

AGREEMENT
and interpretation of Governing Rules,
Working Conditions and Rates of Pay
between
CANPAR TRANSPORT LTD.
and the
TRANSPORTATION*COMMUNICATIONS
INTERNATIONAL UNION (TCU)
representing
Employees of Canpar Transport Ltd.

Effective as of November 1, 1998

ARTICLE 1 EMPLOYEES DEFINED

1.1 Canpar Transport Ltd. ("The Company") recognizes the Transportation*Communications Union ("The Union") as the sole and exclusive bargaining agent for all employees and Owner-Operators under contract with the Company.

1.2 This Collective Agreement will govern rates of pay and working conditions for all employees of the Company. The word "employee" shall mean Driver Representatives, Dockpersons, Linehaul Driver Representatives, Lead Hands and Warehousepersons "A and B".

1.3 This Collective Agreement shall also cover Owner-Operators as provided in Article 20.

1.4 It is understood that wherever the words "mutually agreed" appear without any further clarification, and also wherever the words "representative employees" appear, both shall be construed to mean agreement between accredited Union Representatives and Company Officers. Accredited Representative means Division Vice President and Executive Vice President.

ARTICLE 2 DISCRIMINATION AND COMMITTEES

2.1 Employees will not be discriminated against for being members of the Union, nor for serving on Committees representing employees.

2.2 Leave of absence will be granted to employees serving on committees of their Local, upon request to the officer in charge, to deal with Local matters. Whenever possible seventy two hours advance written notice will be

given.

If leave of absence is necessary for union business outside the Local, such a leave of absence will be granted upon written request of not less than seventy two hours, to the officer designated by the Company, by the Executive Vice President or his accredited representative.

2.3 A representative of the Union shall be allowed on the Company premises to deal in the administration of the Agreement provided it does not interfere with the operation of the Company, subject to authority of the Officer in Charge.

2.4 Members of the local Union Protective Committee shall be allowed to deal with matters pertaining to the Union and the collective agreement provided it does not interfere with the operation of the Company as determined by the Company officer in charge and approved in advance.

2.5 The parties will establish a senior Labour /Management Committee to discuss national scope issues.

ARTICLE 3 SICKNESS AND MEDICALS

3.1 Permanent employees necessarily off duty indefinitely on account of bona fide illness or disability will retain all seniority rights.

3.2 If a permanent employee takes a medical examination at the Company's request during his normal working hours, he shall be paid for the time. Not less than one day's notice will be given.

3.3 A permanent employee required to undergo a periodic or special medical examination by a doctor designated by the Company shall comply provided that the Company shall pay for all such examinations and provided that a copy of the report is given to the employee's physician. It is understood that the report shall only be disclosed to Company head office officials and/or the Company's insurance administrators.

ARTICLE 4 SENIORITY

SENIORITY GROUPS

4.1 The following Local, District and Regional Seniority Groups are hereby established:

ONTARIO REGION

Toronto District

- | | | | |
|----|-------------|----|---------|
| 1. | Toronto | 3. | Concord |
| 2. | Mississauga | 4. | Whitby |

Southwestern District

- | | | | |
|----|----------------|----|-----------|
| 1. | Hamilton | 5. | Windsor |
| 2. | St. Catherines | 6. | Walkerton |
| 3. | Kitchener | 7. | Brantford |
| 4. | London | 8. | Chatham |

Northern District

- | | | | |
|----|----------------------|-----|------------------------|
| 1. | North Bay | 7. | Nipigon (Closed) |
| 2. | Sudbury (Closed) | 8. | Wawa (Closed) |
| 3. | Sault Ste. Marie | 9. | Kapuskasing (Closed) |
| 4. | Barrie | 10. | Kenora (Closed) |
| 5. | Bracebridge (Closed) | 11. | Noranda-Rouyn (Closed) |
| 6. | Thunder Bay | 12. | Orillia (Closed) |

Northeastern District

- | | | | |
|----|--------------|----|-------------------|
| 1. | Belleville | 4. | Prescott (Closed) |
| 2. | Ottawa | 5. | Pembroke |
| 3. | Peterborough | 6. | Kingston |

QUEBEC REGION

Montreal District

1. Montreal

Quebec District

- | | | | |
|----|----------------------------|-----|----------------------|
| 1. | Quebec City | 12. | Chibougamau (Closed) |
| 2. | Trois-Rivieres | 13. | Boisbriand |
| 3. | Sherbrooke | 14. | Carleton (Closed) |
| 4. | Granby | 15. | Delson (Closed) |
| 5. | St. George Beauce (Closed) | 16. | St. Jean (Closed) |
| 6. | Riviere du Loup (Closed) | 17. | Cowansville (Closed) |
| 7. | Joliette (Closed) | 18. | St. Therese (Closed) |
| 8. | Chicoutimi | 19. | Rimouski (Closed) |

- | | | | |
|-----|---------------------|-----|----------------------|
| 9. | Gaspé (Closed) | 20. | Forestville (Closed) |
| 10. | Mont Joli (Closed) | 21. | Sept Îles (Closed) |
| 11. | St. Jovite (Closed) | | |

MARITIME REGION

New Brunswick District

- | | | | |
|----|--------------------|----|----------------------|
| 1. | Saint John | 5. | Bathurst |
| 2. | Moncton | 6. | Newcastle (Closed) |
| 3. | Fredericton | 7. | Grand Falls (Closed) |
| 4. | Edmunston (Closed) | | |

Nova Scotia District

- | | | | |
|----|-----------|----|----------------------|
| 1. | Dartmouth | 5. | Sydney (Closed) |
| 2. | Truro | 6. | Bridgewater (Closed) |
| 3. | Kentville | 7. | Antigonish (Closed) |
| 4. | Yarmouth | | |

Prince Edward Island District

- | | |
|----|------------------------|
| 1. | Charlottetown (Closed) |
|----|------------------------|

Newfoundland District

- | | | | |
|----|-------------|----|-------------------------|
| 1. | St. John's | 3. | Bishop's Falls (Closed) |
| 2. | Cornerbrook | | |

PRAIRIE REGION

Manitoba District

- | | | | |
|----|-----------------------------|----|--------------------|
| 1. | Winnipeg | 4. | Dauphin (Closed) |
| 2. | Brandon | 5. | Steinbach (Closed) |
| 3. | Portage La Prairie (Closed) | | |

Saskatchewan District

- | | | | |
|----|------------------------|----|---------------------------|
| 1. | Regina | 5. | North Battleford (Closed) |
| 2. | Saskatoon | 6. | Swift Current (Closed) |
| 3. | Prince Albert (Closed) | 7. | Yorkton (Closed) |
| 4. | Weyburn (Closed) | | |

MOUNTAIN REGION

Alberta District

- | | |
|-------------------|-----------------------------|
| 1. Calgary | 7. Hanna (Closed) |
| 2. Edmonton | 8. Fort McMurray |
| 3. Lethbridge | 9. Vermillion (Closed) |
| 4. Medicine Hat | 10. Grande Prairie (Closed) |
| 5. Red Deer | 11. Canmore (Closed) |
| 6. Edson (Closed) | 12. Westlock (Closed) |

British Columbia District

- | | |
|----------------------------|----------------------------|
| 1. Vancouver | 10. Nanaimo |
| 2. Victoria | 11. Courtenay |
| 3. Kelowna | 12. Penticton (Closed) |
| 4. Kamloops | 13. Dawson Creek (Closed) |
| 5. Vernon (Closed) | 14. Smithers (Closed) |
| 6. Prince George (Closed) | 15. Williams Lake (Closed) |
| 7. Castlegar | 16. Terrace (Closed) |
| 8. Cranbrook (closed) | 17. Powell River (closed) |
| 9. Campbell River (Closed) | 18. Quesnel (Closed) |

4.2 Seniority Rules

4.2.1 (a) A seniority list of all employees who are accumulating seniority, in each local seniority group, showing name and date of last entry into the service in a position covered by this Agreement shall be posted in a place suitable for the employees concerned. The Executive Vice-President and the Local Protective Chairman concerned, will be supplied with a copy of the seniority lists.

