

COLLECTIVE AGREEMENT

BETWEEN

**NORTHWEST TANK LINES INC. and
NORTHWEST TANK LINES (WESTERN) INC
(hereinafter called the "Company")**

AND

**WESTERN CANADA COUNCIL OF TEAMSTERS
(hereinafter called the "Union")**

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

ARTICLE NO. 1 - PURPOSE

Section 1

It is the intent and purpose of the parties to this Agreement, which has been negotiated and entered into in good faith:

- a) to recognize mutually the respective rights, responsibilities and functions of the parties hereto;
- b) to provide and maintain working conditions, hours of work, wage rates and benefits set forth herein;
- c) and generally, through the full and fair administration of all terms and provisions contained herein, to develop and achieve a relationship among the Union, the Employer, and the drivers which will be conducive to their mutual well-being.

ARTICLE NO. 2 - RECOGNITION

Section 1 -

Certificate of Bargaining Authority - The Company agrees to recognize the Union as the Sole Bargaining Agent for:

- a) employees and categories of employees referred to in the Certificate of Bargaining Authority held from time to time by the Union and;
- b) where applicable, all employees for whom the Company has voluntarily recognized the Union as their bargaining agent.

Section 2 - Bargaining Authority

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 Union shall be responsible for the printing of these Collective Agreements and the Company will purchase such agreements so that each and every regular employee of the Company falling within the area of jurisdiction of this Agreement will receive a copy.

ARTICLE NO. 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 and owner operator 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 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) When additional employees are required within an area which is not serviced by a permanently established and operating Union Hiring Hall, the Company will extend first opportunity to Union members, who meet the Company's requirements, and who apply for employment or have been referred to the Company.
- (d) 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.
- (e) 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 location of their employment within seven (7) calendar days of their being hired.

Section 4 - Union Security

- (a) Except in case of emergency and/or at agency points where the volume will not maintain terminal service, every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set out in Appendix "A", whether by the Company or leased by the Company, shall be operated by a member of the Union. In the hiring of equipment on an hourly, daily or mileage basis, the Company shall first make every effort to obtain equipment operated by a member of the Union from a company signatory to this Agreement. However, if unable to do so and if equipment is to remain in the hire of the Company in excess of forty-eight (48) hours, it shall be replaced by equal equipment operated by a member of the Union if available in immediate or adjacent area from a company signatory to this Agreement.

- (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.

ARTICLE NO. 4 - DEPENDENT CONTRACTORS

Section 1 - Definition

A ~~Dependent~~ Contractor (which for the purposes herein, shall include Owner Operator) is the owner and/or purchaser and, except as permitted herein, the exclusive operator of equipment supplied for the Company's services pursuant to this Article and Appendix "C".

The title to the equipment shall be in the name of the Company for registration and licensing purposes only, and ~~the~~ Company has no financial interest other than as required by the Motor Carrier Act.

Section 2 - Retaining Services

The Company may engage the services of Dependent Contractors provided the following conditions are complied with:

- (a) A Dependent Contractor's Agreement, as provided in Appendix "C" attached hereto and forming part of this Agreement, is entered into between the Company and the Dependent Contractor prior to the Dependent Contractor performing any services for the Company, Signed copies of Appendix "C" shall be forwarded to the Union forthwith.

The dependent contractor and the Company must conform to not less than the minimum standards and practices as established by this Agreement regarding monetary compensation, hours of work and general working conditions.
- (b) The Dependent Contractor shall become and remain a member of the Union in accordance with Article No. 3, Sections 2 and 3 herein. He shall be identified on a checkoff list as a Dependent Contractor, either as a line driver, local cartage or a combination of both.
- (c) A separate Seniority ~~List~~ shall be posted at the terminal showing the names and truck numbers of all Dependent Contractors. A copy of such list shall be forwarded to the Union forthwith in accordance with Article No. 7, Section 7.

- (d) The Dependent Contractor shall personally and exclusively operate the equipment supplied pursuant to this agreement with the Company, excepting that such equipment shall be operated by an employee of the Company in instances where the equipment requires more than one operator and upon the request of the Dependent Contractor, in instances where the Dependent Contractor is absent because of vacations, illness, accident or on leave of absence for reasons acceptable to the Company.

On written demand from the Union the Company must produce proof of ownership or equipment lease agreement by said Dependent Contractor.

Section 3 - Increases, Decreases in Services

- (a) The Company agrees to provide to the Union a complete list of regular employees and dependent contractors including the type of vehicle and equipment being utilized or operated by them as of the effective date of this Agreement.
- (b) **The** Company shall not engage the service of a dependent contractor to displace any regular employee.
- (c) Where dependent contractors and linehaul or town drivers work out of the same terminal or point of dispatch, they shall be dispatched in accordance with the locally written agreed dispatch rules. Whatever the terms of such Dispatch Rules, no regular employee driver will have less favourable terms of employment than that of the dependent contractors. All present Dispatch Rules will be revised to ensure this objective and where such Rules do not presently exist they shall be developed by a designated representative of the Company and the Union.
- (d) All dependent contractors shall be bound by Company rules and regulations the same as if he were a Company employee. For example, all dependent Contractors shall be bound by the maximum hours of work as prescribed by Canadian Federal and Provincial Safety Codes and/or the U.S. Department of Transport and this Agreement, and all highway speed and load laws applicable.

Section 4 - Company Not Lessor

Under no circumstances shall the Company or a subsidiary or representative of the Company, either directly or indirectly, be a lessor, vendor or seller of equipment to a Dependent Contractor, nor shall the Company directly or indirectly specify a Lessor of equipment to a Dependent Contractor as a condition of entering into an agreement with a Dependent Contractor.

Section 6 - No Mandatory Source

Under no circumstances shall the Company, directly or indirectly specify a mandatory source of fuel, tires, maintenance or insurance to be used by a dependent contractor as a condition of entering into a contract with a dependent contractor.

ARTICLE NO. 5

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) He has no other outside employment, except where such employment may be specifically permitted under the provisions of this Agreement.
- (d) It shall not be a cause for discipline or discharge for an employee to seek and/or accept gainful employment while on lay-off, provided the employee complies with sub-section (b) herein.
- (e) He is the holder of valid and subsisting licenses to operate mobile equipment if required by the Company and as required by the statutes and regulations of the Federal and Provincial Governments.
- (f) 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 copy to the Union. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal.
- (g) A regular employee who has been on lay-off five (5) or more consecutive working days may be called into work and paid wages for less than eight (8) hours. Such a reverting employee remains in this category until he has worked any two (2) days in a single pay period following which he would return to full regular status. Except for payment for less than eight (8) hours pay, all other conditions of employment (such as health and welfare, pension, etc.) shall be maintained as if the regular employee was not such a reverting employee.

Section 2 - Casual Employees

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) Only be hired by the Company, providing a Union member cannot be supplied and such employee must be cleared or replaced by the Union Hall before starting his third shift.
- (e) Not be eligible for any monetary provisions of the Collective Agreement except as specifically provided herein.

(9) Be entitled to hourly rate set forth in Appendix "A".

(g) Be guaranteed a minimum of four (4) hours.

Section 3 - Use of Casuals

The Company shall not use casual employees to reduce the normal working hours of regular employees or where the use of casual employees would inhibit the recall of laid off employees, unless the Union specifically agrees otherwise in writing.

ARTICLE NO. 6

Section 1 - Conflicting Agreements

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 truck, tractor and/or tractor and trailer or other vehicular equipment or that any 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 NO. 7

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 new jobs and vacancies are subject to seniority and shall be posted promptly for seven (7) days in a conspicuous place at all terminals, stating starting time, job description and location. All regular employees shall be entitled to bid on such postings and the Company shall designate, on the original posting, the successful bidder within three (3) working days of the closing date of the posting. Any regular employee absent by reason of accident, sickness or vacation, shall have the opportunity to bid on such job posting or vacancy within three (3) days after he returns to work, provided he is capable.

Provided the employee is capable and is given the opportunity to demonstrate his capability, seniority shall prevail in the appointments to new jobs or vacancies and, except by mutual agreement of the Parties hereto, for the purpose of shift preferential on established shifts. Starting times preference shall be given to senior employees on established shifts and operators of mobile equipment will be given this preference wherever practical. Except where a job or shift has been discontinued, there will be no job or shift bumping privileges. Senior employees shall be given preference to fill vacancy on differential rated equipment if qualified,

On the line-haul, seniority shall prevail for the purpose of bidding, but there will be no job bumping privileges.

Section 3

In all areas, seniority shall be branch wide and the branch will include all terminals in a particular city and there may be two (2) separate groups or units for seniority purposes:

Group #1: All employees employed on a full-time basis at House and Contract Accounts.

Group #2: All employees other than those in Unit #1

When an employee is laid-off for lack of work, he will then have the right to fill, if qualified and capable in all respects, provided he has been given the opportunity to demonstrate his capability, any position in the other unit to which his seniority will entitle him, provided however, the Company will be given a reasonable opportunity to a maximum of two (2) working days to re-assign displaced employees.

Line drivers' seniority shall be recognized system wide within the jurisdiction of the Local Union in which he is a member for the purpose of bidding on new jobs and vacancies.

Section 4

All newly hired employees shall be considered as probationary employees for the first ninety (90) calendar days. The Employer shall inform the probationary employee, in writing, as to whether he has been discharged or laid-off and the reasons therefor.

Upon the conclusion of the ninety (90) calendar day period during which a probationary employee has worked, the employee's name shall forthwith be placed on the regular employee's seniority list, effective from the first day of employment of the ninety (90) calendar day period and the employee shall be entitled to all rights and privileges as provided in this Agreement.

Probationary employees will be added to the Union check-off list thirty (30) calendar days following his first day of employment.

For all hires in all areas, there will be no Health and Welfare and Pension payments until the first of the month following completion of ninety (90) calendar days.

Section 5

If, as and when terminals are closed down or partially closed down or amalgamated or moved to another location, the seniority of such employees shall immediately become a subject of discussion and failure of the Parties to agree may be submitted to the Grievance Procedure hereinafter provided for a final decision.

Section 6

Casual employees will not be used to deprive any of the regular employees the conditions of this Agreement.

Section 7

Within each branch and/or division the Company will post and maintain seniority listings. Such up-to date listings will be posted as of April and October of each year. Copies of current lists will be provided to the Union. Such lists to state starting date of employee.

Section 8

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 9

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 employees shall be computed from the date that they respectively first become employees of the business aforesaid.

Section 10

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 layoff 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 11 - Leave of Absence

- (a) i When the requirements of the Company's services will permit, any employee hereunder, upon written application (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. Upon six (6) months' prior notification an employee may request every three (3) years and may 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.
- 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 A regular employee driver will not be discharged as a result of the first loss of his driver's license for an infraction which is not work related. In such case the employee shall be placed at the bottom of the seniority list, as of that point in time, for work preference and layoff and allowed a leave of absence, which shall not exceed 12 months. When he regains his license he will resume his former seniority position.
- v Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied such request.

ARTICLE NO. 8

Section 1 - Meal Period

The employee shall except by mutual agreement between the Parties hereto take at least one (1) continuous period for meals at not less than thirty (30) minutes or more than one (1) hour in any one day. Wherever reasonably possible, meal periods will be thirty (30) minutes. Further, no employee shall be required to take more than a thirty (30) minute period, except between the hours of 11:30 a.m. and 1:30 p.m. No employee shall be compelled to take more than one (1) continuous hour during such period, nor compelled to take any part of such continuous hour, before he has been on duty three and one-half (3 ½) hours or after he has been on duty five (5) 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. Such meal period shall be paid at the applicable overtime rate of pay as provided in Article No. 24, Section 2 of this Agreement.

Section 2 - Rest Breaks

Any employee shall be entitled to one (1) break of fifteen (15) 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.

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 NO. 9

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, trip or tour all safety and/or mechanical defects on the equipment which they have operated during that shift, trip or tour. All line-haul trucks and tractors to be equipped with trouble sheets in triplicate book form, and the book with one (1) copy to remain in the vehicle at all times.
- (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) 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.
- (f) Bunks in tractors ordered by the Company after signing date of this Agreement and which are intended for use as sleeper cab equipment will be not less than twenty-eight inches (28") wide.
- (g) Wherever reasonably possible, trucks shall have installed steps or devices to allow reasonable access to the body.
- (h) All linehaul power shall have a compartment for storing tools in a safe location.
- (i) All tractors will be equipped with brake retarders.
- (j) The Company shall inform, direct and supply to the employees proper information and handling devices or equipment for handling dangerous cargo,

ARTICLE NO. 10

Section 1 - Pay 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 seven (7) days prior to the day of payment. The pay period shall commence each Sunday 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 miles driven or paid for, 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. Where this section applies to Interior employees, the payday will be Thursday afternoon unless

other arrangements have been agreed to between the Union and the Company,

- (b) Except where otherwise mutually agreed immediately prior to an employee leaving on annual vacation, he shall be entitled to receive vacation pay by separate cheque in accordance with Article No. 25 of this Agreement, for that period of time that he will be absent from work. However, if the 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.

Section 2

Casual employees will be paid not less often than once a week with not more than a one day pay holdback and cheques will be mailed to the employee upon request.

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 two (2) working days.

Section 4 - Separation of Employment

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 thereafter.

ARTICLE NO. 11

Section 1 - Paid for Time

- (a) 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.
- (b) Employees required to travel on public transportation or Company equipment in a deadhead manner shall be paid in accordance with Article No. 24, Section I(a) (b) and (c).

Section 2 - Bereavement Leave

In the event of death in an employee's immediate family (parents, sister or brother, spouse or children, parent-in-law, sister-in-law, brother-in-law, grandparents, spouse's grandparents, and grandchildren), the employee shall be entitled to be absent from work three (3) days, with pay, if these are working days.

A working day lost shall not be more than eight (8) hours for hourly employees, or not more than ten (10) hours for line drivers.

This clause will have no application for an employee on Leave of Absence, annual vacation, when receiving benefits under the Health and Welfare Plan, or Workers' Compensation.

Section 3

An employee summoned to Jury Duty or subpoenaed as a witness on a day that he would normally have worked 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. A working day lost shall not be more than the employees regular assigned shift.

