

COLLECTIVE AGREEMENT

BETWEEN:

VEDDER TRANSPORT LTD.

AND:

**TRANSPORT, CONSTRUCTION,
AND GENERAL EMPLOYEES'
ASSOCIATION, LOCAL NO. 66
Affiliated with the
CHRISTIAN LABOUR ASSOCIATION
OF CANADA**

May 1, 2004 - April 30, 2008

12883 (02)

INDEX

<u>Topic</u>	<u>Article</u>
Accidents.....	15
Arbitration.....	20
Check Off.....	6
Court Duty.....	12
Discharge, Suspension, and Warning.....	21
Duration.....	22
Employment Policy and Union Membership.....	5
Guaranteed Hours.....	7.05
Grievance Procedure.....	19
Holidays.....	10
Hours of Work, Overtime, and Sunday Labour.....	8
Insurance.....	13
Job Postings.....	11.08
Layovers.....	8.07
Lease Operator Agreement.....	Schedule “B”
Leaves of Absence.....	14
New Classifications.....	7.03
Probationary Period.....	5.04 & 5.05
Purpose.....	1
Recognition.....	2
Reporting pay.....	7.04
Safety Bonus.....	Schedule “A” – General
Safety Conditions, & Equipment Repairs.....	16
Seniority, Layoff, and Promotion.....	11
Sick Days.....	13.04
Strikes or Lockouts.....	4
Team Drivers.....	7.02
Two-Way Radio Communication.....	17
Union-Management Committee.....	18
Union Representation.....	3
Vacations.....	3
Wages & Rates of Pay.....	Schedule “A” and 7

COLLECTIVE AGREEMENT

Between

VEDDER TRANSPORT LTD.
(hereinafter referred to as "the Employer")

And

**TRANSPORT, CONSTRUCTION AND
GENERAL EMPLOYEES ASSOCIATION,
LOCAL NO. 66**
affiliated with the
Christian Labour Association of Canada
(hereinafter referred to as "the Union")

May 1, 2004 – April 30, 2008

ARTICLE 1 - PURPOSE

- 1.01 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) to establish an equitable system for the promotion, transfer, layoff, and recall of employees;
 - d) to establish a just and prompt procedure for the disposition of grievances;

e) 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 employees which will be conducive to their mutual well being.

1.02 The omission of specific mention in this Agreement of existing rights and privileges established or recognized by the Employer shall not be construed to deprive employees of such rights and privileges without prior consultation with the Union.

ARTICLE 2 - RECOGNITION

2.01 The Employer recognizes the Union as the sole bargaining agent of all employees in the bargaining unit as defined in Article 2.02.

2.02 This Agreement covers all employees of the Employer in the bargaining unit as established in the Certificate issued by the British Columbia Labour Relations Board and/or the Canada Labour Relations Board, that is, all employees in British Columbia except office and sales staff.

2.03 Except in cases of emergency, or for operational requirements which could not be foreseen or anticipated by the Employer, or for training and instructional purposes, non-working foremen, supervisors, and other non-bargaining unit (employees) personnel shall not normally perform work included in work or job classifications under this Agreement and normally performed by members of the bargaining unit.

2.04 There shall be no revision, amendment, or alteration of the bargaining unit as defined herein, or of any of the terms and provisions of this Agreement, or subcontracting of any work normally done by any employee in the bargaining unit, except in cases of emergency or for operational requirements which could not be foreseen or anticipated by the Employer, or by mutual

agreement in writing of the parties. Without limiting the generality of the foregoing, no classification of work or jobs may be removed from the bargaining unit except by mutual agreement in writing of the parties.

- 2.05 The Employer agrees that the Christian Labour Association of Canada and its duly appointed representatives are authorized to act on behalf of the Union for the purpose of supervising, administering and negotiating the terms and conditions of this Agreement and all matters related thereto.
- 2.06 The Union acknowledges that it is the function of the Employer:
- a) to manage the enterprise, including the scheduling of work and the control of materials and equipment;
 - b) to maintain order, discipline, and efficiency;
 - c) to hire, direct, transfer, promote, layoff, suspend, and discharge, provided that such actions are consistent with the purpose and terms of this Agreement and provided that a claim by any employee that he has been disciplined or discharged without just cause will be subject to the Grievance Procedure in Article 19.

ARTICLE 3 - UNION REPRESENTATION

- 3.01 For the purpose of representation with the Employer, the Union shall function and be recognized as follows:
- a) The Union has the right to appoint Stewards. The Stewards are representatives of the employees in certain matters pertaining to this Agreement, including the processing of grievances.

- b) CLAC Representatives are representatives of the employees, in all matters pertaining to this Agreement, particularly for the purpose of processing grievances, negotiating amendments to or renewals of this Agreement and enforcing the employees' collective bargaining rights and any other rights under this Agreement and under the law.
- c) The Union agrees to notify the Employer in writing of the names of its officials and the effective dates of their appointments.

- 3.02 Stewards and other Union Officers in the employ of the Employer will not absent themselves from their work to deal with grievances without first obtaining the permission of the Employer. Permission will not be withheld unreasonably and the Employer will pay such Stewards and Union Officers at their regular hourly rate while attending to such matters.
- 3.03 The Union has the right to appoint members to a Negotiating Committee. Two (2) employees on the Committee shall be paid by the Employer at the regular hourly rate for all time spent on negotiating a Collective Agreement with the Employer whenever this takes place during the regular working hours of the employees concerned.
- 3.04 The Employer may meet periodically with his employees for the purpose of discussing any matters of mutual interest or concern to the Employer, the Union and the employees. A CLAC Representative may attend such meetings.
- 3.05 There shall be no Union activity on Employer's time or premises, except as provided for in Article 3.03, unless otherwise authorized by management.

ARTICLE 4 - STRIKES OR LOCKOUTS

- 4.01 During the term of this Agreement, or while negotiations for a further Agreement are being held, the Union will not, in accordance with Section 89 of the *Canada Labour Code*, permit or encourage any strike, slowdown, or any stoppage of work or otherwise restrict or interfere with the Employer's operation through its members.
- 4.02 During the term of this Agreement, or while negotiations for a further Agreement are being held, the Employer will not, in accordance with Section 89 of the *Canada Labour Code*, engage in any lockout of its employees or deliberately restrict or reduce the hours of work or deliberately send men home when this is not warranted by the workload.

