

EASTERN CANADA CAR CARRIERS

MASTER AGREEMENT

BETWEEN

**TEAMSTERS LOCAL UNION 938,
HEREINAFTER CALLED THE "UNION" ;**

AND

**[REDACTED] TRANSPORTATION,
HEREINAFTER CALLED THE "COMPANY".**

**COVERING CITY AND HIGHWAY DRIVERS, ROADWAY DRIVERS, YARDMEN, DRIVEAWAY
MEN, FOR THE PERIOD OF**

NOVEMBER 1ST, 2006 TO OCTOBER 31ST, 2009

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ARTICLE 1 -PREAMBLE AND RECOGNITION

Section 1.1

The Employer does hereby recognize Teamsters Local Union 938 as the exclusive bargaining agent for all employees, as defined in Article 1.2 employed by the R. Lackey Specialized Transportation Limited hereunder in the Province of Ontario (present and future.

Section 1.2

The term "employee" shall mean all employees save and except foremen, those above the rank of foreman, office staff, sales staff, security guards, janitors, watchmen, and stockmen who are presently excluded; which janitors and watchmen are used exclusively in these categories of work. Supervisors and foremen including dispatchers and dock supervisors shall not perform any work regularly done by the bargaining unit except the performance of tasks pertaining to their supervisory functions.

Section 1.3

When supervisors, foremen, dispatchers are appointed, a notice to that effect will be posted and maintained on the bulletin board with an explanation of their management duties.

Section 1.4

Owner drivers and/or brokers shall be recognized as employees and shall be subject to all the terms and conditions of this Agreement. There shall be no attempt by the Companies to operate owner driver and/or broker equipment in contravention of the Public Commercial Vehicle Act and amendments thereto.

Section 1.5

There shall be no effort by any signatory to misinterpret, read into or delete from any of the provisions of this Agreement.

The effective date of this Collective Agreement shall be from November 1st, 2006 and the term shall be from this date to October 31st, 2009.

Section 1.6

It is also understood that solely for the purpose of administering the terms of this Collective Agreement, a separate document will be entered into between the Union and each of the Companies named above. Such a document shall be consistent in every way with the terms hereof.

Section 1.7

In accordance with the terms of the Labour Relations Act, the Company will be bound as an individual Employer by the terms of this agreement and to the obligation to bargain with the Union for a new Collective Agreement.

Section 1.8

It is agreed that neither party to this Agreement shall enter into any Agreement or contract with employees which conflicts with the terms and provisions of this Agreement.

Section 1.9

The Union, as well as all members thereof, agree at all times, as fully as can be in their power, to further the interests of the automobile transporting industry and of the Employer.

ARTICLE 2 -UNION SECURITY

Section 2.1

All employees shall, as a condition of continued employment, become Union members. From the date of employment, employees shall have up to thirty (30) days to clear their membership with the Local Union in which jurisdiction they are working under (i.e. secure a transfer, turn in a withdrawal card, etc.), maintaining such membership in good standing for the duration of this agreement. In which case the Employer can be notified by the Union that the initiation fee deduction is not necessary. Failing any such notification to the Employer by the Union, the conditions of 2.3 shall apply.

Section 2.2

All employees under the scope of this Collective Agreement shall as a condition of employment, authorize the Company on a form provided by the Union, to deduct on a monthly basis, the Union's monthly dues and remit such amounts to the head office of the appropriate Local Union. The Company shall send a list of names, which shall include surname and Christian name, of those employees from whom such deductions have been made and the names of those employees for whom a deduction was not made for the first time, including all reasons why employees have not been so deducted not later than the tenth (10th) day of the month following the month in which such deductions are made. The Union will supply the Company with "Application for Union Membership", "Union Deduction Authorization" forms which shall be completed by all employees prior to the commencement of employment and the Company will forward the completed membership cards to the appropriate Local Union as notification of employment.

The Company shall supply the Union with the Social Insurance Number of each employee.

Employees who are off work due to sickness or injury should not have Union dues or Initiation Fees deducted from any General Holiday payments.

Section 2.3

Unless the Company is otherwise notified by the appropriate Local Union prior to the completion of the employee's probationary period, an employee shall, as a condition of continued employment, authorize the Company to deduct an amount equal to the Local Union's initiation fee in instalments of twenty-five (\$25.00) per month after the completion of the probationary period. This deduction shall continue until the initiation fee is paid in full. The Company agrees to remit such monies so deducted to the head office of the appropriate Local Union along with a list of the employees from whom the money was deducted at the same time as the Union dues are remitted.

The Union will notify the Company in writing of any arrears in regular monthly dues or initiation or re-initiation fees, and the Company will, the following pay period, commence deductions in amounts prescribed by the Local Union in such written notice and forward such monies to the appropriate Local Union along with the monthly dues as provided for above.

If an employee is absent and has not sufficient pay to his credit, his Union dues shall accumulate and shall be deducted upon his return to work, not to exceed one (1) month's dues per week unless otherwise notified in writing by the Local Union.

Section 2.4

When the Company needs additional men, it shall give the Local Union equal opportunity with all other sources to provide suitable applicants, but the Employer shall not be required to hire those referred by the Local Union.

Section 2.5

Subject to other conditions in this Agreement, no loads will be dispatched to any employee who is not a member in good standing with the Local Union.

Section 2.6

The Company shall show the yearly union monthly dues deductions on employees' T4 slips.

ARTICLE 3 -MANAGEMENT FUNCTIONS

Section 3.1

The Union recognizes that the Company has the exclusive right to manage the business and to exercise all of the customary prerogatives of Management except as modified by other Articles in this Agreement.

ARTICLE 4 -STEWARDS

Section 4.1

The Company acknowledges the right of the Union to appoint one (1) Chief Steward highway driver.

If operations change so they cannot be covered by these Stewards, the Company and the Union will meet to mutually agree on additions or changes. The Company also recognizes the right of the Union to appoint one (1) Steward for the Maintenance Department and one (1) Steward for other hourly rated employees and if the operations are such as cannot be covered by these Stewards, additional Stewards may be appointed.

The Company shall recognize a grievance committee consisting of three (3) employees representing the highway and/or hourly rated employees. They shall also recognize a grievance committee of three (3) for the maintenance division when requested by the Local Union and this last committee will be restricted to grievances pertaining to the maintenance division.

Section 4.2

The Union will inform the Company in writing of the names of the Chief Stewards, Assistant Stewards, grievance committee and of any subsequent changes in the names of the Stewards or committee men. No Company shall

be required to recognize any of the above until such notification from the Union has been received.

Section 4.3

Should there be any cause to suspend or discharge the Steward, the Company shall in every case notify the Local Union and the Steward in writing so that the Local Union is in receipt of such notification before such disciplinary action or discharge.

Section 4.4

The Chief Steward within a department or highway location shall be rated no less than second on the seniority list for work preference and layoff at all times, but this clause shall not apply to the seniority status of the chief Steward on highway operations for the purpose of equipment bid under Article 13. A change in hourly rated Stewards or maintenance Stewards between shift posting or shift bids shall not be cause for reposting or rebid.

Section 4.5

- (a) Stewards, or their replacements, and committee man (outside the Highway Department) shall receive their regular hourly rate of pay, plus COLA, exclusive of guarantees or premiums, for time spent attending Labour-Management meetings.

Chief Stewards in hourly rated and Maintenance Departments will be paid fifteen (15) hours pay per month for dealing with labour management problems.

- (b) The Chief Steward for each highway terminal consisting of fifty (50) or more drivers on the seniority list shall be paid for time spent dealing with Labour-Management problems up to a maximum of fifty-five (55) hours per month at the city and highway drivers' regular hourly rate, plus C.O.L.A. For Chief Highway Stewards at terminals with less than fifty (50) drivers, the above shall reduce by one (1) hour of pay for each driver less than fifty (50) - e.g. Forty-seven (47) drivers would provide for fifty-two (52) hours payment.

When requested by the Union, the Chief Steward, or the Company, one, two or three Committee men and/or Assistant Stewards shall be paid for time spent attending any jointly called labour-management meeting up to a maximum of forty-five (45) aggregate hours per month at the highway drivers' regular hourly rate, plus COLA and this payment shall be paid on a weekly basis.

It is understood and agreed that hours spent dealing with labour/management problems to be counted as part of the Chief Steward's weekly hours of work.

All payments in this Section shall be paid weekly, unless arranged on a bi-weekly or monthly basis.

Section 4.6

When a Steward gives a valid reason for wishing to check the time cards, book-out sheets, work orders, tach cards, trip reports, dispatch sheets including teletype dispatch, he shall be accorded that privilege.

Section 4.7

The Company will provide for two (2) days per year paid leave of absence for Stewards and one day per year paid leave of absence for committee persons to attend Union sanctioned seminars and/or educational programs. It is understood committee persons and Stewards will not be on a paid leave of absence for the same day.

ARTICLE 5 -GRIEVANCE PROCEDURE AND ARBITRATION

Section 5.1

- (a) Where the term "calendar days" appears within this Article, it shall be construed to exclude Saturdays, Sundays, and General Holidays as set out in Article 21.
- (b) In this Article, a grievance shall consist only of a dispute concerning interpretation and application of any clause of this Agreement, alleged violations of the Agreement and alleged abuses of discretion by supervision in the treatment of employees contrary to the terms of this Agreement. If any question arises as to whether a particular dispute is or is not a grievance, within the meaning of these provisions, the questions 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.
- (c) Prior to a grievance(s) being submitted to arbitration, the Company and the Union shall jointly agree in writing on the issue to be submitted to arbitration.

Section 5.2

- (a) Any employee covered by this Agreement when called into the Company's office for any discussion concerning disciplinary action or a grievance may, upon request, be accompanied by a Steward and/or business agent.
- (b) During any of the following steps of the grievance procedure, the aggrieved employee must be accompanied by one (1) Steward and/or business agent. In the absence of the Steward or business agent the Company will recognize a member of the grievance committee.

Section 5.3

- (a) By a conference between the aggrieved employee and the Branch Manager, foreman, dispatcher, or other designate. Failing settlement, the grievance must be submitted in writing within seven (7) calendar days from the date of the alleged violation or from the date the alleged violation became known to the grievor.
- (b) Failing settlement at the above step, the Branch Manager 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 seven (7) calendar days of the date that the grievance was registered in writing. This meeting shall be held in the home terminal of the employee involved unless otherwise agreed. The General Manager or his designate shall render a decision in writing within seven (7) calendar days from the date that the grievance was referred to him.

- (c) Should the parties fail to reach satisfactory settlement in the preceding steps, the final settlement of the grievance may be submitted to an Arbitration Board as outlined below. Before submitting the grievance to arbitration, the dispute may, by mutual agreement, be brought to the attention of the Ontario or Quebec Provincial Grievance Panel established for this purpose by the Companies and by the Local Unions. This Committee will render a decision unless it is deadlocked which shall be final and binding and have the same powers as a Board of Arbitration established under the subsequent provisions. The Ontario or Quebec Provincial Grievance Panel shall be comprised of four (4) persons, or two (2) persons as agreed to between the Company and the Union. These persons will be selected equally from Management and from the Local Unions.
- (d) The Companies and Local Unions shall name only representatives who are engaged in the day to day administration of this Agreement. It is understood that in the selection of the representative that neither party shall name a representative from the Company involved. This Committee shall meet within twenty (20) calendar days upon being contacted to hear the grievance(s).
- (e) In the event that the Ontario or Quebec Provincial Grievance Panel is unable to render a majority decision, the grieving party must within seven (7) calendar days from the date the Ontario or Quebec Provincial Grievance Panel declares a deadlock, unless they wish to withdraw the grievance, proceed to arbitration as outlined in Article 5 of this Agreement.

Section 5.4

In the event the Union or the Company has a grievance, it shall be the responsibility of the grievor to advise the other within seven (7) calendar days of the alleged violation of the Agreement and by such notification arrange a meeting within a further seven (7) calendar days between the General Manager or his designate and a duly accredited principal officer of the Local Union or his designate. Should the grievor fail to reach a satisfactory settlement, the dispute may, by mutual agreement, go to the Ontario or Quebec Provincial Grievance Panel as outlined in Section 5.3(c), and if this is not done or a majority decision of the committee is not obtained as set out in Section 5.3 (c), the final settlement of the grievance must be submitted to a Board of Arbitration.

Section 5.5

- (a) It shall be the responsibility of the party desiring arbitration to so inform the other party in writing in the case of:
 - (1) an employee grievance within seven (7) calendar days after the General Manager or his designate renders a decision as provided in Section 5.3(b);

- (2) a Company grievance within seven (7) calendar days after the meeting with the Union representatives as provided in Section 5.4;
- (3) a Union grievance within seven (7) calendar days after the meeting with the Company representatives as provided in Section 5.4.

(b) A notice of an intent to arbitrate under the foregoing provision shall contain the name of the aggrieved party's appointee to the Board of Arbitration and within seven (7) calendar days from the receipt of the notice of intent to arbitrate, the other party must in turn name their nominee. A third member to act a Chairman shall be appointed on the recommendation of the respective appointees. Should the members fail to select a Chairman within fifteen (15) calendar days from the date of their appointment, the members shall request the appropriate Minister of Labour to name a Chairman. Should either party fail to name an appointee, the other party shall ask the appropriate minister to make the appropriate appointment. In the event either appointee fails to act in a prompt and expeditious manner in selecting a Chairman, date for hearing or any other detail concerning the hearing, the Board may, at its discretion, limit the liability of the other party.

- (c) In any individual case the parties may by mutual agreement agree upon a single arbitrator in place of an arbitration board which arbitrator will have the same powers as 'those of an arbitration board as set out in Section 5.7.

Section 5.6

If at any time during the above-mentioned steps the grievance has not been processed by the grieving party, his representatives or agents in accordance with the time limit as prescribed, the grievance shall be deemed to have been withdrawn except in the event a driver on highway operations is away from his home terminal and thus unavailable to proceed with the steps of the grievance procedure within the time limits prescribed, such time limits shall be extended so as to permit his processing the grievance in accordance with the above steps upon his return to his home terminal.

Section 5.7

The Board of Arbitration or single Arbitrator shall not have the right to alter or change any provisions in this Agreement or substitute any new provisions in lieu thereof, or to give any decision inconsistent with the terms and provisions of this Agreement. The Board or single Arbitrator however, shall have the power to vary or set aside any penalty, claim or discipline imposed relating to the grievance then before it. The Board of Arbitration or single Arbitrator shall have the authority to grant any remedy that is just and equitable.

Section 5.8

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

Section 5.9

An employee who is discharged will have his discharge and reasons for same confirmed in writing with a copy to the Local Union and his pay will be mailed to his last known address within twenty-four (24) hours from the time of his discharge. An employee who terminates his employment voluntarily will have all monies owing him paid not later than the following pay day.

Section 5.10

An employee who is suspended or discharged may file a grievance commencing with step (b) of the grievance procedure in Section 5.3 within and not after seven (7) calendar days of his discharge.

Section 5.11

Officers of the Local Union, business agents, Stewards of the Company concerned and members of the grievance committee of the Company concerned shall be allowed, upon notification, to enter the Company's premises to deal in the administration of the Agreement providing they do not interfere with the normal operations of the Company.

Section 5.12

For the purpose of processing specific grievances or disputes, business representatives and Stewards, or their replacements, shall have access to trip sheets and time cards.

Section 5.13

The Union and/or the Company shall have the right to file a policy grievance and/or an individual grievance relating to an employee.

Section 5.14

All monetary grievances that are mutually agreed upon shall be paid within a fifteen (15) calendar day period from the date of written settlement.

Section 5.15 - Innocent until proven guilty

Except in case of conduct which may support discharge, such as serious accidents, consumption or possession or being under the influence of alcohol or drugs, dishonesty, falsification of records, sexual harassment, tampering with equipment or devices, or culminating incidents supporting discharge, employees will be allowed to remain on the job without loss of pay until a representative of the respective union local has met with a company representative. employees suspended for six (6) or more days shall be allowed to remain on the job without loss of pay until a representative of the respective local has met with a Company Representative. The Union agrees that it will not unreasonably delay the processing of such cases. If the Union unreasonably delays the processing of such cases beyond seven (7) days from the date of the discipline, the Employer shall have the right to impose the discipline. The parties can extend the seven (7) day provision for a further seven (7) days upon mutual agreement. In the event of a conflict between this Article and Appendix E, the provisions of Appendix E shall be applied. It is understood and agreed that this Article does not waive an employee's right to the grievance procedure.

ARTICLE 6 -STRIKES & LOCKOUTS

Section 6.1

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

Section 6.2

It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action in the event an employee refuses to cross a legal picket line, providing the Local Union notifies the Company in writing that a legal strike is in progress.

ARTICLE 7-SENIORITY

Section 7.1

- (a) The purpose of seniority shall be the determining factor governing the work preference, layoffs and recalls. In the event of a reduction of the working force, the Company shall apply the principle of "last on - first off". Following a layoff, rehiring shall be executed conversely to the outlined layoff procedure.

- (b) Notwithstanding the above paragraph, on mutual agreement, arrangements may be reached for voluntary layoff out of seniority order with a minimum of one week's notice of intent to return to work.

The Company shall not deny a voluntary layoff within this Section so long as there are junior employees laid off and the Company shall provide records of their work force where dispute exists. Further, the senior employee electing layoff

- a) must apply at time of the original layoff;

Employees must provide (7) days notice of intent to take a voluntary layoff. Employees can only exercise this right once unless there are additional layoffs within their department. In no case shall a voluntary layoff result in additional expense to the Company.

