

COLLECTIVE AGREEMENT

BETWEEN

CLARKE TRANSPORT
(A DIVISION OF CLARKE INC.)

AND

TEAMSTERS LOCAL UNION NO.31

2004 - 2006

13246 (01)

COLLECTIVE AGREEMENT

BETWEEN: CLARKE TRANSPORT
(A DIVISION OF CLARKE INC.)

(hereinafter called the "Company")

OF THE FIRST PART

AND: TEAMSTERS LOCAL UNION NO. 31

(hereinafter called the "Union")

OF THE SECOND PART

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

ARTICLE 1

Section 1 Recognition It is recognized by this Agreement to be the duty of the Union, the Company and the employees to fully cooperate individually and collectively, for the advancement of conditions.

Section 2 Union Cooperation The Parties agree at all times as fully as it may be within their power, to further the interests of the industry.

ARTICLE 2

Section 1 Bargaining Authority The Company agrees to recognize the Union as the Sole Bargaining Agent for:

- (a) employees and categories of employees referred in the Certificate of Bargaining Authority held from time to time by the Union except for the dispatcher position.
- (b) **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 as recognized by this Agreement. The Company **shall** be responsible for the printing of these Collective Agreements.

ARTICLE 3

Section 1 Posting of Agreement The Company will provide a bulletin board in each Company lunchroom or dispatch area for the posting of this Agreement and for such notices as the Union or Company may from time to time wish to

post. The said Union notices shall be posted and signed by an elected or appointed officer or other authorized representative of the Union.

Section 2
Check-Off

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

Section 3
Union Shop

- (a) Every employee of the Company covered by this Agreement shall be a member of the Union in good standing during the whole of the term of this Agreement as a condition of employment with the Company, save as hereinafter expressly provided.
- (b) When additional employees are required within an area which is serviced by a permanently established and operating Union hiring hall, the Company shall give the Union first opportunity to supply suitable Union members for employment. In the event the Union is unable to supply suitable persons and the Company hires a person which 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, at the end of each month.

Section 4
Union Security

- (a) First Step
Every piece of mobile equipment used by the Company, categories of which are set out in Appendix "A", whether owned by the Company or leased by the Company, shall be operated by a member of the Union.

Second Step
If the Company decides to operate its own cartage equipment, the Company agrees to meet with the Union to negotiate the terms and conditions of that operation. If it becomes necessary for the Company to dry lease equipment, said equipment shall be operated by members of the Teamsters Local Union No. 31.
- (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.
- (d) The Company agrees not to contract out any work normally performed by employees covered by this Agreement if any employee is on lay-off for lack of work at the time such contracting out is introduced, or if the contracting out would cause the lay-off of any employee. The Company shall not contract out bargaining unit work.

ARTICLE 4

Section 1 Regular Employee

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

- (a) He has completed his probationary period.
- (b) He makes himself available to the Company for full time employment.
- (c) 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 subsection (b) herein.
- (e) 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 and will be allowed seven (7) consecutive days from receipt or attempted delivery date to report for work. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal.

Section 2 Casuals

A casual hourly employee shall:

- (a) Be hired on an incidental and temporary basis to provide for additional manpower.
- (b) Be given first opportunity to qualify as a regular employee as openings become available providing he meets all Company

qualifications and requirements.

- (c) Not be covered under the provisions of the Health and Welfare Plan until such time as he becomes a regular employee.
- (d) Casual employees are not subject to the terms of this Collective Agreement, except as elsewhere herein provided.
- (e) Be entitled to hourly rate set forth in Appendix "A".

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 5

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.

If the Company purchases, merges, or otherwise acquires a 2nd business the parties agree that the seniority of employees of the newly purchased company shall be end-tailed to the current Teamster seniority list. This includes any employee off work due to sickness, injury or lay-off. Any lay-offs, which may follow due to the purchase or merger, shall begin at the bottom of the end-tailed list. Any laid-off employee shall remain on the seniority list for the purpose of recall provisions of the collective agreement.

The only exception to the foregoing is if the Company purchases or otherwise merges with a 2nd company that is certified to the Teamsters. In that case the bargaining unit of both groups shall be dovetailed.

Section 3
Protection of
Conditions

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

Section 4
New Equipment
and Classifications

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

ARTICLE 6

Section 1
Seniority

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

Section 2

All new jobs and vacancies are subject to seniority and shall be posted promptly for seven (7) days in a conspicuous place within the terminal, stating starting time and job description. 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 preferential shall be given to senior employees on established shifts. Starting times preference shall be given to senior employees on established shifts. Except where a job or shift has been discontinued, there shall be no job or shift bumping privileges. Senior employees shall be given preference to fill vacancies on differential rated equipment if qualified.

The Company will post all shed positions June 1st and December 1st of each year of the agreement.

