

This Agreement made this 23rd day of September, 2008 and will be in full force and effect from the 1st day of July, 2008, until the 31st day of December, 2009, except where otherwise specified:

Between

HIGHWAY CUSTOMS WAREHOUSE LTD.

Winnipeg, Manitoba

(Hereinafter referred to as the "Company")

Of the First Part

And

GENERAL TEAMSTERS LOCAL UNION 979

Winnipeg, Manitoba,

Affiliated with

the International Brotherhood of

Teamsters, and Teamsters Canada

(Hereinafter Referred to as the "Union")

Of the Second Part

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WHEREAS the Company and the Union have agreed upon wages, working conditions and hours of labour for the employees of the Company to whom this Agreement applies.

NOW THEREFORE, IT IS MUTUALLY UNDERSTOOD AND AGREED that the following provisions respecting wages, working conditions and hours of labour shall govern the parties hereto during the currency of this Agreement.

CLAUSE 1 - PROVISIONS

1.1 The provisions of this Agreement shall apply to all employees of the Company engaged in the following occupations, namely warehousemen.

CLAUSE 2 - REPRESENTATION *

2.1 The Union shall be the sole representative of those classifications of employees, covered by this Agreement in Collective Bargaining with the Company.

CLAUSE 3 - LOYALTY

3.1 The employee must be loyal to the company and agrees to do every-thing within reason at all times to promotethe welfare of the Company and do everything in their power to keep the operating expenses of the Company at a minimum and to increase production of the Company.

CLAUSE 4 - DUES AND UNION SECURITY

- 4.1
- (a) All persons employed to supplement the regular work force, to provide additional help on an incidental basis to cover peak work periods, shall be classified as Part-time employees.
 - (b) A Part-time employee shall be carried on a Part-time roster and where practical shall be called into work according to their position on the roster.
 - (c) Where an employee has outside gainful employment he shall not be carried on the part-time roster ahead of an employee who has no outside gainful employment.
 - (d) Be given first opportunity to qualify as Regular Employees as openings become available.
 - (e) Not be covered under the provisions of Health and Welfare and Pensions Plan.
 - (f) Not drive trucks or other mobile equipment except when Regular employees are unavailable for duty or as agreed to by local area agreement.

- (g) Be covered under the overtime clause and be guaranteed at least two (2) days off per week.
 - (h) Not to be called into work outside the regular terminal hours, which includes Statutory Holidays.
 - (i) There shall be no more than (2) posted starting periods per day at each terminal for Part-time employees. The starting periods shall be negotiated at terminal level and will cover a time span of two (2) hours each.
 - (j) Work performed on Saturdays and Sundays shall be on a ratio not to exceed two (2) Part-time employees to one (1) regular employee.
 - (k) Upon completion of one hundred twenty-eight (128) hours work within any thirty (30) calendar days, an employee shall become a regular employee and shall be entitled to all rights and privileges of this Agreement. His seniority shall be calculated from the first day of that thirty (30) calendar day period.
 - (l) A Part-time employee may be used to replace a regular employee who is on vacation. Hours worked during this time will not be credited towards the one hundred and twenty-eight (128) hours necessary to qualify for regular employment as listed in Article 4.1 (k).
 - (m) When a Part-time employee qualifies as a regular employee and is hired in accordance with Clause 4 (d), he will be paid as outlined in Clause 24 of this Agreement. For purposes of Wage Rates, the newly hired regular employee shall be paid the rates as outlined in Clause 29.
- 4.2
- (a) **All** Part-time employees shall pay to the Local Union the amount of the monthly dues and Initiation Fee, which shall be checked off.
 - (b) Probationary employees shall be given preference over Part-time employees for available work during their thirty (30) calendar day trial period.
 - (c) Regular employees shall be given preference for available work over Part-time employees if shift overtime is not a factor.
 - (d) No Regular employee shall be booked off, or laid off his shift while there is any Part-time employee on any shift that day.
- 4.3 All hourly paid employees who are hired for vacation relief during the vacation season (May 1 to September 30) shall be classified as "Vacation Relief Employees" when such an employee is laid-off, during or at the end of the vacation season; Clause 12.1, Clause 12.2 and Clause 15.1 will not take effect.