- b) must pay for his benefits where applicable in conjunction with Articles 23 and 24; must adhere to language above in respect of a return to work.
- c) must adhere to language above in respect of a return to work.
- d) Employees returning from voluntary layoff after having served notice of return to work will not be eligible for Health and Welfare and Pension benefits until the month following their return to work. However should the layoff status reach the point where this employee would have been recalled to work, the Company will make the necessary contributions.

Section 7.2

Seniority shall be branch wide and include all persons working at a branch and on the branch payroll. It is further agreed that the Maintenance Department seniority shall be separate and not interchangeable with any other department within the branch.

Each Company in the province of Ontario will be one seniority list for city and highway drivers with drivers located in different areas for work preference.

Each Company in the Province of Quebec will have one seniority list for City and highway drivers with drivers located in different areas for work preference. Recognizing that Local 69 has jurisdiction east of Three Rivers based on the annual equipment bid, a domiciled list will be prepared, and union dues sent to the Local Union according to domicile.

Section 7.3

In all layoffs, the Company shall consider (a) seniority of the employee, and (b) the qualifications of the employee, and if the qualifications expressed in (b) are relatively equal, the employee's seniority shall be the determining factor.

Section 7.4

The Companies will provide and post a seniority list of each Branch every three (3) months, with sufficient copies provided to the appropriate Business Representatives and the Stewards. The Company will number the employees on each seniority list.

Effective August, 1989, the Companies will provide the Local Union office in August and February of each year a copy of the seniority list including employees' addresses and social insurance numbers. This seniority list shall be provided to the appropriate Local Union Secretary-Treasurer.

Section 7.5

Employees shall be considered probationary until placed on the seniority list. After thirty (30) calendar days from the date of employment for hourly rated, and forty five (45) calendar days for City and highway drivers, the employee shall be placed on the seniority list, dated according to the date of his employment. The Company must supply proof of the commencement of employment by a clock time punch and establish personnel on the seniority lists in accordance with the time they started. The release of a probationary employee shall not be subject to the grievance procedure.

If the above process fails to determine the order of seniority, the deciding method will be by lot with the Union representative present.

Section 7.6

Those promoted to supervisory positions or those positions not subject to this Agreement will retain their seniority after promotion and if demoted for any reason or if they voluntarily request reinstatement to their former position in the bargaining unit within 180 calendar days, the time served in the supervisory position shall be included in their seniority rating. Such employees shall forfeit any and all recourse to the grievance procedure as outlined in the Agreement should they be subsequently discharged in such a position beyond the jurisdiction of this Agreement.

Section 7.7

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

- (a) if the employee voluntarily quits;
- (b) if the employee is discharged and is not reinstated pursuant to the conditions of the complaint and grievance procedure as provided in this contract;
- (c) if the employee has been laid off and fails to return within seven (7) days after he has been notified to do so by registered mail addressed to his last known address with the Company;
(NOTE: It shall be the employee's responsibility at all times to keep the Company informed as to his correct home address.)
- (d) if an employee overstays a leave of absence granted by the Company without securing an extension in writing of such leave of absence;
- (e) if an employee is absent from work for more than three (3) consecutive days without securing a leave of absence, except that absence due to circumstances beyond the employee's control;
- (f) if an employee accepts employment other than that agreed upon between the Company and the Local Union while on a leave of absence except for medical reasons and while on leave of absence due to loss of driver's licence;
- (g) if an employee is laid off for a period extending beyond twenty-four (24) consecutive months;
- (h) bona fide illness or injury shall not be cause for discharge or loss of seniority providing the Company is notified as soon as possible of such illness or injury. The employee shall notify the Company when he is able to return to work. However an employee off work as set out above shall not, by virtue of his absence, retain seniority over a senior employee who has been laid off in excess of twenty-four (24) months.

Section 7.8

Leave of absence in excess of thirty (30) days will not be granted until a request for same is submitted in writing to both the Union and the Company and mutually agreed to.

The Company will recognize sick leave of absence to an employee who enters a treatment centre for chemical dependency.

Should the Company institute a substance abuse or employees assistance program, the Company and the Union will meet to discuss and mutually agree on program policies set forth. The meeting is designed to avoid any misunderstandings that might arise concerning this Collective Agreement.

The Company may appoint an employee, on a permissive basis, to perform duties that are necessary in maintaining a program. While performing these duties, the Company will maintain the employee's benefits and seniority for their normal work place.

Section 7.9

Employees shall automatically be granted a leave of absence up to twenty-four (24) months in the event of suspension of driver's licence. The Company and the Union will meet to discuss alternate work and other employees' jobs will not be affected in the event the employee who has lost his licence is given other work. Leaves of absence above shall not exceed an accumulated total of twenty-four (24) months during the term of this Agreement.

Section 7.10

Prior to the opening of a new terminal, the Union and the Company must have a mutual agreement on seniority provisions.

Prior to a new location being opened for maintenance and/or hourly rated operations, the Company and the Union will meet to establish the seniority list(s).

The Company shall notify the Union of the opening of a new terminal not less than thirty (30) days prior to such opening so that discussions may be held to consider work practices and work loads that may be in effect at such new terminal. In the event a new terminal is opened, a notice will be posted for ten (10) days giving full details of the nature of the run and approximate number of runs available. All employees of the Company shall have the opportunity to bid on the new runs that they desire. At the end of this ten (10) day period, the senior employee signing the notice shall be assigned to the new terminal. Once an employee signs the notice, he may be immediately transferred to the new terminal by the Company and shall have sixty (60) days from the date he starts work at the new terminal to decide whether or not to remain. After this period, there will be no further transfer without loss of seniority. Once established in the new terminal, seniority in that terminal shall be determined by length of continuous service with the Company.

Section 7.11

When a new terminal is opened and later abolished, the men who have moved to the new terminal shall be eligible to return to their respective terminals without loss of seniority.

Section 7.12

The Company agrees to grant to all present employees who are on leave of absence and all future employees of the Teamsters Union an indefinite leave of absence to work for the Teamsters Union retaining and accumulating seniority with the Company. Such leave of absence shall be revocable upon seventy-two (72) hours notice by the employee.

Section 7.13

The parties agree and understand that in the Releasing Yard Operations all hourly rated employees will be on separate seniority lists for each operating location, and do not have transferable seniority to any other hourly seniority list/yard or to any other department.

Section 7.14

Where the Company has established highway or city operations within a specific area, the Company and the Union, in conjunction with Section 13.12, will meet to discuss a one (1) terminal status.

Section 7.15

If the Company absorbs (by merger, purchase or other disposition) the undertaking and business of another car carrier covered by the terms of this Agreement or is party to a consolidation of lines with another car carrier covered by the terms of this Agreement, the seniority of the employees absorbed or affected will be determined according to the following:

- (a) If the Company affected is actively in business, the seniority lists of employees of each Employer involved in the consolidation of terminals or operations shall be dovetailed by appropriate classification in order of seniority according to each employee's date of hire at their respective Company.

Section 7.16

In the event the Company moves a work operation and it is clearly established a movement of work opposite jobs were affected, employees affected shall be allowed to move with the work and dovetail their seniority to the terminal where the work is moved with an understanding that the determination of the work be defined at the time of the announcement or a period of the previous three (3) months work prior to the move.

In the event a terminal re-opens the Company shall apply the conditions as spelled out in Section 7.10.

Section 7.17

The Company will recognize a preferential hire list of laid off qualified car haul personnel as provided by the respective local unions. The Company will give first consideration to those candidates on this preferential list in the order that they appear.

ARTICLE 8 -BULLETIN BOARDS

Section 8.1

The Company agrees to permit posting of any notice of Union bulletins or functions on a bulletin board conspicuously placed and provided for that purpose.

Section 8.2

The Union Bulletin Board at each terminal or domicile shall be glassed-in with provisions for it to be locked and the Steward shall be provided with a key for access to it.

ARTICLE 9 -EQUIPMENT

Section 9.1

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

It shall be the duty of employees to report promptly in writing to the Company all known defects in equipment. It shall be the duty of the Company to maintain all vehicles in safe operating condition in accordance with the Department of Transport regulations. The maintenance of equipment in sound operating condition is not only a function, but a responsibility of management. The determination of, as well as the responsibility for all decisions in regard to the condition of equipment, shall rest with the senior qualified representative of the Company on the premises. It shall not be a violation of this Agreement where employees refuse to operate such equipment after the employee has advised the Company in writing of the defects in the equipment as provided above unless such refusal is unjustified.

Section 9.2

It shall be the Company's responsibility to provide adequate ramp tie downs and other safety securing devices for carrying equipment on all combination vehicles.

Employees shall not be charged for loss or damage to equipment unless clear proof of negligence is shown. In the event of such loss or damage, the Company shall have up to fifteen (15) days from the date of loss or damage to register a claim with the employee. Before the employee signs an authorization to deduct a claim he shall have seven (7) days to register a grievance should he fail to agree with the Company's claim. In the event the grievance is not filed within seven (7) days, the employee must authorize the Company to deduct the amount of the claim. The Company may lodge a claim for loss or damage up to and including ten dollars (\$10.00).

Section 9.3

The Company shall have the right to suspend employees for the investigation of accidents. The length of the suspension will depend upon the location of the accident and the seriousness, but in no case will the suspension for the investigation exceed two (2) days. If the employee is subsequently suspended as a disciplinary measure for a period longer than two (2) days, the time involved in the initial suspension shall be included in the final penalty. Employees shall be paid for all lost time during said investigation period should it be found that they were not at fault.

In the event the Company does not suspend an employee for the investigation of an accident, the Company shall have up to ten (10) days from the date of the employee's written report for the investigation. In the event the Company imposes disciplinary action as a result of this investigation, such disciplinary action must be taken within the ten (10) day limit. In the event the Company requests additional time for the investigation, the Company shall have a further ten (10) days provided a written notification is filed with the Local Union and the employee concerned. In the event disciplinary action is taken by the Company, such action must then be taken within the twenty (20) day period. In the event of personal injury or death, the above limits shall be extended to thirty (30) days.

Section 9.4

Having regard for the safety and driver health factor, all power equipment shall have adequate heaters, arctic windshield wipers during the winter months, defrosters, windshield washers, proper windshield washer fluid, fire extinguishers, aluminum ramps and safety catwalks where necessary. Further having regard for the safety and health factor, the Company will supply bunks, slider bunks and ramps of a reasonable weight, take cognizance of the location of diesel stacks, maintain equipment with a reasonable noise level, and have due regard to the cleanliness of equipment. Each driver will be supplied with four (4) or six (6) fuses and replacement fuses to be supplied by the Company on request. All new equipment added to the fleet shall have cloth seats if available, pneumatic air bag suspension systems, CB power source, seats with air ride or equivalent, air brakes, air horns, power steering, fog lights and proper mud flaps. Where power equipment is purchased or leased by the Company, equipped with radios, such radios shall not be removed by the Company.

New equipment will come equipped with an AM-FM radio. Malfunction of a radio will not be cause for booking equipment but will be attended to at the next preventative maintenance check.

Equipment with a single seat will have a compartment built in for driver's equipment, gloves, etc.

All new equipment ordered after the commencement of this agreement shall have hydraulic equipment placed outside the cab, and all diesel equipment shall have the exhaust stacks placed in an upright position; except where such equipment is equipped with an electric hydraulic system.

On new equipment diesel stacks will be at the right side, if upright.

All new equipment shall be properly insulated by the manufacturer so noise will not exceed the 83 decibel requirement.

On and after the date of signing this Agreement, all new or used equipment added to the fleet will be equipped with the following items:

air conditioning

stacks to be upright and on the right side

retractable seat belts

proper sized fog lights

air valves to be provided on power equipment and trailers

power equipment capable of maintaining 100 Kilometres per hour under normal driving conditions.

cloth and high back seats if available from the manufacturers on units ordered after this date

alcohol injector if required.

non asbestos brake linings

intermittent windshield wipers

arm rests

adequate lighting for night loading and unloading

heated west coast mirrors

Section 9.5

Each driver will be supplied with proper forms on which he must report defects in equipment. The driver shall hand a copy of each such form he makes out to the foreman of the Company who shall sign the driver's copy of the form and return it to him. In addition, each driver will be supplied with tags or other marking devices upon which he shall note any defect in equipment and shall affix such tag or marking device to the equipment in a prominent place.

Section 9.6

When a driver reports a defect in equipment, he must tag or mark the vehicle involved in such a manner so that any other employee will notice the defective equipment. It shall be the Company's responsibility to supply such tags or other marking devices. A completed copy of the work order will be attached to the tag left on the vehicle in order to show the work has been completed.

Section 9.7

No employee shall be required to tow in terminals where tow bars are not available. For towing vehicles in all releasing yards, including rail loading and unloading, a properly equipped vehicle will be used.

Section 9.8

It shall be the responsibility of the Company to post a list outlining the necessary equipment for the units operated by the Company. Replacement equipment will be readily available at terminal locations.

Section 9.9

All vehicles used for transportation of employees in releasing yards must have adequate ventilation, including roof vents with fans, and if gas cans are carried, they will be carried outside the vehicle. Boosting equipment shall be carried outside the vehicle. While being so used and including vehicles used for boosting services, driving will be done by members of the Bargaining Unit except at times when members of the Bargaining Unit are not on duty. The exception to the above is designed for times only when employees are not scheduled in the system. All vehicles will be provided with proper seating. All new replacement pick-ups, suburbans and passenger window vans will be equipped with air conditioning and be maintained.

Section 9.10

The Company shall supply adequate ice scrapers where required in all operations.

Section 9.11

Where serious problems arise, personnel engaged in road testing shall be accompanied ordinarily by the mechanic who performed the repair work.

ARTICLE 10 -CARGO

Section 10.1

Employees shall not be charged with any cargo loss or damage except for loss or damage as may be caused by the employee's negligence, and in such cases, the employee must be given written notice of such intent to charge within fifteen (15) days from the date the Company is in receipt of a written report on the vehicle damages: it is further provided that in such cases, the employee shall have fifteen (15) days from the date of notice to file a written protest against claims for damages. However, if a protest is not filed by the employee within fifteen (15) days from the date of receiving notice, the charge against the employee for the negligence shall be final and not subject to any further arbitration. There shall be an absolute maximum of ten dollars (\$10.00) per claim. The employees must give written assignment before any deductions are made from their pay cheque. Adequate lighting facilities shall be supplied and maintained at all loading points. Warnings or other alternate methods agreed to by the Company and Union Committee may be used to deal with damages in compliance with this Section.

Where cargo loss or damage is caused by gross negligence or frequent negligence corrective discipline under Appendix "E" may be substituted for the ten dollars (\$10.00) penalty.

The Company shall review the employee's history under Section 10.1 above, before proceeding with disciplinary action under Appendix "E", Rules and Regulations.

Section 10.2

It shall be the responsibility of the driver to check all equipment such as tools, tires and accessories as listed on the bill of lading, and to see that the cargo is free of damage before the vehicle is loaded. In the event a shortage or damage is discovered, it must be listed on the bill of lading and signed by the driver and the Company representative or the shipper of the vehicle if available. Drivers will not be held responsible for damages hidden due to inclement weather and other adverse conditions.

Section 10.3

Where code numbers are used, the necessary information to interpret their meaning will be made available to the employees concerned.

Section 10.4

The Company shall assume full responsibility for damages caused by loads being over the height specified in the Highway Traffic Act (currently 4.15 metres) except damages that are directly due to the driver's negligence.

The Company shall supply proper mutually agreed upon measuring devices at all shipping areas and/or in equipment. Where the Company fails to supply a proper measuring device, the employee shall not be held responsible for damages or fines caused by over-height or over-length, except damages or fines that are directly due to the driver's negligence or carelessness.

Section 10.5

All damages occurring while city and highway drivers are in the process of loading and unloading shall be subject to Section 10.1 of this Agreement.

When third party liability is involved the incident shall be classed as a "Cargo Accident". Where such damages are directly due to the driver's negligence or carelessness, the Company may refer to Appendix "E", Article 1.

Incidents within the scope of this Section will not be charged to the highway drivers's equipment driving record.

Section 10.6

Wrong deliveries will be subject to the same provisions as in Section 10.1 of this Agreement.

Section 10.7

Any claims of severity one and two that are not paid by the company will not be held against the driver. It will be the driver's responsibility to follow up on all claims with the company.

ARTICLE 11 -PASSENGERS

Section 11.1

Employees shall not be permitted to allow anyone except employees of the Company who are on duty or other transport drivers broken down on the highway to ride on his truck except by written authorization of the Company.

ARTICLE 12 -MEDICAL EXAMINATIONS

Section 12.1

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

The Company must provide to the Union a valid reason for an employee taking a medical and the Company must give a minimum notice of seven (7) days prior to utilizing the following provisions

- (b) A medical examination made necessary by government legislation for the purpose of maintaining a driver's licence or for the purpose of driving in the United States may be made by a doctor of the employee's choice.
- (c) The medical examination required for ICC purposes will be paid for by the Company, and the employee shall be paid twenty-five dollars (\$25.00) by his Employer.

Section 12.2

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

- (a) if an employee takes a medical examination during his normal working hours, he shall be paid for the time involved;
- (b) if a medical examination is taken after working hours, the employee involved shall be paid thirty dollars (\$30.00). Except that if the employee is required by the Company to take a medical examination away from the home terminal area, he shall, instead, be paid forty-five dollars (\$45.00). The employee shall make the appointment with the doctor as designated by the Company within three (3) working days from the date the Company requested the medical;

The above-noted allowances shall be paid for each visit in the event that more than one visit is required.

- (c) a report of the medical examination will be made available to the employee. The employee will either supply a copy of the report to the Company, or obtain a letter of opinion from the doctor for the Company.

Section 12.3

When an employee has an industrial accident that prevents him from returning to his former job, the Employer will cooperate in assisting the employee towards suitable employment.

