

COLLECTIVE AGREEMENT

between:

UNITED PARCEL SERVICE CANADA LTD.
(hereinafter referred to as the "Employer")

and

THE CANADA COUNCIL OF TEAMSTERS
ON BEHALF OF
TEAMSTERS UNION LOCALS

31 BRITISH COLUMBIA
362 ALBERTA
395 SASKATCHEWAN
979 MANITOBA
91-141-879-880-938 ONTARIO
69-931 QUEBEC
927 NEW BRUNSWICK
NOVA SCOTIA
PRINCE EDWARD ISLAND
855 NEWFOUNDLAND
(hereinafter referred to as the "Union")

EFFECTIVE FROM: February 16, 1997
TO: February 15, 2000

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ARTICLE 1 - PREAMBLE & RECOGNITION

Section 1.1

The Employer does hereby recognize the Canada Council of Teamsters as the sole and exclusive bargaining agent for all employees covered by Canada Labour Relations Board Certificate Number 555-3275 issued the 5th day of June, 1991.

Section 1.2

Employees covered by this Agreement shall be "all employees of United Parcel Service Canada Ltd. employed as feeder drivers, package drivers, mechanics, service workers, preloaders, sorters, package handlers, premium service drivers, premium service walkers, clearance centre employees who load, unload or sort packages who do not process documentation, and customer counter clerks, excluding supervisors, persons above the rank of supervisor, office, clerical, technical and sales personnel and those employees covered by Board Certification Order dated August 21, 1990, issued to the Association of Employees of United Parcel Service (Board File 555-3053)."

The Employer agrees that the function of supervisors is the supervision of employees. The work of supervisors will not include assignments to work normally performed by employees in the bargaining unit except for the purpose of training and demonstration or to prevent service failures. Supervisors will not perform bargaining unit work until after all reasonable efforts have been made to have the work covered by qualified bargaining unit employees in that classification.

The names of newly promoted supervisors or managers of that centre will be posted on the bulletin board.

Section 1.3

the effective date of the Collective Agreement shall be from February 16, 1997 and that the term shall be from this date to February 15, 2000.

Section 1.4

The intent and purpose of this Agreement shall be to promote and improve industrial and economic relations in the Industry to establish and maintain a high degree of discipline and efficiency and to set forth herein the basic agreement covering rates of pay, hours of work and conditions of employment which will render justice to all. The parties hereto desire to co-operate in establishing and maintaining proper and suitable conditions in the industry, to provide methods of fair and peaceful adjustments of all disputes which may arise between them and to foster goodwill and friendly relations and better understanding between the parties.

Section 1.5

For the purposes of interpretation in the Province of Quebec should there be a difference between the French text and the English version of this Labour Agreement, the French text should prevail.

Section 1.6

Wherever in the reading of this Agreement the masculine gender or the singular case is used, it shall be understood to include the feminine gender and the plural case.

ARTICLE 2 - UNION SECURITY

Section 2.1

It is agreed that as a condition of employment, each employee shall become and remain a member in good standing of the Union.

Section 2.2

Each new employee when hired by the Employer, will be informed by the Employer that he is to sign an Authorization Card authorizing the Employer to deduct from his earnings Union Initiation Fees, Union Dues and/or other assessorial charges levied against him by the Union.

Section 2.3

The Employer agrees to notify the Local Union when a new employee begins work. This notification will be made in conjunction with the new employee listing and the dues remittance listing of active employees. Unless the Employer is otherwise notified, all employees shall as a condition of continued employment, authorize the Employer to deduct an amount equal to the Local Union's Initiation Fees in installments of \$25.00 per pay period after the completion of the probationary period. This deduction shall continue until the Initiation Fee is paid in full. The Employer agrees to remit such monies so deducted to the head office of the Local Union along with a list of the employees from whom the money was deducted at the same time as the Union dues are remitted.

Section 2.4

- (a) The Employer agrees for the duration of this Agreement, to deduct from the first pay cheque each month, the monthly dues of any employee under the scope of this Agreement and to remit such monies so deducted to the head office of the Local Union along with a list of the employees from whom the monies were deducted not later than the tenth (10th) day of the month following the date upon which such monies were deducted. The checkoff list will include social insurance numbers and names designated by centres within the jurisdiction of each Local Union.
- (b) The Union will notify the Employer in writing of any arrears in dues caused for any reason or any arrears in Initiation or Re-Initiation Fees and the Employer will immediately commence deductions in the amounts prescribed by the Local Union in such written notice and forward such monies to the Local Union along with the monthly dues as provided for above. Such notice of arrears served on the Employer shall prescribe payroll deductions of not more than the maximum monthly dues for both full-time and part-time employees in that local. The Union will refund directly to the employee, any such monies deducted in error along with confirmation of such refund to the Employer.

- (c) The Union will supply the Employer with a supply of printed checkoff forms which shall provide a column for "Dues", "Arrears in Dues", "Initiation and Re-Initiation Fees". The Employer shall, each month, add the name of each new employee hired on since the remittance of the previous checkoff along with the starting date and the Employer shall give an explanation alongside the name of each employee who appeared on the previous month's checkoff sheet for whom a remittance is not made for any reason.
- (d) The checkoff and cheques for the Union dues deducted, must be in the office of the Local Union not later than the tenth (10th) day of the month following the month in which the monies were deducted. If the checkoff and the cheque has not arrived by the tenth (10th) day of the month, the Local Union Secretary-Treasurer will, by registered mail, so notify the delinquent Employer who will ensure that the Employer remits the cheque within seven (7) days of receipt of the notification.
- (e) The deduction of Union dues shall be made from every employee including but not limited to probationary employees.
- (f) The Employer shall show the yearly monthly Union dues deductions on employees' T4 slips.
- (g) In conjunction with this Article, the Employer agrees that if the Local Union applies a pre-billing system, that proper arrangements will be worked out by both parties.

ARTICLE 3 - MANAGEMENT FUNCTIONS

Section 3.1

The Union acknowledges that it is the exclusive function of the Employer to:

- (a) Maintain order, discipline, train, and generally manage the business;

- (b) Hire, discharge or suspend showing just cause, classify, transfer, promote, layoff, or otherwise discipline employees;
- (c) Establish and enforce rules and regulations not inconsistent with the provisions of this Agreement, governing the conduct of the employees.

Section 3.2

The Employer agrees that these functions will be exercised in a manner consistent with the provisions of this Agreement.

- (a) The above clauses shall not deprive employees of the right to exercise the Grievance Procedure as outlined in the Agreement.

ARTICLE 4 - DISCRIMINATION

Section 4.1

No person shall be refused employment or in any manner, be discriminated against in accordance with the Canadian Charter of Rights and Freedoms.

Section 4.2

The representatives of the Local Union shall be allowed to enter the Employer's premises to deal in the administration of this Agreement, provided they do not interfere with the normal operation of the Employer.

ARTICLE 5 - STEWARDS

Section 5.1

The Employer acknowledges the right of the Union to appoint one (1) steward and if the operations are such as cannot be covered by one (1) steward, additional stewards may be appointed.

Section 5.2

- (a) By arrangement, grievances shall be processed during the normal working hours of the steward. A steward shall receive his regular rate of pay when grievances or pending grievances are processed with the Employer on Employer property, or at any other place which is mutually agreed upon by both the Union and the Employer.
- (b) If the Employer representative is unable to meet the steward during the steward's normal working hours, the steward shall be paid for all the time spent during the processing of the grievance with the Employer on Employer property, or at any other place which is agreed upon by both the Union and the Employer.
- (c) Should the Employer find that a steward's activities interfere with the normal course of his duties or the duties of other employees, the Employer may contact a representative of the Local Union and/or register a grievance commencing with Step 2 as outlined in Section 6.2 of this Agreement.

Section 5.3

The Union will inform the Employer in writing of the name of the steward and of any subsequent change in the name of the steward. The Employer shall not be asked to recognize any steward until such notification from the Union has been received.

Section 5.4

The Employer will notify the Union by registered mail, telegram or fax prior to the suspension or discharge of a steward. Failure of the Employer to comply with this procedure shall render the dismissal or suspension null and void.

Section 5.5

For the purpose of the layoff and the day to day allocation of work within his operating centre and/or hub, the steward shall be established on the seniority list as "second man".

Section 5.6

For the purpose of processing specific grievances or disputes, Business Representatives and stewards shall have access to pay records and other specific relevant information or documentation.

Section 5.7

An employee called into the Employer's office for any discussion which may result in discipline or a grievance shall, upon request, be accompanied by a steward or Business Representative.

Section 5.8

All stewards shall wear I.D. Cards while on the Employer's premises.

ARTICLE 6 - GRIEVANCE PROCEDURE AND ARBITRATION

Section 6.1

- (a) A grievance shall consist of a dispute concerning interpretation and application of any clause in this Agreement, alleged violations of the Agreement and alleged abuses of discretion by supervision in the treatment of employees contrary to the terms of the Agreement. If any question arises as to whether a particular dispute is or is not a grievance within the meaning of these provisions, the question may be taken up through the Grievance Procedure and determined, if necessary, by arbitration. There shall be an earnest effort on the part of both parties to settle such grievances promptly through the following steps at which steps the grievor may be accompanied by the steward and/or a Business Representative.

Except in cases of conduct which would support discharge such as serious accidents, consumption or possession or being under the influence of alcohol or drugs, dishonesty, falsification of records, insubordination, sexual harassment, tampering with equipment or devices, unauthorized

passengers, or culminating incidents supporting discharge, employees shall be allowed to remain on the job without loss of pay unless and until the discharge is sustained under the Grievance Procedure. Suspended employees shall be allowed to remain on the job without loss of pay unless and until the suspension is sustained under the Grievance Procedure. The Union agrees it will not unreasonably delay the processing of such cases. If the Union unreasonably delays the processing of the case, the Employer shall have the right to impose the discipline. In the event of a conflict between this Article and Appendix C, the provisions of Appendix C shall be applied. It is understood and agreed that this Article does not waive an employee's right to the Grievance Procedure.

Section 6.2

- (a) By a conference between the aggrieved employee and the supervisor. Failing settlement the grievance must be submitted in writing to the Employer within five (5) working days from the date of the alleged violation or from the date the alleged violation became known to the grievor.
- (b) Failing settlement at the above step, the Employer shall render his decision in writing and shall refer the grievance to the Union within ten (10) days from the date that the grievance was referred to him. Should the Union wish to proceed with the grievance, they will arrange a meeting between the Division Manager and the Union.
- (c) Grievances dealing with discharges and suspensions shall be filed with the Employer in writing within five (5) working days from the time of discharge or suspension and shall commence with Section 6.2(b) of the Grievance Procedure.
- (d) Should the parties fail to reach satisfactory settlement in the preceding steps, the final settlement of the grievance may be submitted to the Arbitration Board as outlined below.

Section 6.3

A Union policy grievance concerning an alleged violation of this Agreement in regard to which an individual employee could not grieve may be filed with the Employer at Step 6.2(b) within five (5) working days after the circumstances giving rise to the grievance occurred.

