COLLECTIVE AGREEMENT

made this first day of March 2002

BETWEEN

XEPA TRANSPORT LTD.

101 Wilson Avenue, Toronto, Ontario hereinafter referred to as the "Company"

AND

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA (CAW - CANADA)
and its LOCAL 4518
hereinafter referred to as the "Union"

ARTICLE 1 - PURPOSE

Section **1**1

The purpose and intent of this Agreement is to promote co-operation and harmony; to provide the machinery by means of which information may pass and problems be **dealt** with; to promote efficiency, safety and service and to set forth the agreed upon dispute and grievance procedure, the rates of pay, hours of work and other working conditions, etc., in the attached Schedules.

ARTICLE 2 - RECOGNITION

Section 2.1

The Company recognizes the Union as the sole and exclusive collective bargaining agent for all employees of **Xepa** Transport **Ltd.**, division of Apex Motor Express **Ltd.**, employed at Toronto, Windsor, London, Kitchener, **Sudbury** and Ottawa, save and except **supervisors**, those above the rank of supervisors, office and sales staff, and owner-operators.

All persons performing bargaining unit work shall be deemed to be employees of the Company.

ARTICLE 3 - RELATIONSHIP

Section 3.1

The Company agrees that there will be no discrimination, interference, restraint or coercion exercised or practised by the Company or by any of its representatives with respect to any employee because of his membership in, or connection with, the Union.

Section 3.2

The Union agrees that there will be no intimidation, interference, restraint or coercion exercised or practised upon employees of the Company or by any of its members or representatives, and that there will be no collection of dues or other Union activity on or off of the premises of the Company during an employee's working hours.

Section 3.3

The Company agrees that for the purpose of the administration of this Agreement, a representative of the National Union shall have the right to visit the property of the Company during working hours, provided that these visits shall not interfere with the conduct of the business of the Company, and provided further that the representative shall obtain the consent of Management before visiting any property of the Company, which consent shall not be unreasonably withheld.

Section 3.4

The signatories to this Agreement have agreed that neither party shall enter into any agreement with the employees that conflicts with the terms of this Agreement.

Section 3.5

Supervisors and other employees outside the bargaining unit shall not perform bargaining unit work except for the following reasons: instruction or training, investigation, inspection, experimentation, information or emergency.

ARTICLE 4 - RESERVATION OF MANAGEMENT'S RIGHTS

Section 4.1

The Union recognizes that without conflicting in any way with the other provisions of this Agreement, it is the exclusive function of the Company to:

- (a) maintain order, discipline and efficiency
- (b) hire, suspend, discharge, transfer, promote, demote or discipline employees
- (c) generally manage the enterprise in which the Company is engaged and, without restricting the generality of the foregoing, determine the location of its operations, the kinds of services to be rendered and maintained, and the kinds of equipment to be used, and the methods of work to be employed.

Section 4.2

The Union recognizes that it is the exclusive right of the Company to exercise all of the rights outlined above, both general and specific, except where such rights are specifically restricted by the terms of this agreement.

Section 4.3

Nothing in the foregoing shall deprive an employee of the right of grievance as defined in this Agreement, should he claim that he has been unjustly discharged or disciplined, or otherwise dealt with contrary to the terms of this Agreement, or in the case of any dispute arising between the parties.

ARTICLE 5 - UNION SECURITY

Section 5.1

All employees covered by this Agreement must be members of the Union, and they must remain members of the Union in good standing as a condition of continued employment, and in addition, they shall have deducted from their

earnings such initiation fees as prescribed by the Union in accordance with its Constitution. Notwithstandingthe above terms, it is agreed that the Company shall not be required to discharge an employee who has been refused or denied Union membership, unless the grounds upon which the Union refused or terminated the membership were valid. In the event that the Company questions the validity of the reasons for the refusal or termination of Union membership, the matter may, at the request of the Company, be determined by an an arbitrator or, where the patties agree, an arbitration board.

Section 5.2

All employees covered by this Agreement will have deducted each month, from their pay, the amount of monthly union dues determined by the Union Constitution. The Company shall be advised in advance of any changes in the amount of monthly union dues or initiation fees to be deducted.

Section 5.3

The initiation fees and union dues referred to above shall be remitted directly to the Union's National Secretary-Treasurer at 205 Placer Court, Willowdale, Ontario, M2H 3H9.

Section 5.4

It is agreed that union membership will not be refused or terminated for reasons of race, national origin, colour, religious beliefs, or political beliefs.

Section 5.5

The Union shall indemnify and save the Employer harmless from and against all claims and demands brought, or made, against the Employer by any employee or worker, as a result of deduction and remittance by the Employer to the Union, of dues, pursuant to this Section.

ARTICLE 6 - STRIKES AND LOCKOUTS

Section 6.1

During the term of this Agreement, the Union agrees that it will not call, authorize,

encourage or support any strike or collective action which will stop or interfere with the services of the Company, or impair the efficiency of its operations, and the Company agrees that there will be **no** lockout, as these terms are defined in the Canada Labour Code.

ARTICLE 7 - UNION COMMITTEES

Section 7.1 - Negotiating Committee

The Company recognizes the right of the Union to appoint or otherwise select a reasonable number of employees to constitute a Negotiating Committee.

Section 7.2

It is understood that the Negotiating Committee is a distinct entity, separate from the Grievance Committee, which also shall consist **d** a reasonable number of employees.

Section 7.3

The Negotiating committee shall deal with only such matters as are properly subject to negotiations between the Company and the Union for renewal of this Agreement.

Section 7.4 - Grievance Committee

Whenever possible grievances shall be processed during the working hours of the steward. The processing of the grievance on the Company's premises shall not result in a loss of pay to the steward.

The Company will not be responsible for time spent by **stewards** or **grievors**, or other employees, at any arbitration proceeding following the grievance Procedure.

If the Company representative is unable to meet with the steward during the steward's normal working hours, the steward shall be paid at his regular rate of pay (straight time) for all time spent during the processing of a grievance at Steps 1 and 2 of the Procedure, with the Company, on the Company's property, or at any other place which is mutually agreed upon by both the Union and the Company. The provision for pay for the steward shall mean and apply to the Grievance Committee in whole at Step 2.

Except as otherwise permitted by this collective agreement, time away from regular duties for Union business of any kind must be authorized in advance by the Company. Time away from regular duties without prior authorization will not be paid and may lead to discipline. Authorization will not be unreasonably refused.

Section 7.5

It shall be the responsibility of the Union to inform the Company in writing of the names of those union members holding offices on its committees, and of any subsequent change in the names of its Local Officers within 5 days of the change.

ARTICLE 8 - JOINT HEALTHAND SAFETY COMMITTEE

Section 8.1 - The Committee

The Company and the Union agree to maintain the established Joint Health and Safety Committee in accordance with Part II of the Canada Labour Code. The Union representation on this Committee shall be at least three (3)members chosen by the Union. At ail times, the number of Company and Union representatives on the Committee shall be equal. At no time shall recommendations of the Committee be made in a meeting of the Committee unless the parties have an equal number of representatives in attendance at the meeting, or where a consensus of those in attendance is reached. Meetings may be adjourned on mutual consent.

Two co-chairpersons shall be selected from and by the members of the Committee. One of the co-chairpersons shall be a Union member chosen by the Union members of the Committee. The other co-chairperson shall be a Company member.

During absences of the Union co-chairperson the Company shall recognize an alternate co-chairperson designated by the Union and during absences of the Company co-chairperson the Union shall recognize an alternate co-chairperson designated by the Company.

ection 8.2 - Inspection, F s and Recommedations

The Union co-chairperson shall have access to the workplace on all shifts at **all** times for the purposes of inspection in emergency situations at the terminal represented by the Committee.

Non-emergency inspections of the workplace will be conducted by the Committee or the Committee's designate(s) on a prearranged basis. The timing of these inspections will not be unreasonably refused by the employer

The Committee shall assist in creating a safe and healthy workplace and shall recommend actions which will improve the effectiveness of the health and safety program.

It is understood and agreed that neither the employer nor the Union nor the Committee members may frustrate the purposes of the Committee.

Without limiting the generality of the foregoing, the Committee shall:

- determine that inspections have been carried out at least once a month. These regular inspections shall be made of all places of employment, including buildings, grounds, tools, equipment, machinery and work methods and practices. **Such** inspections will be made at intervals that prevent the development of unsafe working conditions.
- (b) determine that accident and incident investigations have been made.
- recommend measures required to attain compliance with applicable laws or which will correct hazardous conditions.
- (d) the co-chairpersons or their alternates shall participate in and keep a record of all types of inspections and work refusals.
- (e) solicit and consider recommendations from the work force with respect to health and safety matters and recommend implementation where warranted.
- (f) hold regular meetings for the review of:
 - -reports of current accidents, and their causes and means of prevention;
 - -remedial action taken or required by the reports of investigations or inspections;
 - -any other matters pertinent to health and safety.
 - -either co-chair of the Committee may call a Special Meeting in order to address an urgent matter and the Committee will meet within four (4) working days.
- (g) have access to and promptly receive copies of all reports, records, and documents in the Company's possession, or obtainable by the Company, pertaining to health and safety as identified by the co-chairpersons.

Time authorized by the Company that is spent by members of the Committee in the course of their duties will be considered time worked and will be paid in accordance with the terms of this Agreement. This includes all time authorized by the Company that is spent away from the Company property on health and safety matters.