Seniority lists will be revised and posted January 31st of each year, and shall be open for correction for thirty (30) calendar days. For employees on layoff, vacation and employees covered in Article 3.1 and 4.2.3, the thirty (30) calendar days period shall begin on the date of their return to service. Employees who do not avail themselves of the privilege of correction within the time limit specified shall not be entitled to challenge their seniority date until the thirty (30) day period when the next seniority list is posted. A list reflecting any corrections will be posted by March 31st of each year.

No change shall be made in an employee's seniority date which has appeared

on two (2) consecutive annual seniority lists, unless the seniority date appearing on such list was protested in writing within the thirty (30) calendar day period allowed for correctional purposes in the two (2) consecutive years.

(b) When it is determined in accordance with Article 4.2.1 (a) that a seniority date is in error, such error will be corrected and, when so corrected, the agreed upon seniority date will be final. No change in the existing seniority date for an employee shall be made unless concurred with by the Executive Vice-President and the Vice-President, Operations.

(c) A new employee shall not be regarded as permanently employed until completion of 400 hours of work. In the meantime, unless removed for cause which in the opinion of the Company renders him undesirable for its service, the employee shall accumulate seniority from the date first employed on a position covered by this Agreement.

An employee with more than 400 hours of work shall not be discharged without just cause as provided in Article 6 of this Agreement.

4.2.2 Employees promoted to excepted or official positions with the Company shall retain all their seniority rights and continue to accumulate seniority on their seniority list and their names shall be continued on such list.

Effective November 22, 1993, employees promoted to excepted or official positions with the Company shall have their names removed from the seniority list six (6) months after promotion. The Company may elect to revert the employee to the bargaining unit, or the employee may elect to revert to the bargaining unit, in accordance with Article 5.2.9, at any time within the six (6) month period. All time spent in an excepted or official position with the Company including relief/temporary will be cumulative.

4.2.3 Employees on authorized leave of absence shall retain all their seniority rights and continue to accumulate seniority on their seniority list and their names shall be continued on such list.

4.2.4 Persons holding Warehouse A positions will accumulate seniority as of the date they are awarded a bulletin, or the date they advise the Company in writing of their availability for full time work (copying the accredited Union representative), whichever comes later;

Employees holding Warehouse B positions do not accumulate seniority regardless of availability for full time work. Warehousepersons B who are awarded Warehouse A positions will have their seniority dated in accordance with paragraph 1 of this clause.

Benefit coverage is not available to Warehousepersons B regardless of availability for full time work. Only those employees holding Warehouse A positions who have advised the Company of their availability in writing copying the accredited Union representative will be entitled to benefit coverage in accordance with Article 19.

4.2.5 An employee whose leave of absence exceeds 3 months in any one year shall lose his seniority rights unless such leave of absence beyond 3 months is mutually agreed to by the Union and the Company.

4.2.6 It is understood that if 2 or more employees advise the Company and the Union of their availability for full time employment on the same date they will have their seniority rights established, for the purposes of increases, reductions in staff and for the bulletining of positions, by using their date of entry into service for the purpose of establishing the senior employee(s).

4.2.7 Employees unable to hold part time Warehouse A bulletins will be classified as Warehousepersons B regardless of availability, will not accumulate seniority and will be paid the Warehouseperson B rate of pay except in the case of employees whose part time Warehouseperson A positions have been abolished. In this instance these employees will continue to accumulate seniority and receive benefit coverage, if applicable.

ARTICLE 5 PROMOTIONS, ASSIGNMENTS, DISPLACEMENTS, ETC.

5.1 Promotion and Assignment

5.1.1 The promotion and assignment of employees will be governed by seniority and ability, senior qualified applicant to be given preference. The officer of the Company in charge shall be the judge, subject to appeal which must be made in writing within 14 calendar days of the appointment.

5.1.1 (a) Employees senior in the service shall be given all possible opportunities to improve themselves and the efficiency of the service by learning as much as possible about the duties of the position above those they hold.

5.1.2 An employee who is assigned to a position by bulletin will receive a full explanation of the duties and reasonable assistance and must demonstrate the ability to perform the work within a reasonable probationary period of up to 30 calendar days, the length of time to be dependent upon the character of the work. Failing to demonstrate the ability to do the work within the probationary period allowed, employee shall be returned to former position without loss of seniority.

5.1.3 When a position under bulletin is to be awarded to a junior employee because of ability, the matter will be first discussed between the Company Officer involved and the Local Protective Chairman or his representative.

5.2 Bulletining of Positions

5.2.1 New positions and temporary or permanent vacancies (except temporary vacancies of expected duration of 14 calendar days or less and annual vacation) will be promptly bulletined for a period of 7 calendar days to the local seniority group concerned, and will be awarded in accordance with Article 5.1.1.

If a temporary vacancy becomes a permanent vacancy, it will be re-bulletined. Vacancies shall be bulletined at the salary of the position.

5.2.2 Permanent positions which cannot be filled by Local Bulletin will be bulletined promptly for 10 calendar days throughout the District and Region.

Positions not filled by District and Region bulletin will be offered to Warehouse A and B prior to being filled by hiring from outside the Company. Unassigned work will be allocated in accordance with article 8.6.

5.2.3 Employees desiring positions bulletined as required by 5.2.1 and 5.2.2 of this Article shall file their application with the designated officer within the prescribed time and the award shall be made promptly following the close of the bulletin.

Employees returning from vacation or authorized leave of absence as outlined in Articles 3 and 11 will be permitted to apply, upon return or within five (5) calendar days thereafter, for any bulletin which was posted during the employee's absence.

Pending the award, and where practicable, the senior qualified employee at

the location affected desiring the vacancy (as bulletined under Article 5.2) shall be allowed the position.

5.2.4 The awarding order of District and Regional Bulletins shall be as follows:

a) Employees on the District in which the seniority list involved is located;

b) Employees on the rest of the Region.

5.2.5 When more than one vacancy or new position is bulletined at the same time, employees shall have the right to bid on any or all stating preference.

An employee awarded a bulletined position will be transferred to such assignment without unnecessary delay.

5.2.6 A successful applicant on a District and Regional Bulletin will transfer with full seniority.

5.2.7 Employees with less than 400 working hours cumulative service shall not be awarded positions under Local Bulletin until such positions have been bulletined over the District and Region.

5.2.8 An employee awarded a position by bulletin will not be permitted to revert to his former position. In the event of ill health or other extenuating circumstances, an employee may be permitted to revert, subject to agreement between the Company officer concerned and the Division Vice-President.

5.2.9 Employees promoted to expected or official positions as outlined in Article 4.2.2 released from such positions must revert to the seniority list and classification from which promoted, unless such classification is held by a senior employee. In such instance, an employee may exercise his seniority to displace a junior employee on that seniority list.

Employees holding excepted or official positions must exercise seniority as provided in the preceding paragraph before being eligible to apply for a Scheduled position under bulletin.

5.2.10 When delivery centres within any local seniority list are increased, the routes to be operated from the new centres will be

bulletined as to location.

5.2.11 Bulletins and Awards shall be in the standard form, as illustrated:

BULLETIN

Bulletin No Place

Date Posted Date Issued

Applications will be received by the undersigned up to and including:

(Date)

Title of Position

Location of Position

Rate of Pay

Hours of Service

Rest Days

If temporary, approximate duration

Local/District or Regional Bulletin

General Description of Duties

Signature of Official

c.c. Local Protective Chairman

AWARD

Office: Date:

The following position, which was advertised under my:

Bulletin No.

Dated

Location

Title of Position

has been awarded to:

Location of successful applicant

Signature of Official

Title

c.c. Local Protective Chairman

It is agreed that such bulletins will also show, at offices where more than one location exists, the various locations where the vacancy occurs.

