

THIS AGREEMENT ENTERED INTO
THIS 17th DAY OF JANUARY, 2005

BETWEEN:

MTE Logistix Edmonton Inc
(hereinafter called the "Company")
OF THE FIRST PART,

AND:

GENERAL TEAMSTERS, LOCAL UNION NO. 362
affiliated with
THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS
(hereinafter called the "Union")
OF THE SECOND PART.

13397(01)

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The Parties hereto agree as follows:

ARTICLE NO. I - DEFINITIONS

- 1.1 (a) **Objects** - It is recognized that the Company and the Union **agree** to co-operate fully in ensuring greater productivity and competitiveness by improving, wherever possible, the flexibility and efficiency of the work process.
- (b) **Union Co-operation** - The Union as well as the members thereof, agree at all times **as fully** as it may be within their **power**, to further the interest of the Company.
- 1.2 For ease of expression, in all areas where the language in this Agreement refers to the **male** gender, such language shall also mean the female gender, and no discrimination **between** the sexes is intended or implied.
- 1.3 The word "employee", whenever used in this Agreement, shall mean all employees of MTE Logistix Edmonton Inc.
- 1.4 A "full-time employee", whenever used in this Agreement, shall mean an employee who has completed the probationary period, makes himself available to the Company for full-time employment, recognizes the Company as his primary employer, and has read and understood Company Policies.
- 1.5 A "probationary employee", whenever used in this Agreement, shall mean a newly hired full-time employee who must **serve** a period of one hundred and **twenty** (120) calendar days. On completion of his probationary period, such employee shall be credited with a **seniority** date **which** is one hundred and twenty (120) calendar days prior to the date on which he completed his probationary period, and thereafter **shall be** entitled to all conditions of this Agreement. A probationary employee shall have no rights under the seniority provisions of this Agreement, and may be discharged by the Company with or without assigned cause, and at the sole discretion of **the** Company, and an Arbitrator shall have no jurisdiction to award any remedy, including reinstatement to a probationary employee who has **been laid off** or discharged.
- If a part-time employee is considered for full-time employment, the one hundred and **twenty** (120) calendar days **would** be waived, or reduced proportionally if he has completed six hundred and seventy-two (672) part-time hours of work.
- 1.6 A "part-time employee", whenever used **in this** Agreement, shall mean an employee of the Company who shall not work more than thirty-five (35) **hours** per work **week**, but should the employee **exceed** thirty-five (35) hours per **week**, then the employee **shall be deemed** full-time. A part-time employee shall have no rights under the seniority provisions, **the** Health & Welfare Plan, or the **Pension** Plan **as** outlined in this Agreement.
- 1.7 A "temporary employee", whenever **used** in this Agreement, will refer to a **person** who is from a temporary agency, and not paid as an employee of MTE Logistix Edmonton Inc. Temporary employees **will** not be **used** for the purpose of handling merchandise **or** other material during regular hours of **work**, while the Company has full-time and part-time employees available, and who desire that work. Any **work** that the temporary employees undertake shall not take **away** any full-time work from any full-time **employee**.
- 1.8 A "warehouseman" is defined as a **job** within this Company that performs all duties pertaining to the operations of the warehouse, which includes but is not limited to picking, loading, and forklift operation.

ARTICLE NO. 2 - SCOPE

- 2.1 The following terms and conditions shall govern the services of all employees of the Company consisting of all Truck Drivers and Warehousemen, hereafter together referred to as employees or employee as the case may be.

ARTICLE NO. 3 - POSTING OF AGREEMENT

- 3.1 The Company will provide a bulletin board for the posting of this Agreement, and for such notices that pertain to Union business that the Union may from time to time wish to post. All such notices shall be signed by a Union official.

ARTICLE NO. 4 - UNION SECURITY

- 4.1
- a) Each new employee covered by this Agreement who has been employed for seven (7) calendar days prior to the pay period in which regular Check-off is deducted shall, as a condition of employment, pay the monthly Union Dues as regular members of the said Union, or the equivalent thereof.
 - b) All employees shall, as a condition of their employment, become Union Members within sixty (60) calendar days of their date of employment maintaining such membership for the duration of this Agreement, or be replaced.
 - c) The Company agrees for the duration of this Agreement to deduct from the last paycheque of each month the monthly dues of any employee covered by this Agreement, also the Initiation Fee to the Local Union, and to remit such monies so deducted to the Head Office of the Local Union, along with a list of the employees from whom the money was deducted. The Union will supply the Company with application forms for Union Membership and dues deduction application forms which shall be signed by all new employees on the day on which the new employee was hired. All completed copies of the application for Union Membership forms shall be returned to the Union immediately and shall serve as notification of commencement of employment.
 - d) The Company shall not sell or lease equipment with the intention of evading the terms of this Agreement.
 - e) Employees on the full-time Seniority List shall not be laid off due to the Company hiring outside equipment when the Company has useable and appropriate licensed equipment available for the same work.
- 4.2 Part-time employees
- a) All persons employed to supplement the regular hourly work force to ensure customer service requirements are satisfied shall be classified as part-time employees, and will become members of the Union and pay Union dues as outlined in Article 4.1 which will entitle them to all the conditions of this Agreement, excluding the seniority provisions, the Health & Welfare Plan, and the Pension Plan.