ARTICLE 5 - EMPLOYMENT POLICY AND UNION MEMBERSHIP

- 5.01 The Union and the Employer will cooperate in maintaining a desirable and competent labour force. The Employer will give preference to Union members for employment, provided such applicants are qualified to meet the requirements of the job. Despite the foregoing, the hiring decision shall be solely the Employer's.
- 5.02 The Employer may hire new dependant contractors or owner/operators who shall be members of the bargaining unit. Employee driven trips will not be infringed upon by the new dependant contractors or owner/operator trips. It is further agreed that new dependent contractors, owner/operators and part-time employees shall not deprive regular employees of their normal working hours nor unfavourably influence the workload of regular employees. Newly hired dependant contractors shall be shown on a separate seniority list.

- 5.03 The Employer has the right to hire new employees as needed, provided that no new employee will be hired while there are available employees on layoff qualified to do the work. Laid-off employees shall remain eligible for recall for a maximum period of six (6) months.
- 5.04 New employees will be hired on a ninety- (90) day worked probationary period, and thereafter shall attain regular employment status, provided such service is satisfactory to the Employer. Their respective seniority shall be dated back to the date of the beginning of employment, as per Article 11.01. The probationary period is included in the six (6) months at ninety percent (90%) of the senior rate as described in Schedule "A" General 6(a).
- 5.05 Probationary employees are covered by the Agreement, except those provisions which specifically exclude such employees.
- 5.06 Neither the Employer nor the Union will compel employees to join the Union. The Employer will not discriminate against any employee because of Union membership or lack of it, and will inform all new employees of the contractual relationship between the Employer and the Union. Before commencing work, any new employee will be referred to a Steward or a CLAC Representative by the Employer in order to give such Steward or CLAC Representative an opportunity to describe the Union's purpose and representation policies.

ARTICLE 6 – CHECK OFF

- 6.01 The Union agrees that it will make membership in the Union available to all employees covered by this Agreement on the same terms and conditions as are applicable to other members of the Union.

- 6.02 The Employer is hereby authorized to deduct, each month, an amount equal to Union dues from the employee's pay.
- 6.03 The Employer agrees to check off from each employee the amount equal to the Union dues, once monthly. The total amount checked off will be turned over to the Union Treasurer each month, within a week after the check off is made, together with an itemized list of the employees for whom the deductions are made and the amount checked off for each.

ARTICLE 7 - WAGES AND RATES OF PAY

- 7.01 Wage schedules applicable to various job classifications are as set forth on Schedule "A" attached hereto and made part hereof.
- 7.02 Team drivers shall be paid ten cents (10¢) per mile less than the rates set forth on Schedule "A".
- 7.03 Additional classifications may be established only by mutual agreement between the Employer and the Union during the term of this Agreement, and the rates for same shall be subject to negotiation between the Employer and the Union.
- 7.04 An employee who reports for work in the usual manner who is prevented from starting work due to a cause not within his control shall be entitled to a minimum of two (2) hours' pay. If an employee begins work, he shall be entitled to a minimum of four (4) hours' pay.
- 7.05 The top sixty percent (60%) of the employees on the seniority list are guaranteed forty (40) hours of work a week.
- 7.06 If a pay day shall fall on a Saturday, Sunday, or statutory holiday, then the pay day shall be the preceding workday prior to the holiday or weekend day.

- 7.07 There shall be no changes to any of the time sheets issued by employees without first consulting with the employee in order to have an explanation for the change. Employees will not put down time of a frivolous nature, and in the event that a consultation with the employee means that the time sheet in question will miss the payroll cut off, no special arrangements will be made to pay the driver for the missed sheet. In such cases the pay will be added to the following pay period. Time sheets shall have carbon or multiple copies with one copy being retained by the driver.

ARTICLE 8 - HOURS OF WORK, OVERTIME, AND SUNDAY LABOUR

- 8.01 a) An employee may refuse to work more than forty (40) hours per week without any negative impact on his work relationship or any discipline.
- b) Trip rates may be established for the milk division. A minimum of two (2) drivers shall be consulted in order to establish a proper rate.

Any disputes may be submitted to the Union/Management Committee, which shall discuss and settle the dispute within thirty (30) calendar days. The Employer may institute an interim rate of pay that will be in effect during the thirty (30) day period. Where the agreed-upon rate of pay exceeds the interim rate, the Employer shall retroactively make the employee whole for the difference in pay.

- c) If a route should change the Employer shall meet with the main driver to come to agreement on a new trip rate. Should there not be agreement such shall be discussed and settled at a Union/Management meeting within thirty (30) days of the change being made. Where the agreed upon rate of pay

exceeds the current rate, the Employer shall retroactively make the employee whole for the difference in pay.

- d) If drivers do extra work beyond the trip rates they shall be paid the hourly rate for such time.
- 8.02 There shall be a premium of eighty five cents (85¢) per hour for all hours worked after 6:00 p.m. and before 6:00 a.m. on any work day. This is done with the understanding that the milk-haul schedule will be instituted, granting drivers one weekend off per month whenever possible.
- 8.03 There shall be a ten- (10) minute rest period during each half of the shift.
- 8.04 There shall be a lunch period of one-half (½) hour after the first four (4) hours of the shift, which shall be paid where taking lunch does not delay the employee's route.
- 8.05 The parties agree to observe Sunday as a day of rest and to limit Sunday work as much as possible. No employee shall be discriminated against or compelled to work Sunday or a day in lieu thereof, only because the employee's religious convictions prevent him from working.
- 8.06 On out-of-town trips the employees shall be paid for time already worked for the day plus breakdown time, the sum total of which is not to exceed twelve (12) hours per day. Lodging, where required, shall be at the Employer's expense. It is expected that employees are as efficient as possible in dealing with a breakdown.
- 8.07 Layovers:
- a) The first twelve (12) hours of a layover are unpaid, except that there shall be a fifty dollar (\$50.00) payment for lodging. A layover will only apply if the driver has time

available under the hours of work rules to continue on and complete the trip. If a driver has enough hours to complete his trip and he has to lay over he is paid fifty dollars (\$50.00) as a lodging allowance for the first twelve (12) hours. For the next eight (8) hours he is paid at the normal hourly rate. For the next sixteen (16) hours, the driver is paid fifty dollars (\$50.00) as a lodging allowance. Payment then continues alternating between eight (8) hours of paid work time and sixteen (16) hours of lodging allowance time until the driver departs on his trip. If the driver does not have enough work hours left to complete the trip, he will be paid fifty dollars (\$50.00) per day lodging allowance for each twenty-four (24) hour period. In cases where a full sixteen (16) or twenty-four (24) hours has not expired, the fifty dollar (\$50.00) payment will be pro-rated over the lapsed time.

- b) On specific and special hauls where the driver is based in a city other than the home terminal and can't work regular hours due to slip seating or haul restrictions, the Employer will pay for:
 - i) Twelve (12) hours guaranteed for each working day;
 - ii) Motel accommodation; and
 - iii) Thirty dollars (\$30) subsistence for each working day.