Bulletin No. shall be an actual ascending number, in addition to the employee classification and terminal number.

5.2.12 Hours of a permanent position may only be changed without being re-bulletined for legitimate business reasons. The reason for any such

change shall be provided, upon request, in writing to the employee affected and his Local Protective Chairman. When the hours of a permanent position are changed and effect the starting or ending time by more than one hour and/or the assigned rest days are altered, the position will be re-bulletined promptly, but only to the Local Seniority Group concerned.

5.2.13 Float Driver Positions

1. Float driver positions will be bulletined in all terminals with 20 or more routes.
2. A premium of \$0.70 per hour will be paid to any individual awarded a float driver position.
3. In order to qualify for the position, the employee must:
 - (a) currently hold a Driver Representative position;
 - (b) pass a defensive driving test;
 - (c) demonstrate reasonable knowledge of at least 15 different routes to maintain acceptable service levels;
 - (d) pass a probationary period as per Article 5.1.2.

5.2.14 Number Routes

Regular numbered routes will be established.

Each regular numbered route will be assigned to a Driver Representative, on a continuing basis.

This does not preclude the Company from making adjustments to routes due to fluctuations of traffic.

An employee removed from his/her regular route will be returned immediately upon re-establishment of said route.

Drivers will be assigned the route they hold on the date of ratification.

The above would not be construed as limiting the ability of an employee to bid on a Driver Representative bulletin.

These bulletins will not be identified by numbered run.

5.2.15 Where it is necessary to establish a position not now provided for

in this Agreement, the Company shall notify the Union's Executive Vice-President in writing, and the Union will meet to attempt to agree on an appropriate hourly rate. Failing agreement, the Company will implement an hourly rate subject to the Union's right to process the matter to arbitration.

In arbitration, the arbitrator will be required to select either the hourly rate implemented by the Company or the Union's proposed hourly rate, whichever rate he determines to be the most consistent with all other hourly rates in the Collective Agreement.

5.3 Reduction in Staff

5.3.1 An employee whose position is abolished or who is displaced from his position must displace, within two (2) working days, any full-time junior employee in his local seniority group or, within five (5) working days, any full time junior employee in his district or region for which he is qualified. An employee who fails to comply with said time limit shall not have the right to return to service by displacing a junior employee.

5.3.2 Except as otherwise provided in Article 5.3.1, a permanent employee who is unable to hold a position in his local seniority group may displace a junior employee in any of the local seniority groups on his seniority District, if qualified.

5.3.3 Except as otherwise provided in Article 5.3.1, a permanent employee who is unable to hold a position by exercising seniority as provided in Article 5.3.1 and 5.3.2 may displace a junior employee in any of the local seniority groups on his seniority Region, if qualified.

5.3.4 Whenever there is a permanent abolishment of an employee's route, the following procedure shall apply:

(a) the employee on the route shall be entitled to select any route of his choice provided that the route is being done by a junior employee;

(b) the new route becomes the senior employee's regular Numbered route to which he is assigned under 5.2.14;

(c) this process shall be repeated for the junior employee who has lost his route until all routes in the terminal are assigned;

(d) if an employee displaces another junior employee in another terminal under Article 5.3.2 or 5.3.3, then the procedure set out in paragraphs (a) to (c) shall be followed in that terminal as well.

Permanent abolishment shall include a suspension or elimination of a route for any period exceeding two months but does not include the addition or deletion of stops on a route.

5.3.5 An employee exercising rights under Articles 5.3.2 and 5.3.3 will transfer with full seniority and will continue to accumulate seniority in his former group. He may, however, return to his former group to any permanent vacancy for which he is qualified and senior, providing such vacancy occurs within one year from date of transfer.

5.3.6 An employee transferred as provided by this Article and who is not returned to his seniority group within one year as provided in Article 5.3.4 will be permitted to return to the seniority group from which transferred to the first regular position for which he is senior and qualified. Failing to return he will forfeit all seniority rights in this group from which he transferred and his name will be removed from such list.

5.3.7 Permanent employees shall be given 24 hours' advance written notice of layoff and unassigned employees as much notice as possible.

5.3.8 A laid off employee must register his name, address and telephone number in writing at time of layoff, with his immediate Supervisory Officer and his Local Protective Chairman. He must also advise, in writing, the proper Officer of the Company and the Local Protective Chairman of any change of address.

5.3.9 Laid off employees will be recalled in seniority order. A recalled employee shall be notified by the Company by telephone, registered letter or by hand when required (copy to Local Protective Chairman and Division Vice-President). An employee who fails to report for duty or give satisfactory reason within 3 calendar days from date of notification shall forfeit his seniority and his name shall be removed from the seniority list.

5.3.10 Subject to Article 3.1, any employee whose position is abolished shall forfeit his seniority and his name shall be removed from the seniority list in the event:

(a) the employee fails to exercise his seniority under Articles 5.3.1, 5.3.2 or 5.3.3 to displace a junior employee; and

(b) the employee has not been recalled or has not otherwise returned to a vacant position within 12 months of his position being abolished.

ARTICLE 6 DISMISSALS AND DISCIPLINE

6.1 An employee may only be disciplined or dismissed for just cause after an interview has been held in accordance with Article 6.2. It is understood that the Company has met its obligation to hold an interview by providing 24 hours notice of the interview to the employee or making reasonable effort to notify the employee. In the event the employee does not appear for the interview without a reasonable excuse, the Company shall be entitled to proceed with disciplinary action without an interview. In cases where the employee provides a reasonable excuse for his inability to attend the interview, the interview shall be rescheduled to be held on his return to work and time limits under Article 6.2 shall be waived.

6.2 Whenever an employee is to be interviewed by the Company with respect to his/her work or his/her conduct in accordance with Article 6.1, an accredited Union representative, selected by the employee, must be in attendance. In the event the accredited Union representative selected by the employee is not available another accredited representative selected by the employee will be substituted. Such interview and any subsequent interviews dealing with the incident must be held within 14 calendar days from the date the incident became known to the Company, unless mutually agreed. Such agreement will not be unreasonably withheld. The employee to be interviewed shall be notified in writing, no less than 24 hours prior to the scheduled interview time. This notice shall include the reason the interview is being held, including the subject matter with applicable details, to be investigated. Whenever a written statement by a person employed by the Company is entered at the interview, the employee will have the right to request the presence of that person at the interview. The employee and his Union representative may ask appropriate questions to all parties at the interview.

6.3 Failure to comply with Article 6.2 shall render any conclusion null and void, and any statements at such interview inadmissible at any subsequent proceedings.

6.4 An employee may be held out of service for a period of not more than four (4) working days for infractions of a serious nature. This practice is only to be utilized in cases of alleged infractions of a serious nature where it is in the best interest of the public, the Company,

or fellow employees. This provision is not to be used as a form of discipline. In the event an employee is held out of service, the interview is to be held as soon as possible.

6.5 Any discipline or dismissal of an employee must be communicated in writing within 14 calendar days of the interview. A full and detailed explanation of any discipline given will be provided to both the Local Protective Chairman and the employee. The time limits herein may be extended by mutual agreement.

6.6 A grievance with respect to a dismissal shall commence at Step 2 of the grievance procedure within 42 calendar days of the notice of dismissal.

6.7 During the interview the employee or his accredited representative shall have the right to read, review and ask questions concerning any documents, tapes or videos as they are presented by the Company and copies will be presented at that time. Copies of the interview notes will be provided to the employee and the accredited representative within 4 working days of the interview.

6.8 If, in the final decision, the charges against an employee are not sustained, his record shall be cleared of the charges. If suspended, or dismissed, he shall be returned to his former position and reimbursed for wages lost, less any earnings derived from outside employment during the period so compensated. If the interview was away from home, he shall be reimbursed for reasonable travel expenses upon presenting receipts.