Section 6.4.

Prior to proceeding to arbitration, any grievance may be submitted to a Joint Grievance Committee provided both parties agree and further provided the steps of the Grievance Procedure have been completed. Grievances in Ontario (or any other province by mutual agreement) may be submitted to a joint grievance committee which will be governed by the Rules of Procedure as set out in the Ontario Provincial Joint Grievance Committee Schedule 1 and Appendix A.

The Grievance Committee shall be composed of two (2) persons, one (1) of whom shall be a Division or other UPS Manager selected by the Company, and one (1) Teamster Union Official who shall be selected by the Local Union concerned.

It is understood that the Company will not select a Manager from the area in which the grievance originated, nor will the Union select an Official from the Local Union involved in the grievance, but shall be from a Local Union that is signatory to this Agreement.

A decision of the Joint Grievance Committee on the disposition of a grievance shall be deemed to be the settlement of the grievance and binding on the employee, the Union and the Company. Settlements reached by the Joint Grievance Committee shall not be used as precedents. In the event the Grievance Committee is deadlocked and unable to render a decision either party may refer the grievance to arbitration in accordance with Section 6.5.

Section 6.5

It shall be the responsibility of the party desiring arbitration or panel hearing to so inform the other party in writing within thirty (30) calendar days after the final disposition of the grievance in the preceding steps.

Section 6.6

A notice of intent to arbitrate under the foregoing provisions shall contain the name of the aggrieved party's appointee to the Board of Arbitration and within seven (7) days from the receipt of the notice of intent to arbitrate, the other party must, in turn, name their appointee. A third member to act as Chairman shall be appointed by the respective appointees. Should either party fail to name their appointee within the required seven (7) days or should the appointees fail to select a Chairman within thirty (30) calendar days from the date of appointment, either party or their appointee shall request the appropriate Minister of Labour to make the appointment.

Section 6.7

Paragraph 6.6 above notwithstanding, the Employer or the Local Union involved may submit a grievance to a single impartial arbitrator for settlement.

Section 6.8

The Board of Arbitration or impartial arbitrator shall not have the right to alter or change any provisions in this Agreement or substitute any new 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. The Board or arbitrator, however, shall have the power to vary or set aside any penalty or discipline imposed relating to the grievance then before the Board or arbitrator.

Section 6.9

Each of the parties hereto will bear the expense of their appointee to the Board and the parties will equally bear the fees and the expenses of the Chairman or arbitrator.

Section 6.10

The Employer shall not be responsible for the payment of time used by an employee in the investigation and settlement of a grievance.

Section 6.11

All monetary grievances that are mutually agreed upon shall be paid the following pay period by separate cheque and shall not be included in the employee's regular cheque.

Section 6.12

Time limits set forth in the Grievance and Arbitration Procedures may be extended by mutual agreement in writing between the parties hereto. Saturdays, Sundays and paid General Holidays will not be counted in determining the time which any action is to be taken or completed under the Grievance and Arbitration Procedures.

Section 6.13

All employees who are discharged will have their discharge and reason confirmed in writing and their pay will be mailed by registered mail to their last known address not later than the following pay day. All employees who terminate their employment voluntarily shall have all monies owing to them paid not later than the following pay day.

ARTICLE 7 - STRIKES, LOCKOUTS AND PICKET LINES

Section 7.1

During the term of this Agreement, there shall be no lockout by the Employer or any strike, slowdown, work stoppage or suspension of work either complete or partial for any reason by the employees.

Section 7.2

It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon any property involved in a lawful primary labour

dispute, or refuses to go through or work behind any lawful primary picket line, including the lawful primary picket line of Unions party to this Agreement, and including lawful primary picket lines at the Employer's places of business.

ARTICLE 8 - SENIORITY

Section 8.1

Upon ratification, a new employee shall work under the provisions of this Agreement, but shall be employed on a ninety (90) days worked trial basis, during which period he may be discharged without further recourse, provided however, that the Employer may not discharge or discipline for the purpose of evading this Agreement or discrimination against Union members. After working ninety (90) days, the employee shall be placed on the regular seniority list and his seniority date shall be the first (1st) day worked.

Section 8.2

The Employer must supply proof of the commencement of employment by a new hire listing and establish personnel on the seniority list in accordance with the day they started. The release of a probationary employee shall not be subject to the Grievance Procedure.

Section 8.3

Operating centre seniority lists for both full-time and part-time employees, by date of hire, shall be posted on the operating centre bulletin board by the Employer and shall be revised and updated each three (3) months. An employee whose name appears for the first time on such posted list shall have thirty (30) days to protest the accuracy of his seniority date.

Failure to do so shall be considered as an admission that the posted date is correct for the purposes of a wage claim. Copies of all posted lists shall be sent to the Local Union involved.

Section 8.4

A seniority list containing the names, addresses and social insurance numbers of employees as contained in the records of the Employer, will be prepared and forwarded quarterly to the Local Union office.

Note: It shall be the employee's responsibility at all times to keep the Employer informed as to his correct home address and phone number.

Section 8.5

Operating centre seniority by classification, shall control except as otherwise provided in this Article. Employees shall work off separate seniority lists by classification for each operating centre under this Agreement.

Section 8.6

Notwithstanding the permanent vacancy or opening provision in Section 11.1, the purpose of seniority is to provide a policy governing work preference, layoffs and recalls:

-
- (a) In the event of a layoff, the Employer shall consider:
 - 1. the seniority of the employees;
 - 2. the qualifications of the employees; where the qualifications are relatively equal, the employee's seniority shall be the determining factor.
 - (b) During the week between Christmas Day and New Year's Day, senior employees shall have the opportunity to accept a layoff over less senior employees providing the junior employees are qualified to perform the work.

Section 8.7

Where there are two (2) or more operating centres in the same building, a laid off employee may displace the most junior employee in the same classification in the building on the first (1st) Monday following the day of layoff. A laid off package driver may displace the most junior driver in the building (package or non-tractor-trailer feeder) on the first (1st) Monday following the day of layoff. The laid off seniority employee may displace a non-seniority employee in his or her classification within the building after losing one full shift.

Section 8.8

- (a) If the job of a tractor-trailer feeder driver is eliminated, said driver shall have the opportunity to displace the least senior feeder driver in his operating centre, with a start-time on a run, on the first (1st) Monday following the date of elimination until the eliminated job is re-established.
- (b) If the job of a non-tractor-trailer feeder driver is eliminated, said driver shall have the opportunity to displace the least senior non-tractor-trailer feeder driver in his operating centre, with a start-time on a run, on the first (1st) Monday following the date of elimination until the non-tractor-trailer job is re-established.

The displaced driver shall have the opportunity to exercise his seniority as provided in paragraph (c) or(d) below.

- (c) If the displaced feeder driver is also a qualified package driver, he shall have the opportunity to displace the least senior package driver in the building (where there are two (2) or more operating centres in the same building) on the first (1st) Monday following the date of elimination until his job is re-established provided he has the seniority to do so and his Company seniority shall be dovetailed in the operating centre's package drivers seniority list. The laid off seniority employee may displace a non-seniority employee in his or her classification within the building after losing one full shift.

- (d) If the displaced feeder driver is not a qualified package driver, he shall be given the opportunity to qualify for the next package driver opening in the building. After having so qualified, his Company seniority shall be dovetailed in the operating centre's package drivers seniority list until his job is re-established.

Section 8.9

An employee shall lose all seniority and will be deemed to be terminated if he:

- (a) voluntarily quits;
- (b) is justifiably discharged;
- (c) has been laid off and not employed elsewhere and has refused to return to work within twenty-four (24) hours after being contacted personally. When the employee cannot be contacted or is employed elsewhere, then the Employer will notify the employee by registered mail to his last known address to return to work and he will be allowed not more than seven (7) consecutive days from the date of notification to report for duty;

Note: It shall be the employee's responsibility at all times to keep the Employer informed as to his correct home address.

- (d) if he takes employment other than that declared and agreed upon when applying for the leave of absence;
- (e) is absent for three (3) days without permission from the Employer or without notice to the Employer giving reasons for his absence;
- (f) if an employee is laid off and not recalled for a period extending beyond twenty-four (24) consecutive working months.

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Section 8.10

Leave of absence in excess of thirty (30) days or an extension to an existing leave that will exceed a total of thirty (30) days will not be granted until a request for same is submitted in writing to both the Local Union and the Employer and is mutually agreed upon in writing.

Section 8.11

A bona fide leave of absence under thirty (30) days shall not be unreasonably withheld or denied. The Employer reserves the authority to designate leave of absence periods consistent with efficient operations of the Employer.

Section 8.12

Absence due to bona fide illness or injury shall not be cause for discharge or loss of seniority providing the Employer is notified of such illness or injury. The employee shall notify the Employer when he is able to return to work. An employee who returns to work from an absence due to a bona fide illness or injury shall be allowed to return to his/her normal area or run.

Section 8.13

In the event of a complete closure of a hub or operating centre and whether or not the work is moved to another hub or operating centre, the Employer will give sixty (80) working days written notice of such closure. During this sixty (80) day period, the Employer will meet with the affected Local Unions to outline the reasons for closure.

After giving notice, the Employer must establish a joint planning committee with members appointed by both the Employer, the Union and employees. The committee's goal is to develop an adjustment program which will eliminate the need for the terminations or minimize the impact on the employees and assist them to find other employment. If after six (6) weeks, the committee has not agreed on an adjustment program, application may be made to the Minister of Labour to appoint an arbitrator to resolve any unsettled issues. The arbitrator may not, however, delay the terminations or review the decision to terminate.

Employees affected in the hub or operating centre which is closing shall have an opportunity to move back to the centre from which they originally transferred.

(a) In the event the Employer establishes a new hub or operating centre at a different location within a town or city in which the Employer already has a hub or operating centre. The Union and the Employer shall meet and establish procedures which will protect the seniority of employees at the original and new hub or operating centres. Such procedures shall be reduced to writing.

(b) In the event of a partial closure of a hub or operating centre caused as a result of the work being moved to another hub or operating centre which results in the reduction of employees in the partially closing hub or operating centre, the following will apply:

A meeting shall be held thirty (30) working days prior to the partial closure between the Employer and the affected Local Unions in an effort to reach a satisfactory agreement for all concerned in the hub or operating centre from which the work is being moved; and

Failing agreement, employees affected in the hub or operating centre shall have an opportunity of moving with the work or exercising their seniority within their own hub or operating centre in the manner agreed to by the parties. If work is available in the hub or operating centre to which the work is being moved, the available vacancies shall be posted for bid and such vacancies shall only be opened to those qualified employees subject to layoff.

It must be clearly established that there is movement of work for the above provisions to apply.

(c) Employees moving under the conditions of Section 8.13, 8.13 (a) or (b) will dovetail their seniority with those bargaining unit employees already employed at the hub or operating centre to which they moved.

