.02 Notwithstanding 7.01 employees may be required to remain up to three (3) hours beyond the termination of their shifts for unanticipated operational requirements. Additionally, employees may be required to report for work up to one (1) hour prior to the scheduled start of their shift for unanticipated operational requirements.

7.03 Available hours of a known duration of less than three (3) hours shall be offered as overtime to employees on duty in order of seniority.

7.04 A full-time employee who is required to work in excess of his scheduled shift shall be paid at the overtime rate of time and one half for all such time worked.

A part-time employee is required to work forty (40) hours in an average week before overtime will be paid, unless an employee is required to work hours in excess of the daily maximum scheduled hours of that department.

ARTICLE 8 - GENERAL HOLIDAYS

8.01 Paid Holidays

General Holidays are recognized as eight (8) hour days.

The following days are recognized as paid General Holidays:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
	Boxing Day

8.02 Holiday Pay Eligibility

All employees must have thirty (30) calendar days of seniority prior to the General Holiday to qualify for a General Holiday.

All employees must have worked at least half of their scheduled shifts in the thirty (30) pays prior to the General Holiday to be eligible for the General Holiday.

Employee must work the scheduled shift immediately preceding and the scheduled shift immediately following the General Holiday to qualify for the General Holiday, unless prior permission has been granted by the Company.

A part time employee who, prior to the General Holiday, makes themselves unavailable for work on the General Holiday will not be paid for that General Holiday.

8.03 General Holiday Pay

When a general holiday falls on an employee schedule day off he shall receive eight (8) hours pay at regular rate, or in the event the employee is a part-time employee, he shall be paid 1/20th of the regular wages he has earned during the thirty calendar days immediately preceding that general holiday to a maximum of 8 hours.

An employee who works a general holiday will be paid regular rate for their regular shift. As well as "General Pay" which is the number of hours the employee worked and "Premium Pay" which is one half of the regular pay, all at the regular rate.

E.G.1) Employee is schedule to work 12 hours on the GH. Pay is as follows:

Regular Pay 12 hr
General Pay 8 hr
Premium Pay 6 hr

This employee would be paid a total of 26 hours at regular rate of pay,

E.G.2) Employee is scheduled to work 6 hours on the GH. Pay is as follows:

Regular Pay 6 hr
General Pay 6 hr
Premium Pay 3 hr

This employee would be paid a total of 15 hours at regular rate of pay.

ARTICLE 9 - VACATION

- 9.01 The Company reserves the right to determine how many employees can be on vacation at one time.
- 9.02 Vacation is based on a calendar year. Vacation pay is based upon gross earnings.
- 9.03 For vacation purposes weeks shall mean seven (7) consecutive days, and shall not be affected in any way by reference to working shifts. Specifically, a week of vacation is not, in any way, equivalent to a specified number of workdays.
- 9.04 Employees who, at December 31st of the year preceding the year in which the vacation is to be taken, have less than one (1) year of service shall receive vacation pay calculated at the rate of four percent (4%) of their earnings with the Company for the period of their employment during the months preceding December 31st. Vacation entitlement is .833 times the number of complete calendar months ending December 31st.

E.g. Employee started June 20th
6 months completed $X.833 = 4.99$
This employee would receive 5 days of vacation.

Employee who, at December 31 of the year preceding the year in which the vacation is to be taken, have one (1) year or more of continuous service shall receive vacation pay calculated at the rate of four percent (4%) of their earnings with the Company during the twelve (12) months ending December 31st and shall be entitled to two weeks vacation.

Employee who, at December 31 of the year preceding the year in which the vacation is to be taken, have six (6) years or more of continuous service shall receive vacation pay calculated at the rate of six percent (6%) of their earnings with the Company during the twelve (12) months ending December 31st and shall be entitled to three weeks vacation.