ARTICLE 9 - VACATIONS

- 9.01 Employees will receive annual vacations upon completion of the following years of service, with pay calculated as a percentage of their gross annual earnings:
- a) after one (1) year's service -- two (2) weeks' vacation, with pay at four percent (4%);
 - b) after two (2) years' service -- three (3) weeks' vacation, with pay at six percent (6%);

- c) after seven (7) years' service -- four (4) weeks' vacation, with pay at eight percent (8%);
- d) after twelve (12) years' service -- five (5) weeks' vacation, with pay at ten percent (10%);
- e) after seventeen (17) years' service -- six (6) weeks' vacation, with pay at twelve percent (12%).

Article 9.01 d) and e) shall not apply to employees hired after January 1, 1992.

9.02 New employees shall receive annual vacations as follows:

- a) after one (1) year of service -- two (2) weeks' vacation, with pay at four percent (4%);
- b) after three (3) years' service -- three (3) weeks' vacation with pay at six percent (6%);
- c) after seven (7) years' service -- four (4) weeks' vacation with pay at eight percent (8%).

9.03 Employees entitled to three (3) or more weeks' vacation as per Article 9.01 shall take no more than twelve (12) work days or two (2) weeks during July and August. Additional weeks may be taken at such times as mutually agreed upon by the employee and the Employer.

9.04 The Employer will post vacation schedules before February 1, each year. Employees shall enter first preference by April 1, with the requested vacations to be confirmed by the Employer no later than May 1 in each year.

9.05 The Employer will endeavour to grant vacations at the times requested in the vacation season or period, considering business

requirements. If a choice must be made between two or more requests for vacation at the same time, seniority shall apply.

9.06 Vacation pay shall be paid out two (2) times per year, June 15 and December 15.

ARTICLE 10 - HOLIDAYS

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

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Dominion Day	Christmas Day
British Columbia Day	Boxing Day

Any additional statutory holidays declared by the Provincial Government shall be covered by the provisions of this Article.

10.02 Article 10.01 applies only to employees who have attained regular employment status and who have worked the scheduled workday before and the scheduled workday following the holiday, provided either is within fifteen (15) days of the holiday in question, unless their absence is due to illness, authorized leave of absence, or vacation with pay. In case of an employee's illness or injury, the Employer shall have the right to request a certificate from a qualified medical practitioner.

10.03 a) If an employee is required to work on one of the above mentioned holidays, he shall be paid at straight time in addition to the holiday pay at the regular rate for all hours worked except as noted below.

b) Milk drivers working on a statutory holiday will receive straight time pay for all hours worked on the statutory

holiday and in addition an equal number of hours paid in lieu of the statutory holiday.

- 10.04 If one of the above named statutory holidays falls on a regularly scheduled day off, the following regularly scheduled work day shall be observed as the statutory holiday, unless an alternate day is mutually agreed upon between the Employer and the Union. Any alternative day as provided for here must be agreed upon at least fifteen (15) days in advance of the statutory holiday.
- 10.05 In the event of a statutory holiday falling on a Tuesday, Wednesday, or Thursday, and where the Employer and the Union mutually agree, the said holiday may be observed the preceding Monday or following Friday.
- 10.06 Part-time employees shall receive payment for statutory holidays proportionate to their actual time worked calculated on the basis of the four (4) calendar weeks preceding the holiday.

ARTICLE 11 - SENIORITY, LAYOFF, AND PROMOTIONS

- 11.01 a) Seniority shall be defined as length of service with the Employer (Vedder Transport/TransValley Tank Lines Ltd./West Valley Transport Ltd. and Vedder Transport 1974 Ltd.) since the last date of hire. Seniority of employees shall be recognized within the respective job classifications that the employee holds. New employees shall be placed on the seniority list at the end of the probationary period, and their respective seniority shall be backdated to the beginning of employment.
- b) Part-timers will have a separate seniority list, and if posting successfully into a full-time position, will be placed at the bottom of the full-time seniority list. Such placement at the bottom of the full-time seniority list shall not negatively affect the employee's rate of pay.

Part-time drivers will not be eligible for RRSP's or the Health Care Benefits provided for in the Collective Agreement.

- c) The Employer shall maintain separate seniority lists for the Fraser Valley, Okanagan, Prince George, and Creston locations.
- d) For the Fraser Valley operation there shall be separate seniority lists for the milk-run, the U.S. run, and general freight including tanks. The seniority lists shall be dovetailed only for the purpose of avoiding lay-off as per Article 11.04 and filling positions as per Article 11.08.
- e) For the Creston operation there shall be separate seniority lists for the milk-run and the beer haul. The seniority lists shall be dovetailed only for the purpose of avoiding lay-off as per Article 11.04 and filling positions as per Article 11.08.

11.02 The Employer shall maintain up to date seniority lists. A copy of such a list will be provided to the Union in order for it to ascertain the seniority status of an employee within its jurisdiction.

11.03 Seniority rights shall cease for an employee who:

- a) voluntarily terminates his employment;
- b) is discharged and such discharge be not reversed through the Grievance Procedure;
- c) is absent for more than three (3) consecutive working days without notification to the Employer or without a reasonable explanation;

- d) is laid off for a continuous period or more than six (6) consecutive months;
- e) is absent due to a job related sickness or injury for a continuous period of more than twenty-four (24) months;
- f) is absent due to a non-work related sickness or injury for a continuous period of more than eighteen (18) months.

11.04 When the Employer deems it necessary to reduce the work force, he shall notify the Union of the need for layoffs and shall agree to consult the Union with respect to the proposed layoff if requested to do so by the Union. Where a reduction of the work force occurs, probationary employees shall be laid off first. If further reductions are necessary, the Employer shall be guided by the following considerations:

- a) location;
- b) seniority;
- c) ability to perform the work with up to one (1) week paid training and familiarization with the job.

The above considerations shall also guide the Employer when employees on layoff are recalled.

In order to avoid a layoff, a senior employee from one seniority list may bump a junior employee on another seniority list in the same location, provided that he can do the work satisfactorily, with up to one (1) week's paid training or familiarization with the job.

11.05 The Employer shall give two (2) weeks' notice of layoff to affected employees. Similarly, employees wishing to terminate their employment shall give two (2) weeks' notice to allow the

Employer to hire an adequate replacement. Notice as required by this Article may be varied if the parties mutually agree or if emergencies arise.