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, Workers' Compensation or as otherwise covered by this Agreement.

Section 4

- (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 in 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 speciality 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 - Sick Leave

The sick leave plan does not form a part of the Health and Welfare Plan.

- (a) All regular employees who have one (1) continuous year's service or more shall thereafter accumulate paid sick leave at the rate of one-half ($\frac{1}{2}$) day per employed month to a maximum of thirty (30) days. The accumulation of paid sick leave shall be based on the following provisions.
 - i The employee shall begin accumulation of sick leave at the start of the pay period immediately following the date he completes one (1) year of continuous employment.
 - ii The employee must be paid for not less than one hundred and twenty-eight (128) hours in a four (4) week period to be credited for a half ($\frac{1}{2}$) day in that month including vacation and general holidays.
 - iii Employees absent from work due to leave of absence for any reason, or sickness and compensation, will not accumulate sick leave during this absence.
- (b) Where any absence, occasioned by sickness or accident is not covered for payment for either the Teamsters - Transport Health and Welfare Trust Plan or Workers' Compensation, paid sick leave shall be applied as follows:
 - i $\frac{1}{2}$ day's pay for first day of absence provided that day is a regular work day.
 - ii One (1) full day's pay for each of the second (2nd) and third (3rd) days of sickness, provided those days are regular work days.
 - iii A day's pay for employees will be eight (8) hours pay at the regular hourly rate for his classification.
 - iv It shall be the responsibility of the employee to claim for accredited sick leave on such forms as the Company may prescribe.
- (c) Any proven abuse of the Sick Leave Provision will subject the employee to immediate dismissal without recourse to the Grievance Procedure.
- (d) A medical certificate may be required to claim benefits under this provision.

Section 7 - Licence 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 forty dollars (\$40.00) to the cost of the examination, provided a receipt is submitted to the Company.

ARTICLE NO. 12

- (a) The Company agrees to respect the jurisdictional rules of the Union and Assignments shall not direct or require its employees or persons, other than the employees in the bargaining unit here involved, to perform work of the employees in the said 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 as laid down by the Company and that contravene the Union's jurisdiction pursuant to the certificate of bargaining authority, the Union agrees that it shall inform the employees affected of their obligation to carry out the terms and conditions of this Agreement.

ARTICLE NO.13 - DISCHARGE OR SUSPENSION and 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. 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 NO. 14

Section 1 - Protection of Rights

It shall not be a violation of this Agreement or cause for discharge of any employee in the performance of his duties to refuse to cross a picket line which has not been declared illegal by a Court or labour relations tribunal.

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

Section 2 - Controversy With Other Unions

If a dispute arises as the result of the employees of a Company handling or transporting any commodities for a company or business that is being legally picketed by a Local Union of the 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 the jobs of the employee of the struck employer. This shall not be applied so as to prohibit the Company from obtaining work performed by a competitor whose employees are on strike.

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 NO. 15 - 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.

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.
- (b) The probable effect on working conditions.
- (c) Any changes in **job** classifications.

Dislocated Employees - in the event technological or 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 No. 7, Seniority, as contained herein,

Re-training and Upgrading - the Parties jointly and individually will undertake with the assistance of Human Resources Development Canada 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 mechanical changes.

ARTICLE NO. 16

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 NO. 17 - OCCUPATIONAL SAFETY and HEALTH REGULATIONS

All statutory obligations of the Company related to health and safety which affect the terms and conditions of employment of members of the bargaining unit may be enforced through the grievance procedure.

ARTICLE NO. 18

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 fit 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), (b) herein.

Section 3 - Protective Clothing

Any employee who is required to handle any product shall be provided with adequate protective clothing and equipment as required by applicable health and safety regulations and the cost shall be borne by the Company.

ARTICLE NO. 19 - POSTING

Hourly rated employees shall be notified before quitting time the day previous to their not being required for duty, except as otherwise mutually agreed by the Parties hereto.

ARTICLE 20 - 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 NO. 21

Section 1 - Pay For Change in Classification

When an employee from a higher rated classification is required to work temporarily or until permanently re-classified at a lower-rated classification, he shall continue to be paid at the rate paid for the higher-rated classification.

Where an employee from a lower-rated classification is required to work in a higher-rated classification for (a) one hour and 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 3 - Chargehand Defined

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 employees. He shall be a member of the Union and shall have seniority in accordance with Article No. 7 herein.

Section 4

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 NO. 22 - WAGES

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

ARTICLE NO. 23

Section 1 - Health and Welfare

The Teamsters - Transport Health and Welfare Trust Plan (the Health and Welfare Plan) covering members of the Union as set out in appendix "B" hereunto annexed and forming part of this Agreement shall continue. The Company agrees to cover all members of the Union in the Health and Welfare Plan and to abide by the terms and conditions of the Teamsters-Transport Health and Welfare Trust Plan as set out in appendix "B" hereunder annexed and forming part of this Agreement.

Section 2 - Pension

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

Section 3 - Payment of Dues and Contributions

- (a) The Company agrees to make remittances to the Union for union dues, 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 this Agreement.
- (b) The Company agrees to hold in trust, until remitted, all amounts payable in respect of union dues, the health and welfare plan, 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 4 - Trust Agreement

The Company agrees that it shall be bound by the terms and conditions of the Agreement and Declaration of Trust (the Trust Agreement) covering 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.

Section 5 - Delinquency

- (a) The Company acknowledges that the trustees of the Health and Welfare Plan and the Pension Plan or any other plan or trust to which contributions are payable shall have the right to take legal action against the Company to obtain payment of all contributions and interest thereon due pursuant to this Agreement.
- (b) The Company agrees to make contributions to the Union for union dues and to the trustees of the Health and Welfare Plan and the trustees of the Pension Plan within the time limits specified in this Agreement and further agrees 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 with the agreed time period), then the Company shall be liable for the payment of such contributions plus interest on the contributions at the rate of two percent (2%) per month from the date such contributions were due to the date of receipt by the Union or the appropriate plan administrator.

- (c) 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, the Company shall be liable to reimburse the Union or the applicable trustees for such costs.

ARTICLE NO. 24

Section 1 - Regular Work Day/Week

- (a) Except as hereinafter provided, the regular work day shall consist of eight (8) consecutive hours of work between 6:00 a.m. and 6:00 p.m., not including the meal period. The regular work week shall consist of five (5) eight (8) hour days in the period from Monday to Friday, both days included, with Saturday and Sunday as regular assigned days off.
- (b) Weekly Guarantee - Except where otherwise mutually agreed by the Parties hereto, the Company shall guarantee sixty percent (60%) of all its employees in each unit as classified in Article 7, taken in order of their seniority and to a minimum of one (1) not less than forty (40) hours' wages per week, exclusive of overtime.
- (c) Assignment of Guaranteed Men to Scheduled Work Week - Employees within the most senior sixty percent (60%) in each unit shall be assigned to a work week on either of the following basis:
 - i Monday through Friday - Saturday and Sunday off.
 - ii Tuesday through Saturday - Sunday and Monday off provided, however, that any employee by reason of his seniority placing him within the said sixty percent (60%) may, if qualified in all respects as provided in Article No. 7, elect to remain on a shift other than those in (i) and (ii) hereof. It is understood that any employee within this sixty percent (60%) shall, subject to qualifications as aforesaid, always have precedence over all other employees in his unit on vacancies within this group.
 - iii Notice of Alteration of Scheduled Work Week - Upon being assigned, per the provisions of the above, save as where a job has been eliminated, an employee's scheduled work week shall not be altered until six (6) weeks have elapsed from the date of assignment, excepting for the movement of household goods utilizing moving vans from one residence to another and of office furniture and equipment from one office to another, where notice must be given on the last working day of the previous week.
- (d) Flexible Work Week - For all employees, other than the senior sixty percent (60%), the flexible work week may be scheduled between Monday and Saturday inclusive with Sunday and one other day scheduled as days off provided, however, that unless otherwise mutually agreed by the Parties hereto that all employees not assigned to a scheduled Monday through Friday shall be guaranteed (40) hours' wages and shall where possible be notified of the schedule to be worked on the last working day of the week preceding that to which the schedule refers. In the event goods or materials due to be handled on a Saturday are not available, by reason of failure of a schedule arrival, any employee who does not commence work shall only be entitled to four (4) hours' pay.

- (e) **Night Bonus** - Employees, other than regular shift employees, who work during the hours 6:00 p.m. and 6:00 a.m. shall be paid a bonus of \$1.50 (one dollar and fifty cents) per hour for those hours between 6:00 p.m. and 6:00 a.m. It is understood that this bonus shall not apply to any hours worked between 6:00 p.m. and 6:00 a.m. for which an employee is being paid at overtime rates or the differential pay. Additional employees added to regular shifts shall not be entitled to the provisions contained herein.
- (9) **Daily Guarantee** -
- i Any regular employee who is called out to work on a regular work day shall be paid not less than eight (8) hours pay. Any employee who is called out to work on a Saturday - sixth shift - or overtime day shall be guaranteed four (4) hours pay, and if he works in excess of four (4) hours, he shall be guaranteed six (6) hours. For hours worked in excess of six (6), he shall be paid for time worked.
 - ii When a part-time hourly rated employee is called and reports for duty Monday through Friday, he shall be guaranteed a minimum of four (4) hours pay, and if he works in excess of four (4) hours shall be guaranteed six (6) hours, and if he works in excess of six (6) hours he shall be paid for eight (8) hours. However, in the event that such part-time employee, whose hours extend wholly or partly outside the regular hours of work, shall be guaranteed eight (8) hours pay plus the overtime or shift differential premiums.
 - iii Any hourly rated employee reporting for duty on a callout or callback basis inconsistent with his regular scheduled work day or shift shall be guaranteed a minimum of four (4) hours pay, but after completion of the duty he was called for, he may book-off work with a minimum of two (2) hours pay.
 - iv To qualify for the benefits of Sub-Sections (i), (ii) and (iii) 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.
- (g) **Posting Regular Shift** - Companies operating line-haul schedules or whereby past practice has worked under the following provision, it shall continue to apply during the term of this Agreement. The time of an hourly rated employee's regular shift for the following week shall be posted or given to him prior to the time he completes his current week's work. In the event of failure to post or give such notice, it shall be presumed that the times of his shift for the following week shall be the same as the current week. An employee shall have the same starting time for each day of the week.
- (h) **Record of Employment** - Any employee on lay-off who requests his Record of Employment shall not be considered terminated.

Section 2 - Overtime Provisions

The Company shall pay overtime rates of wages to every employee entitled thereto as follows:

- (a) 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 the first four (4) hours of overtime on any regular day, one and one-half (1½) times his regular rate of wages and for all time worked thereafter, the employee shall be paid double (2x) his regular rate of wages.
- (c) With the exception of those employed per Article No. 24, Section 1 (e), the following shall apply:
 - i For the first eight (8) hours worked on a General Holiday, an employee shall be paid one and one-half (1½) times his regular rate of wages. The rate to be paid for all time thereafter on a General Holiday shall be double (2x) the regular rate.
 - ii For all employees assigned to a Monday to Friday work week, Saturday and Sunday shall be sixth and seventh shifts.
 - iii Where any employee works on his regularly assigned rest day, he shall be paid at one and one-half (1½) times his regular rate for the first ten (10) hours; two times (2x) his regular rate for all hours thereafter.
- (d) For the purpose of this Section the work week shall be from 00:01 Monday to 24:00 hours Sunday. With respect to General Holidays, the foregoing overtime provisions are in addition to eight (8) hours wages, which shall be paid 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,
- (9)** 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.

Section 3 - General Holidays

The Employer agrees to pay employees at regular rates of eight (8) hours per day for the following ten (10) holidays:

New Year's Day	Good Friday	Victoria Day
Canada Day	Labour Day	Thanksgiving Day
Remembrance Day	Christmas Day	Boxing Day
Family Day (Alberta only)	B.C. Day (B.C. only)	

Any additional Statutory Holidays declared by the federal government shall be covered by the provisions of this Article.

Employees entitled to those paid holidays will have been on the payroll for thirty (30) calendar days previous to the Holiday. Employees absent from work by reason of accident or illness not in excess of six (6) months shall receive full pay for General Holidays as designated herein. Employees who are absent because of resignation, are terminated for cause, or are under suspension for just cause on the Holiday shall not be entitled to the Holiday pay. If an employee has been laid off and is returned to work within thirty (30) calendar days after the Holiday, he shall be entitled to the Holiday pay.

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 either the last working day preceding or the first working day following such General Holiday.

An employee entitled to overtime compensation for working on a statutory holiday shall receive one and one-half times the trip rate.

Employees who regularly work ten (10) hour days and designated line haul drivers shall be paid (10) hours for such General holiday.

ARTICLE NO. 25

Section 1 - Two Weeks Vacation

Upon completion of one year's service employees shall receive two (2) consecutive 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 than one (1) year of service.

Section 2 - Three Weeks Vacation

Any employee completing three (3) years of continuous service shall thereafter 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 one thousand and five hundred (1,500) 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

Fifteen hundred (1500) 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) Where the date of commencement of employment is the anniversary date for the purpose of calculating annual vacations, employees shall receive vacations in accordance with the provisions contained in Section 1 and/or 2, 3, 4, 5 and 6 of this Article.
- (c) Irrespective of whether vacation benefits are calculated on the basis of (a) or (b) of this Section, vacation pay cheques will be issued to all employees in accordance with the provisions of Article No. 10, Section 1 (b) of this Agreement.
- (d) 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.

Employee then to 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.

- (e) 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

- (b) 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 during the off-season.
- (d) Employees shall be granted their vacation dates, in order of their seniority, consistent with the efficient operation of the business. Vacation lists shall be posted and remain posted on or before January 31st of each year.
- (e) Vacation period to start on completion of employee's normal work week, and end on the first day of his normal work week on the completion of his vacation.
- (f) Where an employee has less than fifteen hundred (1500) hours and is terminating employment, voluntarily or otherwise, he shall receive 4%, 6%, 8%, 10% or 12% of 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) Any employee who accepts gainful employment while on vacation may be terminated.
- (i) Any regular employee receiving a differential or premium pay on a regular basis, this differential or premium will become part of his regular hourly rate of pay, and shall be paid on all General Holidays and annual vacations.
- (j) In the event a General Holiday falls during an employee's vacation, the employee will be allowed a day off without pay in lieu of such General Holiday, either immediately preceding or immediately following his vacation period. Such day off, without pay, in lieu of a General Holiday, will be designated on the final vacation schedule.