Section 3

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

Upon the conclusion of any thirty (30) calendar day period during which a probationary employee has worked one hundred and twenty (120) hours, the employee's name shall forthwith be placed on the regular employees' seniority list, effective from the first day of employment of the thirty (30) calendar day period, and the employee shall be entitled to all rights and privileges as provided in this Agreement.

Section 4 The Company will post a seniority list twice yearly, January and July, setting out the name, date of hiring of each employee. Copies of such lists shall be provided to the Union. There shall be two seniority lists: one for office employees and one for shed employees. There will be no bumping privileges between these lists.

Section 5 When an employee's employment is terminated by the Company for proper cause or he leaves by his own choice, he will automatically be struck from the seniority list. If an employee on his own volition obtains a withdrawal card from Local 31 he shall be struck from the Company seniority list.

Section 6 In the event that the Company purchases a business or any part thereof, the employees of which are covered by a Collective Agreement with a Local Union of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, the seniority of such employees shall be computed from the date that they respectively first become employees of the business aforesaid.

Section 7 Any employee who has been on lack of work lay-off for one (1) year or more shall be removed from the seniority list and the Company shall be under no further obligation to such employees, except in the case where a lay-off is a direct result of a labour dispute involving another company, or when the laid-off employee has accrued five (5) years or more seniority in which case seniority will be carried for eighteen (18) months.

"In the event of Company closure or permanent lay-off, the following individual severance provisions will apply:

(A) For every year of employment, one (1) week's severance pay at the hourly rate in effect at the time to a maximum of sixteen (16) weeks.

(B) In the event an employee has not completed a full year of service, the Company will prorate the balance of the year.

(C) Severance will be paid at the employee's request, provided however, that if such request is made while recall rights are outstanding, then payment of severance shall extinguish those rights. Severance pay cannot be claimed by the employee unless the lay-off exceeds twenty weeks and will be paid automatically upon the expiration of recall rights."

Section 8 (a) (i) When the requirements of the Company's services will

permit, any employee hereunder, upon written application to the Company with a copy of said application to the Union, may, if approved by the Company, be granted a leave of absence, in writing (with a copy to the Union) for a period of sixty (60) calendar days. Upon six (6) months prior notification an employee may request every three (3) years and shall be granted up to thirty (30) calendar days leave of absence in conjunction with his holidays. When considered by the Company, approval or rejection is to be given in writing, with a copy to the Union within thirty (30) calendar days and if approved, such approval may not be withdrawn except by mutual consent of the employee and the Company. Under such leaves the employee will retain and accrue seniority only.

- ii) Such leave may be extended for additional periods of thirty (30) calendar days when approved by both the Company and the Union, in writing, and seniority will accrue during such extensions.
 - iii) Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority and his name will be stricken from the seniority list and he will no longer be considered as an employee of the Company.
 - iv) If a regular employee for certified health reasons is unable to perform the work in his regular job he will be reclassified according to his seniority and capability to perform work in another classification if it exists within the Company. The employee must provide a valid medical opinion of his physical and/or mental ability to perform the new job in accordance with the provisions of this agreement as it relates to Company required medical examinations.
 - (v) Any employee requesting leave of absence for compassionate reasons shall not be unreasonably denied.
- (b) When an employee within the bargaining unit covered by this Agreement receives leave of absence, in writing, with a copy to the Union, to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the bargaining unit. The starting date of such an appointment shall be posted in the terminal. Notice shall be given to the Union in writing prior to the employee leaving the bargaining unit for any period of time. During this leave of absence such employee shall continue to be covered by Health and Welfare and the Pension Plan as provided in this Agreement.

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

Not later than on the ninetieth (90th) calendar day of this period, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain within the unit for a minimum period of one hundred and twenty (120) calendar days prior to exercising such privilege again.

ARTICLE 7

Section 1 Meal Period

The employee, shall except by mutual agreement between the Parties hereto, take at least one (1) continuous period for meals at not less than thirty (30) minutes or more than one (1) hour in any one day. Whenever 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. to 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. Said meal period shall be paid at the applicable overtime rate of pay as provided in Article 23, Section 2 of this Agreement.

Section 2 Rest 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 8

Section ■
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 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 employees to report in writing on the appropriate forms of the company promptly but not later than the end of the shift, all safety and/or mechanical defects on the equipment which they have operated during that shift.
- (c) The Company shall designate the person to whom all defects reports of mobile equipment are submitted, and all employees will be notified the name of such person.
- (d) In the event essential repairs cannot be effected to make the equipment safe, the equipment will be correctly identified and kept out of service until repaired and it shall not be considered a violation of his employment when a Company employee refuses to operate such identified equipment. Identification red tags shall be supplied and made available by the Company.
- (e) It shall be the obligation of the Company to direct repairs as necessary to conform with the safe and efficient operation of that equipment.
- (f) An employee will be not required to operate mobile equipment if in the opinion of the employee such machine does not have adequate visibility for its safe operation.
- (g) All warehouses shall be equipped with efficient and safe loading plates, properly anchored.
- (h) The Company **shall** inform, direct and supply to the employees proper information and handling devices or equipment for handling dangerous cargo.

