

# COLLECTIVE AGREEMENT

between

MORROW TRANSPORT INC.  
(Hereinafter referred to as the "Company")

and

TEAMSTERS LOCAL UNION 938  
(Hereinafter referred to as the "Union")

Expiry date: January 31<sup>st</sup>, 2004

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## ARTICLE 1

### PURPOSE

#### Section 1.1

The purpose of this Agreement is to maintain a harmonious relationship between the Employer and its employees to ensure the efficient operation of the Employer and to provide the best possible service for the customers, to provide an orderly and amicable method of resolving workplace issues through Collective Bargaining, and of settling any differences or grievances which might, from time to time, arise.

## ARTICLE 2

### SCOPE AND RECOGNITION

#### Section 2.1

The Employer recognizes the Union as the exclusive bargaining agent for all employees working in the Town of Cobourg, save and except dispatchers, office, clerical and sales staff, supervisors and person above the rank of supervisor.

#### Section 2.2

The word "employee" or "employees" wherever used in the Agreement shall mean any or all of the employees in the bargaining unit as defined above, unless the context otherwise provides.

#### Section 2.3

Part-time employees, for the purposes of this Agreement, are those employees who regularly work less than the full time hours worked stipulated in Articles 13 and 14.

#### Section 2.4

Where used in this Agreement and where applicable, the male pronoun shall be deemed to include the female pronoun.

### Section 2.5

The Company agrees not to enter into any agreement or contract with its employees within the bargaining unit, individually or collectively, which in any way conflicts with the terms and provisions of the Agreement.

### Section 2.6

Management and Company personnel excluded from the recognition will not perform bargaining unit work other than in emergency situations. Such work will not be done at the exclusion of bargaining unit personnel to the extent where a layoff would occur or would prevent the hiring of full time employees.

## ARTICLE 3

### MANAGEMENT RIGHTS

#### Section 3.1

The Employer has the exclusive right to manage its offices and services and direct its affairs and working forces except as limited by the expressed terms of this Agreement.

#### Section 3.2

The Union recognizes and acknowledges that the management of the Employer's business and direction of the working forces are fixed exclusively with the Employer and shall remain solely with the Employer and without limiting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Employer to:

- a) maintain order, discipline and efficiency;
- b) hire, assign employees to working hours, retire, appoint, assign, discharge, direct, classify, transfer, promote, demote, layoff and recall in accordance with the provisions of this Agreement, increase and decrease the working forces, make, alter and enforce from time to time rules and regulations and policies and practices to govern the conduct of employees, suspend, discipline or discharge employees provided that employees who have completed their probationary period may file a grievance in accordance with the grievance procedure if he/she has been discharged or disciplined without just cause. The Employer shall always

have the right to discharge probationary employees at its sole discretion;

- c) determine the nature and kind of operations conducted by the Employer, the kinds of locations of buildings, machinery, equipment and materials to be used, the services to be performed, the allocation and number of employees required from time to time, their hours of work, the number of hours to be worked, scheduling and overtime, the job content of employees and their qualifications, the extension, limitation, curtailment or cessation of operations in whole or in part and to determine the exercise all other functions, prerogatives, rights and responsibilities of management not specifically modified by the express provisions of this Agreement; and
- d) generally manage the Employees.

### Section 3.3

The above clause shall not deprive the employee of the right to exercise the Grievance Procedure as outlined in this Agreement.

## ARTICLE 4

### UNION SECURITY

#### Section 4.1

All employees shall, as a condition of employment, maintain Union membership in good standing and complete an "Application for Union Membership" and "Union Deduction Authorization" forms prior to commencement of employment. The Company must then promptly forward such completed forms to the Union office. Dues Authorization Cards shall remain in effect during the term of an employee's service with the Company.