- 4.4 A regular employee shall be considered as such an employee of the Company when:
- (a) he has completed his probationary period,
 - (b) he makes himself available to the Company for full time employment or as he may be needed,
 - (c) he recognizes the Company as his sole employer,
 - (d) he has no outside employment which will in any manner interfere or reflect upon his employment with the Company,
 - (e) he has fully qualified in regard to the Company approved physical examinations or other normal Company requirements.
- 4.5 Regular employees covered by this Agreement must as a condition of employment become and remain Members in good standing with the Union for the duration of this contract.
- 4.6 (a) The Company agrees to deduct the amount of the monthly dues from the pay of all probationary employees. The Company also agrees to deduct dues and initiation fees from the pay of all employees who have completed the first thirty (30) calendar days of employment, and who have signed proper authorization cards authorizing such deductions. Authorization cards shall be signed within fourteen (14) days from the date of hire.
- (b) All deductions, along with a monthly check-off list, will be forwarded to the properly accredited representative of the Local Union involved, namely Local 979.

CLAUSE 5 - MANAGEMENT RIGHTS

- 5.1 ~~The company shall~~ always have the right to hire and discipline, demote or discharge employees for proper cause.
- 5.2 The Union recognizes the exclusive right to the Company to manage and direct its business in all respects, to allocate work, and to alter from time to time rules and regulations to be observed by employees, to maintain order and efficiency in its plants and terminals, and to determine its location of its plants, terminals and equipment. Nothing contained in this Agreement will be deemed to obligate the company to continue to operate any of its plants, properties or any of its parts thereof.

CLAUSE 6 - GRIEVANCE PROCEDURE

6.1 (1) A discharged employee may ask for a hearing through the grievance procedure within ten (10) days of discharge. He shall, if subsequently reinstated by such grievance procedure or arbitration, be compensated for his lost time at his normal rate of pay or receive compensation according to the amount agreed upon by the parties in the grievance procedure or decide upon by a neutral Arbitrator.

(2) All questions, disputes and controversies arising under this Agreement or any supplement thereto, shall be adjusted and settled within the terms and conditions as set forth in this Agreement in a manner provided by this Article unless otherwise expressly provided in this Agreement. The procedure for such adjustment and settlement shall be as follows:

(a) Any grievance of an employee shall first be taken up between such employee and his immediate supervisor with or without the Shop Steward or Union Representative.

Time limit to institute grievance:

- i) Termination or lay-off-----ten (10) days
- ii) All others-----thirty (30) days

(b) Failing settlement under (a) the employee must present his grievance in writing to the Local Union and such grievance shall be taken up between the Representative of the Local Union and the immediate supervisor.

(c) Failing settlement under (b), such grievance and any question, dispute, or controversy that is not of a kind that is subject to (a) and (b), the grieving party shall reduce his grievance to writing, and it will be referred to and taken up between the Secretary-Treasurer or other bargaining representative of the Union and the Company's representative authorized by the President of the Company.

(d) Failing settlement under (c), the matter will be taken up in presentation to a Board consisting of two (2) Union Members selected by the Union and two (2) Company representatives appointed by the President of the Company.

(e) Failing settlement under (d), the matter will be referred to and agreed upon by a neutral Arbitrator who will meet the parties to hear both sides of the case. The Arbitrator's decision will be final and binding, and shall be applied forthwith; the Arbitrator shall not have the right to alter or change any provisions in this Agreement or substitute any

new provisions in lieu thereof, or to give any decision inconsistent with the terms and provisions of this Agreement.

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.

CLAUSE 7 - ARBITRATION

7.1 It shall be the responsibility of the party desiring arbitration to inform the other party in writing not later than five (5) days after the last discussion of the grievance between the Union and the Company.

Failure to agree upon a neutral Arbitrator, the Department of Labour will be requested to appoint a neutral Arbitrator.

7.2 The Arbitrator shall not have the right to alter or change any provisions of this Agreement or substitute any new provisions in lieu thereof or to give any decision inconsistent with the terms and provisions of this Agreement.

7.3 Each of the parties hereto will bear equally the fees and expenses of the Arbitrator.

7.4 The company shall not be responsible for the payment of time used by an employee in the investigation of a grievance.

7.5 The parties agree that they will accept as final and binding the decision of the Arbitrator.

7.6 All time limits referred to in Article 6 and Article 7 may be extended by mutual agreement between the parties hereto.

CLAUSE 8 - STRIKE OR LOCKOUT

8.1 It shall not be a violation of this Agreement or cause for dismissal for an employee to refuse to cross or to work behind a picket line, or to handle, use, receive, ship, or transport and produce, materials or equipment affected by a labour dispute recognized by the Union.

CLAUSE 9 - BONDING

9.1 Should the Company require an employee to give bond, the premiums involved shall be paid by the Company. Primary obligation to procure the bond shall be on the Company. If the Company cannot arrange for a bond for an employee within thirty (30) days, they must so notify the employee in writing. Failure to do so shall relieve the bonding requirements.

