

COLLECTIVE AGREEMENT

Between

INLAND KENWORTH (PENTICTON)

And

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS**

December 1, 2011 - November 30, 2014

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COLLECTIVE AGREEMENT

By and Between:

Inland Kenworth (Penticton)

(hereinafter referred to as the "Company")
OF THE FIRST PART

And:

**International Association of Machinists and
Aerospace Workers**

(hereinafter referred to as the "Union")
OF THE SECOND PART

WITNESSETH:

That in consideration of the mutual covenants and agreements herein set forth, the Parties hereto and the affected employees are mutually agreed as follows:

GENERAL PURPOSE:

The purpose of this Agreement is to maintain a harmonious relationship between the Company and its employees; to provide an amicable and equitable method of settling grievances or differences which might possibly arise, to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this agreement, and generally to promote the mutual interests of the Company and its employees.

ARTICLE 1 - UNION RECOGNITION AND RIGHTS

1.01 Bargaining Agency

The Company recognizes the Union as the sole bargaining agency for its employees, as defined under definitions, as duly Certified under the Labour Relations Act of British Columbia, for the purpose of collective bargaining with respect to rates of pay, hours of employment, and all other working conditions.

1.02 No Other Agreement

No employee covered by this Agreement shall be required or permitted to make a written or oral agreement with the Company or its representatives which may conflict with the terms of this Agreement.

1.03 Correspondence

- (a) The Company agrees that all written correspondence between the Company and the Union, related to matters covered by this Agreement, shall be sent to the Business Representative of the Union or his/her designate.
- (b) The Company agrees that a copy of any written correspondence between the Company and any employee in the bargaining unit covered by this Agreement, pertaining to the interpretation or application of any clause in this Agreement, as it applies to that employee, shall be forwarded to the Business Representative of the Union or his/her designate and the steward.

1.04 Access to Company Premises

An authorized agent of the Union shall have access to employer's establishment during working hours for the purpose of conducting Union business but shall not interfere with the operation of the Company. When entering, the Union Representative will make his/her presence known to Management.

1.05 Bulletin Board

The Company agrees to provide adequate space, in a permanent location, acceptable to the Union, for a bulletin board. The bulletin board shall be supplied by the Union, to remain the property of the Union for the sole use by the Union for the purpose of conveying information by notice or letter to its members in the plant. The Union agrees that the bulletin board shall not be used for the dissemination of political propaganda or advertising matter not relating directly to Union business.

1.06 Shop Stewards

When the Company finds it necessary to lay off or discharge a Shop Steward the Union shall be notified prior to such layoff or discharge. In the case of layoff the Company agrees to give four (4) hours' notice to the Union.

1.07 Picket Lines

No employee will be required to cross a picket line unless declared illegal by the Labour Relations Board or by a court with legal jurisdiction.

1.08 Non-Bargaining Unit Employees

All work within the Bargaining Unit shall be performed only by those persons coming within the Bargaining Unit who are members of the Union. This provisions does not apply in emergency situations provided no employee available is capable of performing the work and the Steward is informed. It is understood and agreed that Management may assist in the performance of Bargaining Unit work during peak periods when the volume of work requires. In the event that Bargaining Unit Personnel becomes available while Management are assisting, such assistance shall cease promptly and the task completed by Bargaining Unit Personnel.

1.09 Human Rights

The Parties agree there shall be no discrimination, interference, restriction, coercion, harassment, intimidation, or any disciplinary action exercised or practiced with respect to an employee by reason of age, race, creed, colour, national origin, religious affiliation, sex, sexual orientation, family status, mental or physical disability or membership or activity in the union. The Company and the Union also recognize the right of employees to work in an environment free from sexual harassment and agree that sexual harassment will not be tolerated in the work place. Should any dispute arise regarding any of the foregoing, the employee shall take recourse through the grievance procedure in the Agreement.

- (a) It is the intent of the Parties that the grievance should be brought to the immediate attention of Management and the Union. The initial stage of the grievance procedure shall be waived if a person hearing the grievance is the subject of the complaint.

ARTICLE 2 - UNION SECURITY

2.01 Union Shop

The Company agrees that all employees who are or who may be covered by the Certification of Bargaining Authority issued to the Union by the Labour Relations Board, must be members of the Union and maintain their membership in the Union as a condition of employment.

2.02 New Employees

The Company shall require new employees to complete an application for membership in the Union and checkoff authorization on the date of hire. The Company shall return the completed form to the Union not later than thirty days from the date of employment. The forms will be supplied by the Union.

2.03 Membership Maintenance

As a condition of employment, all employees shall pay monthly dues and or initiation and reinstatement fees, by payroll deduction. The Company shall deduct from each new employee's first payroll cheque an amount equal to the Union dues, provided the employee has worked five days in that calendar month. The new employee's name and the amount deducted, shall be added to the closest applicable check-off; i.e. if the check-off for that month has already been remitted, it shall be added to the following month's check-off, and shown as the previous month worked.

2.04 Remittance

All deductions as required under Sections 2.02 and 2.03 shall be made in each calendar month the employee is employed by the Company.

- (a) The monies so deducted shall be forwarded by the Company to the Secretary of the Union not later than the 15th day of the following month, accompanied by a statement listing the names of the employees and their Social Insurance Number, for whom deductions were made and the amount of each deduction.
- (b) All other remittances required for Medical coverage, Weekly Indemnity, Dental and Pension, or any other coverage required under this Collective Agreement, shall be remitted to the appropriate carrier not later than the 15th of the month following the month in which the coverage is required.

ARTICLE 3 - MANAGEMENT

- 3.01** The Union recognizes the right of the Company to demote, transfer, or discharge any employee, subject to the provision of the grievance procedure.
- 3.02** The Union further recognizes the right of the Company to operate and manage its business in all respects, subject to the provisions of this Agreement.
- 3.03** The Company reserves the right to post Company rules and to alter the rules from time to time, provided such rules do not conflict with the provisions of the Collective Agreement. The rules must be posted in a conspicuous place within the Plant.

ARTICLE 4 - HOURS OF WORK

4.01 Work Week

The work week shall consist of five shifts, worked consecutively, with two consecutive days off, one being Sunday. Shifts shall be worked in sequence starting with the beginning of the First Shift.

4.02 Meal Periods

- (a) A meal period of at least one-half hour shall be scheduled in the middle of each shift. Employees shall not be required to work through a meal period. Overtime rates shall apply when an employee works more than one-half hour beyond his regular meal period, for a maximum of one-half hour overtime.

- (b) Employees required to work more than two hours immediately following their regular shift, shall be paid up to fifteen dollar (\$15.00) meal allowance upon receipt. The meal period of one-half hour shall be counted as time worked but paid at straight time rates. The preceding condition shall apply every four hours of work thereafter.

4.03 Rest Periods

A paid rest period of ten minutes shall be allowed as close to the middle of each half of each shift as reasonably possible.

4.04 Day Shift

The hours of work on the first shift shall be eight hours per day and forty hours per week, Monday to Friday inclusive. The hours of work shall be between 7:00 a.m. and 6:00 p.m.

4.05 Afternoon Shift

If a second shift is employed the hours of work per day shall be eight hours per day and forty hours per week, Monday to Friday inclusive. A premium of One (\$1.00) Dollar per hour shall be paid for all hours worked on this shift. The hours of work shall be between 12:00 p.m. and 12:30 a.m.