- 11.06 Any appeal in regard to a layoff must be taken up under the first step of the Grievance Procedure hereinafter set forth within five (5) workdays after the layoff took place.
- 11.07 Any employee laid off and recalled for work must return within two (2) workdays when unemployed and within seven (7) workdays when employed elsewhere after being recalled, or make definite arrangements with the Employer to return.
- 11.OS The Employer shall post for a minimum of two (2) weeks, in a conspicuous place, notice of all vacant positions, new positions, and promotions. Where skills, ability, and qualifications are equal, seniority of applicants shall govern selection. Any employee of the Employer covered by this Agreement may apply for such vacant or new position.

Positions outside the bargaining unit are not subject to this posting provision. Requests for a transfer to another location where there is a posting shall be considered by the Employer but shall not be subject to the posting provisions, however, employees shall have preference for posted vacancies in another location over new hires. Transferred employees shall maintain their seniority for a period of one (1) year at their previous location.

Postings shall include the corresponding Collective Agreement rate of pay. However, the Parties to this agreement recognize that a new position may be unique and may require a rate in excess of those contained in the collective agreement. In such case the posted rate may be reviewed by the Parties.

In case of job postings, priority shall be given to senior employees on the seniority list where the opening is. If there are no successful applicants, employees from another seniority list shall have priority over any new hire.

- 11.09 Senior employees may request preferred starting times on established runs or shifts. Such requests shall be discussed and resolved at the Union/Management meetings.
- 11.10 In the event that the Employer purchases additional trucks, such newly acquired equipment shall normally be assigned to the most senior driver subject to operational requirements. However, if a driver's vehicle is replaced or traded, the Employer will assign the new equipment to that driver and seniority shall not be a factor.

ARTICLE 12 - COURT DUTY

- 12.01 It is agreed that the Employer shall compensate employees for the difference between their wages and payment received while serving as a subpoenaed witness in a court action or Coroner's Inquest where the employee is not a party.

ARTICLE 13 - INSURANCE

- 13.01 In order to assist in protecting the employees and their families from the financial hazards of illness or accidents, the Employer agrees to contribute, on behalf of all eligible employees working twenty (20) or more hours per week, one hundred percent (100%) of the premium cost of the following:
- a) Medical Services Plan of B.C.;
 - b) an extended health benefits plan;
 - c) life insurance of \$20,000.00;

- d) an accidental death and dismemberment policy of \$20,000.00;
- e) a weekly indemnity plan paying from the first (1st) day of accident and the seventh (7th) day of sickness for one hundred nineteen (119) days at a rate equivalent to EI;
- f) a long term disability plan paying 66.67% of wages to a maximum of \$3,200.00 per month from 119 days until age 65;
- g) a dental plan with no deductible, paying 90% of all basic services and 75% of all major treatments and 50% of orthodontic treatments. (Basic checkups every nine [9] months.)
- h) vision care up to \$175.00 per 2 years, per person.

13.02 The Employer agrees to pay his share of insurance premiums to provide uninterrupted coverage for the following maximum periods:

- a) in case of layoff -- two (2) months' coverage in addition to the month in which the layoff took place;
- b) in case of non-job related sickness or injury -- three (3) months beyond the month in which the sickness or injury commenced;
- c) in case of job related injury or illness -- six (6) months beyond the month in which the illness or injury commenced.

Actual coverage and eligibility requirements shall be as per the plan document with the Carrier.

13.03 Pension

The Employer agrees to contribute to a group Registered Retirement Savings Plan chosen by the employees in the amount set out in Schedule "A." This contribution shall accumulatively be paid annually on January 31.

13.04 Sick Days

Employees shall accumulate sick days at the rate of one-half (½) day per month to a maximum of six (6) sick days accumulated. These sick days shall be used by the employee to cover days off due to illness not covered by the weekly indemnity insurance plan. The Employer may request proof of illness before paying employees for sick days. Sick days shall not accumulate beyond a total of six (6).

ARTICLE 14 - LEAVES OF ABSENCE

14.01 The Employer shall grant leaves of absence without pay and without loss of seniority rights, for the following reasons for a maximum period of three (3) months:

- a) marriage;
- b) illness in the immediate family;
- c) death in the immediate family;
- d) union activity.

The Employer may grant leaves of absence, without pay and without loss of seniority rights, if an employee should wish to visit out of the country.

- 14.02 The above shall not preclude extensions for personal illness where it is established in an application submitted prior to the expiration of the leave of absence that such request for extension is justified.
- 14.03 In the event of death in an employee's immediate family (parents, sister, brothers, spouse, children, mother-in-law, father-in-law, grandparents, grandchildren), the employee shall be entitled to be absent from work three (3) days, with pay, if these are working days.

ARTICLE 15 - ACCIDENTS

- 15.01 When an employee meets with an accident for which he is not responsible, provided he has started his shift, he shall be paid at the regular hourly rate for the remainder of his normally scheduled shift.

ARTICLE 16 - SAFETY CONDITIONS AND EQUIPMENT REPAIRS

- 16.01 The parties agree to maintain the highest standard of safety, health, sanitation, and working conditions throughout the Employer's operation.
- 16.02 The Employer shall supply forms on which employees can note, at the end of each shift or trip, both safety defects and other data relating to the functioning of such equipment. Such forms shall provide for a statement of the problem or condition which requires action, as well as for the comments and signature of the service man who performs the work.
- 16.03 The Employer is responsible to direct the repairs as necessary to conform with the safe and efficient operation of the equipment. No employee shall be required to use equipment that he considers

unsafe. However, the employees agree that, in matters not affecting the safety of the equipment, the Employer has the sole discretion regarding the use of such equipment.

ARTICLE 17 - TWO-WAY RADIO COMMUNICATIONS

17.01 There shall be no disciplinary discussions between the Employer and the employee over the two-way radio system. The Union in no way wishes to diminish the usefulness of the radio for the Employer in conveying information and instructions or in asking employees from refraining from doing a certain action. However, if an employee is to be reprimanded as the result of an action, such discipline shall be conducted during a personal discussion directly between the Employer and the employee concerned.

ARTICLE 18 - UNION-MANAGEMENT COMMITTEE

- 18.01 a) The Employer and the Union agree to schedule a Union-Management meeting every three (3) months, or as required, during the life of this Agreement. The meeting shall serve as a forum for discussion and consultation about policies and practices not necessarily covered by the Collective Agreement. The area for discussion shall include but not be limited to:
- i) hiring policies;
 - ii) discipline and discharge policies;
 - iii) training and promotion;
 - iv) safety measures;
 - v) matters that affect the working conditions of the employees.
- b) The Employer and the Union shall each appoint two (2) representatives to the Union-Management Committee. The minutes shall record the business of each meeting and a copy shall be mailed to the Union's provincial office.