ARTICLE 7 SANITATION AND ACCOMMODATION

7.1 Offices shall be clean, well ventilated, properly lighted, heated and furnished in the best interest of the employees and to the best of the Company's ability. All other premises will be clean and properly lighted in the best interest of the employees and to the best of the Company's ability.

7.2 The Company shall continue its current practice of providing uniforms to drivers. Uniforms that are supplied shall be kept in clean condition and repair.

7.3 Commercial vehicles will have equipment necessary to comply with regulations prescribed by law.

7.4 Under no circumstance will employees be required to engage in activity involving dangerous conditions at work or danger to a person or

property in violation of an applicable statute or government regulation relating to safety of persons or equipment. The Company shall not require any employee to operate any equipment that has not been addressed.

7.5 The Company will establish Health and Safety committees in accordance with the requirements of Part 2 of the Canada Labour Code.

ARTICLE 8 WORKING HOURS AND OVERTIME

8.1 The normal working day shall be 8 consecutive hours exclusive of meal period. The normal work week shall be 40 hours.

8.1.1 The Company may, where required, institute 10-hour (exclusive of meal period)/4 day per week driver positions in accordance with Article 5.2.

8.2 Warehousepersons B shall be paid a minimum of 3 hours' pay at the straight time rate, and if required to perform work beyond 3 hours shall be paid on the minute basis for work in excess of 3 hours. Such work will be offered in order of length of Company service.

8.3 The normal work week shall be Monday to Friday with rest days Sunday and Saturday; however, due to the operational requirements of the Company, a departure to rest days of Sunday and Monday or two consecutive days during the week may, to meet operational necessity, be instituted. Possible use of rest days other than Saturday, Sunday or Monday, where these may be required under this Agreement, to be explored by the parties.

8.4 All hours worked in excess of 8 hours in any one day, or 40 hours in any one week, shall be paid at one and one-half times the hourly rate of pay. This does not apply to positions as outlined in Article 8.1.1.

8.4.1 All hours worked in excess of 10 hours in any one day, or 40 hours in any one week, as specified in Article 8.1.1 shall be paid at one and one-half times the hourly rate of pay.

8.5 Employees, if required to work on regularly assigned rest days, shall be paid at the rate of time and one-half time on the actual minute basis with a minimum payment of 4 hours at the pro rata hourly rate.

8.6 Where work is required by the Company to be performed on a day which is not part of any assignment, it may be performed by an available extra or unassigned employee who will otherwise not have 40 hours of work that week. Overtime shall be allocated on the basis of seniority wherever

possible, in a voluntary manner, within the work classification and shifts, provided the employee is capable of performing the duties; however, upon reaching the bottom of the seniority list in that classification and shift, the junior employee(s) will be required, in reverse order, to work the overtime.

8.7 Excluding Linehaul operations, employees shall not be required to take more than 60 minutes for a meal period and, if practical, 30 minute meal period will be utilized. Lunch hour for employees holding City Tractor or Driver Representative positions will commence between the end of the third hour of the shift and the end of the sixth hour of the shift. This clause only applies to employees holding bulletin positions.

8.8 There shall be two fifteen-minute coffee breaks in each eight hour shift without loss of pay. These breaks shall not be cumulative.

8.9 Employee shall be allowed to elect to bank overtime in lieu of pay to maximum of 40 hours at the rate of one and one-half hours banked for every one hour worked. A request to bank overtime must be made in writing, on an annual basis and received by the Company by January 7th of the year. Upon written request to the Company by January 7th an employee shall be entitled to be paid for all unused banked hours accumulated for the previous year. The Company will issue payment by January 31st. Banked overtime shall be secondary to annual vacations. The Company officer in charge or their designate must approve all requests, in writing, for leave to be drawn on banked time. An employee will make their request in writing 7 working days prior to the requested time off. Laid off employees will be allowed to withdraw banked time on days when no work is made available to them. (Banking of overtime will be effective upon ratification. Employees will have 30 days beyond date of ratification to exercise their option for year 1998.)

ARTICLE 9 GRIEVANCE PROCEDURE

9.1 Union policy grievances shall commence at Step 2 of the grievance procedure.

Disputes in respect to the meaning, interpretation of alleged violations of the terms of this Agreement, or when an employee claims that he has been unjustly dealt with in respect thereof and he is unable to obtain satisfactory explanation directly from his immediate supervisor, may be dealt with in the following manner:

STEP 1 The aggrieved employee or the Local Chairman shall present the grievance in writing to the employee's Regional Manager within 14 calendar days following the cause of the grievance. The grievance must include all of the details of the cause of the grievance. Such Regional Manager will render a decision in writing, outlining the reasons for the decision, within 14 calendar days following receipt of the written grievance.

STEP 2 If the grievance is not settled at Step 1, the Division Vice-President may appeal the decision in writing, giving his reasons for the appeal, to the officer designated by the Company, within 28 calendar days following receipt of the decision rendered in Step 1. Such Company officer will render a decision in writing, giving his reasons for the decision within 28 calendar days following receipt of the appeal.

STEP 3 If the grievance is not settled at Step 2, it may then be referred by either party to arbitration for final and binding settlement without stoppage of work. Arbitration proceedings may be instituted by service of either party upon the other party through a written notice to arbitrate the matter within 28 calendar days following receipt of the decision in Step 2, or the due date of such decision if not received. Said written notice must be made to the Division Vice-President, TCU Trucking Division, on behalf of the Union or to the designated Company officer for Canpar Transport Ltd. The grievance shall be submitted to a sole regional arbitrator, on a rotation basis, based upon the agreed arbitrators as per Article 9.1.1. The arbitrator shall, before the hearing, require the party requesting arbitration to submit a written statement outlining the questions of interpretation or alleged violation to be arbitrated. The arbitrator may, where the employee has been discharged or otherwise disciplined by the Company, confirm, modify or annul the decision of the Company, or as the case may be, substitute any other sanction which appears to him to be just and reasonable under the circumstances. The cost of the arbitrator(s) will be shared equally by the Union and the Company.

9.1.1 The parties will mutually agree on a minimum of two (2) arbitrators in each of the following regions: (1) Western Canada, (2) Ontario, (3) Quebec, (4) Atlantic Canada, for the term of this Agreement. Should there be a vacancy in any of the regions, one of the other agreed to arbitrators will rule pending a mutually agreed upon replacement.

9.1.2 Upon mutual agreement the parties agree to consider using Labour Canada Mediation services as an option to arbitration.

9.2 The arbitrator's decision shall be final and bind the Company, the

Union, and the employee(s) concerned. The arbitrator shall not be authorized to alter, modify or amend any part of this Agreement, nor to render any decision incompatible with the provisions of this Agreement, nor to consider any matter not pertaining to the present Agreement.

9.3 When a grievance is not progressed by the Union within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the Company fails to render a decision within the prescribed time limits, the grievance may be progressed to the next step within the prescribed time limits based on the last date such a decision was due, except as otherwise provided in Clause 9.4.

In the event the Company fails to respond to a grievance within the prescribed time limits, the Union may process the grievance from that point onward in accordance with the procedures herein except that the time limits in respect of that grievance from that point onward shall be directory.

9.4 When a grievance based on a claim for unpaid wages is not progressed by the Union within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the Company fails to render a decision with respect to such a claim for unpaid wages within the prescribed time limits, the claim will be paid. The application of this rule shall not constitute an interpretation of the Collective Agreement.

9.5 The time limits specified herein may be extended by mutual agreement.

9.6 Settlement of a grievance shall not involve retroactive pay beyond 60 calendar days prior to the date that such grievance was first submitted in writing.

9.7 Prior to adjudication or final disposition of a grievance there shall be neither a shutdown by the Company nor a work stoppage by employees.

9.8 All time limit restrictions in Article 6 and Article 9 will be automatically extended between the period of December 22 and January 5 inclusive each year.

