COLLECTIVE AGREEMENT

Between

Isaac Freight

(Hereinafter referred to as the "Company")

AND

THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION (VCTA - CAW - CANADA) Local 2006 (hereinafter referred to as the "Union")



January 1, 2006 to December 31, 2008



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DEFINITIONS:

- Where the term "owner operator" is used in this collective agreement, it shall 1) mean an owner operator engaged by the Company and shall meet the definition of dependent contractor within the appropriate Labour Code, either federal or provincial,
- Where the term 'Employee" is used in this collective agreement, it shall mean ii) an employee driver engaged by the Company driving a Company owned vehicle and shall meet the definition of employee within the appropriate Labour Code, either federal or provincial.

ARTICLE I-UNION RECOGNITION,

1.01 Bargaining Recognition

The Company recognizes the Union as the sole collective bargaining agent for the Owner Operators and Employees covered by this agreement. Subject to Article 2.01, The Union shall be recognized by the Company in discussing any and all matters affecting the relationship between the Company and the Owner Operators and Employees who are members of the Union and are affected by this agreement

The Union will advise the Company of the names of Union representatives in writing who have authority to act on behalf of the Union.

1.02 Leave of Absence

The Company shall grant a leave of absence without pay to an Owner Operator and Employee who attends essential Union business, to a maximum of two persons at any one time. The Union will give a minimum of fifteen (15) days notice of such request.

1.03 Notice Board

The Company agrees to provide a Notice Board of a suitable size at each of its locations for the use by the Union for posting matters relating to Union meetings and other Union matters.

1.04 Union Membership

It is hereby agreed that ail Owner Operators and Employees shall become members of the Union and shall as a condition of their business agreement or employment become and remain members of the Union.

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1.05 Dues Deduction

- (a) The Company agrees to deduct from the pay of each Owner Operator and Employee, who is a member of the Union, or covered by this Collective Agreement, an amount of union dues or their equivalent, as specified by the Financial Secretary of the Local Union and forward the full amount so deducted to the Local Union, The monthly dues remittance shall be accompanied by a list of Owner Operators end Employees on the payroll for the pay period in which the deductions were made. A copy of said list only will be forwarded to the VCTA CAW Local 2006 office with the accompanying dues remittances.
- (b) The Company shall show the amount of Union dues deducted from the Owner Operators and Employees pay statement on a monthly basis.

1.06 Union Label

It shall not be a violation of this Agreement for an Owner Operator and/or Employees to post the VCTA - CAW-Canada Union label in a conspicuous place in the cab of the vehicle of equipment he/she is operating. The positioning of the label shall be in accordance with Company policy. The standard position shall be the driver's side no-draught window.

1,07 Union Membership

It shall be the responsibility of the Company, when contracting a new Owner Operator, or hiring a new Employee, to have him/her sign a Union membership card and forward it to the local Union office,

- (a) Also, at time of contracting or hiring, the Owner Operator and Employees shall be handed a copy of the present Collective Agreement.
- (b) Should an Owner Operator and/or Employees discontinue service with the Company, the Local Union Office is to be notified within 72 hours of issuing his/her final cheque.

/.09 Distribution of this Agreement

The Company and Union shall share in the cost of the printing of this Collective Agreement at a Unionized Printer and shall provide a copy to each Owner Operator and Employee, and an equal number of copies to the Local Union.

ARTICLE 2 - MANAGEMENT RIGHTS

2.01 Management Rights

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The Union acknowledges that the Company has the sole and exclusive right to supervise, manage and control the Company's operations, except as expressly limited in writing by this agreement. Without limiting the generality of the foregoing, this includes the right to hire owner operators and employees, schedule and direct, discipline and lay-off owner operators and employees. The Company also has the right to determine the number and classification of employees and owner operators required and the right to determine their ability to meet the qualifications of those positions.

2.02 Right to Grieve

The above clauses shall not deprive Owner Operators and Employees of the right to *exercise* the grievance procedures as outlined in this Agreement.

2.03 No Strike No Lockout

During the term of this Agreement, there shall be no lock-out by the Company, nor any strike, work stoppage or orchestrated work disruption by the Owner Operators and Employees.

ARTICLE 3 - GRIEVANCE .PROCEDURE

3.01 Intent

It is the intention of the parties that this procedure shall provide an expedited, just method of adjusting complaints and the parties agree to act in good faith in settlement of complaints in accordance with the provisions of this article.

3.02 Grievance Defined

Any complaint, disagreement, or difference of opinion between the Company and the Union or the Owner Operators and Employees covered by this agreement which concerns the application or interpretation of the terms and provisions of this agreement, shall be considered a grievance.

3.03 Grievance Initiation

Any Owner Operator and Employee, the Union, or the Company may present a grievance at Step 1. Any grievance which is not presented within five (5) working days following the event giving rise to such complaint shall be forfeited and waived by the aggrieved parties.

A grievance concerning the dismissal of an Owner Operator and/or Employee may be progressed commencing with Step 2 of the grievance procedure within seven (7) calendar days of the date the Owner Operator/Employee was dismissed.

3.04 Grievance Procedure

An Owner Operator or Employee having a complaint is encouraged to orally discuss the matter with a supervisor. Failing satisfactory resolution;

Step 1: The Owner Operator and/or Employee and/or the Shop Steward shall submit his/her grievance in writing to the immediate supervisor, who shalt give a reply in writing within twenty-for (24) hours

Step 2: Failing settlement at Step 1, and within forty-eight (48) hours of receiving a supervisor's response, a written complaint may be filed by the Steward with the Company's Manager or designate, who shall respond in writing within forty-eight (48) hours.

Where the parties are unable to resolve the grievance, the Union may submit the grievance to arbitration within five (5) days of receiving, or should have received the Company's written response.

3.05 Time Limits

The time **limitations** prescribed in this Article may be extended, but only by mutual consent of the parties in writing.

3.06 Technical Error

Where a technical error has been made in filing a grievance, through improperly citing the article alleged to have been violated, an arbitration board shall have the power to allow for the amendment of the grievance, determine the substance of the matter in dispute and render a decision.

3.07 Union Representation

An Owner Operator or Employee will be given the opportunity to have a Steward present before a Supervisor issues discipline.

3.08 Required Meetings

An Owner Operator and/or Employee who is required to attend a meeting at the Company's request shall be not result in a loss in regular earnings.

3.09 Personal Files

Any Owner Operator and Employee shall be allowed to inspect his/her own personal file in the presence of the Company, during normal business hours. Any officer of the Union, acting on behalf of the Owner Operator and/or Employee, may inspect the Owner Operator's and Employee file, with the written authorization from the Owner Operator and/or Employee.

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Any reprimand notices or corrective action measures will remain on the Owner Operator's and Employee(s) files for one year from the date of notice or reprimand, unless there is a re-occurrence of the same or similar infraction. At the completion of the one year period, the reprimand or corrective action notice will be removed from the file, if a repeat infraction occurs within the one year period, the original and subsequent notices or reprimands will remain on the file for a further year from the date of the most recent notice or reprimand.