#### Section 4.2

The Company will deduct from the earnings of each employee covered by this Collective Agreement, monthly dues in the amount certified by the Union to the Company, in writing. Such deductions shall be made monthly and forwarded to the Union office within fifteen (15) calendar days from the end of the month in which the deductions were completed. The Company will use the Union's pre-billing list system. The Company shall update and make the necessary adjustments to the list adding any new employee who is recalled for hire and give an explanation alongside the name of each employee who appeared on the previous month's checkoff list for whom a remittance is not made.

#### Section 4.3

The Company will deduct the Initiation Fee from each employee's first pay period after attaining seniority. The Initiation Fee will be forwarded to the Union office along with the regular dues.

#### Section 4.4

The Union will notify the Company, in writing, of any arrears in Dues, Initiation Fees, Re-initiation Fees and Assessments, and the Company will deduct the amounts prescribed by Local 938 and forward the same to Local 938 along with the regular monthly dues.

#### Section 4.5

When remittance is made, the Company will provide a list of all employees and the sums that were deducted from each employee, using the Union's billing format. The Company will provide the Union with the employee's name, social insurance number, rate of pay, date of hire, address, telephone number, date of birth, department and any other pertinent information which is practical for the Company to provide. The Union will be advised monthly of changes in the above information.

#### Section 4.6

The Company will show the yearly Union dues deductions on employee's T-4 slips.

Section 4.7

A seniority list containing names, addresses and social insurance numbers of employees as contained in the records of the Company will be prepared and forwarded to the Local Union office annually during September of each year.

Section 4.8

The deduction of Union dues shall be made from every employee including, but not limited to, probationary employees. In the event that a probationary employee fails to complete his probationary period, Union dues will be deducted from his final pay cheque.

Section 4.9

In consideration of the deducting and forwarding of Union Dues by the Employer, the Union agrees to indemnify and save harmless the Employer against any claims or liabilities arising out of or resulting from the operation of this Article.

ARTICLE 5

UNION REPRESENTATION

Section 5.1 - Right of Access for Union Representatives.

Representatives of the Local Union shall be allowed to enter the Company's premises to deal in the administration of the Agreement provided they notify the Company in advance and do not interfere with the normal operation of the Company.

Section 5.2

The Company acknowledges the right of the Union to appoint one (1) Chief Steward for the employees and, if the operations are such as cannot be covered by this Steward, alternate Stewards may be appointed.

Alternate Stewards will perform the role of the Chief Steward only if the Chief Steward is unavailable. No more than one (1) person will act in the capacity of Steward at one given time.

### Section 5.3

Employees shall not be eligible to serve as Steward unless they have been in the Employer's continuous employ for at least one (1) year. The Union shall notify the Employer of the name or names of the Steward(s) before the Employer shall be required to recognize them.

### Section 5.4

Wherever possible, grievances shall be processed during the normal working hours of the Steward. A Steward shall suffer no loss of pay when grievances or pending grievances are processed with the Company on Company property or at any other place which is mutually agreed upon by both the Union and the Company. For clarity "suffer no loss of pay" shall be calculated using the hourly rate for local shunts.

If the Company representative is unable to meet the Steward during the Steward's normal working hours, the Steward shall be paid for time spent during the processing of the grievances 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.

### Section 5.5

The Company will notify the Union about the suspension or discharge of a Steward.

### Section 5.6

The Union Steward shall be entitled to up to two (2) days absence per year without loss of pay to attend Stewards' seminars and/or educational programmes.

## ARTICLE 6

### STRIKES, LOCKOUTS AND PICKET LINES

#### Section 6.1

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



## Section 6.2

The Union recognizes the right of the Company to protect its business and the property of its customers.

## ARTICLE 7

### GRIEVANCE PROCEDURE

#### Section 7.1

A grievance shall consist of a dispute concerning interpretation and application of any clause in this Agreement and alleged violations of the Agreement. If any question arises as to whether a particular dispute is or is not a grievance within the meaning of these provisions, the question may be taken up through the Grievance Procedure and determined, if necessary, by arbitration. There shall be an earnest effort on the part of both parties to settle such grievances promptly through the following steps.