- (d) Should the Employer consider the complete closure of a hub or operating centre, the Employer and the Local Union shall meet prior to a final decision being made to examine practical solutions to the potential closure. If no viable alternatives are agreed to, the Employer shall meet with The Canada Council of Teamsters in order to address the practicality of relocating affected employees where permanent openings exist at remaining Employer locations, minimizing the impact of any terminations, and relocation counseling to affected employees in locating alternative employment. In the event that relocation of employees is agreed to:
1. Relocated employees shall not displace employees as a result of the transfer, but shall be placed at the bottom of the seniority list without loss of wage rate or benefits previously attained with a new seniority date which will be the first day of work at their new location;
 2. All expenses associated with such relocations will be the responsibility of the employee; and
 3. An employee must accept or reject a proposed relocation within five (5) days of notification of any opening and must fill the opening in a reasonable time period not to exceed thirty (30) days.

Section 8.14

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The Employer agrees to grant the necessary time off, without discrimination, to any employee designated by the Union to attend a Labour convention or serve in any capacity on other official business, without pay. The employee's seniority shall continue to accumulate during such leave of absence. The Union shall give forty-eight (48) hours notice, specifying the length of time off for such leaves of absence. Such leaves of absence shall be revocable upon seventy-two (72) hours notice by the employee.

The employee must make suitable arrangements in writing for continuation of Health & Welfare and Pension payment before the leave may be approved by either the Local Union or the Employer. It

is understood that this clause would apply to an Executive Board member and/or a full-time Business Representative.

Section 8.15

Full time employees may, at their own expense, obtain a transfer from one centre to another subject to the following conditions:

- (a) He is qualified in the classification to which he bids.
- (b) Request for transfer by an employee who is qualified to bid shall be valid 30 days following receipt of the request.
- (c) He will be placed on the bottom of the seniority list at the centre to which he is transferring.
- (d) He will keep his seniority for the purposes of vacation, retirement, benefits and wage progression. This transfer shall be granted only subject to the provisions of 11.8 (f) and shall be granted, by seniority, amongst all the employees who asked for a transfer to that centre. A copy of such requests shall be sent to the local union involved.
- (e) , Part-time employees already at the centre shall be given first opportunity subject to 11.8 (f), in order of seniority, for any full-time positions prior to transferring employees requests to transfer being granted.
- (f) The transferring employee upon acceptance shall have ten working days, commencing on the date of the Company granting request to transfer, in which to transfer to the awarded position. If said transferee fails to report to the new location within this ten day period the employer shall fill the vacancy at it's sole discretion.
- (g) The vacancy created by the employee who is transferring will not be subject to the transfer procedures.

ARTICLE 9 -EQUIPMENT

Section 9.1

(a) It is to the mutual advantage of both the Employer and the employee that employees shall not operate vehicles which are not in a safe operating condition and not equipped with the safety appliances required by law.

(b) Employees shall immediately, or at the end of their shifts, report all defects of equipment on a suitable form furnished by the Employer. It is agreed that a DVIR form shall be supplied for the driver, on which to report defects in equipment with sufficient copies held available for review by the driver and/or the Union. The Employer will maintain a copy of this report on file.

The mechanic and a representative of the Employer will sign this report when repairs are made. When the unit is reported for reasons that make the vehicle unsafe for use and cannot be repaired, it will be red tagged by the automotive department, the key removed and placed in the automotive department with the red tag. The red tag must not be removed until the automotive department has determined that the vehicle is in safe operating condition.

The Employer shall not ask or require any employee to take out equipment that has been reported by any other employee as being in an unsafe operating condition until same has been approved as being safe by the automotive maintenance department.

(c) It shall be the duty and responsibility of the Employer to maintain all vehicles in a safe operating condition in accordance with the Ministry of Transportation's regulations.

(d) The maintenance of equipment in sound operating condition is not only a function, but a responsibility of the Employer.

Section 9.2

Drivers will not be held responsible for damage while towing or pushing a vehicle if instructed to do so by the Employer unless the employee has been proven negligent,

Section 9.3

- (a) The Union and the Employer agree having regard for safety and the employee's health factor that all power units will have and be kept in working order; adequate heaters, including double heating systems if required, windshield washers, defrosters, windshield wipers, west coast type mirrors and fog or driving lights on feeder equipment, proper weatherproof cabs, snow tires or chains in the proper season on equipment.

The Employer agrees to install bulkhead curtains and winter fronts in P30 and P31 vehicles upon request.

It is agreed that the Employer will continue the practice of installing power hook-ups and antennas on feeder equipment.

Sun visors will be installed upon request.

- (b) All power equipment shall have flares or reflectors, properly stocked first aid kits, fire extinguishers and other items required by law installed in the units.
- (c) The Employer shall be responsible for safety factors; relative to overload, load make-up and cleanliness of equipment.
- (d) The Employer agrees to provide the new seat-back with the adjustable lumbar upper support feature where the seat is attached to a post. Seat-backs will be replaced upon request.
- (e) Concerns relating to equipment issues will be resolved by the operating Division Manager and/or the Automotive Manager and Local Business Agent in that area.

Section 9.4

The Employer must keep speedometers in proper working order and reasonably accurate.

Section 9.5

Centre or hub equipment must be safe and properly maintained. All buildings must be equipped with proper exhaust fans.

Section 9.6

Hand trucks will be provided where reasonably required. Hand trucks of a sufficient size shall be provided in order to handle loads of 150 lb.

Section 9.7

The Employer, the Union and the employees shall co-operate in continuing to provide a safe working environment. This will be undertaken through the applicable health and safety legislation and will not be subject to the grievance and arbitration provisions of this Agreement.

ARTICLE 10 - PHYSICAL EXAMINATIONS

Section 10.1

Physical examinations required by a government body or the Company shall be promptly complied with by all employees; provided, however, the Employer shall pay for all such examinations. Examinations are to be taken in the employee's home area except in cases where a medical specialist is not available in their area.

Section 10.2

An employee who seeks to return to work after a medical leave of absence (including a leave of absence covered by Workers' Compensation), or after an absence caused by a chronic or recurrent condition may be required by the Employer to submit a medical

and/or hospital report. The Employer may also require the employee to submit to an examination by a physician selected by the Employer. It is understood by the Employer and the Union that once an employee notifies the Employer that he has been released to return to work by the employee's doctor, the Employer's doctor must examine the employee within three (3) working days from the time the employee brings the return to work slip to the Employer. In the event the employee is not covered by Workers' Compensation or Weekly Indemnity Health Insurance during the three (3) working day period noted above, the Employer will be responsible for the days lost. In order to avail himself of this provision the employee must advise the Employer the same day he has been released to return to work by his doctor.

Section 10.3

All employees off-duty for any length of time for sudden illness, unconsciousness, dizziness, fainting, convulsive seizure, heart irregularity, chest pain, etc., must have a return to work examination.

Section 10.4

The Employer reserves the right to select its own medical examiner, in the case of a dispute between the Employer's physician and the employee's physician. A neutral physician will be chosen to determine if the employee shall or shall not return to his normal work. The expense of the neutral physician shall be borne mutually by the Employer and the Union.

Section 10.5

In any instance where the Employer requires a medical examination, under the terms of this Article, and the employee is dissatisfied with the doctor, the Employer shall provide the employee with an alternate doctor that he or she may go to.

ARTICLE 11 - HOURS OF WORK & CONDITIONS

Section 11.1 - Permanent Vacancies or Openings

- (a) When a permanent vacancy or opening in the delivery driver classification occurs in an operating centre, it shall be offered to the employees in the package driver and non-tractor trailer feeder driver classifications in that operating centre in seniority order with a maximum of three (3) moves in the package driver classification. Any driver who is awarded any vacancy or opening shall only be able to exercise his seniority once during each twelve (12) month period except for the opportunity to qualify for a higher rated paying job.
- (b) If as a result of the third (3rd) move, another vacancy or opening is created in the package driver classification, it will be assigned by the Employer.
- (c) A permanent vacancy or opening shall be defined as one that is in effect for more than thirty (30) working days, except for vacancies caused by the absence of a regular employee which shall not be considered permanent. All permanent vacancies will be posted for bid within thirty (30) days for a period of five (5) working days.
- (d) Areas designated as training areas shall be offered for selection as described in Section 11.2 (a) with the understanding that the employee awarded the opening or vacancy shall perform other work when trainees are being trained on such training areas. An area selected by a driver will not be designated a training area without the agreement of the parties.
- (e) In the event of a hardship case or pressing personal problems, the Employer will give consideration to allowing a tractor-trailer feeder driver the opportunity to qualify for the next available driving job.

- (f) All work on the "sort" will be available to employees in the package driver classification in order of seniority. If, because of excessive hours, a driver is not allowed to exercise his seniority to work the sort, upon request, a meeting will be scheduled between the Employer and the Union in an effort to resolve the matter, with the understanding that the hours are reduced from sort first.
- (g) In all other start time changes in the package driver classification of more than one (1) hour, the following may occur. The affected driver may follow his area to the new start time. If not, it will be posted for bid within the centre.

Section 11.2 - Feeder Runs

- (a) Openings or vacancies (as defined in Section 11.1 (c)) shall be posted by location, prior to the application of 11.3(d). Such openings or vacancies shall be filled by seniority within the classification. Subsequent vacancies created by the original vacancy will be limited to three (3) moves. If, as a result of the third (3rd) move, another vacancy or opening is created in the feeder driver classification, it will be bid from the cover driver list. In the event no employee on the list of qualified employees elects to fill an opening, the employee with the least seniority on the list must fill the opening.
- (b) It is understood the feeder department seniority list shall be comprised of:
 - 1) Feeder driver seniority
 - 2) Cover/Qualified seniority (not to be included when calculating number of drivers off for vacation purposes).

In order to gain seniority in the feeder department the driver must be successful in bidding on an existing run for one (1) day or on a new run for thirty (30) working days as described in 11.1 (c) after which the successful candidate shall have his seniority dovetailed into the feeder driver seniority list.

Section 11.3 - Tractor-Trailer School

Drivers who are interested in qualifying as a tractor-trailer driver, shall so notify the Employer. Such employees in seniority order, will be permitted to attend the Employer training program which may be established from time to time as the need occurs. The Employer training program shall consist of one (1) week of non-productive training which the drivers will attend on their own time. The second week of the training shall be considered productive training for which the drivers shall be paid the applicable rate of pay for all hours worked. The Employer agrees to furnish the necessary equipment and instructors. Upon completion of this training, the employee shall be required to maintain the proper licence and work as needed in the classification. It is understood that the employee will maintain the proper licence for the length of the agreement. If an employee fails to maintain the required licence, he shall be allowed to work subject to the contractual provisions in Appendix C.9(f).

An employee who desires to be removed from the qualified list will notify the Employer at least three (3) months prior to the expiration of this Agreement.

- (a) To qualify for attendance at the tractor-trailer school, an employee cannot have had an avoidable accident during the year preceding his application to attend the school. However, a minor accident shall not deprive an employee of the opportunity to attend the school.
- (b) Upon completion of tractor-trailer school, the Employer will determine whether the employee is qualified to drive tractor-trailer and whether the employee will be placed on the qualified list which shall be posted in that location.
- (c) To be eligible to move from the qualified list to a tractor-trailer job, an employee cannot have had an avoidable accident during the year preceding his assignment to a tractor-trailer job. However, a minor accident shall not deprive an employee of assignment to a tractor-trailer job.