- b) The Company agrees to limit the number of part-time hours to up to forty percent (40%) of the total workforce hours per week. Therefore, a minimum of sixty percent (60%) of the total work force hours shall be made up of full-time employees, at all times. A one-on-one substitution shall be allowed for full-time employees who are on Vacation, WCB, Short Term Disability (STD), Leave of Absence, and Sick Leave hours. The exception to the above percentages will be when the increased use of part-time hours happen during peak periods which includes the training during these periods. Peak periods are March 1 to September 30, and November 1 to December 31 of each year.

Upon the return of the full-time employee who is on WCB or STD, the part-time employee will revert back to his part-time position, and back to his part-time rate from the full-time base rate he was paid while backfilling for the full time position.

- c) A Part-time employee shall:
1. Be carried on a random order part-time roster
 2. Be given an opportunity to qualify as a full-time employee as openings become available, and will then be placed at the bottom of the full-time employees seniority list, providing they meet all Company qualifications and requirements.
 3. Not be called in to work outside an established shift, if full-time employees are available and willing to accept the work
 4. Not be covered under the provisions of the Health & Welfare Plan or Pension Plan until such time as they are transferred to the full-time employees seniority list.
 5. Be paid their vacation entitlement per the guidelines set out in the Employment Standards Code.

ARTICLE NO. 5 - GENERAL

- 5.1 a) The Union recognizes the right of the Company to manage the business in all aspects including, but not limited to:
1. Directing the work forces including the right to hire, promote, transfer, demote, discipline, suspend or terminate the employment of any employee for just cause
 2. Determining changing the hours of work and work assignments
 3. Selecting and scheduling the material to be handled and processed
 4. Making or altering from time to time, the policies and procedures to be observed by the employees, which shall not be inconsistent with this Agreement, copies of which shall be made available to the Union.
 5. The employee shall sign a confirmation that he has received a copy of the Company's policies and procedures, and that he understands their meaning.
- 5.2 a) The Parties hereto recognize all the clauses and stipulations of this Agreement are subject to the Grievance Procedure.

- b) The Union shall appoint or elect, one Shop Steward per shift per department, from regular full-time employees who have completed their probation period, and shall notify the Company in writing of such election or appointment. The Company shall recognize Shop Stewards and shall not discriminate against them for lawful Union activity.
- c) The Company shall have the right to approve time off without pay to any person who is serving on a Union Committee, or as a delegate, or for any lawful Union activity, providing all requests for time off are reasonable and/or do not interfere with the proper operation of the business and provided seventy-two (72) hours written notice is given to the Company by the Union, specifying the length of time off.
- d) Authorized agents of the Union will request, and have access to the Company's establishment during working hours, for the purpose of investigating conditions related to the Union contract clauses, and shall in no way interrupt the Company's working schedule.
- e) This Agreement shall be binding upon the Parties hereto, or 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 without recourse to the Company, continue to be subject to the terms and conditions of this Agreement for the life thereof.
- f) Employees required to operate equipment will be trained in-house on such equipment, and then shall be certified as a power equipment operator at a later date, when time permits. Only qualified full-time and/or part-time employees, chosen by the Company, will be used to assist in the training and development of other employees.

ARTICLE NO. 6 - SENIORITY

- 6.1 Seniority shall be based on the length of continuous service an employee has been on the payroll, subject to Section 6.2 of this Article.
- 6.2 An employee shall lose all seniority rights for any one or more of the following reasons:
 - a) voluntary resignation,
 - b) discharge for cause, or
 - c) failure to return to work after a layoff under Section 6.3 of this Article.
- 6.3
 - a) Seniority shall prevail within the departments in the event of layoffs, with the junior employee covered by this Agreement being laid off first, providing the senior employee is capable of performing the remaining job.
 - b) The Company agrees to rehire laid off full-time employees on a seniority basis, commencing with the last employee laid off. When recalling any employees to work after being laid off, they shall be notified by Registered Mail, directed to the employee's last known address, and such employee will be allowed three (3) days from the date the Registered Mail was picked up, to report to work. If the Registered Mail is not picked up after twenty (20) days, the employee shall lose all recall rights.
- 6.4
 - a) Daily call-in, Monday through Sunday, will be on a seniority basis in each department, providing the employee is capable of performing the job.

Company does not get the required number of volunteers for overtime, the junior employee on the shift will be required to do the job. An employee however, will be required to finish any work assignment that commenced prior to the regular quitting time.

- c) Call-back overtime shall be allocated by seniority in a voluntary manner in each department in the same manner as 6.4(b) above.