#### Section 7.2 - Step 1

By a conference between the aggrieved employee and the Supervisor or his designate. Failing settlement the grievance must be submitted in writing within seven (7) calendar days from the date of the alleged violation of the Agreement or from the date that the alleged violation became known to the grievor. The grievor shall be accompanied by a Union Steward and, if deemed necessary by the Union, he shall also be accompanied by a Business Representative of the Union. The written grievance shall contain the nature of the grievance and the remedy sought.

#### Section 7.3 - Step 2

Failing settlement at the above step, the Supervisor shall render his decision in writing and shall refer the grievance to and arrange a meeting between the Union and the General Manager or his designate within fourteen (14) days of the date that the grievance was registered in writing. This meeting shall be held in the locale of the terminal involved unless otherwise agreed. The General Manager or his designate shall render his decision in writing within seven (7) days from the date of the Step 2 meeting referred to in this Section.

#### Section 7.4 - Union or Company Grievance

In the event the Union or the Company has a grievance, it shall be the responsibility of the grievor to advise the other party in writing within seven (7) calendar days of the alleged violation of the Agreement and by such notification, arrange a meeting within fourteen (14) calendar days between the General Manager or his designate and a duly accredited principal officer of the Local Union or his designate. Should the grieving party fail to reach a satisfactory settlement, the grievance may be submitted to a Board of Arbitration as outlined in Article 8.

#### Section 7.5 - Discharge and Suspension Grievances

Grievances dealing with discharges and suspensions shall be registered in writing within seven-two (72) hours (Saturdays, Sundays and General Holidays excluded) from the time of the discharge or suspension and shall commence with Section 7.3 of the Grievance Procedure.

#### Section 7.6

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

#### Section 7.7

Any employee covered by this Agreement when called into the Company's office for any discussion which may result in disciplinary action shall, upon request, be accompanied by a Steward or Business Representative provided this does not cause unreasonable delay.

#### Section 7.8

- a) The time limits as prescribed may be extended by mutual agreement of the parties in writing.
- b) No matter may be submitted to arbitration which has not been properly carried through all the requisite steps of the Grievance Procedure.

### Section 7.9

If at any step either party has not complied with the time limits stipulated in the Grievance Procedure, the grievance will be deemed to have been abandoned.

### Section 7.10

All agreements reached under the Grievance Procedure between the representatives of the Employer and the representatives of the Union will be final and binding upon the Employer and the Union and employees.

## ARTICLE 8

### ARBITRATION

#### Section 8.1 - Arbitration

Should the parties fail to reach satisfactory settlement in the preceding steps, the final settlement of the grievance may be submitted to an Arbitrator.

#### Section 8.2

It shall be the responsibility of the party desiring arbitration to so inform the other party in writing in the case of :

- a) an employee grievance within seven (7) calendar days after the General Manager or his designate has rendered a decision or failed to render a decision as provided for in Section 7.3;
- b) a Company grievance within seven (7) calendar days after the meeting with the Union representative;
- c) a Union grievance within seven (7) calendar days after the meeting with the Company's representative.

Within seven (7) calendar days of receipt of the notice of intent to arbitrate under this Section, the parties will proceed to arbitration by a one person single arbitrator. Should the parties fail to appoint a one person Board of Arbitration within thirty (30) calendar days, either party shall request the Minister of Labour to make the appropriate appointment.

Section 8.3

The Arbitrator shall not have the right to alter or change any provisions in this Agreement or substitute any new provisions in this Agreement or substitute any new provisions in lieu thereof, or to give any decision inconsistent with the terms and provisions of this Agreement. The Arbitrator, however, shall have the power to vary or set aside any penalty or discipline imposed relating to the grievance then before the Board.

The decision of the Arbitrator shall be final and binding on both parties.