Reprimand notices and disciplinary measures resulting from a violation of a criminal or civil nature, including driving record, will remain part of the Owner Operator's and/or Employee file indefinitely.

Whenever an Owner Operator and/or Employee signs a document pertaining to discipline, he/she does so only to acknowledge that he/she has been notified accordingly.

3.10 Payment of Grievance Settlements

All monetary complaints that are mutually agreed upon shall be paid the following pay period, either by separate cheque or, in the alternative, the Owner Operator's and/or Employee's regular cheque shall be accompanied by a written statement outlining the amount and the complaint settlement involved.

The Company agrees further that a successful grievance concerning lost compensation shall be paid out on the next pay period.

ARTICLE 4 - ARBITRATION

4.01 Failure of Grievance Procedure

Failing a satisfactory settlement of a grievance pursuant to the Grievance Procedure as set out in Article 3, either party may request that the matter be referred to either a single arbitrator or by mutual agreement; the matter may be referred to the Canadian Joint Grievance Panel. Such request must be made in writing, within 5 calendar days of receiving the response at Step Two of the Grievance Procedure.

4,02 Single Arbitrator

A board of arbitration shall consist of a mutually agreed to single arbitrator who will accept appointment within five (5) days of notification and be available to commence the hearing within 21 days of acceptance, If other companies are to be involved in the hearing, then by mutual agreement, the date on which the hearing commences may be changed.

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4.03 Failure to Agree to an Arbitrator

If the parties fail to agree upon an arbitrator within five (5) days (excluding weekends and general holidays), the <u>Minister of Labour</u> will be requested to appoint an arbitrator.

4.04 Arbitral Procedures

The arbitrator shall receive and consider material evidence and argument as the parties may offer, and where agreed to, may make independent investigations as it deems necessary. The arbitrator shall be governed by the provisions of this agreement and is not vested with the power to change, modify or alter the terms of the collective agreement.

4.05. Binding Decision

The arbitrator will be requested to issue his/her binding decision within five (5) days of the conclusion of the hearing. Such decision is enforceable on the parties to the arbitration but will not be precedent setting to other companies covered by the same collective agreement unless such understanding is reached prior to the arbitration hearing commencing.

4.06 Canadian Joint Grievance Panel

When the parties mutually agree to refer a grievance to the Canadian Joint Grievance Panel, the decision of the Panel shall be final and binding but without precedent on other companies. If the Panel is unable to reach a decision, the grievance shall be referred back to arbitration under Article 4.01

4.07 Expenses to be Shared

The expense of the arbitrator and the Canadian Joint Grievance Panel will be borne equally by the Company and the Union.

ARTICLE 5 - SENIORITY

5.01 Seniority Defined

- (a) Seniority for Employees is from the date the employee commences working for the Company.
- (b) Seniority for Owner Operators is from the date the owner operator commences driving with the Company.
- Owner Operators and Employees will be placed on a common seniority list in accordance with their seniority and where practical, will be assigned work based on their position on that list.
- The Owner Operator or Employee will maintain their position on the seniority list if they transfer from one category to the other.

5.02 New Additions to the Seniority List

A departing Owner Operator on the seniority list will be replaced with an Owner Operator and a departing Employee will be replaced with an Employee. All new Owner Operators or new Employees will take the lowest position or the seniority list.

The Parties agree that all Owner Operators shall be subject to a 60 working day probation period.

5.03 **Replacement Drivers for Owner Operators**

An Owner Operator may hire a replacement driver at his/her own cost for a short term on the following conditions:

- (a) The replacement is needed because of holiday relief, sickness, jury duty, coroners report or an emergency situation.
- The Owner Operator assumes all liability for insurance and (b) Workers' Compensation for any person operating their vehicle.
- The Owner Operator has received the Company's approval of the (c) replacement driver.
- (d) Other circumstances will be given reasonable consideration en a case by case basis.

5.04 Seniority List

- Seniority lists will be renewed every three (3) months with copies to be (a) attached to the members pay statements and the VCTA-CAW Local 2006 office.
- Protests in regard to seniority status must be submitted to the Company (b) and Union representative in writing within 21 calendar days & the seniority list being posted.
- Owner Operators and/or Employees hired on the same day will be placed (c) on the seniority list in alphabetical order.

5.05 Weekend Work

Work for drivers on weekends will be offered on the basis of seniority. If the Company requires more drivers than those who volunteer, the work will be assigned on the basis of the least senior drivers on the combined seniority list.

Owner Operators shall be paid a minimum of \$300,00 for a callout for the 6th and/or 7th day worked which shall cover the first 4 hours of time spent working.

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5.06 Leave of Absence

An Owner Operator or an Employee may request a leave of absence by submitting the request to the Company in writing with reasons for the request. The Company agrees to make every effort to accommodate the request on the understanding that where 10% per cent of the work force is off work during the same time period, including long term absences due to illness or injury, such request may not be granted.

ARTICLE 6 - SAFETY

6.01 Canada Labour Code

The Company shall apply the provisions of Part II of the Canada Labour Code and any other applicable regulations. These regulations shall be considered to be the minimum acceptable standard.

6.02 Wash Rooms

Wherever possible and reasonable, the Company agrees to maintain at its terminals, clean sanitary washrooms having hot and cold running water, toilet paper and hand towels with *Wet* facilities available to terminal and shop Owner Operators Hourly paid Employees. Where changing rooms are provided they shall be kept clean and sanitary.

6.03 WHMIS

The Company agrees that all WHMIS standards will be followed for the purpose of protecting Owner Operators and employees from any exposure *to* hazardous substances or human blood.

<u>ARTICLE 7 - HUMAN RIGHTS AND HARASSMENT</u>

7.01 Discrimination/Harassment Prohibited

The Company and the Union agree that discrimination and/or harassment of any Employee & Owner Operator because of colour, national origin, religion, age, marital status, sexual orientation, or disability is absolutely prohibited. Every Employee and Owner Operator has the right to work in an environment of mutual respect, free from discrimination and harassment including sexual harassment. Action contravening this policy will constitute grounds for discipline,

ARTICLE 8 - TRAINING

8.01 Training Programs

When Owner Operators and Employees are required by the Company to attend training programs or mandatory meetings, the Owner Operator or Employee will be paid the regular amount of compensation that he/she would have earned if

held during their normal work day or 1.5 times the regular amount of compensation he/she would have earned for training hours or mandatory meetings In excess of their normal working day. If a relief driver is used, the Company will pay for the relief driver.

Training sessions or meetings on a Saturday or Sunday where attendance is mandatory, an Owner Operator shall be paid at no less than 4 hours at the hourly rate for Employees as set out in Appendix "A" as set out in this agreement, at time and one-half (150%) of the regular rate of pay.