Employee who, at December 31 of the year preceding the year in which the vacation is to be taken, have nine (9) years or more of continuous service shall receive vacation pay calculated at the rate of eight percent (8%) of their earnings with the Company during the twelve (12) months ending December 31st and shall be entitled to four weeks vacation.

9.05 Vacation Scheduling

In January the Company will post a list with the number of vacation days each employee is entitled to. Employees will submit their written vacation request to the Company by the end of March. The Company will post the vacation schedule by April 15th. Any employees who fail to submit their requests by the deadline will have their vacation assigned by the Company,

It is understood that vacation requests will be granted, where possible, on seniority.

9.06 Unless otherwise approved by the General Manager, employees are required to take all the vacations to which they are entitled to in each vacation year. Vacation can not be taken in increments less than one (1) week at a time.

9.07 A scheduled vacation will not be altered within two (2) months of the scheduled vacation time, unless mutually agreed to by the employee and the Company.

ARTICLE 10 - SPECIAL AND OTHER LEAVE

10.01 Jury Duty/Witness Duty

Employees will be granted time off due to jury duty, coroner's inquest, court witness - civil or criminal - and will be carried on the payroll with pay. The provisions of this Clause shall not apply to any employee who, of their own volition, directly or indirectly has an interest in the Court proceedings.

The Company will compensate an employee for the actual loss of salary when he appears as a witness before any court, Board, Commission or Administrative Tribunal to testify on matters related to his work or employment with the Company.

Note: Witness: Means a person called by subpoena as a witness to testify under oath or affirmation before one of the above-mentioned courts. However, this term shall not include a person directly or indirectly involved as a party to a proceeding.

On receipt of payment from the court for such duties, the employee must provide the Company with a statement from the court, indicating payment received for each day or part day served (excluding monies allowed by the Court specifically for meals, travel, and other such expenses.)

The employee's subsequent paycheque will be reduced by an amount equal to that received from the Court (excluding monies allowed by the Court specifically for meals, travel, and other such expenses.)

10.02 Bereavement Leave

In the event of the death of a member of the immediate family an employee will be granted bereavement leave on any of his normal working days that occur during the three (3) days immediately following the day of death. The Company may require proof of the circumstances from the employee before any payment is made under the terms of this section.

Immediate family includes spouse (including common-law), parent(s), spouse of father or mother (including common-law), child(ren), sister, brother, father-in-law (including common-law), mother-in-law (including common-law) and any relative permanently residing in the employees household or with whom the employee resides.

If employee has completed three consecutive months of continuous employment the employee will be paid at his regular rate of wages for his normal hours of work.

10.03 Maternity Leave

An employee who has completed six (6) consecutive months of continuous employment with the Company and provides the Company with a certificate of a qualified medical practitioner certifying that she is pregnant shall be granted an unpaid leave of absence from employment as stated in the May 1994 printing of the Canada Labour Code Part III R.S., 1985, c. L-2 May 1994.

10.04 Parental Leave

Employees shall be granted an unpaid leave of absence from employment as stated in the May 1994 printing of the Canada Labour Code Part III R.S., 1985, c.L-2 May 1994 if the following criteria is met:

- (a) employee has completed six (6) consecutive months of continuous employment with the Company.
- (b) employee gives the Company at least four weeks written notice.
- (c) the employee has or will have the actual care and custody of a newborn child, or where an employee commences legal proceedings for the adoption of a child.

10.05 Employees on Maternity Leave and/or Parental Leave who have already qualified for company medical benefits plan will have their benefits maintained until the end of the month in which the employee's leave begins. Thereafter, the employee may elect to maintain their medical benefits coverage provided they pay to the Company monthly in advance the total of the premiums for that coverage.

ARTICLE 11 - SENIORITY

11.01 Seniority

Bargaining unit seniority shall commence on the first day of work. If two (2) or more employees have the same start date their seniority shall be determined by a lottery system agreed to by the parties.