The Company agrees that all members of the Committee shall have the right to jointly investigate dangerous circumstances at the work place at any time. Dangerous circumstances include any procedure, part of a work place, a substance transported from the work place, or any equipment, machine, device, article or thing which is reasonably likely to harm a person.

If a Committee member determines that dangerous circumstances exist the Committee member may direct the Company to stop the work or to stop the use of any part of a work place or of any equipment, machine, device, article or thing in accordance with the processes established by the Canada Labour Code.

Every injury or near-miss which involves or would have involved a worker going to the **first** aid attendant, doctor **or** hospital must be investigated by the co-chairs. The Company will ensure that the Union members of the Joint Health and Safety Committee will have continuous access to the surveillance camera tapes for the investigation of work place accidents and incidents.

The Union co-chairperson or designate and the Company co-chairperson or designate of the Committee shall investigate any accident or near-miss and will be allowed to accompany Government inspectors (health and safety) on an inspection tour provided the Government inspector has no objection.

Section 8.3 - Committee Member Training

All members of the Joint Health and Safety Committee will attend the following courses unless they have taken these courses in previous years:

WHSC Level I

Workers' Health and Safety Agency Core Certification (4 days) All such training will be completed within twelve (12) months of the effective date of this Agreement.

The Union members of the Joint Health and Safety Committee will attend the C.A.W. Health and Safety Course (week) taught at the C.A.W. Family Education

Centre in Port Elgin. The Company will ensure that the lost time, per diem or meal, and travel and accommodation if required will be paid to all employees who participate in education or training required by this Article or any other Article in this Collective Agreement.

The Company will pay to the Union a maximum of five hundred dollars (\$500.00) per Union member of the Joint Health and Safety Committee who attends the C.A.W. Health and Safety Course (1 week) taught at the C.A.W. Family Education Centre in Port Elgin for accommodation, tuition and meals while staying at the Centre, and will pay to the Committee member lost time, per diem or meal for time in travel, and travel expenses.

The Company will ensure that lost working time will be paid to Committee members who participate in education or training under this Article.

ARTICLE 9 - HEALTH AND SAFETY REPRESENTATIVES

Section 9.1 - Responsibilities of Health and Safety Representatives

In all work places governed by this Agreement with fewer than twenty (20) employees, where no Joint Health and Safety Committee has been established by the Company, the Company shall recognize the Health and Safety Representative selected by the Union.

A Health and Safety Representative shall have access to the work place on all shifts during emergency situations or to conduct monthly inspections.

During the absences of the Health and Safety Representative the Company shall recognize an alternate designated by him.

A Health and Safety Representative shall assist in creating a safe and healthy work place and shall recommend actions which will improve the effectiveness of the health and safety program. The Company will reply in writing to the recommendations of the Health and Safety Representative.

It is understoodthat neither the employer nor the Union may frustrate the purpose of the Health and Safety Representative.

The responsibilities of a Health and Safety Representative include the following:

- (a) inspect all or part of the workplace each month so that every part of the workplace is inspected at least once a year;
- (b) determine that accident and incident investigations have been conducted;
- recommend measures required to attain compliance with the applicable laws or which will correct hazardous conditions;
- participate in and keep a record of all types of inspections and work refusals;
- (e) solicit and consider recommendations from the work force with respect to health and satey matters and recommend implementation where warranted.

Time authorized by the Company that is time spent by Health and Safety Representatives in the course of their duties will be considered time worked and will be paid in accordance with the terms of this Agreement. This includes all time spent away from the Company property on health and safety matters.

Section 9.2 - Investigations and Inspections

The Company agrees that a Health and Safety Representative shall have the right to investigate dangerous circumstances at the work place at any time. Dangerous circumstances include any procedure, part of a work place, a substance transported from the work place, or any equipment, machine, device, article or thing which is reasonably likely to harm a person.

If a Health and Safety Representative determines that dangerous circumstances exist he may direct the Company to stop the work or to stop the use of any part of a work place or any equipment, machine, device, article or thing in accordance with the relevant provisions of the Canada Labour Code.

Every injury or near-miss which involved or would have involved a worker going to the first aid attendant, doctor or hospital must be investigated by Health and Safety Representative or designate and a member of management.

Management and the Health and Safety Representative will be allowed to accompany Government inspectors (health and safety) on an inspection tour provided the Government inspector has no objection.

The Company will ensure that the Health and Safety Representative has continuous access to the surveillance camera record tapes for the investigation of work place accidents and incidents.

Section 9.3

All Health and Safety Representatives will attend the following courses unless they have taken these courses in previous years:

WHSC Level 1

Worker's Health and Safety Agency Core Certification (4 days)
All such training will be completed within twelve (12) months of the effective date of this Agreement.

The Company will ensure that the lost working time will be paid to Health and Safety Representatives who participate in education or training under this Article.

ARTICLE 10 - GRIEVANCE PROCEDURE AND ARBITRATION

Section 10.1

The Parties to this Agreement agree that all steps shall be taken to ensure that complaints relating to the administration or interpretation of this Agreement shall be adjusted or finalized as quickly as possible. Every effort shall be made to settle disputes during the early stage of the grievance Procedure. It is understood that a reasonable amount \mathbf{c} authorized time may be spent by members of the Union Grievance Committee in order to investigate and participate in grievance matters. Such time will not be unreasonably refused. Grievance Committee investigations will not unduly interfere with Company operations. The Company agrees that it will not prevent the Committee from properly fulfilling its obligation to investigate and settle grievances.

Grievance Committee members will have access to the workplaces during regular operating hours.

Section 10.2

Step One

An employee who has a complaint will discuss the situation first with his Supervisor or Forman and an attempt will be made to settle the matter. If the matter is not settled to the employee's satisfaction, the matter may be advanced to Step Two. The employee may elect to have union representation at Step One

Step Two

The Steward must present a formal grievance in writing to the Terminal Manager or his nominee within ten (10) days after the occurrence giving rise to the complaint. The Terminal Manager or his nominee shall give his written reply to the formal grievance within four (4) days after he has received, or ought to have received, same.

Step Three

If the matter has not been settled, the Chief Steward or his representative must present the grievance in writing to the Vice President of the Company or his nominee within five (5) days after he has received or ought to have received the written reply of the Terminal Manager or his nominee. Following presentation of the grievance at this Step the Vice President shall arrange a meeting with the Grievance Committee during their regular working hours on Company property, or respond in writing at his option, not later than five (5) days after he has received, or ought to have received, the grievance.

Section 10.3

No individual employee may adjust, settle or withdraw a formal Grievance presented on his behalf by the Union. The Union retains sole authority to adjust, settle or withdraw formal Grievances.

Section 10.4

In the event that the matter has not been settled, either Party may, within fifteen (15) working days following the aforesaid meeting or written reply, refer the matter to arbitration by giving the other Party a written Notice of its intention to proceed, and this Notice will state the specific matter to be dealt with at arbitration, and the specific relief sought by the **Party**, The Parties will establish a list of four (4) mutually agreed upon arbitrators who will be utilized on a scheduled, rotating basis for resolving issues and problems. Should the Parties fail to agree upon a **list of** arbitrators, either Party may make a written request to the Minister to appoint an **arbitratror**.

Section 10.5

The Arbitrator will be appointed within five (5) working days of written notification. The cost of use **c** an arbitrator **will be** shared equally by both Parties.

On a case-by-case basis, the Company will seriously consider having grievances with common issues heard together before a single arbitrator.

Section 10.6

The Arbitrator will consider forthwith and determine the matters at issue which have been submitted to him for disposal, and the decision of the Arbitrator shall be final and binding on all parties concerned.

Section 10.7

No person shall be appointed as an arbitrator who has been involved in any matter concerning industrial relations between the Company and the Union, save as an arbitrator, or who has acted as a paid agent, attorney or solicitor for either Party.

Section 10.8

No matter will be submitted to an arbitrator or board of arbitration which has not been properly carried through the previous Steps of the Grievance Procedure in accordance with this Agreement.

Section 10.9

The Arbitrator will not make any decision inconsistent with this Agreement, nor alter or amend any part of the Agreement.

<u>Section 10.10</u>

When an employee has been found to have been unjustly dealt with, the Arbitrator will have the power to order reinstatement with or without compensation as he sees fit.

Section 10.11

Arbitration hearings will be open to all members of the bargaining unit whom the Union requires present. Attendance at arbitration hearings is subject to prior authorization from the Company if during working hours and to any exclusion orders that may be made by the arbitrator. Company authorization will not be unreasonably refused.

Section 10.12

In the event that either the Company or the Union wishes to present a policy Grievance alleging a violation of this Agreement, such Grievance must be presented in writing within seven (7) working days after the occurrence of the matter or matters complained of. If the Union files such a Grievance, it shall be done by the Chief Steward submitting a statement of the claim to the Terminal Manager who shall answer same in writing within four (4) working days and the other Step in the Grievance Procedure as outlined above will then apply. If the Company files such a Grievance, it shall be done by the Terminal Manager submitting a written statement of the Grievance to the Chief Steward of the Union. The Chief Steward shall answer the Grievance in writing within four (4) working days and if the matter is not settled, there will be a meeting between the Union Grievance Committee and Management within seven (7) working days after the Chief Steward has submitted his answer. The referral of any matter to arbitration shall then follow the other terms set forth in this Agreement.