Section 8.4

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

Section 8.5

After the Grievance Procedure as set out in Article 7 has been exhausted and before an Arbitrator is contacted under this Article, either party may seek the services of a Grievance Mediation Officer to assist in resolving the parties differences. It is agreed that the services of a Grievance Mediation Office will only be retained on the written consent of both parties. The parties shall jointly share the expense of the Grievance Mediation Officer.

ARTICLE 9

SENIORITY

Section 9.1

- a) Seniority for full time and part-time employees shall mean length of continuous service in the employ of the Employer.
- b) The purpose of seniority is to provide a policy governing work preference, layoffs and recalls.

Section 9.2

In the event of a layoff, the Company shall consider:

- 1) the seniority of the employees;

- 2) the qualifications of the employees; where the qualifications are relatively equal, the employee's seniority shall be the determining factor.

### Section 9.3

- a) Seniority lists shall be prepared and posted by the Employer every six (6) months. The Employer shall also provide two (2) copies for the Union. If there are no objections to the accuracy of the list raised within thirty (30) calendar days from the date the list was posted, it shall be accepted as correct for all purposes.
- b) There shall be two (2) seniority lists, one for full time employees and the other for part-time employees.

### Section 9.4

During the first sixty (60) working days of their employment an employee shall be considered on probation, during which time he may be discharged or disciplined for any reason at the employer's complete discretion. After completion of their sixty (60) working days probationary period an employee's name shall be placed on the seniority list, with seniority dating from the date he first commenced to work for the Employer. Part-time employees will be offered full time job openings in order of their part-time seniority.

### Section 9.5 - Reasons for Termination of Employment

An employee's employment shall be terminated for any of the following reasons:

- a) if an employee voluntarily quits or retires;
- b) if an employee is discharged and is not reinstated pursuant to the Grievance Procedure as provided in this Agreement;
- c) if an employee has been laid off and has refused to return to work within twenty-four (24) hours after being contacted personally. When the employee cannot be contacted the Company will notify the employee by registered mail to his last known address to return to work and he will be allowed no more than seven (7) consecutive days from the date of the notification to report for duty;

- d) if any employee is absent from work without securing a leave of absence for more than three (3) consecutive working days;
- e) he, due to accident or illness, is off work for a continuous period of twenty-four (24) months subject to the Human Rights Code;
- f) if an employee is laid off and not recalled for a period of eighteen (18) consecutive months.

#### Section 9.6

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

#### ARTICLE 10

##### SPECIAL           !

#### Section 10.1

Full time employees will be paid a maximum of three (3) days at the regular rate of pay for bereavement leave as a result of the death of the following family members; Spouse, Mother, Father, Children, Brother and Sister.

One (1) day will be paid for the death of Son-in-Law, Daughter-in-Law, Brother-in-law, Sister-in-law, Mother-in-law, Father-in-law, Grandparents, Grandchildren.

#### Section 10.2

Maternity, parental and adoption leaves shall be granted in accordance with the provisions of the Ontario Employment Standards Act.

ARTICLE 11

MEDICAL EXAMINATION

Section 11.1

Any medical examination required by the Company shall be promptly complied with by all employees provided that the Company shall pay for all such examinations. The Company reserves the right to select a medical examiner or physician and the Union may, if in their opinion an injustice has been done to an employee, have said employee re-examined at the Union's expense.

Any medical examination required by legislation for the purpose of maintaining a drivers licence the Company will reimburse full time employees a maximum of seventy dollars (\$70.00) towards the cost of such examination provided the employee has completed the probationary period.

Section 11.2

When a medical examination is required by the Company, the following conditions shall apply:

- a) If any employee takes a medical examination during his normal working hours, he shall be paid for his normal working hours and thus not lose any pay as a result of his taking a medical examination and one (1) day's notice will be given the employee.
- b) If a medical examination is taken after working hours, the employee shall be paid twenty-five dollars (\$25.00) and shall in such cases receive at least three (3) day's notice prior to the appointment with the doctor.
- c) A report of the examination will be made available to the employee through the doctor designated by the employer.