ARTICLE 9 - EQUIPMENT

9.01 Painting of Vehicle

- In the event the Company for any reason, decides to change the (a) Company colours or require an Owner Operator to paint his/her vehicle, the Company shall bear the full cost of prep work, body work and repainting all of the Owner Operators' vehicles where required.
- Body work for purposes of this article will be defined as any damage repair (b) to the vehicle body, fenders, bumpers, doors, roofs, vehicle floors, chassis, etc.
- Prep work for the purposes of this article will be defined as the required (c) sanding and preparation of the vehicle parts to be painted.
- Prep work for linehaul tractors shall include removal and installation of (d) exterior parts and door jams if required.
- (e) The Union acknowledges that the Company may deem to the determination that a particular truck is an eye sore and detrimental to the Image of *the* Company, Where this occurs, the Company may require an Owner Operator to correct or repair, to the point of painting his/her truck at the expense of the Owner Operator. The parties agree that where there is a dispute with respect to the application of the term eye sore, the Owner Operator may file a grievance and have the matter resolved vis a vis the grievance procedure.

ARTICLE 10 - MISCELLANEOUS

10.01 Payroll Error

If an error occurs in the payroll computation of an Owner Operator's compensation cheque or an Employee's pay cheque, and the amount is equal to one (1) day's compensation or pay or more, he/she shall be entitled, on request, to receive same as soon as practical but not later than three (3) working days after the error was reported: and if the Owner Operator or Employee is overpaid then he/she shall return said cheque or the overpaid amount within three (3) working clays.

10.02 Dues Receipts

The Company agrees to distribute all Owner Operator union dues receipts when provided by the Union.

10.03 First Aid Course

Any Owner Operator or Employee who attends a first aid course at the request of the company shall have the course paid for and shall suffer no loss of compensation or wages for attending any such course.

10.04 National Safety Code

No Employee or Owner Operator shall be allowed to work beyond the restrictions as set out in the National Safety Code. Equally, Employees and Owner Operators understand and must conform to the National Safety Code as the minimum standard and practice.

10.05 Log Books

It shall be the responsibility of the Employee or Owner Operator to maintain a set of log books of driving hours for the purposes of inspection by Transport Canada Inspectorswhen requested to do so.

ARTICLE 11 - MONETARY

11.01 Radios

Owner Operators will be responsible to ensure their truck is equipped with a radio. The Company agrees to pay the monthly airtime charges and fees for the radio.

1 LO2 Additional Work on Same Day Call Out

Where an Owner Operator completes his/her shift and is subsequently requested to return to work, the minimum pay for such a call out will be \$200.

11.03 Minimum Pay on Daily Call Out

Owner Operators shall receive a minimum of \$200 for any day in which he/she is called out to work.

11.04 Damaged Cans

It is understood the driver has the duty to check a container while at the dock. If the container is found to be damaged the company agrees to make every effort to collect a payment of up to \$50 from the shipping lines to the driver.

The parties agree to be bound to the pending clarification award due to be handed down by Arbitrator Vince Ready early in 2006, with respect to Damaged Cans, after which such clarifications shall be deemed to be part of this collective agreement.

11,05 Spotting the Load With Open Doors

Drivers agree that before placing a truck in reverse with the doors open, he/she will check the stability of the load, if instability of the load makes backing-up unsafe, the driver will request the assistance of the warehouse manager.

11.06 Chassis Damage

When a driver picks up a Company's chassis at a customer's location, he/she must first check its suitability for operation. Where there is doubt, the driver must call the Company's dispatcher

1 107 Over Loaded Containers

A driver must make the dispatcher aware if the container appears to be overloaded by the customer before transporting the container. Where a container has been overloaded, the driver has the right to refuse to pull that container. The Company agrees to pay for an overweight ticket if it can be shown that the Company is responsible.

11.08 Dangerous Goods

Drivers shall be compensated at the rate of \$50.00 per can for all dangerous goods cans. The driver is responsible for the cost of the dangerous goods course required by the National Safety Code.

11,09 National Safety Code number to be provided by the Company.

The Company shall ensure that all Owner Operators are provided with the National Safety Code registration number of the Company.

11.10 Cargo Insurance to be Paid by the Company

The Company shall provide cargo insurance to cover all cargo carried by Owner Operators.

11.11 Trip Schedule

B Trains & Combo Chassis		2nd	
(Full)	1st Can	Can	3rd Can
Same Location	100%	50%	NA
Different Location	100%	100%	N/A
Empty Triple set			
3 at same location	100%	50%	Free
2 at one and 1 other location	100%	100%	Free
3 at 3 diff. locations	100%	100%	100%

Two Empty	1st Can	Çan
2 at same location	100%	Free
2 at different locations	100%	50%

A Trains- A Train Cans shall be paid at 100% for each Can

Waiting Time- 1st hour free: \$45.00 per hour, effective January 1, 2006

and, \$50.00 per hour effective January 1,2007; to be

paid in 15 minute increments. (At Customers

Location) (It will be a requirement of the Owner Operator to present a bill of lading identifying time in and time out that

has the customer signature)

Dead Calls - All Dead Calls shall be paid at \$50.00 each unless a

recovery trip can be assigned within 2 kilometres and within

15 minutes of arrival at the Dead Call.

Scale Fee- Any time a customer requires an Owner Operator to

scale a load, that Driver shall be paid an additional

\$50.00

Compensation - Owner Operators

- Applying Schedule I in the Memorandum on the following basis:
 - (a) Import Container Trips will be paid on a Round Trip based on double the rate from the point of origin.
 - (b) Export Container Trips will be paid on a Round Trip based on double the rate from the destination point.
 - (c) \$50 for the partial unloading of container. These "Domestic" deliveries will be paid in addition to the Round Trip.

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- In the event a Round Trip cannot be calculated, the following payment will apply. A Single Trip will be paid at a minimum rate of \$90.00 plus \$5.00 for every zone traversed using the shortest distance. The 26 zones are identified in Schedule I and Schedule II. The \$90.00 rate shall be increase by \$10.00 effective August 1, 2006.
- 2) Schedule II shall be in full force and effect effective August 1, 2006.

<u>ARTICLE 12 - DURATION OF AGREEMENT</u>

12.01 Duration of the Agreement

This Agreement shall be in full force and effect from and including January 2006 to and Including December 31, 2008 and shall continue in full force and effect from year to year thereafter subject to the right of either party of this Agreement within four (4) months immediately preceding the expiry date, or immediately preceding the anniversary date in any year thereafter by written notice to party, require the other party to commence collective bargaining with a view to conclusion or renewal of a Collective Agreement or a new Collective Agreement,

12.02 Section 50(2)

-......

Parties agree that section 50(2) of the BC Labour Relations Code will not apply to this agreement.

DATED at New Westminster, in the Province of British Columbia this 9th day of January, 2006.

Farthe Union	For The Company
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LETTER OF UNDERSTANDING #1

BETWEEN;

Isaac Freight (Hereinafter referred to as the Company)

AND;

THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION (VCTA - CAW - CANADA) LOCAL 2006 (Hereinafter referred to as the "Union")

Re: Grandfather of Current Owner Operators

This agreement covers Owner Operators with more than one truck in operation as of July 1, 2005. The Owner Operators will be covered by the collective agreement.