<u>Section 10.13</u>

All time limits specified herein for the grievance and arbitration Procedures may be extended by mutual agreement only, confirmed in writing. In particular, it is recognized that when a person who is involved in the adjustment or settlement of a Grievance is not available due to absence from his home terminal, or when it is necessary to transfer grievance documents from one terminal to another, then the Parties shall co-operate to provide a reasonable extension of a specified time limit for the presentation, processing, or discussion of a Grievance.

Section 10.14

Grievances involving wages or other monies settled in favour of the employee will be paid within ten (10) calendar days of settlement.

ARTICLE 11 - ADMINISTRATION AND DISCHARGE OF DISCIPLINE

Section 11.1

It is agreed that whenever an employee is to be discharged or disciplined, a hearing will be held as soon as possible, but not later than forty-five (45) days after the occurrence giving rise to the discipline or discharge becomes known to

the Company. When the nature of the alleged offence is one for which dismissal is Contemplated, an employee may be suspended pending investigation of the matter for up to five (5) working days. During this time he shall be given one working day's notice, in writing of the hearing for investigation of his case and the statement of charges against him.

The employee concerned <u>shall have the assistance of Union representation</u> for the <u>purpose</u> of <u>any</u> investigation or meeting with the Company. The decision of the investigation must be rendered within five (5) working days after the completion of the investigation, and the holding of <u>any</u> meetings between the parties.

Section 11.2

In cases of minor discipline, which shall be interpreted to mean all cases in which other than dismissal is contemplated, no discipline will be imposed involving loss of wages until the employee has received a written Notice of Intents and Charges, and is given three (3) working days in which to elect a hearing. He may make such a request in writing through his union Steward.

Should an employee fail to elect a hearing or fail to attend his hearing under this Article, the employer may proceed unilaterally.

Copies of written Notices of hearings, intents and charges will be provided the Chief **Steward**.

The employee concerned <u>shall have the assistance of Union representation</u> for the purpose of any investigation or meeting with the Company. The decision of the investigation must be rendered within five (5) working days after the completion of the investigation, and the holding of any meetings <u>between</u> the parties.

Section 11.3

Any discipline assessed will be imposed without delay.

Discipline assessed for absenteeism or tardiness will **be** imposed the **next** regular shift following the rendering of the decision. The employee will not be called into the work **place** and then sent home for absenteeism or tardiness **that** day.

Section 11.4

Disciplinary meetings will be held during the employee's regular hours of work or at such other time agreed to by the Company and the Union.

Section 11.5

The Company recognizes the need to treat employees equitably and with consistency across the bargaining unit.

In order to allow the Union to monitor the discipline of employees for absenteeism and tardiness, the Company will provide the Union with a print-out of attendance variances of each calendar month not later than the fifteenth (15th) day of the following month.

Section 11.6

Extensions of time limits must be agreed, in writing.

Section 11.7

Any formal entry that relates to an employee's conduct, and which could be used for the purpose of administration of discipline, will be placed in the employee's file for a period of two (2) years, and then removed. A copy of all such entries or documents will be given to the employee and to the Chief Steward at the time the entry or document is placed in the file, and both the employee and the Chief Steward will be required to acknowledge receipt of same. No entry will be placed in an employee's file later than forty-five (45) calendar days after the occurrence giving rise to the entry, or later than forty-five (45) calendar days after the Company knows, or ought to have known, of the occurrence.

No entry will be valid for disciplinary purposes where the employee and the Union both were not notified of it at the time it was placed in the employee's file.

Signature for receipt of a copy of an entry into a personnel file by the Chief Steward or an employee will be deemed to be without prejudice to the Union's right to dispute the entry in accordance with the time limits under this Agreement.

Recordings of instances of absence prior to an employee's transfer to full-time status from part-time status will be removed from the employee's file and his record will be made whole in this respect to the date of transfer. This provision does not apply to an employee who has transferred voluntarily from full-time status to part-time status previously.

Progressive discipline for absenteeism shall not involve absences joined by a single instance of illness or where due to a recurrence of a long-term malady, except as a single instance of absence.

An instance of absence is defined as a day, or days running successively, or days while not running successively are joined by a common illness or cause for absence.

Section 11.8

A grievance concerning the discipline of an employee will be processed commencing with Step Three of the Grievance Procedure within ten (10) calendar days of the date the employee is notified of the discipline.

Section 11.9

An employee called into the Company's office for any discussion that **may** result in any disciplinary action or a grievance <u>will be,accompanied by a Steward or Union representative</u>.

Section 11.10

The Union shall have the right to challenge any dismissal, and any such challenge shall be submitted in writing within ten (IO) calendar days of dismissal, otherwise the dismissal shall be presumed to have been made for just cause.

Section 11.11

It is understood that the employer may engage in a full investigation, including conducting interviews with all employees involved, when it believes that discipline of any kind may be warranted. Such investigations may or may not lead the employer to pursue discipline and the hearing process contemplated by Sections 11.1 and 11.2

ARTICLE 12 - SENIORITY, STAFF REDUCTIONS, PART-TIME HELP. VACANT POSITIONS

Section 12.1

Each of the patties hereto recognizes that employees are entitled to an equitable measure of security based upon length of service. The term "seniority" shall be considered to mean length of continuous service within the jurisdiction of this Agreement.

Section 12.2

An employee entering service shall be considered to be on probation until he has completed sixty (60) days of work with the Company. Seniority will be based on the date of entering service should the employee be found satisfactory. If the employee is found unsatisfactory in the opinion of the Company, during the probationary period, he will be dismissed from service and such dismissal will not constitute grounds for a grievance. It is understood that the probationary period will in no case prevent the Company from dismissing an employee for falsification of records.

For the purposes of this Section, the phrase "falsification of records" shall refer to the employment Application Form only.

The right of dismissal for misrepresentation is not considered to survive the probationary period.

All employees must be bondable.

For the purposes of this Section a day of work is defined as a day on which the employee is entitled to wages, or pay for an observed holiday of Schedule 2 of this Agreement.

Section 12.3

The seniority lists will show the employee's name, classification and latest date of entry into service within the jurisdiction of this Agreement, and will be revised and posted four times each year, during the first week of each of the months of February, May, August and November, and will be open to correction for a period of ten (10) calendar days from the date of posting. Upon presentation of proof of

error, by the employee's representative, correction will be made to the list and to the Company's electronic records within ten (1) calendar days.

The Company will maintain one seniority list for part-time employees and one seniority list for full-time employees.

Where a full-time employee is laid off, whether working part-time or not, the full-time seniority list will show for twelve (1) months only his name, classification and latest date of entry into service as a full-time employee.

Section 12.4

An employee will **lose** his seniority rights and his name will be removed from **al** seniority lists for any of the following reasons:

- (a) the employee voluntarily quits his employment;
- (b) the employee is discharged and not reinstated pursuant to the provisions of the Grievance Procedure herein;
- (c) the employee overstays a leave of absence granted by the Company without reasonable excuse;
- (d) the employee is laid off and fails to return to work, or to give satisfactory reasons for failing to do so, within seven (7) days after he has been notified to do so, by telephone or registered mail, it being the employee's responsibility to keep the Company informed of his current telephone number and mailing address, immediately upon any change of his telephone number or mailing address;
- the employee is not recalled to work within one war from the last day of work prior to the lay-off;
- the employee is absent from work for three (3) consecutive working days without leave, or without supplying the Company a justifiable reason for his absence;
- (g) the employee remains outside of the bargaining unit for a period longer than six (6) months; or
- (h) the employee accepts other employment during any leave of absence granted by the Company.

Section 12.5

In the event that an employee covered by the terms of this Agreement is

transferred to a position outside the bargaining unit, and for any reason is returned to a position within the bargaining unit within the following period of six (6) months, he will retain the seniority he previously acquired and be given credit in his seniority for the period spent outside the bargaining unit.

When being returned to the bargaining unit the employee will not be allowed to bump or displace another employee, and will be required to bid for any bulletined vacancy.

Section 12.6

Where a full-time employee elects to transfer to part-time status by successfully applying for a posted part-time vacancy, upon successful transfer to part-time status, the employee will be given credit in his seniority for his continuous service, and will be entitled to the part-time rate of pay. He will, therefore, for all purposes be treated as a part-time employee.

Section 12.7

Where two or more full-time employees have entered service on a full-time basis on the same day, and are listed on the full-time seniority listing with the same seniority date, any preference to be accorded on the basis of seniority will be decided with reference to their respective lengths of continuous service with the Company on both full-time and part-time bases, the employee with the longest service being given preference in the decision.

Where the length of continuous service on full-time and part-time bases of two or more employees is equal, any preference to **be** accorded on the basis of seniority will be decided with reference to their respective ages, the older man being given preference.

Section 12.8

Full-time employees are deemed **to be** senior to part-time employees.

Section 12.9

When reducing forces, senior employees covered by the terms of this Agreement with **sufficient** qualifications to perform **the required** work **will** be **retained**.

In the event of a reduction of the work force, the employee displaced either directly or as a result of "bumping", will be given the opportunity to demonstrate his qualifications (ability) to perform the work of any other job classification in order that his seniority may allow him to remain working the shift to which he has been regularly posted, the term "shift" being defined in Schedule I of this Agreement.

Where qualifications are disputed by the Company, the employee will be given the opportunity to demonstrate **his** ability. The Company shall exercise its discretion reasonably.

Section 12.10

The Local President and the Local Chairman (Chief Steward) will be the last persons laid off and the first persons recalled.