Section 11.3

No employee shall be required to take a medical examination on a Saturday unless the employee so requests and does so voluntarily.

#### Section 11.4

Medical requirements applied by the Company shall not exceed those applied by the Ministry of Transport as it relates to driver's licences.

#### Section 11.5

The Employer reserves the right to require employees to produce a medical certificate from a physician for absences due to accident or illness of three (3) days or more. Sections 11.1 to 11.4 shall not apply to the application of this Section.

### ARTICLE 12

#### EQUIPMENT

##### Section 12.1

The Company shall maintain all vehicles in a safe operating condition in accordance with the Ministry of Transport's regulations.

##### Section 12.2

The Company will provide adequate forms for the employees to book the equipment for necessary repairs and will provide the drivers with a copy of the booking form along with subsequently providing the driver with a copy of the completed work order signed by the authorized person clearing the vehicle.

##### Section 12.3

The Company will maintain a policy for the washing of vehicles with the driver responsible for interior vehicle cleanliness.

##### Section 12.4

Employees shall report promptly to the Employer, in writing, all defects in equipment before completing their line or shift.



ARTICLE 13

DRIVERS HOURS OF WORK AND CONDITIONS

Section 13.1

Hours of work will be in conjunction with the Employment Standards Act subject to the provisions contained in this Article.

Section 13.2

Drivers will be allowed to book-off at the home terminal after sixty (60) hours worked as defined by the drivers log.

Section 13.3

- a) Seniority will apply to full time drivers work preference in regard to their choice of days or nights. This provision will be offered once each year at a time mutually agreed to by the Company and the Union. If an opening occurs during a year, such opening will be offered to full time drivers in order of seniority. The parties acknowledge that work fluctuations may occasionally require a full time driver to work days or nights for a temporary period of time without creating an opening.
- b) Full time drivers will be given load preference on a daily basis on all available loads at time of initial dispatch. Full time drivers shall be dispatched before part-time drivers wherever possible recognizing availability and delivery time requirements.

Section 13.4

Nothing in this article shall be construed as a guarantee of work.

Section 13.5

- a) Where the Employer decides to fill a vacancy or a new position is created within the bargaining unit, notice shall be posted on the bulletin board for a period of five (5) working days. Applications for such position shall be made within the period stipulated on the posting.

- b) The notice shall include a summary of the position description, wage scale and required criteria for the position.
- c) Employees shall be selected on the basis of their qualifications and where these factors are equal, seniority shall be the determining factor.

ARTICLE 14

MAINTENANCE HOURS OF WORK AND CONDITIONS

Section 14.1

The standard work week, exclusive of lunch periods, shall be nine (9) consecutive hours a day, forty-four (44) hours a week, to be worked Monday through Friday.

All hours worked in excess of nine (9) hours in any one (1) day or forty-four (44) hours in any one (1) week shall be paid at the rate of time and one-half (1½) the regular hourly rate.

Section 14.2

All weekend work on Saturdays and Sundays will be offered in order of seniority to qualified employees. Any hours worked will be paid at time and one-half (1 ½) the regular hourly rate of pay.

Section 14.3

All maintenance personnel shall be allowed a fifteen (15) minute paid rest break in the first half shift, a fifteen (15) minute rest break in the second half shift and a fifteen (15) minute rest break at premium rates to be allowed after the first half (1/2) hour of overtime during the second half (1/2) hour. The lunch period shall be not less than one-half (1/2) hour, nor more than one (1) hour without pay to be taken between the third and fifth hour. Employees shall be allowed a five (5) minute paid wash-up period immediately preceding the lunch break and quitting time.

Section 14.4

The Company shall supply lockers for maintenance personnel.