ARTICLE 9

Section 1
Pay Period

- (a) Except as otherwise mutually agreed between the Parties, all 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 payment made to such employee. Such statement shall set forth the dated

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

- (b) 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 24 of this Agreement for that period of time 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 as follows:

All hours worked by casuals from Monday to the following Sunday (all shifts starting on Sunday included) will be paid by the following Wednesday p.m., or Thursday p.m. when the preceding Monday is a holiday.

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 a forty-eight (48) hour period.

Section 4 Separation of possible Employment Except as elsewhere herein provided, upon termination or quitting, the Company shall pay all money due to the employee as soon as but not later than seven (7) calendar days.

ARTICLE 10

Section 1 Paid for Time All employees covered by this Agreement shall be paid for all time spent in the service of the Company. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that employee is ordered to report for work or registers in, whichever is later, until he is effectively released from duty.

Section 2 Bereavement Leave An employee shall be granted upon request a maximum of three (3) regularly scheduled work days leave, without loss of pay or benefits, in the case of death of a parent, spouse, brother, sister, child, parent-in-law, sister-in-law, brother-in-law, grandparents which includes spouse's grandparents and legal guardian.

Funeral Leave is not compensable when the employee is on leave of absence, bona fide lay-off or for days falling outside the employee's regular work week.

Upon giving twenty-four (24) hours notice, an employee shall be granted time off without pay, for the purpose of attending a funeral, provided that the granting of such time off shall not be inconsistent with the efficient operation of the business.

Section 3
Jury Duty

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

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

Section 4
Medical

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

When 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 employee's doctor differ, the Company or the Union is entitled to direct that the employee be examined by a medical specialist whose specialty covers the disability. The Company's doctor and the employee's doctor together, shall then select such a specialist. The decision of the medical specialist shall be final and binding upon the parties involved and the employee shall not suffer loss in wages or Health and Welfare Plan benefits, whichever applies, as a result of such examination(s), if the decision is in the employee's favour.
- (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.

- (d) An employee seeking to return to work after being off on WI or WCB benefits shall provide the company with a medical clearance stating he or she is capable of fulfilling the job duties. No other medical information shall be required.

If accommodation is required pursuant to human rights legislation, the employee shall **also** provide a medical note or letter outlining the basis for the modified duties. The parties agree the privacy rights of employees shall be respected and the company is only entitled to information sufficient to return an employee to work, with or without accommodation.

Section 5
Compensation
Sickness 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 utmost, provided

- (a) **The** employee reimburses the Company for such contributions normally paid by said employee and is at not 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 know address to make restitution for such monies paid out, the Union shall then reimburse the Company for said amount.

Section 6

- (a) The company will compensate sick days not otherwise compensable by the Teamsters Health & Welfare Plan, which shall by reference be herein incorporated, up to a maximum of ten (10) days per calendar year. The daily rate of compensation equals one fifth (1/5) of the weekly indemnity coverage.
- (B) Sick benefits are not accumulative, however the company will compensate **employees** for unused sick days at the rate of one fifth (1/5) of the Weekly Indemnity Coverage per day that remain unused at the end of the calendar year. Payment will be made in January **of** each year for the **days** not used during **the** previous

year.

- (C) The employee shall begin earning sick leave on the first day of the month following the month in which the employee becomes a regular employee. The sick leave days will be prorated for the first partial year based on the number of days remaining in the year divided by (37) thirty-seven. The result will be rounded to the nearest day.
- (D) Any proven abuse of the Sick Leave Provisions will be subject the employee to potential disciplinary action.
- (E) A medical certificate may be required to claim benefits under this provision. All parties will be governed by reasonableness in this regard.

ARTICLE 11

Work Assignments (a)

The Company agrees to respect the jurisdictional rules of the Union and 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 12

Discharge or Suspension Management's Rights

Subject to the terms of this Agreement, all matters concerning the operations of the Company business shall be reserved to the management. The Union recognizes that it is the function of the Company.

1. To maintain order, discipline and efficiency.
2. To discharge, classify, suspend for proper cause, direct or transfer employees from one classification to another, move employees from one location to another for proper cause.
3. To increase and decrease working forces.
4. To make or alter from time to time rules and regulations to be complied with by its employees. These rules and regulations are to be filed with the Union.

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

ARTICLE 13

Section 1 Protection of Rights

It shall not be a violation of this Agreement or cause for discharge of any employee, in the performance of his duties to refuse to cross a legal picket line recognized by the Union.