General Holidays that fall within the vacation periods that are not designated on the final vacation schedule, the day in lieu of such General Holiday will be designated at the time the vacations are booked and approved.

ARTICLE NO. 26 - LINE-HAUL OPERATIONS

Section 1 - Mileage Condition

- (a) Except as otherwise mutually agreed between the parties hereto, all employees engaged in line operations shall be subject to all terms and conditions provided by this Agreement save as hereafter expressly provided. This Article shall cover all employees of the Company engaged in hauling commodities over one hundred (100) miles from base of operations..
- (b) Local warehouse work and city pickup and delivery service are not subject to the terms and conditions of this Article.
- (c) In respect to employees making pickups and/or deliveries at terminals, employees engaged in over-the-road operations including operators of lease equipment, and contract haulers shall not be asked to load or unload freight or perform any duties other than normal duties of a line-driver at a place where the Company maintains a terminal

where it would adversely affect the full time employment of the terminal employees so involved. Drivers may, however, be permitted to load or unload freight where such loading or unloading is made outside the normal hours when the terminal is operated or when contractual terminal employees are not in the terminal.

Section 2 - Reporting Notice

- (a) Employees shall be given at least three (3) hours notice when ordered to report for duty at both the home terminal and at the end of the run or where they have been effectively released from duty by the Company.
- (b) Hours of Dispatch -
 - i Where a driver is required to report for duty between 19:00 hours and 700 hours, he shall be notified by the Company voice mail prior to 1900 hours unless the Company has directly contacted the driver at an earlier time in some other manner.
 - ii Where a driver is required to report for duty prior to 2400 hours on Sunday, he shall be notified by the Company voice mail prior to 1200 hours on Saturday, unless the Company has directly contacted the driver at an earlier time in some other manner.
- (c) Mileage Guide - The Rand-McNally Trip Maker shall be used to determine miles driven. The Company may adopt other accurate software for such purposes upon prior notification to the Union. It is agreed that where an error is established in any such software actual miles shall govern.
- (d) 10 Hour Guarantee - When an employee has been called for duty and has begun his trip or tour, he shall be guaranteed a minimum of ten (10) hours work and/or pay at the hourly work time rate for the trip or any portion thereof.
- (e) When an employee reports to work after being called, and no work is available, he shall receive a minimum of five (5) hours pay at the work time rate.
- (f) 5 Hour Guarantee - When an employee reports in accordance with an established reporting time and no work is provided, he will receive the minimum number of hours pay (five (5) hours), unless he has been notified at least two (2) hours ahead of the regular reporting time that no work is available.

An employee, who has an established reporting time, and is unable to report for duty for any reason, will advise the Company at least two (2) hours prior to such reporting time.
- (g) Local Dispatching Rules - All drivers and operators shall be dispatched according to agreed upon local dispatching rules which shall be posted. Failure of the Company and the Union to agree on such rules result in applying the Grievance Procedure.
- (h) Runaround - Time lost when an employee is available but not dispatched in proper order under agreed upon local dispatch rules between the Company and the Union, he shall be paid at the hourly rate from the time he should have been dispatched until actual time of departure on trip and/or tour, with a maximum of ten (10) hours at the applicable work time rate in each twenty-four (24) hour period.

- (i) Job applicants for the position of Line-Driver hired from sources outside the Company on trial trips and/or instructional trips and employees of the Company that have completed the training program for the position of Line-Driver as agreed between the Company and the Union, and who have been recommended for that position, will be paid for the final instructional trips at a rate of five cents (5¢) per mile less than the single man rates as specified in this Agreement. Such trips to be made with qualified drivers and/or trainers and will not exceed a total of two thousand (2,000) miles on single man operation. Line-Drivers will be paid five cents (5¢) per mile above single man rate as specified in this Agreement on trips when he performs the function of trainer or instructor under this Article.
- (j) Weekly Guarantee - Except as otherwise mutually agreed by the Parties hereto, the Company shall guarantee sixty percent (60%) of its employees in this classification, taken in order of their seniority and to a minimum of one out of two, two out of three, not less than forty (40) hours wages per week. The Company may average the guarantee over a two week pay period commencing on a Sunday and ending on the fourteenth day, Saturday pay period.

Section 3 - Work Time

Work time shall include but not be limited to loading, unloading, repairs of equipment, chaining and unchaining (of tires), time spent on ferries or boats (except as otherwise provided in Article 26 herein, and when drivers are required to stay with the equipment). When the driver performs the function of fuelling, hooking up, unhooking, switching on complete interchange of equipment will be included as work time.

Section 4 - Travel Time

- (a) All hours travelling on public transportation from the point deadhead commenced to the destination point designated by the Company shall be paid for at his regular straight time hourly rate plus the subsistence allowance if applicable and the cost of such transportation.
- (b) Deadhead - Each employee who is covered by this Agreement, and who is required by the Company to ride Company equipment in deadhead manner will be paid the regular straight time hourly rate for all hours spent in riding such equipment, except those employees covered under Article No. 24, Section 1 (c). This provision applies only where the Employee is neither driving nor part of a sleeper team.

Section 5 - Wait Time

- (a) Wait time shall be paid for all time spent waiting to load, unload, waiting for loads, waiting for equipment to be repaired and waiting for roads to be cleared -with a maximum of ten (10) hours pay for waiting time in each twenty (20) hour period.

Wait time is clarified as follows: Wait time is not cumulative and shall not be subject to overtime. For the purpose of determining wait time pay, each stop shall be considered a separate waiting period.

When a driver is held more than one (1) day, he shall receive wait time pay for the first ten (10) hours of each twenty (20) hour period.

- (b) All time lost due to delays as a result of overloads or certification violations involving federal, state, provincial or city regulations, shall be paid for at regular applicable wait time rate in this Agreement, unless required to stay with equipment.

Where possible it shall be the duty of the employee to ascertain that he is not hauling an overload. It shall be the duty of the employee to ascertain that he has all the necessary and required licenses, certificates and permits before leaving the Company terminal provided, however, that the Company shall arrange for all permits to be made available to its employees.

Section 6

- (a) In the event that drivers are required to lay over during any one round trip or tour away from their home terminals, they shall be compensated for layover time as follows:

It being understood that layover time shall not be cumulative, but shall mean only one layover on such round trip or tour.

For the first twelve (12) hours of each layover - No Pay.

For the next ten (10) hours, layover rates as stipulated in this Agreement. For the next twelve (12) hours - No Pay.

For the next ten (10) hours, rates as stipulated in this Agreement and continuing on the same basis for each twenty-two (22) hour period of continuing layover.

- (b) The layover point is to be designated on a man's original orders prior to his dispatch from point of origin of trip or tour, save and except in the case of accident or breakdown whereby the layover point may be extended to a point beyond the original designated layover point.
- (c) When drivers arrive at the layover point and are placed on layover, they will be advised on arrival, or else put on wait time, save and except where the drivers have been previously instructed on their drivers' orders.

Section 7 - Subsistence

- (a) Each employee will receive a subsistence allowance according to the area rate as stipulated in Appendix "A".
- (b) Sleeper-cab drivers shall receive the rate as outlined per day or any portion thereof after eight (8) hours.

Definition: Each employee shall be entitled to the full subsistence after eight (8) hours up to twenty-four (24) hours from the time he started his tour and each twenty-four (24) hour period thereafter.
- (c) Single man drivers who have been put to rest or layover or **book-off** away from their home terminal shall receive the rate as outlined per day or any portion thereof after ten (10) hours the first day and on the basis as stipulated in Appendix "A" for each succeeding day.

Definition: Each employee shall be entitled to the full subsistence after ten (10) hours up to twenty-four (24) hours from the time he started his trip.

Drivers on a turnaround in excess of ten (10) hours, who stop to eat, will be entitled to one (1) meal paid for by the Company to a maximum amount of six dollars and fifty cents (\$6.50) (a voucher may be required) and straight time pay while eating.

Section 8 - Bobtail

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

Section 9 - Definition Mileage Rates

Mileage rates, as specified in Appendix "A" are composite rates and shall be paid to compensate for the following duties performed:

Driving, checking equipment en route and making Company required reports.

Section 10 - Miles and Hours

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

Section 11 - Bush Runs

Trips which include both main highway miles and off line bush miles will be paid for in the following manner:

Mileage rates for main line highway miles and hourly rates for bush miles.

Section 12 - Single Man Operation

- (a) For definition purposes the word "trip" will be used when referring to single man operations. A single man trip is considered from point of dispatch to point of rest, layover or book-off.
- (b) The regular hours of work for employees engaged in a single man operation shall be ten (10) hours per trip, sixty (60) hours per week in any seven (7) day period, it being understood that there will be no pyramiding of overtime. The Company shall pay for all time driving and working in excess of the regular hours at the overtime rates as specified hereafter, and shall continue at the overtime rates until a minimum rest period of four (4) hours is provided. This rate does not apply to the layover and wait time but is calculated on the miles driven and half the work time rate per hour.

- (c) No single man driver shall be called for dispatch until he has been off duty eight (8) hours excluding call time after completing a trip at the home terminal. No single man driver who has been put to rest or layover, shall be called for dispatch or duty until he has been off duty for four (4) hours at a point away from the home terminal. However, at points away from the home terminal the driver shall be entitled to, if he so requires, up to eight (8) hours of uninterrupted rest. Drivers held and/or waiting at a point, other than the home terminal in excess of the maximum rest period, will be paid wait time for hours in excess of the full rest period.

Section 13 - Sleeper Cab Operations

- (a) **Tour** will be used when referring to sleeper cab operations, and shall mean the period between departure from and return to home terminal.
- (b) Sleeper cab operations shall be performed by two (2) drivers in equipment properly equipped with sleeper berths. The Company shall designate the home terminal of each driver team and designate the routes to be travelled on each tour from home terminal to destination and return to home terminal and each driver shall be paid for driving one-half (½) the mileage the vehicle travelled in making the tour. Wherever work time is involved both drivers shall receive applicable hourly rate of pay.
- (c) Once driver teams are established, it is understood that they are not to be separated unless mutually agreed to by the Company, the Union and the driver team involved, except in cases of emergency or reduction in force or temporary training.
- (d) Only two (2) men shall be permitted in sleeper-cab equipment at any time except in cases of emergency or where new type equipment is put into operation. In no event shall a driver, supervisor or other authorized personnel be in the cab in addition to the two (2) drivers, for more than three hundred (300) miles.
- (e) No sleeper team under this Section 13 shall be placed on layover if routed on any tour with outbound mileage under five hundred (500) miles.
- (f) The Company may use a sleeper-cab driver or team to effect a single man operation but will not do this when it adversely affects the single man board or when it creates excess layover time for sleeper-cab drivers.
- (g)
 - i Wherever possible sleeper-cab drivers shall be entitled to have a minimum of four (4) hours off duty excluding call time after completion of their tour.
 - ii No sleeper-cab driver shall be allowed to take a **solo** trip of more than four (4) hours until he has had eight (8) hours rest since he was last on duty. Rest time does not include time in the sleeper-cab bunk.

Section 14 - ~~All~~ Line Drivers Transferring Over-the-Road Drivers

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

- (b) transferred if work is there available. Payment is conditional upon completion of one year's service at the new terminal. Fifty percent (50%) of the legitimate moving expense will be paid upon completion of transfer and the balance upon completion of one year's service from the effective date of transfer. It shall be a matter of policy that drivers may be required to make such move within three (3) months of the date of transfer.
- (c) Such employees will be dovetailed into Seniority List as of the date they first become employees in their classification within the Local Union's jurisdiction or certification, unless other arrangements are mutually agreed upon.
- (d) Whenever a man is transferred at the request of the Company, his reasonable moving expenses shall be borne by the Company.
- (e) For the purpose of this section "expense" is defined to mean the moving expenses of normal household goods and chattels up to a maximum of one thousand (1,000) cubic feet.
- (9) A Company who contributes to the cost of moving shall be entitled to select the mover.

Section 15 - Exclusion of Mileage Condition

The mileage conditions of this Article shall not apply in the following cases, which shall be covered elsewhere in this Agreement (Article No. 26):

- (a) When employees are engaged in the operation of motor vehicles on Vancouver Island and Sechart Peninsula in which case the hourly rates prevail (Article 24) excluding pegged trip rates.

ARTICLE NO. 27

The Company agrees that all conditions of employment relating to wages, hours of work, overtime differentials and general working conditions shall be maintained at not less than the highest standards in effect at the time of signing of this Agreement.

Higher rated Union employees shall be subject to all the terms and conditions of this Agreement.

ARTICLE NO. 28

Section 1 - Validity of Articles

If any Article(s) of this Agreement or of any supplement 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 should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement or of any supplement thereto, or the application of such Article 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.

ARTICLE NO. 29

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 NO. 31 - GRIEVANCE PROCEDURE

Section 1 -

All questions, disputes and controversies arising under this agreement or any supplement hereto, shall be adjusted and settled within the terms and conditions as set forth in this Agreement, in the manner provided by this Article, unless otherwise expressly provided in this Agreement.

The procedure for such adjustment and settlement shall be as follows:

Step One - Any grievance of any employee shall first be taken up between such employee and the Employer supervisor. However, such employee will be entitled to be accompanied by a shop steward or union representative.

Time limit to institute a grievance:

- Termination or layoff - Ten (10) days
- All others - Thirty (30) days

The time limits set out in Step One are mandatory and shall be determined from the time the employee or Union could reasonably have knowledge of the alleged violation of the Agreement.

Step Two - Failing settlement under Step 1, such grievance shall be taken up between the Employer supervisor and a Shop Steward or Local Union Representative. Step 2 must be completed within ten (10) calendar days from the completion of Step 1.

Step Three - Failing settlement under Step 2, the grievance shall be taken up in a presentation to a Grievance Board, hereinafter referred to as the "Board" consisting of two (2) Union representatives, selected by the Union and two (2) Employer representatives appointed in writing by an officer of the Company. All members of this Board shall have been duly appointed and so authorized that any settlement arrived at by this Board on a specific grievance shall be final and binding.