Section 14.5

The Company shall supply and maintain adequate coveralls as needed, maximum of five (5) pair per week. The Company will stock an adequate supply of spare coveralls for the use of newly hired personnel and to cover replacements in the case of oil spills, etc.

Section 14.6

- a) Maintenance employees called to perform extra work outside of their regular hours of work shall receive a guarantee of two (2) hours wages at time and one half (1½) the regular rate of pay.
- b) Maintenance employees called at home for telephone discussions involving work related issues will receive a minimum of one-half (1/2) hours wages at their regular rate of pay.

Section 14.7

Notwithstanding Section 9.2 no driver may bump into a Maintenance position and no Maintenance employee may bump into a driving position except in accordance with Section 13.5.

Section 14.8

Maintenance employees shall not be required to perform driving duties when drivers on shift are available and willing to perform the work.

Section 14.9

Nothing in this article shall be construed as a guarantee of work.

ARTICLE 15

PART-TIME EMPLOYEES CONDITIONS

Section 15.1

Part-time help shall be persons who are employed by the Employer to supplement the normal work force.

The Employer agrees that where it is necessary to use part-time help, the following conditions shall apply.

Conditions for Use of Part-time Help

- a) The Employer shall deduct from all part-time help from their first pay and each month thereafter, an amount equal to the Union dues and such monies shall be forwarded to the appropriate Local Union as outlined in Article 2 together with a list which shall show the names of persons for which the dues are remitted and the number of hours worked by such persons on an individual basis.
- b) Part-time employees will be employees who consistently work thirty-two (32) hours or less per week. Part-time employees will be allowed to work more than thirty-two (32) hours if replacing a full time employee who is absent from work for any reason and no full time employees are available. If a part-time employee regularly works in excess of thirty-two (32) hours weekly, exclusive of replacement work, the Company and the Union will meet to determine if a full time position is warranted. If a full time job is created, such job will be offered to the part-time drivers in order of seniority on the part-time list.
- c) Laid off full time drivers shall be given the first opportunity for part-time work.
- d) Part-time help shall not be used on a shift or starting time to deprive regular employees of their normal hours of work.

ARTICLE 16

GENERAL

Section 16.1 - Bulletin Boards

The Company agrees to permit posting of any notices of Union meetings or functions on a Bulletin Board conspicuously placed and provided for that purpose provided they are authorized and signed by an Officer of the Local Union.

Section 16.2

In the event the employee suffers an occupational injury, the employee will be provided transportation for emergency treatment

and paid for the balance of the shift in which the accident occurred, provided that a Doctor's note or report shows that the employee will not be able to finish their shift.

### Section 16.3

The Company shall provide an emergency telephone number for the employees on duty to contact the Company at any time.

### Section 16.4

The Company will pay every two (2) weeks on Friday by 9:00 a.m. for monies earned the previous two (2) weeks from Sunday through Saturday.

### Section 16.5

Employees will not suffer any loss of wages for all time involved in Company called meetings.

### Section 16.6

The Company will establish and maintain a Joint Health & Safety Committee consisting of two (2) Union appointed employees and Company representatives to meet bi-annually to address health and safety issues.

## ARTICLE 17

### I L I D L I

### Section 17.1

The following holidays shall be recognized as paid holidays for employees with full time seniority:

New Year's Day,	Good Friday,	Victoria Day,
Canada Day,	Civic Holiday,	Labour Day,
Thanksgiving Day,	Christmas Day,	Boxing Day.

### Section 17.2

Full time employees shall receive nine (9) hours' pay for maintenance employees and drivers will receive the present practice of the average of the previous thirteen (13) weeks to establish the pay for the General Holidays as defined in Section 17.1. If an employee is required to work any of the above paid

Holidays, he shall be paid one and one-half (1½) times the rate for all hours worked in addition to the paid Holiday.

### Section 17.3

Employees must work the regularly scheduled shift before the Holiday and the next regularly scheduled shift following the Holiday to receive pay.