ARTICLE 19 - GRIEVANCE PROCEDURE

- 19.01 The parties to this Agreement recognize the Stewards and the CLAC Representatives specified in Article 3, as the agents through which employees shall process their grievances and receive settlement thereof.
- 19.02 Neither the Employer nor the Union shall be required to consider or process any grievance which arose out of any action or condition more than ten (10) workdays after the subject of such grievance occurred. If the action or condition is of a continuing or recurring nature, this limitation period shall not begin to run until the action or condition has ceased. The limitation period shall not apply to differences arising between the parties hereto relating to the interpretation, application or administration of this Agreement.
- 19.03 A "Policy Grievance" is defined as one which involves a question relating to the interpretation, application or administration of this Agreement. A Policy Grievance may be submitted by either party to arbitration under Article 20, by-passing Step 1 and Step 2. Such Policy Grievance shall be signed by a Steward or a CLAC Representative, or in the case of an Employer's Policy Grievance, by the Employer or his representative.
- 19.04 A "Group Grievance" is defined as a single grievance, signed by a Steward or a CLAC Representative on behalf of a group of employees who have the same complaint. Such grievance must be dealt with at successive stages of the Grievance Procedure commencing with Step 1. The grievors shall be listed on the grievance form.
- 19.05 Step 1 Any employee having a grievance will, accompanied by a Steward or a CLAC Representative, submit the same to his immediate supervisor within ten (10) workdays of the act or condition causing the grievance. This is a mandatory time limit.

This supervisor will deal with the grievance not later than the fifth (5th) workday following the day upon which the grievance is submitted and will notify the grievor and the Union Representative of his decision in writing.

19.06 Step 2 If the grievance is not settled under Step 1, a Union Representative may, within five (5) workdays of the decision under Step 1, or within five (5) workdays of the day this decision should have been made, submit a written grievance to the Employer. The parties shall meet to discuss the grievance within one (1) week after the grievance has been filed. The Employer shall notify the grievor and the Union Representative of his decision in writing within five (5) workdays following said meeting.

19.07 Due to distances, the time limits beyond Step 1, shall remain flexible in order to deal fairly with the Grievance.

ARTICLE 20 - ARBITRATION

20.01 If the parties fail to settle the grievance at Step 2 of the Grievance Procedure, the grievance may be referred to arbitration under the following procedure.

20.02 The party requiring arbitration must serve the other party with written notice of desire to arbitrate within fourteen (14) days after receiving the decision given at Step 2 of the Grievance Procedure.

20.03 If a notice of desire to arbitrate is served, the two parties shall meet in an attempt to obtain an agreement to refer the matter to an agreed upon single Arbitrator within seven (7) days of service, who will meet with the authorized representatives of the Union and the Employer in a hearing to ascertain both sides of the case.

- 20.04 The decision of the single Arbitrator will be final and binding on the two parties to the dispute and shall be applied forthwith.
- 20.05 If the parties fail to agree to refer the matter to an agreed single Arbitrator within seven (7) days of service as aforesaid, either party may request the Minister of Labour to appoint a single Arbitrator.
- 20.06 Notice of desire to arbitrate and of nominations of an Arbitrator shall be served personally, via facsimile or by registered mail. If served by registered mail, the date of mailing shall be deemed to be the date of service.
- 20.07 If a party refuses or neglects to answer a grievance at any stage of the Grievance Procedure, the other party may commence arbitration proceedings and if the party in default refuses to meet to appoint an Arbitrator, the party not in default may apply to the Minister of Labour to appoint a single Arbitrator to hear the grievance. The decision of the Arbitrator shall be final and binding upon both parties.
- 20.08 It is agreed that the single Arbitrator shall have the jurisdiction, power and authority to give relief for default in complying with the time limits set out in Articles 19 and 20 where it appears that the default was owing to a reliance upon the words or conduct of the other party.
- 20.09 An employee found to be wrongfully discharged or suspended will be reinstated without loss of seniority and with back pay calculated on the basis of mileage, hourly or trip rate times normal trip miles, hours or trips, as applicable, less any monies earned, or by any other arrangement which is just and equitable in the opinion of the Arbitrator.
- 20.10 Where the Arbitrator is of the opinion that there is proper cause for disciplining an employee, but considers the penalty imposed

too severe in view of the employee's employment record and the circumstances surrounding the discharge or suspension, the Arbitrator may substitute a penalty which is in the opinion of the Arbitrator just and equitable.

20.11 The parties will equally bear the expense of the single Arbitrator.

20.12 An Arbitrator dealing with a matter other than discipline shall be empowered to render his/her decision or interpretation consistent with the provisions of this Agreement.

ARTICLE 21 - DISCHARGE, SUSPENSION, AND WARNING

21.01 When the conduct or performance of an employee calls for a reprimand of record by the Employer, such a reprimand shall be in writing, with a copy of the reprimand forwarded immediately by the Employer to a Steward, and to the office of the CLAC. Prior to issuing such a reprimand, the Employer shall interview the employee in the presence of a Steward or Union Representative if requested by the employee.

21.02 An employee may be suspended or discharged for proper cause by the Employer. Within five (5) workdays following the suspension or discharge, the employee involved, together with a Union Representative, may interview the Employer concerning the reason leading to the suspension or discharge. Within five (5) workdays following the interview, the Union may submit the complaint to arbitration. This provision excludes probationary employees.

21.03 Employees may, during regular office hours, have access to their own file as kept by the Employer.

ARTICLE 22 - DURATION

22.01 This Agreement shall be effective on the first (1st) day of May, two thousand four (2004) and shall remain in effect to and including the thirtieth (30th) day of April, two thousand eight (2008), and for further periods of one (1) year unless notice in writing is given, by either party, of the desire to cancel, change, or amend any of the provisions contained herein, within the four (4) months immediately preceding the date of expiry of the Agreement. Should neither of the parties give such notice, this Agreement shall renew for a period of one (1) year.

22.02 Notwithstanding Article 22.01, the parties agree that all provisions of the expired Collective Agreement will remain in full force until mediation procedures have been exhausted.

22.03 The Employer and the Union agree to exclude the operation of Subsections (2) and (3) of Section 50 of the *Labour Relations Code of British Columbia*.

DATED at Abbotsford, British Columbia, this 18th day of “October”, 2004.

Signed on behalf of
VEDDER TRANSPORT LTD.