- 11.02** An employee transferred to a position with the employer outside the bargaining unit will retain and continue to accrue bargaining unit seniority for a period of six (6) months from the date of the transfer. From six (6) months to one (1) year the employee will retain but will no longer accrue bargaining unit seniority. For a period of one (1) year the Company may at its discretion, elect to return the employee to his former position. For a period on one (1) year the employee may during this period elect to return to his former position.
- 11.03** The Company shall consider the suitability, qualifications and bargaining unit seniority of the applicants for the job and, where in the Company's estimation the skill and ability of qualified applicants are relatively equal, seniority shall govern the selection.
- 11.04** Upon request, the Company shall furnish the Union, and post once a year, a seniority list containing the name, date of hire, bargaining unit seniority date and classification of each employee.
- 11.05** When an employee is off work due to illness or occupational injury, they will be considered on leave-of-absence until such time as they are medically fit to return to work. During such leave-of-absence the employee retains and continues to accrue seniority for a period of six (6) months from the date of the illness/injury. From six (6) months to one (1) year the employee will retain but will no longer accrue seniority.

ARTICLE 12 - LAY-OFF AND RECALL

12.01 Lay-off and Recall

Layoff and recall shall be based on bargaining unit seniority, subject to job classification, that is, the last hired shall be the first laid off and the last laid off shall be the first recall.

Seniority shall be lost if an employee:

- (a) voluntarily leaves the employ of the employer;
- (b) is discharged for just cause, and not reinstated under the terms of the grievance procedures.
- (c) Is on continuous layoff for one (1) year.
- (d) an employee on layoff of unknown duration may elect to be paid out any monies due under severance terms. This option however shall result in the employees' name being deleted from the seniority list and waiving their right to recall.
- (e) if within three (3) working days after the date of receipt of notice of recall an employee shall have failed to notify the Company that he intends to return to work or if within five (5) working days of the same date an employee shall have failed to return to work or to have satisfied the Company that he is unable to return because of accident or illness or other sufficient cause, he shall lose all seniority and his name shall be removed from the seniority list;

The Company shall make every reasonable effort to contact the most senior employee on layoff:

1. By phone to the employee's last known phone number.
Then, failing contact:
2. by Registered Mail to the employee's last known address.

If the work available requires recalling an employee for less than forty (40) hours, the affected employee shall be given the option of accepting less than forty (40) hours work or taking a bypass for that particular call. In the case of an out-of-seniority recall, the shop Steward shall be advised.

If, then an employee is hired out of seniority, that employee shall remain employed until the specific job he was hired to do is complete or forty (40) hours of work is complete, whichever comes first.

An employee may only take one bypass.

12.02 Discussion with Union Prior to Layoff Out of Seniority

When it becomes necessary to layoff an employee out of seniority order, the Company shall discuss the layoff with the Business Representative and the shop steward, prior to notifying the employee. All layoffs out of seniority are subject to formal grievance procedure.

12.03 Notice of Layoff or Pay in Lieu

The Company shall not lay off an employee without giving the employee, in writing at least

- 1) Two (2) weeks notice where the employee has completed a period of twelve (12) consecutive months.
- 2) After completion of employment of four (4) consecutive years three (3) weeks notice.

12.04 Notice Not Required

Article 12.03 shall not apply when an employee is dismissed for just cause, is laid off temporarily due to a shortage of work, quits, or has refused a reasonable alternative employment with the Company.

When the Company lays off an employee and fails to comply with subsection (1) the Company shall pay the employee 1 weeks regular pay for each week of notice required.

Notwithstanding the notice requirements above, in the case of a third party industrial relations dispute, sudden cessation of work caused by an act of God or any other cause over which the Company has no control, the requirements of notice shall not apply. When employees are laid off due to such work stoppages or any other cause over which the Company has no control, such employees will receive, at their option, any days off and vacation due them on a pro rata basis prior to their being placed on laid off status. Pay will be on a pro rata basis.