4.06 Tuesday to Saturday Work Week

The Tuesday to Saturday work week shall be eight hours per day, except for Saturday. The hours of work on Saturday shall be seven and one-half hours, for which eight and one-half hours shall be paid plus half-hour paid lunch. The work week shall consist of a total of thirty-nine and one-half (39.5) hours, Tuesday to Saturday inclusive for which forty and one-half shall be paid. Employees may put the premium of one hour in the overtime bank. Sunday and Monday shall be the regular days off and any work performed on these days shall be paid at overtime rates.

At the beginning of each calendar year, one Technician working on the Saturday of a long weekend may book that day off on a rotation basis according to seniority.

4.07 Shift Premiums

When an employee works overtime or on a Statutory Holiday and is receiving a shift premium, the premium will be paid at straight time for actual time worked. e.g. the one-half hour shift premium on the second shift would be paid at straight time rates.

4.08 Shift Rotation

Where reasonably possible, shifts shall be rotated evenly among all employees as follows: two weeks First Shift; two weeks Tuesday to Saturday; two weeks Second Shift.

4.09 Shift Change

The Company shall give employees 48 hours notice of a shift change, except in the event of an emergency such as employee absence or customer break down.

4.10 Clean-Up Time

Employees shall be allowed sufficient time during working hours to return tools, parts, etc, to the stores or crib before the end of each shift.

4.11 Shift Break

All employees shall have a minimum break of eight (8) hours between shifts. If any employee is instructed to report to work at a time later than his regular starting time to allow the eight hour break, the employee shall be paid for a full shift, for which he is reporting. In the event of an emergency and the employee is recalled to work before an eight (8) hour break has elapsed, he shall be considered as still working on the previous shift and paid the appropriate overtime rates for all work performed after the recall.

4.12 Guarantee

- (a) Employees reporting for work at the start of their regularly scheduled shift of the week, shall be guaranteed forty hours per week unless the employee was told not to report for work prior to the end of their regular shift during the previous calendar week. It is understood that where a recognized holiday occurs or an employee fails to report for work, the Guarantee will be reduced accordingly.
- (b) In the event of fire, power failure in excess of thirty (30) minutes, flood or other emergencies beyond the control of the Company, employees will be paid only to the time of the forced layoffs.

ARTICLE 5 - OVERTIME

5.01 Overtime Entitlement

All hours worked outside the regular hours and outside the established shift hours shall be considered overtime and shall be paid for at the following overtime rates.

- (a) Time and one-half for the first two (2) hours worked after a regular shift and double time thereafter and double time for all hours worked in excess of eight hours of overtime in a calendar week.
- (b) Employees called in before the regular starting time shall be paid at double time rates for time worked prior to their regular starting time. This Section shall not apply where the Overtime resulted from a shift change requested by the employee.
- (c) Double time rates for all work performed on Saturdays, except for employees working during regular hours on the Tuesday to Saturday work week, Sundays and Statutory Holidays.
- (d) Employees who are required to work more than four and one-half hours without a meal period shall be paid at the rate of double time for one-half hour in which to consume their meal. It is understood that such employees will still work the regular number of hours in their shift.

- (e) Subsections (a), (b) and (c) do not apply to employees engaged in annual stocktaking. Except for Statutory Holidays, time and one-half shall be paid for all overtime. Double time rates shall be paid for Statutory Holidays.

5.02 Overtime Voluntary

Employees shall be canvassed, in order of highest seniority first, as to their willingness to do overtime work and shall have the option of refusing such work. In the event that overtime commitments cannot be met on this basis, the qualified employee with the least seniority shall be selected. The Company will give reasonable notice when requesting the employee to work overtime. It shall not be considered a violation of the Agreement if an employee refuses overtime or call-out because of a previous personal commitment.

5.03 Minimum Call-Out

Any employee re-called to work after his/her normal working hours shall be paid a minimum of two (2) hours' pay at the appropriate rate. The Company will purchase a cell phone for the purpose of after hours call outs when required. Volunteers will be sought first and then by order of reverse seniority. The duration of time for employees to be on call and the rotation schedule shall be determined by the employees. It is understood the person on must be immediately competent to perform the duties. The person on call shall receive an additional One hundred \$100.00 per week.

5.04 Banking Overtime

Employees have the option of banking overtime on a straight time basis. Upon the request of the employee, duly authorized on the time card, the Company shall accrue appropriately equivalent overtime hours i.e. banking four hours of double time equals 8 hours of straight time.

- (a) A maximum of 120 hours may be banked and when any portion is used the employee will have the option of banking back to 120 hours.
- (b) Banked overtime will be accrued at the rate earned and paid out accordingly.
- (c) Unless otherwise agreed with the manager Banked Time cannot be added to annual vacations or taken when the shop is busy.
- (d) Banked overtime shall be considered as time worked and employees who are off on banked overtime during a Statutory Holiday shall also be entitled to the Holiday pay.
- (e) In the event of termination, all banked overtime owed shall be paid. In the event of a lay-off, employees shall have the option of taking all or a portion of banked overtime owed or taking it at a later date.

ARTICLE 6 - DISMISSAL, SUSPENSION AND DISCIPLINE

6.01 Discipline or Dismissal

The Company shall not dismiss or discipline an employee bound by this Agreement except for just and reasonable cause.

6.02 Notice of Dismissal and Suspension

Notice of dismissal or suspension shall be in writing and shall set forth the reasons. All dismissal and suspensions will be subject to formal grievance procedure under Article 7. A copy of the written notice or dismissal or suspension shall be forwarded to the Business Representative within two (2) days of the action being taken.

6.03 Right to Grieve Other Disciplinary Action

Disciplinary action grievable by the employee shall include written censures, letters of reprimand and adverse reports. An employee shall be given a copy of any such document placed on the employee's file which might be the basis of disciplinary action. The employee shall not be requested or permitted to sign such document, other than to acknowledge receipt, or make any written statement upon it. Should an employee dispute any such entry in his/her file, he/she shall be entitled to recourse through the grievance procedure, and the eventual resolution thereof shall become part of his/her personnel record. Any such document, other than formal employee appraisals, shall be removed from the employee's file after the expiration of one (1) year from the date it was issued, provided there has not been a further infraction. The Company agrees not to introduce as evidence in any hearing any document from the file of an employee, the existence of which the employee and the Union were not aware at the time of filing.

6.04 Employee Appraisal Forms

Where a formal appraisal of an employee's performance is carried out, the employee shall be given sufficient opportunity to read and review the appraisal. Provisions shall be made on the employee appraisal form for an employee to sign indicating that the employee has read it. The employee shall sign in the place provided. An employee shall receive a copy of the employee appraisal. An employee appraisal shall not be changed after an employee has signed it, without the knowledge of the employee, and any such changes shall be subject to the grievance procedure of this Agreement.

6.05 Personnel File

An employee or the Business Representative of the Union or his/her designate, with the written authority of the employee, shall be entitled to review the employee personnel file in the presence of a Company representative.