Section 12.4

Employees who have been suspended by the Employer regarding medical reasons, and where the employees are found medically fit to perform their normal duties, they shall be reinstated and paid for all loss of earnings and/or benefits.

Section 12.5

Both parties will comply with any legislation respecting medical reports.

Section 12.6

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

ARTICLE 13-CITY AND HIGHWAY DRIVERS WORK PREFERENCE

Section 13.1

City and highway drivers' seniority shall entitle him to the following:

- (a) To work each of the first five **(5)** days of the week.
- (b) To work preference in regard to choice of loads and earning power over an employee below him in seniority.
 - (1) When new or additional equipment is introduced to the fleet this equipment shall be assigned on a fair distribution basis, i.e. to drivers on scheduled runs, and wild board runs, with scheduled runs meaning where two (2) men might be assigned one (1) piece of equipment and wild board runs meaning where one (1) driver is assigned one (1) piece of equipment.
- (c) To bid yearly for his choice of allocated equipment and he shall remain on such type of equipment except when there are no trips available for such type of equipment in which event he may be given another type of equipment for which he is qualified and for which there are trips available. Drivers shall have the opportunity to qualify for all types of equipment to which their seniority entitles them. Once a type of equipment is rejected consistent with these provisions, it shall be the driver's responsibility to declare any change in his choice three **(3)** hours prior to dispatch.

The assignment of spare equipment will be done on the basis of voluntary down the seniority list and mandatory from the bottom up.

- (d) The equipment bid shall be posted annually by the Company at a time agreeable to the Company and the Union. The Steward and committee of each respective Company shall have the right to meet with the Company to discuss how the bid should be finalized. The bid shall be finalized within seven (7) days. If for some reason the seven (7) day period cannot be met, the bid must be finalized within fourteen (14) days. Upon the employee's placement according to the bid, additional time for training purposes may be required. The annual bids in the Province of Quebec will take place in March of each year.

If because of a major change in operations affecting the annual bid, the Steward and committee shall meet with the Company and mutually agree on the possibility of a rebid. All employees must bid on the choice and type of equipment in their seniority order.

It is understood that all equipment types shall be listed for the bid. Employees returning to work who were not present for the annual bid shall be allowed to retain the equipment they held in the previous bid providing they have a return to work date within ninety (90) days of the equipment bid.

Employees returning to work or new employees hired after the above date shall be given a choice of bid on the remaining equipment available, with completed copies of the bid mailed to the Steward and the Local Union. Stewards shall bid in their non-preferential seniority position. When new types of equipment become available between the bid, the equipment shall be posted for ten (10) days and all employees shall be given an opportunity to bid on the equipment in order of seniority.

Unless otherwise agreed, the Company recognizes that seniority is on the employee, and not on the equipment.

- (e) Drivers shall have the right to book off work at their home terminal when they have completed a total of forty five (45) hours in that week, and his Monday load according to his seniority held until 7:00 a.m.
- (f) Drivers reaching the forty-five (45) hour condition in (e) above, that are within sixty-one (61) miles of their home terminal, shall be allowed to proceed to their home terminal, upon request, provided there is no delivery or load available en route.
- (g) On the weekend where highway personnel have exercised their seniority in accordance with Section 13.1 (e), the Company, in establishing the work force required, shall employ the system of going down the seniority list on a permissive basis and back up on a compulsory basis except those employees who have booked off in accordance with the provisions of Section 13.1 (e).
- (h) Upon request, city and highway drivers returning from layoff or injury in excess of six (6) months will be allowed to retrain on the appropriate equipment for a period of three (3) days and will be paid their regular hourly rate of pay for all time involved.
- (i) When new or used equipment is first introduced to the fleet, city and highway drivers will be allowed to train on the equipment for a period of one (1) day and will be paid their regular hourly rate of pay for all time involved.

Section 13.2

Dispatchers will dispatch by written instructions to a point of destination and further orders may be issued to the driver by the Company if economic conditions may warrant. Dispatchers making any such changes will be required to furnish the driver and the Company with a written report covering same.

Section 13.3

Compulsory minimum time off:

- (a) twelve (12) hours in home terminal at the end of a shift with seniority protection to fourteen (14) hours.
- (b) thirty-six (36) hours in home terminal over the weekend;
- (c) eight (8) hours when required to sleep away from home.

Section 13.4

When a General Holiday extends a weekend, twenty-four (24) hours shall be added to Section 13.1 (e); also twenty-four (24) hours shall be added to Section 13.3 (b).

Section 13.5

Call-in procedure shall be negotiated between the Company and the Union, and the Memorandum of Agreement shall be filed with the parties concerned and it shall be consistent so as to allow two (2) hours without pay to report for work. If there is no trip available at the expiry of a driver's time off and he is subsequently without work for five (5) or more hours, he shall be allowed six (6) hours to report for the trip accepted according to his work preference.

If a call-in procedure is not negotiated, the conditions as spelled out in this Agreement shall apply.

Section 13.6

Where drivers are dispatched from their home terminal and loads materialize at a foreign point, loads must be arranged in accordance with seniority provided it does not cause unnecessary delay in delivery. The principle to be used in the above clause shall be based on the seniority of the employee leaving the home terminal in conjunction with the time the load is dispatched from the foreign point. Employees not wishing to accept a return load must make their declaration at the time they are being dispatched from the home terminal.

- (a) City and highway drivers at a foreign terminal(s) shall be given preference on first return load or loads in order of seniority destined to a point near their home terminal in accordance to their point of origin seniority.

This Section is subject to the provisions attached to Sections 13.1 (c) and (d) and 13.5 of this agreement.

- (b) Where there are trucks returning empty from a foreign terminal or foreign point, drivers will be given preference in order of seniority to return empty except as modified by bid Memorandums. Preference will also be given in order of seniority to proceed empty to other terminals or points to receive their choice of return loads, providing it does not cause increased empty miles. Consistent with Section 13.6, the above provisions shall not be employed to the extent it causes unnecessary delays in delivery.

Section 13.7

Drivers arriving at a foreign terminal on the completion of a shift may be held up to eight (8) hours without pay; if a driver is held thereafter, he shall be paid all time up to ten (10) hours in any twenty-four (24) hour period. Subject to the foregoing, city and

highway drivers shall not be obliged to report for work until eight (8) hours have elapsed. The Company shall pay lodgings and the meal allowance as determined under Article 18 for three (3) meals in each twenty-four (24) hour period so held over.

Section 13.8

- (a) The Company has the right to make provisions for a temporary work force in a foreign terminal or a foreign point on a permissive basis. In the event the work is declined in accordance with work preference, the Company reserves the right to allocate the work in reverse order of seniority. Whenever possible, personnel will be notified when personnel are to be held over at the foreign terminal or a foreign point. The Company agrees to pay three (3) meal allowances and lodgings in addition to pay earnings for each twenty-four (24) hour period.
- (b) Employees who are forced by the Company to return to a foreign terminal or point shall be entitled to the meal allowance on the same principle as a pre-determined temporary work force.
- (c) No driver shall be required to accept a dispatch out of a foreign terminal or a foreign point in the opposite direction from that of his home terminal after 12:00 noon on a Friday in any week.
- (d) All employees temporarily transferred to a foreign terminal will be paid and bound by this Collective Agreement and their payroll will remain in their province of residence.
- (e) Wild board drivers will be allowed to return to their home terminal after his second sleep out.

Section 13.9

City and Highway Driver who has not been dispatched for (4) four working days will be laid off.

Section 13.10

In the event the Company has employees laid off in a terminal(s) and there is excessive work at some other terminal(s), the Company will give first opportunity to perform the work on a weekly basis to laid off employees in order of Company seniority.

While at that terminal, employees do not have the right to grieve on the seniority list at their home terminal and this clause is not to be used at the exclusion of Section 13.8.

While so employed, the Company will provide designated lodging at the foreign terminal.

Provisions for this Section may be addressed in Sections 13.1 (d) or 13.12.

Section 13.11

Where the Company makes extra work available roading cars, trucks, buses and all drivers are working, other qualified employees shall be given the first opportunity to perform such work at the prevailing rate, for such type of work.

Such work performed by employees in excess of nine (9) hours per day, and work commencing on Saturday shall be paid for at time and one half the rate referred to above.

Section 13.12

In the event the Company desires to make any changes in respect to operations, such as the provisions of Section 13.6, adding or discontinuing break or switch stations, scheduling runs, bid runs, etc., such changes shall be discussed with the appropriate business agent of the Local Union and a committee of the Company's employees with a view of avoiding misunderstandings that might arise out of any variations of any of the provisions of this Agreement. It is understood that a signed Memorandum of Agreement must be filed with each party. Should no signed Memorandum of Agreement exist, the provisions of Article 13 apply.

- (a) Where in conjunction with Section 13.12 above drivers who exercise their seniority to a recognized place of domicile shall be paid on a weekly basis an amount of seventy five dollars (\$75.00) or pro-rated if less than a full week, up to a maximum of four (4) weeks.

(b) Definitions

For the purpose of clarity in this industry the following definitions are set out.

Each Company may have drivers operating in any one or all of the under noted categories.

1. WILDRUN DRIVERS

Shall mean drivers on non-designated or non-daily scheduled runs, with allocated power unit equipment; or performing delivery work on equipment that is on scheduled run at a terminal.

2. THROUGH SERVICE RELAYS

Shall mean drivers working on specific allocated equipment on long hauls such as from Windsor Border to Quebec or of a similar nature where equipment is exchanged at different

locations.

3. SHARED EQUIPMENT

Shall mean two (2) drivers sharing one (1) allocated power unit, from a production location.

4. SWITCH RUN EXPRESS RUN

Shall mean drivers working on allocated power units who exchange equipment where product is moving in both directions: Or equipment working from a production point and the exchange takes place en route.

5. SPLIT RUN

Shall mean two (2) drivers on one (1) allocated power unit piece of equipment working for a non production location in this industry.

Section 13.13

Drivers on split run operations shall be subject to the hours off regulations as outlined in Section 13.3.

In the case of split runs, the mandatory weekend thirty-six (36) hours on time off to average over a two (2) week period so as to allow drivers to change shifts.

Section 13.14

Drivers on split run operations delayed at the home terminal over three (3) hours from the maximum hours off period (12 hours) shall be paid the drivers' hourly rate for all time held thereafter, up to nine (9) hours in any twenty-four (24) hour period.

It shall be the responsibility of the Company to notify the drivers on split run operations at least three (3) hours prior to the expiry of the hours off period that he will be delayed and to the expected extent of the delay providing contact can be made.

Section 13.15

Where two specific drivers are assigned one specific piece of equipment and one driver does not return at the appointed starting time of the second driver, the second driver will be given other proper operational available equipment or, if no such equipment is available, he will be guaranteed nine (9) hours' pay at the city and highway drivers' hourly rate. The foregoing shall be in conjunction with Section 13.12.

Equipment taken off the road on a preventative maintenance check must be put back to the assigned location at the completion of the check and must not be assigned to any other area that would prevent the equipment from returning to where it was taken from.

Section 13.16

- (a) All border city or border city suburban operations performed between Canada and the United States shall be subject to the hours of work, overtime conditions and the prevailing rates of pay established in this Agreement. All other contractual conditions shall be subject to the terms of this Collective Agreement.
- (b) An individual Company and the Local Union, together with a Committee of the Company's employees, may discuss such other operations, including specific method of payment, and a Memorandum of Agreement will be drawn up to cover same.
- (c) The present Company operations at Windsor will be considered one (1) seniority list for the terminal with the job bid posted on a yearly basis for the American operation and the highway operation. On completion of the bid, seniority lists for work preference will be established by the Company with copies to the Local Union. Employees bidding for either job will remain on the job they choose for one (1) year.
- (d) In the event of openings between the yearly bid on the American operation or the highway operation, the Company will post the openings on the bulletin board for seventy-two (72) hours and successful bidders shall assume their positions on the seniority list for work preference the day they started on either operation until the next yearly work preference bid.

Section 13.17

The Company and the Union recognize that there is a sixty (60) hour limitation in the driver's work week. A minimum shift shall be considered eight (8) hours worked, after which a driver will not be required to accept a dispatch at his home terminal or a foreign terminal. The Company will make an effort to regulate with the Union's assistance, a twelve (12) hour work day on the clock.

Section 13.18

All drivers shall take a meal break of at least thirty (30) minutes and not more than one (1) continuous hour in each eight (8) hour period. No meal period deduction will be made for breakdowns which occur at other than meal time or at places where no meal is available.

Section 13.19

City and highway drivers called for intra-city show moves between the hours of 10:00 p.m. Saturday and 10:00 p.m. Sunday shall be paid at the rate of time and one half of their regular hourly rate with a call-in guarantee of five (5) hours pay at the rate of time and one half their regular rate.

Section 13.20

During the term of this Agreement an accurate record of city and highway drivers' times shall be recorded on a time card basis or a master sheet basis which can be checked by the Union Steward or Union Representative upon request.

Section 13.21

If a driver completes his switch and/or through service relay run for which he receives his nine (9) hour guarantee and then performs extra work, this extra work will be paid in full at the applicable rate. Each switch and/or through service or express run shall constitute a nine (9) hour guarantee. Delay and/or breakdown time is not considered extra work as covered above.

ARTICLE 14 -HOURLY-RATED EMPLOYEES WORK PREFERENCE AND HOURS OF WORK

Section 14.1

The term "employee" used in this Article shall not mean city and highway drivers and maintenance employees. Senior employees shall be given preference to work the first five (5) days of the week. The work week shall commence between the hours of 12:01 a.m. on Monday and 11:00 p.m. on Monday.

Section 14.2

The standard work week shall be eight (8) consecutive hours a day, forty (40) hours a week, to be worked Monday through Friday.

All hours worked in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) week shall be paid at the rate of time and one-half the regular hourly rate. All hours worked in excess of eleven (11) hours per day shall be paid at double the hourly rate of pay.

Premium rates provided herein shall not be pyramided or paid more than once for the same hours.

Section 14.3

In all hourly rated operations, the Company and the Union will meet to establish application of work, shifts, and a memorandum shall be signed and filed with the parties concerned and form part of this Agreement.

Shifts shall be posted and bid on a one month (1), three month (3), six months (6) or twelve months (12) basis and employees shall remain on their respective shifts during the bid and in the event the Company changes any starting times between the postings, they must allow all employees an opportunity to re-bid. Classifications and distribution of work in regards to overtime on weekends may be established on bid sheets.

Section 14.4

In the event the Company needs employees to perform work on any specific bid sheet when premium rates are applicable, the Company shall give the first opportunity to perform such work to the senior qualified personnel on that shift, however, if the work is declined, the Company reserves the right to allocate the work in the reverse order of seniority.

Section 14.5

All shifts commencing on Saturday will be paid at the rate of time and one-half the employee's regular hourly rate with a call-in guarantee of five (5) hours at time and one-half the hourly rate of pay as set forth in Article 17. The above premium shall not apply to those hours worked by an employee on regular shifts ending on Saturday.

All shifts commencing on a Saturday at 10:00 p.m. or later will be paid at time and one half for all hours worked on Saturday, and at double time for those hours worked on Sunday.

Where hourly rated employees commence and work an eight (8) hour shift on a Saturday, all time worked in excess of eight (8) hours on that shift will be paid at double time.

The Company will make every effort in calling laid off employees back to work when sufficient work is available.

Section 14.6

All shifts commencing on Sunday shall be paid at the rate of double the employee's regular hourly rate with a call-in guarantee of eight (8) hours' pay at double the hourly rate set forth in Article 17.

Section 14.7

In a standard work week in which General Holidays occur, the weekly limitation after which overtime shall be paid shall be reduced by the number of hours paid for the General Holiday as outlined in Section 21.2. Employees called for duty on a General Holiday shall be paid at double the hourly rate as set forth in Article 17 with a minimum call-in guarantee of eight (8) hours, but such time shall not be computed as time worked for the purposes of calculating overtime.

Section 14.8

The call-in guarantee for hourly-rated employees shall be eight (8) hours. If an employee is late in reporting for work, the call-in guarantee shall be reduced by the amount of lateness.

Section 14.9

An employee called back to work after the completion of his shift shall be paid at his applicable overtime rate and his off-shift premium with a guarantee of three (3) hours.

An employee called to work within three (3) hours of the commencement of his regular shift shall receive one and one-half (1-1/2) times his regular hourly rate plus applicable shift premium for those hours worked prior to the commencement of his regular shift. Such employees shall receive their regular hourly rate for the hours worked on their regular eight (8) hour shift.

Section 14.10

When an hourly rated employee is temporarily transferred to a lower rated classification due to a temporary lack of his normal work, he shall not suffer any reduction in his rate of pay for that day. In the event an hourly-rated employee is temporarily transferred to a higher rated classification of work, he shall receive the higher rate for all work performed that day.

Section 14.11

All hourly rated personnel shall be allowed a fifteen (15) minute paid rest break in the first half (1/2) shift, a fifteen (15) minute paid rest break in the second half (1/2) shift and a fifteen (15) minute rest break at premium rate 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 (3rd) and fifth (5th) hour. Employees shall be allowed a five (5) minute paid wash-up period immediately preceding the lunch break and quitting time.

Section 14.12

Where there is space available in existing facilities, and in the case of new facilities, the Company will supply lockers for yard and rail personnel.

Section 14.13

The Company shall provide readily available first aid kits where hourly rated employees normally work.

Section 14.14

The Company shall, along with a Steward or Committee Man, institute a safety system check on all buck loaders and other safety features that might be involved at hourly rated work operations.

Section 14.15

The Company will keep an adequate supply of scrapers with brush where required in all yard operations,

Section 14.16

All non-day shifts shall have at least two (2) persons on duty at all times in the same work area.