9.2 If proper notice is given, the employee shall be allowed thirty (30) days from the date of such notice to make his own bonding arrangements.

Standard premiums only on said bond to be paid by the Company. A standard premium shall be that premium paid for bonds applicable to all of its other employees. Any excess premium is to be paid by the employee.

CLAUSE 10 - CONFLICTING AGREEMENTS

- 10.1 No employee shall be asked or permitted to make a written or verbal agreement which may conflict with the provisions hereof, unless notice of such agreement is given to the Union and agreed to by the Union.

CLAUSE 11 - PRIVILEGES

- 11.1 This Agreement shall not take from the employees any privileges they have hitherto enjoyed, except those specifically dealt with in this Agreement.

CLAUSE 12 - SHORTAGE OF WORK

- 12.1 In reducing personnel because of lack of work or any other legitimate reason, in principle the junior man shall be laid off first and in returning the employee to work, the last man laid off shall be the first rehired, ability of employee and experience to be the governing factor.
- 12.2 Employees on temporary lay-off shall keep the Company informed, in writing, of their current telephone number and address. When recalling an employee to work after lay-off, he shall be notified by registered mail, directed to his last known address and allowed seven (7) calendar days to report for work.

CLAUSE 13 - PROMOTION AND TRANSFER

- 13.1 Promotions - When an employee within the bargaining unit covered by this Agreement receives 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 sixty (60) days within the former unit.
- 13.2 At the end of this period of sixty (60) days, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain with the unit for a maximum of six (6) months prior to exercising that privilege again.
- 13.3 However, should the Company discontinue the position or job to which the employee was promoted, such employee may return to his former unit at his original seniority rating.
- 13.4 Promotions or transfers from one classification to another within the bargaining unit will be on a trial basis up to thirty (30) calendar days and should the employee promoted not be satisfactory to the satisfaction of the Company or should he

voluntarily request reinstatement to his former position, he shall retain his former seniority, rights and pay.

- 13.5 When an opening occurs within a terminal, the position shall be posted for bid for seventy-two (72) hours. Preference shall be given to senior employees provided skill and efficiency shall also be a consideration.
- 13.6 If an employee covered by this Agreement shall enlist, be drafted or in any way conscripted into the military service of the Government, such employee shall be reinstated to his job within ninety (90) days after his release from such service, it being understood however, that such returning employee shall not be physically or mentally disabled. Reinstatement shall be made according to seniority at the then prevailing wage rate.

CLAUSE 14 - RESIGNATION AND DISCHARGE

- 14.1 Employee wishing to leave the service of the Company may do so without giving notice, and in the event of the Company's wishing to discharge an employee, it may do so without giving notice or pay in lieu of notice. Without limiting the generality of the foregoing, drunkenness or drinking alcoholic beverages while on duty, dishonesty, disobedience or absence without leave shall be reason for dismissal without notice.
- 14.2 Any employee who has been discharged or suspended, who feels he has been unjustly dealt with must submit a complaint, in writing, within twenty-four (24) hours (Saturday and Sunday excluded) to the Manager and Shop Steward. Any employee suspended or discharged upon grounds which, after investigation by the General Manager of the Company and the Union Representative, prove not to be sufficient, shall be reinstated to his position and shall receive full pay for the time lost.

CLAUSE 15 - SENIORITY

- 15.1 Seniority once established for an employee shall be forfeited under the following conditions:
- (a) If he voluntarily quits.
 - (b) If he is discharged for any cause.
 - (c) If he fails to report for duty after a layoff in accordance with Clause 12.2 or unless he furnishes a reason acceptable to the Company.
 - (d) If twelve (12) months have elapsed from the date of his lay-off, or, in the case of an employee with five (5) or more years seniority, eighteen (18) months have elapsed from lay-off.

15.2 Seniority lists by departments shall be posted, after the signing of this Agreement, in a conspicuous place, and any controversy over the seniority standing of any employee shall be settled by the Union and the Company. Seniority lists shall be revised every six (6) months.

CLAUSE 16 - STATUTORY HOLIDAYS

16.1 All employees who have completed their probationary period of thirty (30) calendar days and have qualified as regular employees shall be entitled to ten (10) Statutory Holidays:

New Years Day	Good Friday	Victoria Day
Dominion Day	Civic Holiday	Labour Day
Thanksgiving Day	Remembrance Day	Christmas Day
Boxing Day		

.....or any other holiday declared by any Provincial or Federal Body.