6.06 Right to Have Steward Present

- (a) An employee shall be told of their right to have his/her steward present at any discussion with supervisory personnel which might be the basis of disciplinary action. Where a supervisor intends to interview an employee for disciplinary purposes, the supervisor shall make every effort to notify the employee in advance of the purpose of the interview in order that the employee may contact his/her steward. This clause shall not apply to those discussions that are of an operational nature or do not involve disciplinary action.
- (b) A Steward shall have the right to have the Business Representative of the Union present at any discussion with supervisory personnel which might be the basis of disciplinary action against the steward, providing this does not result in an undue delay of the appropriate action being taken.

ARTICLE 7 - GRIEVANCE

7.01 Grievance Defined

In this Agreement, unless the context otherwise requires, "grievance" means:

- (a) any dispute or difference between the Company and the Union, governing the dismissal or suspension of any employee bound by this Agreement; and
- (b) any difference between the persons bound by this Agreement concerning its application, interpretation, operation or any alleged violation thereof, including any questions as to whether any matter is arbitrable.

7.02 Grievance Procedure Steps

If any grievance arises, affecting the employees bound by this Agreement, it shall be settled in the following manner, without stoppage of work. It is the intent of the Company and the Union that grievances should be processed without undue delay and that the employee will first discuss problems with their immediate Supervisor/Manager. If the problem does not lend itself to settlement in this manner, or if settlement cannot be reached, formal grievance procedure may be initiated as follows:

Step 1

The employee involved who must be accompanied by a steward or Representative of the Union shall first take up the grievance with the Supervisor/Manager, within twenty (20) working days after the date on which he/she first became aware of the action or circumstance giving rise to the grievance except as in 7.03. The Supervisor/Manager shall render a decision within five (5) working days of presentation of the grievance.

Step 2

Failing agreement being reached in Step 1 above the grievance shall be reduced to writing and the matter will be discussed between the employee, the Business Representative and the Manager in charge within seven (7) calendar days of the answer in Step 1 above.

Step 3

Failing agreement being reached in Step 2 above the grievance shall be submitted to Arbitration as provided in Article 8.

- (a) It is agreed that the time limits in each step mentioned above may be extended, if mutually agreed to.
- (b) For the purpose of Article 7 - Grievances and Article 8 - Arbitration, Saturday and Sunday are not considered work days.

7.03 Policy Grievance

Where either party to this Agreement disputes the general application, interpretation or alleged violation of an Article of this Agreement, it shall be processed as a policy grievance, beginning with Section 7.02 Step 2; e.g. by discussion between the Business Representative and the department manager concerned.

ARTICLE 8 - ARBITRATION

8.01 Arbitration Procedure

- (a) The Company and the Union shall endeavour to agree upon the selection of an acceptable arbitrator to hear and render a decision on the matter(s) in dispute referred from the grievance procedure. In the event the Parties are unable to agree upon the selection of an arbitrator either party may apply within ten (10) calendar days of their failure to agree, to the Minister of Labour pursuant to Section 86 of the Labour Relations Code of British Columbia for the appointment of an arbitrator.
- (b) Once an arbitrator has been selected or appointed, the arbitrator shall convene a hearing, consider the submission of the Parties and render his/her decision within fifteen (15) days of the conclusion of the hearing. The decision of the arbitrator shall be final and binding upon the Parties. Each Party shall bear half (1/2) the cost of the Arbitrator.
- (c) Provided both Parties agree, the grievance may be referred to a three (3) person Board of Arbitration consisting of a Chairman, a representative selected by the Union and a representative selected by the Company who will convene a hearing into the dispute.

8.01 Arbitration Procedure Continued

- (a) In the case of a three (3) person Board of Arbitration, each Party shall be responsible for the costs and expenses of their representative and one-half (1/2) of the cost and expenses of the Chairman.
- (b) The Arbitrator shall be required to hand down his decision within ten (10) days following the completion of the Hearing.

ARTICLE 9 - SENIORITY

9.01 Seniority Principle

In all layoffs and re-employment the rule of seniority shall apply, provided the senior employee has the ability to perform the work available.

9.02 Layoff Out of Seniority

When employees are to be laid off out of seniority, the Company will inform the Union prior to the actual layoff.

9.03 Probation

New employees shall serve a probationary period of ninety (90) days worked during which time no seniority rights shall be earned by such employees, except that at the termination of such probationary period the employees' seniority service shall be calculated from the date of commencement of his/her employment with the Company.

9.04 Bargaining Unit Seniority

An employee promoted out of the Bargaining Unit shall retain accumulated seniority up to a maximum of one (1) year. It is understood that the period of one year may be extended by mutual agreement between the parties.

9.05 Layoff

When a layoff becomes necessary, probationary employees shall be laid off first; thereafter, the Company may either lay off employees in accordance with this Section or may confer and mutually agree with the Union upon a plan for the equitable distribution of the available work.

9.06 Seniority Retention

A laid off employee shall retain seniority and recall rights with the Company in accordance with the following:

- (a) less than six (6) months of seniority - one (1) month following the date of layoff;
- (b) six (6) months and less than forty-eight (48) months of seniority, six (6) months following the date of layoff;
- (c) forty-eight (48) months of seniority or more, eighteen (18) months following the date of layoff;

9.07 Seniority Maintained and Accumulated

Seniority will be maintained and accumulated during absence due to:

- (a) A compensable accident.
- (b) Serving in the non-permanent Armed Forces of Canada.
- (c) Temporary illness or non-occupational accident not exceeding twenty-six (26) weeks.
- (d) Lay-off. Seniority accumulation during layoff will not bring an employee into a longer retention period than provided in Section 9.06 above.

9.08 Seniority Not Accumulated

Seniority will be maintained, but not accumulated during absence due to:

- (a) Temporary illness or non-occupational accident exceeding twenty-six (26) weeks.
- (b) Authorized leave-of-absence.

9.09 Seniority Broken

Seniority will be broken by:

- (a) Voluntary quitting of job.

- (b) Exceeding authorized leave-of-absence, unless for legitimate cause.
- (c) Is recalled to work and does not report within three (3) working days of receiving notice by Registered Mail unless failure to report to work proved to be unavoidable.

It being understood that the employee may refuse a recall of less than three (3) continuous weeks duration. It is understood that employees who refuse work under this section cannot bump a junior employee who accepted the work for the period of time which he earlier refused.

An employee who intends to bump under this section may be required to give two (2) working days notice and would commence work at the start of the next work week.

9.09 Seniority Broken Continued

- (a) Discharged and not reinstated under the terms of this Agreement.
- (b) Lay-off exceeding the employee's seniority retention period.

9.10 Seniority List

Upon request, but not more than once in every six (6) months, the Company will provide the Union and the Shop Steward with an up-to-date list of all employees covered by this Agreement showing the date when each commenced employment with the Company, and their classification.

9.11 Job Posting

When a new job is available in either the Penticton or the Nanaimo branch, the Company will immediately place a notice of such vacancy on the notice board in both branches.

ARTICLE 10 - STATUTORY HOLIDAYS

- (a) All employees covered by this Agreement shall receive eight (8) hours pay at their regular straight time rates for each of the following Statutory Holidays in addition to any wages.