Except by written mutual agreement between the Union and the Employer providing for an extension of time, Step 3 must be completed within ten (10) calendar days from the completion of Step 2.

In all such grievance procedures, the Union representative shall act in the capacity of Chair of the meetings and the employer representative shall act in the capacity of Recording Secretary. All copies of all minutes shall be signed and dated by both the Union and the Employer.

Step Four - Failing settlement under the above steps, the matter will be referred to an agreed-upon neutral person to act as an Arbitrator, who will meet with the Parties to hear both sides of the case. Failing to agree upon a neutral person, the Department of Labour will be requested to appoint a neutral Arbitrator.

The Arbitrator shall be required to hand down his decision within fourteen (14) calendar days following completion of the hearing, and his decision shall be final and binding on the two (2) Parties to the dispute.

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

APPENDIX "A"

1. WAGE SCHEDULE

CLASSIFICATION

Trip Rates - Rates of pay for certain hauls may be established on a per trip basis by agreement between the Union and the Company. **Such** trip shall be inclusive of all work and/or wait time except chargeable wait time collected from customer, breakdown of company equipment, tire repairs, additional pick-ups and/or deliveries.

A Chargehand's rate of pay shall exceed the highest hourly rated employee's rate of pay under his direction, including his own classification by the following amounts:

Regular chargehand and including driver training (e.g. warehouse) - 30 cents per hour

	March 31 2001	September 1 2001	March 1 2001
Truck Operator	18.68	18.83	19.39
5 Axle	18.68	18.83	19.39
6 Axle	18.89	19.04	19.61
7 Axle	19.12	19.27	19.85
8 Axle	19.27	19.42	20.00

2. MILEAGE RATES

CLASSIFICATION

	March 31 2001	March 1 2002
5 Axle	43.57	44.88
6 Axle	44.83	46.17
7 Axle	46.78	48.18
8 Axle	47.69	49.12

Sleeper Differential- March 31, 2001 - \$5.00

North of Fort Nelson Differential- March 31, 2001 - \$2.35

Wait time and layover shall be calculated at a regular straight work time rate.

Except where otherwise herein provided, the hourly rate for line drivers shall be as stipulated above.

Subsistence:

1. Sleeper Cab - \$16.00 per day per each employee (Where sleeping accommodations are necessary, drivers will be compensated for the reasonable cost thereof).
2. Single Man - \$18.00 per the first twenty-four (24) hours and seventy-five cents (75¢) an hour for each additional hour thereafter. While engaged in non-scheduled overnight trips away from home terminal, there shall be subsistence allowance for eighteen dollars (\$18.00) minimum per day for each overnight period. However, if this amount does not cover expenses, the Company shall pay such employee any reasonable additional expenses incurred if properly supported by voucher or receipt.
3. Subsistence allowance and meal allowance shall be identified as a separate item and paid at the same time that wages are paid. However, this shall not prevent the Company from making single "floater" advances or emergency advances.

3. OWNER/OPERATORS

- a) Mileage Rates: \$ PER MILE effective March 31, 2001

<u>Trailer Unit</u>	<u>S. of FT. NELSON</u>	<u>N. OF FT. NELSON</u>
5 Axle	\$1.270	\$1.379
6 Axle	\$1.379	\$1.489
7 Axle	\$1.434	\$1.544
8 Axle	\$1.544	\$1.740

\$ PER MILE effective March 1, 2002

increase of 1 cent per mile on each rate set out above

The above Mileage Rates include "Time Allowed"

- b) Time Allowed Loading and Unloading, Combined
- | | |
|--------|-----------|
| 5 Axle | 2.5 hours |
| 6 Axle | 2.5 hours |
| 7 Axle | 4.0 hours |
| 8 Axle | 4.0 hours |

Mileage paid will be based on applicable Provincial/Territory/State Highway Mileage Guides.

Additional Loading, Unloading and Stand-by Time (above Time Allowed) (see above) and where signed for and collectible from the customer.

- c) Hourly Rate for Stand-by

<u>SOUTH of FT. NELSON</u>	<u>NORTH of FT. NELSON</u>
\$33.40	\$38.70

d) Hourly Rate for local hauling

<u>SOUTH of FT. NELSON</u>	<u>NORTH of FT. NELSON</u>
\$38.70	\$42.95

Vancouver Island Hourly Rates

	March 31, 2001	March 1, 2002
5 Axle	41.00	42.23
6 Axle	44.00	45.32
7 Axle	44.00	45.32
8 Axle	45.00	46.35

Appendix "B" shall be the contract signed by Dependent Contractors employed by the Company.

The Company to pay cost of Border Crossing Permit on a pro-rated basis (**12 Months**). Unused portion to be reimbursed to the Company.

Company will pay up to **\$1000.00** for the painting of the truck based on twelve (**12**) months, pro-rated unused portion to be reimbursed to the Company.

Company to supply Log Books to Owner/Operators, at No Charge.

Company to supply Tach Card to Owner/Operators, at No Charge; if the Owner/Operator's tach is compatible with that of the company trucks, if not, Owner/Operators will supply Tach Cards.

Fuel surcharge - Effective upon the date of ratification, the Employer shall implement a fuel escalator. Rates of compensation shall be increased or decreased by **.6% (.006)** for each **\$0.01** per litre increase or decrease in the price of the Dependent Contractor's fuel base price. The escalator shall apply to a full **\$0.01** per litre increase or decrease.

The base price shall be forty-one point seven cents (**41.7¢**) per litre for Alberta and the Yukon. The base price in British Columbia shall be forty-five cents (**45¢**). Low sulphur diesel fuel cost shall be calculated using the average Edmonton **Esso** and **Petro-Canada** rack price as published in the Oil Buyer's Guide.

Example:

Petro Canada = **38.95** cents per litre, Imperial Oil = **36.51** cents per litre, both prices excluding taxes

BC taxes = **15.5** cents per litre

Rack Price **38.95+36.51 = 75.46**, **75.46/2= 37.73** Average Price, **37.73 + 15.50 = 53.23** taxes included.

53.23 (Price) - **45.0** (Benchmark) = **8.23** cents per litre in excess of benchmark.

8 cents x **.006 = 4.8%** The increase to the dependent contractor's revenue is **4.8%**.)

APPENDIX "B"

DEPENDENT CONTRACTOR'S AGREEMENT

This agreement, made in duplicate, this _____ day of _____, 200__.

Between:

NORTHWEST TANK LINES INC. /
NORTHWEST TANK LINES (WESTERN) INC.
(hereinafter referred to as "the Company")

and:

Driver's Name _____

Company's Name _____

Address _____

(hereinafter referred to as the "Dependent Contractor")

WHEREAS the Dependent Contractor is the Registered Owner of certain motor vehicle equipment described as follows:

TRACTOR UNIT

YEAR: _____

MAKE: _____

MODEL: _____

SERIAL # _____

TARE WEIGHT: _____

(hereinafter referred to as the "Equipment")

1. The Company shall be held responsible for the action of the Dependent Contractor respecting compliance with the Motor Carrier Act and Regulations pursuant thereto, only while such equipment is being operated as specifically directed or authorized by the Company. The Company shall not direct Dependent Contractor to haul without proper permits.
2. The Company and the Dependent Contractor shall each maintain adequate Insurance Coverage appropriate to their areas of responsibility as required by statute and each shall file with the other proof of Insurance Coverage. A copy of such proof of Insurance Coverage **shall** be provided to the Union.

3. The Dependent Contractor shall display the name of the Company on the vehicle and have it painted as required by the Company, plus whatever is required by the Motor Carrier Commission and/or Motor Vehicle Regulations.
4. The Dependent Contractor shall be responsible for any expenditures made by the Dependent Contractor in the name of the Company subject to the Dependent Contractor having received authorization from the Company prior to the making of such expenditures. Such expenditures on his own equipment shall be subject to deduction by the Company from the Dependent Contractor.
5. This Agreement shall expire on the date that the Collective Agreement expires, however, this Agreement may be cancelled by either the Company or the Dependent Contractor on giving thirty (30) days prior notice or such longer period as mutually agreeable to the Company and the Dependent Contractor, excepting that this Agreement may be cancelled immediately by either the Company or the Dependent Contractor for reasons of default, violation of Company policy or violation of this Agreement.
6. The Company shall pay to the Dependent Contractor for service rendered the amounts set out in the applicable collective agreement.
7. In addition to compensation provided for under Section 6 herein, the Company shall assume complete financial responsibility for the following:
 - (a) Contributions normally assessed against an Company for the Health and Welfare Plan and Workers' Compensation.
 - (b) The painting of the Company signs on the equipment.
 - (c) The bonding of the Dependent contractor.
 - (d) Cargo Insurance and Trailer Insurance.
 - (e) Any administration fees incurred as a result of engaging the services of the Dependent Contractor.
 - (9) Operating Authorities certificates.
 - (g) All product pumps
 - (h) All safety equipment as required
5. The Dependent Contractor shall assume complete financial responsibility for the following:
 - (a) Union Dues, Initiation Fees and Assessments.
 - (b) Contributions normally assessed against an employee for Employment Insurance and Canada Pension Plan.
 - (c) All fuel, tires and maintenance for the equipment.
 - (d) The insurance on the equipment (tractor only).
 - (e) All licenses except as provided in Section 7 (9) herein.

5. The Company may require the Dependent Contractor to post a cash performance and/or holdback bond. The minimum amount to be one thousand dollars (\$1,000.00), this amount to be paid within sixty (60) days of hire. Such a bond shall be returnable to the Dependent Contractor minus the deduction of legitimate charges ninety (90) days following the date that the services of the Dependent Contractor are terminated. Where a bond has not been required in the past, this Section 10 shall not apply. The Company reserves the right to have a new Dependent Contractor post a cash performance and/or holdback bond. The Dependent Contractor is to be paid bank interest annually and/or pro-rate quarterly upon termination on the amount of holdback.

SIGNED THIS _____ DAY OF _____ 2001, AT _____, B.C.

Witness

Dependent Contractor

Witness

Company

Title

APPENDIX "C" - HEALTH AND WELFARE

Section 1 - Participation

It is agreed that the Company will participate in the Teamsters - Transport Health and Welfare Trust Plan (the Plan) instituted 1 July, 1971, and operated under an Agreement and Declaration of Trust revised on 26 November, 1990.

The Company's participation in the Plan will continue throughout the life of this Agreement.

Section 2 - Board of Trustees

A Board of Trustees will be constituted of those persons provided for in the Agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) people appointed by the Teamsters Local Union No. 31.

Section 3 - Plan Administration

The terms of the Plan and its administration shall be entirely the responsibility of the Board of 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 Board of Trustees will be governed by an Agreement and Declaration of Trust, 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) For the purposes of this section a regular employee or member of the Union hired by the Company shall include a dependent contractor as defined under Article No. 4 of this Agreement. A dependent contractor shall be considered a regular employee on his date of hire.
- (b) Any member of the Union who is a regular employee in the employ of the Company on the date of this Agreement shall join the Plan on the date of this Agreement.
- (c) Any member of the Union who is hired by the Company after the date of this Agreement shall join the Plan on the first day of the month coincident with or immediately following the month in which the employee becomes a regular employee.
- (d) Notwithstanding subparagraph "(c)" above, any member of the Union who is hired by the Company after the date of this Agreement who has been covered under the Plan within the 30 day period immediately prior to the date on which he commences work with the Company, and who becomes a regular employee, shall join the Plan on the later of his date of hire or the day following termination of his previous coverage.
- (e) 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 and long term disability benefits will commence on the date of return to work, and all other benefits will be reinstated as of the first day of the month in which return to work occurs.

Section 5 - 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 coverage under the Plan other than would have been provided had such return to work not have occurred. It is agreed that the provisions of Article No. 11 Section 5 shall not apply until such period of Rehabilitative Employment ceases.

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.

Section 6 - Benefits

Benefits provided by the Plan are established by the Board of Trustees. Benefits currently provided are:

- (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 are subject to amendment by them from time to time.

It is understood that, should the provision of Medical Services Plan of B.C. coverage be removed from the Plan, the Company will be fully responsible for providing such coverage, and that the cost of such coverage will be paid for by the Company. It is further understood that entitlement to coverage for Medical Services Plan of B.C. coverage will be identical to entitlement to coverage under the Plan.

Section 7 - Cost

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

Definition: The Company agrees to the contribution rate established by the Board of Trustees from time to time and also any increase in the premium rates of the B.C. Medical Plan. This means that the Company will be responsible for any monies required to keep the Plan whole.

Section 8 - Payment

Contributions will 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.

Payment of contributions by the Company shall be subject to the conditions and provisions of Article 23 of this Agreement.

Section 9 - Termination of Coverage

Except as provided under Article No. 11, Section 5, hereunder,

- (a) All coverages under the Plan will terminate at the end of the month in which lay-off or any other temporary interruption of employment commences.
- (b) If employment is terminated, coverage for the weekly indemnity and long term disability benefits will terminate immediately upon termination of employment and all other coverages will terminate at the end of the month in which termination of employment occurs.
- (c) It shall be the responsibility of the Company to advise the Administrator of the Plan in a timely fashion of termination of a member's coverage and the Company will be held responsible for any costs incurred by the Board of Trustees that result from late notification of termination of coverage.

Section 10 - Failure to Remit Contributions

It is agreed that, if the Company fails to remit contributions due under this Agreement on behalf of any eligible employee, the Company shall be liable for the payment of all benefits the employee does not receive from the Health and Welfare Plan but would have received had the Company remitted the required contributions.

Section 11 - General

- (a) It shall be the responsibility of the Trustees of the Plan to provide all necessary enrolment and administrative forms to the Company.
- (b) It shall be the responsibility of the Company to provide the employee the necessary forms to enrol and make claim under the Plan.
- (c) It shall be the responsibility of the employee to cause such forms to be completed.