12.05 Temporary Layoff

Temporary layoff shall be defined as not more than eight (8) weeks of layoff in a period of Twenty (20) consecutive weeks.

12.06 New employees will not be hired in a classification while employees in the same classification are on layoff.

12.07 An employee laid-off due to staff reduction shall file address and telephone number with the Company and the Union. The employee will be responsible for keeping this up-to-date in case of change.

ARTICLE 13 - DISMISSAL, SUSPENSION AND DISCIPLINE

13.01 The Company has the right to hire and to discipline, demote or discharge an employee for just cause.

13.02 Notice of dismissal or suspension shall be in writing and shall set forth the reasons. **All** dismissal and suspensions will be subject to formal grievance procedure. Written notice of dismissal or suspension shall be forwarded to the shop steward, with a copy being forwarded to the Business Representative.

13.03 Where disciplinary or discharge action is considered, the employee involved may, where necessary be held out of service without pay pending investigation for a maximum of four (4) working days to provide the Company with sufficient time to investigate and consider all factors.

13.04 Where any disciplinary action includes suspension without pay, any suspension time may include the time held out of service. If an employee has been held out of service without pay for a longer period than the penalty or discipline assessed, an adjustment shall be made to provide for such loss of pay.

13.05 Personnel File

In order to facilitate the investigation of a grievance, an employee or the Business Representative of the Union, with the written authority of the employee, shall be entitled to review the employee personnel file in the presence of a Company representative. In addition to the above, an employee shall be entitled to review his/her file, in the presence of a Company representative.

13.06 Right to Have Steward Present

An employee shall be told of their right to have the steward present at any discussion with supervisory personnel which might be the basis of disciplinary action. Where a supervisor intends to interview an employee for disciplinary purposes, the supervisor shall make every effort to notify the employee in advance of the purpose of the interview in order that the employee may contact the steward. This clause shall not apply to those discussions that are of an operational nature or do not involve disciplinary action.

A steward shall have the right to have the Business Representative of the Union present at any discussion with supervisor which may be disciplinary in action, providing this does not result in undue delay of the appropriate action being taken.

ARTICLE 14 - SEVERANCE PAY

- 14.01** When the Company terminates the employment of an employee who has completed twelve (12) consecutive months of continuous employment, except where the termination is by way of dismissal for just cause, the Company will pay to the employee the greater of:
- a) two days wages at the employee's regular rate of wages for his regular hours of work to a maximum of eight (8) hours per day in respect of each completed year of employment that is within the terms of the employee's continuous employment with the Company.
 - b) five days wages at the employee's regular rate of wage for his regular hours of work to a maximum of forty (40) hours.

ARTICLE 15 - GRIEVANCE AND ARBITRATION PROCEDURE

- 15.01 A** Grievance is defined as a difference between the Company, the Union or an employee concerning the meaning or application of a specific provision of this Agreement and shall be settled as set forth in this article:
- 15.02 Step I** Any grievance of an employee shall first be taken up between the employee and his supervisor as soon as possible and within ten (10) working days of reasonable awareness of the occurrence. A Shop Steward may be present upon request of the employee.
- 15.03 Step II** Failing settlement under Step I, the grievance shall be put in writing within seven (7) working days of the Company's response to Step I and a hearing shall be held between the Company and the Union within five (5) working days of receipt of such grievance.
- 15.04 Step III** Failing settlement under Step II, notice of intention to proceed to arbitration shall be made in writing within fifteen (15) working days of the Company's response. An Arbitrator shall be selected jointly by the Parties. If the parties are unable to agree on an Arbitrator, either party may request the Minister of Labour to appoint an Arbitrator.

It is agreed that the time limits in each step mentioned above may be extended, if mutually agreed to by both parties. For the purpose of this article Saturday and Sunday are not considered working days.

The Arbitrator's decision shall be final and binding upon all Parties.