New Year's Day	Canada Day	Remembrance Day
Good Friday	B.C. Day	Day before Christmas
Easter Monday	Labour Day	Christmas Day
Victoria Day	Thanksgiving Day	Boxing Day

- (b) In the event a December Statutory Holiday falls on an employees' scheduled day off, or on a Sunday, the employee shall observe the Statutory Holiday on his next scheduled work day following the Statutory Holiday; or on a voluntary basis, on the last scheduled work day prior to the Statutory Holiday. If an employee is on a scheduled day off on the day where a Statutory Holiday falls, and does not wish to take the preceding or next day off, he may schedule an alternate day off following the Statutory Holiday by mutual agreement with his supervisor.
- (c) In order to qualify for eight (8) hours' pay for a Statutory Holiday, as enumerated in sub-sections (a) and (b), the employee must have:
 - (1) Thirty (30) calendar days' employment with the Company.

- (2) Worked any part of the regularly-scheduled work day prior to and the first regularly scheduled work day following the Holiday.

Exceptions to the foregoing shall be made in cases where the following conditions prevail:

- (i) The employee is off work due to industrial accident or disease for a period not in excess of two calendar months.
- (ii) The employee is prevented from working due to a bona fide illness for a period not in excess of two (2) calendar months. A Doctor's Certificate may be required as proof.
- (iii) Temporary lay-off within two (2) weeks and/or termination of services, except for just cause, within two (2) weeks of any designated Holiday.
- (iv) Where leave-of-absence has been approved and the employee has worked some time during the two (2) calendar weeks preceding the week in which the Holiday occurs.

10.01 Work On A Holiday

If an employee works on a General Holiday, the employee shall have the following options.

- (a) To receive holiday pay for the general holiday, plus double time for the time worked on the holiday, or
- (b) To receive double time for the time worked on the holidays, and to take a paid day off on another day, mutually agreed in lieu of holiday pay.

ARTICLE 11 - VACATIONS WITH PAY

11.01 Vacation Pay

- (a) Vacation pay will normally be provided on the regular pay when the employee is away on scheduled vacation leave unless he/she requests otherwise in writing a minimum of two (2) weeks prior to the requested vacation date. An employee may only request vacation pay in advance in an amount equal to the regular pay that would have been earned for each approved vacation block. E.g. 2 weeks advance pay for 2 weeks vacation.
- (b) Any excess vacation pay owing due to percentage calculation exceeding the weeks and or days of entitlement will be reconciled and paid to the employee on the first pay following his/her anniversary. Any employee wishing to carry over up to one (1) week of vacation entitlement must request approval from his/her supervisor prior to the end of their anniversary year. The carry over must be used in the following year.

11.02 Vacation Eligibility

Vacation credits shall be calculated from the anniversary date of employment. When an employee reaches his qualifying anniversary date he will become entitled to an additional weeks vacation with pay in accordance with the Vacation Entitlement Section in this Agreement.

11.03 Vacation Scheduling

- (a) On January first of each year, the Company shall post a vacation calendar on which employees will set out their preference. For the first draft, all employees in seniority order, will be given preference of selecting two weeks of their vacation time. Notwithstanding Article 11.03(c), all employees will be entitled to take two weeks in July and August. Beginning February 1st, all employees in seniority order, may select their remaining vacation entitlement. The Company will post an approved vacation schedule by March 1st of each year. Changes to the approved schedule will be by mutual agreement only. Seniority preference in selecting vacations will not apply after March 1st.
- (b) Employees who are entitled to three or more weeks of vacation shall be entitled to take three consecutive weeks but only two of these may be during July or August, unless otherwise approved by management. The booking of individual vacation days off will only be permitted once the first draft selections in Article 11.03(a) have been made.
- (c) It is agreed that more than one employee may be on vacation at the same time, provided that it does not adversely effect the operations of the Company.

11.04 Vacation Entitlement

Vacations shall be granted in accordance with the following:

- (1) After one (1) year of completed service, two (2) weeks' vacation with full pay or 4% of the previous year's gross earnings, whichever is the greater which must be granted in a continuous period.
- (2) After three (3) years of completed service, three (3) weeks' vacation with full pay or 6% of the previous year's gross earnings, whichever is greater.
- (3) After seven (7) years of completed service, four (4) weeks' vacation with full pay or 8% of the previous year's gross earnings, whichever is the greater.
- (4) Upon completion of fifteen (15) years service, one (1) additional day of vacation at full pay will be granted. Upon completion of sixteen (16) years service, two (2) additional days of vacation at full pay will be granted. Upon completion of seventeen (17) years service, three (3) additional days of vacation at full pay will be granted. Upon completion of eighteen (18) years service, four (4) additional days of vacation at full pay will be granted. Upon completion of nineteen (19) years service, five (5) additional days of vacation at full pay will be granted. Upon completion of twenty (20) years service, six (6) additional days of vacation at full pay will be granted. Upon completion of twenty-one (21) years service, seven (7) additional days of vacation at full pay will be granted.
- (5) After thirty (30) years of completed service, six (6) weeks vacation with full pay or 12% of the previous year's gross earnings, whichever is the greater.
- (6) Any employee with twenty (20) years service or more shall receive an additional five (5) days vacation pay in the year that he/she retires from the Company.

11.05 Termination

Employees terminating their employment during the course of a working year, in respect of which they have not received an annual vacation, shall receive vacation pay on the following basis:

- (1) Employees who have six (6) months of seniority or less, shall be paid 4% of their gross earnings, earned from the date of hire.
- (2) If worked over six (6) months, on the basis of a proportionate amount as set out in 11.05 of this Section.

11.06 Statutory Holiday Falls on Vacation

Should a Statutory Holiday occur on a normal work day while an employee is on annual vacation, he/she shall receive an additional eight (8) hours' pay for said Statutory Holiday.

ARTICLE 12 - WAGES AND ALLOWANCES

12.01 Wages

Wages and Classifications shall be those agreed upon and set out in Appendices attached hereto and forming part of this Agreement.

12.02 Pay Days and Pay Cheques

The Company shall, every second Friday, pay to each employee all wages earned by the employee up to and including the Saturday prior to the pay date, provided that if a General Holiday falls on the regular pay day, payment will be made the preceding day.

Payment of wages will be made by direct deposit to the employee's designated bank account.

The Employer shall also enclose a separate written statement of wages stating:

- (a) the hours worked,
- (b) the employee's wage rate
- (c) the employee's overtime wage rate,
- (d) the hours worked by the employee at the overtime wage rate,
- (e) the amount of each deduction from the earnings of the employee and the purpose of each deduction,
- (f) any money, allowance or other payment the employee is entitled to, and
- (g) the employee's gross and net wages.

12.03 Pension Plan

The Company contributions will depend on employee contributions and will be \$.25 for each \$1.00 contributed by the employee to a maximum of 6% of earnings. In addition to this the Company shall contribute \$80.00 per month per employee to the S.E.I. plan. This amount can only be withdrawn upon retirement, death, or termination.

12.04 Boot Allowance

An allowance of up to two hundred (\$200.00) dollars per contract year, provided one (1) year of

seniority has been accumulated, will be given to each employee towards the purchase or repair of safety footwear. Mandatory usage and proof of purchase or repair will be required. Any unused portion can be carried over to the following year.