16.2 If any employee is required to work on any of the above mentioned days, he shall receive two (2) times his regular rate of pay, plus payment for the named Statutory Holiday.

16.3 Regular employees will receive eight (8) hours pay at their regular hourly job classification rate for the Statutory Holiday listed; part-time employees shall receive four (4) hours pay, subject to the following qualifications (in 16.4);

16.4 No employee is entitled to be paid for a general holiday on which he does not work when he is not entitled to wages for at least ten (10) days during the thirty (30) calendar day period immediately preceding the holiday, provided however, that a regular employee who returns to work following absence due to sickness, leave of absence or compensation and works in a week in which the holiday occurs shall receive pay for the general holiday.

16.5 When a Statutory Holiday falls on an employee's regular day off he shall be given either his next regular work day off or his regular work day immediately prior to the holiday, and such day shall be deemed as his statutory Holiday.

CLAUSE 17 - VACATIONS

17.1 Any employee in the service of the Company and leaves the service of the Company prior to completing one (1) year of service, shall be entitled to four percent (4%) of his previous earnings.

17.2 Any employee in the service of the Company who has completed one (1) year of service with the Company, shall, on his anniversary date, be entitled to two (2) weeks vacation with pay.

- 17.3 Any employee in the service of the Company who has completed three (3) years of service with the Company, shall on his anniversary date be entitled to three (3) weeks vacation with pay.
- 17.4 Any employee in the service of the Company who has completed nine (9) years of service with the Company, shall, on his anniversary date be entitled to four (4) weeks vacation with pay.
- 17.5 Any employee in the service of the Company who has completed fifteen (15) years of service with the company, shall, on his anniversary date be entitled to five (5) weeks vacation with pay.
- 17.6 Any employee in the service of the Company who has completed twenty-one (21) years of service with the Company in the year 1981, and each year thereafter, shall, on his anniversary date be entitled to six (6) weeks vacation with pay.
- 17.7 Payment for two (2) weeks vacation in the first year of entitlement shall be in the amount equal to four percent (4%) of the employee's earnings from the date of employment up to two (2) weeks prior to the employee's vacation. Thereafter payment for two (2) weeks vacation shall be in the amount equal to four percent (4%) of the employee's earnings from the time of the previous vacation pay period, up to two (2) weeks prior to the employee's current vacation period.

Payment for three (3), four (4), five (5) and six (6) weeks vacation shall be equal to six percent (6%), eight percent (8%), ten percent (10%) and twelve percent (12%) respectively of the employee's earnings, based on the employee's completed years of service.

- 17.8 Vacation periods will be by seniority, but at the discretion of the Company in order to maintain an efficient working force, but preferably between June 1st and August 31st.
- 17.9 Employees who are entitled to four (4), five (5), or six (6) weeks of vacation entitlement shall have the option of taking their normal vacation entitlement as outlined herein above or may have the option of requesting the following:

ENTITLEMENT	MANDATORY VACATION	
4 weeks vacation	3 weeks vacation	1 week vacation earnings pay
5 weeks vacation	3 weeks vacation	2 weeks vacation earnings pay
6 weeks vacation	3 weeks vacation	3 weeks vacation earnings pay

CLAUSE 18 - LEAVE OF ABSENCE

- 18.1 (a) Leave of absence in excess of thirty (30) calendar days will not be granted until a request for same is submitted in writing to both the Union and the Company and mutually agreed upon.
- (b) Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union, shall forfeit his seniority rights and his name will be stricken from the seniority list and he will no longer be considered an employee of the Company.

CLAUSE 19 - SHOP STEWARD

- 19.1 The Employer recognizes the right of the Union to designate a Shop Steward to handle such Union business as may be delegated to them by the Executive Board. The names of those designated shall be forwarded to the Employer involved. Such Stewards shall handle grievance only when regularly employed.

CLAUSE 20 - HOURS OF WORK

- 20.1 Employees called for work shall be guaranteed eight (8) hours continuous work, minus the lunch period or pay in lieu thereof, and there shall be no split shifts.
- 20.2 Employees will be notified at the end of their shift if they are not required to work their next regular shift.
- 20.3 Part-time employees will be guaranteed four (4) hours work or pay for each time that they are called into work.
- 20.4 All employees of the Company shall receive overtime after eight (8) hours in any one day or forty (40) hours in any one week, whichever is the greater, for any five (5) consecutive days.
- 20.5 Regular employees called in to work on his designated day of rest, shall be guaranteed a minimum of four (4) hours work, but after the completion of the duty he was called for, he may book off work with a minimum of (2) hours pay. all pay under this Article shall be at two (2) times the regular rate of pay.
- 20.6 (a) Overtime rates for shift work:
- For the first two (2) hours work after the completion of the first eight (8) hours work at straight time, the overtime rate shall be one and one-half (1 1/2) times the regular rate of pay for the time worked per shift.
- (b) For overtime in excess of two (2) hours work, the overtime rate will be two (2) times the regular rate for time worked, per shift.