Signed on behalf of
TRANSPORT, CONSTRUCTION, AND GENERAL EMPLOYEES’ ASSOCIATION LOCAL NO. 66

“Steve Islaub”

“Don Jansen” “Joe Syer”
Member, Negotiating Committee

“Larry Wiebe”

“John Sprietsma” “Curt Harder”
Member, Negotiating Committee

“Tony vanHengel”
CLAC Representative

SCHEDULE "A"

CLASSIFICATIONS AND RATES OF PAY

1. **Hourly Rates – B.C.**

Drivers 5 – 8 axle, hourly:

<u>May 1, 2004</u>	<u>May 1, 2005</u>	<u>May 1, 2006</u>	<u>May 1, 2007</u>
\$20.00	\$20.20	\$20.50	\$21.00

It is agreed that the above rates are made up as follows:

eighty-five percent (85%) of the rate being the base rate
and fifteen percent (15%) of the rate being a contribution to
cover any overtime that may be worked.

All hourly work shall be at the above rates, including farm pick-up destined for points outside of BC.

There shall be a one dollar and fifteen cents (\$1.15) per hour premium for all hours driving, operating, or working with trucks numbered 150, 153 or 181 or any other truck equipped with a crane.

2. **Mileage Rates – B.C.**

Per mile:

	<u>May 1, 04</u>	<u>May 1, 05</u>	<u>May 1, 06</u>	<u>May 1, 07</u>
5 & 6 axle	\$0.4730	\$0.4800	\$0.4880	\$0.5000
7 & 8 axle	\$0.4930	\$0.5000	\$0.5080	\$0.5200

Loading and unloading and tarping and untarping, per hour:

\$18.50	\$18.70	\$19.00	\$19.50
---------	---------	---------	---------

3. **Canadian Rates Outside of B.C.**

Mileage rates, per mile:

	<u>May 1, 04</u>	<u>May 1, 05</u>	<u>May 1, 06</u>	<u>May 1, 07</u>
5 & 6 axle	\$0.4000	\$0.4050	\$0.4100	\$0.4200
7 & 8 axle	\$0.4200	\$0.4250	\$0.4300	\$0.4400

Alimet hauled for Novus shall remain at B.C. rates. Alimet hauled into the United States will be paid at U.S. rates from last Canadian destination into the U.S. and back to first Canadian destination.

Flat rates for loading and unloading, tarping and untarping, and tank wash on mileage rated trips:

	<u>May 1, 04</u>	<u>May 1, 05</u>	<u>May 1, 06</u>	<u>May 1, 07</u>
5 & 6 axle	\$21.00	\$21.00	\$21.00	\$22.00
7 & 8 axle	\$32.00	\$32.00	\$32.00	\$33.00

Hourly rates outside of B.C., including Trimac Calgary Tank Wash, per hour:

\$18.00	\$18.20	\$18.50	\$19.00
---------	---------	---------	---------

4. U.S. Rates – Under 800 Miles Return Trip

Same mileage and flat rates as Canadian Rates Outside of B.C.

B.C. hourly rates in effect for trips up to Marysville, Washington, 75 road miles south of Abbotsford. This includes Soprema loaded at Anacortes.

Soprema Rates, Return Trip to and from Tacoma:

<u>May 1, 04</u>	<u>May 1, 05</u>	<u>May 1, 06</u>	<u>May 1, 07</u>
\$190.09	\$191.99	\$194.84	\$199.59

Tankers, Outside of B.C. Hourly Rates up to Tacoma, Mileage beyond Tacoma. Trips to Portland (Dallas) and return shall be considered under 800 miles.

5. U.S. Rates – Over 800 Miles Return Trip

Mileage – 5 axle (Add one cent per additional axle):

<u>May 1, 04</u>	<u>May 1, 05</u>	<u>May 1, 06</u>	<u>May 1, 07</u>
\$0.3800	\$0.3900	\$0.4000	\$0.4100

6. U.S. Rates – General

Load and unload, tarp and untarp: same as Canadian Rates
Outside B.C.

Tank wash not available at home terminal (add \$40.00 if washed
by driver):

<u>May 1, 04</u>	<u>May 1, 05</u>	<u>May 1, 06</u>	<u>May 1, 07</u>
\$42.00	\$42.00	\$42.00	\$44.00

Daily layover rate (U.S. funds):

US\$42.00	US\$42.00	US\$42.00	US\$44.00
-----------	-----------	-----------	-----------

Note on layovers:

- a) All layovers have to be at the request of, and approved by, Dispatch.
- b) Does not apply to first twenty-four (24) hours of being ready to load.

All other conditions for U.S. hauling are the same as in the current collective agreement except the ninety percent (90%) and ninety-five percent (95%) rates which do not apply in the U.S.

It is agreed that on a trip involving U.S. miles, where a load is taken from a Canadian origin to a Canadian destination, Canadian mileage rates will be paid for the entire trip.

7. Pension Contributions

- a) \$200.00 per month, except as noted below.
- b) For newly hired employees, the Employer shall contribute to the RRSP as follows:
 - i) first (1st) year of employment nil
 - ii) second (2nd) year of employment \$50.00 per month
 - iii) third (3rd) year of employment \$100.00 per month
 - iv) fourth (4th) year of employment \$150.00 per month
 - v) fifth (5th) year of employment \$200.00 per month

Drivers or lessors who leave voluntarily or are terminated for cause on or before December 31 of any year will not receive their RRSP contribution from July 1 to the date of departure. Drivers or lessors who leave voluntarily or who are terminated for cause prior to July 1 of any year will not receive their RRSP contribution from January 1 to the date of departure.

GENERAL

1. It is agreed that where drivers are paid on a mileage basis, the mileage calculations will be in accordance with the in-house mileage guide. For destinations not included in the in-house mileage guide, Version 18 of the PC Miler may be used. Where a dispute arises related to the accuracy of the in-house mileage guide or the PC-Miler, the Union/Management Committee shall be empowered to resolve the difference. In the event that the driver(s) involved disagree with the Committee's decision, said driver(s) shall have access to the Grievance procedure to resolve the matter.
2. In BC, mileage rates are to be paid on all trips of over one hundred (100) miles one way, however, Vancouver Island and Whistler to Boston Bar shall be considered hourly rated work. The parties may negotiate a flat rate to Vancouver Island in the future. Such negotiations to be subject to ratification by the employees.
3. Within B.C. all loading and unloading would be paid at the hourly rates, plus road waits of over one (1) hour. Pre-trips, fueling and chain-ups are included in the mileage rate.
4. It is also agreed that on major breakdowns the employees shall be paid for eight (8) hours out of each twenty-four (24) at the hourly rates.