Section 14.17

Laid off yard employees - where yard employees are laid off at any yard location and there is work at another yard, laid off employees will be offered work at the bottom of the full time yard men's seniority list at any yard location falling under this Agreement.

Employees moving under this Section will maintain their Company seniority for the purpose of vacations and benefits.

Section 14.18

Transportation vehicles shall have adequate quality seating.

ARTICLE 15 -MAINTENANCE EMPLOYEES WORK PREFERENCE AND HOURS OF WORK

Section 15.1

- a) Senior employees shall be given the preference to work the first five (5) days of the week. The work week will commence anytime between the hours of 10:00 p.m. on Sunday and 10:00 p.m. on Monday.
- b) One Mechanic lead man to be paid \$1.00 extra for each hour worked at the regular hourly rate.

Section 15.2

- (a) The standard work week shall be eight (8) consecutive hours a day and five (5) consecutive days a week. A day shall mean twenty-four (24) hours from the starting time of shifts.
- (b) All hours worked in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) week shall be paid at the rate of time and one-half the regular hourly rate.

The call-in guarantee for hourly-rated employees, other than on a Saturday and Sunday, shall be eight (8) hours' pay. If an employee is late reporting for work, the call-in guarantee shall be reduced by the amount of lateness.

Premium rates provided herein shall not be pyramided or paid more than once for the same hours.

Section 15.3

In all maintenance operations, the Company and the Union will meet to establish shifts and a memorandum shall be signed and filed by the parties concerned and form part of this Agreement. Shifts shall be posted and bid every thirty (30) days except in maintenance shops where employees shall choose sixty (60) or ninety (90) day bids and employees shall remain on their respective shifts during the bid, and in the event the Company changes any starting times or changes the number of employees on any shifts, between the postings, they must allow all employees an opportunity to re bid. All postings must be on the bulletin board for a minimum of three (3) working days to give all employees the opportunity to bid.

All completed postings must be posted three (3) working days prior to institution.

All memorandums shall be posted and maintained by the Company for the employees' reference.

Section 15.4

All shifts commencing on Saturday shall be paid at the rate of one and one-half (1-1/2) the employee's regular hourly rate until 12:00 midnight, at which time the rate shall be double the hourly rate, as set forth in Article 17, with a call-in guarantee of five (5) hours.

(a) The Company will endeavour to give as much notice as possible for weekend work.

Section 15.5

All shifts commencing on Sunday shall be paid at the rate of double the employee's regular hourly rate with a call-in guarantee of five (5) hours at double the hourly rate of pay set forth in Article 17. The above premium shall not apply to those hours worked by an employee on a regular shift commencing on Sunday on or after 10:00 p.m.

Section 15.6

In a standard work week in which General Holidays occur, the weekly limitation after which overtime shall be paid shall be reduced by the number of hours paid for the General Holiday as outlined in Section 21.2. Employees called for duty on a General Holiday shall be paid at double the hourly rate as set out in Article 17 with a minimum call-in guarantee of eight (8) hours but such time shall not be computed as time worked for the purposes of calculating overtime.

Section 15.7

An employee called back to work after the completion of his shift shall be paid at the applicable overtime rate plus his off shift premium with a guarantee of three (3) hours at time and one-half the hourly rate as set forth in Article 17 and shall only be required to perform the specific job he was called in to do.

An employee called to work within three (3) hours of the commencement of his regular shift shall receive one and one-half (1-1/2) times his regular hourly rate plus applicable shift premium for those hours worked prior to the commencement of his regular shift. Such employees shall receive their regular hourly rate for the hours worked on their regular eight (8) hour shift.

Section 15.8

In the event the Company needs employees to perform work (including breakdown and road service work) on any specific bid sheet when premium rates are applicable, the Company shall give the first opportunity to perform such work to the senior qualified personnel on that shift. However, if work is declined, the Company reserves the right to allocate work in reverse order of seniority. Except in the case of breakdown and road service work assigned prior to the completion of the eight (8) hour shift, overtime shall not exceed four (4) hours on the last shift of the week leading into Saturday without giving employees on the other shifts, who have been off duty for eight (8) hours, the opportunity to work according to seniority. (This does not preclude an employee being called back under the provisions of Section 15.7).

Work required to be done above the standard work week, when maintenance employees are not at work, shall be allocated to in order of seniority to the classifications by which the work is normally performed and if work is declined, the Company reserves the right to allocate the work in reverse order of seniority.

Section 15.9

All maintenance personnel shall receive five (5) working days' notice prior to layoff.

Section 15.10

It shall be the Employer's right to utilize his manpower whenever needed having due regard for seniority, qualifications and the necessity of not disturbing the continuity of work being performed provided however, that if an employee is temporarily transferred, not including layoff, to a lower classification, he shall receive the rate of pay established for his higher classification. Employees moving from lower classifications to higher classifications shall receive the rate of pay for the higher classification for all time spent on the particular job.

An employee transferred permanently from a higher classification to a lower classification shall receive the rate of pay established for the classification to which he is transferred.

Where required on different shifts, the junior mechanic may be assigned semi-skilled work on a temporary basis not to exceed thirty (30) days.

Section 15.11

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 (3rd) and fifth (5th) hour. Exclusive of tool cleaning, employees shall be allowed a five (5) minute paid wash-up period immediately preceding the lunch break and quitting time.

Section 15.12

Where job openings occur within the Maintenance Department, including specialized or designated jobs, the job will be posted for fourteen (14) working days. Successful bidders will be accepted in accordance with qualifications and seniority. Thereafter such job posting shall be included in the Section 15.3 posting. Specialized jobs to be bid yearly. The Company will notify all employees absent for any reason during this process. Successful bidders must be available to work within seven (7) days or otherwise by mutual agreement.

Section 15.13

The following shall be used in classification of maintenance personnel under this Agreement.

- (a) SEMI-SKILLED CLASSIFICATION - shall be lubrication servicemen, washers, assistant stockmen and tire men.
- (b) SKILLED CLASSIFICATION - will include all licensed personnel including welders, welder lay-out men and painters. Employees domiciled in the Province of Quebec shall continue on the same principle and practice as presently in effect.
- (c) It shall be noted that in making all these classifications, the work to be performed is that which is being classified and not the skill of the particular employee applying for work.
- (d) The repairing of brakes, rebuilding of transmissions, differentials and motors along with all ignition and front end rebuilding and wheel alignment work shall be classified as skilled work. A skilled painter is a man who is capable of and is required to do refinishing from the metal up with the exception of lettering.
- (e) Apprentices under The Apprenticeship and Tradesmen's Qualification Act, shall be defined as employees who assist and accept guidance from skilled employees.
- (f) All apprentices shall be subject to the terms of this Agreement.

- (g) The Company, while employing men in the Maintenance Department, shall encourage, where possible, these men to apply for apprenticeship papers and urge them to obtain a certificate when eligible. Where the employee has been employed in semi-skilled work and subsequently obtains a licence as a skilled mechanic, he shall be placed in the skilled group and shall receive the applicable rate of pay.
- (h) The Company and Union agree to keep an Apprentice on day shift for a minimum of six months to monitor and evaluate competency analysis profile as set out by the Apprenticeship Training Standards.

All apprentices start at 60% of the skilled rate.

The Apprentice will move to 70% 80% and 90% of the skilled rate at the time of successful completion with the passing grade of each level of schooling, basic, intermediate and advanced.

When the Apprentice achieves his truck and coach technician certificate he then moves to a 100% of the skilled rate.

- (i) The standard training period is 1800 hours of training per period with the following exceptions:
- (j)
 - (a) Where an apprentice is the holder of an Ontario Secondary School Graduation Diploma or has Ontario Grade 12 Standing in English, Mathematics or Science, or in the Province of Quebec the equivalent thereto, the period of training for such apprentice shall be 1600 hours.
 - (b) Where an apprentice is the holder of an Ontario Secondary School Graduation Diploma majoring in auto mechanics, or in the Province of Quebec the equivalent thereto, the period of training for such apprentice shall be 1200 hours.
- (k) Any apprentice shall be paid the difference between his normal pay and the Government Grant while attending school for the purpose of obtaining any certificate pertaining to the trade.
- (l) An apprentice shall receive the applicable rate of pay after he has received his certificate of qualification.
- (m) As a result of the introduction of the Apprenticeship Program, no apprentice presently employed by the Company shall suffer any reduction in wages or other benefits.
- (n) This Apprenticeship Program will also apply to apprentices in the Province of Quebec.

Section 15.14

A lead man shall be defined as a union employee who performs regular work and who is in charge with the responsibility of making decisions as to what repairs are necessary and to assign work as necessary. On and after the date of signing of the Agreement new lead man positions will be appointed by the Company in the event of a layoff the lead man shall not enjoy super seniority rights.

Section 15.15

Where maintenance personnel are working away from the terminal premises on a road call during their meal period they shall be paid a meal allowance and shall be paid a further meal allowance for every four (4) hour period they continue to be away from their home terminal. The meal allowance is equivalent to highway drivers' meal allowance.

Section 15.16

The Company shall supply all necessary tools required by the lubrication servicemen in the performance of their duties.

- (a) All tools of 3/4" drive and over and all special tools, including an adequate supply of air impact wrenches, with necessary sockets provided, required for the job shall be supplied by the Company. Necessary truck manuals will be made available in maintenance shops.
- (b) All tools including tool meters, broken or worn out in Company service shall be replaced in quality by the Company within a reasonable amount of time.
- (c) The Company shall provide a tool and safety allowance to all employees who have completed six (6) months of work. This amount is to be paid towards the employee's purchase of tools and safety equipment and shall be as follows:

To skilled "A" mechanics six hundred dollars (\$600.00) in each year of the Agreement.

To body men and apprentices two hundred and fifty dollars (\$250.00) in each year of the Agreement.

To welders and TT mechanics one hundred and fifty dollars (\$150.00) in each year of the Agreement.

The tool allowance shall be pro-rated on a monthly basis. Employees must work a minimum of five (5) days in the month to qualify for that month's credit. Vacation and General Holidays shall be considered as time worked for the purpose of this Article. The tool allowance is to be paid on the first pay day in November.

(d) Insurance

The Company will provide insurance coverage for loss of mechanics' tools taken from Company's premises in the case of a forced entry into Company's property. The premiums shall be borne by the Company and claims paid to the mechanic in the case of a loss of his tools. Coverage will also be provided for loss due to fire.

In order to claim under this clause the mechanic must have filed annually an inventory of his tools with the Company.

(e) The Company will provide appropriate trailer diagrams for all new equipment for repair purposes.

(f) The Company will bear the full cost where maintenance persons are required to move their tools from one shop to another in conjunction with Section 7.16.

Section 15.17

The Company shall pay the Health and Welfare premiums for all maintenance employees who are attending trade school. Any employee who takes a course approved by the Company related to the trade and provided such employee passes the course and obtains a certificate, he shall be reimbursed for the cost of the course. In the event an employee succeeds in qualifying for a diesel and/or propane endorsement on his licence, he shall be given the opportunity by the Company to gain further experience on diesel and/or propane equipment if the work is available.

During the term of this Agreement, the Company shall provide at no cost or loss of wages to maintenance personnel a program for employees to be upgraded and to be familiarized with equipment used to perform maintenance work and for upgrading on the new power equipment that is put into use from time to time.

Section 15.18

Maintenance shops shall be provided with ample adequate exhaust and ventilating systems that must be kept in satisfactory working order and that will remove exhaust fumes, welding fumes, etc.

Section 15.19

The Company shall supply lockers for maintenance personnel.

Section 15.20

Proper sized raincoats, rubber pants, rubber boots, rubber gloves and hat will be made available to all maintenance personnel required to work outside during wet weather. No employee shall be compelled to wear raincoats, welding helmets, or boots or safety glasses that have been used by other persons unless these items have been properly sterilized. This clause is also applicable for inside wash racks.

At each maintenance location an adequate supply of winter coats will be made available for employees required to work outside. Past practice shall be maintained.

Hard hats shall be worn within reason by maintenance employees on a voluntary basis.

Any person working outside during winter months, shall be allowed one pair of winter safety boots each fall, paid by the company. This only applies to Mechanics where there is no shop provided.

Section 15.21

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. Where shirts and pants have been supplied in lieu of coveralls this practice will be continued.

Section 15.22

The Company shall pay for all safety equipment that is required by law or Company policy. Where an employee must, because of his work, wear prescription safety glasses, the Company agrees to pay, as a maximum, after November 1st 2006, Two Hundred And Fifty Dollars (\$250.00) towards the cost of prescription safety glasses or replacement safety lenses. All maintenance shops shall be supplied with safety glasses and safety goggles where required.

Section 15.23

Recognizing the Union's concern over maintaining leased or Company owned equipment repair work (including tires) in the Maintenance Division.

The Union realizes that in certain shops all of the necessary repair work cannot be performed.

The Companies will arrange to have all of the work possible performed by employees of the Company on the basis of but not limited to the following:

(a) diesel tune-up

- (b) diesel motor overhaul
- (c) diesel motor rebuilding
- (d) diesel and gasoline equipment maintenance (including rebuilding and replacing parts)
- (e) wheel balance and front end machine work
- (f) brake drum work
- (g) reasonable road service work
- (h) all possible warranty work
- (i) trailer repair work
- (j) provide an opportunity for reasonable overtime (up to eight (8) hours weekly.)

At the request of the Business Agent the documents on any sublet repairs shall be made available to him or her.

All Canadian based equipment will be maintained in Canadian Maintenance Facilities in conjunction with Section 15.23 above.

Section 15.24

Maintenance personnel will not be required to perform work outside at the terminal in inclement weather where such work can be performed in the garage. The Company will supply gloves to employees for dropping and hooking trailers.

Section 15.25

Hand barrier cream, lanolin waterless hand cleaner and lanolin powdered hand cleaner shall be supplied in addition to the normal washroom facilities for all maintenance personnel.

Section 15.26

The Company shall supply welders with properly-sized five (5) fingered welding gloves along with proper welding masks.

Section 15.27

The Company shall provide a minimum of one complete set of metric tools when required.

Section 15.28

The Company agrees to provide heating equipment capable of producing and maintaining with the doors closed, a temperature of sixty-five (65) degrees Fahrenheit in all maintenance shops.

Section 15.29

The Company and the employees will co-operate to maintain clean working premises.

Section 15.30

The Company will provide fire insurance for the employee's tools while on the Company's premises.

Section 15.31

Stewards at each maintenance shop shall have the opportunity to discuss with management a fair distribution of work program.

Section 15.32

Mobile washer personnel will neither start nor move equipment.

Section 15.33

Maintenance personnel shall not be required to use a time punch clock at lunch time if remaining on the property.

Section 15.34

Where it is now the practice parts pick-up and/or delivery shall be performed by bargaining unit stockmen and/or maintenance personnel.

Section 15.35

All non-day shifts shall have at least two persons on duty at all times in the same work area.

Section 15.36

Where maintenance employees are laid off and the Company requires additional help at another location within the same Company, the Union and the Company agree to meet and discuss offering the work to laid off qualified employees. Employees moving under this section will go to the bottom of the seniority list. Employees moving under this Section will maintain their Company seniority for the purpose of vacations and benefits.

Section 15.37

The Company will make every effort in calling laid off employees back to work when sufficient work is available.

ARTICLE 16 -GENERAL

Section 16.1

The Company shall provide:

- (a) Adequate driver room facilities including access to a telephone;
- (b) Clean, sanitary, properly ventilated washrooms;
- (c) Clean, sanitary, air conditioned, properly ventilated lunch rooms; and a sufficient supply of cool drinking water and sleeping accommodations which are not in contravention of the Department of Health standards.

Section 16.2

Employees handling hazardous material and cleaning equipment shall be supplied by the Company with all necessary safety equipment to protect the employee's person.

Section 16.3

The Company shall provide and maintain sufficient parking facilities for all employees while on duty. The Company will, wherever possible, assist employees in starting their personal cars in cold weather.

Section 16.4

Personnel shall be allowed time off to vote in Dominion, Provincial or Municipal elections in accordance with the appropriate statute.

Section 16.5

If an employee meets with an accident after starting work incapacitating him from carrying out his duties, he shall be paid the equivalent of what he would have earned had he completed his normal shift. A normal shift shall be defined as the equivalent of the employee's call-in guarantee providing he is not receiving compensation from the Workers' Compensation Board for that day and the Company shall supply adequate transportation to a hospital or doctor and thence his residence.

Section 16.6

Should the Company require any employee to give a surety bond, the premium involved shall be paid by the Company. The primary obligation to procure the bond shall be on the Company. If the Company cannot arrange for a bond for an employee within thirty (30) days, they must so notify the employee in writing. Failure to so notify shall relieve the employee of the bonding requirement. If the proper notice is given, the employee shall be allowed thirty (30) days from the date of such notice to make his own bonding arrangement, standard premiums only on said bond to be paid by the Company. A standard premium shall be the premium paid by the Company for bonds applicable to all other of its employees in similar classifications. Any excess premium is to be paid by the employee.

If a Company institutes a bonding system, present employees who are on the seniority list will not be discharged because of failure to obtain a bond.

Section 16.7

- (a) All employees will be paid weekly and pay cheques shall be made available as soon as possible but no later than Thursday noon each week. There shall be no more than one week's pay held back. When Thursday or Friday is a holiday, the Employer will issue the cheque on Wednesday. Minor shortages will be paid the following pay period when brought to the attention of the Company. Shortages in excess of fifty dollars (\$50.00) will be paid immediately, with proper income tax already deducted.
- (b) The Company shall pay to employees leaving the service of the Company, all wages owed them including earned vacation and General Holidays, etc., as soon as possible but not later than the following pay day.
- (c) The Company shall not re-arrange any employees weekly pay cheque until the company meets with the effected employee.
- (d) Where Companies choose to pay by direct deposit, employees are required to provide necessary information.