The cost of the Arbitrator shall be borne equally by the Union and the Company.

- 15.05** Any grievance not submitted within the prescribed time limits shall be considered abandoned and without recourse.

15.06 Policy Grievance

Where either party to this Agreement disputes the general application, interpretation or alleged violation of an Article of this Agreement, it shall be processed as a grievance commencing at Step I (i.e.: by discussion between the Business Representative and the department manager concerned.)

ARTICLE 16 - EMPLOYEE GENERAL DUTIES

- 16.01** The Company shall make known to the employee through the Company Operations Manual, as may be amended from time to time, their general duties and from whom they shall receive instructions as to the policies and procedures of the establishment.

ARTICLE 17 - JOINT ADVISORY COMMITTEE

- 17.01** On the request of either Party, the Parties shall meet at least once every two (2) months during the term of this agreement, for the purpose of discussing issues related to the workplace that affect the Parties or any employee bound by this Agreement.

ARTICLE 18 - HEALTH AND SAFETY

- 18.01** The Company and the Union realize the benefits to be derived from adherence to the British Columbia Workers' Compensation Board Industrial Health and Safety Regulations ("I.H.S.R.") policies, practices and procedures, all of which promote and maintain a safe and healthy workplace.

The Company will make reasonable provisions for the safety and health of its employees during the hours they are actively at work.

The Union will co-operate to promote the adherence to the Workers' Compensation Boards' Regulations, policies, practices and procedures.

18.02 Reporting of Unsafe Conditions

Employees shall immediately report to their supervisor any equipment or conditions, which the employee has reasonable cause to believe, are unsafe. The supervisor shall immediately investigate the complaint and shall take steps deemed necessary to correct the unsafe condition. Any employee, at work, has the right to refuse dangerous work if they have reasonable cause to believe that:

- the use or operation of a machine or thing presents a danger to themselves or a co-worker.
- or
- a condition exists at work that presents a danger to them.

In order for an employee to refuse dangerous work without risking their job or wages the employee must follow the proper procedure as outlined in the Canada Labour Code Part II R.S., 1985, c.L-2.

18.03 Safety Equipment

The Company initially shall supply, at no cost to the employee, safety equipment deemed necessary by the Workers' Compensation Board or by the Company, with the exception of foot wear which shall be purchased as necessary by the employee. Employees are expected to take reasonable care of such articles and return them upon termination. Any lost items or damaged items will be replaced at the employees' expense.

Note: Upon presentation of original sales receipt and providing footwear is company approved, after completion of twelve (12) consecutive months of continuous employment an employee is entitled to recover 50% of the cost of footwear up to a maximum of \$65.00 per year. Only Company approved safety equipment is acceptable. Employees must wear and use safety equipment at all times.

- 18.04** In compliance with the Workers' Compensation Board, it is mutually agreed that a safety committee consisting of two (2) employees who are members of the bargaining unit, but are not shop stewards, will be selected by the Union and shall meet with a management representative not less frequently than once a month. Minutes of such meetings will be posted on the notice board, and a copy sent to the Union. When plant inspection is made, by the Workers' Compensation Board, a Union representative of the safety committee shall be included in the tour, and a copy of the inspector's report shall be made available to the safety committee and a copy forwarded to the Union. A reasonable allowance of time during working hours, with full pay, will be provided for these meetings.

ARTICLE 19 - MEDICAL BENEFITS PLAN

- 19.01** Medical, Dental **and** Extended **Health** - As per Company benefit books.

19.02 Benefit Coverage **While Off Work**

If an employee who is already covered by the medical benefits plan is off work due to injury or illness, the Company will continue to pay the premiums for the employee's B.C. Health Care, EHB., Insurance and Dental Plan for a period not exceeding six months. Thereafter, the employee may elect to maintain their medical benefits coverage which was provided by the Company for a maximum of six (6) months, provided they pay to the Company monthly in advance the total cost of the premiums for that coverage. The employee is responsible to pay to the Company monthly in advance the total premiums for the Long Term Disability coverage.