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

Section 2 Controversy with Other Unions

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

Section 3

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

Section 4

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

ARTICLE 14

Technological and Mechanical Changes

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

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 provisions in Article 6, Seniority, as contained herein.

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

ARTICLE 15

Section 1 Inspection Privileges

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

Section 2 Shop Stewards

- (a) The Union shall elect or appoint Shop Stewards from among its members in the bargaining unit and shall notify the Company in writing forthwith of such appointments and deletions of those employees so elected or appointed. The Company will recognize Shop Stewards and not discriminate against them for lawful Union activity. The Company will notify the Union forty-eight (48) hours prior to the 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 of 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 Employers property or at any other

place which is mutually agreed upon by both the Union and the Employer.

ARTICLE 16

Section 1 Sanitary Conditions

- (a) Where possible, and where required, the Company agrees to maintain at its terminals adequate, clean, sanitary toilet facilities, lockers, lunch rooms and washrooms having hot and cold running water, with proper ventilation. It shall be the responsibility of the employees to use all facilities carefully, considerately, without unnecessary damage and dirtiness.

The Company will wash the shed walls twice yearly.

- (b) All new terminals shall be adequately equipped with facilities as per Section 1(a) above where required.

Section 2 First-Aid Supplies

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

Section 3 First-Aid Attendant

Any employee holding a First-Aid Certificate recognized under the Workers' Compensation Board regulations who is designated by the Company to carry out duties of a First-Aid Attendant, Class C, shall receive in addition to his regular rate as provided in Schedule "A" herein, a premium of fifty cents (\$0.50) per hour only if the employee is designated as the attendant for the shift. The Employer shall be responsible for the cost of the maintaining or upgrading the employee's first aid certificate to the extent that course fees will be paid by the Employer.

ARTICLE 17

Section 1 Union Label

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

Section 2 Uniforms

Where any employee is required by the Company to wear any kind of uniform as a condition of continued employment, such uniform 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 that is not clean or does not fit properly or that does not bear a Union Label.

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

Section 3
Protective Clothing

- (a) Any employee who is exposed to a hazard by reason of handling toxic or noxious chemicals shall be provided with adequate protective clothing and equipment as required by Workers' Compensation Board regulations and the cost shall be borne by the Company.
- (b) The Company makes it a condition of employment for all employees to wear safety-toed footwear.
- (c) Effective January 1st, 1992, the employer will pay to each employee a safety boot allowance of \$125.00 per calendar year.
- (d) Office employees who work in the warehouse will also receive the above allowance of \$125.00 for their initial pair of boots, which will be replaced on an as needed basis but not more than once every twelve months.

It is mandatory that the employees wear safety-toed footwear, and that the footwear be C.S.A. approved. No receipts are required.

(e) The Company shall annually provide each dock employee personal protection equipment (reflective clothing) in accordance with WCB order and standards. Additionally the Company will replace reflective clothing on an "as required" basis up to once per year. Any employee reporting to work without their personal protective clothing will be sent home without pay.

(9) The Company will provide two (2) pairs of doves per year.

ARTICLE 18

Posting See Letter of Understanding.

ARTICLE 19

Paid-for Day of Accident If an employee, after starting work, meets with an accident which incapacitates him from carrying on his duties, he shall be paid his full day's wages for the day of his injury, provided he is not in receipt of compensation from the Worker's Compensation Board for that day.

Section 2 –
Modified Duties

The parties agree the search for an accommodated position involves all parties including the affected employee. Part of that search for accommodation may include referral to a functional analysis test, which an employee may be, requested to undergo at the company's expense. Where an employee cannot be accommodated in his or her home

position, a search for other reasonable modified duties will be made. The Company shall work with the employee's doctor and the WCB to determine the injured employee's functional abilities, and base the modified work upon the limitations of the employee.

ARTICLE 20

Section 1 Pay for Change In Classification

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

Where an employee from a lower-rate classification is requested to work in a higher-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 2 Chargehand Definition

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 6 herein.

Section 3

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

ARTICLE 21

Wages

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

ARTICLE 22

Section 1 Health & 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" hereto 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" from **January 1994 to the date on which this Agreement**

expires.

Section 2
Pension

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

Section 3

- (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 of 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. The company 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 within 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 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 23

Section 1

- (a) Except as hereinafter provided, the regular work day shall consist of eight **(8)** consecutive hours of work between 6:00 and 18:00 hours not including the meal period. The regular work week shall consist of five (5) consecutive eight **(8)** hour days starting either Sunday, Monday or Tuesday.
- (b) Weekly work schedules shall be posted in advance and, except in the case of emergency, employees must be given forty-eight **(48)** hours prior notice of any change in starting time.
- (c)
 - (i) Any regular employee who is called out to work shall be paid not less than eight **(8)** hours pay.
 - (ii) When a casual employee is called and reports for duty, he shall be guaranteed a minimum of-eight **(8)** hours pay,
- (d) The guarantee in paragraph's C (i) above will be fifty percent (50%) of that shown if the shift **is** canceled or modified due to a work stoppage, delay or strike by employees in the railway industry, or Act of God.
- (e) The Company will make a reasonable attempt to notify employees of any modification per "c" above. If successful, the guarantee will not apply.
- (9)** To qualify for the above benefits, 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.