5. Off-Highway Subsistence

Subsistence will be paid on off-highway work in the following manner:

- no subsistence will be paid until four (4) hours of off-highway work have been completed
- after four (4) hours, one-half ($\frac{1}{2}$) hour will be paid in the form of subsistence
- after the sixth (6th) hour on off-highway work, a further one-half ($\frac{1}{2}$) hour of wages will be paid to cover hours seven (7) to twenty-four (24). Further subsistence will be paid each twenty-four- (24) hour day based on one-half ($\frac{1}{2}$) hour pay for hours one (1) to six (6) and one-half ($\frac{1}{2}$) hour pay for hours seven (7) to twenty-four (24).

6. New employees shall be paid as follows:

- a) first six (6) months of employment at ninety percent (90%) of the full rate;
- b) after completion of six (6) months, ninety-five percent (95%) of the rate;
- c) after completing twelve (12) months of employment, full rate.

Employees who have been rehired and have had more than two (2) years of previous employment with the Employer shall be paid as follows:

- a) the first six (6) months of new employment – ninety-five percent (95%) of the rate;
- b) after completing six (6) months – full rate.

7. Safety Bonus

A Safety Bonus of two hundred fifty dollars (\$250.00) per driver will be paid out on a quarterly basis to full time drivers who have not caused vehicle damage or cargo losses during the three (3) month period. For the purposes of this clause, a full time driver is defined as a driver who grosses at least thirty thousand dollars

(\$30,000.00) per year from Vedder Transport. If in doubt whether a driver will be full time or not, the incentive will be held back until the employee passes this mark.

The Safety Bonus program takes into account vehicle damage and cargo losses only. In the event of minor damage of less than the amount of the quarterly bonus, the cost of repair or loss can be deducted off the bonus amount with the remainder going to the driver. The safety bonuses will be paid out quarterly, for a maximum total of one thousand dollars (\$1,000.00) per driver per year.

SCHEDULE "B"

LEASE OPERATOR AGREEMENT

The following terms and conditions constitute the Lease Operator Agreement between Vedder Transport Ltd. and the Transport, Construction, and General Employees' Association, Local No. 66, affiliated with the Christian Labour Association of Canada. This Letter of Agreement applies to Lease operators only.

1. Term - The following terms and conditions take effect on May 1, 2004 unless otherwise stated. This Agreement shall expire on April 30, 2008.
2. RRSP - \$200.00 per month, except as noted below, payable directly to lease operator in January of the following year.
3. RRSP entitlement of newly hired lessors:
 - 3 months n/a probation period
 - \$50.00 per month first (1st) year
 - \$100.00 per month second (2nd) year
 - \$150.00 per month third (3rd) year
 - \$100.00 per month fourth (4th) year
4. Hourly rates of newly hired lessors:
 - first nine (9) months \$1.50 less per hour
 - next six (6) months \$1.00 less per hour
 - next six (6) months \$0.50 less per hour
5. Tarping
 - 5 & 6 axles \$30.00
 - 7 & 8 axles \$50.00
6. Each additional drop or pick up is an additional \$30.00.

7. All Vancouver Island runs are to be seventy-one percent (71%) of the revenue.
8. Washing out tanks
 - 5 & 6 axles \$20.00
 - 7 & 8 axles \$40.00
9. One hour free waiting time for first loading or unloading out of town, thereafter \$30.00 per hour to a maximum of 5½ hours.
10. Layover - first 12 hours free, then \$30.00 per hour for the next 8 hours, plus \$50.00 for lodging.
11. Insurance – Insurance is the lease operator’s responsibility; however, the company will finance for 1½% per month.
12. All lease operators are required to supply their own rubber tarp straps and will be required to sign and be responsible for four 15-foot 3/8 chains and cinches supplied by the company.
13. Cargo Insurance & Deductibles (Cargo Equipment)
 - a) The company will deduct one percent (1%) of owner operator’s gross revenue to cover all costs of any claims. As an incentive to these employees, the company will refund one hundred percent (100%) of the deduction for every month in which they are claim free.
 - b) Paid out once a year on January 25. In order to qualify for the rebate, the owner operators must purchase their fuel from the company when in town and the company will only charge one cent (1¢) per litre over their cost.
14. All trucks employed must meet all company specifications and be licensed to maximum capacity. Trucks not so licensed will not be permitted to haul over their capacity.

15. When a lease operator leaves the employment of Vedder Transport, the company will pay fifty percent (50%) of the cost to repaint the white and gold stripe.
16. When a lease operator is called in or dispatched, he will be guaranteed four (4) hours' pay at the appropriate hourly rate.

17. Hourly Rates

	<u>May 1, 04</u>	<u>May 1, 05</u>	<u>May 1, 06</u>	<u>May 1, 07</u>
5 & 6 axle	\$40.50	\$41.00	\$41.50	\$42.00
7 & 8 axle	\$43.50	\$44.00	\$44.50	\$45.00

18. Fuel Escalator

The hourly rates printed above (#17) contain a fuel component which assumes a fuel cost of forty-two cents (\$0.42) per litre. The following amendments take effect when the fuel cost rises above, or drops below the forty-two cent (\$0.42) per litre mark:

- Increase of five cents (\$0.05) per hour for each half cent (\$0.005) per litre increase in the price of fuel over forty-two cents (\$0.42) per litre;
- Decrease of five cents (\$0.05) per hour for each half cent (\$0.005) per litre decrease in the price of fuel below forty-two cents (\$0.42) per litre.

MEMORANDUM OF AGREEMENT #1

BETWEEN

VEDDER TRANSPORT LTD.
(hereinafter referred to as “the Employer”)

AND

**TRANSPORT, CONSTRUCTION, AND
GENERAL EMPLOYEES’ ASSOCIATION,
LOCAL NO. 66,**
Affiliated with the
**CHRISTIAN LABOUR ASSOCIATION OF
CANADA**
(hereinafter referred to as “the Union”)

The Parties to this Memorandum of Agreement agree to the following terms and conditions which apply exclusively to unloading at the Lucerne plant in Taber, Alberta:

1. The driver will be paid on an hourly basis, commencing at the appointed time of unloading or commencing at the time unloading begins, whichever is earlier, provided that the load is being delivered on time;
2. In the event that the driver arrives late, after the appointed time of unloading, the driver will be paid on an hourly basis commencing at the time the unloading begins;
3. The driver will be paid the first twelve (12) hours at the regular hourly rate of pay. For the following twelve (12) hours, the driver will be paid a fifty dollar (\$50.00) lodging allowance. Additional time, if required, will alternate in twelve- (12) hour segments between the above described hourly pay and the lodging allowance; and

4. In the event that the unloading should be completed during the first three (3) hours of the lodging allowance, the driver will be paid for these hours in accordance with the hourly rates of pay. Where unloading finishes between three (3) and twelve (12) hours into the lodging allowance segment, the driver will be paid the normal allowance of fifty dollars (\$50.00).