APPENDIX "D" - PENSION PLAN

TEAMSTERS - B.C. MASTER EMPLOYEES PENSION PLAN

Section 1

The Teamster - B.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 B.C. Master Freight and Cartage Agreement on the one Part, and the General Truck Drivers and Helpers Union, Local 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 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 straight time hours worked by (or paid for) an eligible regular employee, not to exceed 40 hours per week or 168 hours per month, except:
 - (a) Any employee working a four day work week shall be entitled to 40 hours per week provided the employee works each day of the stipulated work week,
 - (b) In respect of a line driver not to exceed 168 hours per month. Hours worked by a line driver in any month in excess of 168 hours to be banked and to be carried forward by the Company for payment in any month in which the hours worked are less than 168.
2. All hours, but no more than 168 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 full-time 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

No contributions are required to be paid for:

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

The following rate of contribution shall apply:

<u>Effective Date</u>	<u>Cents Per Hour</u>
June 1, 2000	\$1.65
January 1, 2001	\$1.95

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

APPENDIX "E"

TEAMSTERS UNION/INDUSTRY ADVANCEMENT FUND

The Teamsters Union/Industry Advancement Fund shall be for the enhancement of all persons dependent upon any industry represented by Teamsters..

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 appropriate Teamsters Local 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 Union. The advancement fund contributions will be capped at \$8.40 per member per month.

LETTER OF UNDERSTANDING #1

BETWEEN: NORTHWEST TANK LINES INC. and
NORTHWEST TANK LINES (WESTERN) INC

AND: TEAMSTERS LOCAL UNIONS NO. 31 AND 213

RE: Entry Level Rates

Hourly Rate

On Hiring: \$2.00 per hour less than full rate
After 6 months: \$1.50 per hour less than full rate
After 12 months: \$1.00 per hour less than full rate
After 18 months: \$0.50 per hour less than full rate
After 24 months: full rate of pay


Mileage

On Hiring: .04 per mile less than full rate
After 6 months: .03 per mile less than full rate
After 12 months: .02 per mile less than full rate
After 18 months: .01 per mile less than full rate
After 24 months: full rate of pay

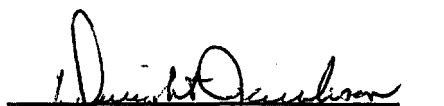
DATED THIS _____ DAY OF _____, 2001.

IN WITNESS WHEREOF the Parties hereto have set their hands and seals the day and year first above written.

ON BEHALF OF THE COMPANY:
Northwest Tank Lines Inc
Northwest Tank Lines (Western) Inc



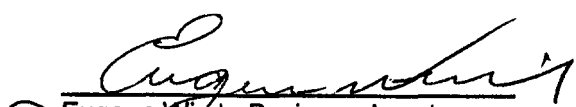
Tom Blaney, President



Dwight Jacobsen, General Manager

ON BEHALF OF THE UNION:
Western Canada Council of Teamsters

Ron Owens, Business Agent
Teamsters Local 31



Eugene Wirch, Business Agent
Teamsters Local 213

Al Porter, Business Agent
Teamsters Local 362

LETTER OF UNDERSTANDING#2

BETWEEN: NORTHWEST TANK LINES INC. and
NORTHWEST TANK LINES (WESTERN) INC.

AND: TEAMSTERS LOCAL UNIONS NO. 31 AND 213

This Letter of Understanding applies only to the employment of Jim Nichol and Joe Nichol on Vancouver Island and Peter Zubor, Russell Ford and Tony Cook in the Surrey yard.

The Company shall retain the foregoing employees in employment provided that there is available work.

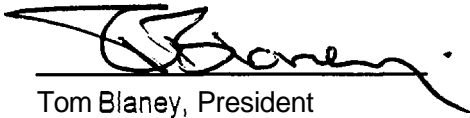
The Company agrees that it shall not refuse to retain these employees in employment only on the grounds that it has for any reason ceased to own, maintain or operate company trucks and thereby is unable to carry out work that would otherwise be available.

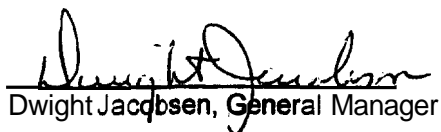
The Company agrees that it shall not hire any owner operators to displace any of these employees within their respective seniority branches.

DATED THIS _____ DAY OF _____, 2001.

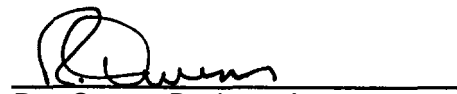
IN WITNESS WHEREOF the Parties hereto have set their hands and seals the day and year first above written.

ON BEHALF OF THE COMPANY:
Northwest Tank Lines Inc
Northwest Tank Lines (Western) Inc


Tom Blaney, President


Dwight Jacobsen, General Manager

ON BEHALF OF THE UNION:
Western Canada Council of Teamsters


Ron Owens, Business Agent
Teamsters Local 31


Eugene Wirch, Business Agent
Teamsters Local 213


Al Porter, Business Agent
Teamsters Local 362

ALBERTA SCHEDULE

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

ARTICLE NO. 1 - PURPOSE

Section 1

It is the intent and purpose of the parties to this Agreement, which has been negotiated and entered into in good faith:

- a) to recognize mutually the respective rights, responsibilities and functions of the parties hereto;
- b) to provide and maintain working conditions, hours of work, wage rates and benefits set forth herein;
- c) and generally, through the full and fair administration of all terms and provisions contained herein, to develop and achieve a relationship among the Union, the Employer, and the drivers which will be conducive to their mutual well-being.

ARTICLE NO. 2 - RECOGNITION

Section 1 - Certificate of Bargaining Authority

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

- a) employees and categories of employees referred to in the Certificate of Bargaining Authority held from time to time by the Union and;
- b) where applicable, all employees for whom the Company has voluntarily recognized the Union as their bargaining agent.

Section 2 - Bargaining Authority

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 Union shall be responsible for the printing of these Collective Agreements and the Company will purchase such agreements so that each and every regular employee of the Company falling within the area of jurisdiction of this Agreement will receive a copy.

ARTICLE NO. 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 and owner operator 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 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) 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 location of their employment within seven (7) calendar days of their being hired.
- (d) Employees of Dependent Contractors shall be required to join and remain members of the Union and upon working for 100 hours or more in any month shall pay union dues for that month.

Section 4 - Union Security

- (a) Except in case of emergency and/or at agency points where the volume will not maintain terminal service, every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set out in Appendix "A", whether by the Company or leased by the Company, shall be operated by a member of the Union. In the hiring of equipment on an hourly, daily or mileage basis, the Company shall first make every effort to obtain equipment operated by a member of the Union from a company signatory to this Agreement. However, if unable to do so and if equipment is to remain in the hire of the Company in excess of forty-eight (48) hours, it shall be replaced by equal equipment operated by a member of the Union if available in immediate or adjacent area from a company signatory to this Agreement.
- (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.

ARTICLE NO. 4 - DEPENDENT CONTRACTORS

Section 1 - Definition

A Dependent Contractor (which for the purposes herein, shall include Owner Operator) is the owner and/or purchaser and, except as permitted herein, the exclusive operator of equipment supplied for the Company's services pursuant to this Article and Appendix "C".

The title to the equipment shall be in the name of the Company for registration and licensing purposes only.

Section 2 - Retaining Services

The Company may engage the services of Dependent Contractors provided the following conditions are complied with:

- (a) A Dependent Contractor's Agreement, as provided in Appendix "C" attached hereto and forming part of this Agreement, is entered into between the Company and the Dependent Contractor prior to the Dependent Contractor performing any services for the Company. Signed copies of Appendix "C" shall be forwarded to the Union forthwith.

The dependent contractor and the Company must conform to not less than the minimum standards and practices as established by this Agreement regarding monetary compensation, hours of work and general working conditions.

- (b) The Dependent Contractor shall become and remain a member of the Union in accordance with Article No. 3, Section 2 and 3 herein. He shall be identified on a checkoff list as a Dependent Contractor, either as a line driver, local cartage or a combination of both.
- (c) A separate Seniority List shall be posted at the terminal showing the names and truck numbers of all Dependent Contractors. A copy of such list shall be forwarded to the Union forthwith in accordance with Article No. 7, Section 7.
- (d) The Dependent Contractor shall personally and exclusively operate the equipment supplied pursuant to this agreement with the Company, excepting that such equipment shall be operated by an employee of the Company in instances where the equipment requires more than one operator and upon the request of the Dependent Contractor, in instances where the Dependent Contractor is absent because of vacations, illness, accident or on leave of absence for reasons acceptable to the Company.

On written demand from the Union the Company must produce proof of ownership or equipment lease agreement by said Dependent Contractor.

Section 3 - Increases, Decreases in Services

- (a) The Company agrees to provide to the Union a complete list of regular employees and dependent contractors including the type of vehicle and equipment being utilized or operated by them as of the effective date of this Agreement.
- (b) The Company shall not engage the service of a dependent contractor to displace any regular employee.

Section 4 - Company Not Lessor

Under no circumstances shall the Company or a subsidiary or representative of the Company, either directly or indirectly, be a lessor, vendor or seller of equipment to a Dependent Contractor, nor shall the Company directly or indirectly specify a lessor of equipment to a Dependent Contractor as a condition of entering into an agreement with a Dependent Contractor.

Section 6 - No Mandatory Source

Under no circumstances shall the Company, directly or indirectly specify a mandatory source of fuel, tires, maintenance or insurance to be used by a dependent contractor as a condition of entering into a contract with a dependent contractor.

ARTICLE NO. 5

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) He has no other outside employment, except where such employment may be specifically permitted under the provisions of this Agreement.
- (d) It shall not be a cause for discipline or discharge for an employee to seek and/or accept gainful employment while on lay-off, provided the employee complies with sub-section (b) herein.
- (e) He is the holder of valid and subsisting licenses to operate mobile equipment if required by the Company and as required by the statutes and regulations of the Federal and Provincial Governments.
- (9) 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 copy to the Union. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal.

- (g) A regular employee who has been on lay-off five (5) or more consecutive working days may be called into work and paid wages for less than eight (8) hours. Such a reverting employee remains in this category until he has worked any two (2) days in a single pay period following which he would return to full regular status. Except for payment for less than eight (8) hours pay, all other conditions of employment (such as health and welfare, pension, etc.) shall be maintained as if the regular employee was not such a reverting employee.

Section 2 - Casual Employees

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".
- (9) Be guaranteed a minimum of four (4) hours.

Section 3 - Use of Casuals

The Company shall not use casual employees to reduce the normal working hours of regular employees or where the use of casual employees would inhibit the recall of laid off employees, unless the Union specifically agrees otherwise in writing.

ARTICLE NO. 6

Section 1 - Conflicting Agreements

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 truck, tractor and/or tractor and trailer or other vehicular equipment or that any 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 NO. 7 - SENIORITY

Section 1

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. Seniority shall be based upon the continuous service as an employee on the Company's payroll.

Section 2

An employee shall lose all Seniority Rights for any one of the following reasons:

1. Voluntary Resignation
2. Discharge for cause
3. Failure to return to work after a layoff
4. Layoff in excess of twelve (12) months

Section 3

In all areas, seniority shall be branch wide and the branch will include all terminals in a particular city and there may be two (2) separate groups or units for seniority purposes:

Group #1: All employees employed on a full-time basis at House and Contract Accounts.

Group #2: All employees other than those in Unit #1.

When an employee is laid-off for lack of work, he will then have the right to **fill**, if qualified and capable in all respects, provided he has been given the opportunity to demonstrate his capability, any position in the other unit to which his seniority will entitle him, provided however, the Company will be given a reasonable opportunity to a maximum of two (2) working days to re-assign displaced employees.

Line drivers' seniority shall be recognized system wide within the jurisdiction of the Local Union in which he is a member for the purpose of bidding on new jobs and vacancies.

Section 4

All newly hired employees shall be considered as probationary employees for the first ninety (90) calendar days. The Employer shall inform the probationary employee, in writing, as to whether he has been discharged or laid-off and the reasons therefor.

Upon the conclusion of the ninety (90) calendar day period during which a probationary employee has worked, the employee's name shall forthwith be placed on the regular employee's seniority list, effective from the first day of employment of the ninety (90) calendar day period and the employee shall be entitled to all rights and privileges as provided in this Agreement.

Probationary employees will be added to the Union check-off list thirty (30) calendar days following his first day of employment.

For all hires in all areas, there will be no Health and Welfare and Pension payments until the first of the month following completion of ninety (90) calendar days.

Section 5

Seniority shall prevail for the purpose of promotions, shift preferential, new jobs or vacancies providing that the employee is qualified; but there shall be no job bumping privileges. Any new job or vacancy shall be posted for seven (7) days for bids. The Employer shall then post the successful bidder.

Section 6

In all geographic units, Seniority shall be branch-wide. All employees and owner operators shall be carried on one common Seniority List for each Branch.

Section 7

Within each branch and/or division the Company will post and maintain seniority listings. Such up-to-date listings will be posted as of April and October of each year. Copies of current lists will be provided to the Union. Such lists shall state the starting date of employee.

Section 8

Seniority shall prevail in the event of layoffs with the junior employees the first to be laid off. However, no owneroperator may be working or employed in that branch if Company drivers who are regular employees are laid off.

Section 9

Daily Call-in Monday through Sunday will be on a Seniority basis in the Company. Preference for overtime shall be given to senior employees, but the employee shall have the right to decline. Overtime work shall be allocated, wherever possible, on the basis Seniority in a voluntary manner, provided the man is capable of doing the job. However, upon reaching the bottom of the list with respect to Seniority, the junior employee shall be required to work the overtime.

Section 10

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 employees shall be computed from the date that they respectively first become employees of the business aforesaid.

Section 11

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 layoff is a direct result of a labour dispute involving another company, or when the laidoff employee has accrued five (5) years or more seniority in which case seniority will be carried for eighteen (18) months.

Section 12 - Leave of Absence

- (a) When the requirements of the Company's services will permit, any employee hereunder, upon written application (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. Upon six (6) months' prior notification an employee may request every three (3) years and may 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.
- (b) 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.
- (c) 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.
- (d) Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied such request.