ARTICLE 10 EMPLOYEE RECORDS

10.1 Employees are required to provide the Company with their current mailing address and telephone number. The Company will have no financial obligation to any employee for missed work opportunities if accurate information is not on file.

ARTICLE 11 LEAVE OF ABSENCE

11.1 Any employee with 2 or more years' service shall, on reasonable grounds and when requirements of the service permit, be granted up to three (3) months' leave of absence and shall retain seniority.

11.2 Applications for leave of absence beyond 3 months will be referred to the Vice-President, Operations, for negotiation with the Division Vice-President of the Union.

11.3 In the case of serious illness, or other unusual events in their families, employees will be granted reasonable leave of absence by making application to the Local Terminal Manager or other official in charge.

11.4 Upon the death of an employee's spouse (including common-law), child, parent, brother, sister, step-parent, father-in-law or mother-in-law, grandchild, or grandparent, the employee shall be entitled to 3 days bereavement leave without loss of pay provided he has not less than 6 months cumulative compensated service. It is the intent of this Article to provide for the granting of leave from work on the occasion of a death as aforesaid, and for the payment of his regular wages for that period to the employee to whom leave is granted. Upon request the Company will grant two additional days without pay to the employee.

NOTE: The term "common-law spouse" will be interpreted to mean an individual who has maintained proven co-habitation for a period of 12 or more consecutive months.

11.5 Employees absent from duty must report such absence at least one hour before their normal starting time to the proper officer of the Company, the Leadhand or in the designated manner.

11.6 Employees absent on account of sickness or authorized leave of absence who have complied with the provisions and have been granted the privileges as enumerated in Articles 3.1 or 11.3 and who return to their positions shall not be considered as having vacated their position.

ARTICLE 12 SALARY AND PAY PERIODS

12.1 Pay date will be every second Thursday. Any pay shortages over \$25.00 will be paid within three working days of the employee reporting the shortage to his/her immediate supervisor.

Effective September 1, 1989, the penalty for failing to pay the employee the shortage over \$25.00 within three working days will be \$10.00 per working day thereafter, until such shortage is paid.

12.2 For payroll deduction purposes the pay period containing the tenth day of the calendar month will be designated as the first pay period and the pay period containing the twenty-fourth day of the calendar month will be designated as the second pay period.

12.3 Each employee will be paid the salary for the position at which actually employed, and will be held responsible for same.

12.4 Employees relieving on other than their own positions shall receive the rate of the position relieved. No reduction in rate will be made if relieving in a lower rated position.

12.5 Overtime earned shall be shown as a separate item on the statement of earnings of employees.

ARTICLE 13 ANNUAL VACATION

13.1 Vacations will, as far as practicable, be granted at the times most desired by the employees. An employee to qualify for consideration of his request for vacation, in accordance with his seniority standing, must notify the Company of his preferred vacation before January 31st of any given year. The Company shall post vacation schedules by March 1st of each year and thereafter such schedules shall not be changed unless mutually agreed. Employees wishing to split vacation periods can only exercise their seniority for one period.

13.2 An employee who, at the beginning of the calendar year, is not qualified for vacation under Clause 13.3 hereof, shall be allowed one working day's vacation with pay for each 25 days' cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 10 working days, or 4% of the previous year's gross annual earnings, whichever is greater, until qualifying for further vacation under Clause 13.3 of this Article.

13.3 Effective January 1, 1982, an employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 4 years and has completed at least 1,000 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working day's vacation with pay for each 16 2/3 days of cumulative

compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 15 working days, or 6% of the previous year's gross annual earnings, whichever is the greater; in subsequent years he will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause 13.4.

13.4 Effective January 1, 1990, an employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 10 years and has completed at least 2,500 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working day's vacation with pay for each 12 1/2 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 20 working days, or 8% of the previous year's gross annual earnings, whichever is greater.

13.5 An employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 20 years and has completed at least 5,000 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working day's vacation with pay for each 10 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 25 working days, or 10% of previous year's gross annual earnings, whichever is greater.

13.6 An employee who, at the beginning of the calendar year, has maintained a continuous employment relationship for at least 30 years and has completed at least 7,500 days of cumulative compensated service, shall have his vacation scheduled on the basis of one working day's vacation with pay for each 8 1/3 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 30 working days, or 12% of the previous year's gross annual earnings, whichever is greater.

13.7 The question of the number of "annual Vacation Lists," and the number of and class of employees for which each list shall cover, shall be subject to agreement between local officers of the Company and the Union.

13.8 A year's service is defined as 250 days of cumulative compensated service.

13.9 Time off duty on account of bona fide illness, injury, parental leave and maternity leave, to attend committee meetings, called to court as a witness, or for uncompensated jury duty, not exceeding a total of 100 days in any calendar year, shall be included in the computation of service

for vacation purposes as long as the employee has worked a minimum of one (1) day in the calendar year.

13.10 A person who enters the service in the current calendar year and leaves it after more than 30 days' service in that year is to be allowed vacation as provided for in Clause 13.2 of this Article.

13.11 An employee who is laid off shall be paid for any vacation due him at the beginning of the current calendar year and not previously taken, and, if not subsequently recalled to service during such year shall upon application be allowed pay in lieu of any vacation due him at the beginning of the following calendar year.

13.12 Employees desiring an advance vacation payment must make application for same not later than 5 weeks prior to commencing their vacation. The advance vacation payment will be as outlined in Articles 13.2 and 13.3, less an appropriate amount (approximately 30%) to cover standard deductions.

13.13 Employees who leave the service will be paid for annual vacation for which they qualify under Articles 13.2, 13.3, 13.4, 13.5 and 13.6.

13.14 An employee who while on annual vacation becomes ill or injured, shall have the right to terminate (temporarily) his vacation and be placed on weekly indemnity. An employee who is again fit for duty shall immediately so inform the Company officer in charge and will continue his vacation if within his scheduled dates. If the remaining vacation falls outside the employee's scheduled dates such vacation will be rescheduled, as may be mutually agreed between the proper officer of the Company and the authorized Local Union Representative.

An employee who, due to sickness or injury, is unable to take or complete his annual vacation in that year, shall by mutual consent have the right to have such vacation carried to the following year.

13.15 Unless mutually agreed, an employee on vacation must not be recalled to duty. However, if mutually agreed, he shall be paid at the rate of time and one-half for all hours worked and he will be allowed remainder allotted vacation dates to be taken at a mutually agreed date(s).

ARTICLE 14 GENERAL HOLIDAYS

14.1 An employee who qualifies in accordance with 14.4 of this Article

shall be granted a holiday with pay on each of the following general holidays. When a general holiday falls on an employee's rest day, such holiday shall be moved to the normal working day immediately following the employee's rest day.

New Year's Day	Civic Holiday (except Quebec)
Heritage Day (Float)	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day (except Ontario & Quebec)
St. Jean Baptiste Day (Quebec only)	Christmas Day
Canada Day	Boxing Day
Employee's Birthday (Ontario & Quebec only)	

14.2 In the event that the Government of Canada designates "Heritage Day" as a general holiday, the day so designated by the Government of Canada will be substituted for this "Float Day."

14.3 When any of the above holidays falls on Sunday or Saturday, the day observed by the Federal Government in respect of its employees as the holiday shall be recognized, unless otherwise mutually agreed to between the Company and the Union.

14.4 In order to qualify for pay for any of the holidays specified in 14.1 of this Article, an employee:

a) must have been in the service of the Company and available for duty for at least 30 calendar days. This clause (a) does not apply to an employee who is required to work on the holiday.

b) must be available for duty on such holiday if it occurs on one of his work days excluding vacation days except that this does not apply in respect of an employee who is laid off or suffering from a bona fide injury, or who is hospitalized on the holiday. A regularly assigned employee who is required to work on such general holiday shall be given an advance notice of 4 calendar days, except for unforeseen exigencies of the service, in which case he will be notified not later than the completion of his shift or tour of duty immediately preceding such holiday that his service will be required.

c) must be entitled to wages for at least 12 shifts or tours of duty during the 30 calendar days immediately preceding the general holiday. This clause (c) does not apply to an employee who is required to

work on the holiday.