Section 12.11

In the event of a reduction of the work force within the bargaining unit, the Company will apply the principle of "last on - first off" providing the employee(s) is/are qualified to perform the available work. When recalling employees, the Company shall recall them in reverse order to that in which they were laid off, providing they have the necessary qualifications to perform the work.

Where qualifications are disputed by the Company, the employee will be given the opportunity to demonstrate his ability. The Company shall exercise its discretion reasonably.

There will be no lay-off effected where the employee and the Union have not been notified three (3) working days in advance of the lay-off taking effect. A copy of the lay-off Notice shall be posted in a conspicuous place by the Company at the time of issue. Such Notice shall be posted only in the terminal effected.

In order to allow a laid-off employee to register with the Employment insurance Commission the Company will issue a completed Record of Employment (ROE) within seven (7) calendar days of the day the lay-off **takes** effect.

Section 12.12

In the event of a reduction of the work force, the employee displaced either directly

or as a result of "bumping", who elects to accept a lay-off, will be returned to the work force by recall or by a successful bid for a bulletined vacant position. The employee who accepts a lay-off forfeits any bumping rights triggered by the staff reductions.

In the case of staff reductions, regular employees will have the right to employment as part-time employees and such status will not effect their recall rights under the terms of this Agreement. Regular employees electing part-time work will be compensated at their regular scheduled rates of pay for time worked, and will be entitled to early start and late finish times on a part-time shift.

The forty (40) hours of pay guarantee provisions will not apply during the staff-reduction period of Section 12.11 if an employee elects part-timework. Established positions will not be discontinued for the purpose of avoiding the forty-hour pay guarantee, or to employ regular employees as part-time help.

Section 12.13

Newly-created permanent positions, and newly-created vacancies in permanent positions, known to be of more than thirty (30) calendar days duration will be bulletined for three (3) days. Within the three (3) days, the senior qualified applicant will be required to **fill** such position. A copy of each bulletin will be furnished the Chief Steward.

Newly-created temporary positions, and newly-created temporary vacancies in permanent positions, (other than for day shift vacation relief), known to be of mote than fifteen (15) days but less than thirty-one (31) days' duration will be bulletined for three (3) days, at the end of which period the senior qualified applicant will be awarded the position. Where practicable, the successful applicant will be given three (3) days' advance notice in writing of the abolishment of the temporary position or the end of the temporary vacancy where the bulletin did not specify commencement and termination dates. At the end of the Notice period the employee will be returned directly to the position he occupied prior to the temporary posting, which position will not be discontinued or bulletined in the interim except as a temporary vacancy. The parties agree that the Union steward and the Company may meet and agree to streamline this process on a case-bycase basis.

A position that remains vacant for longer than thirty (30) days will be deemed to have been discontinued.

Where qualifications are disputed by the Company, the employee will be given the opportunity to demonstrate his ability. The Company shall exercise its discretion reasonably.

Section 12.14

The employee who is absent from work due to an injury or condition for which lost time is compensable under the Workplace Safety Insurance Act (formerly the Workers' Compensation Act), or other illness or disability, or is absent on vacation or with leave, will be entitled to bid for any bulletinedvacant position. Where he is the senior qualified applicant he will be awarded the position, which position will be deemed to be temporarily vacant until the employee's return to full duties. An employee who temporarily fills the position will be returned directly to the position he occupied prior to the temporary posting, which position will not be discontinued or bulletined in the interim, except as a temporary vacancy.

An employee who is absent from work for any reason set above in this Section will be subject to bumping and will have normal bumping rights under staff reductions. The position into which the employee bumps will be deemed to be temporarily vacant until he **returns** to full duties.

Section 12.15

The Union and the Company recognize that part-time employees have sought employment on a part-time basis for supplemental income, not a living wage, and ordinarily have other, primary sources of income. The Company will not require any part-time employee to report for work more than five (5) times in the week.

Part-time help will be employees of the Company and utilized to replace regular employees who are not available for work, or when there is an increase in freight in any one day, but shall not be help used to circumvent the hiring of full-time (regular) employees or replacing same with part-time help under staff reductions.

Part-time employees will not work in excess of six (6) hours per day or thirty (30) hours in the week except when covering vacations or absences or when no regular employee at work has accepted overtime work on a shift..

No part-time employee will be allowed to start work more than five (5) times during the week. Notwithstanding this prohibition, where a part-time employee starts work six (6) times he will be entitled to the overtime premium rate of pay applicable for all hours worked in the week subsequent to the sixth (6th) start time.

There will be a maximum of two (2) named regular starting times for part-time employees at any terminal, which will be separated by not less than eight (8) hours. There will be no placement of part-time shifts back to back so as to be continuous. A part-time shift is not more than six (6) hours in duration. Part-time employees may be assigned various start times during the part-time shift but no part-time employee will be allowed to work past the sixth (6th) hour of a part-time shift except in circumstances of absenteeism or leave replacement of a full-time employee. Time worked by a part-time employee outside of a regular part-time shift will be compensated at the applicable overtime rate of pay except in circumstances of absenteeism or leave replacement of a full-time employee.

The employment of persons on a part-time basis will cease at any terminal where a full-time employee is being offered less than thirty (30) hours of work in any one week.

The total of hours worked on a part-time basis, regardless of rates of pay or employment status, in any week, at the following terminals will not exceed the following respective percentages of hours worked on a full-time basis at those terminals, except by the number of hours worked filling temporary vacancies in full-time positions that are due to vacation absences only of full-time employees:

Toronto	•	20%
Windsor	_	20%
London	-	25%
Ottawa	_	35%
Kitchener	•	50%
Sudbury	-	100%

The Union will have timely access to the Company's time card records for verification of compliance with this Section.

A part-time employee, other than part-time employees covering absenteeism, vacations or leaves, who works in excess of thirty (30) hours, inclusive of overtime, in one week, will be deemed to have been a full-time employee during that week for the purposes of determining rate of pay and overtime premium.

To facilitate the administration and policing of this Section all part-time employees will be required to clock in and clock out by punch clock.

Notwithstandingthe general prohibition against part-time employees working in excess of thirty (30) hours in the week, where a part-time employee does work more than thirty (30) hours in four (4) out of seven (7)consecutive weeks, exclusive of hours worked filling a temporary vacancy in a full-time position that is due to vacation, illness, absenteeism or other leave or is as a result of filling a temporary position, a part-time employee will be transferred to full-time status.

At all terminals, the Company will rely **solely** upon qualified full-time employees and qualified part-time employees for the operation of fork lift and shunt equipment. Where a full-time operator is absent, the Company may offer lift truck operator duties to qualified pait-time employees. A part-time employee who is assigned the **duties** of lift truck operator at any time during a shift will be entitled to the fork lift premium at the part-time rate for part-time employees.

Part-time employees with a minimum of one (1) year's seniority and who have worked not less than seven hundred **and** fifty (750) hours during the previous three hundred and sixty-five (365) days will be given serious consideration by the Company for transfer to full-time status.

Section **2.16**

Any employee whose position is abolished or who is displaced (bumped) from his position shall have the right to exercise his overall seniority to any position for which he is qualified. He will bump the most junior man in the **classification** into which he bumps.

A Steward will be present in the Company's offices at the time the employee exercises his bumping rights.

The foregoing notwithstanding, newly-created positions and newly-created vacancies in permanent positions will be bulletined as per Section 12.13.

Where qualifications are disputed by the Company, the employee will be given the opportunity to demonstrate his ability. The Company shall exercise its discretion reasonably.

Section 12.17

In the event that an employee's scheduled hours of work are changed by more than two (2) hours, the employee will have the right to exercise his overall seniority to any position for which he is qualified. It is further agreed that any change in hours will be within the confines of the established shift hours in Schedule 1.

Section 12.18

Part-time employees will be given, in order of seniority, preference over new-hires (part-time) in the assignment of days of work and start times.

Whenever part-time employees assigned the same start time are to be sent home at different times during their shift for lack of work, the Company will retire them in reverse order of seniority, sending the junior man home first and the senior man home last, except where a part-time employee has worked the maximum of thirty (30) hours in the week, in which case he will be sent home immediately.

ARTICLE 13 - LEAVES OF ABSENCE

Section 13.1

Employees who have completed one (IDII) year of continuous service on part-time and/or full-time bases will be granted leaves of absence of up to ninety (90) days' duration, without pay, without loss of seniority, upon good and proper cause being shown.

Leaves of absence for good and proper cause will include, without being limited to, the following:

- (a) days of hospitalization;
- (b) days of elective surgery and the convalescent period thereafter deemed necessary by the employee's physician:
- the day upon which the employee is required by subpoena to appear before a court of law, administrative tribunal or other body or person authorized by law to make an inquiry and to compel the attendance of witnesses;
- (d) the day of moving one's residence and chattels in a change of

residence (one shift for day and afternoon shift workers and two consecutive shifts for night shift workers).

Employees who have completed one (1) full year of continuous service on part-time and/or full-time bases will be granted extended leaves of absence in excess of ninety (90) days' duration, without pay, without loss of seniority, solely at the discretion of the Company. The Company will exercise its discretion reasonably.

It is understood that the provisions of this Agreement respecting health and welfare insurance benefit shall not apply to employees on extended leaves of absence.

The provisions of this Section apply to full-time and part-time employees who are classified as regularly-scheduled.

The employee will not be required or requested to take a leave of absence that is longer in duration than the period **he** requests.

The Company will not require the employee or the Union to waive any of the employee's rights under this Agreement when applying for a leave of absence.