6.5 Seniority shall be on a department basis.

The departments shall be:

1. All truck drivers
2. Third party logistics Warehouseman
3. Contract Warehousing Warehouseman

6.6 In the event of a shortage of work in a department, employees may revert to any position within the Company's departments, according to their Company seniority, and providing they meet Company requirements and qualifications, and providing they have not been called to work for fifteen (15) consecutive days. Such moves shall be considered as temporary, and lasting only until *such* time as working force in their department is returned to normal. If an employee works more than thirty (30) days in the new department, and it is decided he remain in that department, he shall have his full seniority transferred with him. There shall be no disruption to the current vacation schedule in the new department.

6.7 Company-authorized Leave of Absence, for any other reason than ill health, shall be in writing for anything from three (3) days to a maximum of thirty (30) days. Any extension of leave of absence over thirty (30) days, shall be in writing and agreed upon by the Union, the Company and the employee concerned.

6.8 a) Seniority will prevail for any posted positions for shift preferential, vacancies, or increased staffing requirements in each department, providing that the employee is qualified, but there shall be no job bumping privileges. Any postings for the above mentioned shall be posted for three (3) days for bids.

The Company operates three (3) shifts per day:

1. The Day Shift
2. The Afternoon Shift, and
3. The Night Shift

b) The Company operates different shifts per day, and the starting time for each shift may vary for each employee, depending upon business requirements.

c) Any employee applying and successfully obtaining any internal posted position for a shift change within their department shall remain in that position for a period of no less than four (4) months.

6.9 The Company will ~~post~~ and maintain Seniority Lists. Such ~~up-to-date~~ lists will be posted once a year for the Master Seniority List ~~on~~ April 1, and the Departmental Seniority ~~List will~~ be posted every three (3) months. Copies of current lists will be provided to the Local Union. Any employee wishing to protest his ~~seniority~~, must ~~do so~~ within thirty (30) days of the posting of the Seniority Lists.

Lists will be ~~made~~ up as follows:

1. A Master Seniority List ~~of~~ all employees covered by this Agreement, showing the official date each employee became employed as a Full-time ~~employee~~.
 2. A Departmental Seniority List showing employees official seniority in a department.
- 6.10 a) Promotion - When an employee within the bargaining unit covered by this Agreement receives a Leave ~~of~~ Absence to take a position with the Company ~~which~~ is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum ~~of~~ one hundred and ~~twenty~~ (120) days within the former unit.
- b) At the ~~end~~ of this period of ~~one~~ hundred and ~~twenty~~ (120) days, the employee must exercise his seniority rights by returning to his former unit or relinquish all ~~such~~ seniority rights.

ARTICLE NO. 7 - SAFETY CONDITIONS

- 7.1 **Maintenance of Vehicles and Equipment-** It is to the mutual advantage, of ~~both~~ the Company and the ~~employee~~, that employees shall not operate ~~vehicles which~~ are not in a safe operating condition.
- 7.2 ~~It shall~~ be the duty of the employee to immediately report, in writing on the appropriate Company forms, all ~~safety~~ and/or mechanical ~~defects~~ on the equipment which they have operated during that shift or trip. These reports are to be made to the immediate ~~Shift~~ Foreman.
- 7.3 It shall ~~be the~~ obligation of the Company to direct repairs as necessary to conform with the safe and ~~efficient~~ operation of that equipment.
- 7.4 In ~~the event~~ the repairs cannot be affected, the equipment will be correctly identified and be kept out of service ~~until~~ repaired. In the event a dispute ~~arises~~ as to the ~~safety~~ condition of a unit, the Service Technician will be required to sign that this unit is safe to operate.
- 7.5 The ~~Company~~ shall provide clean and adequate lunchrooms for its employees ~~at~~ its main facilities, where ~~such~~ lunchrooms ~~are~~ to be used and kept in a ~~clean~~ condition by the employees, otherwise the ~~employees~~ shall forfeit the right of use.

ARTICLE NO. 8 - HOURS OF WORK

8.1 The regular hours of work for all employees shall be:

Daily Maximum- Five day week - eight (8) hours per day
 Four day week - ten (10) hours per day

Weekly Maximum- forty (40) hours per ~~week~~.

8.2 All hours worked in excess of the daily or weekly maximum will be overtime and paid for as follows:

- a) For all employees while working in the City, on shifts commencing Monday through Sunday:
 - 1. Five day week - over eight (8) hours per day, one and one-half (1½) times the regular rate of pay, and shall have two consecutive days off; and,
 - 2. Four day week - over ten (10) hours per day, one and one-half (1½) times the regular rate of pay.
- b) Statutory Holidays - one and one-half (1½) times the regular rates of pay for all hours worked.

8.3 Over-the-road drivers and helpers, while working on over-the-road trips away from their home Facility:

- a) Hourly - All hours worked in excess of daily or weekly maximum or on statutory Holidays will be paid at one and one-half (1½) times the regular rates of pay.
- b) Mileage - Solo Drivers will receive one-half (½) their work time rate and their regular mileage provisions for all hours worked in excess of eight and one-half (8½) hours per day, or on Statutory Holidays. If a trip or work day consists of both hours and miles, the onus is upon the driver to book such accordingly.