NOTE: Provided that an employee is available for work on the General Holiday, absences from scheduled shifts or tours of duty because of bona fide illness, injury or hospitalization for which the employee qualifies for weekly sickness benefits and authorized maternity leave will be included in determining the 12 shifts or tours of duty referred to in Clause (c).

14.5 A qualified employee whose vacation period coincides with any general holidays specified in 14.1 of this Article shall receive an extra day's vacation with the pay to which the employee is entitled for that general holiday.

14.6 An assigned employee qualified under 14.4 of this Article and who is not required to work on a general holiday shall be paid 8 hours' pay at the straight time rate of his regular assignment.

14.7 Warehousepersons A and B qualified under 14.4 of this Article and who are not required to work on a general holiday shall be paid an amount equal to the average number of hours worked in the preceding 12 shifts of duty at the applicable rate of his last tour of duty.

14.8 An employee required to work on a general holiday will be paid at the rate of time and one-half, with a minimum of 4 hours, in addition to the pay for the general holiday.

ARTICLE 15 ATTENDING COURT AND JURY DUTY

15.1 Employees who are subpoenaed to attend a Company-related court hearing or Coroner's inquest will receive their stated rate of salary. In such cases, all witness fees will be deducted from the employee's wages prior to payment.

Employees called upon to attend court or investigations, at the request of the proper officials of Canpar, will receive pay at their stated rate of salary, and if away from home will be allowed transportation and reasonable actual hotel and living expenses when supported by proper vouchers. In such cases all witness fees and mileage fees allowed to such employees will be paid over to the Company.

15.2 It is understood that if attendance in court or at investigations, at the request of the proper officials of Canpar, results in reduction of

time between shifts, employees shall be compensated.

15.3 An employee who is summoned for jury duty and is required to lose time from his assignment as a result thereof, shall be paid for actual time lost with a maximum of one basic day's pay at the straight time rate of his position for each day lost, less the amount allowed him for jury duty for each such day excluding allowances paid by the court for meals, lodging or transportation, subject to the following requirements and limitations:

a) An employee must furnish the Company with a statement from the court of jury allowance paid and the days on which jury duty was performed.

b) The number of working days for which jury duty pay shall be paid is for the duration required said duty.

c) No jury duty pay will be allowed for any day for which the employee is entitled to vacation or general holiday pay. An employee who has been allotted his vacation dates will not be required to change his vacation because he is called for jury duty.

ARTICLE 16 INTERPRETATION OF AGREEMENT

16.1 Any question of interpretation of this Agreement, which may arise, and cannot be adjusted at a lower level, will be adjusted by the Division Vice-President and the Vice-President, Operations. In the event the dispute has not been resolved, the conditions as outlined under Article 9 will be followed.

16.2 The use of "he," "his" and "him" refers to both the masculine and feminine genders.

ARTICLE 17 RATES OF PAY

RATES OF PAY (EXCLUDING ATLANTIC CANADA)

17.1	Accumulated				
	Compensated	Effective	Effective	Effective	Effective
Classification	Service	Mar.6/98	Nov.1/98	Nov.1/99	Nov.1/00
Driver-Representative					
	Start	12.093	12.335	12.582	12.959
	After 1040 hrs	13.299	13.565	13.836	14.251

After 2600 hrs 14.353 14.640 14.933 15.381
 After 3120 hrs 16.612 16.944 17.283 17.802

Dockperson Start 10.026 10.227 10.431 10.744
 After 1040 hrs 11.171 11.394 11.622 11.971
 After 2600 hrs 12.176 12.420 12.668 13.048
 After 3120 hrs 14.323 14.609 14.902 15.349

Warehouseperson
 A & B Start 9.352 9.492 9.635 9.779
 After 1040 hrs 9.778 9.925 10.074 10.225
 After 2080 hrs 10.627 10.786 10.948 11.112

Linehaul Driver-
 Representative, Start 12.303 12.549 12.800 13.184
 Tractor Trailer
 After 1040 hrs 13.531 13.802 14.078 14.500
 and City Tractor
 After 2600 hrs 14.607 14.899 15.197 15.653
 After 3120 hrs 16.910 17.248 17.593 18.121

RATES OF PAY (ATLANTIC CANADA ONLY)

Accumulated		Effective	Effective	Effective	Effective
Classification	Service	Mar.6/98	Nov.1/98	Nov.1/99	Nov.1/00

Driver-
 Representative Start 12.901 13.159 13.422 13.825
 After 1040 hrs 13.289 13.555 13.826 14.241
 After 2080 hrs 13.675 13.949 14.227 14.654

Dockperson Start 11.365 11.592 11.824 12.179
 After 1040 hrs 11.803 12.039 12.280 12.648
 After 2080 hrs 12.714 12.968 13.228 13.624

Warehouseperson
 A & B Start 9.352 9.492 9.635 9.779
 After 1040 hrs 9.778 9.925 10.074 10.225
 After 2080 hrs 10.627 10.786 10.948 11.112

Linehaul Driver-
 Representative,
 Tractor Trailer Start 13.205 13.469 13.738 14.151

and City Tractor

After 1040 hrs	13.591	13.863	14.140	14.564
After 2080 hrs	13.974	14.253	14.539	14.975

17.1.1 Where the term "Atlantic Canada" is used, it means the Provinces of New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

17.2 It is understood that an employee filling the position of Leadhand shall receive not less than 25 cents per hour in excess of any employee he is required to lead at the terminal where he is employed regardless of his service.

17.3 Shift Differential

Employees accumulating seniority under the terms of this Agreement, whose regularly assigned shifts commence between 1400 and 0559 hours shall receive a shift differential of 40 cents per hour. Overtime shall not be calculated on the shift differential nor shall the shift differential be paid for absence from duty such as vacation, general holidays, etc. Warehouse A and B positions will not be paid the Shift Differential.

17.4 It is understood and agreed that increases granted or allowances made to individual employees because of exceptional conditions shall not be considered as having increased the salary of the position as fixed by this Agreement or as agreed to in joint conference between officers of the Union and the Company.

17.5 Float Driver

It is understood that employees filling the position of Float Driver as per Article 5.2.13 shall receive a premium of 70 cents per hour. Overtime shall not be calculated on the premium nor shall the premium be paid for absence from duty such as vacation, general holidays, etc.

ARTICLE 18 DEDUCTION OF UNION DUES

18.1 The Company shall deduct on the payroll for second pay period of each month from wages due and payable to each employee coming within the scope of this Agreement, an amount equivalent to the uniform monthly Union dues of the Organization subject to the conditions and exceptions set forth hereunder.

18.2 The amount to be deducted shall be equivalent to the uniform,

regular dues payment of the Organization and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of this Agreement excepting to conform with a change in the amount of regular dues of the Organization in accordance with its constitutional provisions. The provisions of this Article shall be applicable on receipt by the Company of notice, in writing, from the Organization of the amount of regular monthly dues.

18.3 Persons holding positions as defined in Article 1.1 are recognized as coming within the scope of this Agreement.

18.4 Membership in the Organization shall be available to any employee eligible under the constitution of the Organization on payment of the initiation or re-instatement fees uniformly required of all such applicants by the local lodge or division concerned. Membership shall not be denied for reasons of race, national origin, colour or religion.

18.5 Union dues deductions from new employees shall commence on the first pay period which contains the 24th day of the month.

18.6 If the wages of an employee payable on the payroll for the pay period of any month are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee by the Company in such month. The Company shall not, because the employee did not have sufficient wages payable to him on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.

18.7 Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Company, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.

18.8 The amount of dues so deducted from wages accompanied by a statement of deductions from individuals shall be remitted by the Company to the Officer or Officers of the Organization, as may be mutually agreed by Company and the Organization, not later than 40 calendar days following the pay period in which the deductions are made.