The drivers for these owner operators will be covered by the following terms where they have been approved by the Company and worked sufficient hours to be dependent contractors.

- 1. Drivers will be covered by Article 5, Seniority, of the collective agreement.
- 2. Pursuant to Article 5.01, the driver will have a position and the seniority list based on the date they commenced employment for We owner operator.
- 3. Pursuant to Article 5.02, if the driver leaves and is replaced within sixty days, the new driver will take the mast junior place on the seniority list currently held by a driver of the owner operator.
- 4. Article 5.03 applies to the drivers of the owner operator's trucks.
- 5. Article 5.04 will apply to both the owner operator and his/her employees.
- 6. It is understood that Owner Operators assume liability for insurance and Workers' Compensation for any person operating their vehicles.
- 7. The drivers remain the employees of the owner operators and the employment relationship is in all respects between the owner operator who owns the trucks and his/her drivers.
- 8. An owner operator may replace an existing (or grandfathered) truck but may not Increase the numbers of truckers in his/her fleet.
- 9. All drivers employed by Owner Operators are to be paid pursuant to the Hourly Appendix by the Owner Operater.
- 10. Where a Driver of a truck belonging to an Owner Operator decides to move to the seniority fist on his/her own and purchase a truck, or become an hourly driver, that

January, 2006.

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person shall appear at the bottom & the seniority list. They do not carry their seniority with them from the status they had while driving far an Owner Operator.

Matters arising under Article 5 may be addressed under the grievance and arbitration articles of the collective agreement with the Company.

The Company and the CAW agree that the terms of this Letter of Understanding may be discussed in Union/Management meetings should issues arise. The parties also agree this Letter of Understanding expires at the end of this agreement end must be renewed,

DATED at New Westminster, in the Province of British Columbia this 9th day of

For the Union	Fo	r The Compar	ny	

LE7<u>T≅R OF UNDERSTANDING#2</u>

BETWEEN:

Isaac Freight (Hereinafter referred to as the Company)

AND;

THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION (VCTA - CAW - CANADA) LOCAL 2006 (hereinafter referred to as the "Union")

Re: Owner Operator Invoicing Procedure

The following information will be made available to the driver but may not be on the same invoice:

- 1. Trucking company name and contact information
- 2. Owner-operator name and his company name
- 3. The period covered by the invoice
- 4. By each calendar day In the period show:
 - (a) The container and job numbers.
 - (b) The pick up and drop off location using the "locations" shown on the appropriate Schedule.
 - (c) The rate paid for the movement, including listing in a way that identifies **B** Trains and Combo Chassis.
 - (d) Payments for damaged cans and dangerous goods trips together with the pick up and drop off location and the associated container and job numbers
 - (e) Minimum call out payments
 - (f) Fuel Surcharge Payment

DATED at New Westminster, in the Province of British Columbia this 9^{th} day σ January, 2006.

For the Union	For The Company

LETTER OF UNDERSTANDING #3

BETWEEN;

Isaac Freight (Hereinafter referred to as the Company)

AND;

THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION (VCTA - CAW - CANADA) LOCAL 2006 (hereinafter referred to as the "Union")

Re: Administration of Article 5.01(c)

In discussions at the bargaining table the CAW requested an explanation of the phrase "where practical" in Article 5.01(c). The primary driving force behind any and all dispatch decisions is the facilitating of service to the demands of our customers, location of the work and driver, distance arid recognition of seniority.

- 1. The decision to assign a specific piece of work to start a driver's day is made based on a variety of reasons:
 - a. 'The specific needs of the customer.
 - b. The work available.
 - c. The drivers available.
 - d. The capability of the driver
 - e. The specific location of the customer in relation to the location of the driver.
 - f. How other deliveries after the first delivery, will fit together with this delivery to accommodate a customer requirement later in the day.
 - g. How other deliveries after the first delivery, will fit together with this first delivery to possibly accommodate a better revenue day for a more senior driver.
 - h. Chassis availability may have an affect.
 - i. If the piece of work is a continuation of work from the previous day.

2. Generally, the decision to activate a specific number of trucks for the day is based on seniority. It is therefore reasonable to assume that a more senior driver would have higher earnings than a more junior driver.

DATED at New Westminster, in the Province of British Columbia this 9th day of January, 2006.

For the Union		For The Company		
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LETTER OF UNDERSTANDING#4

BETWEEN:

Isaac Freight (Hereinafter referred to as the Company)

AND:

THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION (VCTA - CAW - CANADA) LOCAL 2006 (hereinafter referred to as the "Union")

Re: Fuel Escallation agreement

January, 2006.

A fuel surcharge shall be effective in the event of significant increases over the current price of diesel fuel. Beginning in the first quarter of 2006, where the average fuel price is greater than \$1.05 per litre in any quarter, a fuel surcharge shall be in effect for the following quarter. The surcharge far that quarter will be in the form of 1.0% (applied to payments based on the applicable rate schedule) for each full five cent increase in the average fuel price above \$1.05.

Diesel prices from the M.J. Ervine website shall be used.

For the Union	For The Company	
		

DATED at New Westminster, in the Province of British Columbia this 9th day of

LETTER OF UNDERSTANDING#5

BETWEEN;

Isaac Freight (Hereinafter referred to as the Company)

AND:

THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION (VCTA - CAW - CANADA) LOCAL 2006 (Hereinafter referred to as the "Union")

Re: Paid Education Leave

The Company agrees to pay into a special fund:

Twenty dollars (\$20.00) per year per owner/operator and employee far all owner/operators and employees for the purpose of providing paid education leave.

Said paid education leave will be far the purpose of upgrading the Employees and Owner Operator skills in all aspects of Trade Union functions. Such monies to be paid on a quarterly basis into a trust fund established by the National Union, CAW and sent by the Company to the following address:

CAW Paid Education Leave Program, CAW Canada 205 Placer Court Toronto, Ontario M2H 3H9

The Company further agrees that members of the bargaining unit, selected by the Union to attend such courses, will be granted a leave of absence without pay for twenty (20) days' class time, plus travel time where necessary, said leave of absence to be intermittent over a twelve (12) month period from the first day of leave. Owner Operators and Employees on said leave of absence will continue to accrue seniority and benefits during such leave.

The parties agree that upon the conclusion of the collective agreement, this letter of understanding is deemed to be expired and removed from the collective agreement in the event it is not re-negotiated.

DATED at New Westminster, in the Province of British Columbia this 9^{th} day of January, 2006.

DM LABOUR

For the Union	For The Company		
			

LETTER OF UNDERSTANDING #6

BETWEEN;

Isaac Freight (Hereinafter referred to as the Company)

AND;

THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION (VCTA - CAW - CANADA) LOCAL 2006 (Hereinafter referred to as the "Union")

Re: Paid Administration/Enforcement Leave

The Company agrees to pay into a special fund, \$15.00 per month for every truck in Service by an Owner Operator. The fund shall be administered by the Local Union.