Section 13.2

Employees on extended leaves of absence, which will be granted in writing, will be returned to employment according to the written terms of such leaves.

Section 13.3

Information concerning extended leaves of absence granted pursuant to this Article will be provided to the Union. It is understood that any abuse of such leaves of absence may result in discipline or dismissal.

Section 13.4

Leaves of absence, without pay, without **loss** of seniority, will be granted to employees appointed as delegates to attend conventions of the Union, upon written request from the Union for **such** leaves, which leaves will be limited to **two** (2) employees on no more than two (2) occasions in a twelve (12) month period. Such notices must be provided by the National Head Office **two** weeks prior to the date of the event.

Leaves of absence, without pay, without **loss** of seniority, to attend labour schools will be granted to a limited number of employees upon sufficient prior notice being given to the Company, and provided that such leaves do not unreasonably interfere with the operations of the Company.

Section 13.5

The Company agrees to pay into a special fund three and a half cents (\$0.035) per hour per employee for all compensated hours for the purpose of providing paid education leave (PEL). Said paid education leave will be for the purpose of upgrading the employee skills in all aspects of trade union functions. Such monies are to be paid on a quarterly basis into a trust fund established by the National Union - CAW, and sent by the Company to the following address:

C.A.W. Paid Education Leave Program 205 Placer Court Willowdale, Ontario, M2H 3H9

The Company will provide the Union Local with a statement of contributions at the times of remittance in which it will set out the number of hours worked by each employee in the bargaining unit in each week of the contribution base period.

The Company further agrees that one member of the bargaining unit, selected by the Union to attend such courses, will be granted leaves of absence without pay for twenty (20) days' class time, plus travel time where necessary, said leaves of absence to be intermittent over a twelve (1) month period from the first day of an employee's initial leave. An employee on said leaves of absence will continue to accrue seniority and be entitled to all benefits during such leaves. Leaves of absence provided for in this Section are in addition to the leaves of absence for the purpose of attending labour schools provided for in Section 13.4.

Section 13.6

Leaves of absence, without pay, without **loss** of seniority, will be granted Union Local officers and representatives for the conduct of Union business, upon sufficient prior notice being given to the Company, by the Union Local President, and provided that such leaves do not unreasonably interfere with the operations of the Company. It is agreed that the absence of three (3) employees from the Toronto terminal, and the absence of one **provided** from each of the remaining terminals, do not unreasonably interfere with the operations of the Company. It is further agreed that one **period** may be shorter at the discretion of the Company.

Lost time for Union business will be paid by the Company and the Company will bill the Union for the wages and payroll taxes involved.

Employees will not be dismissed, disciplined or penalized for absenting themselves from the work place in accordance with this Section.

ARTICLE 14 - SOCIAL JUSTICE FUND

Section 14.1

The Company agrees to pay into a special fund one cent (\$0.01) per hour per employee for all compensated hours for the purpose of contributing to the C.A.W. Social Justice Fund. The fund is a registered non-profit charity that contributes to Canadian and international non-partisan, non-governmental relief and development organizations, Such monies are to be paid on a quarterly basis into the fund established by its Board of Directors and sent by the Company to the following address:

C.A.W. Social Justice Fund 205 Placer Court Willowdale, Ontario M2H 3H9

ARTICLE 15 - SCHEDULES

Section 15.1

Attached hereto and forming part of this Agreement are the following Schedules:

- 1. Hours of Work, Rates of Pay, and Overtime
- 2. Vacations with Pay, and Recognized Holidays
- 3. Employee Benefits
- 4. Other Working Conditions, and General Provisions

ARTICLE 16 - DURATION

Section 16.1

Notice that either Party wishes to renew, revise or terminate this Agreement may be given only within a period of sixty (60) days prior to its date of termination. Where the notifying party indicates a desire for revisions, details of such revisions will accompany the Notice. It is understood that following such Notice, either Party may bring forward counter-proposals arising out of, or related to, the original proposals, as new proposals considered necessary.

Section 16.2

The term of this Agreement will be from March 1st, 2002 to February 28, 2005. Base rate wage increases only will be retroactive to March 01, 2002.

The following signatures are those of the authorized representatives of the Parties.

06/06/03

Xepa Transport Ltd.

06-06-03

National Automobile, Aerospace Transportation and General Workers Union (CAW - Canada)

and its Local 4518

SCHEDULE 1

HOURS OF WORK, RATES OF PAY, OVERTIME

HOURS OF WORK:

Warehousemen, Shunters and Maintenance Men:

The hours of work for full-time employees will be eight (8) per day for the five (5) consecutive days in the week.

The hours of work for part-time employees will not be in excess of six (6) per day for not more than five (5) days in the week.

Overtime - Warehousemen, Shunters and Maintenance Men:

The Company agrees to pay all time worked by a full-time employee in excess of eight (8) hours per day and forty (40) hours in the week, and all time worked by a part-time employee in excess of six (6) hours per day, and all time worked by a full-time employee outside of his regular hours of work, and all time worked by a part-time employee outside of a part-time shift, and all time worked by a part-time employee in the week subsequent to his sixth (6th) start in that week, at an overtime premium rate calculated at one and one-half (1.5) times the applicable straight-time rate of pay. An employee requested to work on a Saturday will be paid at one and one-half (1.5) times the applicable straight-time rate of pay, except where the employee's regular work week includes a Saturday shift. An employee requested to work on a Sunday will be paid at two (2) times the applicable straight-time rate of pay, except where the employee's regular work week includes a Sunday shift.

Notwithstandingthe immediate foregoing overtime provision, a part-time employee will be entitled to the applicable overtime premiuim rate of pay for all time worked in excess of eight (8) hours per day and forty (40) hours in the week where he is posted to a temporary vacancy in a full-time position that is due to the vacation or other absence of a full-time employee, or that is due to the temporary posting of a full-time employee to a temporary vacancy in a full-time position that is due to the vacation or other absence of a full-time employee.

Overtime work will be allocated to the employees normally performing the required work where the extra work is involved; however, should the overtime work be of

such a general nature that does not involve any particular employee, such work will be allocated to employees qualified to perform the work, on the basis of seniority. Preference in the assignment of overtime work will be given to those employees whose regular hours of work run continuous with the time of the extra work. Advance notice requirements for lay-off (Section 12.1 ppply to any change in regular working hours.

There will be no split shift adopted to avoid the payment of overtime premium rates. Irregular assignments may be made to meet customer requirements; however, the foregoing overtime provisions will apply.

No employee will be given preference, due to his seniority, in the allocation of work on an overtime basis during his scheduled vacation period, except where the Company first has offeredthe work to all full-time employees not on vacation. For the purposes of this provision, the vacation period is deemed to **be** the first and last regularly-assigned shifts **for** which the employee has leave to be absent on vacation, and the period intervening between these **shifts**.

All overtime work is voluntary.

Time worked in excess of assigned hours will be calculated to the nearest quarter of an hour each day. No overtime will be allowed for less than eight (8) minutes. Eight (8) minutes, or twenty-three (23) minutes will be allowed as one quarter-hour, one half-hour, etc.

SHIFTS, AND SHIFT PREMIUMS

Shifts:

Day shift: commences between 6:00 a.m. and 2:00 p.m.
Afternoon shift: commences between 2:00 p.m. and 10:00 p.m.
Night shift: commences between 10:00 p.m. and 6:00 a.m.

Shift Premium:

Full-time employees working the afternoon shift and night shift will receive shift premiums as detailed **below**, for **each** hour worked until the completion of their shifts. Overtime premiums will not be calculated on shift premiums.

Effective dates:	01/03/02	01/03/03	01/03/04
Afternoon shift: Night shift	\$0.36 0.51	\$0.37 0.52	\$0.38 0.53
RATES OF PAY:			
Effective dates:	01/03/02	01/03/03	01/03/04
Classification:			
Warehouseman	\$17.84	\$18.38	\$18.75
Lead Hand	18.38	18.93	19.31
Lift Truck Op .	18.05	18.59	18.96
Shunter	18.05	18.59	18.96
Maintenance Man	20.09	20.69	21.10
Whse, P.T Reg.Schedu	uled 12.07	12.43	12.68
Whse.P.T Call-in	12.07	12.43	12.68

Part-time Lift Truck **Op**.: Premium **\$0.20/hr** for the time worked in the classification

Any employee qualified to work outside of **his** classification will do so when the available work is assigned to him **by** the Company provided that the work performed by any employee does not exceed **40%** of his work week and the work is given to the most junior employee in the classification available to work outside of his classification. **It** is understood that the work in question will be offered first to the most senior employee at work and available. Acceptance must be immediate. The **40%** restriction does not apply to vacation relief or relief for absenteeism. Once an employee reaches **40%** of his work week, such work will be assigned to the next most junior employee in the classification available to work outside of his classification.

GUARANTEEDWORK DAY:

If a full-time employee who has two (2) years' service with the Company reports for

work without having been notified previously not to report for work, he will be given four (4) hours of work at his straight-time hourly rate, unless failure to supply work is due to weather conditions or labour disputes. Any full-time employee so effected shall take such temporary work as may be available in order to qualify for said four (4) hours of pay.

REPORTING PAY:

A part-time employee, or a full-time employee with less than two (2) years' continuous service with the Company, will be entitled to three (3) hours of pay at his regular hourly rate when he reports to **work** after having been called in or required to report for his regularly-scheduled shift, whether or not the employee is called upon to perform any work after so reporting. Time paid will be deemed time worked.