12.05 Tool Allowance

- (1) A tool allowance of up to Four Hundred and Fifty (\$450.00) dollars per contract year, will be provided for service personnel. New employees hired in the contract year will receive a prorated tool allowance based on completed months of service.
- (2) All mechanics shall provide hand tools associated with their trade. Hand tools are defined as wrenches up to 1", sockets and handles up to and including 1/2" drive, screwdrivers, hammers, punches, etc.
- (3) The Company shall provide and maintain an adequate supply of specialized tools and equipment, which includes but is not restricted to, air impact wrenches, air and electric drills, drill bits, reamers, taps and dies, torque wrenches, 3/4" and 1" drive socket sets, creepers, trouble lights and special manufacturers tools.

12.06 Loss of Tools

Upon verification that an employees' personal tools have been lost, damaged or stolen during the course of an employee's employment duties, the Company shall replace them. To be eligible for this benefit, a tool inventory list must be on file with the Company.

12.07 Metric Tools

The Company will supply the required metric tools.

12.08 Tool Insurance

The Company shall insure employee hand tools and tool boxes for fire and theft, provided that an inventory list has been filed with the Company. The Company will supply each employee with a proper Tool Inventory Form on which employees can list their tools.

12.09 First Aid Allowance

Employees who are designated as the First Aid Attendant shall receive twelve dollars (\$12.00) per week in addition to their regular hourly rate. It is understood that such employee must hold a valid First Aid Certificate.

12.10 Travel Time

- (a) When an employee is required to work at points outside the city in which the Company is located, he/she shall receive travelling time on the following basis:

Travel time during the employee's regular shift hours will be paid for at straight time.

Travel time authorized by the Company or the customer outside the employee's regular shift hours, will be paid for at time and one-half (1 1/2) up to a maximum of eight (8) hours in any twenty-four (24) hour period.

All travel time for Saturday, except on the Tuesday to Saturday shift, and Sunday and any Holiday will be paid for at time and one-half (1 1/2) to a maximum of eight (8) hours in any twenty-four hour period. The exception to this provision would be where first class sleeping accommodation is provided. In this instance, time would cease at 9:00 p.m. and commence at 8:00 a.m. the next day.

The employee shall also be provided with fares, suitable accommodation and meals at no cost to the employee.

- (b) Employees required to drive vehicles (including employee cars) shall be paid at the applicable overtime rates for all time spent driving these vehicles outside regular hours of work.

This provision shall not apply when an employee is travelling to or from a course, or is travelling by a public carrier or to or from a public carrier. Public carriers shall be defined as follows: buses, taxis, aircraft, trains, boats and any vehicles licensed to transport passengers and operated by a licensed operator. Buses, aircraft or boats that may be chartered or purchased by the Company to transport passengers must be operated by an operator holding a current appropriate license to do so.

12.11 Outside City Limits

In going to work outside the City Limits and returning daily, employees shall be at such limits at the starting time, and allowed to return to such City limits at the close of the work day. They shall be paid all fares to and from the City limits to place of work, or alternatively be supplied with transportation by the employer. It is understood that where employees reside in the city where the work is being done, they shall report to and finish work at the regular starting and stopping time.

12.12 Off Premises Work

Employees engaged in overhaul and repair work performed off Company premises shall receive three (\$3.00) dollars over their regular wage rate for all hours worked off Company premises. When exceptional circumstances exist, the Parties will discuss other arrangements.

12.13 Use of Employee Vehicles

Employee vehicles can be used on Company business only if authorized by the Company.

When an employee vehicle is used on Company business the employee will be reimbursed on the basis of thirty five (\$.35) cents per kilometre - minimum payment ten (10) kilometres. It will not be a violation of this Agreement for an employee to refuse to use his/her motor vehicle on Company business.

An employee will arrange with the Company for adequate Insurance coverage before using his motor vehicle on Company business.

12.14 Sanding and Painting

When an employee other than a designated bodyman is assigned to sand or spray paint, he/she shall receive a premium of Twenty-five (\$.25) cents per hour.

12.15 Severance Pay

- (1) When employees with two or more years of seniority are on lay-off for a period which exceeds their recall rights, the Company shall pay such employees two (2) weeks severance pay. Such employees have the option of taking their severance prior to the expiry of their recall rights, but forfeit all recall rights in doing so.
- (2) When employees with two or more years of seniority are terminated due to amalgamation, Plant closure or automation and the Company is unable to provide such employees with suitable, alternate employment, such employees shall be paid severance pay as follows:
 - (a) After the completion of employment of two years, one weeks pay, and
 - (b) one additional weeks pay for each additional year of completed employment to a maximum of 8 weeks pay.
 - (c) One weeks pay shall be defined as amount equal to 40 hours times the employee's current classification rate.

ARTICLE 13 - SPECIAL AND OTHER LEAVE

13.01 Jury Duty

Any regular full time employee who has past the probation period who is required to serve as a juryperson or is subpoenaed to appear as a witness on a day on which he/she would normally have worked, will be reimbursed by the Company for the difference between the pay received for jury or witness duty and his/her regular straight time rate of pay for his/her regular scheduled hours of work. It is understood that such reimbursement shall exclude travel allowance and shall not be for hours in excess of eight (8) per day or forty (40) per week, less pay for jury or witness duty. The employee will be required to furnish proof of jury or witness service and jury or witness duty pay received.

13.02 Bereavement Leave

In the event of a death in the immediate family of an employee, the Company shall grant three (3) days' leave-of-absence with pay, to make arrangements for/and/or to attend the funeral. The term "immediate family" shall mean spouse, parents, children, brothers, sisters, grandparents, mother-in-law, father-in-law.

In the event of a Death in the Spouse's family, the Company shall grant one (1) day leave-of-absence with pay if the employee attends the funeral; or up to three (3) days leave-of-absence with pay if the employee is making arrangements for and attending the funeral. The term "Spouse's Family" shall mean spouse's grandparents, brothers and sisters. Additional unpaid leave for bereavement purposes is available within Article 13.05, and approval will not be unreasonably withheld.

13.03 Leave For Union Business

If an employee is elected to act as a delegate for the Union, he/she shall be allowed leave-of-absence of up to one week without pay for the transaction of Union business provided that the Company has been given at least seven (7) days notice.

13.04 Leave For Union Representative

If an employee is elected to serve the Union on a full time basis, he/she shall be considered to be on leave-of-absence without pay for a maximum period of two (2) years. The company must be given as much notice as possible. Upon return, he/she shall be re-employed at the same type of work which he/she performed prior to his/her leave-of-absence and with seniority accumulated, provided that not more than one employee be absent at any one time.

13.05 Leave-Of-Absence

Upon written request of an employee, the Company may grant leave-of-absence without pay for justifiable reasons. Such leave-of-absence must not exceed three (3) calendar months. Any leave granted hereunder shall be in writing and a copy given to the Shop Steward and the Union. During the term of any leave-of-absence granted to an employee, the employee shall not perform work of any nature for wages, and performance of any such work may result in immediate termination of leave-of-absence and employment with the Company. This will not apply to leave-of-absence relating to Union business.

ARTICLE 14 - GENERAL PROVISIONS

14.01 Injury Report

Any employee suffering injury while in the employ of the Company must report immediately to the First Aid Department or as soon thereafter as possible, and also report to this Department on returning to work. A copy of the employee's accident report will be supplied on request. If the injured employee is not able to work the balance of the shift, the Company will pay his normal daily earnings for the day of the injury.

14.02 Transportation

Free transportation to the nearest doctor or hospital will be arranged by the Company.