- (c) Overtime work shall be allocated wherever possible on the basis of seniority in a voluntary manner, provided the man is capable of doing the job; however, upon reaching the bottom of the list with respect to seniority, the employee shall be required to work overtime.
- (d) Employees who are required to work overtime in conjunction with the regular shift shall be allowed a paid fifteen (15) minute break prior to commencement of the overtime period.
- (e) The hours of work shall be reduced by eight (8) hours for each Statutory Holiday that occurs in any week.

20.7 Effective on the signing date of this Agreement the top three (3) employees on the seniority list will be guaranteed a forty (40) hour work week or pay in lieu thereof.

This guarantee shall remain in effect under the same conditions as in the Agreement unless the Company has to lease warehouse space to "Bonded Carriers", as spelled out in the "Custom Warehousing Regulation", to a point where there is not enough work to retain the said three (3) employees on a permanent basis. Should the number of regular employees become less than three (3), then all remaining employees will be guaranteed a forty (40) hour work week or pay in lieu thereof.

20.8 The Company agreed that if the employees are required to handle hazardous materials they shall be supplied by the Company with any and all necessary safety equipment (rubber clothing, goggles, coveralls, etc.) to protect the employees person.

20.9 The Company agrees to give all employees at least two (2) hours notice if they will be required to work overtime.

20.10 Where feasible each Terminal shall be equipped with clean and sanitary lunchroom facilities, where such facilities are currently being used by the employees. Washrooms with hot and cold running water shall ~~be~~ provided as well. Lunchroom and washroom facilities shall be kept in clean and sanitary conditions by the company, having proper tables and chairs.

CLAUSE 21 - PROBATIONARY PERIOD

21.1 Employees hired by the Company shall be on a probationary basis for the first thirty (30) calendar days of employment. In the event of a layoff during this period, the employee will have no recourse to the grievance procedure. After thirty (30) calendar days of employment his seniority will start from the day he was first hired.

CLAUSE 22 -WORKING CONDITIONS

- 22.1 The employees shall, except by mutual agreement between the Parties hereto, take at least one (1) continuous period for meals of not less than thirty (30) minutes, and not more than one (1) hour in any one (1) day.
- 22.2 No employee shall be compelled to take more than one (1) continuous hour during such period, not compelled to take any part of such continuous hour before he has been on duty three (3) hours or after he has been on duty five (5) hours.
- 22.3 An employee shall be entitled to one (1) coffee break not in excess of fifteen (15) minutes during both the first half and the second half of any shift.
- 22.4 There shall be no split shifts and the hourly paid regular employee will be notified of any changes of shift starting time prior to the end of his shift.
- 22.5 Regular employees reporting for duty on a call-out or call-back basis inconsistent with their regular scheduled shift, shall be guaranteed a minimum of four (4) hours work, but after the completion of the duty he was called for, he may book off work with a minimum of two (2) hours pay. All pay under this Article shall be, first two (2) hours one and one half (1 1/2) times the regular rate of pay. All hours in excess of two (2) hours work, will be paid at two (2) times the regular rate of pay.

CLAUSE 23 - GENERAL

- 23.1 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. In any instance where a merger takes place or the Company purchases the operating rights of another Company, all employees who are transferred will come under the terms and conditions of this Agreement.
- 23.2 When death occurs to a member of a regular employee's immediate family, the employee will be granted, upon request, bereavement leave on any of his normal working days that occur during the three (3) days immediately following the day of death.

In the event the funeral is held on an employee's regular work day other than the three (3) days immediately following the day of death, the employee will be granted upon request, leave on that day to attend the funeral.

The employee will be compensated at his regular straight time hourly rate for hours lost from his regular schedule for the bereavement leave in the three (3) days immediately following the day of death.

Provided the employee attends the funeral and that day is one other than one of the three (3) days immediately following the day of death, the employee shall be compensated at his regular straight time hourly rate for hours lost from his regular schedule on the day of the funeral.

Members of the employee's immediate family are defined as the employee's spouse, mother, father, son, daughter, sister, brother, mother-in-law, father-in-law. **Step-father** or **step-mother** has the status of the employees father or mother.