ARTICLE NO. 8

Section 1 - Meal Period

The employee shall except by mutual agreement between the Parties hereto take at least one (1) continuous period for meals at not less than thirty (30) minutes or more than one (1) hour in any one day. Wherever reasonably possible, meal periods will be thirty (30) minutes. Further, no employee shall be required to take more than a thirty (30) minute period, except between the hours of 11:30 a.m. and 1:30 p.m. No employee shall be compelled to take more than one (1) continuous hour during such period, nor compelled to take any part of such continuous hour, before he has been on duty three and one-half (3½) hours or after he has been on duty five (5) 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. Such meal period shall be paid at the applicable overtime rate of pay as provided in Article No. 24, Section 2 of this Agreement.

Section 2 - Rest Breaks

Any employee shall be entitled to one (1) break of fifteen (15) 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.

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 NO. 9

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, trip or tour all safety and/or mechanical defects on the equipment which they have operated during that shift, trip or tour. All line-haul trucks and tractors to be equipped with trouble sheets in triplicate book form, and the book with one (1) copy to remain in the vehicle at all times.
- (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) 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.
- (f) Bunks in tractors ordered by the Company after signing date of this Agreement and which are intended for use as sleeper cab equipment will be not less than twenty-eight inches (28") wide.

- (g) Wherever reasonably possible, trucks shall have installed steps or devices to allow reasonable access to the body.
- (h) All linehaul power shall have a compartment for storing tools in a safe location.
- (i) All tractors will be equipped with brake retarders.
- (j) The Company shall inform, direct and supply to the employees proper information and handling devices or equipment for handling dangerous cargo.

ARTICLE NO. 10

Section 1 - Pay Period

All employees shall be paid semi-monthly for all wages earned to a day not more than sixteen (16) days prior to the day of payment. The pay shall include an itemized statement of all deductions, hours, mileage, overtime hours and rates. Cheques shall be available on pay days during banking hours and rates. Cheques shall be available on pay days during banking hours or on the last banking day prior to a weekend or holiday.

Section 2

Casual employees will be paid not less often than once a week with not more than a one day pay holdback and cheques will be mailed to the employee upon request.

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 four (4) working days.

Section 4 - Separation of Employment

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 the next regular pay day.

ARTICLE NO. 11

Section I - Paid for Time

- (a) 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,
- (b) Employees required to travel on public transportation or Company equipment in a deadhead manner shall be paid in accordance with Article No. 24, Section 1 (a) (b) and (c).

Section 2 - Bereavement Leave

In the event of death in an employee's immediate family (parents, sister or brother, spouse or children, parent-in-law, sister-in-law, brother-in-law, grandparents, spouse's grandparents, and grandchildren), the employee shall be entitled to be absent from work three (3) days, with pay, if these are working days.

A working day lost shall not be more than eight (8) hours for hourly employees, or not more than ten (10) hours for line drivers.

This clause will have no application for an employee on Leave of Absence, annual vacation, when receiving benefits under the Health and Welfare Plan, or Workers' Compensation.

Section 3

An employee summoned to Jury Duty or subpoenaed as a witness on a day that he would normally have worked 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. A working day lost shall not be more than the employees regular assigned shift.

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, Workers' Compensation or as otherwise covered by this Agreement.

Section 4

- (a) Any Company or Government required physical or medical examination shall be promptly complied with by all employees.
- (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 speciality 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 7 - Licence Tests

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.

ARTICLE NO. 13 - DISCHARGE OR SUSPENSION and 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:

- (a) To maintain order, discipline and efficiency.
- (b) 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.
- (c) To increase and decrease working forces.
- (d) 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.
- (e) 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 NO. 14

Section 1 - Protection of Rights

It shall not be a violation of this Agreement or cause for discharge of any employee in the performance of his duties to refuse to cross a picket line which has not been declared illegal by a Court or labour relations tribunal.

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

Section 2 - Controversy With Other Unions

If a dispute arises as the result of the employees of a Company handling or transporting any commodities for a company or business that is being legally picketed by a Local Union of the 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 the jobs of the employee of the struck employer. This shall not be applied so as to prohibit the Company from obtaining work performed by a competitor whose employees are on strike.

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 NO. 15 - 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.

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.
- (b) The probable effect on working conditions.
- (c) Any changes in job classifications.

Dislocated Employees - in the event technological or 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 No. 7, Seniority, as contained herein.

Re-training and Upgrading - the Parties jointly and individually will undertake with the assistance of Human Resources Development Canada and through recognized provincial, territorial 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 mechanical changes.

ARTICLE NO. 16

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 NO. 17 - OCCUPATIONAL SAFETY and HEALTH REGULATIONS

All statutory obligations of the Company related to health and safety which affect the terms and conditions of employment of members of the bargaining unit may be enforced through the grievance procedure.

ARTICLE NO. 18

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

Upon completion of the probationary period, an employee may desire to obtain a Company uniform. The cost of the uniforms shall be shared equally by the Employer and the driver. The employee portion may be handled through payroll deduction over ~~two~~ (2) pay periods. Employees who leave the Employer before completing twelve (12) months' service shall have the total cost of the uniform deducted from their final paycheque and the uniform shall become the property of the employee.

Section 3 - Protective Clothing

Any employee who is exposed to a hazard by reason of handling dangerous goods shall be provided with adequate protective clothing and equipment as required by applicable health and safety regulations and the cost shall be borne by the Company.

The protective clothing will be provided to adequately protect the employee as appropriate, and as required by any customer safety programs. Drivers shall be provided with adequate safety gloves, which, after initial issue, will be replaced on an "exchange" basis.

Employee will receive a boot allowance to a maximum of ~~seventy-five~~ seventy-five dollars (\$75.00) towards the purchase of black boots, or a maximum of sixty-five dollars (\$65.00) toward the purchase of any other colour boots. This boot allowance is payable upon providing proof to the Employer of purchase of such boots, to a maximum of one (1) pair per year.

If it is necessary for employees to carry explosion-proof flashlights, the Employer will provide such flashlights with batteries, at no cost to the employee.

ARTICLE NO. 19 - POSTING

Hourly rated employees shall be notified before quitting time the day previous to their not being required for duty, except as otherwise mutually agreed by the Parties hereto.

ARTICLE NO. 20 - 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 NO. 21

Section 1 - Pay For Change in Classification

When an employee from a higher rated classification is required to work temporarily or until permanently re-classified at a lower-rated classification, he shall continue to be paid at the rate paid for the higher-rated classification.

Where an employee from a lower-rated classification is required to work in a higher-rated classification for (a) one hour and 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 3 - Chargehand Defined

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 employees. He shall be a member of the Union and shall have seniority in accordance with Article No. 7 herein.

Section 4

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 NO. 22 - WAGES

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

ARTICLE NO. 23 - HEALTH AND WELFARE PLAN

Section 1

Effective the date of ratification, the Employer shall provide the Prairie Teamster Health and Welfare Plan to all regular employees and dependent contractors who are members of the Union and eligible dependants coming under the jurisdiction of this Agreement.

Section 2

Any member of the Union who is in the employ of the Employer on a regular, full-time basis on the effective date of the Health and Welfare Plan shall join the Plan on the first day of the month immediately following ninety (90) calendar days from the date of employment with the Employer.

Any regular employee or member of the Union who is hired by the Employer after the effective date of the Health & Welfare Plan shall join the Plan on the first day of the month immediately following ninety (90) calendar days from the date of employment with the Employer.

Section 4

It will be the responsibility of the Employer to ensure that all employees are enrolled in the Health and Welfare Plan and for making premium remittances on their behalf. Failure of the Employer to enroll employees, forward completed forms, and/or remit premiums on the due date, that being the fifteenth (15th) day of each month, to the Trustees, will cause the Employer to be liable for any claims arising thereof.

Section 5

It shall be the Union's responsibility to supply all necessary enrollment forms to the Employer.

Section 6

The Employer shall remit the premiums to the Administrator, as designated by the Trustees of the Health and Welfare Plan. It shall be the Trustees' responsibility after receipt of the premiums to distribute same to the applicable insurance underwriters.

Section 7

The Employer agrees to pay on the employee's behalf, eighty percent (80%) of the Prairie Teamster Health and Welfare Plan.

ARTICLE NO. 24

Section 1

- (a) The regular hours of work for all hourly employees shall be:
Weekly maximum - Sixty (60) hours per week.
A week shall commence at Sunday, 12:01 a.m. and end at midnight Saturday.
- (b) All hours worked in excess of the weekly maximum shall be overtime and paid for at the rate of one and one-half (1½) times the regular rate of pay.
- (c) There shall be no pyramiding of overtime rates of pay.
- (d) There shall be no "split shifts" for regular employees. This clause does not apply to highway drivers.
- (e) Whenever possible, regular employees shall be notified before quitting time, if they will not be required to work their next regular work day.

Section 2

When an employee is called and reports for duty on his regular scheduled work day, he shall be guaranteed a minimum of four (4) hours pay.

Section 3 - General Holidays

The Employer agrees to pay employees at regular rates of eight (8) hours per day for the following ten (10) holidays:

New Year's Day	Good Friday	Victoria Day
Canada Day	Labour Day	Thanksgiving Day
Remembrance Day	Christmas Day	Boxing Day
Family Day (Alberta only)		B.C. Day(B.C. only)

Any additional statutory holidays declared by the federal government shall be covered by the provisions of this Article.

Employees entitled to those paid holidays will have been on the payroll for thirty (30) calendar days previous to the Holiday. Employees absent from work by reason of accident or illness not in excess of six (6) months shall receive full pay for General Holidays as designated herein. Employees who are absent because of resignation, are terminated for cause, or are under suspension for just cause on the Holiday shall not be entitled to the Holiday pay. If an employee has been laid off and is returned to work within thirty (30) calendar days after the Holiday, he shall be entitled to the Holiday pay.

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 either the last working day preceding or the first working day following such General Holiday.

Employees who regularly work ten (10) hour days and designated line haul drivers shall be paid (10) hours for such General holiday.

Section 4

For the purposes of this section, highway shall be defined as trips beyond one hundred (100) miles from the point of dispatch.

- a) All hourly wages to highway drivers shall be calculated at their prevailing home terminal rates. This shall include extra duties, chaining up, fuelling and time lost picking up permits.
- b) Mileage rates will be paid for as such, and they are composite mileage rates to compensate for duties performed in normal operations, which includes driving, **pre-** and **post-**trip, checking equipment and reports, hooking up and/or unhooking at the origin and/or destination points.
- c) All time waiting to load and unload, waiting for equipment to be repaired, for closed roads to be cleared and waiting at turnaround points on Single-man operations will be paid as wait time.

Wait-time is clarified as follows: - Wait time is not cumulative. For the purposes of determining wait time pay, each stop shall be considered as a separate wait period. In no event shall wait time exceed ten (10) hours for each stop in any twenty-four (**24**) hour period. When a driver is held more than the initial twenty-four (**24**) hours, he shall receive pay for the first ten hours of every twenty-four (**24**) hour period thereafter.

All time lost due to delays that are not the fault of the driver as a result of overloads or certification violations involving Federal, Territorial, Provincial, City or State regulations shall be paid for at regular, applicable wait time rates in this Agreement. To the best of his ability, it shall be the duty of the employee to ascertain that he is not hauling an overload and to ascertain that he has all the necessary and required licenses, certificates and permits before leaving the Company terminal, provided however that the Company shall arrange for all permits to be made available to its employees. Where the time **lost is** caused by the fault of the driver or breach of the duty set out above, the driver shall not be paid for such wait time.

- d) Wait time and layover shall be calculated at a regular straight work time rate. All work performed on a statutory holiday shall be paid at a rate of one and one-half (1 ½) times the regular rate of pay.
- e) When a highway driver reports for duty, and has begun his trip, he shall be guaranteed a minimum of eight (**8**) hours' work and/or pay at the hourly work time rate for the trip or any portion thereof.
- f) When a highway driver reports in accordance with an established reporting time and no work **is** provided, he will receive a minimum number of hours pay, four (**4**) hours at the work time rate, unless he has been notified at least two (2) hours ahead of the regular reporting time, that no work is available.
- g) When a highway driver reports for work, and road or weather conditions result in any delays in departure for which he is not responsible, such driver shall be paid delay time at the delay time rate for any delays resulting therefrom. If booked off after reporting for work, he shall receive the minimum as provided in Article No. 24 (**9**) above.

Section 5 - Single Man Operations

For definition purposes, the word "trip" will be used when referring to a Single Man operation. A Single Man trip is considered from point of dispatch to point of rest, layover or book off.

Section 6 - Sleeper Cab Operations

- (a) For definition purposes, the word "tour" will be used when referring to Sleeper cab operation.

Sleeper cab operation shall be performed by **two** drivers. The Employer shall designate the home terminal of each driver team, and designate the routes to be travelled on each tour from home terminal to destination and return to their home terminal and each driver shall be paid for one half (½) the mileage the vehicle travelled in making the tour. Only two (2) men shall be permitted in Sleeper cab equipment at any time except in cases of emergency or where new type equipment is put into operation. In no event shall a driver supervisor or other authorized personnel be in the cab in addition to the **two** (2) drivers, for more than three hundred (300) miles.

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

Sleeper-cab drivers shall be entitled to have a minimum of four (4) hours off duty at their home terminal unless otherwise mutually agreed upon by the Employer and the drivers.

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

ARTICLE NO. 25 - VACATIONS

Section 1

All employees shall receive:

- (a) Two (2) weeks vacation with pay after the completion of one (1) year of continuous service with the Company. Payment for such vacation shall be in the amount equal to four (4%) percent of the wages paid that employee during the year in which he qualifies for such vacation.
- (b) Three (3) weeks vacation with pay after the completion of five (5) years of continuous service with the Company. Payment for such vacation shall be in the amount equal to six (6%) percent of the wages paid that employee during the year in which he qualifies for such vacation.
- (c) Four (4) weeks vacation with pay after the completion of ten (10) years of continuous service with the Company. Payment for such vacation shall be in the amount equal to eight (8%) percent of the wages paid that employee during the year in which he qualifies for such vacation.
- (d) Five (5) weeks vacation with pay after the completion of eighteen (18) years of continuous service with the Company. Payment for such vacation shall be in the amount equal to four (10%) percent of the wages paid that employee during the year in which he qualifies for such vacation.

Section 2

Preference of vacation time shall be given to senior employees. Senior employees may only exercise their seniority for selection once in each vacation year.