8.4 Daily Guarantee

- a) City employees: -When a Full-time Employee is called, and reports for duty, on a regularly scheduled work day, he shall be guaranteed a minimum of four (4) hours pay.
- b) Full-time employees reporting for duty on a call-out or call-back basis, inconsistent with their regular scheduled work day or shift, shall be guaranteed a minimum of four (4) hours pay at their regular overtime pay provisions, subject to Article No. 8.2 (b) above.

After completion of the duty the employee is called for, he may book off with a minimum of two (2) hours pay at overtime rate, provided there is no further work.

- c) A call-back shall be considered as *such*, when an employee has been effectively released from duty, has left the premises, and has subsequently been requested to report back for work. If the employee is still on the premises, and has been requested to report back for work, he shall be treated as if he had continued working on his original shift.

ARTICLE NO. 9 - CLASSIFICATIONS AND MINIMUM RATES OF PAY

9.1 Rates Per Hour for Full-Time Employees:

	JAN 1/05	JAN 1/06	JAN 1/07
WAREHOUSEMAN			
New Hire Rate	\$13.46	\$13.66	\$13.96
Top Rate	\$17.44	\$17.64	\$17.94
TRACTOR TRAILER DRIVER			
New Hire Rate	\$13.57	\$13.77	\$14.07
Top Rate	\$17.55	\$17.75	\$18.05
SINGLE UNIT TRUCK DRIVER			
New Hire Rate	\$13.40	\$13.60	\$13.90
Top Rate	\$17.38	\$17.58	\$17.88

Wage Increases -

Standard Increase - full-time employees will receive **forty-eight cents (48¢)** after the first six (6) months from their date of hire, and Will continue to receive increases of **fifty cents (50¢)** every six (6) months thereafter until the employee reaches the top rate.

Any employee who has not reached the top rate of pay will receive a **twenty cent (20¢)** increase effective January 1, 2006 and will receive a **thirty cent (30¢)** increase effective January 1, 2007.

9.2 Rates per Hour for Part-time Employees

The thereafter rate will be given to each part-time employee who has worked eight hundred and fifty (850) part-time hours with no break in his employment service with MTE Logistix Edmonton Inc.

	JAN 1/05	JAN 1/06	JAN 1/07
WAREHOUSEMAN			
Starting rate	\$11.98	\$12.08	\$12.18
Thereafter rate	\$12.54	\$12.64	\$12.74

9.3 Mileage Rates - cents per kilometre

a) Single Unit Trucks 0.1677

9.4 Leadhand shall be paid one dollar (\$1.00) per hour higher than their regular classification rate of pay. The Leadhand shall not have the right to hire, fire, or formally discipline any individual.

9.5 Shift Premium - Full-time employees will be paid a shift premium of **seventy-five cents (75¢)** per hour when working the afternoon and/or night shift(s).

9.6 Subsistence - The Company shall pay all reasonable *costs* of meals, and hotel or motel accommodation with prior approval by the employee's supervisor, and upon the timely presentation of receipts in support of the expenditures.

9.7 Layover Pay - Full-time employees shall be given eight (8) hours pay, at straight time rate, for every

day that they are not required to work, when held away from their home facility.

- 9.8 Definition of Miles and Hours- Work Time shall include, but not be limited to, loading, unloading, repair of equipment, chaining and unchaining, time spent on ferries and boats, hooking up and unhooking, fuelling, and when drivers are required to stay with equipment.

ARTICLE NO. 10 - PAY AND WORKING CONDITIONS

- 10.1 a) All employees covered by this Agreement shall be paid for all time spent in the employment of the Company.

- b) Pay Time shall be computed from the time the employee is ordered to report for duty, and registers in, whichever is the later, until he is effectively released from duty.

- 10.2 a) All Full-time employees covered by this Agreement shall be paid not less frequently than on every other Friday, before noon, 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 12:01 a.m..

The Company shall provide each employee covered by this Agreement, with a separate and 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 or paid for, the total miles driven, the total overtime worked at the applicable wage rate and all deductions made from the gross amount of wages.

- b) If an error occurs in the payroll computation of an employee's paycheque and the amount is equal to one (1) days pay or more, he shall be entitled, on request, to receive same within two (2) working days from the time he notifies the Company of said error. If an employee improperly completes his time card or pay claim, or does not turn them in immediately on completion of his trip or tour, any pay so affected will be included with the next regular pay period.

- c) Upon discharge, the Company shall pay as soon as possible, all money due to the employee. Upon quitting, the Company shall pay all money due to the employee, on or before the payday in the week following such quitting.

- 10.3 When an employee meets with a personal injury, while on duty, which prevents him from completing his shift, he will be paid only the hours actually worked, except that if the injury is of a nature requiring hospitalization or immediate care by a medical physician, the employee will be compensated for the full shift on that day.

- 10.4 No employee shall be asked to make a written or verbal agreement with the Company covering hours of work, wages or conditions during the term of this Agreement.

- 10.5 Full-time employees shall be notified before quitting time if they will not be required to work their next regular work day.

- 10.6 There shall be no "split shifts", and the hourly paid Full-time Employee's work week must be designated to him on the last day of the preceding week. This clause does not apply to over-the-road drivers.