In the event of the death of the employee's grandfather or grandmother or the employee's spouse's grandfather or grandmother, the conditions of this Article will apply only if the employee attends the funeral.

The Company may require an employee to provide proof of death of a member of the immediate family. Such proof shall include place, time and date of death.

23.3 **JURY DUTY** - An employee who is required to perform jury or subpoenaed witness duty on a day on which he would have normally worked, will be reimbursed by the Company for the difference between the pay for jury or subpoenaed witness duty and his regular straight time hourly rate of pay for his regular scheduled hours of work.

23.4 It is understood that such reimbursement shall not be for hours in excess of eight (8) hours per day or forty (40) hours per week, less pay received for jury or witness duty. The employee will be required to furnish proof of jury or witness service and jury or witness duty pay received.

Any employee on jury or witness duty shall, subject to this provision make himself available for work before and after being required for such jury or witness duty whenever practical. This clause will have no application for an employee on leave of absence, or when receiving benefits under the Health and Welfare Program, Annual Vacations, Worker's Compensation, or as otherwise covered in this Agreement.

23.5 A **lead-hand** shall be defined as a person who may perform dock work and directs the work of others while performing the duties of a lead-hand. He shall not have the authority to hire, fire, suspend, or otherwise penalize other employees and he shall be a Union Member. While driving, such a person shall not exercise his lead-hand duties, however, he shall not suffer the loss of the lead-hand premium. When lead-hands are to be appointed by Management a bid will be posted and the lead-hand will be selected according to the qualifications and seniority. However, it will be the responsibility of Management to make the final selection provided that when qualifications are equal the senior man will be given the preference. It is understood that the differential for lead-hands will be a minimum of seventy-five cents (.75 cents) per hour in excess of the terminal rate of pay. Any employee that works a portion of the work week on a regular scheduled shift as a lead-hand shall receive the lead hand rate for the entire week.

When Management is absent from the premises, part of the lead-hands duties are to supervise the operation (i.e. opening and closing of the premises, supervising employees, etc.).

- 23.6 All Supervisors and Foremen shall be excluded from the Bargaining Unit and will not perform any work which falls within the scope of this Agreement.
- 23.7 Should the Company introduce any other classification within the Company during the term of this Agreement other than Warehousemen i.e. truck driver, tractor trailer driver, etc., which comes within the scope of the bargaining unit, it is agreed that the Company and the Union shall meet and negotiate wages and working conditions on behalf of the employees who come under said classifications.
- 23.8 (a) Pay cheques shall be by direct deposit and shall be in the employee bank account by Friday 3:00 p.m. every Friday and pay stubs as outlined in 23.8 c) shall be issued to the employee as soon as is reasonably possible. Pay cheque deposits will include wages earned in the one week period up to and including the Saturday thirteen (13) days prior. In the event the Company intends to amend the above method of payment of wages to other than direct deposit, the Union and employees shall be given a minimum fourteen (14) days notice.
- (b) In the event an error of eight (8) hours' pay or more, for an hourly paid employee, is established in the amount of pay, the Terminal Manager shall ensure that it is corrected promptly by issuing an operating cheque to cover the error in pay.
- (c) 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 overtime hours worked - either time and one-half or double time, the rate of wages applicable and all deductions made from the gross amount of wages.
- (d) Prior to the employee leaving on annual vacation he shall receive vacation pay on a separate cheque in accordance with Clause 17 of this Agreement provided he goes on vacation when scheduled.
- (e) If pay cheques have not arrived in Winnipeg by 3:30 P.M. on pay day and the Company cannot assure the employees that they will be issued by quitting time, the Company will pay by bank draft or certified cheques by quitting time.
- 23.9 The Company shall provide a clothing allowance in the sum of **two hundred and seventy-five dollars (\$275.00)** per year commencing **January 1, 2009** and such **\$275.00** allowance shall be paid to the full time employee within the first two (2) weeks of January each year.

CLAUSE 24 - WAGES

	July 1, 2008	April 1, 2009
<u>Warehousemen</u>	\$21.46	\$21.71

Part-Time Employees

All Part-time employees will be paid five dollars (\$5.00) per hour less than the regular rate listed above for the first six (6) months of such employment, thereafter, such employees shall be paid four dollars (\$4.00) per hour less than the regular rate listed above.

PERSONAL DAY

In lieu of the reduction of one of the Statutory Holidays provided in the current Collective Agreement (Clause 16.1). The Company agrees to provide one (1) personal day payable at eight (8) hours at the employees regular rate of pay to each regular employee covered by this Collective Agreement. Such personal day may be taken at any time during the calendar year with one week's notice to the Company, provided there is mutual agreement between the employee and the Company.