### Section 17.4

When any of the above-mentioned Holidays fall on a Saturday or Sunday and are not proclaimed as being observed on some other day, the preceding Friday or the following Monday shall be deemed by the Employer to be the Holiday for the purpose of this Agreement.

### Section 17.5

If any of the above Holidays fall on an employee's scheduled day off, the employee shall receive another day off at a time mutually agreeable between the employee and the Employer, where the employee is qualified for Holiday pay as provided above.

## ARTICLE 18

### VACATIONS

#### Section 18.1

Employees with less than one (1) year of full time employment, and all part-time employees, shall receive vacation pay in accordance with the regulations established under the Employment Standards Act of Ontario or any subsequent amendment hereto.

#### Section 18.2

Full time employees who have completed one (1) year but less than ten (10) years in the employ of the Company shall receive two (2) weeks vacation with pay calculated at four per centum (4%) of his earnings for the previous calendar year.

#### Section 18.3

Full time employees who have completed ten (10) years or more in the employ of the Company shall receive three (3) weeks vacation

with vacation pay calculated at six per centum (6%) earnings for the previous calendar year.

Section 18.4

For the purpose of determining vacation eligibility, December of each year is the date used to establish years of service.

Section 18.5

The choice of vacation periods shall be by seniority. Employer will have each employee sign for the time he would like for his vacation. The schedule shall be posted by the Employer not later than April 30<sup>th</sup> of each year. The vacation period shall be the calendar year.

Section 18.6

Employees unable to complete their vacation by December 31 of any year will not be allowed to carry over additional vacation into the next year but will be paid any outstanding monies.

ARTICLE 19

BENEFITS

Section 19.1

The Employer reserves the right to select any insurance carrier of its choice in respect of benefit plans and insurance.

Section 19.2

The Employer agrees to pay fifty per centum (50%) of the cost of a welfare plan for the benefit of full time employees, which includes the following:

- a) Life Insurance - one (1) times annual salary;
- b) AD & D - one times annual salary;
- c) Dental - reimbursement at eighty (80%) per centum of deductibles;
- d) Health Care - reimbursement at eighty (80%) per centum of deductibles;

- e) Long Term Disability - sixty-six and two thirds (66 2/3%) of regular salary to a maximum of \$4,500 per month.

Full time employees agree to have fifty per centum (50%) of the cost associated with the above noted benefit plans deducted from their wages in each pay period.

Section 19.3

Full time employees must have successfully completed their probationary period prior to becoming eligible for such benefits.

ARTICLE 20

CONTRACTING OUT OF WORK

Section 20.1

The Company will not contract bargaining unit work to any outside source to the extent where a layoff would occur or would prevent the hiring of a full time employee.

ARTICLE 21

WAGES

See Appendix 'B'

ARTICLE 22

DURATION

Section 22.1

This Agreement shall become effective from February 1<sup>st</sup>, 2001 to January 31<sup>st</sup>, 2004 and from year to year thereafter unless notice of amendment by either party is given by registered mail within ninety (90) days prior to the date of expiration, setting forth the amendments desired.



Section 22.2

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

FOR THE COMPANY

*May 17, 2001*

*[Handwritten signature]*

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\_\_\_\_\_

FOR THE UNION

*[Handwritten signature]*

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## APPENDIX 'A'

### RULES AND REGULATIONS

For disciplinary measures, all infractions of Rules and Regulations shall be removed from the employee's record after two (2) years.

Any employee requested to sign for the receipt of an incident report may be accompanied by a Steward.

All penalties and reprimands must be issued to the employee within fourteen (14) calendar days from the time the infraction became known with a copy to the Local Union, otherwise the penalty or reprimand will be considered null and void. The fourteen (14) calendar days may be extended by mutual agreement between the Company and the Union for the purposes of conducting an investigation.