Section 16.8

Where a Company's employees belong to one (1) credit union, the Company agrees to make payroll deductions upon receipt of employee's authorization. The Company shall remit the monies so deducted to the Credit Union the week following the week in which the money was deducted. Provisions shall be made by the Company to deduct Canada Savings Bond contributions in equal amounts every pay, upon authorization of the employee.

Section 16.9

- (a) Automotive vehicles destined for delivery by truck transportation from the United States to Canada and vice versa, shall be delivered to an agree-to terminal or marshalling area from which point final delivery of the automotive vehicles shall be made by the drivers in their respective countries. Present agreed-to practices shall remain in effect.
- (b) In order to avoid any labour and/or labour/management misunderstanding between Canada and U.S. any changes in the above mentioned operations that are now in effect must be discussed prior to implementation with the appropriate Canadian and U.S. local unions involved and all items agreed to will be listed in a memorandum and signed by all parties.

Section 16.10

Appendices "A", "E" and "G" and "I" attached hereto shall form a part of this Agreement.

Section 16.11 Safety Committee

In compliance with appropriate safety legislation, committee members from the bargaining unit shall be appointed by the Local Union.

The Company and the Union acknowledge the importance of maintaining high standards of safety and health in the workplace and agree to actively support a Joint Safety and Health Program.

Section 16.12

All facilities shall be provided with eye glass cleaning stations.

Section 16.13

The Employer shall ensure that the first aid station is at all times in the charge of a worker who:

- (a) is the holder of a valid St. John Ambulance Emergency First Aid Certificate or its equivalent and
- (b) works in the immediate vicinity of the station.

The Employer shall provide First Aid courses without loss of pay to hourly rated employees where required by law.

Section 16.14

All payroll work and records will remain in Canada as Canadian work.

Section 16.15

If an Employer requests an employee to qualify on road and/or driving equipment requiring a special licence or if an employee is required to qualify on equipment in order to obtain a better job opportunity with the Employer, the Employer shall allow such regular employee the use of the equipment in order to take the examination.

Section 16.16

Where the employee is charged with an offence relating to an accident involving a Company vehicle and/or products the Company will provide and pay the cost of legal representation, and he will be reimbursed for his time in court at his regular hourly rate, in accordance with Section 17.2.

Section 16.17

Where Companies are Federally regulated they will comply with Federal Legislation, where Companies are Provincially regulated they will comply with Provincial Legislation.

Section 16.18

All employees will have an equal opportunity to bank weekend trips or overtime hours on a weekly basis.

Section 16.19

The Company to supply each driver with a list of hotels and motels, and a lodging card that is activated.

Section 16.20

Payroll errors resulting in overpayment to employees will be recovered over a period not to exceed four (4) weeks. The Company will not recover more than two hundred dollars (\$200.00) per week except in the case of overpayments exceeding eight hundred dollars (\$800.00)

ARTICLE 17 - HOURLY WAGE AND CONDITIONS

Section 17.1

The hourly rates shall be increased to the rates set out below and paid in accordance with the existing practice:

Maintenance Employees

	<u>November 1 2006</u>	<u>November 1 2007</u>	<u>November 1 2008</u>
Skilled	\$26.43	\$27.18	\$27.93
*Semi- Skilled	\$23.72	\$24.47	\$25.22

Other Hourly Rated Employees

	<u>November 1 2006</u>	<u>November 1 2007</u>	<u>Nov 1 2008</u>
Drive Away Men	\$23.42	\$23.97	\$24.52
*Yardmen, Checkers, and Bus Drivers	\$23.52	\$24.07	\$24.62
Railcar Loaders and/or Unloaders	\$23.67	\$24.22	\$24.77
City and highway drivers: Hourly Rated	\$23.42	\$23.97	\$24.52

*Employees performing fuelling as part of their duties will be paid at the semi-skilled or yard men rate.

Employees in their first sixty (60) days of employment will receive ten cents (\$.10) per hour less than the above rates.

- (a) A shift premium will be paid to all hourly rated employees, exclusive of maintenance employees, for all hours worked on shifts, except those shifts starting between the hours of 6:00 a.m. and 10:00 a.m. The shift premium shall be as follows:
\$.55

- (b) A shift premium will be paid to maintenance employees for all hours worked on shifts, except those shifts starting between the hours of 6:00 a.m. and 10:00 a.m. The shift premium shall be as follows:
\$1.00

Section 17.2

If an employee is called for jury duty or crown witness on his normal working day, the Company agrees to pay the equivalent of an eight (8) hour day at straight time pay. It is understood in the application of this section that if a day employee is released from jury duty prior to four (4) hours before the end of his normal shift, he must report for work as soon as possible to be entitled to his benefit. A night employee serving a full day on jury duty will receive the above benefits and will not be required to report for work that night. A night employee who is released from jury duty prior to 12:00 noon will report to work for his normal shift that night.

Section 17.3

Should a death occur in the immediate family of an employee who has completed his probationary period (immediate family being limited to father, mother, spouse, current common-law spouse, brother, sister, step-parents, step-son/daughter, son, daughter, son-in-law, daughter-in-law, mother-in-law, father-in-law, sister-in-law, brother-in-law, grandparents, grandchildren, grandparents-in-law, legal guardian, still birth), the employee must notify the Company of the bereavement and such employee shall be paid three (3) days' pay at their appropriate hourly rate for eight (8) hours where the day of death and the funeral are between Monday and Saturday. Where a Sunday is involved, the third day for pay would be the following Monday. City and highway drivers whose wages are normally calculated on a mileage basis shall receive ten (10) hours' pay at the city and highway drivers hourly rate.

If more time is required for any reason relating to the death, a leave of absence without pay will be granted by the Company.

Section 17.4

The Company shall pay the prevailing hourly rates to employees, stewards and committee persons to attend Company meetings; other than meetings provided for under this Agreement or meetings requested by or agreed to by the Union.

The employee shall be paid his regular straight time rate of pay for all time spent attending such meetings.

Section 17.5

Delays and breakdowns and any other hourly rated work shall be paid for on a time payment basis in accordance with the schedule of city and highway drivers' hourly rate as set forth in Article 17.

Drivers shall be paid at the city and highway drivers' hourly rate while delayed at loading or delivery points, exclusive of time spent performing their normal loading and unloading duties. Such delays may be attributed to dealer checker being unavailable, no telephone provided and unsafe conditions. Drivers must report delays to the Company, where possible, at the start of the delay time. The Companies recognize the difficulties of making deliveries in certain locations and under certain conditions. The Companies will continue to work through the manufacturers to attempt to correct these problems.

Section 17.6

To be paid for such work as breakdowns and other allegedly unavoidable delays such as delays due to fog, sleet, ice and snow occurring in any area and all other time payment work, city and highway drivers must report same on his trip report and/or on a form provided and approved by the Company's representative in charge. The Company may, at its discretion, require a driver to sign a Statutory Declaration; this is of the same force and effect as a statement made under oath and by virtue of the Canada Evidence Act, in which he shall set forth the causes to the best of his knowledge and belief for such breakdowns and/or delays occurred. In the event of a breakdown or other allegedly unavoidable delay occurring in areas without supervision, the driver shall contact the Company's office for instructions. If an extended delay occurs the driver shall receive the mileage rate to the point of the breakdown or ten (10) hours at the hourly rate, whichever is greater. If a driver is delayed after an eight (8) hour period, he shall be paid the first (1st) ten (10) hour period at the appropriate hourly rate of pay out of each twenty-four (24) hour period thereafter and must be paid three (3) meals on each payment of the equivalent of ten (10) hours plus sleeping accommodation.

Section 17.7

Where the Company requires city and highway drivers to make the initial hook-up and the final unhooking of equipment, they shall be paid a minimum of one quarter (1/4) hour pay for each individual hook-up or unhook. At intermediate points where city and highway drivers are required to switch trailers, they shall be paid a minimum of one quarter (1/4) hour for each individual drop and hook-up. The Company shall provide help where needed in the hooking and unhooking of equipment.

Section 17.8

Any city and highway drivers called in to perform a shift or shifts of work which is normally performed by employees under the hourly rate, Article 14, will be paid under the terms of this clause.

Section 17.9

City and highway drivers called for work shall receive no less than nine (9) hours' pay except on Saturday when there shall be a guarantee of five (5) hours. However, on a Saturday when city and highway drivers works on a split run, scheduled run or relay, or as part of a two man-on-a-truck operation, he shall receive a nine (9) hour call-in guarantee. If an employee is late in reporting for work, the call-in guarantee shall be reduced by the amount of the lateness unless otherwise agreed to in Section 13.12.

Section 17.10

City and highway drivers picking up Company equipment or disabled used equipment or wrecked units, shall be paid at the hourly rate in excess of one-half (1/2) hour in addition to the loading rate, pick out rate and stop rate.

Section 17.11

If any government authority orders a reduction in the hours of work permitted, the rates of pay will be adjusted by increasing the rate of pay in proportion to the reduction of hours permitted to be worked with the calculation being made on the basis that the present rate of pay is based upon a fifty (50) hour work week for highway drivers.

This will take effect on the day the regulation or order takes effect and will be subject to the grievance procedure.

Section 17.12

Highway drivers dispatched from a point in Canada to the United States or through the United States shall receive fifteen dollars (\$15.00) and this rate shall be paid during the term of this Agreement. This pay shall compensate the driver for clearing customs both on entry to and exit from the United States. In addition to this, he shall be paid the agreed mileage on the basis of this Agreement and shall receive payment for loading and unloading as specified in the provisions of this Collective Agreement. Delays in excess of one (1) hour shall be paid at the prevailing Canadian rate.

Section 17.13

Highway drivers required to go off route upon request of the Company shall be paid the full amount of the time involved at highway drivers' hourly rate. This will apply if the Company directs a driver to fuel at a location which is off route to the extent of three (3) miles or more.

Section 17.14

Where there is more than one (1) person assigned to one (1) piece of equipment drivers shall be paid one (1) stop at the applicable stop rate for exchanging equipment, except where the requirement is necessary, at the commencement of a tour of duty.

Section 17.15

When the premium rate applies, it will be calculated properly and displayed on driver's trip sheet and will be completed between 60 and 90 days.

ARTICLE 18 -HIGHWAY RATES AND CONDITIONS

Section 18.1

(a) MILEAGE RATES

Highway drivers shall be paid mileage as set out below in accordance with existing practices:

	<u>November 1 2006</u>	<u>November 1 2007</u>	<u>November 1 2008</u>
Loaded Mileage cents)	50.85	51.90	52.95
Empty Mileage Cents	44.86	45.91	46.96

(b) LOADING AND UNLOADING RATES

Where the driver is required to load or unload the equipment, he shall be paid in accordance with existing practice for each unit loaded or unloaded as set out below:

	<u>Nov 1 2006</u>	<u>Nov 1 2007</u>	<u>Nov 1 2008</u>
Seven (7) Car Combos	\$3.86	\$3.96	\$4.06
Eight (8) Car Units	\$3.91	\$4.01	\$4.11
Nine (9) Car Units	\$4.07	\$4.17	\$4.27
Ten (10) Car Units	\$4.22	\$4.32	\$4.42
Eleven (11) Car Units	\$4.37	\$4.47	\$4.57
Twelve (12) Car Units	\$4.53	\$4.63	\$4.73
Thirteen (12) Car Units	\$4.68	\$4.78	\$4.88
Fourteen (14) Car Units	\$4.83	\$4.93	\$5.03
Fifteen (15) Car Units	\$5.00	\$5.10	\$5.20

Double Well or Bunk

Flats, Floats with overheads on tractors or crow's nests, Flats & Floats stacked or hauling dual-wheeled cargo	\$4.32	\$4.42	\$4.52
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Flats not stacked

and not hauling
dual-wheeled cargo
Flats (without overheads
on tractors or crow's

nests) not stacked
and not hauling
dual-wheeled
cargo

\$3.66

\$ 3.76

\$3.86

Each trailer in the fleet will be categorized as to its carrying capacity by decks. Where the size of four-door crew cab or dual wheeled cargo reduces the number of vehicles on a fully loaded trailer from the standard capacity, the loading and unloading rates shall be paid as if the trailer were carrying its full standard load. Where a trailer carries fewer units than its standard carrying capacity, each unit will be paid at the rate of the trailer's standard capacity. Where a trailer carries more units than its standard carrying capacity, each unit will be paid at the rate of a trailer which has a standard capacity equal to that part of the number of units carried. (eg.) If a load is reduced carrying a four-door crew cab or a dual wheel vehicle, payment will be made on the basis of the classified number of vehicles times the vehicle rate. For example, if on an eleven (11) car trailer there is a four-door extend cab or dual wheeled vehicle that reduces the load, payment will be made by eleven (11) cars at eleven (11) car rate.

- (b) (1) Drivers required to remove or re-arrange tail lights, spare wheel tires, exhaust pipes, etc. shall be paid two dollars (\$2.00) per unit in addition to the loading rate.

(c) STOP RATES

A driver will be paid in accordance with the following rates for each stop required by the Company in the loading and unloading of equipment :

	November 1 2006	November 1 2007	Nov 1 2008
STOP RATE:			
(1) Intra-City	\$5.04	\$5.14	\$5.24

Where a driver makes one (1) stop to deliver vehicles to two (2) or more separate dealers within a city or single zone each dealer will be treated as a separate stop for pay purposes.

STOP RATE:			
(2) Inter-city	\$5.04	\$5.14	\$5.24

- (3) In the case of a second and subsequent loading and/or unloading stop within a city (except in Montreal and Quebec where the flat rates apply as outlined in Appendix "C" and "D" respectively) where no zone mileage is applicable, a payment shall be made for the second and subsequent stops as follows:

\$3.91

\$4.01

\$4.11

This payment is in lieu of any mileage and is in addition to the stop rate. This applies in the case of where a loading stop is en route and not at final destination.

- (4) Where a driver is required to stop at a yard after leaving the original yard to pick up bills and proceed to a difference yard to load, the stop rate shall apply.
- (5) Toronto shall consist of six (6) zones, Mississauga shall consist of four (4) zones, Montreal shall consist of six (6) zones as per appendices "A" and "B" attached hereto.

Section 18.2

Where a new employee is in training, he shall be paid at the rate of fifteen dollars (\$15.00) per hour for all hours worked. Trainees shall not work alone. When a trainee is sent out on the highway with a driver, the trainee shall receive the road expense allowance as provided in this Agreement. The training period shall be no longer than twenty (20) days worked. The driver accompanying the trainee as the trainer shall receive sixteen dollars and eighty-five cents (\$16.85) per day while so engaged with the trainee. The trainer shall, if required, submit a written report on his observations. No driver shall be compelled to take a trainee.

Section 18.3

The Company and Union agree that Rand McNally "Milemaker", practical route, shall be the source for all pay miles in addition to the agreed to miles listed in Appendix "G".

Section 18.4

Drivers required to sleep away from their home terminal shall be provided with sleeping accommodation by the Company. In the event an employee is required to pay for his own accommodation, he shall be reimbursed the amount upon arrival at his home terminal providing he has a bona fide receipt. The Employer has the right to designate or provide suitable places of lodging. Drivers shall not be compelled to sleep more than one (1) in each room.

Section 18.5

Drivers will be paid an allowance of ten dollars (\$10.00) for each sleep away from the home terminal as required by the Company. The meal allowance, as outlined above, shall not be paid to drivers who are working out of a point other than their home terminal on a temporary work force basis.

Section 18.6

The highway mileage rate shall include the normal preparation of the vehicle and storing of equipment at the home terminal. It shall be the responsibility of the driver to check oil, fuel, tires, water and

lights on equipment. Any defects in same shall be immediately reported to the proper authorities.

Section 18.7

Short detours which may arise will not be paid for as additional mileage unless they necessitate more than three (3) extra miles of driving. In the event that there is a choice of detour routes, then the shortest route will be the extra mileage paid for.

Section 18.8

Where the driver is required to place a protective covering on a cargo, he shall be paid one dollar (\$1.00) per car so covered and one dollar (\$1.00) per car for the removal of a car covering.

Section 18.9

The Company shall provide a one type trip sheet which makes provision for various earnings structures in a manner which allows the driver to determine the basis of his earnings. The driver will only be required to make out one trip sheet for all pay earnings. He shall be allowed to retain a copy and receive one with his pay cheque showing the total amount of monies earned. Bona fide claims for pay must be paid the following pay day.

A simple break-down form and/or a simple damage claims form, if required by the Company will be filled out by the driver and attached to his trip sheet when turned in.

Section 18.10

Drivers shall be paid where loading units that are not picked out in addition to the loading rate structure as follows:

<u>November 1 2006</u>	<u>November 1 2007</u>	<u>November 1 2008</u>
\$1.81	\$1.81	\$1.81

Definition of a "pick-out" shall mean cars lined up in proper loading order within two hundred (200) feet of the loading vehicle. Highway drivers shall not pick out units at releasing companies where pull out men are employed.

Where problems arise at releasing yards, marshalling yards or rail yards concerning the parking away and/or baying of units, the Company and the Union will meet to agree to the applicable rate of pay for each unit involved considering the unreasonable distance and/or the procedure involved. The agreed to rate of pay will be \$1.00 per unit.

(a) The loaded mileage rate shall be paid to highway drivers required to haul Company-owned parts, tires, and accessories plus any delayed time involved.