18.9 The Company shall not be held responsible financially or otherwise, either to the Organization or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from an employee's wages the Company shall adjust it

directly with the employee.

18.10 In the event of any mistake by the Company in the amount of its remittance to the Organization, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provision of this Article shall terminate at the time it remits the amounts payable to the designated Officer or Officers of the Organization.

18.11 The question of what, if any, compensation shall be paid the Company by the Organization in recognition of services performed under this Article shall be left in abeyance subject to reconsideration at the request of either party on 15 days' notice in writing.

18.12 In the event of any action at law against the parties hereto or any of them resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to this Article, all parties shall cooperate fully in the defense of such action. Each party shall bear its own cost of such defense except that if at the request of the Organization counsel fees are incurred these shall be borne by the Organization. Save as aforesaid the Organization shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

ARTICLE 19 EMPLOYEE BENEFIT PLAN

It is understood and agreed that this Article applies only to participating employees whose names appear on the Official Seniority List and who have completed their probationary period under the terms of the Agreement.

The Company commits to meet with the Union twice annually to discuss the benefits package and the number of claims and claims costs for each benefit type.

19.1 The Company shall provide an Employee Benefit Plan consisting of Life Insurance, Dental Plan, Extended Health Care and Vision Plan, and a Short Term Disability Benefit Plan in accordance with the current Group Insurance Plan in effect for employees who have completed their probationary period.

SHORT TERM DISABILITY PLAN

Sickness benefit payment for claims are as follows:

Weekly Base Rate	Sickness Benefit
\$120.01 and over	70% of base pay up to a maximum benefit of \$400.00 for the first week of a claim and \$450.00 for the second and subsequent weeks of a claim.
Less than \$120.01	\$80.00 or 75% of weekly base pay, whichever is less.

1. A claimant in receipt of Employment Insurance Sickness Benefits will have such benefits supplemented to equal his Sickness Benefit entitlement. Note: Supplemental payments are subject to E.I. approval.
2. Sickness Benefit payments as set out above will commence for eligible employees from the first day in case of accidental injury; from the first day of sickness if hospitalized, and from the fourth day in other cases of sickness. Payments will be made for up to 15 weeks. If any employee continues to be disabled after this 15 week period and if he is eligible for Employment Insurance Sickness Benefits, he will be required to claim such E.I. Sickness Benefits. Following the exhaustion of such E.I. Sickness Benefits, an employee will continue to be eligible for Sickness Benefits for a further period of up to 11 weeks, without any further waiting period.
3. In the event an employee is not eligible to receive E.I. Sickness Benefits, he will be eligible to receive Sickness Benefits for a period of up to 26 weeks.
4. When an employee in receipt of the Sickness Benefits qualifies for Statutory Holiday pay, his weekly allowance should be suspended for any such day. The underwriter must be advised of such cases and will make the appropriate adjustment, that is, deduct one-seventh of week's allowance for each such day.
5. Except as provided under item #6 of this Agreement, an employee is deemed to have terminated his service if he goes on leave of absence. In such a case he would not qualify for Sickness Benefits if unable to return to work on account of disability when his leave expires.

6.a) Bereavement Leave

Subject to the waiting period rules, an employee who becomes disabled while on bereavement leave may qualify for Sickness Benefits when such leave terminates.

b) Company-Compensated Jury Duty

Subject to the waiting period rules, an employee who becomes disabled while on Company-compensated jury duty may qualify for Sickness Benefits when such leave terminates.

c) Temporary Leave for Union Business

A Union officer on temporary leave of absence to perform Union duties and for whom a premium has been paid due to compensated service in the current or previous month, may be eligible for Sickness Benefits under the plan, if disabled while on such leave of absence, on the same basis as if he had been in the service on the date of disability, and subject to the waiting period rules.

7. 5/12 of the Premium reduction as referred to in Section 64(4) of the Employment Insurance Act will be applied by the Company towards the cost of providing the improved Sickness Benefits contained in the Benefit Plan.

19.2 Life Insurance

a) The Group Life Insurance coverage will be \$30,000 for employees who have compensated service with the Company on or subsequent to May 1, 1982, if otherwise qualified under the provisions of the Benefit Plan. A double indemnity provision on a "24-hour basis" for accidental death, in the amount of \$20,000, will be in effect.

The Group Life Insurance coverage will be \$40,000 for employees who have compensated service with the Company on or subsequent to November 1, 1998, if otherwise qualified under the provisions of the Benefit Plan. A double indemnity provision on a "24-hour basis" for accidental death, in the amount of \$30,000, will be in effect.

In addition, each employee will be entitled to purchase an additional \$20,000 of life insurance at his or her expense.

b) Effective June 1, 1979, the present provisions relating to continuation of life insurance for an employee who becomes totally disabled

is to be amended to provide that such an employee will receive life insurance coverage equal to the amount of paid up retirement insurance in effect at that time.

19.3 Medicare Allowance

a) It is understood and agreed this Clause only applies to employees accumulating seniority under the terms of this Agreement.

b) Subject to the provisions of paragraphs (c) and (d) of this Clause participating employees will receive a Medicare Allowance as follows:

Province	Payment per pay period (26 per year)	
	With No Dependants	With Dependants
Quebec	\$4.60	\$4.60
All Other Provinces	\$2.53	\$5.29

c) Such monthly allowances will first be used to pay amounts that the Company is, or might in the future, be required to pay for such medical-surgical benefits under any government medical care program.

d) If no amount is payable under paragraph (c) above or if the amount payable or to be payable by an employee or by an employee and the Company account basic medical-surgical benefits is less than the monthly allowance, the difference will be paid to the employee on the payroll and if the amount is greater, the difference will be deducted from the employee's wages.

e) Subject to the provisions of this Clause, the monthly allowance will be made in respect of each participating employee provided he performs compensated service during the month for which the allowance is made.

f) Notwithstanding the provisions of paragraph (e), a participating employee who does not perform compensated service in any calendar month but who is in receipt of a weekly indemnity payment under the provisions of the Employee Benefit Plan will receive payment in accordance with paragraphs (b), (c) and (d).

19.4 Effective October 1, 1997, the Company agrees to pay, on behalf of employees residing in the Provinces of British Columbia and Alberta, and

accumulating seniority under the terms of the Collective Agreement, provincial health insurance premiums on the following basis:

BRITISH COLUMBIA:

\$72.00 per month for each employee with 2 or more dependents;
\$64.00 per month for each employee with dependents;
\$36.00 per month for each employee without dependents
provided the employee performs a minimum of eleven (11) days compensated service during the month.

ALBERTA:

\$68.00 per month for each employee with dependents,
\$34.00 per month for each employee without dependents
provided the employee performs a minimum of eleven (11) days compensated service during the month.

The Medicare Allowance paid in accordance with Article 19.3 will be utilized to offset the above costs. Monies payable in accordance with Article 19.3 shall be continued to be paid to all other qualified employees. The Company agrees to pay the cost of any increases to provincial health insurance premiums which occur during the term of this Agreement.

Pension Plan

1. The Union will establish, effective May 1, 1993, a trustee Registered Money Purchase Pension Plan (the "Plan") exclusively for employees who meet the eligibility requirements of the Collective Agreement.

2. The trustee Plan shall be established in the following manner:

(a) The trustee Plan shall be established in accordance with the laws of Canada and specifically in accordance with the Pension Benefits Standards Act, 1985.

(b) The trustee Plan shall be registered with the Office of the Superintendent of Financial Institutions of Canada and with Revenue Canada.

(c) The trustee Plan shall be established and maintained to receive the contributions specified under paragraphs 5 & 6 and investment

earnings thereon. The trustee Plan shall also be maintained to pay the benefits specified under paragraph 3.