- (d) Subject to 11.2(a), new tractor-trailer openings or vacancies will be filled from the list of qualified employees in their Company seniority order at that location. In the event no employee on the list of qualified employees elects to fill an opening, the employee with the least seniority on the list must fill the opening.

Section 11.4 - Feeder Drivers

Feeder drivers, irrespective of domicile, shall work as directed, including, but not limited to, loading, unloading and sorting as directed in any operating location of the Employer.

The Employer will endeavour to limit the use of sub-contractors for feeder runs to areas where the Employer is limited by any one or more of the following: rights operating authority, equipment, methods of operation, time-schedules or service commitments.

Where a feeder run start-time changes by more than two (2) hours, it will be posted for bid.

Section 11.5 - Hours of Work

- (a) The standard work week shall be Monday through Friday. A full-time seniority employee who is called to work and reports to work as scheduled shall be paid a minimum of eight (8) hours, except for the drivers hired after May 16th, 1985, who appear on the bottom ten percent (10%) of their seniority list (with a minimum of one per operating centre) who shall be paid a minimum of four (4) hours. Time and one-half (1 1/2) shall be paid for all hours in excess of eight (8) hours in a day or forty (40) hours in a week.

When the Employer wishes to expand its operations into areas not currently served, the Employer will meet with the Local Union to negotiate a mutually agreeable economics package.

The Employer and the Union recognize that overtime work is unavoidable. It is the policy of the Employer to avoid excessive overtime whenever possible.

Where an employee is working excessive overtime on a regular basis, he may refer the matter to the Division Manager and Local Union Representative. If the matter cannot be resolved, it may be submitted as a grievance.

(b) All time worked by drivers between 1:00 p.m. Saturday and 10:00 p.m. Sunday shall be paid for at time and one-half (1 1/2).

(c) Employees shall be notified of a change in their starting times not later than the end of the work day prior to the change.

(d) Personal Time

Package Driver

Package drivers shall be allowed a ten (10) minute paid break to be taken within the second and third hour of their work day. However, they may not avail themselves of this break until being able to meet all time-committed services.

Package drivers shall be allowed a fifty (50) minute unpaid lunch period to be started and completed between the fourth (4th) and the sixth (6th) hour. However, fifteen (15) minutes of the stated fifty (50) minutes may be taken during the remainder of the day.

It is agreed that there shall be no loss of previously demonstrated productivity standards or service commitments.

It is understood that all breaks and lunches will be taken on the delivery area.

(e) Feeder Driver

If any driving segment of a feeder run has a scheduled driving time in excess of two (2) hours and forty-five (45) minutes, the driver will be scheduled to take a portion of his fifty (50) minute personal time, up to fifteen (15) minutes, where feasible, during that segment.

Feeder drivers shall be allowed one (1) ten (10) minute paid break during the course of their shift a mutually agreeable time.

Section 11.6 - Combination Jobs

It is anticipated that the changing nature of the Employer's business will result in some job combinations. An employee may be required to work in more than one job classification within any work day. When such combination jobs are made, the Employer will pay the employee according to the following: when the employee is required to spend one (1) hour or more of his work day upon a job providing a higher rate of pay, he shall receive the higher rate for the entire shift; for the full-time employee, the above mentioned period of one (1) hour shall be a two (2) hours or more period.

Section 11.7 - Competition

It is agreed that any provision in this contract to the contrary, notwithstanding

1. The Employer agrees that no work currently being done by the bargaining unit will be subcontracted out during the term of this Collective Agreement. However, in the event of a serious financial hardship, which could result in the closure of a delivery centre, the Union and the Employer shall meet for the purpose of addressing the closure. Failing agreement, the closure of the delivery centre shall be resolved by arbitration.
2. The Employer may use substitute means of transportation in its feeder operations, such as aircraft or TOFC provided that if the Company extends TOFC operations over those presently in effect, it is agreed that none of the feeder drivers employed by the Company in the area affected will be laid off as a direct result of the extension of TOFC operations.
3. The Employer may drop loaded or empty trailers at locations designated by it, its customers or consignees for customer or consignee loading or unloading. It is understood that customers and consignees will not move trailers for loading

and/or unloading. It is further understood that dropping and picking up of these trailers shall be done by members of the bargaining unit.

Section 11.8 - Hub, Operating and Clearance Centre: Employees not regularly on eight (8) hour schedules

- (a) Such employees, when reporting to work as scheduled, shall be guaranteed a minimum of three (3) hours.
- (b) Such employees shall be entitled to an unpaid rest period of up to ten (10) minutes during the course of their shift.
- (c) The work week for such employees shall consist of five (5) consecutive days. The overtime rate of pay shall be applicable only for work on General Holidays and/or all hours worked in excess of five (5) hours in a day for work performed in the employee's regular job assignment on their regular scheduled shift except, when working in combination with another job or jobs (e.g. premium service). When the employee is working in a combination of jobs, overtime shall be paid after eight (8) hours in a day or forty (40) hours in a week.
- (d) Such employees shall be on separate seniority lists, by: classification, in each operating centre or hub shift. (e.g. sunrise, twilight, midnight), international clearance centre shift (e.g. morning, p.m.) or air recovery centre shift (e.g. morning, p.m.).
- (e) Such employees who are otherwise eligible shall be entitled to holiday pay, bereavement leave and jury pay on the same basis as full-time employees except that they will be paid at four (4) hours of straight time pay per day.
- (f) A permanent new job or permanent vacancy will be posted for a period of five (5) days. Part-time employees, including premium service employees, with one (1) year or more seniority may bid on a package driver or premium service

driver opening or vacancy. The job will be awarded to the senior bidding part-time employee, in the building in which the vacancy occurs, who has qualified.

Part-time employees in a non-delivery building will be allowed to bid on a vacancy in a delivery operation only after that building's part-time employees were considered first.

The above procedure will be applied on an alternating, five-for-one basis (e.g. five part-time UPS and one new hire).

The employee awarded the job must satisfactorily complete a fifty (50) days worked training period before attaining seniority in that classification. Any part-time employee disqualified cannot re-bid again for one (1) year.

The Employer shall post on the bulletin boards the nominations of the employees awarded such openings or vacancies and a copy of this posted notice shall be sent to the Local Union.

- (g) Part-time employees successfully transferring to package driver jobs will be considered as newly hired full-time employees and will be added to the appropriate seniority list. Their seniority date will be the day of the transfer.

For vacation and retirement purposes, the employee shall receive additional seniority credit equal to all time worked as a part-time employee.

- (h) A hub and operating centre employee not regularly on an eight (8) hours schedule who is required to work as a preloader or sorter for one (1) hour or more of his work day shall receive the preloader or sorter rate of pay for the entire shift.

- (i) A permanent opening or vacancy in a part-time classification shall be offered to the part-time employees in that centre or shift.

Such opening or vacancy shall be awarded to the senior bidding employee with one (1) year or more seniority, in the same centre or shift, or if not so filled, to the senior bidding employee, with one (1) year or more seniority, in the building.

The opening or vacancy thus created shall be offered and filled by seniority within the bidding employees, with one (1) year or more seniority, in the building.

The opening or vacancy thus created will be filled by the Employer; but if the Employer offers this job to an actual employee, it shall be offered by seniority to employees with less than one (1) year seniority.

No more than ten percent (10%) of the number of employees in a shift (minimum of one (1)) can move to another shift within a calendar month, to a maximum of fifty percent (50%) within a calendar year.

An employee moving to another part-time classification or to another shift cannot move to another part-time job before a one (1) year period, except to move to a premium service driver job.

The Employer shall post on the bulletin boards the nominations of the employees awarded such openings or vacancies and a copy of this posted notice shall be sent to the Local Union.

Any part-time employee moving to another part-time classification, to another shift or to a premium service driver classification shall dovetail his seniority with the employees in the classification or shift to which he is moving.

- (j) Employees shall be notified of a change in their starting times, not later than the end of their work day prior to the change.
- (k) The Employer agrees to create a shifter classification for part-time employees who are required to shift trailers for fifty percent (50%) or more of their shift. The shifter classification

rate of pay is established in Article 28.2 of the Collective Agreement.

Following the introduction of this new shifter classification, the actual employees who are performing that work will be confirmed in that classification.

ARTICLE 12 - VACATIONS AND VACATION PAY

Section 12.1

Effective vacation year 1991, all employees with one (1) year's service, but less than five (5) years' service shall be given two (2) weeks vacation with pay. Vacation pay for such employees will be paid on the basis of 4.5% of gross earnings since their last computed vacation pay period.

Section 12.2

Employees with five (5) years' service shall be given three (3) weeks vacation with pay. Vacation pay for such employees in the first year of entitlement will be paid on the basis of 4.5% of gross earnings from their last computed vacation pay period to their employment anniversary date, and 6.5% of gross earnings from the employment anniversary date. In subsequent years, employees will be paid on the basis of 6.5% of gross earnings since their last computed vacation pay period.

Section 12.3

Employees with ten (10) years' service shall be given four (4) weeks vacation with pay. Vacation pay for such employees in the first year of entitlement will be paid on the basis of 6.5% of gross earnings from their last computed vacation pay period to their employment anniversary date, and 6.5% of gross earnings from the employment anniversary date. In subsequent years, employees will be paid on the basis of 6.5% of gross earnings since their last computed vacation pay period.

Section 12.4

Employees with twenty (20) years' service shall be given five (5) weeks vacation with pay. Vacation pay for such employees in the first year of entitlement will be paid on the basis of 8.5% of gross earnings from their last computed vacation pay period to their employment anniversary date, and 10.5% of gross earnings from the employment anniversary date. In subsequent years, employees will be paid on the basis of 10.5% of gross earnings since their last computed vacation pay period.

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Section 12.5

Employees with twenty-five (25) years' service shall be given six (6) weeks vacation with pay. Vacation pay for such employees in the first year of entitlement will be paid on the basis of 10.5% of gross earnings from their last computed vacation pay period to their employment anniversary date, and 12.5% of gross earnings from the employment anniversary date. In subsequent years, employees will be paid on the basis of 12.5% of gross earnings since their last computed vacation pay period.

Section 12.6

Employees who have qualified for two (2), three (3), four (4), five (5) or six (6) weeks vacation and who sever or have their employment severed, shall receive at the date of severance or as soon as reasonably possible thereafter, all vacation pay computed at 4.5%, 6.5%, 8.5%, 10.5% or 12.5% respectively of their earnings since the termination of their last computed vacation pay period.

Section 12.7

The period for taking vacations will be from March 1st to the end of February the following year and all vacations must be taken during this period (excluding the period beginning at the end of the last full week in November and ending December 26th, during which no vacation time will be granted).

The summer vacation period will be from May 1st to September 30th, inclusive and employees who qualify for more than three (3) weeks vacation will be restricted to three (3) weeks during this period.

The Employer will post, by December 15th, the schedule outlining the number of vacation weeks available for the following vacation year.