GUARANTEED WORK WEEK:

Full-time employees with twenty-four (24) months of service with the Company will be entitled to receive forty (40) hours of pay, including overtime during the week worked, provided that the concerned employee is available for any work that may be required, unless the failure to supply work is due to weather conditions, a labour dispute, a power failure or an act of God.

CALL-IN FOR WORK AFTER COMPLETION OF SHIFT:

When an employee is recalled to work after having completed his shift and having punched his time card, whether he is still on the Company premises or has left, he will receive pay for a minimum of four (4) hours and the time worked will be calculated at his overtime premium rate.

PAY PERIOD:

The pay period will not exceed every second Friday and in no event will exceed the 20th day following the performance of the work.

LEAD HAND:

A Lead Hand will be defined as an employee who may perform bargaining unit work and direct the work of other bargaining unit **members**, while **performing** the duties of his job classification. He will not have the authority to hire and dismiss

employees, and will be a Union member. When a lead hand is to be appointed by the Company, a bulletin will be posted, and the Lead Hand will be selected according to qualifications and seniority. it will be the responsibility of the Company to make the selection, with the proviso that where qualifications are equal in the opinion of the Company, the senior man will be awarded the position.

SCHEDULE 2

VACATION WITH PAY, AND RECOGNIZED HOLIDAYS

VACATIONS WITH PAY:

All employees with less than one (1) year of service as of June 30th will receive a vacation pay in accordance with the requirements set forth in the Canada Labour Code.

Vacation entitlement:

Years of	Weeks of	Vacation
Service	Vacation	Pay
	2	4%
5	3	6%
10	4	8%
25	5	10%

A full-time employee with one (1), five (5), ten (I0), or twenty-five (25) years of employment as of his anniversary date, who, in any year after the first, fifth, tenth and twenty-fifth year employment severs or has severed his employment, will receive on the date of severance or as soon as possible thereafter, vacation pay computed at the rate of four per cent (4%), six per cent (6%), eight per cent (8%), or ten per cent (10%), respectively, of his earnings, accumulated and withheld by the Company.

For the purposes of determining entitlement to vacation time the employee's anniversary date is deemed to be April 14 of each year. Entitlement to vacation pay will be based on the employee's actual anniversary date.

Employees will not be allowed to waive their vacations, nor to accumulate them from year to year.

The minumum period of vacation time taken at one time will be one (1) week. Vacation time taken will be complete regular work weeks of the employee only.

The choice of vacation period wilt be according to seniority provided that it does not conflict with the Company's **obligations** to maintain an efficient work force.

A full-time employee will be entitled to disbursement of an amount of vacation pay not less than equal to forty (40) hours' wages at his rate of pay for each week of vacation time taken, until his accrued vacation pay is fully disbursed.

A part-time employee will be entitled to disbursement of an amount of vacation pay equal to not less than thirty (30) hours' wages at his rate of pay for each week of vacation time taken, until his accrued vacation pay is fully disbursed.

Vacation pay disbursed for vacation time to be taken will be disbursed no later than ten (10) days prior to the commencement of the employee's vacation. Where an employee has not received his vacation pay by his second to last regularly-assigned shift preceding his vacation, the Company will issue a manual cheque that day for the amount to which he is entitled.

VACATION LISTS:

Vacation lists will be posted not later than March 23rd each year, and must be completed by employees by 4:00 p.m. April 5th, and those employees who fail to indicate on the list by 4:00 p.m. on April 5th their preference as to their vacation period will forfeit such preference. When April 5 falls on a Saturday, Sunday or statutory holiday, the time the request must be completed is 4:00 p.m. on the Friday prior to April 5.

The Company will complete the full-time vacation scheduling by April 20, after which date the vacation requests will be deemed to have been granted.

The Company will complete the part-time vacation scheduling by April 20, after which date the vacation requests will be deemed to have been granted.

OBSERVEDHOLIDAYS:

New Year's Day, Good Friday, Victoria Day, Canada \mathbf{Day} , Simcoe Day, Labour Day, Thanksgiving Day, day before Christmas, Christmas Day, Boxing Day, employee's birthday.

In the event that Parliament establishes Heritage Day (third monday in February of each year) as a recognized or statutory holiday, the day will be added to the above-listed holidays.

When one of the above-listed holidays, other than an employee's birthday, falls on a Saturday or Sunday, the day or days proclaimed by the Company will be the day or days observed. If no other day **b** proclaimed the employees will be paid the holiday pay in accordance with the Canada Labour Code.

Probationary employees will not be entitled to pay for a General Holiday not worked when the Holiday falls within the first thirty (30) days of employment.

A full-time employee will be paid eight (8) hours at his regular hourly rate as holiday pay for each paid holiday falling within the term of this Agreement and a part-time employee who has worked fifteen (15) of the thirty (30) calendar days preceding the holiday will be paid the average of his daily earnings exclusive of overtime for the twenty days he has worked immediately preceding the holiday, but in no case will he be paid less than four (4) hours' pay as holiday pay for each paid holiday falling within the term of this Agreement, excepting for Christmas and New Year's Day, both of which will be paid if he works at any time during the month of December.

When an employee **who** works on a night shift $\dot{\mathbf{z}}$ required to work on an observed holiday, he shall be paid at his regular hourly rate for the holiday and be given a day off with pay in lieu by the Company on his next regularly scheduled shift. All employees on that shift will be given the same shift off unless the Company and the Union **otherwise** agree.

Any of the above-listed holidays, falling within an employee's annual vacation will be paid in addition to his annual vacation pay, provided the employee is available for work on his regular shift of the day immediately preceding, and of the day immediately following the vacation. Statutory holidays will be paid to a full-time employee providing the employee worked for a complete shift for each of the shifts prior to and following the holiday and is otherwise entitled to holiday pay under the Canada Labour Code. It is understood that employees will not be penalized in respect of their entitlement to holiday pay if they are authorized to leave early on their regular shift on the day preceding or the day following the holiday.

Work available on a General Holiday will be offered to employees on the basis of overall seniority.

LOST TIME AND VACATION ENTITLEMENT:

An employee who has been absent from work due to injury or illness for a continuous period equal to, or in excess of, α successive periods equal to or exceeding, his annual vacation allotment may waive his vacation with the agreement of **the** Company.

An employee who **has** been absent from **work** for a period less than his annual vacation allotment may **postpone his** vacation by mutual agreement between the Company and the employee; **however**, such postponement **shall** not be in excess of ninety (90) days, nor shall the vacation be postponed beyond the **end** of the current vacation year.

VACATION YEAR:

The vacation year will be from April 15th to April 14th.

SCHEDULE 3

EMPLOYEE BENEFITS

Welfare Insurance:

It is agreed and understood by the Parties to this Agreement that the current group welfare insurance plan, Policy No. G-8151-001 issued by the Empire Life Insurance Company, forms part of this Agreement, and may be amended by mutual agreement between the Parties to this Agreement only, which mutual agreement will be in writing.

The costs of the benefits listed below and provided under the Empire Life Insurance Policy No. G-8151-001 will be paid entirely by the Company.

The Company shall continue to make available to regular (full-time) employees covered by this Agreement who have completed three (3) months of continuous service to the Company the benefits provided under the Empire Life Insurance Company Policy No. G-8151-001 which will include the following benefits or similar benefits as may be mutually agreed upon between the Parties to this Agreement:

Life Insurance \$25,000. A.D.& D. \$25,000.

Weekly Indemnity 0-5-20, based on present UIC criteria, to a

maximum of \$550,/week

Major Medical no deductible; semi-private coverage;

reimbursement at 100%

Eyeglasses no deductible; reimbursement at 100%;

maximum allowable \$225.00 per employee,

\$225.00 per dependent, every two (2) years

NOTE: Pharmacy dispensing fees are included in the major medical plan.

NOTE: Drug Plan will include a card for direct payment by insurer to

dispensing pharmancy.

Dental Plan:

The Company shall pay the full cost of premiums to provide the following dental coverage, or shall insure (self-insure) or co-insure so as to provide the following dental coverage:

Basic Services no deductible; reimbursement at 100% of

insured charges

Major Restorative no deductible; reimbursement at 50% of

insured charges

NOTE: Basic Services and Major Restorative coverage is limited to a

combined maximum benefit of \$2500. per person per calendar year.

This increses to \$3000, per person per calendar year effective

March 01, 2004.

Orthodontic no deductible; reimbursement at 50% of

insured charges; maximum benefit of \$2000. per person per calendar year, and \$2000.

lifetime maximum

Dentures no deductible: reimbursment at 100% of

insured charges

NOTE: Insured charges will be in accordance with the current Ontario

Dental Association fee schedule for general practitioners.

NOTE: The cost of all fees charged by physicians and other professional

practitioners for the completion and processing of documentation as

may be required by insurer for the processing of any claim are

included in the coverage.

The Company will furnish each full-time employee a current booklet summarizing the coverage provided by the Policy in January of each year.

The Company will furnish the Union with a copy of the group insurance Policy (with appropriate blacking out) not later than two (2) months following the effective date of this Agreement.

Ontario Health Insurance Plan:

With respect to OHIP premiums, if the Government should reinstate the premium concept during the life of this Agreement, such premiums will be paid by the Company for all employees having attained seniority.

Canada Pension Plan:

The Company will pay the employee's contribution under the the Canada Pension Plan for all employees having attained seniority.