14.03 First Aid Buzzer

A buzzer or other device to summons a First Aid Attendant will be provided in Companies where it is required to have First Aid Services.

14.04 Protective Clothing

Protective clothing other than coveralls shall be supplied by the Company to all employees whose duties entail work injurious to their clothing.

14.05 Coveralls

Coveralls or coats shall be supplied free of charge to employees. Employees are expected to take reasonable care of clothing and equipment supplied.

14.06 Rain Gear

Rain gear will be supplied as a tool crib item.

14.07 Welders' Gloves

The Company will supply welders' gloves to those employees working in that Classification, at no cost to the employee. Welders' gloves will be replaced on acceptable verification of loss.

14.08 Cleaning Facilities

Proper washing facilities shall include hot and cold water, hand cleansers, towels and wash basins. These shall be provided by the Company.

14.09 Plant Heating

The Company agrees that the Plant shall be heated and adequately ventilated.

14.10 Lunch Rooms

The Company will supply suitable accommodation where employees may have their lunch.

14.11 Training

It is mutually agreed that it is in the best interest of the Company and the employees if skills are maintained and upgraded from time to time. Employees are expected to participate in factory training programs which apply specifically to the work the employee performs.

- (a) All employees shall be given equal opportunity to attend training courses during working hours which may be provided from time to time, provided the training pertains to the type of work normally performed by the employee.
- (b) Employees who are assigned to attend training courses outside the Penticton Area will be compensated as follows:
 - (i) Straight time wages will be paid for the time spent at the training course based on the employee's regularly scheduled shift hours. In most cases the training day will be close to seven (7) hours, however there may be occasions where the training day will be more or less than seven (7) hours. If the employee is attending all or part of the training on his days off, alternate days off will be scheduled immediately before and / or after the training days. Such days off could be scheduled at another time, by mutual agreement.
 - (ii) Travel time to and from the course will be paid for the time spent traveling based on the number of hours in the employee's regularly scheduled shift. If the total travel time in one day exceeds the amount of regular shift hours, the employee will be paid for the additional hours at his regular hourly rate of pay.
 - (iii) The Company will reimburse meals and other incidental expenses. Receipts are required.
 - (iv) Employees will be provided with a travel itinerary with the Company's choice of commercial transportation to and from the course. Commercial transportation is defined as airplane, bus, train, rented automobile, rapid / public transit, ferry, taxi or limousine, etc. Where possible, employees will be scheduled to travel together on commercial transportation to conserve costs.

- (v) The employee will submit an expense claim with receipts for airport parking, ground transportation not included in the course, hotel accommodation, and any other pre-approved expenses promptly upon return to work after completing the course.

14.12 Course Tuition and Test Fees

The Company will pay tuition fees for courses, and test fees, for those courses and tests pertaining to the trade of the employees covered by this Collective Agreement upon acceptable completion of course by employee. The employees shall make a request to the Company for the Company's approval before taking such courses or tests. Such approval shall not be unreasonably withheld.

14.13 Employees Working Alone

No employee covered by this Agreement shall be required to operate a machine while alone or to work on any shift or overtime while alone.

14.14 Retirement

Travel allowance upon retirement from the work force:

- \$ 1500.00 for 15 - 20 years of service
- \$ 2500.00 for over 20 years of service

14.15 Lunch Breaks

Allow two (2) employees to take one (1) hour lunch breaks.

14.16 Separate Seniority Lists

In the event of lay-off of a mechanic from either the equipment department or the truck department, the mechanics will not be allowed to move from one department to the other department until any laid off mechanics are recalled from layoff to their respective departments.

ARTICLE 15 - HEALTH & WELFARE

15.01 Medical Care Plan

The Medical Services Plan as provided by the Medical Services Act of the Province of British Columbia shall be made available at no cost to all employees covered by this Agreement.

New employees' coverage will commence on the first day of the month following their employment providing such employment began before the 15th of a month. If employment began on the 15th or later in a month, coverage begins on the first day of the second month following employment.

15.02 Insurance Plan

An approved Insurance Plan shall be made available at no cost to all employees covered by this Agreement. The approved plan shall provide the following coverage:

- (a) Life Insurance \$30,000.00
- (b) Accidental Death & Dismemberment \$30,000.00
- (c) Weekly Indemnity equal to two thirds of the employee's weekly rate to a maximum

of Four Hundred and Fifty (\$450.00) dollars to commence on the first day of accident, fourth day of illness, per week, for twenty-six (26) weeks.

Note: In addition to the above coverage, the Company agrees to pay eight (8) hours' pay at the employee's current wage rate for the first, second and third day of sickness, with verification from the Doctor.

15.03 Extended Medical Benefits

Extended medical benefits such as, drugs, private nursing care, ambulance, chiropractors, hospital and out-of-province expenses, etc., (See Plan Booklet).

The annual deductible for this benefit shall be Fifty \$50.00 per year.

New employees' coverage will commence on the first day of the month following their employment providing such employment began before the 15th of a month. If employment began on the 15th or later in a month, coverage begins on the first day of the second month following employment.

15.04 Prescription Glasses

The company agrees to provide a vision care plan that allows the employee and each family member a reimbursement of \$200.00 every two years for the purchase of prescription eyeglasses.

The Company shall replace prescription safety lenses damaged at work up to a maximum of Two Hundred (\$200.00) every twenty-four (24) months

15.05 Dental Plan

An approved Dental Plan will be made available to all employees covered by this Agreement. Participation will be a condition of employment. Premiums will be paid 100% by the Company. Coverage amounts will be in accordance with the Fee Guide for General Practitioners or Specialists of the Dental Association of BC – some dentists may charge more for their services, and such premium will not be covered.

Coverage:

Plan "A"	Basic Dental	100%
Plan "B"	Prosthetic Appliances	75%
	Crowns & Bridges	50%
	to a maximum of \$1500.00 per year.	
Plan "C"	Orthodontics	75%
	to a maximum of \$2,000.00 once in a lifetime per child.	

15.06 Sick Pay

Sick Pay of Eight (8) hours per month accumulative to a maximum of Forty (40) hours in an anniversary year and thereafter maintain the Forty (40) hours but not to receive more than Forty (40) hours in an anniversary year. Pay out of the unused portion of the sick pay shall be done at a rate of 75% of the remaining hours at anniversary date.

Sick pay for any one illness will be paid as follows:

First Day	100% of their regular rate of pay
Second Day	100% of their regular rate of pay
Third Day	100% of their regular rate of pay

A doctor's certificate may be required as proof of illness.

15.07 Benefits Off Work

When an employee is on layoff he/she shall advise the Company if he/she wishes to remain on the Health and Welfare Plan or the B.C. Medical Plan and make arrangements with the Company as to the method of providing and paying the necessary total premiums.

15.08 Benefits While on W.C.B.

When an employee is on Workers' Compensation or off work due to illness, the Company will pay half of the cost of the Welfare Plan and Medical Plan, provided the employee-member pays his half of the cost. The period of continuation of coverage will be based on the formula of one (1) month's coverage for each twelve (12) months of completed service.

15.09 Trustee Plan

The Company undertakes that it will recognize the right of the Union to trusteeship in respect of these insured benefits, and will, upon request of the Union, insure the benefits with a mutually acceptable alternate carrier in the event that the benefits provided above become reduced.