This list will remain posted until January 15th, after which employees will be asked, in order of seniority, to sign for the weeks of their choice.

Employees refusing to sign for their vacation time, when asked, will not be allowed to displace junior employees at a later date.

Employees failing to sign for their choice of vacation by the end of the selection period will be assigned to the remaining available weeks according to seniority.

The finalized vacation schedule will be posted by February 15th.

Once an employee has booked his vacation it cannot be changed except under the following conditions:

- (a) The requested week(s) are available.
- (b) The employee wishing to change his vacation must make the request in writing thirty (30) calendar days prior to the requested change.
- (c) Each employee is restricted to one (1) change per year.
- (d) The vacancy created by the employee moving shall be filled, in seniority order, subject to (b) and (c) above with a maximum of two (2) moves. The request for such moves shall be granted subject to the operating needs of the Employer. Such requests shall not be unreasonably denied. Any further moves shall be filled at the sole discretion of the Employer.

The Company will allow the number of employees off for vacations based on the following guidelines:

1 - 8 employeesminimum 1 per week

9 - 18 employees minimum 2 per week

19- 25 employeesminimum 3 per week

Over 25 employeesminimum 15% per week commencing during the 1992 vacation year"

* Calculations that result in .5 to .9 shall be rounded up to the next whole number.

Feeder driver vacations will be selected on an area wide basis.

All employees on the feeder driver cover list must schedule their vacations within the feeder department. It is understood that cover feeder drivers will select their vacations after all of the feeder drivers on the feeder seniority list have selected their vacations.

Section 12.8

Vacation pay shall be issued to the employee one (1) week prior to the employee's vacation. This shall include when the dates of an employee's vacation have been changed.

ARTICLE 13 - GENERAL HOLIDAYS

Section 13.1

The following General Holidays will be observed:

- New Year's Day
- Good Friday
- Victoria Day
- Canada Day
- Civic Day (In the Provinces of Ontario & British Columbia only)
- Labour Day

Thanksgiving Day
Christmas Day
Boxing Day
St. Jean Baptiste Day (In the Province of Quebec only)
Remembrance Day (In the Province of British Columbia only - In lieu
of One Optional Holiday in 13.6)

Section 13.2

During the Christmas and New Year period, one (1) day shall be designated by the Company as a floating holiday.

Section 13.3

Heritage Day will be added when and if proclaimed by the Federal government as a national holiday.

Section 13.4

Full-time seniority employees shall be paid eight (8) hours pay at their appropriate hourly rate for the above listed holidays.

Section 13.5

Employees whose regular shifts begin or end on a holiday shall not be entitled to premium pay for those hours. The holiday shall be either advanced or delayed but shall, nevertheless, be observed and paid as a holiday.

Section 13.6

Full-time employees who attain seniority prior to February 16th, shall be allowed to take five (5) optional holidays off, with pay, computed at eight (8) hours per day during the following contract year.

Any full-time employee eligible for five (5) optional days may combine these days for an additional week of vacation to be paid at forty (40) straight-time hours. This option week is to be selected after all regular vacations have been selected and posted on February 15th each year.

In British Columbia, where Remembrance Day is observed in lieu of an optional holiday as described in Section 13.1, any employee who elects to combine his five (5) optional days into an option week will be entitled to the General Holiday, but without pay.

New full-time employees who attain seniority after February 15th, but before August 15th, shall be allowed to take three (3) optional holidays off, with pay, between August 15th and February 15th of the following year.

Part-time employees who have completed one (1) year of employment prior to February 16th shall be allowed to take one (1) optional holiday off, with pay, computed at four (4) hours per day during the following contract year.

A request for an optional holiday shall be granted, subject to the operating needs of the Employer on a date mutually agreeable to both the employee and the Employer. All requests for an optional holiday shall be put forth in writing on a form supplied by the Employer, with at least fourteen (14) days notice and the Employer shall reply, in writing, within seven (7) days after the request being made. Should the Employer fail to reply in the allotted time, such optional holiday shall be deemed granted.

Section 13.7

Where one or more General Holidays fall during the vacation period of an employee, such employee will be paid for the day, or days, and at the employee's option, will be entitled to one day off, without pay for each such general holiday to be taken at a time that is mutually agreed upon by the Employer and the employee. A request for the additional day(s) off will be granted subject to the operating needs of the Employer on a date mutually agreeable to both the employee and the Employer.

ARTICLE 14 PAY PERIOD

Section 14.1

All employees covered by this Agreement shall be paid in full each week. Not more than one (1) week's pay shall be held on an employee, except for newly established extended areas which may be held up to two (2) weeks. Each employee shall be provided with a statement of total hours and gross earnings and an itemized statement of all deductions made for any purpose.

It is agreed all employees covered under this agreement will be paid by direct deposit. Failing to provide payroll with the necessary information will result in the employee not being paid for that week.

Section 14.2

When a supervisor or other management representative is not available to personally distribute the pay earnings statement they shall be placed in sealed envelopes whenever feasible.

In the event of a proven pay shortage in excess of fifty dollars (\$50.00) for full-time employees, and twenty-five dollars (\$25.00) for part-time employees, the Employer will reimburse the correct amount by direct deposit on the same business day, providing the employee has notified the Company at the start of his shift.

Section 14.3

The Employer agrees to provide forms for the driver to record his/her starting and ending times.

When requested by the Union, time clocks will be left in place for employees to record their work hours for their own personal use.

ARTICLE 15 - BULLETIN BOARD

Section 15.1

The Employer agrees to permit posting of any notices of Union meetings or functions on a bulletin board conspicuously placed and provided exclusively for that purpose provided they are authorized and signed by an officer of the Local Union and will be confined to official Union business.

ARTICLE 16 - CREDIT UNION

Section 16.1

The Employer agrees that in the event of the establishment of a Credit Union, to deduct the authorized amount from the employees pay cheques and submit same to the Secretary-Treasurer of the Credit Union according to the wishes of the majority of the employees at the location of the Employer involved.

Section 16.2

The Employer agrees, for the employees who so desire, to deduct from their pay cheques, amounts of money, authorized by the employee, that it will remit to the Fonds de Solidarite des Travailleurs du Quebec (F.T.Q).

ARTICLE 17 - HEALTH & WELFARE INSURANCE

Section 17.1

The Employer agrees to provide Health & Welfare coverage for all qualified employees subject to the plan documents.

Section 17.2

The Employer agrees to continue to pay one hundred percent (100%) of the billed rates for premiums for employees participating in their respective provincial health insurance plan.

Section 17.3

Any regular full-time employee hired after ratification of this Agreement will be eligible to become a member of the United Parcel Service Canada Ltd. Health and Welfare Plan on the first (1st) of the month following completion of six (6) months of continuous employment subject to the plan documents.

Any part-time employee hired after ratification of this Agreement will be eligible to become a member of the United Parcel Service Canada Ltd. Health and Welfare Plan on the first (1st) of the month following completion of eighteen (16) months of continuous employment subject to the Plan documents.

The Employer agrees to provide a booklet to each employee, which outlines the benefits of the plan. The EI weekly disability benefit for full-time employees shall continue to be the same as outlined in the plan policy. It is understood that the benefit levels for the part-time and full-time Health and Welfare Plans in place on the date of ratification will be maintained for the life of the Agreement.

Section 17.4

In consideration of the increases negotiated in this Collective Agreement, it is agreed that one hundred percent (100%) of the EI premium rebate re. weekly indemnity shall accrue to the Employer.

ARTICLE 16 - PENSION PLAN

Section 16.1

The Employer and the Union will establish a joint Board of Trustees to administer the current Pension Plan as outlined in the attached Memorandum of Agreement.

1/1/13

Section 18.2

A seniority employed will be eligible to become a member of the United Parcel Service Canada Ltd. Pension Plan upon completion of one year of continuous service in accordance with the plan documents. The Employer agrees to provide a booklet to each employee which outlines the benefits of the plan.

Section 19.3

Pension contributions and credit for service for employees' absence due to illness or compensable injury shall be in accordance with the Canada Labour Code.

Section 18.4

The monthly pension benefits will be as follows:

- (a)** As of August 1993 - \$40.00 per month for all years of accumulated Service Credit
- (b)** As of August 1999 - \$42.00 per month for all years of accumulated Service Credit.

ARTICLE 19 - JURY DUTY

Section 19.1

If any employee is called and is required to serve on jury duty or as a Crown Witness on his normal working day, the Employer agrees to equivalent of an eight (8) hour day at straight time and four (4) hours for a part-time employee.

ARTICLE 20 - BEREAVEMENT LEAVE

Section 20.1

In the event of a death in the immediate family, a regular full-time or part-time employee shall be allowed a reasonable time off to attend the funeral or to make necessary arrangements for the funeral or memorial service, not to exceed four (4) scheduled work days.

These days shall not extend beyond the day of the funeral unless an additional day is required for travel. The employee will be reimbursed at eight times the employee's straight-time hourly rate for each day lost from work for those employees whose regular scheduled work week is five (5) days.

Immediate family shall mean spouse, father, mother, brother, sister, son, daughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparents, step-parents, step-children and grandchildren.

If more time is required for any reason relating to the death, a leave of absence may be granted if mutually agreed upon.

ARTICLE 21 - PARKING TICKETS

Section 21.1

It is agreed that the Employer shall continue to pay for parking tickets incurred by drivers, unless such ticket is incurred in an area that the driver was instructed not to park. In such case, the employee shall pay the ticket. In metropolitan areas where free parking is not available to the driver in regard to personal time, the Company agrees to reimburse the driver for parking fees, subject to the submission of receipts with the daily turn-in.

Section 21.2

All moving violations incurred while in Company vehicles shall be reported with a copy of the offense at the end of the work day or prior to their next scheduled start time. Except where the moving violation

is a speeding offence, such a reported offence shall not be subject to discipline.

ARTICLE 22 - BREAKDOWN OR IMPASSABLE HIGHWAYS

Section 22.1

In any instance of breakdown or impassable highway which prevents an employee from proceeding to his destination (or if obstructed from returning to his operating centre) the employee shall be paid for all time up to the time at which he arrives at a place of lodging or other suitable shelter, with overtime payments if appropriate. Once he has arrived at a place of lodging or other suitable shelter, the employee shall be considered to be relieved of duty until his regular starting time the next day or until called to duty, whichever occurs sooner.

(Suitable shelter shall be defined as a place inside with heat, water and toilet facilities. This could include but not be limited to a residence, home, gymnasium, police station, fire house, restaurant, truck stop, etc. These places must, however, have a place where the employee may sleep or at least rest with reasonable comfort).

If more than one (1) day elapses before the employee is called to duty, he shall be paid for not less than his regular daily guarantee (eight times the employee's regular hourly rate) for each calendar day so long as he is away from his home operating centre because of a breakdown or impassable highway. The Employer agrees to pay reasonable costs of meals and lodging.