The parties agree that upon the conclusion of the collective agreement, this letter of understanding is deemed to be expired and removed from the collective agreement in the event it is not re-negotiated.

DATED at New Westminster, In the Province of British Columbia this 9" day of January, 2006.

For the Union	For The Company
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LETTEROF UNDERSTANDING #7

BETWEEN;

Isaac Freight (Hereinafter referred to as the Company)

AND;

THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATIONAND GENERAL WORKERS UNION (VCTA - CAW - CANADA) LOCAL 2006 (Hereinafter referred to as the "Union")

Re: Rate Schedule Integrity

Anytime after the twelve (12) months of the ratification of this collective agreement where the Company can show that undercutting is have a significant impact on the Company's and the drivers' workload, the parties agree to meet and discuss the matter.

DATED at New Westminster, In the Province of British Columbia this 9th day of January, 2006.

For the Union	For The Company

Appendix "A"

Hourly Paid Employees

Hours of Work Appendix "A" Article

1.01 Definitions

- (a) Work Day Defined as eight (8) consecutive hours, exclusive of the one half (1/2) hour unpaid lunch period.
- (b) Work Week The normal.work week shall be forty (40) hours between Monday and Friday.

1.02 Start/Stop Times

A regular shift shall be defined as any shift that starts at or after 6:00 am and concludes at or before 6:00 pm subject to 1.01 (a) above.

1.03 Notice of Shift Change

Employees shall receive forty-eight (48) hours notice of shift change.

1.04 Lunch Period

The mid-shift lunch period will be 30 minutes in length and shall be scheduled between $the 3^{rd}$ and 5^{th} hour c a shift.

1.05 Rest Periods

There shall be two fifteen (15) minute rest periods in each shift. They shall be scheduled to occur between the 1st and the 3rd hour of work in the morning and again in the afternoon between the 6^{rt} and 7th hour of work.

Overtime Appendix "A" Article 2

2.01 Overtime Defined

All time worked in excess of forty (40) hours per week or eight (8) hours per day shall be considered overtime.

2.02 Overtime (Daily)

Overtime shall be paid at the rate of time and one-half $\langle 1/2x \rangle$ for the first two (2) hours during the employee's regular work week. All overtime beyond two (2) hours shall be paid at double time (2x).

2.02 Overtime (Regular bays Off)

All overtime on an employee's regular day off shall be paid at time and one-half (1 ½x) for the first eight (8 hours and double time (2x) thereafter.

2.04 Overtime (Statutory Holidays)

In addition to their Statutory Holiday pay, all overtime worked on a general holiday shall be paid at time and one-half (1 1/2x) for the first eight (8) hours and double time (2x) thereafter.

2.05 All Overtime Voluntary

Overtime will be voluntary except in the event of an unforeseen or emergency situation where overtime shall be offered in order of seniority. Where there are not enough overtime volunteers, the Company may assign the overtime to the most junior employees to cover the work, and the assigned employees shall be required to perform the work.

Overtime shall be distributed on a rotation basis by using the seniority list and shall be handed out on a 1st come basis.

2.06 Make-up Time

An employee requesting time-off may be allowed to make up the time lost during what would normally be overtime hours at straight-time rates.

2.07 Overtime Breaks

Employees, who work more than two (2) hours beyond the end of their regular shift shall receive a paid break of one-half hour and will be provided with a meal.

2.08 After Hours Recall

Any employee recalled to work by the Company following completion of regular shift hours on a regular work day shall be paid on an overtime basis for the actual time worked and shall be guaranteed a minimum of four (4) hours work at overtime rates. This guarantee shall not apply if such overtime occurs immediately prior to or succeeding his/her regular shift hours.

Annual Vacations Appendix "A" Article 3

3.01 Vacation Entitlement

Years of Service	Vacation Period	Vacation Pay
Less than 1 year	1 for each full month works to a maximum of 10 days	ed 4%
1 year but less than 2 years	2 weeks	4%
3 years but less than 7 years	3 weeks	6%
9 years but less than 15 years	4 weeks	8%
15 years but less than 21 years	5 weeks	10%
21 years and over	6 weeks	12%

Vacation pay shall be based on gross earnings from the employee's last anniversary date.

3.02 Vacation Scheduling

Vacations shall be schedule In the month of January of each year for the upcoming year starting with the most senior Employee to the most Junior. The Company has the right to restrict overlapping vacations of Employees, preventing more than 10% of the Employer's work farce from being on vacation at any one time.

Vacations shall be scheduled in increments £ 5 days.

3.03 Vacation Pay on Termination

Upon leaving the Company, employees will receive all outstanding vacation pay with their final pay cheque.

3.04 Vacation Cut off

Vacation Year Cut-Off shall be December 31".

Statutory Holidays Appendix "A" Article 4

4.01 Statutory Holidays

All employees covered by this Agreement will receive eight (8) hours' pay at their regular straight time rates for each of the following Statutory Holidays (regardless of the day on which the holiday falls) in addition to any wages which they may be in receipt for work performed on such holidays:

1.	New Year's Day	2.	Good Friday
3.	Victoria Day	4.	Canada Day
5,	BC Day	6.	Labour Day
7.	Thanksgiving Day	8.	Remembrance Day
9	Christmas Day	10.	Boxing Day

and any other day declared a Statutory Holiday by the Provincial and/or Federal Government.

4.02 Statutory Holiday During Vacation Period

Should any of the above holidays occur during an Employee's vacation period; he/she will be given an extra day's vacation with pay for each holiday to be taken at the beginning of or the end of the vacation period.

4.03 Statutory Holiday on a Day Off

Should any of the above holidays occur on an Employee's day off, he/she will be given an extra day off with pay for each holiday so affected. This additional day off shall be scheduled by mutual agreement and not more than 30 days from the date of the Statutory Holiday.

4.04 Qualification

In order to qualify for eight (8) hours' pay for the above General Holidays, the Employee must have completed thirty (30) calendar days employment with the Company and work his/her last regularly scheduled shift before the holiday or, his/her first regularly scheduled shift after the holiday except where authorization is obtained from the employer,

4.05 Eligibility

Employees not actively employed because of; lay-off; illness or injury and not eligible for W.C.B. or sick benefit payments for the involved illness or injury and who work within the fourteen (14) day period prior to the Statutory Hollday in question, will qualify for Statutory Hollday pay for such Hollday.