### Section 1

#### Accidents

Accidents for which the employee is at fault or for which his action or lack of action is a contributory factor will result in disciplinary action which may range from reprimand to dismissal according to the seriousness of the accident, the degree of negligence or carelessness and/or frequency of accidents.

However, the driver will be absolved of blame if the accident is proven to be caused by mechanical failure and the Company will then be responsible for wages and expenses if the driver involved is required to appear in court relating to the accident.

The Company Policy Book inclusive of the preventable accident policy will be provided to all employees.

Employees shall report immediately to their supervisor, in complete detail, all accidents or incidents occurring in the workplace, including the names of all witnesses to the accident or incident.

APPENDIX 'B'

Wage Rates - Effective Date of Ratification

	<u>Start</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Mechanic :	\$18.18	\$18.59	\$19.00	\$19.41
Apprentice:	\$16.26	\$16.52	\$16.88	\$17.24

- grid system - movement at beginning of each year of the contract

Drivers	<u>Feb1/01</u>	<u>Feb1/02</u>	<u>Feb1/03</u>
1) Mileage per kilometer travelled utilizing shortest route reasonable in the circumstances	\$ .215	\$ .220	\$ .225
2) Hrly.rate for Kraft Scarborough shunt and Belden Cartage (excluding hookup and drop)	\$15.30	\$15.60	\$15.90
3) Hourly rate at CN (all rail and container yards) after 1.5 hours "in gate".	\$13.26	\$13.52	\$13.78
4) Hourly rate for waiting to unload at National Grocers after four (4) hours (immediately following attendance at appointment time)	\$13.26	\$13.52	\$13.78
Unloading rates	\$40.80	\$41.60	\$42.40
Exception: CFS loads at National Grocers - to unload after 2 hrs.	\$15.30 \$13.26	\$15.60 \$13.52	\$15.80 \$13.78
5) Hourly rate loading and unloading at all other customers after two (2) hours of waiting	\$13.26	\$13.52	\$13.78

6) Hourly rate at scales and breakdowns after one (1) hour of waiting	\$13.26	\$13.52	\$13.78
7) Local Shunts no hooks & drops	\$15.30	\$15.60	\$15.90
8) L.T.L. hourly rate	\$16.20	\$16.50	\$16.85
9) Hooks & Drops (as required by the Company)	\$ 5.10	\$ 5.20	\$ 5.30
10) Loading rates (except National Grocers)			
upload	\$10.20	\$10.40	\$10.60
backload	\$15.30	\$15.60	\$15.90
11) Unloading rates (except National Grocers)			
upload	\$15.30	\$15.60	\$15.90
backload	\$10.20	\$10.40	\$10.60

LETTER OF TAND

between

TEAMSTERS LOCAL UNION 938

and

MORROW TRANSPORT INC.

POLICY ON LOAD PREFERENCE

NIGH SHIFT DRIVERS

When drivers are given a choice of loads for the night and they exercise that option, then that is their dispatch for the night. Dispatch reserves the right to change a driver's dispatch in the event of unforeseen circumstances, such as accident, illness, breakdown and similar cases.

Example: If a driver chooses 2 CN loads for the night and pass over a grocery load, and then the 2<sup>nd</sup> CN does not get loaded, the driver cannot then bump a junior driver from the grocery load.

Dispatch has the right to arrange loads as to maintain the efficient operation of the Company.

Example: If there are only 2 CNs being loaded in an evening and nothing else, dispatch will choose to run the 2<sup>nd</sup> CN later in the night because of responsibilities at Kraft in Scarborough.

Dispatch has the right to assign each driver with one (1) load, taking into account the number of loads and drivers, starting with the most senior and utilizing the right to hold loads for the efficient operation of the Company.

Example: If there are eight (8) loads and six (6) full time drivers:

Each driver will be given one (1) load and the two (2) senior drivers will be given two (2) loads.

FOR THE COMPANY

*May 17, 2001*

FOR THE UNION