Employees who are already on the medical benefits plan who are laid off will have their benefits maintained for one (1) month following the month of lay-off. Thereafter, the employee may elect to maintain their medical benefits coverage which was provided by the Company for a maximum of six (6) months, provided they pay to the Company monthly in advance the total cost of the premiums for that coverage.

- 19.03** Participation Mandatory - All full time employees in the bargaining unit will participate in the Company benefit plan as a condition of employment with the exception of the Company BC Health Care group, which is optional. New employees shall become eligible for coverage on the Plan after ninety (90) days of employment.

19.04 Part time employees will have the option of joining the Company BC Health Care group. Fifty percent (50%) of the monthly premiums will be paid by the Company. The other fifty percent (50%) will be paid by the employee through payroll deduction. Employees who do not have sufficient wages payable to them on the designated payroll will have the balance carried forward and deducted from subsequent wages. Employees who have joined the group may opt out of this benefit at any time by giving the Company written notice of their wish to do so. Once an employee has opted out they can not rejoin.

For the part time employees who are already on the Company's BC Health Care group who are laid off, or off due to injury or illness the Company will continue to pay its fifty percent till the end of the month in which layoff or time off began. Thereafter, the employee may elect to maintain their coverage for a maximum of six (6) months, provided they pay to the Company in advance the total cost of the premium for the coverage.

19.05 Sick Days

All full time employees with one or more years of continuous service will be entitled paid sick leave as follows:

- (a) equivalent to 64 hours per year rounded to the closest full day, depending on shift schedule.
- (b) days will be accumulated at a rate of two (2) days per quarter to a **maximum** of 64 hours.
- (c) unused sick leave shall be paid out at the end of year at the employee's regular rate of pay.
- (d) upon termination any accumulated but unused sick days will be paid out at regular rate, on the final paycheque.
- (e) if absent for three (3) or more consecutive days a doctor's certificate stating you are medically fit to return to work shall be required prior to returning to work.

ARTICLE 20 - PAY DAYS AND PAY CHEQUES

20.01 Payroll is based on a bi-weekly pay schedule.

At the employees written request the Company shall pay the employee by direct deposit to their financial institution on appropriate paydays. The Company will provide the employee with a written statement stating:

- the hours worked
- the wage rate
- the hours worked for which payment of wages is made at the overtime rate.
- the amount of each deduction from the earnings and the purpose of each deduction
- the net amount received by the employee
- the vacation pay

20.02 Pay on Termination

Prior to the cut off date of the employees final pay period employees must return to the Company all Company issued material and equipment.

Upon termination of an employee's employment the employee will receive his final pay cheque in the normal established pay cycle. On the final pay cheque the Company shall pay to the employee all wages owing him subject to normal deductions.

ARTICLE 21 - GENERAL

21.01 Legislation

Should any part hereof or any provisions herein contained be rendered or declared invalid by reason of an existing or subsequently - enacted legislation, or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions thereof, and such remaining portions shall continue in full force and effect.

21.02 Job Posting

In the event that a new job or classification is created or a vacancy occurs the Company shall post a notice notifying that a vacancy exists for at least seven (7) days.

21.03 Subcontracting

The Company will not contract out bargaining unit work except by mutual agreement between the Union and the Company. Such agreement will not be denied in the case of an emergency.

21.04 Employee Appraisal

Where a formal appraisal of an employee's performance is carried out, the employee shall be given sufficient opportunity to read and review the appraisal. Provisions shall be made on the employee appraisal form for an employee to sign indicating that the employee has read it. The employee shall sign in the place provided. An employee shall receive a copy of the employee appraisal. An employee appraisal shall not be changed after an employee has signed it, without the knowledge of the employee, and any such changes shall be subject to the grievance procedures of this agreement.