ARTICLE 23 - BONDS

Section 23.1

Should the Employer require any employee to give bond, cash bond shall not be compulsory, and any premium involved shall be paid by the Employer. The primary obligation to procure the bonds shall be on the Employer. If the Employer cannot arrange for a bond within ninety (90) days, he must so notify the employee in writing.

Failure to so notify shall relieve the employee of the bonding requirement. If proper notice is given, the employee shall be allowed thirty (30) days from the date of such notice to make his own bonding requirement, standard premiums only on said bond to be paid by the Employer. A standard premium shall be that premium paid by the Employer for bonds applicable to all other of its employees in similar classifications. Any excess premium is to be paid by the employee. Cancellation of a bond after once issued shall not be cause for discharge unless the bond is canceled for cause which occurs during working hours or due to the employee having given a fraudulent statement in obtaining said bond.

ARTICLE 24 - UNIFORMS & SPECIAL CLOTHING

Section 24.1

Required uniforms and other special clothing shall be furnished and maintained, including cleaning, by the Employer. Employees must comply strictly with Employer rules and regulations concerning personal grooming and appearance and wearing of uniform and accessories. Shirts shall be furnished by the Employer and maintained by the employee.

Section 24.2

Shorts shall be furnished by the Employer to drivers required to wear uniforms. Shorts may be worn only when accompanied by the approved socks which must be purchased by the employee.

ARTICLE 25 - GENERAL

Section 25.1

The parties agree that the principle of a fair day's work for a fair day's pay shall be observed at all times and employees shall perform their duties in a manner that best represents the Employer's interests. It is understood that the Employer shall not overly supervise or unfairly coerce employees in the performance of their duties. It is further

understood that the Employer will ensure that the workplace is free of intimidation and harassment. Any violation of this Article will be subject to the Grievance Procedure.

Section 25.2

Employees handling money shall account for and remit the same to the Employer at the completion of each day's work. An employee's cash turn-in may be verified or audited by the Employer.

If the Employer fails to verify the employee's cash turn-in, when requested, no deduction or disciplinary action shall be taken.

In cases of bona fide error (in addition or subtraction) of the cash turn-in, the employee will be responsible for making proper restitution for such shortage.

No disciplinary action will be taken with regard to C.O.D. discrepancies without an investigation by the Employer. Appendix C, Section C.5 shall not apply to C.O.D. discipline.

The Employer shall reimburse employees for loss of personal money or personal property in a holdup while on duty, up to a maximum of one-hundred and eighty dollars (\$180) per employee, which will include up to four (4) hours of lost wages, if required, and the cost of replacing their drivers license, social insurance card and birth certificate, per employee, provided the employee promptly reports such holdup to the Employer and the police, and co-operates in the investigation of such holdup. Employees shall be paid for all time involved.

Section 25.3

All managers and supervisors shall wear name plates so that they are readily identifiable as management personnel while on duty.

Section 25.4

Appendices A, B, C, and the Letters of Understanding No. 1 through No. 12 attached hereto form an integral part of this Agreement.

Section 25.5

Where provinces require it, drivers will authorize the Employer, in writing, to obtain a copy of the driver's Provincial driver abstract when the Employer so requests.

Section 25.6

The Employer agrees to reimburse drivers for cartage licenses required by municipalities.

Section 25.7

The Employer shall not use bargaining unit employees to perform any supervisory function as outlined in Section 3.1 of the Collective Agreement.

No written or verbal report by a bargaining unit employee will be relied upon to discipline another bargaining unit employee.

Written reports will be required only to the extent of confirming training given.

Section 25.8

The Employer and union agree that packages weighing over seventy (70) pounds will be handled safely and according to proper methods, training of which will be provided. In the event that an employee is unable to deliver or pick up a package, such employee shall, as soon as is reasonably possible, notify his supervisor and shall follow his supervisors instructions as to the delivery or pickup of such packages. In the event that an employee is unable to pick up or deliver such packages, as per his supervisors instructions, the employee shall not be subject to discipline.

ARTICLE 2.6 - CASUAL EMPLOYEES

Section 26.1

Casual employees may be used to perform the work caused by absence due to vacations, approved leave of absence, sickness and holidays.

Employees hired as casuals will not be entitled to any daily, weekly or reporting guarantees.

Time worked by a casual employee shall not accrue toward seniority. Vacations, holidays, jury duty and other benefits provided for seniority employees shall not apply to such casuals.

Casual employees shall not be used in any classification in which qualified seniority employees are laid off.

No new casual employees shall be hired after the ratification of this agreement, except when there are no other qualified employees available to perform the work.

The work caused by absence as defined in the first paragraph will be offered to the non-combination premium service drivers, at their current rate in order of seniority. All current casual employees will continue to be offered the work prior to the premium service employees.

ARTICLE 27 -WAGE PROTECTION - COST OF LIVING.

Section 27.1

Scope - All seniority employees on the seniority list who have completed their appropriate progression schedule shall be entitled to the Cost of Living Allowance as set forth in this Article.

Section 27.2

Index - The amount of the Cost of Living Allowance as set forth in this Article will be determined in part through the use of the

Consumer Price Index for Canada (1986 = 100), hereinafter referred to as the "Index". Continuance of this Cost of Living Allowance shall be contingent upon the availability of the Index in its present form or as it may be modified by Statistics Canada and calculated on the same basis as the Index for January 1968, unless otherwise mutually agreed upon by the parties.

Section 27.3

Cost of Living Allowances shall be effective on February 16th, 1998 and February 16th, 1999.

Section 27.4

Second Year - The February 16th, 1998 adjustment will be calculated by the difference between the January 1997 Index and the January 1998 Index.

Section 27.5

Third Year - The February 16th, 1999 adjustment will be calculated by the difference between the January 1998 Index and the January 1999 Index.

Section 27.6

On February 16th, 1998 and February 16th, 1999, there shall be an hourly allowance of \$0.01 for every .6 point increase. The Cost of Living Allowances, if any, shall be applied to the hourly rates.

Section 27.7

However, the Cost of Living Allowances, if any, to be added to the hourly rates on February 16th, 1998 and February 16th, 1999 shall not exceed \$0.20 cents per year.

ARTICLE 28 -WAGE RATES

Section 28.1 -Full-time Employees

	Feb 16 1997	Feb 16 1998	Feb 16 1999
Feeder Drivers:			
Tractor-Trailer			
Triples	18.66	18.91	19.31
Doubles	18.535	18.785	19.185
Single	18.41	18.66	19.06
Other:	18.16	18.41	18.81
Package Drivers:	18.16	18.41	18.81

The starting rate for new feeder drivers hired after contract ratification shall be as follows:

	Rate in effect as of 02/16/97
Date of Hire	\$10.885
Seniority	\$11.66
Seniority plus twelve months	\$12.44
Seniority plus twenty-four months	\$13.995
Seniority plus thirty-six months	Top Rate
	Current Year

The starting rate for new package car drivers hired after contract ratification shall be as follows:

	Rate in effect as of 02/18/97
Date of Hire	\$10.71
Seniority	\$11.48
Seniority plus twelve months	\$12.24
Seniority plus twenty-four months	\$13.77
Seniority plus thirty-six months	Top Rate
	Current Year

All full-time employees who were on the payroll prior to contract ratification and are currently in a wage progression will receive the contractual increase effective February 16, 1997, and will then complete the progression schedule shown below:

Increases shall be as follows:

	<u>Feeder Drivers</u>	<u>Package Drivers & Other</u>	
Date of Hire	\$10.885	\$10.71	
Seniority	\$11.66	\$11.48	
Seniority plus twelve months	\$12.44	\$12.24	
Seniority plus eighteen months	\$13.995	\$13.77	
Seniority plus twenty-four months	Top Rate Current Year	Top Rate Current Year	
	Feb 16 1997	Feb 16 1998	Feb 16 1999

**Automotive and
Maintenance Mech:**

Certified Mech.	21.26	21.51	21.91
Maintenance Mech	21.26	21.51	21.91
Service Worker	18.16	18.41	18.81

Progression schedule for certified mechanics and maintenance mechanics hired after contract ratification shall be as follows:

Date of Hire	\$19.97
Seniority	\$20.30
Seniority plus twelve months	\$20.46
Seniority plus twenty-four months	\$20.63
Seniority plus thirty-six months	Top Rate Current Year

All certified mechanics and maintenance mechanics who were on the payroll prior to contract ratification and are currently in a wage progression will receive the contractual increase effective February 16, 1997, and will then complete the progression schedule shown below:

Date of Hire	19.97
Seniority	20.30
90 days worked after seniority	20.63
180 days worked after seniority	Top Rate Current Year

Section 28.2 - Part-time Employees

A. Part-time employees excluding Premium Service employees:

	Feb 16 1997	Feb 18 1998	Feb 16 1999
Prel. & Sorter (Primary sorter, boxline sorter, small sorter)	12.21	12.46	12.86
Package Handler	10.83	11.08	11.48
Other (Includes clearance centre employees, customer counter clerks & premium service walkers)	10.83	11.08	11.48

Shifter rates will be ten cents (\$0.10) above the prevailing Package Handler rates.

All part-time employees hired after ratification will follow the three (3) year progression as shown below:

	<u>Preloader & Sorter</u>	<u>Package Handler and Other</u>
Date of Hire	8.50	7.75
Seniority	9.00	8.00
Seniority plus twelve months	9.50	8.50
Seniority plus twenty four month	10.50	9.50
Seniority plus thirty six months	Top Rate Current Year	Top Rate Current Year

All part-time employees who were on the payroll prior to contract ratification and are currently in a wage progression will receive the contractual increase effective February 16, 1997, and will then complete the progression schedule shown below:

	<u>Preloader & Sorter</u>	<u>Package Handler and Other</u>
Date of Hire	8.50	7.75
Seniority	9.00	8.25
Seniority plus twelve months	10.00	9.25
Seniority plus twenty four months	Top Rate Current Year	Top Rate Current Year

B. Premium Service Employees:

Premium Service drivers will be paid as set forth in Appendix A.

Premium Service Walker Rate: Will follow the progression for Package Handler and Other.

Section 28.3 - Casual Employees

Casual employees will be paid \$11.30

ARTICLE 29 - DURATION

Section 29.1

The term of this Agreement will be from February 16th, 1997 to and including February 15th, 2000.

This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns.

FOR THE COMPANY

FOR THE LOCAL UNIONS

APPENDIX A

PREMIUM SERVICE OPERATIONS

In order for the Employer, the Union and the employees to further benefit from the expanding premium service operations, the following language shall supersede any language on the same subjects in other sections of this Agreement unless specifically stated otherwise.

The Employer agrees that the premium service operations will be worked within the bargaining unit and that wherever possible, these packages will be established within the regular package car runs.

- A.1 The Employer will not use premium service drivers to circumvent the creation of regular full-time jobs or to replace existing regular full-time drivers.
- A.2 The use of premium service drivers will not cause the layoff of regular full-time seniority drivers. However, in the event of a layoff a regular full-time seniority driver will be allowed to displace the least senior premium service driver in the building and will be paid his current regular package rate of pay for all work performed.
- A.3 Premium service drivers may be used when necessary to meet delivery time commitments of premium packages when regular drivers are unable, make on call pickups and pickups when regular drivers are unable to meet schedules, as determined by the Company, and to perform weekend and holiday premium service work.
- A.4 Part-time employees shall be given the opportunity to perform the work. These employees shall be selected from the premium-qualified list in order of seniority. They shall receive the premium service driver's rate for all hours worked as premium service drivers in addition to their normal part-time wages earned in their regular U.P.S. assignment.