- 10.7 a) The employee shall, ~~except~~ by mutual agreement between the Parties hereto, take ~~a~~ at least ~~one~~ (1) continuous period for meals of not less than thirty (30) minutes, nor more than one (1) hour in any one (1) day, ~~and~~ must be on duty for more than three (3) hours in an eight (8) hour day in order to take that meal break..
- b) When an employee has worked his full shift of eight (8) hours, and is compelled to work two and one-half (2½) hours or more overtime, said employee ~~will~~ be entitled to one fifteen (15) minute paid break after ten (10).

10.8 When an employee has invoked a grievance on his discharge, the Company shall pay only the Medical, Dental and Life Insurance portions of the Health & Welfare Plan, plus Union ~~dues~~. If an employee goes off work, ~~ill~~ or ~~on~~ Compensation, the Company shall pay all of the Health & Welfare fees, plus Union Dues, so that at all times, the employee shall be protected to the utmost, provided:

- a) the employee reimburses the Company for such contributions made on his behalf, and is at no time more than five (5) months in arrears, and
- b) the period of ~~such~~ coverage shall exceed twelve (12) months only by mutual agreement of the two Parties.

In the event of any employee grievance being rejected, all monies paid by the Company under this section, including the total premium, shall be paid to the Company by the employee.

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

In the event any employee does not return to work, and the employee refuses or neglects on demand ~~at~~ his last known address, to make restitution for such monies paid out, the Union shall then reimburse the Company for said amount.

- 10.9 a) Any Company or Government-required physical or medical examination shall ~~be~~ promptly complied with by all employees, and such examination shall be made by a doctor chosen by the Company, who shall bear the ~~cost~~ of such examination. The Company shall pay for all time lost for ~~such~~ examination during working hours provided the employee completes a form signed by the medical facility confirming the employee's time and attendance ~~at~~ such appointment, ~~and~~ returns this form promptly to the Company. ~~No~~ pay will be ~~issued~~ until the Company receives this form. The Company shall give ~~the~~ employee twenty-four (24) hours notice prior to ~~such~~ examination.
- b) Employees taking a medical for Class #1 Licence must have one (1) or more years of service with the Company in ~~order~~ to qualify for the above reimbursement.
- c) The Company may, at the sole discretion of the Company, supply the necessary equipment required in obtaining an Operator's Licence, and this test shall be taken during working hours.

10.10 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, provided that the employee gives immediate notice to the Company about his condition, immediately ~~following~~ the employee's last medical appointment..

10.11 Any employee whose health has been certified by a medical doctor to be ~~such~~ that he must change his job, shall be given a temporary assignment in another department. He shall be given a reasonable length of time to qualify for the job provided he is capable of performing the work, and providing there is an opening available in the department.

10.12 Any Regular Full-time Employee ~~who~~ is required to perform Jury Duty on a day on which he would normally have worked, or attends court in response to a subpoena only to give evidence as a witness concerning matters occurring during the regular course of his employment with the Company, will be reimbursed by the Company for the difference between the pay received for Jury Duty or Witness Attendance, and his regular straight time hourly rate of pay for his regularly scheduled hours of work. It is understood that such reimbursements shall not be for hours in excess of eight (8) hours per day or forty (40) hours per week, less pay received for Jury Duty or Witness Attendance.

The employee will be required to furnish proof of Jury service or Witness Attendance and Jury Duty pay or Witness Fee received therefor, and the employee shall be responsible to account to the Company for Witness Fee received ~~both with~~ a subpoena and subsequently to the service thereof. Any employee on Jury Duty or Witness Attendance shall, subject to this provision, make himself available for work before or after being required for ~~such~~ duty, ~~whenever~~ practicable.

This clause will have no application for an employee on Leave of Absence, or when receiving benefits under the Health and Welfare program, annual vacation, Worker's Compensation, or as otherwise covered in this Agreement.

10.13 When death occurs to a member of a Full-time Employee's immediate family, the employee will be granted upon request, an appropriate Leave of Absence, and if he attends the funeral, he shall be compensated at his regular straight time hourly rate for hours lost from his regular Schedule on any of the days prior to the funeral, the day of the funeral and the day ~~after~~ the funeral, for a maximum of ~~three~~ (3) days. Members of the employee's family are defined as the employee's ~~spouse~~, mother, father, sons, daughters, stepsons, stepdaughters, sisters, brothers, grandmother, grandfather, mother-in-law, and father-in-law.