Section 18.11

When new types of trailer equipment for which rates of pay are not established by this Agreement are put into use, rates governing such operations shall be subject to negotiations between the Company involved and the Union. In the event of failure to reach agreement on such rates, the questions shall be referred to arbitration and a Board of Arbitration shall be established within thirty (30) days after the date of the failure to reach agreement on such rates, and the rates as determined shall be applied as of the day that the equipment is put into use.

Section 18.12

No driver will be required to drive more than twenty-five hundred (2500) miles in any one (1) week.

Section 18.13

Highway drivers required to dead-head shall be paid the empty mileage rate and a proper secured seat shall be provided in the dead-heading Company vehicle.

Section 18.14

(a) City and highway drivers shall be paid the following amounts when they are required to fuel their own vehicles either at a Company facility or self-serve fuel depot or station:

November 1 2006	November 1 2007	November 1 2008
\$4.52	\$4.52	\$4.52

(b) Company drivers shall be paid the rate as in (a) above when required by the Company to fuel Owner Operator trucks.

Section 18.15

The Employer agrees to provide all employees at time of dispatch with the necessary monies to cover all bridges, ferries and toll highways. It is further agreed that where drivers have paid for road purchases, sleeping accommodations and telephone calls, as required by the Company, that they be reimbursed for these monies upon return to their home terminal.

Section 18.16

Drivers shall be paid a Stop Rate where:

- (a) they are required to proceed to a second yard for a measurement check and/or load check.
- (b) they are required to physically measure a pre loaded piece of equipment.

Section 18.17

For any tour of duty commenced on and after 12:00 midnight on a Friday night a driver shall be paid a premium of four dollars (\$4.00) per hour for all hours worked on Saturday.

A reasonable rate of compensation for working on Sunday will be agreed to between the Company and the Union considering the maintenance of standards or an agreed upon rate.

Section 18.18

Double Hook-Up (Quebec)

Payment per unit will be based on the fifteen (15) car rate of three dollars and eighty-five cents (\$3.85). All units loaded or unloaded on this equipment up to fifteen (15) units will be paid at this rate. Units in excess of this number will result in an incremental increase of fifteen cents (\$.15) over the three dollars and eighty-five cents (\$3.85) rate, for each unit in excess of fifteen (15). Further an extra five cents (\$.05) per mile will be paid to the driver of this equipment.

(Note: the above will replace any previous payment system for this equipment.)

Section 18.19

All city and highway drivers will be paid a flat rate sum of five hundred dollars (\$500.00) per Contract year for the processing of paper work.

The paperwork allowance shall be paid in two equal instalments, to be paid the first (1st) pay day in May and first (1st) pay day in November.

This payment will be paid to all drivers on the mileage rate who are actively on the seniority list, including Windsor - Detroit border haul.

Employees on light duty shall receive no less than their full wages and benefits as per the ECCC memorandum of agreement, including paper work and clothing allowances.

ARTICLE 19 - UNIFORMS

Section 19.1

The Company will reimburse to all employees who have completed six (6) months on the seniority list, two hundred dollars (\$200.00) in each contract year of this Agreement, towards the cost of employees' purchase of occupational apparel. The Company agrees to post uniform price listings. The clothing allowance shall be paid on the first pay day in November of each contract year.

Section 19.2

In addition to Section 19.1, yardmen and rail men who are required to work outside in the rain shall be supplied with complete adequate rainwear, excluding rubber boots. Drive Away men shall be supplied with complete adequate rainwear, excluding rubber boots, when required to drive stripped chassis.

Section 19.3

All hourly rated employees shall continue to be supplied and fully maintained by the Company with coveralls or shop coats on the basis of a minimum of one (1) per week and adequate non slip vinyl insulated gloves or leather gloves with replacements supplied upon return of worn out gloves.

This clause shall be applicable for any new operation where the requirements become necessary.

Employees working on rail operations shall be supplied and maintained by the Company with:

- (a) Coveralls when required by the employee;
- (b) Vinyl insulated gloves or leather gloves with replacements supplied upon return of worn out gloves;
- (c) Knee pads;
- (d) Where companies are now providing allowances in excess of that prescribed in this Article, they will continue to do so, during the term of this Agreement.
- (e) As the Company renews contracts with the coverall providers, high visibility striping will be added to the coveralls and shop coats.

Section 19.4

City and Highway drivers shall be supplied and fully maintained by the Company with:

- (a) coveralls or shop coats, maximum two (2) per week;
- (b) employees' choice of vinyl insulated or leather gloves. Replacements will be supplied upon return of worn out gloves;
- (c) standards of quality will be agreed upon by the parties.

Section 19.5

The Company shall supply bump cap liners where required.

ARTICLE 20 -COST OF LIVING

Section 20.1

Employees shall receive a cost of living allowance over and above their basic hourly or mileage rate.

Section 20.2

The amount of the cost of living allowance shall be determined as set out herein on the basis of the Consumer Price Index for Canada as established and released by Statistics Canada (herein called the "Index") and on the basis of the Index for 1992, being 100. Continuance of the cost of living allowance shall be contingent on the availability of the Index calculated on the same basis and in the same form as that published at the commencement of this Agreement. No adjustments, retro-active or otherwise, shall be made due to any revisions which may later be made in any published Index. In the event Statistics Canada shall not issue the appropriate Index on or before the beginning of one of the pay periods referred to herein, any adjustment in the allowance required by such Index shall be effective at the beginning of the first pay period after receipt of such Index.

Section 20.3

- (a) The first cost of living allowance adjustment shall be determined effective February 1, 2007, based on the difference between the base Index figure for December, 2005 and Index figure for December, 2006 provided the increase is in excess of three per centum (3%).
- (b) The adjustment for the first cost of living allowance shall be for every one percent (1%) increase in the index in excess of three per centum (3%) of the base index as follows:

- i) for employees paid on an hourly rated basis ten cents (\$.10) per hour;
- ii) for employees paid on a mileage basis 0.25 cents (i.e. one-quarter (1/4 cent) per mile.

Section 20.4

- (a) The second cost of living allowance adjustment shall be determined effective February 1, 2008, based on the difference between the base Index figure for December, 2006 and Index figure for December, 2007 provided the increase is in excess of three per centum (3%).
- (b) The adjustment for the first cost of living allowance shall be for every one percent (1%) increase in the index in excess of three per centum (3%) of the base index as follows:
 - i) for employees paid on an hourly rated basis ten cents (\$.10) per hour;
 - ii) for employees paid on a mileage basis 0.25 cents (i.e. one-quarter (1/4 cent) per mile.

Section 20.5

- (a) The third cost of living allowance adjustment shall be determined effective February 1, 2009, based on the difference between the base Index figure for December, 2007 and Index figure for December, 2008 provided the increase is in excess of three per centum (3%).
- (b) The adjustment for the first cost of living allowance shall be for every one percent (1%) increase in the index in excess of three per centum (3%) of the base index as follows:
 - i) for employees paid on an hourly rated basis ten cents (\$.10) per hour;
 - ii) for employees paid on a mileage basis 0.25 cents (i.e. one-quarter (1/4 cent) per mile.

Section 20.6

The amount of any cost of living allowance in effect at any time shall not be incorporated in the basic hourly or mileage rates, but shall be paid for all hours actually worked for which the hourly rate is paid and for all miles actually recorded for which mileage payment is made pursuant to the terms of this Agreement.

ARTICLE 21-GENERAL HOLIDAYS

Section 21.1

If the General Holiday falls on a Saturday or Sunday, the day will be taken either on the Friday before or the Monday after.

When the General Holiday falls on any day and the company moves the holiday and when the employee works on the actual holiday, employees will be paid premium on that day.

Shop and yard men to be paid ten hours on all general holidays. The additional two hours will not be considered as hours worked in regards to overtime.

The General Holidays shall be designated as follows:

2007-2008

Friday, April 6, 2007	Good Friday
Monday, May 21, 2007	Victoria Day
Monday, July 2, 2007	Canada Day
Monday, August 6, 2007	Civic Holiday
`	(Ont. Only)
Monday, September 3, 2007	Labour Day
Monday, October 8, 2007	Thanksgiving Day
Monday, December 24 2007	Christmas Eve
Tuesday , December 25, 2007	Christmas Period
Wednesday, December 26, 2007	Christmas Period
Thursday, December 27, 2007	Christmas Period
Friday, December 28, 2007	Christmas Period
Monday, December 31, 2007	Christmas Period
Tuesday, January 1, 2008	New Year's Day

2008-2009

Friday, March 21 , 2008	Good Friday
Monday, May 19, 2008	Victoria Day
Tuesday, July 1, 2008	Canada Day
Monday, August 4, 2008	Civic Holiday
`	(Ont. Only)
Monday, September 1, 2008	Labour Day
Monday, October 13, 2008	Thanksgiving Day
Monday, December 24 2008	Christmas Eve
Thursday , December 25, 2008	Christmas Period
Friday, December 26, 2008	Christmas Period
Monday, December 29, 2008	Christmas Period
Tuesday, December 30, 2008	Christmas Period
Wednesday, December 31, 2008	Christmas Period
Thursday, January 1, 2009	New Year's Day

2009-2010

Friday, April 10 , 2009	Good Friday
Monday, May 18, 2009	Victoria Day
Wednesday, July 1, 2009	Canada Day
Monday, August 3, 2009	Civic Holiday (Ont. Only)
Monday, September 7, 2009	Labour Day
Monday, October 12, 2009	Thanksgiving Day
Thursday, December 24 2008	Christmas Eve
Friday , December 25, 2009	Christmas Period
Monday, December 28, 2009	Christmas Period
Tuesday, December 29, 2009	Christmas Period
Wednesday, December 30, 2009	Christmas Period
Thursday, December 31, 2009	Christmas Period
Friday, January 1, 2010	New Year's Day

- (a) Effective during the term of this Agreement there shall be four (4) floating holidays, which must be taken in each contract year as mutually agreed to by the Company and the Union. This will bring the total paid holidays to sixteen (16) per year.

Section 21.2

Hourly rated and maintenance employees shall be paid eight (8) hours' pay at their appropriate hourly rate and city and highway drivers shall be paid ten (10) hours' pay at their appropriate hourly rate for the above-mentioned holidays providing:

- (1) they have been in the employ of the Company for thirty (30) calendar days;
- (2) they have not been laid off or on leave of absence for a period longer than thirty (30) calendar days prior to the holiday;
- (3) they have not been absent from work due to sickness or injury for a period longer than six (6) months prior to the holiday.

General Holidays and vacations are considered as time worked.

Section 21.3

If an employee is required to work on one of the General Holidays as listed above, he shall be paid for such time worked on the following basis:

- (a) Hourly rated employees shall be paid for all time worked on the General Holiday at the rate of double time the regular hourly rate of pay for all hours worked between 12:01 a.m. and 12 midnight;
- (b) For employees paid on a mileage basis, they shall be paid their regular mileage rate for the work performed and in addition, shall receive highway drivers' hourly rate for all hours worked between 12:01 a.m. and 12 midnight;
- (c) This pay shall be in addition to the General Holiday pay as set out in Section 21.2.

Section 21.4

In the event of any of the motor manufacturing companies or railheads working on any of the above-mentioned General Holidays, the Company reserves the right to allow a day prior or subsequent to the Holiday in lieu thereof. The Company will notify the Union and the employees at least thirty (30) days prior to any change.

Section 21.5

Where an employee has not qualified for the Christmas statutory holidays by working in the thirty (30) day period prior to the holidays, he shall qualify for the Christmas statutory holidays on the basis of one (1) day's statutory holiday payment for each month in which he has worked since the beginning of the year to a maximum of six (6) days.

ARTICLE 22-VACATIONS WITH PAY

Section 22.1

All employees with less than one (1) year's employment shall receive vacation pay in accordance with the Canada Labour Standards Code.

Section 22.2

All employees who have completed one (1) year's employment by November 30 in any year shall receive two (2) weeks' vacation with pay.

Section 22.3

Employees who have completed five (5) years of continuous employment by November 30 in any year shall receive three (3) weeks' vacation with pay. However, if an employee has not completed his fifth (5th) year of continuous employment when taking his vacation, the pay for the third (3rd) week shall be delayed until his fifth (5th) anniversary date of employment.

Section 22.4

Employees who have completed ten (10) years of continuous employment by November 30 in any year shall receive four (4) weeks' vacation with pay. However, if an employee has not completed his tenth (10th) year of continuous employment when taking his vacation, the pay for the fourth (4th) week shall be delayed until his tenth (10th) anniversary date of employment.

Section 22.5

Effective vacation year 1980, employees who have completed fifteen (15) years of continuous employment by November 30 in any year shall receive five (5) weeks' vacation with pay. However, if an employee has not completed his fifteenth (15th) year of continuous employment when taking his vacation, the pay for the fifth (5th) week shall be delayed until his fifteenth (15th) anniversary date of employment.

Section 22.6

Effective vacation year 1980, employees who have completed twenty (20) years of continuous employment by November 30 in any year shall receive six (6) weeks' vacation with pay. However, if an employee has not completed his twentieth (20th) year of continuous employment when taking his vacation, the pay for the sixth (6th) week shall be delayed until his twentieth (20th) anniversary date of employment.

Section 22.7

Effective vacation year 1980, employees who have completed twenty-five (25) years of continuous employment by November 30, in any year shall receive seven (7) weeks' vacation with pay. However, if an employee has not completed his twenty-fifth (25th) year of continuous employment when taking his vacation, the pay for the seventh (7th) week shall be delayed until his twenty-fifth (25th) anniversary of employment.

Section 22.8

- (a) Vacation pay for those enjoying two (2) weeks', three (3) weeks', four (4) weeks', five (5) weeks', six (6) weeks', and seven (7) weeks' vacation with pay annually shall be calculated at four per centum (4%), six per centum (6%), eight per centum (8%), ten per centum (10%), twelve per centum (12%), and fourteen per centum (14%), respectively of their total earnings for the previous vacation year.

- (b) In calculating earnings for percentage vacation payments, the previous vacation pay within the twelve month period will be included.

Section 22.9

Employees who are qualified for two (2), three (3), four (4), five (5), six (6) or seven (7) weeks' vacation and who sever or have severed their employment after they become qualified for two (2) weeks, three (3) weeks, four (4) weeks, five (5) weeks, six (6) weeks' or seven (7) weeks' vacation as the case may be, shall receive at the date of the severance or as soon as reasonably possible thereafter, vacation pay computed at the rate of four per centum (4%), six per centum (6%), eight per centum (8%), ten per centum (10%) twelve per centum (12%), or fourteen per centum (14%) respectively, of their earnings in the current vacation year.

Section 22.10

Any of the General Holidays as listed in Section 21.1 falling within an employee's annual vacation period, will be paid for at the rate of a normal day's pay as set out in Section 21.2, provided the employee is qualified for General Holiday pay in accordance with Section 21.2. An employee shall be entitled to an extra day's vacation for any of the General Holidays occurring within his vacation period, the pay which shall be subject to the above condition.

Section 22.11

The choice of vacation periods shall be by seniority in each department and the Company guarantees that all employees wishing to take their vacation during the months of May, June, July, August and September shall be allowed to do so. It shall not be mandatory, however, for employees to take vacations during this period. Employees choosing their vacation periods in other than the summer vacation period shall be allowed to do so in accordance with their departmental seniority. The Company will have each employee come into the manager's office in order of seniority to sign for the time he would like for his vacation. The final vacation schedule shall be posted by the Company not later than April 1st of each year.

Summer vacation periods shall be May, June, July, August and September inclusive.

- (a) Employees qualified for more than three (3) weeks' vacation will be restricted to three (3) weeks during the recognized summer vacation periods.
- (b) It shall be compulsory for all employees to take their vacations in "Weekly Increments" between March 1 and February 28 of the following year.

- (c) i) Employees who are qualified for three (3) or four (4) weeks' vacation may use two (2) of those weeks to offset days lost due to Workers' Compensation, Weekly Indemnity Sick days or layoffs
- ii) Employees who are qualified for five (5) or more weeks' vacation may use three (3) of those weeks to offset days lost due to Workers' Compensation, Weekly Indemnity, Sick days or layoffs.

In both cases above, this is voluntary for the employee and must be mutually agreeable by the Company.

Section 22.12

Vacation pay shall be computed ending June each year and paid to employees not later than July 15. Employees going on vacation February 1 to July 15 shall receive pro rated vacation pay.

Section 22.13

Employees who have lost time as a result of being on Workers' Compensation, Sickness & Accident and/or Long Term Disability will be considered to have earned their regular rate of pay for such time lost for the computation of vacation pay. This only applies to employees who have worked in excess of thirty-five per cent (35%) of a working vacation year and have not received the equivalent of forty (40) hours for hourly rate and forty-five (45) hours for highway drivers for each week of vacation. This vacation pay make up will be in addition to the actual vacation pay earned even if the sum of the two exceeds the equivalent of forty (40) hours for hourly rate and forty-five (45) for highway drivers for each week of vacation. This provision shall not apply to employees leaving the employ of the Employer.

ARTICLE 23 -HEALTH AND WELFARE

The Company will provide and bear the full cost of the Ontario Health Insurance Plan, semi-private supplementary coverage, Quebec Hospital for the employees working in the Province of Quebec.

Section 23.2

Effective November 1 2006 the Company shall contribute three hundred and Ninety dollars (\$390.00) plus eight (8%) percent sales tax per employee per month to provide Health and Welfare benefits.

Effective November 1 2007 the Company shall contribute Four hundred and Forty dollars (\$440.00) plus eight (8%) percent sales tax per employee per month to provide Health and Welfare benefits.

Effective November 1 2008 the Company shall contribute Four hundred and Ninety dollars (\$490.00) plus eight (8%) percent sales tax per employee per month to provide Health and Welfare benefits.