Vacation lists shall be posted on January 2nd of each year and employees shall designate their choice of vacation time before February 28. If an employee fails to designate his choice of vacation on such listing while posted, vacation time shall be granted at the Employer's discretion. The Employer shall post the final vacation schedule by April 1st and it shall remain posted for the balance of the year.

Employees shall not be entitled to more than two (2) weeks of their vacation time during the months of July and August.

The Employer may indicate on the initial vacation list the number employees allowed off at any one time. Such listing may indicate periods of blackout where no vacations are allowed.

An employee laid off or leaving the Employer before completion of a full year of service shall be entitled to a pro-rated vacation with pay computed on the same percentage of wages paid that employee during the portion of the year worked.

An employee who accepts gainful employment while on vacation may be terminated,

ARTICLE NO. 26 - LINEHAUL OPERATIONS

Section 2 - Reporting Notice

- (a) Employees shall be given at least three (3) hours notice when ordered to report for duty at both the home terminal and at the end of the run or where they have been effectively released from duty by the Company.
- (b) Hours of Dispatch
 1. Where a driver is required to report for duty between 1900 hours and 700 hours, he shall be notified by the Company voice mail prior to 1900 hours unless the Company has directly contacted the driver at an earlier time in some other manner.
 2. Where a driver is required to report for duty prior to 2400 hours on Sunday, he shall be notified by the Company voice mail prior to 1200 hours on Saturday, unless the Company has directly contacted the driver at an earlier time in some other manner.
- (c) Mileage Guide - The Rand-McNally Trip Maker shall be used to determine miles driven. The Company may adopt other accurate software for such purposes upon prior notification to the Union. It is agreed that where an error is established in any such software actual miles shall govern.

Section 3 - Work time

Work time shall include but not be limited to loading, unloading, repairs of equipment, chaining and unchaining (of tires), time spent on ferries or boats (except as otherwise provided in Article 26 herein, and when drivers are required to stay with the equipment). When the driver performs the function of fuelling, hooking up, unhooking, switching on complete interchange of equipment will be included as work time.

Section 4 - Travel Time

- (a) All hours travelling on public transportation from the point deadhead commenced to the destination point designated by the Company shall be paid for at his regular straight time hourly rate plus the subsistence allowance if applicable and the cost of such transportation.
- (b) Deadhead - Each employee who is covered by this Agreement, and who is required by the Company to ride Company equipment in deadhead manner will be paid the regular straight time hourly rate for all hours spent in riding such equipment This provision applies only where the Employee is neither driving nor part of a sleeper team.

Section 6

- (a) In the event that drivers are required to lay over during any one round trip or tour away from their home terminals, they shall be compensated for layover time as follows:

It being understood that layover time shall not be cumulative, but shall mean only one layover on such round trip or tour.

For the first twelve (12) hours of each layover - No Pay.

For the next ten (10) hours, layover rates as stipulated in this Agreement. For the next twelve (12) hours - No Pay.

For the next ten (10) hours, rates as stipulated in this Agreement and continuing on the same basis for each twenty-two (22) hour period of continuing layover.

- (b) The layover point is to be designated on a man's original orders prior to his dispatch from point of origin of trip or tour, save and except in the case of accident or breakdown whereby the layover point may be extended to a point beyond the original designated layover point.
- (c) When drivers arrive at the layover point and are placed on layover, they will be advised on arrival, or else put on wait time, save and except where the drivers have been previously instructed on their drivers' orders.

Section 7 - Subsistence Allowance

- (a) Sleeper-cab-- sixteen dollars (\$16.00) per day, per each employee. Where sleeping accommodations are necessary, drivers will be compensated for the reasonable cost thereof.

- (b) Single-man – During trips away from driver's home terminal, subsistence will be paid as follows for the first twenty-four **(24)** hours:

at the completion of twelve **(12)** hours - **\$4.50**;
at the completion of thirteen (13) hours – an additional **\$4.50**
at the completion of fifteen (15) hours – an additional **\$4.50**
at the completion of seventeen (17) hours – an additional **\$4.50**
to a maximum of eighteen dollars (\$18.00) in the first twenty-four **(24)** hours, and seventy-five cents (.75) per hour for each hour thereafter.

Section 8 - Bobtail

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

Section 9 - Definition Mileage Rates

Mileage rates, as specified in Appendix "A" are composite rates and shall be paid to compensate for the following duties performed:

Driving, checking equipment en route and making Company required reports.

Section 12 - Single Man Operation

1. For definition purposes the word "trip" will be used when referring to single man operations. A single man trip is considered from point of dispatch to point of rest, layover or book-off.
2. The regular hours of work for employees engaged in a single man operation shall be sixty (60) hours per week, it being understood that there will be no pyramiding of overtime. The Company shall pay for all time driving and working in excess of the regular hours at the overtime rates as specified hereafter, and shall continue at the overtime rates until a minimum rest period of four **(4)** hours is provided. This rate does not apply to the layover and wait time but is calculated on the miles driven and half the work time rate per hour.
3. No single man driver shall be called for dispatch until he has been off duty eight (8) hours excluding call time after completing a trip at the home terminal. No single man driver who has been put to rest or layover, shall be called for dispatch or duty until he has been off duty for four **(4)** hours at a point away from the home terminal. However, at points away from the home terminal the driver shall be entitled to, if he so requires, up to eight (8) hours of uninterrupted rest. Drivers held and/or waiting at a point, other than the home terminal in excess of the maximum rest period, will be paid wait time for hours in excess of the full rest period.

ARTICLE NO. 28 - VALIDITY OF ARTICLES

If any Article(s) of this Agreement or of any supplement 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 should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement or of any supplement thereto, or the application of such Article 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.

ARTICLE NO. 29

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 NO. 30 - GRIEVANCE PROCEDURE

Section ■ - All questions, disputes and controversies arising under this agreement or any supplement hereto, shall be adjusted and settled within the terms and conditions as set forth in this Agreement, in the manner provided by this Article, unless otherwise expressly provided in this Agreement.

The procedure for such adjustment and settlement shall be as follows:

STEP 1 - Any grievance of any employee shall first be taken up between such employee and the Employer supervisor. However, such employee will be entitled to be accompanied by a shop steward or union representative.

Time limit to institute a grievance:

Termination or layoff - Ten (10) days
All others -Thirty (30) days

The time limits set out in Step One are mandatory and shall be determined from the time the employee or Union could reasonably have knowledge of the alleged violation of the Agreement.

STEP 2 - Failing settlement under Step 1, such grievance shall be taken up between the Employer supervisor and a Shop Steward or Local Union Representative. Step 2 must be completed within ten (10) calendar days from the completion of Step 1.

STEP 3 - Failing settlement under Step 2, the grievance shall be taken up in a presentation to a Grievance Board, hereinafter referred to as the "Board" consisting of ~~two~~ (2) Union representatives, selected by the Union and ~~two~~ (2) Employer representatives appointed in writing by an officer of the Company. All members of this Board shall have been duly appointed and so authorized that any settlement arrived at by this Board on a specific grievance shall be final and binding.

Except by written mutual agreement between the Union and the Employer providing for an extension of time, Step 3 must be completed within ten (10) calendar days from the completion of Step 2.

In all such grievance procedures, the Union representative shall act in the capacity of Chair of the meetings and the employer representative shall act in the capacity of Recording Secretary. All copies of ~~all~~ minutes shall be signed and dated by both the Union and the Employer.

STEP 4 - Failing settlement under the above steps, the matter will be referred to an **agreed-upon** neutral person to act as an Arbitrator, who will meet with the Parties to hear both sides of the case. Failing to agree upon a neutral person, the Department of Labour will be requested to appoint a neutral Arbitrator.

The Arbitrator shall be required to hand down his decision within fourteen (14) calendar days following completion of the hearing, and his decision shall be final and binding on the two (2) Parties to the dispute.

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

ARTICLE NO. 31 - TERM OF AGREEMENT

This Agreement shall be for a term period from and including January 1, 1999 to and including February 28, 2003. Either Party to this Agreement may, within four months immediately preceding February 23, 2003 give to the other Party written notice to commence collective bargaining.

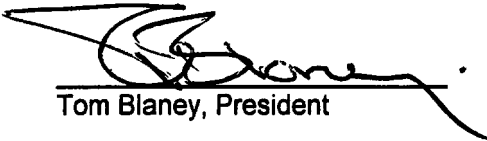
After expiry of the term of this Collective Agreement, and subject to the limitations necessarily resulting from the exercise of the rights of the Parties under the Canada Labour Code, including the right to strike or lockout, the terms and conditions of employment as set out in this Agreement, will 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.

DATED THIS _____ DAY OF _____, 2001.

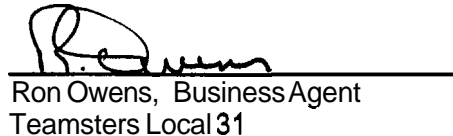
IN WITNESS WHEREOF the Parties hereto have set their hands and seals the day and year first above written.

ON BEHALF OF THE COMPANY:
Northwest Tank Lines Inc
Northwest Tank Lines (Western) Inc

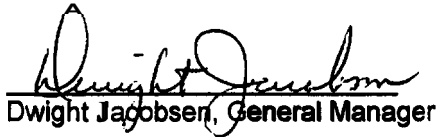
ON BEHALF OF THE UNION:
Western Canada Council of Teamsters



Tom Blaney, President



Ron Owens, Business Agent
Teamsters Local 31



Dwight Jacobsen, General Manager



Eugene Wirch, Business Agent
Teamsters Local 213



Al Porter, Business Agent
Teamsters Local 362

APPENDIX "F"

Rates of pay for Alberta and East Company drivers

Hourly Rate	<u>March 31 2001</u>	<u>March 1 2002</u>	<u>September 1 2002</u>
Five Axle	\$12.10	12.46	12.61
Six Axle	12.36	12.73	12.88
Seven Axle	13.54	13.95	14.09
Eight Axle	13.80	14.21	14.36

Mileage

Five Axle	.293	.302
Six Axle	.303	.312
Seven axle	.318	.328
Eight axle	.328	.338

1. Drivers in training will be paid six (\$6.00) per hour
2. Drivers assigned to train new drivers will be paid their regular rate of pay plus twenty-five (\$25.00) dollars per day.
3. Drivers will be paid mileage rates of pay when trips are beyond one hundred (100) miles from the point of dispatch.
4. New drivers may be paid one dollar and fifty cents (\$1.50) per hour or four cents (\$.04) per mile less than the applicable rate for the first six months of employment.
5. When designated a charge hand, the rate will be an additional thirty cents (\$.30).
6. Trip rate may be established from time to time by agreement of the union and the Company, such rates to be inclusive of all work and wait time.
7. Subsistence allowance will be paid at a rate of sixteen dollars (\$16.00) per day or sixty-seven cents (\$.67) per hour that a driver is away from the home terminal after the initial 24 hour period. When required, drivers will be reimbursed for lodging expenses.

APPENDIX "F-1"

Rates of pay for Alberta and East Dependent Contractors

Mileage Rates

	<u>March 31</u> <u>2001</u>	<u>March 2</u> <u>2002</u>
Five axle	\$ 1.10	\$ 1.11
Six axle	\$ 1.15	\$ 1.16
Seven Axle	\$ 1.24	\$ 1.25
Eight axle	\$ 1.30	\$ 1.31

- (a) Dependent contractors will be paid an additional eight cents (\$.08) cents for assignments North of Fort St John.
- (b) Wait time will be paid on a per hour basis when collected from the customer.
- (c) Dependent contractors will be paid an additional one percent (1%) where equipment is painted to the Company's specified colours.
- (d) Dependent contractors will be paid one percent (1%) less until equipment is painted to the Company's specified colours, on all earnings after 120 days off employment.
- (e) Mileage rates include "Combined time allowed" for loading and unloading NGL.

Five axle	2.5 hours
Six axle	2.5 hours
Seven axle	4.0 hours
Eight axle	4.0 hours

Trip rates may be established on a per trip basis by agreement a the union and the Company, such rates to be inclusive of all work and wait time.

- (9) Dependent Contractors will be paid the following hourly rates when applicable:

Standby and wait time	\$32.50
Local Hauling	\$40.00

The Company shall add a 3% surcharge to all purchases supplied by the carrier. All such charges shall be deducted from the Dependent Contractor's monthly earnings on the 25th day of the month following the charge.

Fuel Surcharge

Effective upon the date of ratification, the Employer shall implement a fuel escalator. Rates of compensation shall be increased or decreased by **.6% (.006)** for each **\$0.01** per litre increase or decrease in the price of the Dependent Contractor's fuel base price. The escalator shall apply to a full **\$0.01** per litre increase or decrease.

The base price shall be forty one point seven cents (**41.7¢**) per litre for Alberta and the Yukon. The base price in British Columbia shall be forty five cents (**45¢**). Low sulphur diesel fuel cost shall be calculated using the average Edmonton **Esso** and **Petro-Canada** rack price as published in the **Oil Buyer's Guide**.

Example

Petro Canada = **38.95** cents per litre,
Imperial Oil = **36.51** cents per litre, both prices excluding taxes
Alberta taxes = **13** cents per litre
Rack Price **38.95+36.51 = 75.46**,
75.46/2= 37.73 Average Price,
37.73 + 13 = 50.73 Taxes included.
50.73 (Price) - 41.7 (Benchmark) = 9.03 cents per litre in excess of benchmark.
9 cents x .006 = 5.4%. The increase to the dependent contractor's revenue is **5.4%**.)

APPENDIX "G"

DEPENDENT CONTRACTOR'S AGREEMENT

This agreement, made in duplicate, this _____ day of _____, 200_.