CLAUSE 25 - LEGISLATION

25.1 This Agreement shall be subject to any legislation, orders-in-council, or regulations which are in force or may in the future come into force during the life of this Agreement.

CLAUSE 26 - EMPLOYEES WELFARE PROTECTION

26.1 When an employee goes off work ill or on compensation or grievance is invoked on his discharge, the Company shall continue to pay his welfare fees and Union dues for a maximum of three (3) months, so at all times the employee shall be protected to the utmost. At the end of three (3) months the affected employee must clear up his deficit, upon doing so he will be eligible for a further three (3) months protection. When an employee returns to work, the Company shall deduct from his earnings any monies the employee would normally have paid. In the event an 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 normally paid by the employee, the Union shall then reimburse the Company for said amount.

26.2 When an employee meets with a personal injury while on duty which prevents him from completing his shift, he will be paid for 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.

CLAUSE 27 - HEALTH AND WELFARE PLAN

27.1 The Employer shall provide the "Prairie Teamsters Health and Welfare Plan" to all employees, Members of the Union, and eligible dependents coming under the jurisdiction of this Agreement.

- (a) Any Member of the Union who is in the employ of the Company on a regular full time basis on the effective day of the Health and Welfare Plan shall join the Plan immediately.
- (b) Any regular employee, a Member of the Union, who is hired by the Company after the effective date of the Health and Welfare Plan, shall join the Plan on the first day of the month, immediately following thirty (30) calendar days from the date of employment with the Company.
- (c) It will be the responsibility of the Employer to ensure that all employees are enrolled in the Health and Welfare Plan and for making premium remittances on their behalf. Failure of the Employer to enroll employees, forward completed forms and/or remit premiums on the due date, being the tenth (10th) day of each month, to the Trustees will cause the Employer to be liable for any claims arising thereof.
- (d) It shall be the Union's responsibility to supply all necessary enrollment forms to the Employer.

The cost of the Health Insurance Plan, currently **\$211.37** per month will be adjusted as required to maintain the current level of benefits. In the event that in addition to the **\$211.37** above, cost adjustment is increased by more than ten dollars (10.00) per calendar year, the costs over and above such ten dollars (\$10.00) shall be borne solely by the employee.

- (e) The Employer shall remit the Premiums to the Administrator, as designated by the Trustees of the Health and Welfare Plan. It shall be the Trustees responsibility after receipt of the premiums to distribute same to applicable carriers.
- (f) Medical, surgical and obstetrical coverage in accordance with the standard plan of service provided by Medicare in the Province in which the employee is domiciled.

The cost of such Medicare shall be paid by the Company.

27.2 SICK LEAVE

- (a) All regular employees who have one (1) continuous years service or more shall thereafter accumulate paid sick leave at the rate of one-half (1/2) day

per employed month to a maximum of thirty (30) days. The accumulation of said sick leave shall be based on the following provisions:

- i) The employee shall begin accumulation of sick leave on the start of the pay period immediately following the date he completes one (1) year of continuous employment.
 - i) The employee shall be paid for not less than one hundred and twenty-eight (128) hours in a four (4) week period to be credited for a half (1/2) day in that month, including vacation and statutory holidays.
 - ii) Employees absent from work due to leave of absence for any reason, or sickness and compensation, will not accumulate sick leave during this absence.
- (b) Paid sick leave shall be applied as follows:
- i) One-half (1/2) day's pay for the first day of absence.
 - ii) One full day's pay for each of the second (2nd) and third (3rd) days of absence from his regular work days.
 - iii) A day's pay for employees will be eight (8) hours pay at the regular hourly rate for his classification.
 - iv) It shall be the responsibility of the employee to claim for accredited sick leave.
- (c) Any proven abuse of the Sick Leave Provision will be subject the Employee to immediate dismissal without recourse to the Grievance Procedure.
- 27.3 (a) Part-time employees shall not be covered under the provisions of the Health and Welfare Program if covered elsewhere, until such time as they are transferred to the regular employee's Seniority List.
- (b) Part-time employees shall not be eligible to the following provisions of the Health and Welfare program in any event:
- i) Weekly Indemnity Benefits
 - ii) Sick Leave
 - iii) Dental Plan
 - iv) Long Term Disability

CLAUSE 28 - PRAIRIE TEAMSTERS PENSION PLAN

28 (a) REGULAR HOURLY RATED EMPLOYEES

Commencing January 1, 2006, the Company will contribute \$2.40 for each hour for which wages are payable, as of the first of the month following nine (9) months of full time employment to the Prairie Teamsters Pension Plan. Commencing January 1, 2007, the Company will increase contributions to \$2.60 for each hour for which wages are payable, and commencing October 1, 2007, the Company will further increase contributions to \$2.80 for each hour for which wages are payable. Commencing **July 1, 2008** the Company will increase contributions to **\$2.95** for each hour for which wages are payable. Commencing **April 1, 2009** the Company will increase contributions to **\$3.10** for each hour for which wages are payable.