Wages and Benefits for Hourly Employees Appendix "A" Article 5

5.01 Wage Schedule

Hourly Rates	Effective January ■ 2006	Effective January 1, 2007	Effective January 1, 2008
1 st year & Service	\$18.50	\$19,25	\$20.00
2 nd year of Service	\$20.00	\$21.25	\$22.00
3 rd year and beyond	\$21.50	\$22.25	\$23.00

5.02 Benefits

Medical Services Plan

Optional

Short Term Disability

1st day accident, injury or hospitalization

4th day illness

66 2/3 or gross weekly wages

52 weeks

Long Term Disability

52 Week qualification Period

24 Month Own Occupation at 66 2/3 weekly *gross* Any Occupation from 25th month to Retirement at 60% weekly gross.

Extended Health Plan

Comprehensive Drug Coverage (Generics OK)

Prescription orthopaedic devices

Eyeglasses at \$400.00 per plan member (24months)

EFAP at \$500.00 per plan member (12 months

Physiotherapy

Speech Therapy

Chiropractic

Massage and Homeopathic

Basic Dental 100% No Maximum

Checkups, Cleaning/Scaling and Fillings

Major Dental 50% (\$2000.00 per year per plan Member) included

Crowns

Caps

Bridges

Restoration

Periodontal

Orthodontic

50% {No Maximum No Age Restrictions) included

Accidental Death and Dismemberment

\$.037 per \$1000 cf coverage, cr \$1.85 per \$50,000.00 of coverage

Group Life Insurance

\$.17 par \$1000 of coverage, or \$8.50 per \$50,000.00 of coverage

The Parties agree to negotiate a Benefit Package based on the forgoing not exceed the cost of \$3.00 per hour based on a 40 hour work week. The benefits as set out above may not reflect the actual benefits achieved.

5.03 Pension

The Company shall contribute \$1.00 per hour worked into a Locked in Group RRSP for all Hourly paid employees.

Annual Statements shall be provided to all Hourly Employees by the end of January in each Calendar Year.

Employees shall not be able to access these RRSP Funds until retirement but shall be able to transfer them to another RRSP Plan should they leave the employment of the Company prior to retirement.

Employees shall be able to contribute to the RRSP Plan at their discretion and shall be able to do so in increments of \$.25 per hour worked up to \$2.00 per hour worked.

DATED at New Westminster, in the Province of British Columbia this 9" day & January, 2006.

For the Union	For The Company
	-

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Issac Freight Rate Sheet

WEIGHT PER SHIPMENT IN POUNDS	RICHMOND	BURNABY VANCOUVER	NEW WESTMINSTER NORTH VANCOUVER WEST VANCOUVER	COQUITLAM DELTA SURREY	CLOVERDALE LANGLEY PORT - COQUITLAM PORT MOODY TSAWWASSEN WHITE ROCK
0-2	\$6.15	\$6.81	\$7.46	\$9.70	\$13.19
3 – 24	\$7.19	\$7.90	\$8,77	\$9.86	\$13.84
25 – 49	\$7.63	\$8.39	\$9.15	\$10.36	\$15.10
<u>50 – 100</u>	\$9.53	\$9.97	\$11.06	\$13.68	\$18.09
101-200	\$10.46	\$11.06	\$12.42	\$14.01	\$19.89
201-300	\$11.71	\$12.27	\$13.67	\$15.75	\$22.29
301-500	\$15.20	\$15.96	\$16.29	\$18.69	\$24.74
501-700	\$15.58	\$16.29	\$19.23	\$23.00	\$31.99
701-1000	\$19.40	\$20.21	\$21.96	\$24.96	\$34.88
1001-1200	\$28.77	\$30.35	\$33.20	\$36,62	\$42.78
1201-1500	\$31.17	\$32.75	\$36.02	\$39.57	\$51.23
1501-1700	\$32.70	\$34.49	\$37.82	\$41.53	\$59.68
1701-2000	\$35.53	\$37.44	\$41,31	\$45.45	\$63.93
2001-2500	\$39.34	\$41.42	\$45.67	\$48,23	\$70.03
2501-3000	\$53.16	\$45.50	\$49.11	\$54.55	\$76.79
3001-3500	\$47.14	\$49.70	\$54.50	\$61.64	\$84.42
3501-4000	\$50.95	\$53.68	\$58,96	\$68.56	\$91.02
4001-4500	\$54.77	\$56.60	\$63.49	\$75.70	\$97.12
4501-5000	\$58.53	\$61.63	\$67.63	\$82.35	\$105.02
5001-5500	\$61.74	\$65.45	\$71,01	\$91.12	\$111.18
5501-6000	\$67.68	\$71.66	\$77.77	\$97.72	\$121.25
6001-6500	\$73.52	\$77.93	\$84.47	\$105.51	\$130.85
6501-7000	\$79.40	\$84.14	\$91.23	\$112,22	\$141.48
7001-7500	\$85.29	\$90.41	\$97.99	\$118,81	\$151.67
7501-8000	\$91.83	\$96.62	\$104.69	\$124,70	\$161.78
8001-8500	\$97.06	\$102.84	\$111.50	\$130.80	\$171.78
8501-9000	\$103.00	\$109.10	\$118.26	\$136.96	\$182.03
9001-9500	\$108.89	\$115.32	\$125.07	\$143.17	\$192.06
9501-10000	\$114,72	\$121.53	\$131.78	\$149.05	\$202.20
Additional Charges	ADD:	ADD:	ADD:	ADD:	ADD:
	1				
Specials	\$16.35	\$16.35	\$19.60	\$21.80	\$32.70
Dangerous Goods	\$16.35	\$16.35	\$19.60	\$21.80	\$32.70
C.O.D.	\$10.90	\$10,90	\$10.90	\$10.90	\$10.90
Remanifest	\$21.80	\$21.80	\$21.80	\$21.80	\$21.80
UBC		\$10.90			
SFU		\$16.35		1	
Pacific Highway					\$19.10
Volume Weight	10LB/CF	10LB/CF	10LB/CF	10LB/CF	10LB/CF

** TOTAL PAGE.35 **

Appendix "B"

1/2 Ton - 1 Ton - 3 Ton - 5 Ton Drivers

1.01 Dilution of Work

The Company shall ensure that when hiring new Owner Operators, that there is a sufficient amount of work to allow for the opportunity to receive a full days' work for all Owner Operators without putting in jeopardy, the Company's ability to service it's customers in an efficient and effective manner.

On days where there is not enough work to provide a reasonable day's compensation to all Owner Operators, the most junior Owner Operator(s) shall not be required to report to work.

This Article is to be used in concert with Article %.01 of the Collective agreement and Letter of Understanding #3, not instead of it.

1.02 Power Tailgate Charge

When ever a power tailgate is used, the charges shall be as follows:

Gursa: \$25.00 Anywhere Else: \$40.00

1.03 Traffic and Parking Violations

Owner Operators shall obey all traffic and parking regulations, Where a delivery can not be made in an efficient and effective manner legally, the Owner Operator is required to contact dispatch and advise them of the situation, When an Owner Operator is directed to make a delivery in contravention & such laws, the Company shell be liable for any fines, charges and fees where it can be demonstrated that he/she was directed to do so.

Further, where the vehicle making the delivery is not suitable to make such a delivery, and the *safety* of the driver, his/her truck, or other around him/her is in question, the Company shall be liable for any fines, charges and fees where it can be demonstrated that he/she was directed to do so.