All new premium service driver jobs in each centre shall be available to the part-time employees as premium service driver or as combination jobs. These employees who elect to work as a combination must maintain their regular assignment and will be assigned to premium service driver work, which does not interfere with their regular assignment, in accordance with Article A.12.

If an employee holding a combination job has worked a total of thirty seven (37) or more hours by the end of the fifth day, such employee will not be eligible for Saturday premium service work.

Employees who work in combination jobs will be allowed a ten (10) minute paid break to be taken during the Premium Service portion of their day.

A premium service driver can bid for any permanent part-time opening or vacancy as a combination job.

A premium service qualified list, by centre, shall be established, posted and maintained in each centre, hub, international clearance centre and air recovery centre.

An employee who works in a combination job, as described in this section, will dovetail the rate of pay in their primary classification into the new hire Premium Service progression until the progression equals their existing rate. In the event an existing Premium Service driver elects to work in a combination job they will start at the beginning of the new hire progression for the inside classification. They will maintain their premium service rate for all work performed in the premium service classification.

A.5 The guarantee shall apply only to the employee's regular part-time assignment. Overtime pay provisions shall apply after eight (8) hours in any twenty-four (24) hour period or forty (40) hours per week.

A.6 Premium service work will consist of any pickups and the delivery of time definite products and includes movement of

this work to airports and other locations such as service centres, U.P.S. buildings and meet points with other drivers.

- A.7 The premium service walker will not drive any vehicle but shall operate on foot or cart bicycle and shall start and end the day in the area worked and shall be guaranteed three (3) hours for each day worked.

Overtime pay provisions shall apply after eight (8) hours in any twenty-four (24) hour period, or after forty (40) hours per week.

- A.8 The work week for premium service operations employees hired after August 1st, 1991, shall consist of any five (5) consecutive days in a seven (7) day period.

- A.9 All worked performed on Saturday, Sunday or a General Holiday shall be offered to the premium service drivers in order of seniority for the delivery, pickup, sort, feed and all related handling of premium service packages. Such employees will be paid at the premium service driver's rate of pay. A three (3) hour guarantee shall apply to Saturday premium service work.

- A.10 Because of the nature of the business, premium service shuttle and premium service feed drivers may have flexible start times to coincide with the needs of the Employer's premium service operation.

- A.11 These premium service drivers shall have a three (3) hour guarantee for each day worked.

Such employees who are otherwise eligible shall be entitled to holiday pay, bereavement leave and jury pay on the same basis as full-time employees except that they will be paid at four (4) hours of straight time per day.

- A.12 These premium service drivers will be used in order of seniority to perform the work.

- A.13 In the event a premium service driver works fifteen hundred (1500) hours in the premium service driver classification in a

calendar year, the Employer will create a regular full-time package car position which will be posted and awarded in accordance with the Collective Agreement.

Premium Service Driver rate:

The starting rate for new premium service drivers hired after contract ratification shall be as follows:

New Hires

Start	\$11.00
Seniority	\$11.00
Seniority + 12 mths	\$11.25
Seniority + 24 mths	\$11.50
Seniority + 36 mths	Top Rate
	Current Year

All premium service employees who were on the payroll prior to contract ratification and are currently in a wage progression will receive the contractual increase effective February 16, 1997, and will then complete the progression schedule shown below:

Current Employees

		Start	\$11.00
		Seniority	\$11.00
02/16/97	\$12.25	Seniority + 12 mths	\$11.25
02/16/98	\$12.50	Seniority + 18 mths	\$11.50
02116199	\$12.90	Seniority + 24 mths	\$11.75
		Seniority + 30 mths	Top Rate
			Current Year

APPENDIX B

TERMS AND CONDITIONS APPLICABLE TO AUTOMOTIVE
MECHANICS AND MAINTENANCE MECHANICS

- B.1 Class "A" mechanics and maintenance mechanics shall be posted on a separate seniority list in each operating centre or shop.
- B.2 The standard work week shall be five (5) consecutive days Monday through Friday. A full-time seniority employee who is called to work and reports to work as scheduled shall be paid a minimum of eight (8) hours. Time and one-half (1 1/2) shall be paid for all hours worked in excess of eight (8) hours in a day or forty (40) hours in a week.

A standard work week consisting of five (5) consecutive days Tuesday through Saturday may be established as the need arises. Employees hired prior to February 15, 1997 shall not be required to work a Tuesday through Saturday work week unless they choose to do so. All employees on the payroll as of February 15, 1997 shall be protected from shift change and layoff due to the implementation of a Tuesday through Saturday work week.

- B.3 Class "A" mechanics and maintenance mechanics called back after the completion of their shift shall be paid a call-back guarantee of three (3) hours at the overtime rate. Such employees shall only be required to perform the work for which they were called back.
- B.4 Permanent shift openings or vacancies shall be posted for bid to Class "A" mechanics and maintenance mechanics in seniority order with a maximum of three (3) moves.

A permanent shift vacancy or opening shall be defined as one that is in effect for more than thirty (30) working days.

- 8.5 Each employee shall furnish his own hand tools. All tools of 3/4" drive and over and all special tools including but not limited to tool meters and/or digital tach required to perform the work shall be provided and maintained by the Employer.

The Employer agrees to provide necessary training on unfamiliar tools or equipment and where required a mechanic will be trained for an AZ or equivalent license. The *employee* shall be paid for such training at the appropriate rate of pay.

The Employer shall provide and maintain all tools necessary to perform lubrication work.

No employee shall be penalized if he refuses to work under conditions contrary to the Canada Labour Code, Part IV, Occupational Safety & Health.

- B.6 The Employer shall continue the practice of providing, on a daily basis, shirts and pants for automotive and maintenance employees and further the Employer shall provide rainwear, parka, sleeveless vests, warm lined leather gloves, and a toque when they are required to work outside.
- 8.7 The Employer shall provide non-absorbent, insulated gloves for any employee and each mechanic who is required to work on propane fueling.
- 8.8 Class "A" mechanics and maintenance mechanics shall be scheduled a maximum of one (1) hour of personal time during the work day.
- B.9 Apprentices shall be covered under this Agreement and the Employer shall provide all benefits under the Collective Agreement and provide the difference between the Government grant and the regular rate of pay for apprentices while attending school based on the service worker rate of pay or the Apprenticeship Act, whichever is the greater. Senior apprentices shall have preference over junior apprentices as to shift start times. This will not interfere with the Employer's right to train.

6.10 A part-time utility classification shall be permitted in the mechanics/maintenance departments. The job description includes parts room work, painting and sanding of trailers, battery room inventory, shipping of tires and various miscellaneous duties. The hourly pay rate for the part-time utility classification will be the same as a part-time hub sorter.

B.11 Part-time certified mechanics may be used where needed. The hourly pay rate for the part-time mechanic shall be the same as the full-time Class "A" mechanic.

Where the total hours worked by all part-time mechanics in that location justifies the addition of a full-time mechanic, the Employer will hire a mechanic for full-time employment. The minimum justification for the addition of a full-time mechanic at said location shall be the fact that where all hours worked by part-time mechanics at that location in any thirty (30) calendar days exceeds one hundred and twenty-eight (128) hours which could have been worked by one additional full-time mechanic.

Hours accumulated because of vacation or sickness will not be used to justify the addition of a full-time mechanic.

The above clause shall not apply to the Montreal and Toronto shops, however part-time mechanics may be used in Montreal and Toronto by mutual agreement between the Employer and the Local Union.

B.12 The Employer will not have work done by an outside garage which is normally done by the automotive and maintenance personnel except when employees or equipment required are not available or when operational needs require the equipment to maintain service to our customers. The Employer will not sub-contract work for the purpose of avoiding overtime.

Where there are thirty (30) or more vehicles assigned to a building which presently uses a sub-contractor, the Employer shall hire and maintain an automotive mechanic on the payroll for that location. In buildings where there are fewer than 30

vehicles and there is currently a UPS mechanic employed, this position will be maintained.

8.13 In March of each year, all automotive and maintenance employees will be allowed to bid on start times in their immediate shops in accordance with their seniority and qualifications and within their respective classifications. The Employer reserves the right to ensure that it has a nucleus of qualified personnel on each shift.

8.14 The Employer must establish regular start times for all employees which shall not be changed without forty-eight (48) hours posted notice. However, if an employee is required to report before his regular starting time, he will be advised prior to the completion of his previous shift.

8.15 The Employer will provide insurance coverage for loss of mechanic's tools taken from the Employer's premises in the case of a proven burglary. Claims to be paid to the mechanic in the case of a loss of his tools. Coverage will also be provided for loss due to fire.

In order to claim under this clause, the mechanic must have filed annually an inventory of approved tools with the Employer.

B.16 Mechanics will be provided with a heated, dry area to work in.

The Employer agrees to provide a separate tool chest storage area.

8.17 Where the Employer has extra work to be performed on an overtime basis, senior employees shall be given the first opportunity to the work. However, they will have the right to decline the work, providing a sufficient number of junior qualified employees are available to do the said work.

8.18 The Employer agrees that employees employed in handling hazardous material shall be supplied by the Employer with any and all necessary safety equipment (rubber clothing,

goggles, safety glasses, welding shields and welding screens, etc.) to protect the employee's person.

- B.19 Full-time seniority mechanics will receive a maximum of one-hundred dollars (\$100.00) per year upon presentation of proper receipts to purchase CSA certified footwear. Approved footwear will have steel toes and slip resistant soles.
- B.20 All full-time seniority mechanics on the payroll as of the last full pay period of the contract year shall receive six dollars (\$6.00) per week up to a maximum of three hundred dollars (\$300.00) per year payable by separate cheque as a tool allowance.
- B.21 The Employer shall reimburse mechanics for all trade licensing fees.

RULES AND REGULATIONS

- C.1 For disciplinary measures, all written reprimands for infractions of Rules and Regulations shall become invalid one (1) year after date of issuance.
- C.2 Nothing in these Rules and Regulations shall deprive the employees of the right to challenge a penalty through the regular grievance machinery. Existing Employer Rules and Penalties shall not conflict with those contained herein. In case of conflict, it is agreed that these Rules and Regulations shall apply. All infractions of the Highway Traffic Act and Municipal by-laws shall be the responsibility of the employees except those which are, by their nature, the responsibility of the Employer.
- C.3 For the purpose of this Article, "discipline" shall mean:
- 1) Written reprimand; or
 - 2) Suspension; or
 - 3) Dismissal.
- C.4 Any employee requested to sign for the receipt of an employee corrective discipline contact report, may be accompanied by a steward.
- C.5 All penalties and reprimands must be issued to the employee within five (5) working days, exclusive of Saturdays, Sundays and Holidays from the time the infractions became known with a copy to the Local Union, otherwise the penalty or reprimand will be considered null and void.
- C.6 Passengers:
- No driver shall allow anyone, other than employees of the Employer, who are on duty, to ride on his truck except by written authorization of the Employer, except in cases of

emergency arising out of disabled commercial equipment, accidents, or an Act of God.