- (b) Contributions and remittances referred to in (a) shall be remitted monthly by the fifteenth (15th) day of the month following that month to which they refer, together with a form, supplied to the Company by the Union, which shall provide full instructions.
- (c) Timely payment of contributions to the trust funds provided for in this Agreement is essential for the protection of the beneficiaries. Delinquency and continued failure to remit contributions to the Trust Fund shall be dealt with as follows:
 - (d) The Union will advise the Company, in writing, of any delinquency.
 - (e) If the Company has failed to respond within forty-eight (48) hours of receipt of notification, exclusive of Saturday or Sunday, the Union may then request a meeting with the Company to provide for payment of funds.
 - (9) In the case of failure of the Company to contribute into the funds on the due date the Trustees in their joint names may take legal action against the Company for recovery of the amount due.

CLAUSE 29 - NEW HIRES

The provisions of this Clause applies to all employees hired after February 16, 1988.

29.1 WAGE RATES

- (a) For the first (1st) year of employment, each employee will be paid four dollars (\$4.00) less than the appropriate regular hourly rate of pay as stipulated in the Collective Agreement.

- (b) For the second (2nd) year of employment, each employee will be paid three dollars (\$3.00) less than the appropriate regular hourly rate of pay as stipulated in the Collective Agreement.
- (c) For the third (3rd) year of employment, each employee **will** be paid two dollars (\$2.00) less than the appropriate regular hourly rate of pay as stipulated in the Collective Agreement.
- (d) For the fourth (4th) year of employment, each employee will be paid one dollar (\$1.00) less than the appropriate regular hourly rate of pay as stipulated in the Collective Agreement.
- (e) Upon completion of the fourth (4th) full year of employment, employees will receive the appropriate regular hourly rates as stipulated in the Collective Agreement.

29.2 SICK LEAVE

Conditions of Clause 27.2 shall not apply.

29.3 PRAIRIE TEAMSTERS PENSION PLAN

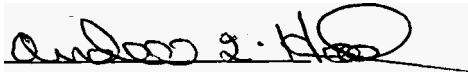
Pension contributions will not be paid until the first (1st) of the month following completion of nine **(9)** months of employment.

CLAUSE 30 - TERMINATION AND RENEWAL ✱


- 30.1. This agreement shall be in full force and effect as of the 1st day of July 2008 and continue to full force and effect until the 31st day of December 2009, and from year to year thereafter except as herein provided.
- 30.2 Either party may terminate this Agreement on **December 31, 2009** by notice in writing to the other party not less than ninety (90) days prior thereto.
- 30.3 Either party wishing to amend this Agreement shall give notice in writing to the other party to commence Collective Bargaining not less than ninety (90) days prior to **December 31, 2009**.
- 30.4 If notice to commence Collective Bargaining has been given by either party pursuant to subsection (3) hereof, this Agreement shall remain in full force and effect during any period of negotiations, even though such negotiations may extend beyond the said **December 31, 2009**.

Dated this 23 rd day of September 2008.

**SIGNED ON BEHALF
OF THE COMPANY**



**SIGNED ON BEHALF
OF THE UNION**



LETTER OF UNDERSTANDING

between

HIGHWAY CUSTOMS WAREHOUSE LTD.

and

GENERAL TEAMSTERS LOCAL UNION 979

This letter of understanding has been entered into pursuant to Clauses 20.1 and 20.7 and agreed to the following changes for the remaining term of this Collective Agreement, which expires June 30, 2008

- 20.1 Employees called for work shall be guaranteed seven (7) hours continuous work, minus the lunch period or pay in lieu thereof, and there shall be no split shifts.
- 20.7 Effective on the signing date of this agreement the top two (2) employees on the seniority list will be guaranteed a thirty five (35) hour work week or pay in lieu thereof.

Dated this 23rd day of September, 2008.

**SIGNED ON BEHALF
OF THE COMPANY**



**SIGNED ON BEHALF
OF THE UNION**