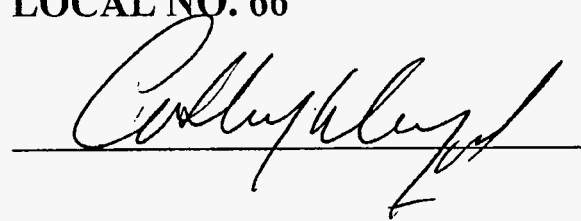
SIGNED at Abbotsford, British Columbia, this _____ day of _____, 2004.

**Signed on behalf of
VEDDER TRANSPORT LTD.**



A handwritten signature in black ink, written over a horizontal line. The signature is stylized and appears to be a first name followed by a last name.

**Signed on behalf of
TRANSPORT, CONSTRUCTION,
AND GENERAL
EMPLOYEES' ASSOCIATION
LOCAL NO. 66**



A handwritten signature in black ink, written over a horizontal line. The signature is highly stylized and cursive.

MEMORANDUM OF AGREEMENT #2

BETWEEN:

VEDDER TRANSPORT LTD.

(hereinafter referred to as “the Employer”)

AND:

**TRANSPORT, CONSTRUCTION, AND GENERAL
EMPLOYEES’ ASSOCIATION, LOCAL NO. 66**

affiliated with the

Christian Labour Association of Canada

(hereinafter referred to as “the Union”)

The Parties to this Memorandum of Agreement agree, in light of the considerations stated, to the following terms and conditions regarding the takeover by the Employer of the transport of Rogers Flour products out of Armstrong and Chilliwack, including the employment of eligible Rogers Flour drivers:

Considerations:

- A. Rogers Flour drivers are not currently covered by a collective agreement and have no seniority;
- B. Vedder Transport is not purchasing, or in any way obtaining control over the distribution portion of Rogers Flour, but is only providing a contracted service to the customer. The successorship provisions of Section 35 of the *BC Labour Relations Code* do not apply.

The Parties agree that:

1. Existing drivers of Rogers Flour, whether company drivers or owner-operators, will keep their positions if they meet the hiring requirements of the Employer, and are hired by the Employer;

2. The positions of existing Rogers Flour drivers who are hired on by the Employer shall be deemed to be posted positions;
3. Seniority with Vedder Transport, on either the Vernon or the Abbotsford seniority lists, commences on the date the Employer hires the Rogers Flour drivers;
4. Rogers Flour drivers who are hired by the Employer, and who do post into another position other than the Rogers Flour haul, and who consequently leave their posted position, may only return to the Rogers Flour haul if they are able to post into a vacant position;
5. Rogers drivers who are hired by the Employer will be covered by all of the terms and conditions of the collective agreement between the Employer and the Union, and will be treated as new hires and subject to the starting rates of Schedule 'A' General 6;
6. Vacant flour haul positions are to be posted in accordance with the terms and conditions of the agreement.

Signed at Abbotsford, B.C., this "21st" day of "December", 2004

"Steve Islaub"
For the Employer

"Anthony vanHengel"
For the Union

MEMORANDUM OF AGREEMENT #3

BETWEEN:

VEDDER TRANSPORT LTD.

(hereinafter referred to as “the Employer”)

AND:

**TRANSPORT, CONSTRUCTION, AND GENERAL
EMPLOYEES’ ASSOCIATION, LOCAL NO. 66**

affiliated with the

Christian Labour Association of Canada

(hereinafter referred to as “the Union”)

The Parties to this Memorandum of Agreement agree to the following terms and conditions:

1. Each driver is responsible for the cleanliness of the interior of his assigned tractor;
2. Smoking is permitted in the driver’s assigned tractor;
3. Smoking is not permitted in another driver’s assigned tractor or in a tractor that has not (yet) been assigned to a particular driver;
4. Where a driver smokes in a tractor other than his assigned tractor, the Employer may, at the assigned driver’s request, send the tractor in for interior cleaning with the cost of such cleaning charged to the offending driver;
5. The Employer is hereby permitted to deduct the cleaning cost off the offending driver’s next pay cheque;

6. Violation of point 3 of this MOA shall not constitute part of a driver's disciplinary record.

Signed at Abbotsford, B.C., this "21st" day of "December", 2004

"Steve Islaub"
For the Employer

"Anthony vanHengel"
For the Union

LETTER OF UNDERSTANDING #1

BETWEEN:

VEDDER TRANSPORT LTD.

AND:

**TRANSPORT, CONSTRUCTION & GENERAL
EMPLOYEES' ASSOCIATION, LOCAL 66**

Affiliated with the

CHRISTIAN LABOUR ASSOCIATION OF CANADA

The parties to this Letter of Understanding agree that the rates of pay identified in the table on the following page have been amended as shown, with the understanding that:

1. the new rates are the result of a mid-term wage re-opener and have been offered by the Employer on a "without prejudice" basis;
2. the new rates are subject to market conditions and the Employer retains the right to revert back to the rates of pay contained in Schedule "A";
3. the new rates do not automatically constitute the "floor" for subsequent contract negotiations.

DATED at Abbotsford, BC this 15th day of July, A.D. 2006.

SIGNED on behalf of
VEDDER TRANSPORT LTD.

SIGNED on behalf of
**TRANSPORT, CONSTRUCTION & GENERAL
EMPLOYEES' ASSOCIATION
LOCAL 66**

Steve Islaub

Anthony vanHengel

VEDDER TRANSPORT LTD. – B.C. DRIVERS’ PAY
“Without Prejudice”

	Current		Revised	
	May 1/06	May 1/07	Jul 1/06	May 1/07
Hourly	\$ 20.50	\$ 21.00	\$ 21.50	\$ 23.00
Load/Unload Hourly	\$ 19.00	\$ 19.50	\$ 20.00	\$ 21.50
Shift Differential	\$ 0.85	\$ 0.85	\$ 1.00	\$ 1.00
Mileage				
BC Highway – 5 & 6 axle	\$0.4880	\$0.5000	\$0.4880	\$0.5000
BC Highway – 7 & 8 axle	\$ 0.5080	\$0.5200	\$0.5130	\$0.5300
Canadian Highway – 5 & 6 axle	\$0.4100	\$0.4200	\$0.4200	\$0.4400
Canadian Highway – 7 & 8 axle	\$0.4300	\$0.4400	\$0.4400	\$0.4600
US Highway	\$0.4000	\$0.4100	\$0.4200	\$0.4300
Border Crossing (non-hourly)	\$0.00	\$0.00	\$ 5.00	\$ 5.00
New Employees	First 6 months at 90% of scale; Second 6 months at 95% of scale		First 3 months at 95% of scale	