I04 Commissions

All Owner Operators shall be paid their commissions of 70% based on the rate sheet above. Any discounts in the delivery of goods shall be borne by the Company, not the Owner Operator.

IN THE MATTER OF FACILITATION AND IN THE MATTER OF A DISPUTE

BETWEEN:

TRUCKING COMPANIES (OWNERS/BROKERS)

AND:

VANCOUVER CONTAINER TRUCKERS' ASSOCIATION

MEMORANDUM OF AGREEMENT

JULY 29, 2005

The purpose of the following Memorandum is:

- to resolve the immediate economic problems of the truckers in a manner that is realistic in the context of the economics of the industry;
- to protect the interests of those who are not parties to the dispute but who are being hurt by it; and
- to minimize long term damage to the reputation of BC's container transportation industry, and to protect the provincial and national economies.

The parties to this **Memorandum** of Agreement **note** that the facilitator appointed by the Provincial **and** Federal **governments** is making a report with recommendations to the respective Ministers of Labour. His report is attached to **this Memorandum** as an Appendix.

1. This Memorandum of Agreement is subject to ratification by the membership of the Vancouver Container Truckers' Association ("the VCTA"), and to the participation of 75% of the container trucking companies and/or by companies who dispatch at least 50% of the

truckers ("the Companies"). Any provision of this Memorandum that is prohibited by law is void,

- 2. The truckers and the companies will resume work on or before Tuesday,

 August 2, 2005. The companies and those drivers who resume work in

 accordance with this Agreement will not retaliate against each other (or

 against any other drivers or companies who agree to this Memorandum),

 by way of discipline, litigation or discrimination with respect to service or

 work availability, or in any other way.
- The rate schedule effective on the return to work is as per Schedule 1.

 The rate schedule in effect on August 1, 2006 is as per Schedule 2.

 [Note: If a relationship of one cell to another is inadvertently in error, either party may seek a remedy in accordance with the process set cut in paragraph 10.] For greater clarity, the rates in the Schedules are the truckers' share of one-way rates.
- 4. **Despite paragraph 3, no** company will pay a lower rate than the rate in effect at the commencement of the work stoppage.
- 5. A fuel surcharge will be effective in the event of significant increases over the current price for diesel. fuel. Beginning in the first quarter of 2006, if the average fuel price is over \$1.05 per litre in any quarter, a fuel

surcharge will be in effect for the following quarter. The surcharge for that following quarter will be in the form of an increase of 1.0% (applied to payments based on the applicable rate schedule) for each full five cent increase in the average fuel price above \$1.05. Diesel prices from the M.J. Irvine website will be used.

- 6. The **issue** of an enforcement mechanism, **consistent** with the law, for **ensuring** that signatories to this Memorandum of Agreement **comply with** the **provisions** of the Agreement is referred to the arbitration process set out in paragraph 10. The process and decision will be expedited.
- 7. A company signatory to this Agreement agrees, in the event of the sale or transfer of its business (as those terms are used under the Labour Relations Code of B.C.) to notify the purchaser of the terms of this Memorandum, which the purchaser must accept. If the purchaser fails to give the VCTA written notice of the purchaser's acceptance of the Memorandum, the principals of the company signatory to this Agreement remain responsible for the terms of this Memorandum.
- 8. Truckers who work on weekends do so on a voluntary basis.
- 9. The following remuneration and working condition matters are also agreed:

- Where a trucker is responsible to purchase a radio, the company is
 responsible to pay the monthly airtime fee.
- The minimum pay for any call out is \$200.
- Companies and truckers will each contribute 10 cents per container to a fund that will be used to audit compliance with this agreement.
- **Damaged can** inside the dock the company will pay the trucker.
- Dangerous goods an additional.\$50 will be paid.
- B Trains full rate on the first loaded can, and 50% on the second loaded can with certain exceptions to be agreed between the parties (and failing agreement, referred to arbitration in accordance with paragraph 10).
- Two cans same as B Trains.
- 10. The arbitration board is Vincent L. Ready (facilitatorjointly appointed by the Provincial and Federal governments) and Peter Cameron (appointed by the Provincial government to assist the facilitation), and the

arbitration board process is part of and a continuation of the facilitation mandate. The arbitration will take place under the terms of the Commercial Arbitration Act of B.C. Subject to the Act, the board may determine its own practice and procedure, but must give each party an opportunity to be heard and to respond to the submissions of the other party. Any decision of the board may be made retroactive in whole or in part to the date of the return to work.

For purpose of this provision, "party" means collectively:

- the executive of the VCTA, and
- the **companies who** agree to this memorandum.

Each of the two parties will appoint one spokesperson for purposes of these proceedings.

The outcome of the arbitration is binding, to the degree permitted by the law, on the parties and the signatories to this agreement.

11. Nothing in this Memorandum of Agreement is intended to apply to companies or truckers covered by collective agreements, except to the extent that those companies and unions agree to include provisions from this Memorandum in their collective agreements.

- 12. The term of this Agreement is two years from the date of the return to work,
- 13. In the event of a dispute with respect to the interpretation, application, or alleged violation of this Agreement, there shall be no interruption of work and either party may submit the dispute to Vincent L. Ready or Peter Cameron for resolution by arbitration. The decision of the arbitrator is final and binding.
- 14. Ratification shall be completed by 2:00 p.m., July 31, and the parties will provide confirmation of ratification to Vincent L. Ready by signed fax (as below] and to 604 691-2557 and by email to <u>vready@telus.net</u>.

Agreed on behalf of VCTA:	Agreed on behalf of Companies (Owners/ Brokers):		
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Schedule 1: Rates in Effect from Date of Return to Work

From/To	Vanterm Centerm	Dettanort		СР	CN
Vancouver Rocks	\$90	\$120	\$110	\$120	\$120
North Vancouver	\$95	\$125	\$120	\$130	\$130
West Vancouver	\$100	\$130	\$125	\$135	\$135
Burnaby North	\$95	\$120	\$100	\$110	\$110
Burnaby South (S of Hwy 1)	\$100	\$120	\$95	\$110	\$115
Richmond North	\$95	\$110	\$95	\$120	\$120
Richmond South (S of Westminster)	\$100	\$100	\$95	\$125	\$120
Annacis Island	\$110	\$110	\$90	\$115	\$115
New Westminster	\$105	\$120	\$95	\$110	\$115
Coquitlam	\$105	\$120	\$100	\$100	\$105
Port Moody/Port Coquitlam	\$110	\$130	\$105	\$95	\$110
Pitt Meadows	\$120	\$135	\$110	\$90	\$11 5
Haney/Maple Ridge	\$125	\$145	\$120	\$95	\$120
Surrey North (N of 72, W of 152, FSD)	\$110	\$110	\$90	\$110	\$100
Delta North (Tillbury)	\$120	\$90	\$90	\$120	\$115
Surrey South (includes White Rock)	\$120	\$110	\$110	\$135	\$110
Cloverdale	\$120	\$120	\$105	\$115	\$90
Port Kells (N of Hwy, W of 208)	\$120	\$130	\$100	\$115	\$90
Langley City	\$130	\$120	\$110	\$120	\$95
Langley South (S of 40)	J \$150	\$110	\$110	l s130	\$100
Pacific Hwy	\$150	\$110	\$110	\$130	\$100
Fort Langley/Aldergrove	\$140	\$150	\$120	\$140	\$110
Abbotsford/Cleachrook	\$160	\$160	\$145	\$150	\$120
Mission	\$160	\$170	\$150	\$130	\$130
Chilliwack/Sardis	\$185	\$185	\$170	\$170	\$160