10.14 a) Clothing- All full-time employees shall be required to wear Company clothing as a condition of employment. The Company shall pay ~~one-half~~ (½) of the ~~cost~~ of the clothing, consisting of ~~two~~ (2) pairs of pants and two (2) shirts or two (2) pairs of coveralls, provided the employee stays in the employment of the Company longer than one (1) year of full-time service. ~~Otherwise~~, the Company is authorized to ~~deduct~~ their portion of the ~~cost~~ of the coveralls from the employee's final pay, should he leave the Company's employ before the expiry of ~~one~~ (1) year of full-time service.

b) Uniforms and coveralls supplied by the Company are the responsibility of the employee to keep clean. Replacements will be given upon Company approval, and ~~proof of the~~ used items.

c) The Company will reimburse fifty percent (50%) of the ~~cost~~ of safety boots, to a maximum of seventy-five dollars (\$75.00), provided the employee stays in the full-time employment of the Company longer than one (1) year. ~~Otherwise~~, the Company is authorized to ~~deduct~~ their portion of the ~~cost~~ of the boots from the employee's final pay should he leave the Company's employ before the expiry of ~~one~~ (1) year of full-time service. ~~The boots~~ must be Grade 1, green triangle, CSA approved 6 inch safety boots. Employees must only wear safety boots that are kept in good condition.

ARTICLE NO. 11 - STATUTORY HOLIDAYS

- 11.1 a) All Full-time employees who have completed thirty (30) calendar days of employment shall be entitled to the following Statutory Holidays.

The said Statutory Holidays are:

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

In the event the Government of Alberta declares any Holiday in February, it shall be added to the above list.

- b) Full-time employees will receive eight (8) hours pay, or ten (10) hours pay, at their regular hourly work time job classification rate, based on their five (5) day shift or four (4) day shift respectively, for the Statutory Holidays as listed.
- 11.2 Full-time employees shall be entitled to Statutory Holiday pay for the specified Holiday, subject to the following qualifications:
- a) An employee shall not be entitled to receive pay for any Statutory Holiday where such Holiday falls while the employee is on expressed Leave of Absence for any reason whatsoever, or due to sickness or Compensation.
- b) Employees absent from duty, other than for proven sickness or Company authorization, on the day before the Holiday and/or the day after the Holiday, shall not be paid for the Holiday.
- 11.3 In the event a Full-time employee is requested to work on his Statutory Holiday, he shall receive the rate of pay as stipulated in this Agreement in addition to the rate of pay as prescribed for the Statutory Holiday.
- 11.4 In the event any of the above-mentioned Holidays fall during an employee's annual vacation, he shall receive an extra day ~~off~~ with pay, added to his vacation for each Holiday.
- 11.5 In the event any ~~of~~ the above-mentioned Holidays fall on an employee's regular day ~~off~~, it will be ~~at~~ the discretion of the Company to decide whether the day given will be on the day before or the day after, depending on business requirements..

ARTICLE NO. 12 - ANNUAL VACATIONS

- 12.1 Vacation will be calculated by using hours worked within a given vacation year, The hours worked will be less WCB, STD, layoff, or Leave of Absence, including voluntary leaves. Straight time worked will be added together until the employee's anniversary date, then the employee's hours will be supplemented with his overtime hours up to a maximum of the hours needed for that level of vacation. So the pay for such hours will be given on straight time until the completion of his anniversary. This calculation will start after completion of one year (no overtime hours can be used to reach the maximum in the first year.)

- a) Each full-time employee on completing one (1) year of continuous service with the Company, shall be granted ~~two (2) weeks~~ vacation with pay.

Payment for such vacation shall be in the amount equal to four percent (4%) of the gross wages to a maximum of two thousand (2000) hours worked by the employee, during the year in which he qualified for such vacation.

- b) Each full-time employee on completing five (5) or more years of continuous service with the Company, shall be granted three (3) consecutive weeks vacation with pay.

Payment for such vacation shall be in the amount equal to six percent (6%) of the gross wages to a maximum of one thousand nine hundred and ~~sixty~~ (1960) hours worked by the employee, during the year in which he qualified for such vacation.

- c) Each full-time employee upon completing ten (10) or more years of continuous service with the Company, shall receive four (4) ~~weeks~~ vacation with pay.

Payment for such vacation shall be in the amount equal to eight percent (8%) of the gross wages to a maximum of one thousand nine hundred and ~~twenty~~ (1920) hours worked by the employee, during ~~the~~ year in which he qualified for such vacation.

- d) Each full-time employee shall be required to complete eighteen (18) years or more of continuous service with the Company to be granted five (5) weeks vacation with pay.

Payment for such vacation shall be in the amount equal to ten percent (10%) of the gross wages, to a maximum of one thousand eight hundred and eighty (1880) hours worked by the employee during the year in which he qualified for such vacation.

12.2 The time of vacation shall be fixed by the Company, consistent with efficient operation of the business. Preference of vacation time shall be given to senior employees. Holiday lists, once posted, will be removed after sixty (60) days. Vacation procedures shall be in accordance with the Company Vacation Policy.

12.3 Any employee laid off, or leaving the Company, before completion of a full year of service, shall be entitled to a pro-rated vacation with pay, computed on the same percentage of his gross wages, during the portion of the year worked.

12.4 For an employee to receive his vacation pay, the employee will be required to fill out a form prior to taking vacation. The ~~employee~~ will NOT receive his vacation pay any earlier than seven (7) consecutive days prior to the employee taking vacation so the form must be received by payroll prior to the seven (7) days. The employee will receive his vacation pay via direct deposit.