Shift Differential

- (g) The Company may institute shift work, that is to say work done wholly or partly outside the regular hours of work provided that the shift work is continued for not less than five **(5)** consecutive work days in any one (1) week. If the shift work is not continued for the said period in respect of any employee covered by this Agreement, the shift differential shall apply in favour of such employee.

Where an employee exercises his seniority on a lay-off during the week which would require him to work outside the regular hours of work, he would only receive and be entitled to the **shift** differential.

Daily Guarantee

- (h)
 - (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 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) Any hourly rated employee reporting for duty on a call-out or call-back 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.

Posting Regular Shift

(i) 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.

Record of Employment

(j) 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 two (2) hours of overtime on any regular day, one and one-half times his regular rate of wages and for all time worked thereafter, the employee shall be paid double his regular rate of wages.
- (c)
 - i) For the first eight (8) hours worked on a General Holiday, an employee shall be paid double his regular rate of wages. The rate to be paid for the 9th and 10th hour on a seventh shift or General Holiday shall be three (3) times the regular rate. The rate paid for all hours beyond the 10th hour shall be paid four (4) times the regular rate.
 - ii) There will be three (3) shifts during the work week as follows:
 - (a) Monday to Friday inclusive - Saturday and Sunday become the sixth **and** seventh shift.

- (b) Tuesday to Saturday inclusive- Sunday and Monday becoming the sixth and seventh shift.
- (c) Sunday to Thursday inclusive- Friday and Saturday become the sixth and seventh shift.
- (d) With respect to General Holidays, the foregoing overtime provisions are in addition to eight (8) hours wages which shall be paid in any event.

iii) Where any employee works on a sixth (6th) shift, he shall be paid at one and one-half (1½) times his regular rate for the first eight (8) hours; two and one-quarter (2¼) times his regular rate for the ninth (9th) and tenth (10th) hour and three (3) times his regular rate thereafter.

(d) 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.

(e) 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 among those who have not worked their full quota or regular hours. Provided the foregoing has been complied with, seniority will prevail in classifications for the allocation of overtime.

Section 3 General Holidays

Pay for holidays when not worked shall be as follows:

Employees shall be paid for time not worked at the regular rate on New Year's Day, Good Friday, Victoria Day, Dominion Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day and in the event a General Holiday is proclaimed by the Federal or Provincial Government, such holiday shall be observed as a General Holiday. The rates of pay of these General Holidays will be at the regular applicable work time rate.

Floater Day

Employees will be entitled to one (1) floater day in addition to the General Holidays listed above. Two (2) week's notice is required and the provisions in Section 8 apply.

Employees entitled to these paid holidays shall have been on the payroll 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 in receipt of Workers' Compensation Wage Loss Benefits shall not be paid for the General Holidays as designated herein.

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

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

When a General Holiday falls on a Regular Employee's regular day off, then such employee will be granted a day off in lieu of such General Holiday on either the last working day preceding or the first working day following such General Holiday, or at the employee's option, be paid eight (8) hours at his regular hourly wage rate.

ARTICLE 24

Section 1 Two Weeks

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 of 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 of 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 Seven Weeks Vacation

All employees with twenty-eight (28) years or more of continuous service shall thereafter receive fourteen percent (14%) or two hundred and eighty (280) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater.

Section 7 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 fourteen hundred (1400) 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 8 Fourteen hundred (1400) 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 hereof in any single calendar year. However, General Holidays shall count as hours worked.

No employee shall be permitted to carry over vacation time, All vacation time shall be completed by December 31st of each year. Not more than twenty percent (20%) of any posted shift will be granted vacation at the same time. Holiday postings will go up from January 15th through February 28th. Any employee who has not booked vacation as of February 28th will be assigned holidays by the Company.

- Section 9
- (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 vacation, employees shall receive vacations in accordance **with** the provisions contained in sections 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 9, 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.

An employee is 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 10

- (a) 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.
- (b) Where an employee has less than fourteen hundred (1400) 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.
- (c) 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.
- (d) Any employee who accepts gainful employment while on vacation may be terminated.
- (e) 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.
- (9) 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 25

Maintenance of Standards

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 26

Section 1 Savings Clause

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

Section 2 Negotiations for Replacement of Articles Held Invalid

In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either Party for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the procedure as outlined in Article 29 following.

ARTICLE 27

Marginal Notations

The marginal section and article heading shall be used for purposes of reference only and may not be used as an aid in the Interpretation of this Agreement.