21.05 Uniform

As per current Company Operations Manual.

21.06 Physical Examinations

The Company may, at its own expense, require an employee to complete a medical examination with a Company approved Medical Examiner, if the Company has reason to question the employee's health or physical condition, in which case the employee shall be furnished with a copy of the medical examiner's report.

ARTICLE 22 - PAYMENT OF WAGES

22.01 The rates of remuneration as listed in this Agreement are considered as minimum rates and shall not preclude payment of premium rates at the discretion of the Company.

22.02 Pay Rate while Working at Higher Classification

An employee appointed to perform work classified at a higher rate of pay, shall receive their normal rate of pay plus the applicable differential rate for the time worked.

22.03 Payment for Lost Time on Day of Injury

In the event of an employee being injured on the job and requiring medical attention, straight time will be paid for clock time lost on the day injury occurs.

ARTICLE 23 - TRAWL EXPENSES

23.01 When employees are required to work away from their assigned workplace the company will cover all reasonable expense, to be verified by receipts.

23.02 Employees will not be required to use their personal vehicles for Company business.

ARTICLE 24 - TECHNOLOGICAL CHANGE

24.01 Technological change in this article shall be defined as in the Canada Labour Code Part I R.S., 1985, c.L-2 May 1994.

24.02 Whenever the Company proposes to effect a technological change, it shall give notice in writing of the change to the Union in accordance with the applicable provisions of The Canada Labour Code.

ARTICLE 25 - TRAINING

25.01 Training shall be provided to all employees as required for the classifications listed in this agreement. Such requirements to be established by the company. All such training shall be at Company expense.

ARTICLE 26 - SAVINGS CLAUSE

26.01 Should any part hereof or any provisions herein contained be rendered or declared invalid by reason of an existing or subsequently-enacted legislation, or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions thereof, and such remaining portions shall continue in full force and effect.

No provision of this Agreement shall be used to remove working conditions or reduce wages presently in force.

TERM OF AGREEMENT

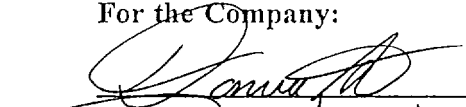
During the life of this agreement there shall be no lock-out by the Company or any strike, sit-down, slowdown, work stoppage or suspension of work either completely or partial for any reason by the Union.

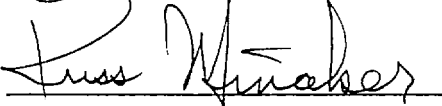
This agreement shall be for a term from and including 15th of April, 1997 to and including 14th of April, 1998. Either Party to this agreement may, within four (4) months immediately preceding April 14, 1998 give to the other Party written notice to commence collective bargaining.

After expiry of this collective agreement, and subject to the limitations necessary resulting from the exercise of the rights of the parties under the Canada Labour Code, including the right to strike or lockout, the terms and conditions of employment as set out in this agreement, will be observed and not varied, except by the Parties' mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement.

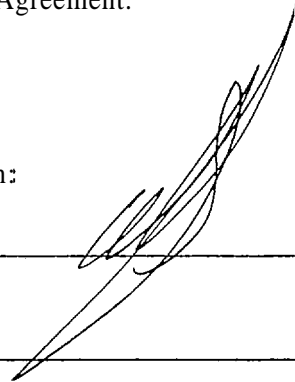
Signed this 06 day of JUNE, 1997

For the Company:





For the Union:



APPENDIX "A"

CLASSIFICATIONS AND RATE OF PAY

VANCOUVER

Rates of Pay

Rates of pay shall be determined by the employee's date of hire unless otherwise specified herein.

Linecrew

The Company shall appoint members from the line crew who in addition to their regular linecrew duties will act as shift supervisors, quality control or trainingstandards personnel, as the company deems necessary.

Customer Service Representative (CSR)

The Company shall appoint members from the CSR who in addition to their regular CSR duties will act as CSR supervisor personnel, as the company deems necessary.