15.10 Travel Insurance

In addition, the Company will contract and maintain at its expense, an Air Accident Policy, providing a principal sum of \$50,000.00 payable to the beneficiary or estate of an employee, in accordance with insuring company regulations. Tickets must be purchased through the Company's travel agency.

15.11 Long Term Disability

LTD coverage to a limit of \$2,500.00 per month until age 65 shall be provided to each employee. The cost of the premium is \$39.98 per month and shall be deducted from the employees wage by the Company.

ARTICLE 16 - APPRENTICES

16.01 Apprentice Probation

All conditions of this agreement shall apply to Apprentices.

16.02 Ratio

The standard ratio of Apprentices to Journeyperson shall be one Apprentice to four Journeypersons. The Company and the Union may agree to increase this ratio to one to three under special circumstances.

16.03 Subsidies

When apprentices attend authorized training classes in their trade during normal working hours, the Company will make up the difference between their regular rate of pay and any Government subsidies the apprentice may be in receipt of.

16.04 Field Work

Apprentices shall not be required to work alone in the Field until completion of the third year of Apprenticeship.

16.05 Orders

Apprentices can be required to take orders from the Journeyperson with whom they are working as well as the regular Company Supervisor.

16.06 Reclassification on Completion

An apprentice, having served his/her required time at the trade, and having passed the necessary examinations, will automatically be classified as a journeyperson, and paid rates and have conditions as enumerated in this Agreement for the journeyperson classification. Upon mutual agreement between the Company and the Union, this period may be extended for up to six additional months.

16.07 Apprentice Contract

All new apprentices must sign the Inland Service Apprentice Contract. Copy of contract attached.

ARTICLE 17 - SAFETY COMMITTEE

It is mutually agreed that a Safety Committee consisting of employees selected by the Union will meet with a management representative or representatives not less frequently than once a month. Minutes of such meetings will be posted on the Notice Board, and a copy sent to the Union and the Compensation Board.

ARTICLE 18 - MOONLIGHTING

No employee shall undertake any work outside the company premises which could be construed in any way as competitive with the Company. Violations of this clause shall be subject to discipline by the Company or Union or both.

ARTICLE 19 - SAVINGS CLAUSE

19.01 Savings Clause

Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions and such remaining portions shall continue in full force and effect.

19.02 New Classification

Before any new classification is created, the wage rate thereof shall be settled by negotiations between the company and the Union. If the matter cannot be resolved in this manner either party may refer the dispute to arbitration.

19.03 Existing Conditions

No provision of this Agreement will be used to reduce wages or remove working conditions presently in force; it being understood that staff picnics, or bonuses shall not be deemed to have reference to said "working conditions". Any improved working conditions introduced by the employer on a trial basis shall be excluded from the provision of this Clause.

19.04 Article Headings Clause

The Article and Section Headings in this Collective Agreement shall be used for the purpose of reference only, and shall not be used as an aid in the interpretation of this Agreement.

19.05 Work Retention and Sub-Contracting

Where the Company's facilities, space and trained personnel are available, the Company shall endeavour to continue to have all work which is presently performed by employees of the Bargaining Unit, retained and performed by employees of the Bargaining Unit.

Where work must be performed by others, the Company shall endeavour wherever possible to have its sub-contract work performed by a Union shop.

ARTICLE 20 - DURATION

20.01 Duration

This Agreement shall be for the period from and including December 1st, 2011, to and including November 30th, 2014, and from year to year thereafter subject to the right of either Party to the Agreement, within four (4) months immediately preceding the date of the expiry of this Agreement (November 30th, 2014), by written notice, require the other Party to the Agreement to commence collective bargaining.

20.02 Notice Precludes Change

Should either party give written notice as provided above, this Agreement shall continue in full force and effect, and neither party shall make any change in the terms of the said Agreement, or increase or decrease the rate of pay of any employee for whom collective bargaining is being conducted; or alter any other term or condition of employment until a strike or lockout actually commences, or the parties shall conclude a renewal or revision of the Collective Agreement, or a new Collective Agreement.

20.03 The operation of Section 50 (2) and (3) of the Labour Code of British Columbia Act is hereby excluded.

Signed at _____, B.C. This ____ Day of _____, 2012.

FOR THE COMPANY:

FOR THE UNION:

INLAND KENWORTH

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS**

APPENDIX "A"
CLASSIFICATIONS AND WAGE RATES

	Effective: December 1/<u>11</u> Per Hour	Effective: December 1/<u>12</u> Per Hour	Effective: December 1/<u>13</u> Per Hour
Journeyperson	\$ 31.98	\$ 32.62	\$ 33.27

Premiums

<u>Motor Vehicle Inspector's License</u>	<u>\$0.75 / hour</u>
<u>Class 1 or Class 3 Driver's License</u>	<u>\$0.50 / hour</u>
<u>Cummins Engine Certification</u>	<u>\$0.25 / hour</u>
<u>Caterpillar Engine Certification</u>	<u>\$0.25 / hour</u>
<u>Eaton Transmission</u>	<u>\$0.25 / hour</u>
<u>MX Certification</u>	<u>\$0.25 / hour</u>

Apprentice Mechanics: shall be paid a percentage of journeyperson rate as follows:

1st 6 months	60% of Journeyperson rate
2nd 6 months	65% of Journeyperson rate
3rd 6 months	70% of Journeyperson rate
4th 6 months	75% of Journeyperson rate
5th 6 months	80% of Journeyperson rate
6th 6 months	85% of Journeyperson rate
7th 6 months	90% of Journeyperson rate
8th 6 months	95% of Journeyperson rate

Lubrication and General Serviceperson

\$ 25.04	\$ 25.54	\$ 26.05
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An employee may perform lube, oil filter changes and minor repairs (i.e. replace light bulbs, etc.) at the same time when doing a lube. oil and filter.

Maintenance/Janitor

\$ 12.81	\$ 13.07	\$ 13.33
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Charge Hand

\$40.00 per week over Journeyperson's rate.

APPENDIX "B"

DEFINITIONS

For the purpose of this Agreement the following definitions apply:

1. **Employee** means a person employed by the Company except office staff, outside salesperson and person's who are employed to perform the functions of a manager.

It is understood that at the signing of this agreement, the Parts Department employees in Penticton were not members of the Union.

2. **A Charge Hand** is a Journeyman who is assigned to instruct others in the performance of their work and may be held responsible for the quality and quantity of the work. It is not a separate classification.
3. **A Helper** is an employee who is assigned to assist a Journeyman in the Trade in the performance of his/her duties.
4. **Students** may be employed in the shops during the summer vacation period and will be limited to two (2) students for each shop where practical. Their duties shall be general clean-up, stock room or crib assistants, or other similar duties. They shall not displace any Member of the Bargaining Unit nor shall they be employed when any member of the Bargaining Unit is on lay-off. They shall as a condition of employment pay Union dues while so employed.

APPENDIX "C"

NEW EMPLOYEE PACKAGE FOR APPRENTICE TECHNICIANS

Welcome to Inland Kenworth! This package will provide you with information on our company's apprenticeship program for technicians. Please read all information carefully and sign the form on the last page to acknowledge that you have read, understand and agree to all terms. There are also contracts to sign for tool and training reimbursement. The forms should be returned to your manager after completion. If you have any questions or feedback, please feel free to talk to your manager.