ARTICLE NO. 13 - UNION CONTROVERSY

13.1 It shall not be a violation of this Agreement, or cause for discharge of any employee, in the performance of his duties to refuse to cross a picket line, or pickup or deliver to a place where a labour dispute exists, which is recognized by the Union.

ARTICLE NO. 14 - DISMISSAL

14.1 The Company may discharge an employee for cause ~~at~~ any time, without notice. Each employee will have the right to have a Shop Steward present. If a Shop Steward ~~is~~ unable to attend, the employee shall have the right to have another Union member from that location present.

- 14.2** Notwithstanding paragraph **14.1** above, discharge without notice is the specific penalty for the following infractions;
1. drinking while on duty or on Company premises, or being under the influence of liquor or non-prescription drugs while on duty;
 2. stealing or dishonesty;
 3. abuse of equipment and/or customer products;
 4. physical violence directed at other employees or customers of the Company;
 5. leaving the job without notice;
 6. being absent without leave;
 7. being discourteous to customers;
 8. revocation of the employee's drivers licence (where the employee is a truck driver) for any reason whatsoever;
 9. rejection of the employee's driving record (where the employee is a truck driver) by the Company's insurance carrier;
 10. failure to obey the instructions of, and/or deliberate disobedience of, a directive from any Company Manager or their designate;
 11. actions or conditions created by the employee which endanger the safety of others:
- 14.3** When an employee commits their first infraction, a non-disciplinary, written counselling letter shall be issued. Any further infractions will then follow the disciplinary process outlined below
- a) On the first (**1st**) offence a written reprimand shall be issued.
 - b) On the second (**2nd**) offence, a written reprimand shall be issued along with a suspension from work as determined by the Company.
 - c) On the third (**3rd**) offence, a written reprimand shall be issued along with a dismissal from employment with the Company.
- 14.4** The Company agrees to give the Union a copy of any reprimand provided to an employee. A reprimand letter must be removed from the employee's file eighteen (**18**) months after the date of such reprimand.
- 14.5** Should any discharged employee feel that such dismissal is unjust, he may apply for a hearing of his case through the Grievance Procedure, within two (2) working days of the date of discharge. Should it be found that an error has been made, he shall be reinstated and reimbursed for all time lost. Such reimbursement to be less all monies otherwise earned during the period in question.
- 14.6** A driver suspended or discharged away from his home facility shall receive transportation to his home facility.

ARTICLE NO. 15 - LOSS OR DAMAGE3

- 15.1 Employees will not be charged for ~~loss~~ or damage, except where clear proof of negligence is shown, and if the employee concerned denies negligence, he shall not be dismissed or laid off for non-payment unless, and until, the question of his negligence has been decided by Arbitration under the Arbitration Act. In no event will the Company deduct any monies from an employee's earnings, unless he has signed proper authorization.
- 15.2 Notwithstanding the other provisions of this Article, where an employee is acting as a truck driver, and he has custody of a customer's product, he has been issued with a padlock(s) to secure his vehicle, and he has signed for and counted the product on he vehicle, should a shortage occur, the Company may deduct the cost of said shortage from the wages of the employee, without the employee's authorization.

ARTICLE NO. 16 - GRIEVANCE PROCEDURE

16. ■ All questions, disputes, and controversies arising under this Agreement, or any supplement hereto, shall be adjusted and settled within the terms and conditions as ~~set~~ forth in this Agreement, in the manner provided by this Article, unless otherwise expressly provided in this Agreement. The procedure for such adjustments and ~~settlements~~ shall be as follows:

STEP 1 - Any grievance of an employee shall first be taken up between such employee and the Supervisor. The employee shall be entitled to representation by a Shop Steward or representative of the Local Union. Whether the issue is resolved or not, a form must ~~be filled out~~ signed by both Parties. If this issue is not resolved, this form must be given to the Teamsters Union in order to launch a formal grievance.

STEP 2 - Failing settlement under Step 1, such grievance shall be taken up between the representative of the Local Union, or Shop Steward, and the Supervisor. Such grievance shall be in writing, and signed by the grieving employee.

Time limit to ~~institute~~ grievance:

- | | | |
|----|-----------------------|------------------------------|
| a) | termination or layoff | two (2) working days |
| b) | all others | five (5) working days |

STEP 3 - Failing settlement under Step 2, such grievance and any question, dispute, or controversy that is not of the kind that is subject to Steps 1 and 2, shall be reduced to writing, and referred to, and taken up between, the Secretary-Treasurer or other bargaining representative of the Union, and the ~~Company~~ representative, authorized by the President of the Company.

STEP 4 - Failing settlement under Step 3, the matter will be taken up in presentation to a Board consisting of two (2) members ~~selected~~ by the Union, and **two (2)** Company members appointed by the President of the Company.

STEP 5 - Failing settlement under Step 4, the matter will be referred to an agreed upon neutral Arbitrator, who will meet with the Board to hear both sides of the case. The Arbitrator's decision will be final and binding.

Failing to agree upon a neutral Arbitrator, the Department of Labour ~~will~~ be requested to appoint a neutral Arbitrator, whose decision will be final and binding.