ARTICLE 28

Section 1 Grievance Procedure

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

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

- Step 1: Any grievance of an employee shall first be taken up between such employee and the Company supervisor, however, the employee will be entitled to be represented by a **Shop** Steward or a Union representative.
- Step 2: Failing settlement under Step 1, such grievance shall be taken up between a representative of the Union or a Shop Steward and the Company supervisor.
- Step 3: Failing settlement under Step 2, such grievance and any dispute arising between the Union and the Company over the interpretation or application of the provisions of this

Agreement, including any dispute as to whether a matter is subject to this grievance procedure, shall be referred to two (2) authorized representatives of the Union and two (2) authorized representatives of the Company. The representatives of the Union and the Company shall exchange statements in writing setting forth their respective positions relative to the matter(s) in dispute not later than at their initial meeting.

Step 4: Failing settlement under Step 3, either Party may refer the matter to an agreed upon neutral arbitrator who will meet with the authorized representatives of the Union and the Company to hear both sides of the case.

Section 2
Minister of
Labour

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

Section 3
Arbitrator's
Decision

The arbitrator shall be requested to hand down his decisions within fourteen (**14**) days (excluding Saturday, Sunday and General Holidays) following completion of the hearing and his decision will be final **and** binding on the *two* parties and shall be applied forthwith.

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

Section 4
costs

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

Section 5
Meeting Chairman
and Minutes

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

Section 6

The Company is obliged to invoke any discipline forthwith except in cases where an investigation is required, and failing to issue discipline forthwith, the discipline is deemed revoked.

ARTICLE 29

Section 1
Term of
Agreement

This Agreement shall be for the period from January 1, 2004 to and including December 31, 2006. Either party to this Agreement may, within four months immediately preceding December 31, 2006, give to the other party written notice to commence collective bargaining.

Section 2

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 Part 5 and the 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 excepted by the parties' mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement.

Section 3


It is mutually agreed that the operation of subsection (2) of Section 50 of the Labour Relations Code is specifically excluded from operation in this Agreement.

Section 50(2) of the Labour Relations Code provides as follows:

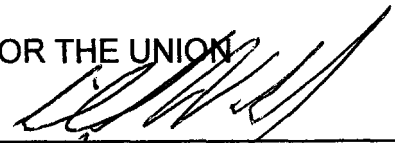
- (2) Subject to subsection (4), if a Collective Agreement is for a term of more than one year, either party may at any time after the Agreement has been in operation for 8 months apply to the minister for leave to notify the other party that the Agreement **will** be terminated on its next anniversary date.

SIGNED THIS *24* DAY OF *February* 2004.

FOR THE COMPANY



FOR THE UNION



Stan Denny

APPENDIX "A"

WAGE SCHEDULE

Casual Employees – Dock

January 1, 2004: \$18.38 / hour
January 1, 2005: \$18.38 / hour
January 1, 2006: \$18.38 / hour

Casual Employees - Office

January 1, 2004: \$15.51 / hour
January 1, 2005: \$15.51 / hour
January 1, 2006: \$15.51 / hour

Regular Employees – Dock

January 1, 2004: \$22.38 / hour
January 1, 2005: \$22.38 / hour
January 1, 2006: \$22.88 / hour

Regular Employees - Office

January 1, 2004: \$19.51 / hour
January 1, 2005: \$19.51 / hour
January 1, 2006: \$20.01 / hour

Yard Hostler

January 1, 2004: \$22.88 / hour
January 1, 2005: \$22.88 / hour
January 1, 2006: \$23.38 / hour

New Employees Hired After January 1, 2004

1st Year - \$3.00 per hour less than regular rate
2nd Year - \$1.50 per hour less than regular rate
3rd Year – Regular rate

Signing Bonus

Will be added to the first paycheck issued to regular employees on the **Seniority List** as of January 1, 2005 and January 1, 2006

January 1, 2005 **Signing Bonus** = \$1,250.00

January 1, 2006 **Signing Bonus** = \$1,000.00

Shift Differential:

Any employee who commences work @14:00 or later or prior to 06:00 shall be paid a shift differential for all hours worked on his shift. Shift differential is one dollar (\$1.00) more per hour.

Chargehand Premium

Any warehouseman who is designated as chargehand shall receive a premium of fifty cents (\$0.50) per hour above his regular rate.

APPENDIX "B"

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 1st July, 1971, and operated under an agreement and Declaration of Trust revised on 26th 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 members provided for in the agreement and Declaration of Trust (the Trust Agreement) and will include no less than three (3) members appointed by Teamsters Local Union No. 31.