(d) The trustee Plan shall be managed and administered by a Board of Trustees comprised of 4 representatives selected by the Union, in accordance with the Pension Benefits Standards Act, 1985. The Union shall be responsible for the manner of choosing its representatives.

(e) The beneficiaries of the trustee Plan shall be all those eligible employees covered by the Collective Agreement on the date of ratification hereof and all eligible employees who become members of the bargaining unit thereafter.

3. Pension benefits arising out of employment on and after May 1, 1993 shall be provided under this trustee Plan.

4. Pension benefits provided under this trustee Plan shall be determined on a money purchase basis.

5. Commencing May 1, 1993 the Company agrees to contribute to the trustee Plan as follows:

Member's Years of Company Service:	Company Contributions
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Completion of Probationary Period - 1 year	1% (all employees who have elected to join)
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1 - 5 years	1% (all employees)
6 - 9 years	2% (all employees)
10 years and beyond	4% (all employees)

Members' years of Company Service and the level of Company contributions will be based on the combined service including years of service with the previous owner (Canadian Pacific Express & Transport Ltd.).

6. The pension plan shall be amended to reflect the changes set out above and to allow the Union to make contributions to the pension plan for Union officials on a Union leave of absence under the Collective Agreement in the same amount as the Company would otherwise have

contributed but for the fact that the employee is on a Union leave of absence. Company contributions are based on gross wages of trusted Plan members, and the Company will remit said contributions in accordance with the Pension Benefits Standards Act, 1985.

7. Plan members covered by the Collective Agreement shall contribute 4% of gross wages. The Company will deduct and remit these contributions in accordance with the Pension Benefits Standards Act, 1985. Effective January 1, 1998 the Company will remit Company contributions on a monthly basis.

8. New employees are not required to join the pension plan until completion of twelve months' service. However, new employees may participate on a voluntary basis upon completion of their probationary period.

9. The Company agrees to provide information regarding the members and the contributions as required for the proper administration of the trusted Plan.

ARTICLE 20 OWNER-OPERATORS

20.1 The Union recognizes the right of the Company to utilize Owner-Operators, subject to the conditions below.

20.1.1 Should the Company decide to re-open previously closed locations or to open new locations, the Company reserves the right to use Owner-Operators in these circumstances. Where the Company establishes Owner-Operators in a location which had been previously closed or in a new location, the new Owner-Operator may not handle freight that is within the normal pickup and delivery area of an adjacent terminal where hourly-rated employees normally work.

20.1.2 Owner-Operators shall be covered and protected under the terms and conditions of the following articles of the Collective Agreement. Wherever the word employee(s) appears in these articles it shall be substituted with the words Owner-Operator(s).

Articles

1.1	4.2.3	11.3
1.3	4.2.5	13-14 As Per Terms Of Business Contract
2	6	16

3	7.1-7.2	18
4.1	9	20
4.2.1	11.1	22
4.2.3	11.2	

20.2 The basis for the contractual payments for the services of each Owner-Operator and his equipment shall be contained in the Owner-Operator's contract and is a private arrangement between each individual Owner-Operator and the Company. If there is any conflict between the terms of the business contract and the Collective Agreement, the terms of this Collective Agreement shall govern.

20.3 Copies of all executed Owner-Operator business contracts will be provided to the Union within 10 calendar days following the signing of said contracts, subject to the written consent of the Owner-Operator.

20.4 Owner-Operators shall have the option, at their own cost, to be included in the Company hourly benefit programs as detailed below. The Company will deduct the cost of benefits opted for from the Owner-Operator invoice. These benefits include:

- Provincial Medical
- Extended Health Care Benefit
- Dental Plan
- Life Insurance
- Accidental Death and Dismemberment Insurance

The Company will assess the Owner-Operator at the premium cost of benefits and in any case no greater than the cost of supplying benefits to employees.

20.5 Where the Company establishes Owner-Operators in a location which had been previously closed or in a new location, the new Owner-Operator may not handle freight that is within the normal pickup and delivery area of an adjacent terminal where hourly-rated employees normally work.

20.6 The purpose of seniority is to provide a policy governing layoffs and recalls.

a) A seniority list of all Owner-Operators by location will be provided to the Union.

b) Seniority lists containing the names and starting dates of Owner-Operators will be prepared and posted by January 31st of each year on

bulletin boards with sufficient copies for the local Chairperson and Executive Vice-President.

c) Owner-Operator(s) on layoff will be recalled in seniority order on new or re-established positions.

d) An Owner-Operator whose position is abolished must displace, within 3 working days, the junior Owner-Operator within his seniority group for which the Owner-Operator is qualified and possess the necessary license and equipment.

ARTICLE 21 PRINTING OF THE AGREEMENT

21.1 The Union will undertake the responsibility for the printing of the Collective Agreement as may be required from time to time and the Company will absorb the cost of such printing.

ARTICLE 22 TERMINATION OF AGREEMENT

22.1 This Agreement shall be effective November 1, 1998, and shall remain in effect for a period of 3 years thereafter subject to 90 days' notice in writing from either party to the Agreement of its desire to revise, amend or terminate it. Such notice may be served at any time subsequent to August 1, 2001.

SIGNED at Toronto, Ontario, this 29th day of January, 1998.

FOR THE UNION	FOR THE COMPANY
D.J. Dunster	R. Dupuis
David Neale	B.D. Neill
Real Nadeau	E. Donnelly
J.A. Kane	P. Macleod
	A. Costa

APPENDIX "A"

LETTER OF UNDERSTANDING

Toronto, August 9, 1993

J.G. Cyopeck

Canpar Transport Ltd. Supervisors

The subject of Canpar Supervisors performing work normally done by members of the bargaining unit was discussed at the recently concluded negotiations.

Please be advised that your role as a Supervisor does not include the performance of these duties except in the case of emergency and for training purposes.

(signed) J. G. Cyopeck
President & C. E. O.

cc. Regional Managers
Dennis Dunster

APPENDIX "B"

LETTER OF UNDERSTANDING

August 9, 1993

Mr. Dennis Dunster
Executive Vice-President
Transportation*Communications Union
2285-D St. Laurent Blvd., Unit 11
Ottawa, Ontario
K1G 4Z7

Dear Mr. Dunster:

Following up on the strong concerns raised by the TCU at our recent contract negotiations, I wish to clarify the programs and policies that Canpar Transport Ltd. will be following to ensure that these concerns are addressed.

As you are aware, the Company has already made significant changes to improve working conditions, and we will continue to do this at the other terminals you have identified across the country.

On an ongoing basis, we will ensure that any new buildings leased or purchased, will incorporate adequate facilities including lunch rooms, washrooms and appropriate warehouse heat as these facilities are acquired.

On current facilities we will continue on our program to identify problems and correct same; when we renew leases we will make every effort to bring them up to standard.

Yours very truly,

J.G. (John) Cyopeck
President & Chief Executive Officer

APPENDIX "C"

LETTER RE: ARBITRATION PROCESS

October 4, 1995

Mr. D. Dunster

Executive Vice-President
Transportation*Communications Union
2285-D St. Laurent Blvd., Unit 11
Ottawa, Ontario
K1G 4Z7

Dear Dennis,

This will confirm that the Union and the Company plan to implement the arbitration process as outlined in 9.1.1. of the current collective agreement and Step 3 of the grievance procedure and that until such time as that is done we will continue to use CROA.

(signed) Paul MacLeod
Vice-President, Operations

APPENDIX "D"

LETTER RE: OVERTIME

January 29, 1998

From: P.D. Macleod
To: All Operations Managers & Supervisors
Subject: Overtime

While overtime is inherent to our industry there may be a number of circumstances where a P&D driver is unable to work overtime. These instances involve emergencies or other unusual circumstances that may require an appointment type commitment.

In those cases I expect we will attempt to accommodate the employee, if possible. I would expect the employee to give 48 hours notice, if possible. Any request must be specific as to reason. "Personal" is not good enough.

(signed) P.D. Macleod

cc: D.J. Dunster