Facility and General Maintenance

A	16.50
B	8.50

Linecrew

0 - 6 months	\$ 9.85
7 - 12 months	\$ 10.55
13 - 18 months	\$ 11.30
19 - 24 months	\$ 12.15
25 - 36 months	\$ 13.00
Thereafter	\$ 13.85

Customer Service Representative

0 - 6 months	\$ 9.10
7 - 12 months	\$ 9.85
13 - 18 months	\$ 10.40
19 - 24 months	\$ 11.15
25 - 36 months	\$ 11.90
Thereafter	\$ 12.80

Employees appointed as quality control or trainingstandards personnel shall receive base pay plus \$1.00 per hour.

Employees appointed as Shift Supervisor/CSR Supervisor shall receive base pay plus \$2.40 per hour.

Effective April 15, 1997

APPENDIX "B"

CLASSIFICATIONS AND RATE OF PAY

VICTORIA

Rates of Pay

Rates of pay shall be determined by the employee's date of hire unless otherwise specified herein.

Linecrew

The Company shall appoint members from the linecrew who in addition to their regular linecrew duties will act as shift supervisors, quality control and training/standards personnel, as the company deems necessary.

	EFFECTIVE: Apr. 15/97	EFFECTIVE: Jan. 01/98
Linecrew		
0 - 6 months	\$ 8.50	\$ 9.00
7 - 12 months	\$ 8.95	\$ 9.45
13 - 18 months	\$ 9.60	\$ 10.15
19 - 24 months	\$ 10.25	\$ 10.85
25 - 36 months	\$ 11.05	\$ 11.70
Thereafter	\$ 11.75	\$ 12.45

Customer Service Representative

0 - 6 months	\$ 8.20	\$ 8.65
7 - 12 months	\$ 8.80	\$ 9.30
13 - 18 months	\$ 9.40	\$ 9.90
19 - 24 months	\$ 10.05	\$ 10.60
25 - 36 months	\$ 10.70	\$ 11.30
Thereafter	\$ 11.50	\$ 12.15

Employees appointed as quality control and training/standards personnel shall receive base pay plus \$1.00 per hour.

Employees appointed as Shift Supervisor shall receive base pay plus \$1.00 per hour.

Effective April 15, 1997

Letter of Agreement

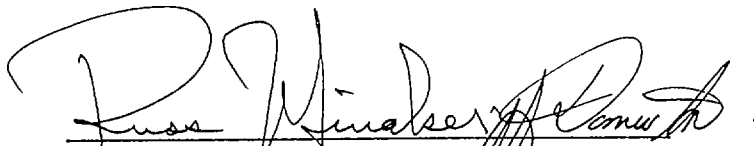
During the term of this collective agreement Mr. Edward Koh has been selected to, in addition to his Linecrew duties, be responsible for the following areas:

To maintain quality control tests and records as per SITCO standards and all other regulatory bodies involved in fuel standards.

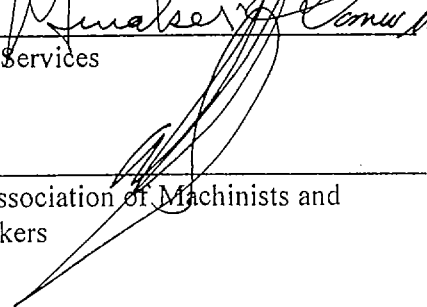
To research and make recommendations on how the North Star system can be improved over and above present standards setup by SITCO.

To update, and where necessary train, the Shift Supervisors and Training/Standards Person so that they are able to fully complete all quality control tests and all related paperwork.

For these responsibilities, during the term of this collective agreement Mr. Edward Koh shall receive base pay plus \$2.40 per hour.



North Star Air Services



International Association of Machinists and
Aerospace Workers

06/06/97
Date

06/05/97
Date