BETWEEN:

NORTHWESTTANK LINES INC /
NORTHWESTTANK LINES (WESTERN) INC.
(hereinafter referred to as "the Carrier")

AND:

Driver's Name _____

Company's Name _____

Address _____

(hereinafter referred to as the "Dependent Contractor")

WHEREAS the Dependent Contractor is the Registered Owner of certain motor vehicle equipment described as follows:

TRACTOR UNIT

YEAR: _____

MAKE: _____

MODEL: _____

SERIAL #: _____

TARE WEIGHT: _____
(hereinafter referred to as the "Equipment")

In consideration of the mutual promises herein contained, the parties agree with each other as follows:

1.01 EQUIPMENT

1.1 The operation, maintenance and upkeep of the Equipment shall meet or exceed the Carrier's requirements. Records of all maintenance performed on the Equipment will be submitted to the Carrier on a monthly basis after completion of said maintenance. The Carrier has the right to inspect the Equipment at any time and require repairs to be performed at the cost of the Dependent Contractor.

- 1.2 The equipment must continually meet minimum safety standards as required by law in jurisdictions of travel. The annual CVIP must be performed by the Dependent Contractor at a registered shop, at the Dependent Contractor's cost.
- 1.3 All expenses for the operation of the vehicle including and not limited to tires, parts, and fuel will be the responsibility of the Dependent Contractor. All fuel for subject Equipment may be purchased through the Carrier's fuel accounts. Fuel cards will be issued to the Dependent Contractor in the Carrier's name. The Dependent Contractor will submit all original fuel receipts with daily paperwork and record all fuel purchases on time sheets. The Fuel cards are for the express use of the equipment mentioned herein and shall not be used for any other.
- 1.4 The Equipment shall be painted in the Carrier's approved paint scheme at the cost of the Dependent Contractor, the Equipment must be painted within one hundred and twenty (120) days of the date of this agreement.
- 1.5 The Carrier will supply and install at the cost of the Carrier all company identification. Upon termination of this agreement the Dependent Contractor is responsible to remove all carrier identification at the cost of the Dependent Contractor.
- 1.6 The Equipment must be equipped with a tachograph or similar recording device at the cost of the Dependent Contractor. The Dependent Contractor must submit tachograph cards or a similar record to the carrier following each trip. In the event that the Dependent Contractor has complied with this provision, he shall not be required to replace the recording device until such time as the existing recording device becomes unserviceable.
- 1.7 Accessorial equipment such as power take offs, drive lines, product pumps, positive air shut downs, if required, are the responsibility of the Dependent Contractor.

2.0 DRIVERS

- 2.1 The primary driver of the Equipment shall be the Dependent Contractor unless otherwise authorized by the Carrier in advance. (If the Dependent Contractor is incorporated the primary driver must be authorized by the Dependent Contractor and authorized by the Carrier).
- 2.2 Secondary Drivers must be approved by the Carrier and will be the responsibility of the Dependent Contractor for, but not limited to, the following, Wages, Workers Compensation Board Premiums, Federal Income Tax Deductions, Canada Pension Plan Premiums and Employment Insurance Premiums and obligations under the agreement.
- 2.3 The [Dependent Contractor will maintain a valid and current Workers' Compensation Board account in all jurisdictions travelled and will provide proof of good standing wherever and whenever required by the Carrier. Failure to maintain such account in good standing will be considered to be breach of this agreement and will result in withholding by the Carrier of any amounts outstanding plus a fifty dollar (\$50.00) administration charge.
- 2.4 All drivers operating the Equipment must meet or exceed the Carrier's hiring standards and be approved by the Carrier. Drivers are subject to all rules and regulations as required by the Carrier and government regulation including but not limited to Transportation of Dangerous Goods, National Safety Code regulations and Workplace Hazardous Material Information Systems. The Carrier will ensure compliance with these standards, and may take whatever action it deems necessary.

2.5 The Dependent Contractor and secondary drivers are required to read the Carrier's "Driver's Manual" and abide by its contents.

2.6 It is the responsibility of the Dependent Contractor to lubricate all trailers under his/her control. Grease will be supplied at the Company's expense.

2.7 Safety Equipment will be supplied to the Dependent Contractor at the Company's expense.

3.0 LICENSE, TAX AND INSURANCE

3.1 The Carrier will provide all vehicle license, operating authorities, and insurance as required, The Dependent Contractor shall be responsible for the costs of licences and insurance for his Equipment only. The cost for licences shall be amortized over a six (6) month period.

3.2 Any license costs paid by the Carrier for his Equipment will be amortized on a monthly basis over six months and charged back to the Dependent Contractor.

3.3 The Carrier shall calculate and file all sales tax and fuel tax reports and bill applicable amounts to the Dependent Contractor.

3.4 All licensing, operating authorities, fuel cards and insurance documents remain the property of the Carrier. All said documentation must be returned to the Carrier within 24 hours of the termination of this agreement.

3.5 The Dependent Contractor is responsible to report to the Carrier all accidents or product losses or mixes, and other occurrences, which may give rise to prosecution under any statute, bylaw or legislation, whether preventable or non preventable, involving loss or damage to any vehicle, trailer, cargo or property, or injury to any person incurred by the Dependent Contractor or the Dependent Contractor's employees while performing its obligations under this agreement.

4.0 COMPENSATION

4.1 Current pay rates are set out in Schedule 1 to this Dependent Contractor's Agreement.

4.2 The Dependent Contractor will provide the Carrier with a deposit against which the Carrier may charge any loss or expense which is properly payable by the Dependent Contractor under the terms of this agreement. The deposit shall not exceed three thousand dollars (\$3,000.00), or such deposit which may have been provided by the Dependent Contractor and accepted by the Carrier prior to April 1, 1999. The Carrier will deduct six hundred dollars (\$600.00) per month from the Dependent Contractor's earnings until such time that the deposit is paid in full. The Carrier agrees to apply interest to the deposit on account at the rate of six percent (6%) per annum.

4.3 The Carrier shall compensate the Dependent Contractor on the 25th day of the month for hauling performed by the Dependent Contractor up to and including the last day of the previous month provided however, that the Dependent Contractor has submitted all required documents by the 3rd day of the current month. Any documents received after said date will be entered on the following month's statement.

4.4 The Carrier shall extend an advance on the 10th day of the month based on twenty-five percent (25%) of previous months earnings up to a maximum of two thousand dollars (\$2,000.00).

- 4.5 The Carrier will add a three percent (3%) administration surcharge to all Dependent Contractor expenses paid or incurred the Carrier. All such charges will be deducted from Dependent Contractor's monthly earnings on the 25th day of the month following the charge.
- 4.6 The Carrier shall reimburse the Dependent Contractor for all highway tolls, and ferry charges, unless other arrangements are made. A receipt must be supplied to claim reimbursement.

5.0 GENERAL

- 5.1 The Dependent Contractor is financially responsible for all fines and penalties arising out of the use of the Equipment including but not limited to parking tickets, log violations, overweight tickets, and moving violations that are a result of the Dependent Contractor's negligence. The Dependent Contractor must supply the Carrier with copies of all fines and penalties within seven (7) days of the issuance of said fines.

6.0 TERMINATION

- 6.1 This lease agreement may be terminated by either party without just cause upon thirty (30) days notice in writing.
- 6.2 In the event that either party commits a substantial breach of this agreement the other party shall have the right to immediately terminate this agreement without notice.
- 6.3 In the event of termination of the agreement the Dependent Contractor agrees to return all equipment, documentation, fuel cards to the Carrier and to remove all Carrier identification from the Dependent Contractor's Equipment within twenty-four (24) hours.
- 6.4 The Carrier shall have ninety (90) days from the termination of this agreement to make final settlement with the Dependent Contractor in respect of all monies due or owing to the Dependent Contractor. This settlement will not be released until all the Carrier's property and supplies are returned and the Carrier's name, logo and unit numbers are removed by the Dependent Contractor at the Dependent Contractor's expense.

In witness whereof the parties have hereto executed the agreement as of the date indicated on the first page.

CARRIER:

DEPENDENT CONTRACTOR:

Per: _____

Per: _____

Witness: _____

Witness: _____

Date: _____

Date: _____

APPENDIX "H"

TEAMSTERS UNION/INDUSTRY ADVANCEMENT FUND

The Teamsters Union/Industry Advancement Fund shall be for the enhancement of all persons dependent upon any industry represented by Teamsters..

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 appropriate Teamsters Local 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 Union. The advancement fund contributions will be capped at \$8.40 per member per month.

LETTER OF UNDERSTANDING

BETWEEN: **INTERNATIONAL CHEMICAL EXPRESS INC. and
NORTHWESTTANK LINES INC/
NORTHWESTTANK LINES (WESTERN) INC.**

AND: **WESTERN CANADA COUNCIL OF TEAMSTERS**

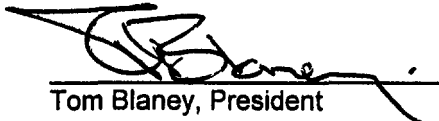
The parties agree that the provisions of this part of the collective agreement (The "Alberta Schedule") shall apply to all Alberta-based drivers and to any drivers hauling Propane or N.G.L. destined from or to Alberta or British Columbia, into the areas of the B.C. Caribou, the B.C. Central Interior, the Kootenays, Prince George and west, Taylor and Dawson Creek regions.

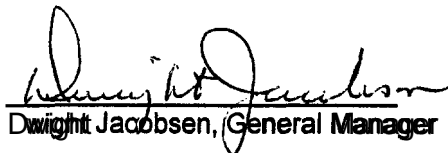
It is agreed that the Alberta Schedule shall have no application to Vancouver Island or north of Fort Nelson.

It is further agreed that current members of the bargaining unit who would otherwise be subject to the Alberta Schedule shall not suffer any reduction in their rates of compensation for trips that originate in British Columbia.

SIGNED THIS _____ DAY OF _____, 2001.

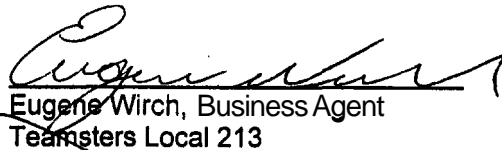
ON BEHALF OF THE COMPANY:
Northwest Tank Lines Inc
Northwest Tank Lines (Western) Inc


Tom Blaney, President


Dwight Jacobsen, General Manager

ON BEHALF OF THE UNION:
Western Canada Council of Teamsters


Ron Owens, Business Agent
Teamsters Local 31


Eugene Wirch, Business Agent
Teamsters Local 213


Al Porter, Business Agent
Teamsters Local 362

LETTER OF UNDERSTANDING #2

**BETWEEN: INTERNATIONAL CHEMICAL EXPRESS INC. and
NORTHWEST TANK LINES INC**

AND: WESTERN CANADA COUNCIL OF TEAMSTERS

The parties agree that Dependent Contractors hired prior to ratification are not subject to the provisions of the collective agreement which require either that they operate their own equipment or that they own no more than one piece of equipment supplied to the Company.

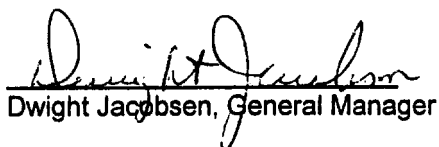
It is agreed that dependent contractors hired after the date of ratification shall not be permitted to own more than one piece of equipment supplied to the Company, and that they shall be required to operate such equipment. It is further agreed that they shall be entitled to employ an additional driver, as provided herein.

This letter applies only to drivers who are subject to the Alberta Schedule of the collective agreement.

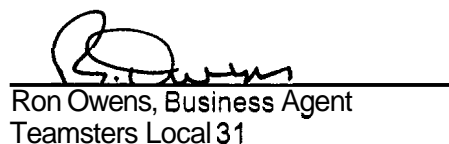
SIGNED THIS _____ DAY OF _____, 2001.

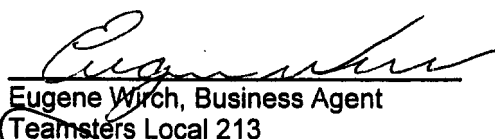
ON BEHALF OF THE COMPANY:
Northwest Tank Lines Inc
Northwest Tank Lines (Western) Inc


Tom Blaney, President


Dwight Jacobsen, General Manager

ON BEHALF OF THE UNION:
Western Canada Council of Teamsters


Ron Owens, Business Agent
Teamsters Local 31


Eugene Wirch, Business Agent
Teamsters Local 213


Al Porter, Business Agent
Teamsters Local 362

LETTER OF UNDERSTANDING#3

**BETWEEN: INTERNATIONAL CHEMICAL EXPRESS INC. and
NORTHWEST TANK LINES INC/
NORTHWESTTANK LINES (WESTERN) INC.**

AND: WESTERN CANADA COUNCIL OF TEAMSTERS

Employees of dependent contractors shall be paid wages which shall be negotiated individually between such Dependent Contractor and his employee. This agreement shall be in writing and shall include rates of pay and all other terms and conditions of employment negotiated between the Dependent Contractor and his employee. The Dependent Contractor shall file a copy of the agreement with his employee with both the Union and the Company.

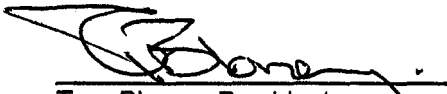
In the event of any alleged violation of the agreement between the Dependent Contractor and his employee, the employee shall notify the Company in writing within thirty (30) days of the alleged violation. The Company and the Union shall take action to resolve the dispute. The Company shall be liable to pay any amounts owing to the employee and shall be entitled to seek full reimbursement from the Dependent Contractor.

An employee of a Dependent Contractor who works in excess of one hundred (100) hours per month for three (3) consecutive months shall be entitled to participate in the Health and Welfare Plan at the expense of the Dependent Contractor.

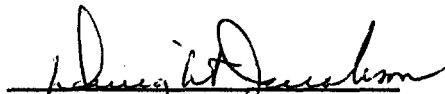
This letter applies only to drivers who are subject to the Alberta Schedule of the collective agreement.

SIGNED THIS _____ DAY OF _____, 2001.

ON BEHALF OF THE COMPANY:
Northwest Tank Lines Inc
Northwest Tank Lines (Western) Inc



Tom Blaney, President

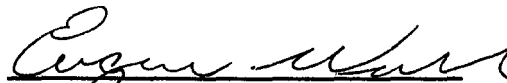


Dwight Jacobsen, General Manager

ON BEHALF OF THE UNION:
Western Canada Council of Teamsters



Ron Owens, Business Agent
Teamsters Local 31



Eugene Wirch, Business Agent
Teamsters Local 213



Al Porter, Business Agent
Teamsters Local 362