Section 3 - Plan Administration

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

The Plan and the activities of the trustees will be governed by 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 purpose of this section, a regular employee or member of the Union hired by the Company shall include a dependent contractor as defined under appendix "c" hereunder. A dependent contractor shall be considered a regular employee after working a minimum of one hundred and twenty (120) hours in any period thirty (30) consecutive day period.
- (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 immediately following the month in which the employee becomes a regular employee.
- (d) Notwithstanding sub-paragraph (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 thirty (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 any 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 re-instated 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 to 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 10, 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
- (g) Extended Health
- (g) Medical Services Plan of B.C.

The amount 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 full 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 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 an 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 B.C. Medical Plan. This

means that the Company will be responsible for any monies to keep the plan whole.

Section 8 - Payment of Contributions

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

Payment of contributions by the Company shall be subject to the conditions and provisions of Article 22 of this agreement.

Section 9 - Termination of Coverage

Except as provided under Article 10, Section 5 hereunder:

- (a) All coverage 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 coverage will terminate at the end of the month in which termination of employment occurs, except as provided under Article 10, Section 5 of this agreement.
- (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 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 enrollment and administrative forms to the Company.
- (b) It shall be the responsibility of the Company to provide to the employee the necessary forms to enroll in and make claim under the Plan.
- (c) It shall be the responsibility of the employee to cause such forms to be completed.

APPENDIX "C"
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 Cartage and Warehousing Agreement on the one Part, and Teamsters Local Union No. 31 on the other Part, have together established a Pension Plan to be known and described as:

Teamsters - 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) The following rate of contribution shall apply:

January 1, 2004	\$3.00 per hour, per employee/no cap on hours
January 1, 2005	\$3.00 per hour, per employee/no cap on hours
January 1, 2006	\$3.00 per hour, per employee/no cap on hours

(2) All hours 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
- special personal floating holiday pay

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

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

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


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.

LETTER OF UNDERSTANDING

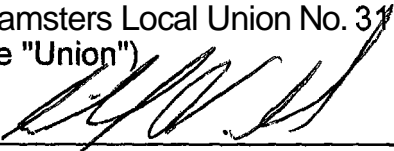
CALL-IN PROCEDURE:

The Company will provide prior notification to all employees required for work on Sunday, Monday and Tuesday shifts, and to **most** senior employees required for Wednesday, Thursday and Friday shifts. Call in procedure letter of understanding to be amended to reflect the above.

Signed on behalf of
Clarke Transport Canada
(the "Employer")



Signed on behalf of
Teamsters Local Union No. 311
(the "Union")



Stan Henning

LETTER OF UNDERSTANDING

INDUSTRY UNION ADVANCEMENT FUND

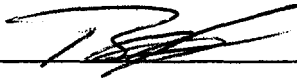
The Teamsters Local No. 31 Union/Industry Advancement Fund shall be for the enhancement of all persons dependent upon any industry represented by Teamsters Local Union No. 31.

Effective January 1, 1994, the Employer shall make contributions of five cents (\$0.05) per hour for which wages are payable hereunder for each employee and dependent contractor covered by this Collective Agreement.

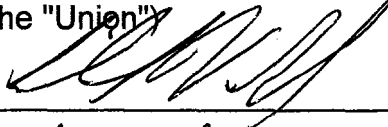
Payable of said funds shall be made to ~~the~~ Teamsters Local No. 31 Union/Industry Advancement Fund on a quarterly basis.

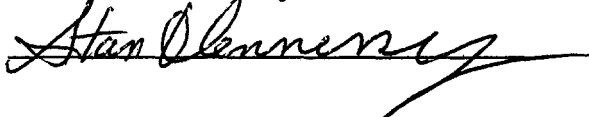
This payment will be independent and separate from any other payment made to Teamsters Local No. 31.

Signed on behalf of
Clarke Transport Canada
(the "Employer")



Signed on behalf of
Teamsters Local Union No. 31
(the "Union")





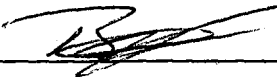
LETTER OF UNDERSTANDING

SHIFT START TIMES

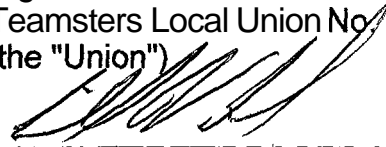
Notwithstanding any other provision contained in the Collective Agreement the employer agrees that shift commencement times shall not be altered by the Employer during the life of this Collective Agreement.

The only exception to this moratorium would be in the case of a revision in the time CN Rail unloads its' freight "cars".