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

ARTICLE NO. 17 - HEALTH AND WELFARE and PENSION PLAN

17.1 Section "A"

The Company shall establish and operate a Health and Welfare Plan, covering members of the Union employed by the Company.

- a) Any member of the Union, who is in the employ of the Company on the effective date of the Health and Welfare Plan, shall join the Plan from that date.
- b) Any employee ~~who~~ is hired by the Company after the effective date of the Health and Welfare Plan, shall join the Plan on the first (~~1st~~) day of the month immediately following completion of the probationary period with the Company except ~~whereby~~ Company policy requires that an employee join the Plan at an earlier date.

17.2 Section "B"

The Plan shall provide the following benefits:

- a) Group Insurance with a Life Insurance Company licensed to operate in Canada, that will provide a minimum coverage of no ~~less~~ than ~~twenty~~ thousand dollars (\$20,000.00) for loss of life ~~of~~ the employee. Details about life insurance, dependant life, and AD&D will be as outlined in the employee's ~~benefit~~ booklet.
- b) Non-occupational Short Term Disability (STD/Weekly Indemnity) Coverage will be no less than ~~fifty-seven percent~~ (57%) of the employee's weekly earnings (~~non-taxable~~). Details regarding STD coverage will be as outlined in the employee's benefit booklet.
- c) Long Term Disability (LTD) Coverage ~~will be~~ no less than eight hundred dollars (\$800.00) per month, but this amount ~~will~~ be reduced by the amount the employee received from CPP due to being disabled. Details regarding LTD coverage will be as outlined in the employee's benefit booklet.
- d) Medical, Surgical and Obstetrical coverage in accordance with the standard plan of service provided by Alberta Health Care.
- e) it shall be the responsibility of the Company to provide to the employees, the necessary Health and Welfare forms.
- f) ~~It~~ shall then be the responsibility of the employee to ~~cause~~ such forms to be filled out and completed by his doctor, in order they can ~~be~~ processed in order.
- g) The Company shall provide to the employees, a booklet outlining all the important provisions of the ~~benefits to which eligible employees~~ and their dependants are entitled, and procedures to be ~~followed~~ should claims arise.
- h) Where major medical benefits are not provided within Alberta Health Care, coverage shall be ~~provided~~ with benefits that are basically equal to those benefits provided within the Alberta Blue Cross Plan, including eye glasses for employees and dependents.

17.3 Section "C"

The Company will provide a basic and major restorative Dental Plan to all eligible employees.

17.4 Section "D"

The Cost of the Health and Welfare Benefit Plan shall be borne equally by the Company and the employee.

17.5 Section " E

All full-time employees of MTE Logistix Inc, covered by this Agreement, will be entitled to the Prairie Teamsters Pension Plan. Pension contributions for full-time employees will be as follows:

<u>Jan 1, 2005</u>	<u>Jan 1, 2006</u>	<u>Jan 1, 2007</u>
\$1.50	\$1.77	\$1.95

The above contributions will be for each regular hour worked to a maximum of one hundred and sixty-eight (168) hours per month. Pension contributions will commence upon completion of the probationary period.

ARTICLE NO. 18 - EMPLOYEE/MANAGEMENT COMMITTEES

18.1 Any Employee/Management Committees will be established for the purpose of communication of various day-to-day issues relating to working conditions and safety. The meetings shall be held once each month unless otherwise agreed to by the Committee.

18.2 This Committee will consist of representation from both Union members who will represent the various departments, and Management who will include but are not limited to Operations and Human Resources. Committee Union members will change every one (1) year, and may have one Shop Steward or designate on the Committee.

ARTICLE NO. 19 - STRIKES AND LOCKOUTS

19.1 It is agreed that there shall be no strike, lockout, or slowdown occurring by reason of a dispute between the Company and the Union during the term of this Agreement

ARTICLE NO 20 - EFFECTIVE DATE OF AGREEMENT

20.1 The terms and conditions of this Agreement shall become effective on the first (1st) day of January 2005, and any negotiated renewal shall take effect on the first (1st) day of January 2008.

ARTICLE NO. 21 - TERMINATION AND AMENDMENTS

21.1 This Agreement shall remain in full force and effect as of the first (1st) day of January 2005, and continue in full force and effect through the thirty-first (31st) day of December 2007, and from year to year thereafter as hereinafter provided.


21.2 If amendments are desired by either Party to become effective in the next ensuing year, the Party proposing such amendments shall give notice in writing to the other Party, not less than ninety (90) days before the thirty-first (31st) day of December in any year.

SIGNED THIS 2nd DAY OF February 2005

ON BEHALF OF THE COMPANY:
MTE Logistix Edmonton Inc. Ltd.

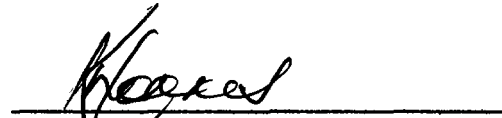


Brian Campbell
V. P. Operations



Charlene Gozjolko
Manager Human Resources

ON BEHALF OF THE UNION:
General Teamsters, Local Union No. 362



Keith Norris
Business Agent

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