Pension

All regular employees having completed a minimum of two (2) years of continuous service will be eligible for a Company contribution of \$35.00 per calendar month, toward a registered retirement savings plan. This benefit level increases to \$45.00 per calendar month effective March 01, 2003, and to \$55.00 per calendar month effective March 01, 2004.

Direct deposits into the employee's individual Plan that is administered by a deposit-taking institution may be arranged at the request of the employee.

SCHEDULE 4

OTHER WORKING CONDITIONS AND GENERAL PROVISIONS

Section 1

Clothing:

Warehousemen - Upon completion of two (2) years of service, the

warehouseman will be entitled to a three-quarter length winter jacket, to be provided during the month of November, to be

replaced every second year.

Maintenance Men, and Shunters - The Company will provide suitable outdoor

winter garments to those employees whose jobs necessitate the use of same. Such garments may take the form of thermal

suits (snowmobile type).

The Company shall provide suitable rain wear to those employees whose jobs necessitate the use of same, to be provided during the month of March, to be replaced every

second year.

Coveralls - The Company shall provide full-time and part-time

employees with two (2) pairs of coveralls each year and the

Company shall bear the full cost.

At terminal locations that are not heated, employees will have the option on one **(p**air of insulated and one **(p**air of

noninsulated coveralls.

Coveralls are to be provided during the month of November

each year.

Gloves - The Company shall provide work gloves to all employees.

When an employee requires a replacement pair, he will be

required to return a used pair.

The Company shall provide insulated work gloves during the winter months (November 1st to March 31st) to employees

working terminals that are without heat.

NOTE: All clothing items provided will be of acceptable quality. Coveralls

and outer wear will be provided no later than November 15 of the

years of eligibilty.

Safety Shoes -

The Company shall contribute a total of one hundred and thirty-five dollars (\$135.00) toward the cost of safety shoes for full-time and part-time employees who have two (2) years of continuous service with the Company, every calendar year. Part-time employees must have worked at least seven hundred and fifty (750) hours in the preceding calendar year to be entitled to the safety shoe allowance.[see Section 23 of this Schedule re: insulated safety footwear allowance at unheated terminals]

Section 2

Equipment:

- (a) The Company and the Union recognize the importance of promoting safe working conditions, and the safe handling of equipment at all times;
- (b) It is understood that there is a specific obligation on the **part** of the employee to report to the Company immediately an accident involving a Company vehicle, or any **loss** or damage to cargo;
- In the event an employee alleges the existence of an unsafe practice or an unsafe condition, the employee has an obligation to report such practice or condition to the Company immediately. The matter may be grieved if it is not rectified satisfactorily within a reasonable time;
- (d) The Company will closely supervise the the operation of fork lift equipment to ensure it is operated safely and in compliance with Part II of the Canada Labour Code.

Section 3

Credit Union:

It is agreed that the Company will make deductions from the individual employee's **pay** cheques at the direction of the employee, and will **forward** these deductions to a Credit Union or Bank as mutually agreed upon.

Section 4

Medical Examination:

Employees returning from an illness, or illnesses, may be required by the

Company to submit a medical report prepared by the attending physician, stating current condition and ability to perform the normal work. Should the Provincial health expenses coverage cease to pay for examinations or reports by physicians, as may be required by the Company, at any time during the term of this Agreement, the Company shall bear the costs incurred by the employee in meeting such requirement. Should the Company desire a second or confirming opinion, such medical examination will be at the Company's expense.

The Parties to this Agreement recognize the importance of confidentiality of health information and access by employees to their own health information. To this end the following shall apply:

- (a) An employee has the right of access to all of his health information including a right to request that corrections be made, if necessary, or a notation of the objection be included in his **file**;
- (b) Examinations and fitness for work:
 - -Whenever the employee is requested or required to undergo a medical examination, the choice of physician is up to the employee and the only information that will **be** given to the Company will be whether or not the employee is fit for the **job**;
 - -When the examination occurs during the employee's regular working hours, he will be paid for all lost time;
 - -If the examination find5 that the employee is fit for the job but with certain limitations, these limitations must be stated without disclosing the reasons for the limitations, for example, "unable to lift loads above 10 kilograms", or "limited climbing or bending";
 - -The Company will provide a job description to the examining physician so that he will be aware of the fitness requirements of the position, and a copy of the job description will be given to the employee;
 - -The employee will receive a copy of the examining physician's record of the examination;
 - -Where the recommendation is that the employee is not fit for the position, an explanation of the recommendation indicating the reasons will be given to the employee by the physician making the examination if so requested;
 - -a medical examination required by Federal or Provincial legislation will be undertaken promptly by the employee, provided the Company pays for such examination;
 - -the Company will not require **c** request any employee to undergo drug or alcohol testing. There will be **no** testing for drugs or alcohol whether with the employee's consent or without.

Employment of Disabled Persons:

The Company agrees that where reasonably possible it will offer every disabled employee a suitable job upon the employee's return to work, which shall continue as long as the disability lasts and shall do so according to the following process:

- (a) The Company shall modify the employee's job to accommodate the the employee's disability;
- (b) Where it is reasonable to assert that it is physically or technically impossible or financially prohibitive, or not in the best interest of the employee to modify the employee's **job**, the Company shall offer the employee an alternate or modified alternate job within the bargaining unit considered suitable by the Union and the employee;
- (c) Where it is reasonable to assert that reduced hours are in the best interest of the employee, the employer shall accommodate the reduced hours of work modification with a Letter of Understanding pertaining to the employee. Wage replacement benefits for the time not worked may be paid by the Workplace Safety and Insurance Board (formerly the Workers' Compensation Board) or by the insurance carrier, but in no case shall the employee receive less income than the applicable benefit level;
- Where it is reasonableto assett that a modified job classification is in the best interest of the employee, the Company shall accommodate the change to the job classification where reasonably possible, with a Letter of Understanding pertaining to the employee;
- (e) The seniority provisions of the Collective Agreement such as the job posting procedure shall be set aside to accommodate the disabled employee only if the Union agrees. The lay-off and recall provisions of the Collective Agreement, however, shall apply in the same manner as if the person had not been disabled.

Section 5

Bereavement Leave with Pay:

In the event of a death within the immediatefamily (ie: mother, father, brother, sister, spouse, children, father-in-law, mother-in-law; grandparents, grandparents of spouse), or any relative permanently residing with the employee, the Company shall grant time off with pay up to a maximum of three (3)working days where the

employee has completed the probationary period and is working on either a full-time or regularly-scheduled part-time basis.

A part-time employee will be entitled to the average of his daily earnings exclusive of overtime for the twenty (20) days he has worked immediately preceding the first day of bereavement leave each day of the leave, but in no case will he be entitled to **less** than four (4) hours' pay each day of the leave.

For the purposes of this provision, the spousal and parent-in-law status shall apply to the respective relationships **d** marriages at common law.

Full-time and part-time employees are required to specify to the Company in writing the exact relationship of the deceased.

Section 6

Jury Duty:

When the employee is called for jury duty, or related duty, on his regular working day, the Company shall pay the equivalent of an eight-hour (8-hr.) day at his straight-time rate, less the amount received for jury duty pay. Time paid will be considered time worked.

It is understood, in the application of this provision, that if a day-shift employee is released from jury duty prior to four (4) hours before the end of his regular shift, he shall report for work as soon as possible to be entitled to this pay. A night-shift employee serving a full day on jury duty or related duty will receive the pay without being required to report for work the night of that day. A night-shift employee who is released from jury duty prior to 12:00 noon shall report for work at his normal shift of that day.

This provision applies to full-time employees only.

Section 7

Meal and Coffee Breaks:

Full-time and part-time employees are entitled to a lunch period. It is agreed that the normal lunch period will not be considered time worked, and must be taken

between the third (3rd) and sixth (6th) hours of work.

Full-time employees will be allowed a rest period (coffee break) not **in** excess of fifteen **(5**) minutes in the first half of the working hours, and a similar rest period in the second half of the working hours, without loss of pay, and at the direction of the immediate supervisor.

Part-time employees will be entitled to a rest period (coffee break) without loss of pay after every two (2) hours of work.

When an employee is requested to work overtime for a period in excess of one (1) hour, he will be given a rest period of fifteen (15) minutes at the end of his regular shift, α at a time mutually agreed upon.

Section 8

Bulletin Boards:

The Company shall maintain a bulletin board in a conspicuous place on which the Union Local may post notices of Union activities.

The Company and the Union agree to keep the board clear of non-current postings in order to ensure there is sufficient room for current material.

Section 9

Lunchrooms:

Clean and suitable lunchroomfacilities will be provided for employees at all terminals. Existing equipment already installed, including air conditioners, will be maintained by the Company.

Lunchroom facilities in terminals where the warehouse area is unheated will be maintained at a temperature of twenty degrees Celsius (20° C) during the winter months.

The Union recognizes that the employees have a responsibility to ensure that they assist in maintaining clean and tidy facilities.

Section 10:

Company Meetings:

The Company shall pay the prevailing hourly rate to the employee compelled to attend Company meetings, and for time spent if called into the office by the Company.

Section11

Pay for Day of Injury:

Should it be necessary for an employee to visit a doctor or hospital, or after being examined by a physician to return home, after being injured on the job, he will be paid a normal day's pay for the day the injury occurred.

Section 12

Fork Lift Operators:

- (a) Only employees who are qualified shall operate fork lift equipment.
- (b) When no employee classified as Lift Truck Operator is at work and available, the Company shall next use a qualified regular employee at work. The work will be allocated to qualified regular employees on the basis of seniority.
- (c) To facilitate the administration of this provision, the Company shall post a list of employees who are qualified to operate the equipment.
- The employee classified as Lift Truck Operator shall have preference in the allocation of that work during during his regular hours of work.