To be eligible for payment an employee must:

- 1) Have been in the employ of the Company for thirty (30) calendar days;
- 2) Not have been laid off or be on a leave of absence for a period longer than thirty (30) calendar days;
- 3) Not have been absent from work due to sickness or injury for a period longer than six (6) months except that if the absence is on Workers' Compensation, coverage will continue during the life of this Agreement. Should, however, the employee be in a position where he would otherwise be on layoff (i.e. the employee in his classification who is next in seniority above him) he will be considered to be on layoff, and the premiums will cease. Conversely, if the employee next senior above him is working, this Section will not apply.
- 4) Where an employee returns to work off sickness or W.S.I.B. he would be required to work a ten (10) working day period before being eligible for having coverage reinstated.

Section 23.3

Eligible employees who are absent through layoff or leave of absence in excess of thirty (30) calendar days shall have their coverage maintained under the Health and Welfare Plan (subject to the terms thereof) for a further period of up to three (3) months from the date of layoff or the commencement of leave of absence. At the end of such period or upon return to work (whichever occurs first), the employee shall reimburse the Company for the cost of maintaining such coverage in excess of the first thirty (30) calendar days of layoff or leave of absence. Upon an employee's return to work he shall reimburse the Company on the following basis:

- (a) by direct payment should he so select, or failing that;
- (b) The Company shall deduct from his first pay an amount equal to one (1) month's premium per month for each month that premiums were paid on his behalf, or as an option;
- (c) The Company shall recover the amount in (b) above distributed on a pay by pay basis for a period no longer than three (3) months from the date of his return until the total of premiums is recovered.
- (d) An employee who has been laid off in excess of three (3) months may continue the coverage by direct payment to the Administrator. The payment must be made to the Administrator prior to the billing date as determined by the Administrator.

An employee who does not wish complete coverage including Weekly Indemnity and Long Term Disability must advise the Health and Welfare

Fund Administrator by the end of thirty (30) days of layoff, and he will pay the reduced premium.

Section 23.4

The Health and Welfare plan will be administered by a joint Union Management Committee consisting of five (5) Union Trustees and five(5) Management Trustees. The Trustees shall be assisted by a consultant and/or an administrator selected upon mutual agreement of the Trustees.

It shall be the responsibility of such Trustees to determine from time to time the amount of such Health and Welfare benefits and make the necessary investment decisions as deemed appropriate in order to ensure growth in the level of benefits during the term of this Current Agreement and in the future.

- (a) (1) Should the reserve fund fall to one hundred thousand dollars (\$100,000.00) level the premiums shall be increased to cover the costs of the Plan, and to protect the reserve fund with a minimum balance of one hundred thousand dollars (\$100,000.00).

This will in no way affect the benefits or coverage payable by the Trust Fund.

- (b) It is understood that, throughout the term of this Agreement, the Weekly Indemnity Benefit shall be greater than or equal to the required E.I. minimum in order that the Companies shall retain the full amount of E.I. Premium Reduction as a portion of the cost of improving the Health and Welfare Benefits during the term of this Agreement.

Section 23.5

The Company recognizes that in certain cases there is unreasonable delay in receiving monies as a result of claims for Weekly Indemnity and Workplace Safety Insurance Board. In such cases, the Company will assist the employees, where possible in expediting receipt of such monies; and where hardship is experienced, may make advances to alleviate such conditions.

The Company will supply the employees with a copy of the Company Form Report of the workers injury that is forwarded to the W.S.I.B.

Section 23.6

In the event that the Company is obliged by law to contribute towards the cost of benefit(s) which are the same as or similar to one or more of the benefit(s) provided under the above-mentioned Plan, the Company and/or the Trustees may vary or make such other adjustment to the Plan as is necessary in order to avoid duplication in benefits and costs. However, the Company will notify the Union of and upon request will discuss with the Union any such proposed adjustment in the Plan so that in general the total benefits available to employees will be as nearly

comparable as practicable to the benefits provided for in the Plan as if such law was not in effect.

Section 23.7

Employees who retire on and after age fifty-five (55) with fifteen (15) years' service will be covered under an early retirees' plan to age sixty-five (65). In the case where a retired employee has coverage under this Section and attains age sixty-five (65), his spouse will continue with single coverage until she attains her sixty-fifth (65th) birthday. In case of an employee's death his spouse would be covered to age sixty-five (65). However, coverage shall cease if the insured is employed elsewhere where coverage is provided.

ARTICLE 24-PENSION

Section 24.1

The company shall contribute effective November 1, 2006, the sum of (Four Hundred and Seventy Eight) \$478.00 per month to a pension plan for all non-probationary employees who have worked any seven days in that month paid general holidays and paid vacation shall be considered as time worked. Each employee on who behalf the company has contributed must contribute One hundred and Forty Dollar (\$140.) per month

Effective November 1, 2007, the company pension contribution will increase to (Five Hundred and Twenty Eight) \$528.00 per month whereas the Employee's contribution shall remain at a monthly total of one hundred and forty dollars (\$140.00).

Effective November 1, 2008, the company pension contribution will increase to (Five Hundred and Seventy Eight) \$578.00 per month whereas the Employee's contribution shall remain at a monthly total of one hundred and forty dollars (\$140.00)

The pension plan will be administered by a joint union management committee consisting of six (6) union trustees and six (6) management trustees. The Trustees shall be assisted by a consultant and/or an administrator selected upon mutual agreement by the trustees.

The compulsory retirement age under the above-mentioned plan shall be at age sixty-five (65). Retirement prior to this age is permissible in accordance with other sections of the plan.

- (b) Payments will be made on behalf of an employee who is off on Workers' Compensation, provided that the employee is not more than three (3) months in arrears in paying his portion. Should, however, the employee be in a position where he would otherwise be on layoff (i.e. the employee next senior to him is laid off) he will be considered to be on layoff, and premium payments will cease. Conversely, if the employee next senior above him is working, this section will not apply.
- (c) Employees off on S. & A. will have their premiums paid for a twelve (12) week period subject to the conditions in (b) above.

ARTICLE 25 -WORK PRESERVATION

Section 25.1

- (a) The Company will not sub-contract work performed by bargaining unit personnel unless permitted by the Collective Agreement.
- (b) Each and every signatory Company shall ensure that any work falling within the scope of this Collective Agreement that is performed by any non-signatory Company which is owned, managed, controlled (either directly or indirectly) by a signatory Company shall be performed in accordance with this Collective Agreement as though it was being performed by the relevant signatory Company.

The parties hereto agree that in the event new work is obtainable they will meet and make every effort to secure this work for the signatory companies and their employees. It is also understood in the event existing business is threatened both parties will meet and make every effort to retain this work for the signatory companies and their employees.

Section 25.2

- (a) The Union and the Company agree for the purpose of protecting and preserving Bargaining Unit work for the employer's bargaining unit employees, that persons other than the Company's bargaining unit employees will not be permitted to perform Bargaining Unit work.
- (b) "Bargaining Unit Work" means and includes any and all present work and all future work opportunities of the kind, nature and type currently, historically or traditionally performed by the Company's bargaining unit employees in any of the classifications covered in this Collective Agreement.

ARTICLE 26 -DURATION

Section 26.1

This Agreement shall become effective from November 1st 2006, and shall remain in full force and effect until October 31, 2009, and annually thereafter in the event either party fails to give notice of their desire for amendments within the last sixty (60) days of the term of the Agreement.

All wages and benefits will be retroactive to March 1st 2007.

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

SIGNED AT _____ THIS _____ DAY OF _____

FOR LOCAL 938

R.LACKEY SPECIALIZED TRANSPORTATION LTD.

APPENDIX "A"

METROPOLITAN TORONTO ZONES AND ZONE MILEAGES FOR TORONTO CITY AND HIGHWAY OPERATIONS AND MISSISSAUGA ZONE AND ZONE MILEAGES

The map on the following pages defines Metropolitan Toronto which has been divided into six (6) zones: N/W (North-West), N/C (North-Central), N/E (North-East), S/W (South-West), S/C (South-Central, and S/E (South-East).

1. ZONE BOUNDARIES:

N/W (North-West): bounded on the west by Peel County, on the north by Steeles Avenue, on the east by Jane Street and on the south by Highway 401;

N/C (North-Central): bounded on the west by Jane Street, on the north by Steeles Avenue, on the east by Kennedy Road and on the south by Highway 401;

N/E (North East): bounded on the west by Kennedy Road, on the north by Steeles Avenue, on the east by Ontario County and on the south by Highway 401;

S/W (South-West): bounded on the west by Peel County, on the north by Highway 401, on the east by Jane Street south to Riverside Drive and on the south by Lake Ontario;

S/C (South-Central): bounded on the west by Jane Street south to Riverside Drive, on the north by Highway 401, on the east by Kennedy Road and on the south by Lake Ontario;

S/E (South-East): bounded on the west by Kennedy Road, on the north by Highway 401, on the east by Ontario County and on the south by Lake Ontario.

2. MILEAGE APPLICATION:

Mileages listed to and/or from Toronto are based on the S/C zone. To apply zone mileage, the entry and/or exit zone shall be the base from which other mileages within Metropolitan Toronto are determined. For this purpose Highway 401 may be classed as an entry and/or exit point to either North or South zones, the first stop point being the determining factor. Mileages from one zone to another shall apply as set out below.

3. MILEAGES:

10 miles -	between N/W and N/C
	between N/C and N/E
	between S/W and S/C
	between S/C and S/E
	between N/W and S/W
	between N/C and S/C
	between N/E and S/E
15 miles -	between N/W and S/C
	between N/C and S/W
	between N/C and S/E
	between N/E and S/C
20 miles -	between N/W and N/E
	between S/W and S/E
25 miles -	between N/W and S/E
	between S/W and N/E

Where a load is picked up and delivered in any municipality or established single zone in Ontario, the mileage shall be established on a ten (10) miles out, ten (10) miles back basis.

4. EXAMPLES :

No. 1 - via Highway 401 from the east. N/E or S/E zone would be Toronto mileage less ten (10) miles. Mileage from that point to any other stop point in Metro would be as shown above.

Oshawa to N/E zone	24 miles
N/E zone to S/C zone	15 miles
S/C zone to S/W zone	10 miles
S/W zone to Oshawa	44 miles
Oshawa to S/E zone	24 miles
S/E zone to S/C zone	10 miles
S/C zone to S/W zone	10 miles
S/W zone to Oshawa	44 miles

No. 2 - via Highway 401 from the west. N/W or S/W zone would be Toronto mileage less ten (10) miles. Mileage from that point to any other stop point in Metro would be as shown above.

Windsor to N/W zone	223 miles
N/W zone to S/C	15 miles
S/C zone to N/E zone	15 miles
N/E zone to Oshawa	24 miles

No. 3 - via Highway 48. N/E zone would be Toronto mileage less fifteen (15) miles. Mileage from that point to any other stop point in Metro would be as shown above.

No. 4 - via Highway 11 north. N/W zone would be Toronto mileage less ten (10) miles. Mileage from that point to any other stop point in Metro would be as shown above.

No. 5 - via Highway 400 north. N/W zone would be Toronto mileage less fifteen (15) miles. Mileage from that point to any other stop point in Metro would be as shown above.

No. 6 - via Highway 2 or Queen Elizabeth Way. S/W zone would be Toronto mileage less ten (10) miles. Mileage from that point to any other stop point in Metro would be as shown above.

INTRA CITY EXCEPTION:

For loads that materialize in the North-East zone or North-West zone for delivery to the South-Central zone, this South-Central zone will be divided by Yonge Street.

Mileages between the North-West zone and the South-Central zone, east of Yonge Street, shall be 20 miles.

Mileages between the North-East zone and the South-Central zone, west of Yonge Street, shall be 20 miles.

5. MISSISSAUGA ZONE AND ZONE MILEAGES

The map on the following page defines Mississauga which has been divided into four (4) zones: S.W. (South-West), N.W. (North-West), S.E. (South-East) and N.E. (North-East).

South West Corner of Winston Churchill Blvd. to Dundas Street West to the 9th Line. North to the northern-most boundary, then East to Finch Avenue in the town of Malton to Highway #427. South to Browns Line and Lakeshore Blvd. Then West to Highway #2 to Winston Churchill Blvd.

Highway #10 Hurontario Street to be the East-West boundary line between zones. Eglinton Avenue to be the Northern boundary zone.

	S.E.			
Oshawa to	N.E.	54		
	N.W.			
Oshawa to	S.W.	64		
	S.W.			
Windsor to	N.W.	223	N.W. to S.E.	15
Windsor to	N.E./S.E.	227	S.E. to N.E.	10
oakville to	N.W./S.W.	13	N.E. to S.W.	15
Oakville to	N.E./S.E.	23	S.W. to N.W.	10

APPENDIX "B"

METROPOLITAN MONTREAL ZONES AND ZONE MILEAGES FOR HIGHWAY OPERATIONS

The map on the following page defines the area to be recognized as Metropolitan Montreal for all Highway Operations into and out of Metropolitan Montreal which has been divided into six (6) zones: N/W (North-West), N/C (North-Central), N/E (North-East), S/W (South-West), S/C (South-Central), S/E (South-East).

1. ZONE BOUNDARIES:

North-West - bounded on the north by the northerly limits of the Island of Jesus-on the east by Highway 15-on the south by Highway 520 and 40-on the west by the westerly limits of the Island of Montreal.

North-Central - bounded on the north by the northerly limits of the Island of Jesus-on the east by Pie IX Boulevard-on the south by Highway 40-on the west by Highway 15.

North-East - bounded on the north by the northerly limits of the Island of Jesus-on the east by Riviere des Mille Iles-on the south by Highway 40-on the west by Pie IX Boulevard.

South-West - bounded on the north by Highway 520-on the east by Highway 15 and Church Street-on the south by the Island of Montreal southerly limits including Verdun-on the west at Island of Montreal westerly limits.

South-Central - bounded on the north by Highway 40-on the east by Pie IX Boulevard-on the south by St. Lawrence River-on the west by Highway 15 and Church Street.

South-East - bounded on the north by Highway 40-on the east by Riviere des Prairies and St. Lawrence River-on the south by St. Lawrence River-on the west by Pie IX Boulevard.

2. MILEAGE APPLICATION:

Mileages listed to and/or from Montreal are based on the S/C zone.

To apply zone mileage the entry and/or exit zone shall be the base from which other mileages with Metropolitan Montreal are determined. Mileages from one zone to another shall apply as set out below.

3. MILEAGES

- 10 miles - between N/W and N/C
- between N/C and N/E
- between S/W and S/C
- between S/C and S/E

- between N/W and S/W
 - between N/C and S/C
 - between N/E and S/E
- 15 miles - between N/W and S/C
- between N/C and S/W
 - between N/C and S/E
 - between N/E and S/C
- 20 miles - between N/W and N/E
- between S/W and S/E
- 25 miles - between N/W and S/E
- between S/W and N/E

4. TRAIN DELAY

For the purposes of this contract when a driver is delayed by the trains between the Montreal CN-CP yards he shall be paid for such delays in excess of one half hour at the driver's hourly rate. Such delays must be verified by the TACH chart.

5. MONTREAL GATES - TOYOTA YARD

A driver required to open and close a gate at the Montreal Toyota yard will receive a payment of two dollars (\$2.00).

APPENDIX "C"

METROPOLITAN MONTREAL CITY OPERATIONS

The map on the following pages defines the area to be recognized as Metropolitan Montreal City Operations:

1. BOUNDARIES:

Metropolitan Montreal for Montreal City Operation shall include:

- (1) Ile de Montreal
- (2) Ile Jesus
- (3) Ile Bizard
- (4) On the North Shore: Deux Montagnes, St. Eustache, Ste. Therese, Rosemere, Lorraine, Bois des Filion, Terrobonne, Lachenaie, St. Sulpice, Charlemagne, Repentigny.
- (5) On the South Shore: Beauharnois, Chateauguay, Ste. Catherine d'Alexandrie, St. Constant, Candiac, Laprairie, Brossard, St. Hubert, Boucherville.

Trips out of St. Therese to South Shore as noted above to be paid at the mileage rate.
- (6) On the West Shore: Ile Perrot, Dorion, Vaudreuil
- (7) Ste. Therese to St. Jerome
- (8) Montreal docks to St. Bruno

2. APPLICATION

A Montreal City Operation shall be defined as a trip picking-up cargo within Metropolitan Montreal and delivering that cargo within Metropolitan Montreal and shall include only a trip from a production point to delivery points OR a trip from the last delivery point to a production point.

For Montreal City Operations, the following rates will apply:

- (a)(1) The Flat Rate in lieu of mileage according to the following:

Effective November 1, 2006 \$10.82

(2) The Montreal Long Leg Premium will be paid in addition to the Flat Rate according to the following:

Effective November 1, 2006 \$2.58

- (3) Intra City Exceptions

This long leg premium covers a driver who runs between Ste. Therese and points south of the St. Lawrence River and also points west of the Island of Montreal (Vaudreuil, Dorion and Ile Perrot) or drivers who run between the CN-CP rail yards and points in the north east area of Montreal north east of Riviere Des Prairies (Terrebonne, Lachenaie, St. Sulpice, Charlemagne, Repentigny). This long leg premium also covers the return from the above delivery areas to the CN-CP rail yards or to the driver's home terminal.

- (b) The Loading and Unloading Rates as set out in Section 18.1 (b);
- (c) The Stop Rate as set out in Section 18.1 (c) for unloading stops;
- (d) Where a driver is required to load at two (2) or more points, he shall receive an additional three dollars and ninety-five cents (\$3.95) for each additional loading point on such load, and the Stop Rate as prescribed in Section 18.1 (c) will not apply for any loading stops.
- (e) Where a driver is required to make a pickup at a point further from the terminal than his last delivery point he shall be paid an additional \$3.40. If the delivery of this unit requires that he continue to proceed in a direction that takes him further from the terminal he shall be paid an additional \$3.40.