Signed on behalf of
Clarke Transport Canada
(the "Employer")



Signed on behalf of
Teamsters Local Union No. 31
(the "Union")



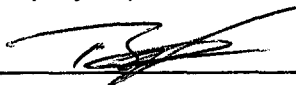
Stan J. Kennedy

LETTER OF UNDERSTANDING

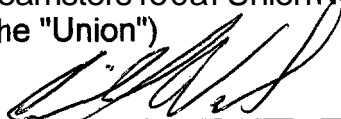
OFFICE MANAGER

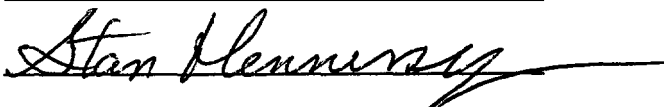
The Union agrees that the office manager can continue to perform the work as outlined in the office manager/sales coordinator job description as previously supplied to the Union by the Employer.

Signed on behalf of
Clarke Transport Canada
(the "Employer")



Signed on behalf of
Teamsters local Union No. 31
(the "Union")





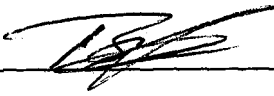
LETTER OF UNDERSTANDING

TEMPORARY POSTINGS

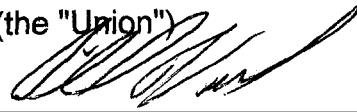
The Company will ask all employees in order of seniority who may wish to bump temporarily to dayshift from their current posted position if there is going to be a vacancy for a period of one ~~(1)~~ week or longer. Maximum of **five** (5) positions.

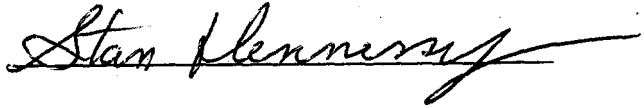
This does not apply to instances of sickness as they occur on a day-to-day basis.

Signed on behalf of
Clarke Transport Canada
(the "Employer")



Signed on behalf of
Teamsters Local Union **NO. 31**
(the "Union")





LETTER OF UNDERSTANDING

HOSTLER POSITION

Hours of Service: 8:00 p.m. to 4:30 a.m. Sunday to Thursday.

The position is to be posted twice per year (June 1st and December 1st) as per the collective agreement.

The position will be awarded to the most senior employee bidding the position who has a valid Class 1 with Air Endorsement, and a clean driver's abstract. Provided above is met, Article 6 Section 2 will apply.

The Hostler is restricted to the operation of the shunt truck and P&D units only.

The Hostler is restricted to the movement of trailers within the confines of property leased by Clarke Transport and only during the hours as defined by the shift hours above, or as may be expressly required by the Company. (i.e., early starts or overtime.)

During times when the hostler is not required to operate the shunt truck, he shall work as a regular dock employee for the purpose of offloading or loading skids, sweeping trailers, and shall perform all other duties as may be required.

In the event that the hostler is ill for the period of one (1) week or less, the cartage agents shall perform the hostling work with an alternate driver supplied by the cartage agent until such time as the posted hostler returns to work.

In the event that the hostler is on vacation, LTD or WCB, an alternate qualified driver drawn from the existing bargaining unit shall perform the work until such time as the posted hostler returns to work.

Should the shunt truck break down for a period of two (2) days or less, the cartage agent will perform the hostling work with an alternate tractor and driver supplied by the cartage agent. Should the breakdown be for a period longer than two (2) days, the cartage agent shall provide alternate equipment to be used until the shunt truck is repaired.

In all instances of a breakdown, the Company shall make every effort to have the shunt truck repaired as quickly as possible.

The rate of pay for the hostler position shall be fifty (50) cents per hour over the rate for the regular shedmen, and the hostler will be entitled to any applicable shift differential.

The hostler must be able to maneuver all equipment utilized by the Company. B-train proficiency must be demonstrated as per article 6 section 3 (within 30 days).

Any damage to the shunt truck or to any trailer, or to any other property, caused by the hostler shall be subject to disciplinary action by the Company as per Article 12 of the collective agreement.


The hostler is required to wear suitable clothing for inclement weather. The Company will

provide raingear.

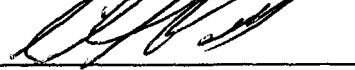
The Company reserves the right to reclassify the hostler position **should** the successful bidder be unable to perform **up** to the Company's standards for speed and efficiency as per Article 12 Section 2. In this event, the position **will** be reposted.


All other hostling shall be performed by the cartage agent's drivers coming and going, outside of the period designated as hostler hours.

Signed on behalf of
Clarke Transport Canada
(the "Employer")



Signed on behalf of
Teamsters Local Union No. 31
(the "Union")






LETTER OF UNDERSTANDING

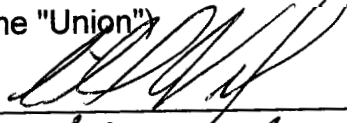
FOUR-TENWORK WEEK

The Company and the Union agree that if a four/ten (4/10) work week becomes necessary, the parties will meet to work out suitable language.

Signed on behalf of
Clarke Transport Canada
(the "Employer")



Signed on behalf of
Teamsters Local Union No. 31
(the "Union")



Stan Flennery

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