Section 13

Collective Agreement Printing Cost:

The Parties agree to share equally the cost of printing this Agreement in booklet form (125 copies) at the commencement of the Agreement term. The Union will arrange the printing.

Section 14

Searches:

There will be no search by the Company or its assigns of the employee's person.

Searches by the Company or its assigns, of personal belongings, will be limited and confined to carried bags, cases and parcels only, will be with probable cause always, and conducted at the terminal property boundary or the yard gate only.

Searches of the employee's person or his automobile will be conducted by public police only and be with **probable** cause always.

Section 15

Vacation Pay Withheld:

The Company shall provide each employee with a statement of the current accumulated total of vacation pay withheld, which is the current amount payable in the event of termination of the employment relationship, every pay period. The statement will itemize the amount attributable to the current vacation year and the vacation year next following.

Section 16

Maintenance Tool Allowance:

A maintenance tool allowance of one hundred and twenty-five dollars (\$125.00) for tools required to fulfill the duties as Maintenance Man, will be provided once in each Agreement year, upon presentation of purchase receipt(s).

Section 17

Clean Work Place:

The Company and its employees will maintain a clean work place.

The methods and scheduling of cleaning operations, and the equipment to be used or installed, will be the responsibility of the Company to decide and implement.

The daily housekeeping of the warehouse and dock areas will be performed by bargaining unit members.

The Company will maintain the use of white non-marking tires on the drive wheels of its lift truck equipment. The use of forklift equipment that does not have non-marking tires on its drive wheels will cease. If the Company receives a direction to cease use from a Union Steward it will immediately comply with the direction. No employee will be discharged, penalized, coerced, intimidated or disciplined, or suffer a loss of pay for his refusal to operate a fork lift truck that has not been so modified.

This provision exempts fork lift equipment temporarily loaned to the Company during the servicing **d** its equipment.

Section 18

Certification of Reported Illness as Reason for Absence:

Should the Provincial health expenses coverage cease to pay the physician's fee for a note verifying the employee's claim of having been **ill**, as may be required by the Company, at any time during the term of this Agreement, the Company shall pay the physician's fee.

Section 19

Training and Instruction:

Where legislation, the Company's operations, or this Agreement requires certificates or skills be held by one or any number of the work force, training will be offered to the employees within the bargaining unit, first to full-time employees regularly assigned to the effected shifts in order of seniority, and where required, next to part-time employees regularly assigned to the effected shifts in order of seniority. The Company will bear the cost of the training.

Time spent in training by full-time employees will be considered time worked but will be paid at the employee's straight-time rate. Time spent in training by

part-time employees will not be considered time worked but will be paid at the applicable straight-time rates. Where a part-time employee works more than thirty (30) hours in the week in which the training is undertaken, exclusive of time spent in training, he will be deemed a full-time employee for the purpose of determining his straight-time rate of pay during training.

Full-time employees will be entitled to not **less** than eight (8) hours of pay the day on which the training is undertaken. Part-time employees, regardless of rate of pay the week in which the training is undertaken will be entitled to not less than six (6) hours of pay the day the training is undertaken.

Section 20

Workers' and Work Place Safety: (Canada Labour Code)

No employee will be required or allowed to work on any job or operate any piece of equipment unless he has received proper education, training and instruction.

The Company will ensure that all employees are informed that they have the right to refuse hazardous work that may harm them, any person or the environment and that signs are posted and maintained in the work place advising them of this right.

If a worker exercises his right to refuse he shall notify the supervisor and a Union member of the Joint Health and Safety Committee. He shall stand by in a safe place and participate fully in the investigation of the hazard.

The Union co-chairperson or alternate shall fully participate in the investigation at every stage. The Joint Health and Safety Committee may recommend a solution to the problem which will receive serious consideration from the Company.

No employee will be discharged, penalized, coerced, intimidated or disciplined for acting in compliance with Part II of the Canada Labour Code or environmental laws.

Except where permitted by the Canada Labour Code, no employee will be discharged, penalized, coerced, intimidated or disciplined for refusing to work on a job, or in any work place, or operate any equipment where he/she believes reasonably and in good faith that it would be unsafe or unhealthy to himself/herself, a fetus, another employee or the public, or where it would be contrary to health and safety or environment legislation.

An employee who refuses hazardous work, and other employees effected by the refusal, will not suffer a loss of pay, seniority or benefits during the period of the refusal and subsequent investigation by the Joint Health and Safety Committee provided such refusal is undertaken in accordance with the Canada Labour Code,

Section 21

Spine Loading Limits:

No employee will be required to move palletized freight weighing in excess of one thousand pounds (1000 lbs) with a manual pallet transporter (pump truck) or to move palletized freight over uneven or broken surfaces with a manual pallet transporter.

The Company will ensure that the manual pallet transporters are maintained in good working order.

Section 22

Whistleblower Protection:

The Parties agree that it is the responsibility of the employees to notify the Company if there is a release of a hazardous substance into the air, land, water or drainage system. The parties agree that it is the responsibility of the Company to notify the appropriate authorities if there is a release of a hazardous substance into the air, land, water, or drainage system.

No employee will be discharged, penalized, coerced, intimidated or disciplined for bringing such concerns to the attention of the Company.

Section 23

Windsor Warehouse:

The warehouse of Windsor, being an insulated facility, will be heated and maintained at a temperature not falling below zero degrees Celsius (0° C) except where this is financially prohibitive or disallowed by the fire Code, in which case the Company shall contribute a total of one hundred and sixty-five dollars

(\$165.00) toward the cost of safety shoes for full-time and part-time employees working in all unheated terminals where the inside termperature ordinarily drops below zero degrees Celsius (0° C), who have two (2) years' continuous service with the Company, every calendar year, notwithstanding Section 1 of this Schedule.

Section 24

Safe Work Place:

The Company agrees that it will maintain the London ceiling fans and ventilation systems. Should these systems cease functioning, the Company will make the appropriate repairs within a reasonable time. The London and Windsor terminals will have ceiling fans or ventilation in the warehouse designed to reduce the hazard of leached moisture (concrete sweat) on the dock surface.

Section 25

Safe Non-hazardous Material Clean-up:

The Company will provide a powered vacuum appliance at all terminal locations for the safe elimination of spilled powdered material from the trailer floors and dock surfaces.

Section 26

Pay for Lost Time - Negotiating Committee:

The Company will pay eight (8) hours wages at the prevailing rate of pay to up to two (2) members of the Union Negotiation Committee, for each day the Committee meets with the Company in negotiations, but shall not compensate for time lost by Committee members in Conciliation or Mediation.

Section 27

Health and Welfare Insurance Benefit Entitlement during Lay-off:

A full-time employee on lay-off will be entitled to the health and welfare insurance benefit for three (3) months from the date of his last day of work prior to the lay-off.

Section 28

Incentive Program:

The Parties agree that no money-based or benefit-based incentive program will be implemented without the agreement of the Union. No such program will be implemented without first being set out in a Letter of Understanding between the Union and the Company and ratified by the Union membership of the bargaining unit.

Section 29

The Company agrees that it will post signage in the work areas, washrooms, change rooms and lunchrooms to notify all employees of the possible presence and active use of surveillance equipment.

Section 30

Personal Clean-up

Personal clean-up must be completed on the employee's own time.

LETTER OF UNDERSTANDINGA

The Parties hereto agree to the following with respect to weekend overtime assignments:

The list is to be implemented at the Toronto facility only.

The list is to be signed prior to the close of office hours thursday each week, at which time it will be taken down.

The Company will offer weekend work on an overtime basis to qualified full-time employees whose regular hours of work run continuous with the time of the extra work before calling in employees. Workers who sign the list acquire limited superseniority with respect to Cali-in overtime assignments occurring between midnight friday and midnight Sunday. In exchange for the limited super-seniority the worker obligates himself to be available to telephone contact at a number known to the Company until 9:00 a.m. Saturday, and to report for work as assigned if contacted prior to 9:00 a.m.. The Company is obligated to attempt telephone contact a second time at a fifteen (15) minute interval should the first attempt be unsuccessful. Each "attempt" shall consist of not less than ten (10) "rings". Failure twice by the worker to answer shall be deemed to be failure to be available to telephone contact. Failure to be available to telephone contact, or failure to report for work as assigned if contacted prior to 9:00 a.m. Saturday shall result in an absenteeism entry being made into the personnel record of the worker who signs the list.

At any time between midnight of friday and midnight of Sunday the Company shall first call the regular employees whose names appear or remain on the sign-up list in its attempt to meet its staffing requirements; next using the seniority list described in Section 12.3 of the Collective Agreement in calling in regular employees by order of seniority; next calling the part-time workers whose names appear on the sign-up fist in order of seniority; next calling the part-time workers whose names do not appear on the sign-up list by order of seniority, until its staffing requirements are met.

Where such calls are made after 9:00 a.m. Saturday the worker is not obligated by virtue of his having placed his name on the sign-up list to report for work as may be available.

The Collective Agreement provides otherwise that overtime assignments running

immediately prior to and into, or out of, a regular shift assignment shall first be offered on a simple seniority basis to those regular employees assigned to work that regular shift.

FOR THE COMPANY	FOR THE UNION
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Jon 1 06-06-03	Bun & lays
Joseph Company	Mose
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