C.7 Accidents:

- (a) Accidents for which the employee is at fault for which his action or lack of action is a contributory factor, will result in disciplinary action which may range from reprimand to dismissal according to the seriousness of the accident. However, the driver will be absolved of blame if the accident is proven to be caused by mechanical failure and the Employer will then be responsible for wages and expenses if the driver involved is required to appear in court relating to the accident.
- b) Suspension for the investigation of an accident shall not exceed five (5) days (Saturdays, Sundays and General Holidays excluded). Employees shall be paid for all lost time during the said investigation period should it be found that they were not at fault.
- c) Failure to report all accidents as soon as possible in accordance with Employer posted instructions will result in the employee being subject to discipline.
- (d) Employees involved in accidents will be notified by the Employer whether the accident was a preventable or a non-preventable accident within thirty (30) days from the date the accident occurred.

C.8 Equipment:

- (a) Tampering with tachograph, governor or other safety devices:
 - 1st offence -one week off
 - 2nd offence - subject to discipline.

- (b) Failure to ensure that power equipment is properly serviced for fuel, oil and water before leaving the Employer's location where required by the Employer:

1st offence - reprimand

2nd offence - one day off

3rd offence - three days off

Subsequent offences -subject to discipline

- (c) Unauthorized use of Employer motor vehicles:

1st offence - reprimand to three days off

2nd offence -subject to discipline.

C.9 Conduct and Behaviour:

- (a) Consuming intoxicants or illegal stimulants while on duty o on the Employer's property:

1st offence - subject to discipline.

- (b) Reporting for work while under the influence of an intoxicant or an illegal stimulant:

1st offence - reprimand to one week off

2nd offence - subject to discipline

- (c) Theft or willful damage:

1st offence -subject to discipline

j) Failure to obey instructions of authorized personnel: (names of persons in authority will be posted)

1st offence - reprimand

2nd offence - one day off

3rd offence -three days off

4th offence - subject to discipline

Deliberate disobedience of order of authorized personnel:

1st offence - subject to discipline

An employee will not be discharged due to loss of his driver's licence. The Union and the Employer will meet to discuss movement to alternate work where such work is available but no other employee will be laid off due to such a move and the employee moving shall be placed at the bottom of the classification seniority list for work preference and layoff. When the employee regains his licence, he will revert to his former position.

C.10 Reports:

Deliberate falsification of time cards or trip report:

1st offence - subject to discipline

C.11 Driving Behaviour:

Driving at speeds in excess of Government posted speed limits:

1st offence - reprimand

2nd offence - one day off

3rd offence -three days off

4th offence -subject to discipline

C.12 Attendance:

- (a) Failure to notify the Employer as soon as reasonable but no less than one (1) hour before regular starting time when unable to report for duty with a reasonable explanation:

1st *offence* - reprimand

2nd offence - reprimand

3rd offence - subject to discipline

- (b) Reporting late for work without a reasonable explanation:

1st offence - reprimand

2nd offence - one day off

3rd offence -three days off

4th offence -subject to discipline

- C.13 The Employer may request the employee to sign a statement attesting to receipt of a disciplinary statement or other documentation. Such signature does not constitute acceptance of the disciplinary measure, but only receipt of written notice.

LETTER OF UNDERSTANDING NO. 1

It is agreed that the specific penalties listed under Appendix C, Section C.7 through and including Section C.II shall not apply to the following Locals:

- I.B.T. Local 31 - British Columbia
- I.B.T. Local 69 - Quebec
- I.B.T. Local 362 - Alberta
- I.B.T. Local 395 - Saskatchewan
- I.B.T. Local 931 -Quebec
- I.B.T. Local 979 - Manitoba

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 2

Packages originating in Canada destined for points in the United States shall be consolidated and delivered to the most convenient location by a U.P.S. Canada employee.

Packages originating in the United States destined for Canada shall be consolidated at the most convenient locations and picked up by a U.P.S. Canada employee.

It is understood that U.P.S. Canada feeder drivers will not perform any local pickup and delivery work in the United States while transporting international packages between Canadian-United States operating locations.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 3

Section 8.8 (d) shall not apply to all feeder drivers who were on the payroll as of the 14th of May 1982. These drivers shall have the opportunity to displace the least senior package driver as provided in Section 8.8 (c).

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 4

The Employer agrees to provide electrical outlets for engine block heaters where it occupies, owns or rents buildings in the area generally described as those centres North, East and West of Sudbury and North Bay and including those centres.

The Employer will make every effort to work out suitable arrangements with gas station operators in the same areas.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 5

Appendix B - Section B.8 of the Agreement to the contrary notwithstanding, the Employer agrees to continue the practice of allowing mechanics to take a lunch period of one-half (W) hour and one (I) ten (10) minute paid coffee break.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 6

The Company and the Union hereby agree to amend the current United Parcel Service Canada Ltd. Pension Plan as follows:

1. The parties agree to establish a Trust Agreement to provide for the creation of a joint Board of Trustees to administer the Pension Plan. The joint Board of Trustees shall be comprised of three (3) Employer Trustees and three (3) Union Trustees.
2. The newly established joint Board of Trustees will have authority regarding any and all duties and responsibilities as required in accordance with all applicable Federal and Provincial legislation. The joint Board of Trustees will also have authority to make decisions respecting the engagement of any third party professionals necessary to carry out the day-to-day operation of the Pension Plan.
3. The United Parcel Service Canada Ltd. Pension Plan will be deemed to be a continuing plan, except for the establishment of the joint Board of Trustees outlined above.
4. The Pension Plan will continue to be funded by the Company to provide all accrued and future negotiated pension benefits. Expenses incurred during the transition and implementation of the joint Board of Trustees, as well as ongoing expenses incurred to operate the Pension Plan will be paid from the assets of the Pension Plan.
5. The parties agree that the negotiated pension benefits for the current Collective Agreement, subject to the terms and conditions, Rules and Regulations of the Pension Plan will be as follows:
 - (a) As of August 1993, the monthly pension benefit will be forty dollars (\$40.00) per month for all years of accumulated Service Credit.

- (b) As of August 1999, the monthly pension benefit will be forty-two dollars (\$42.00) per month for all years of accumulated Service Credit.
- 6. The eligibility requirements for unreduced retirement benefits are age sixty (60). Employees will receive the full monthly benefit pay out based on their years of service.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 7

This will confirm the Company's intention to provide an Employee Assistance Program for the employees of United Parcel Service Canada Ltd.

The Union and the Company agree on the following points:

1. That any and all participation in the Employee Assistance Program be on a strictly voluntary basis unless mandated by Federal legislation.
2. That all employee information associated with the Employee Assistance Program remain strictly confidential and shall only be released upon written consent of the employee.
3. That all information associated with the Employee Assistance Program obtained voluntarily or otherwise shall not be used for any disciplinary action.
4. That all costs associated with the Employee Assistance Program shall be and will continue to be the sole responsibility of the Company.
5. An employee shall be permitted to take a leave of absence for the purpose of undergoing treatment in an approved program for alcoholism or drug abuse. The leave of absence must be requested prior to the commission of any act subject to disciplinary action. Such leave of absence shall be granted on a one-time basis and shall be for a maximum of thirty (30) days unless extended by mutual agreement.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 8

The purpose of premium service operations and premium service drivers is to improve the service capacity and capabilities of United Parcel Service Canada Ltd. They are not designed to replace regular package car drivers.

The current employee performing the premium service shuttle run will not be replaced by the use of premium service drivers.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 9

The Employer and the Union agree to participate in a joint educational seminar for shop stewards. Each regular, full-time shop steward will be invited to attend a seminar and receive one (1) days pay, eight (8) hours, paid by the Employer, for their attendance.

The Employer may be present and take part in the aforementioned presentation.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 10

In Union Locals 69 and 931, the Employer will communicate in one of the two official languages of Canada as requested by the employee.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 11

Air recovery employees whose primary responsibilities are to load, unload, sort or move packages from the air recovery area to another work area will be bargaining unit employees.

Where a dispute exists over whether or not these employees should be bargaining unit members, the Employer and the Union will meet to resolve the dispute.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 12

Notwithstanding Article 2.4 (a) and 2.4 (b) of the Collective Agreement, the Employer agrees, for Local Unions 69 and 931 to deduct the Union dues on a weekly basis and to remit monthly such monies to the Local Union not later than the tenth (10th) day of the following month. The amount to be deducted weekly will be provided by the Local Union.

The arrears deductions shall not exceed the employee's normal weekly dues payment

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 13

The Employer shall make contributions at the rate of five cents (\$0.05) per hour for all hours for which wages are payable for each employee coming under the jurisdiction of the following Teamster Locals: 31; 362; 395; 979, covered by this Collective Agreement. Such monies are payable to the respective Local Unions for placement in their Industry Advancement Fund by the 15th day of the month following that to which they refer.

The above contributions shall commence 0211611997.

It is understood that all employees in the above mentioned locals will receive the wages listed in Article 28, and Appendix A less five cents (\$0.05) in all progression steps.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 14

The Cost of Living Allowance as described in Section 27.6 shall be payable only if the total allowance is equal to or greater than eight cents **(\$0.08)** in that year.

This letter of understanding will be in effect only for the life of the existing Agreement.

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

LETTER OF UNDERSTANDING NO. 15

Upon ratification of this Agreement it is agreed that all positions at the Hamilton International operation that are covered under Section 1.2 of the Collective Bargaining Agreement will become UPS positions.

This transition will begin on May 1, 1997 at a rate of 25% per month. These part-time positions will have all other part-time protections and benefits as outlined in the Collective Bargaining Agreement.

Hamilton International Clearance Centre Employee Rate:

Start	\$7.00
Seniority	\$7.25
Seniority Attainment + 12 mths	\$7.50
Seniority Attainment + 24 mths	\$8.00
Seniority Attainment + 36 mths	\$8.50

FOR THE EMPLOYER

FOR THE UNION

Dated: _____

Dated: _____

OPTIONAL HOLIDAY REQUEST

THIS REQUEST FOR AN OPTIONAL HOLIDAY MUST BE SUBMITTED BY THE EMPLOYEE AT LEAST FOURTEEN (14) DAYS IN ADVANCE. THE EMPLOYER WILL APPROVE OR DISAPPROVE THE REQUEST WITHIN SEVEN (7) DAYS OF THE REQUEST BEING MADE.

I, _____, request an optional holiday on _____

I understand that the request must be made at least fourteen (14) days prior to the date of the requested optional holiday.

EMPLOYEE SIGNATURE: D A T E : _____

APPROVED: _____ DATE: _____

DISAPPROVED _____ DATE: _____

REASON FOR
DISSAPPROVAL _____

CENTRE MANAGER: _____ DATE _____