3. QUEBEC MEMORANDUM:

A two dollar and twenty-five cents (\$2.25) flat rate "Premium" will be paid to all city operation drivers leaving the Cavendish Terminal Empty, headed for C.P.R. or Toyota via Highway #13 or by Pare Street.

APPENDIX "C" continued

4 MONTREAL GATE - TOYOTA YARD

A driver required to open and close a gate at the Montreal Toyota yard will receive a payment of two dollars (\$2.00).

5. When a city driver is required to pick-up vehicles at CNR using Road 13 or Pare Street from the terminal, the CPR and/or Toyota or vice-versa, he will receive the equivalent of a premium stop in addition to the other premiums stipulated in the Collective Agreement.
6. When a city driver is required to return a second time to the same yard or to the same dealer in a same trip, he will receive the equivalent of a stop premium in addition to the other premiums stipulated in the Collective Agreement.

APPENDIX "D"
METROPOLITAN QUEBEC CITY - CITY OPERATIONS

1. BOUNDARIES :

The area to be recognized as Quebec City for Quebec City - City Operations shall include:

Quebec City, Levis, Charny, Bernieres, St. Nicolas, Ste. Foy, Loretteville, Charlesbourg, Valcartier, Ange Gardien.

2. APPLICATION:

A Quebec City Operations shall be defined as a trip picking-up cargo within Metropolitan Quebec City and delivering that cargo within Metropolitan Quebec City and shall include only a trip from a production point to delivery points OR a trip from the last delivery point to a production point.

For Quebec City - City Operations the following rates will apply:

- (a) The Flat City Rate in lieu of mileage according to the following:

Effective November 1 2006	\$10.82
---------------------------	---------

- (b) The Loading and Unloading Rates as set out in Section 18.1 (b);
- (c) The Stop Rate as set out in Section 18.1 (c) for Unloading stops;
- (d) Where a driver is required to load at two (2) or more points, he shall receive an additional three dollars and ninety-five cents (\$3.95) for each additional loading point on such load, and the stop rate as prescribed in Section 18.1 (c) will not apply for any loading stops.

3. CHARNEY YARD GATE QUEBEC

A driver required to open and close a gate at Charney yard, Quebec will receive a payment of two dollars (\$2.00).

4. City and highway drivers required to load at C.N. yard and then proceed to the C.P. yard to complete load for furtherance to points south and southeast of the St. Lawrence River will be paid an additional \$6.00.

APPENDIX "E"

GENERAL RULES AND REGULATIONS GOVERNING THE ACTIONS OF ALL EMPLOYEES SUBJECT TO PREVAILING GOVERNMENTAL REQUIREMENTS

For disciplinary measures, infractions of rules and regulations shall be removed from the employee's record after one (1) year from the date of such infraction with the exception of accidents which shall be removed after two (2) years.

There shall be no lost time for suspensions of five (5) days or less, but they will be documented for the employees file.

If any injury is reported with no lost time, no discipline will be held against the driver by the company and no re-enactment will be required that could cause physical harm to the employee.

Nothing in these rules and regulations shall deprive the employees of the right to challenge a penalty through the regular grievance machinery. Existing Company rules and penalties shall not conflict with those contained herein. In case of conflict, it is agreed that these rules and regulations shall apply. All infractions of the Highway Traffic Act and municipal by-laws shall be the responsibility of the drivers except those which are, by their nature, the responsibility of the Company.

Company postings or instruction notices shall be made aware of to the Local Union before posting and the direct meaning of said posting or instruction be explained and confirmed in writing by the Company to the Union. Emergency notices are excluded from this Agreement.

Unless otherwise provided in the Master Agreement, penalties and reprimands under the Rules and Regulations must be issued within seven (7) days from the time the infraction became known to the Company with a copy to the Local Union, otherwise the penalty or reprimand will be considered null and void.

- (1) In conjunction with Article 12 medical examination, when required, will be at the Company's expense.
- (2) All drivers must submit to an eye examination at Company expense, if and when requested by the Company.

(1) ACCIDENTS

- (a) 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 frequency of accidents.

- (b) Failure to report any accident as soon as possible will result in the employee's being subject to disciplinary action.
- (c) Employees involved in accidents will be notified by the Company whether the accident was a preventable or non-preventable accident within thirty (30) days after the last day of the month in which the accident occurred.
- (d) The Company agrees to provide a form in which employees are to fill out when reporting accidents and to provide an additional appropriate form for reporting incidents.
- (e) This Regulation shall not apply in the case of rear view mirrors at congested loading areas.

(2) EQUIPMENT

- (a) 12 Intentionally tampering with tachograph, governor or other safety device.
- (b) 5 Excess idling of equipment.
- (c) 9 Failure to ensure that units are properly hooked-up and locking devices engaged and trailer support fully raised.
- (d) 2 Intentionally operating equipment with tire pressure too low.
- (e) 5 Failure to ensure that power equipment is properly serviced for fuel, oil and water before leaving the terminal, where required by the Company.
- (f) 9 Failure to report mechanical defects in equipment, if known.
- (g) 12 Unauthorized use of Company-owned motor vehicles.

(3) CONDUCT AND BEHAVIOUR

- (a) 12 Consuming intoxicants while on duty or on the Company's property.
- (b) 7 Reporting for duty while under the influence of an intoxicant.
- (c) 12 Intentional dishonesty or wilful damage.
- (d) 2 Discourtesy to a customer (subject to investigation),
- (e) 3 Intentionally mishandling or abuse of Company equipment or property, excluding cargo, according to the degree of negligence or carelessness.

- (f) 8 Failure to obey direct instructions of authorized personnel.
 - (g) 2 Failure to make proper collections.
 - (h) 4 Failure to load and unload properly, or knowingly mishandling cargo.
 - (i) 12 Conviction resulting in the loss of driver's licence while operating Company equipment.
 - (j) 6 Failure to follow Company postings or instruction notices.
- (4) REPORTS
- (a) 12 Intentionally punching another employee's time card.
- (5) DRIVING BEHAVIOUR
- (a) 11 Failure to follow routings as designated or instructed.
 - (b) 6 Driving at speeds in excess of Government posted speed limits.
 - (c) 2 Unnecessary delays while operating Company vehicles. (Circumstances beyond employee's control excluded.)
 - (d) 7 Deliberate tailgating.
- (6) ATTENDANCE
- (a) Absence in excess of three (3) consecutive working days without notification will be considered as a voluntary quit.
 - (b) 1 Failure to notify the Company not less than one (1) hour before regular starting time when unable to report for duty with a reasonable explanation.
 - (c) 2 Reporting late for work without reasonable explanation.
 - (d) 10 Failure to report for duty after having been instructed to do so. (Circumstances beyond employee's control excluded.)

- (e) Any employee absent due to illness in excess of five (5) days must supply substantiating evidence satisfactory to management, when required. It shall be the employee's responsibility to notify the Company when he is available for work. If the Company requests a medical examination or a doctor's note at that time, the employee shall be paid for all time he loses from work.

NUMBER OF INFRACTIONS

Class	1	2	3	4	5
1	R	R	S/D		
2	R	ID	3D	S/D	
3	R	ID	7D	S/D	
4	R	ID	2D	3D	S/D
5	R	ID	3D	7D	S/D
6	R	3D	7D	S/D	
7	R-7D	S/D			
8	R	S/D			
9	ID	3D	7D	S/D	
10	3D	3-7D	S/D		
11	3D	S/D			
12	S/D				

CODE: R-Reprimand

D-Day(s) of Suspension

S/D - Subject to Discipline

(Note: Discipline as referred to herein may include dismissal.)

APPENDIX 'G'
AGREED TO MILEAGE

Bramalea to

Buffalo, N.Y.	108
Jefferson, MI	229
Lake Orion - via Windsor	268
Lake Orion - via Sarnia	248
Lambeth	111
Lewiston, N.Y.	87
Melvindale, MI	232
New Boston, MI	249
Sterling Heights - via Windsor	252
Sterlings Heights - via Sarnia	222

Oakville to

Buffalo, N.Y.	86
Canton, MI	242
Cheektowaga, N.Y.	86
Lambeth	100
Niagara Falls, N.Y.	64
Wayne, MI	235
West Seneca, N.Y.	86
Woodhaven, MI	231

Oshawa to

Dearborn, MI	270
Lambeth	152
Lewiston, N.Y.	117
Woodhaven, MI	82
Buffalo	132

Windsor to

Sault Ste. Marie	372
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Lambeth to

Bramalea	111
Canton, MI	142
Cheektowaga, N.Y.	169
Dearborn, MI	128
Hamtramck, MI	125
Jefferson, MI	121
Lewiston, N.Y.	148
Melvindale, MI	124
New Boston, MI	143
Sterling Heights via Windsor	144
Sterling Heights via Sarnia	115
Windsor	113
Woodhaven, MI	133
Talbotville (Ford Plant)	8

Oshawa	145
Montreal Yard	154
Ste. Therese	178

The term of this Agreement shall be November 1, 2006 to October 31, 2009.

Dated this _____ day of _____

For the Company

R.LACKEY SPECIALIZED TRANS.LTD.

For the Union

TEAMSTERS LOCAL 938

LETTER OF UNDERSTANDING #1

EASTERN CANADA CAR CARRIERS MASTER AGREEMENT

Article 9

EQUIPMENT

Section 9.9

The Companies agree that all vehicles used in the transportation of employees be maintained to ensure that they are in safe operating condition. Recognizing that vehicle maintenance standards may vary depending on their application, this shall in no way comprise the Companies responsibility to maintain transportation vehicles in safe operating conditions.

The above letter of understanding was agreed to at the 1999 Eastern Canada Car Carriers Negotiations.

DATED this _____ day of _____

Signed for the Company

Signed for the Union

R.LACKEY SPECIALIZED TRANS.LTD.

TEAMSTERS LOCAL 938

LETTER OF UNDERSTANDING #2

EASTER CANADA CAR CARRIERS MASTER AGREEMENT

Article 10

Cargo

Section 10.1

This letter will confirm R. Lackey Specialized Transportation intent to comply with Section 10.1 of the Eastern Canada Car Carriers Collective Agreement in the following manner:

Incidents of minor damage will be addressed based on frequency, the employee's history under Section 10.1 will be reviewed and letters of warning issued before proceeding to Appendix "E" of the Collective Agreement.

Incidents of major damage or gross negligence will be dealt with in accordance with Appendix "E" 3 (h) of the Collective Agreement.

The above letter of understanding was agreed to at the 1999 Eastern Canada Car Carriers Negotiations.

DATED this _____ day of _____

Signed for the Company

R.LACKEY SPECIALIZED TRANS.LTD.

Signed for the Union

TEAMSTERS LOCAL 938

LETTER OF UNDERSTANDING #3

EASTERN CANADA CAR CARRIERS MASTER AGREEMENT

Between

R. LACKEY SPECIALIZED TRANSPORTATION LTD.

And

THE UNION

REFERENCE UNION PROPOSAL 9.4

It is understood that R. LACKEY SPECIALIZED TRANSPORTATION will make the necessary adjustments to equipment to ensure that it is capable to maintaining 100 kph under normal conditions.

The Company will also provide sun visors for the passenger side, on those trucks in Montreal that are presently without.

The Company will ensure that quality mid sized seats, with arm rests and lumbar (if available) will be provided in all new trucks purchased for the Ontario/Quebec fleet. Refurbished trucks purchased by the Company will be equipped with quality seat in accordance with manufacturers specifications.

The most recent trucks added to the St. Thomas fleet (Volvo's) will be checked to determine whether the seats are in compliance with the above where they are not the necessary changes will be made.

DATED this _____ day of _____

For the Company

R.LACKEY SPECIALIZED TRANS.LTD.

For the Union

TEAMSTERS LOCAL 938

LETTER OF UNDERSTANDING #4

EASTERN CANADA CAR CARRIERS MASTER AGREEMENT

Between

R.LACKEY SPECIALIZED TRANSPORTATION LTD.

And

THE UNION

REFERENCE UNION PROPOSAL 12.2 (b)

When an employee is required to take a Company medical away from the home terminal he will be compensated for the use of his personal vehicle, at a rate of .30 cents/kilometer. Should there be parking charges associated with an employees Company medical he shall be reimbursed upon production of receipts.

Dated this _____ day of _____

For the Company

R.LACKEY SPECIALIZED TRANS.LTD.

For the Union

TEAMSTERS LOCAL 938

LETTER OF UNDERSTANDING #5

**EASTERN CANADA CAR CARRIERS MASTER AGREEMENT
*Between***

**R.LACKEY SPECIALIZED TRANSPORTATION LTD.
*And***

Teamsters Local Union 938

Re: Sections 16.7, 16.7 (c), 16.14

Drivers will be provided with a trip sheet identifying the various pay items and point to point mileage's. *Any* discrepancies that can be corrected by dispatch can be done so at anytime prior to the trip completion process.

Each terminal location shall have at least one person available to process adjustments and respond to inquiries. Where necessary a process to handle adjustments for employees on shifts shall be implemented.

Pay statements shall be available to all shifts on Wednesdays. A separate pay run will be performed each Thursday as warranted to ensure the proper processing of adjustments. Adjustments to be paid by direct deposit on the Friday following payday.

Where employees have not had an opportunity to submit adjustments before the Thursday pay run, these adjustments will be processed, in detail, for the following pay period except those shortages in excess of fifty dollars (\$50.00) which will be paid by manual cheque immediately.

DATED this _____ day of _____

For the Company

R.LACKEY SPECIALIZED TRANS.LTD.

For the Union

TEAMSTERS LOCAL 938

LETTER OF UNDERSTANDING #6

EASTERN CANADA CAR CARRIERS MASTER AGREEMENT

Reference Article 15.21, 19.2, 19.3, 19.4

The Company and the Union recognize the need for high visibility apparel to further enhance our safety efforts and to ensure compliance with the applicable Labour Legislation along with manufacturer's requirements.

This application is presently fulfilled through the use of high visibility vests.

The Companies in conjunction with the respective Health and Safety Committees will examine preferable economically viable alternatives. Recognizing that different departments and different locations may have varying requirements, the parties will mutually agree to have alternate apparel provided where needed.

This process must be initiated at the first scheduled Health and Safety Meeting following ratification of the Collective Agreement.

DATED this _____ day of _____

For the Company

R. LACKEY SPECIALIZED TRANS, LTD.

For the Union

TEAMSTERS LOCAL 938

Letter of Understanding:# 7
Between

R.LACKEY SPECIALIZED TRANSPORATION LTD.

And

TEAMSTERS LOCAL UNIONS 938

The following represents full and final settlement of all matters arising out of the Teamsters Local Union 938 grievance regarding the Four Door Crew Cab.

The member Companies agree to recognize all full size four door pick up trucks with a minimum wheel base of 139" and a minimum overall length of 226" as four door crew cabs as referred to in Article 18.1 (b) of the Eastern Canada Car Carriers Master Agreement.

The list of four door crew cabs include at a minimum the Dodge Ram Quad Cab, Ford F-150 Super Crew, Toyota Tundra Double Cab, Nissan Titan 4 Door Pickup, GM Heavy Duty Crew Cab, and the GM 1500 Series Light Duty Crew Cab.

Where there is an established practise of paying the crew cab premium on vehicles of smaller dimensions, this practise will continue.

The premium as described by Article 18.1 (b) will be paid on all full loads consisting of at least one (1) full size four door pickup as described above.

The Companies also agree to pay one (1) time only, one thousand two hundred dollars (\$1,200.00) to each current employee who has worked within the six (6) months preceding this settlement.

This Settlement Agreement is subject to the ratification of the 2005 Eastern Canada Car Carriers Collective Agreement.

DATED AT this _____ day of _____

For the Company

R.LACKEY SPECIALIZED TRANS.LTD.

For the Union

TEAMSTERS LOCAL 938

Letter of Understanding # 8

Between

R.LACKEY SPECIALIZED TRANSPORTATION LTD.

And

TEAMSTERS LOCAL UNIONS 938

1. Add Ingersoll into the agreed mileages. The Company will provide mileages.
2. Coveralls - The Company will replace coveralls for mechanics to the driver's standard as they need replacement.
3. Payroll will be changed to Sunday-Saturday. Paperwork must be handed in at the end of each trip or it will be paid the following week.
4. Ottawa will be zoned into 2 zones with the dividing line being Old highway 16. they will pay 15 miles between the 2 zones.

DATED AT this _____ day of _____

For the Company

For the Union

R.LACKEY SPECIALIZED TRANS.LTD.

TEAMSTERS LOCAL 938

A MEMBER'S REMINDER

Application for a Withdrawal Card should be made immediately a member is terminated, laid off, on Workers' Compensation or off work due to illness or parental leave.

THIS IS THE RESPONSIBILITY OF THE MEMBER HIMSELF!

Withdrawal Cards are valid only when you are not working at this craft.

MEMBERS ARE REMINDED that Application for a Withdrawal Card can be made by sending a request to our Mississauga office at 275 Matheson Blvd. E., Mississauga, Ontario L4Z 1X8, or arranging the same procedure through our Oshawa office.

Note: The 50¢ Withdrawal Fee is no longer required.

Upon returning to work, send or deliver your Withdrawal Card directly to the Head Office of the Local Union.

MEMBERS ARE FURTHER ADVISED that where they do not take a Withdrawal for reasons of their choice, where they are in excess of three (3) months delinquent in dues, that a Reinitiation Fee will restore good standing for the purpose of clearing arrears.