Schedule 2: Rates in Effect from August 1, 2006

North Vancouver	S01\$	071\$	\$132	S+1\$	St1\$
Vancouver Docks	001\$	\$132	077\$	SET\$	\$132
оТ/толЯ	Centerm	Deltaport	001	10	110
	Manterm	42000	LSD	Cb	CN

SZI\$	581\$	\$81\$	\$200	007\$	Chilliwack/Sardis
551\$	\$745	\$162	581\$	SZI\$	noizziM
SEI\$	591\$	091\$	SZI\$	SZI\$	Abbotsford/Clearbrook
\$150	\$51\$	\$132	\$91\$	SSI\$	Fort Langley/Aldergrove
011\$	S+1\$	071\$	071\$	591\$	Pacific Hwy
OTT\$	571\$	\$150	071\$	591\$	Langley South (S of 40)
SOI\$	SET\$	PIZO \$	SET\$	StI\$	Langley City
001\$	021\$	011\$	S71\$	\$213	Port Kells (N of Hwy, W of 208)
001\$	021\$	STT\$	SET\$	SET\$	Cloverdale
071\$	OST\$	\$150	\$150	SET\$	Surrey South (includes White Rock)
021\$	SET\$	001\$	00T\$	SET\$	Delta North (Tillbury)
011\$	\$750	001\$	\$150	\$150	Surrey Morth (N of 72, W of 152, FSD)
SET\$	501\$	SET\$	091\$	071\$	Haney/Maple Ridge
021\$	001\$	\$150	057\$	\$213	Pitt Meadows
\$150	501\$	STT\$	577\$	OZT\$	Port Moody/Port Coquitism
511\$	011\$	011\$	SET\$	SII\$	Coquitlam
051\$	021\$	501\$	581\$	511\$	New Westminster
021\$	081\$	001\$	071\$	\$150	Annacis Island
SEI\$	011\$	S01\$	011\$	OTT\$	Richmond South (S of Westminster)
581\$	581\$	SOT\$	\$150	501\$	Richmond North
\$130	\$150	\$102	SET\$	orr\$	Burnaby South (S of Hwy 1)
\$150	021\$	011\$	\$132	501\$	Burnaby North
OST\$	0SI\$	011\$	551\$	011\$	West Vancouver
St1\$	571\$	SET\$	0+7\$	501\$	Могећ Уапсоцуег
\$132	521\$	\$150	SE1\$	001\$	Vancouver Docks

IN THE MATTER OF FACILITATION AND IN THE MATTER OF A DISPUTE

BETWEEN:

CONTAINER TRUCKING COMPANIES

AND:

VANCOUVER CONTAINER TRUCKERS' ASSOCIATION

REPORT OF THE FACILITATOR VINCENT L. READY TO

THE HONOURABLE JOE FONTANA,
MINISTER OF LABOUR FOR CANADA
AND

THE HONOURABLE MICHAEL de JONG,
MINISTER OF LABOUR FOR BRITISH COLUMBIA

JULY 29, 2005

PAGE 48/51,

between the parties. In the time since then, I have had numerous meetings with them, jointly and separately, as well as meetings with other parties affected by the dispute. Throughout these proceedings I have been greatly assisted by Mr. Peter Cameron.

The parties have been able to resolve many issues, but not all of their differences. Moreover, there are other issues that cannot be settled by the truckers and the companies done, because the potential solutions involve other parties.

With respect to the issues that can be resolved between the Companies and the VCTA, today I recommended to the parties terms of settlement, in the form of a Memorandum of Agreement. I am urging them to strongly recommend the Memorandum to their respective principals for ratification.

There are other matters affecting the remuneration of truckers and their conditions of work that the parties cannot solve without the participation of others. The most obvious and visible of these is the problem of waiting times at the ports. There is something fundamentally wrong when truckers must wait for hours to get access to the containers. Waiting times increase costs for both the truckers and companies, and diminish their earnings.

In addition, for various structural reasons there is a continuing pressure to reduce payment and working conditions for truckers beneath sustainability. If this circumstance is not addressed, this pressure will inevitably lead to destabilization and future conflicts at our ports.

For these reasons, I recommend (uponreturn to work by the truckers) the joint appointment by the Provincial and Federal Governments of a Task Force, with a broad mandate to enquire into problems in the container transportation industry insofar as they affect the compensation and working conditions of drivers and the viability of the trucking companies, and the unit costs or reliability of container transportation. Without limitation, these matters should include:

- Logistical and other operational problems (especially, but not limited to, waiting times and dispatch procedures);
- Circumstances where the organization of port activities imposes
 costs on truckers or companies without corresponding
 compensation;

- The enforceability (by way of permits and/or another effective mechanism) of any standards for remuneration and working conditions, including the application of standards to companies who have not agreed to be bound by the recommendations; and the potential impact of new entrants, the increased use of company trucks, and corporate re-structuring; and
- Representational issues for truckers, and issues related to the renewal or amendment of truckers' standards of remuneration and working conditions.

I recommend that the persons appointed to the Task Force collectively

have the range of skills and competencies necessary for this challenging

assignment, and that each of them should have stature in the community such
that their recommendations will be accepted and acted on by the parties who

need to act in order to make the necessary changes.

some items may need more study than others, and there is urgency to address some matters in the Task Force's mandate. In particular, recommendations with respect to enforceability should be made (and implemented) on an expedited basis. For that reason, the Task Force should expect to report some recommendations before it is ready to make others. In

other words, it will probably be necessary for the **Task** Force to report in "installments".

It is probable that the Task Force will make recommendations for regulatory or statutory changes, within either or both constitutional spheres of jurisdiction. (It is understood that any such recommendations would focus specifically on problems raised by this dispute and within the mandate of the Task Force, not on the truck transportation industry generally), I respectfully urge the appropriate level of government to give the most serious and expedited consideration to those recommendations.

Thank you for appointing me to the important challenge of facilitating a resolution of the truckers' dispute. I believe that the Memorandum recommended to the direct parties and the above recommendations can provide the basis for both short-term and long-term solutions to problems in the container trucking industry. These solutions will help ensure that our great transportation system will provides domestic and international customers, and the Canadian public, with timely, reliable and exemplary service.

Respectfully submitted,

VincentL. Ready

Vincent L. **Ready**, Facilitator

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