1. Apprenticeship Wage Scale

1 st 6 months	60% of Journeyman Rate
2 nd 6 months	65% of Journeyman Rate
3 rd 6 months	70% of Journeyman Rate
4 th 6 months	75% of Journeyman Rate
5 th 6 months	80% of Journeyman Rate
6 th 6 months	85% of Journeyman Rate
7 th 6 months	90% of Journeyman Rate
8 th 6 months	95% of Journeyman Rate

After six months or new level reached, an immediate performance interview will be held with the Apprentice Technician and his Manager.

Apprentice Technicians must have time in, reach level qualification and have a satisfactory performance review each 6 months (see Apprentice Technician Qualification Levels document).

After four years and eight levels, the Apprentice Technician would become a full Journeyman and receive a pay scale to equal his expertise.

If an Apprentice Technician stalls at a level, he may remain at that level if it is in the best interest of that employee and the Company.

2. Tools

- Apprentice Technicians require entry level tools at year 1 and a complete line of tools as he progresses to year 4.
- A tool program is available to the Apprentice Technicians. Upon signing the Tool Reimbursement Contract, and after one year of employment, the Company will supply \$1,000 of tools per year of apprenticeship to a maximum of four years. Conditions apply.

3. Training

- Apprentice Technicians require eight levels and four years of on site training (see Apprentice Technician Qualification Levels document).
- Where possible, Apprentice Technicians should spend a 5 to 6 week term at a recognized technical institute for formal training on the apprentice levels.
- Apprentice Technicians will be treated as a resource and will be given jobs to the level of their qualifications and time in.
- It is the Company's preference to have the Apprentice Technicians attend as many in-

company training sessions as possible.

- The cost of training over the initial eight levels will be borne by the Company (as long as the employment commitment is fulfilled as per the Training Reimbursement Contract).

3. Safety Orientation

- All new employees will receive a safety orientation from their immediate supervisor.

**Letter of Understanding #1
Between
Inland Kenworth Penticton
And
International Association of Machinists
And Aerospace Workers, Lodge 692**

Employee Name:_____

Today's Date: _____

Start Date: _____

Inland Branch Location:_____

Re: Tool Reimbursement Contract for Apprentice Technicians

Upon completion of one full year of employment, Inland Kenworth will supply \$1,000 worth of tools to a maximum of four (4) years on the Apprentice Technician's anniversary dates, To be eligible, the Apprentice Technician must have signed a contract of employment, this tool reimbursement contract, and have a comprehensive list of Inland Kenworth owned tools that are under the employees care.

If the Apprentice Technician leaves Inland Kenworth after fulfilling four (4) years of employment but before seven (7) years, the employee may buy Inland Kenworth tools that were purchased for the exclusive use of that employee for 50% of the total that Inland Kenworth originally paid for those tools.

If the Apprentice Technician leaves Inland Kenworth before fulfilling four (4) years of employment, the employee may purchase those said tools from Inland Kenworth at 100% of the total amount that Inland Kenworth paid at time of purchase.

The total amount of tools purchase by Inland Kenworth exclusively for that employee and in that employees care will become the employee's property after seven (7) years of employment.

The reimbursement for any missing tools from the apprentices Inland Kenworth tool list will be deducted from the employee's pay cheque. If the pay cheque is not sufficient to cover the balance due, the employee will immediately become liable to Inland Kenworth for the full amount of the required reimbursement.

The Apprentice Technician may choose not to participate in the tool program. Please sign here to decline:-
_____.

I hereby agree to the above terms and choose to participate in the tool program:

Signed this _____ day of _____, 20 _____.

Employee Signature

Manager's Signature

**Letter of Understanding #2
Between
Inland Kenworth Penticton
And
International Association of Machinists
And Aerospace Workers, Lodge 692**

Employee Name: _____

Today's Date: _____

Start Date: _____

Inland Branch Location: _____

Re: Training Reimbursement Contract for Apprentice Technicians

Inland Kenworth will pay for the training of the Apprentice Technician subject to the following commitments:

If the Apprentice Technician leaves Inland Kenworth after fulfilling four (4) years of employment but before fulfilling five (5) years, the employee will reimburse Inland Kenworth 50% of the total amount paid for training.

If the Apprentice Technician leaves Inland Kenworth before fulfilling four (4) years of employment, the employee will reimburse Inland Kenworth 100% of the total amount paid for training.

The reimbursement will be deducted from the employee's final paycheque. If the final paycheque is not sufficient to cover the balance due, the employee will immediately become liable to Inland Kenworth for the full amount of the reimbursement.

The total amount paid for training for the Apprentice Technician will be forgivable after five (5) years of employment.

I hereby agree to the above terms and choose to participate in this program:

Signed this _____ day of _____, 20 _____.

Employee Signature

Manager's Signature

Employee Name: _____

Today's Date: _____

Start Date: _____

Inland Branch Location: _____

I hereby acknowledge that I have read and understand the Inland Kenworth New Employee Package for Apprentice technicians, and agree to its terms.

Signed this _____ day of _____, 20 _____

Employee Signature

Manager's Signature

Letter of Understanding #3
Between
Inland Kenworth Penticton
And
International Association of Machinists
And Aerospace Workers, Lodge 692

Re: Employees Who Continue to Work Past Age 65

Mandatory retirement was eliminated by law on January 1, 2008. Employees who continue to work beyond age 65 need to be aware of how their various benefits will be affected.

- Medical Services Plan (MSP) – no change to current coverage.
- Extended Health Care – no change to current coverage.
- Dental – no change to current coverage.
- Long Term Disability – entitlement to benefits will cease at the earlier of retirement or age 65 (except, if you first begin to receive benefits at age 64, you may be paid for up to 12 months). Premiums are cancelled at the earlier of retirement or the start of the qualifying period, 26 weeks before your 65th birthday.
- Short Term Disability (Weekly Indemnity) – entitlement to benefits will cease at the earlier of retirement or age 70.
- Basic Life Insurance and AD&D – terminates at retirement or age 70, whichever is earlier.
- Optional Life Insurance – terminates at retirement or age 65, whichever is earlier.
- Optional AD&D Insurance – terminates at retirement or age 70, whichever is earlier.
- Group RRSP contributions – no employer contributions past retirement or the date on which government policy does not allow for further employee contributions, whichever is earlier.
- WCB Coverage – access to Workers’ Compensation benefits will continue to be administered by the WorksafeBC. Therefore, the final determination as to whether an employee over the age of 65 who is injured on the job is eligible or remains eligible for WorksafeBC benefits will be made by WorksafeBC.

Signed at _____, B.C. This ____ Day of _____, **2012**.

FOR THE COMPANY:

FOR THE UNION:

INLAND KENWORTH

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS**

Business Representative

Committee Member

Letter of Understanding #4
Between
Inland Kenworth Penticton
And
International Association of Machinists
And Aerospace Workers, Lodge 692

Re: Pension Plan Review

The parties agree to review Pension options during the next year. Options to be considered shall include the following:

- a) Implementing a Union Pension plan in addition to the SEI program.
- b) Implementing a Union Pension Plan that replaces the SEI program. In such a plan, employer contributions presently being made to the SEI program shall be included as part of the contributions to the Pension Plan.

Upon receiving written notice by the Union the employer agrees to implement one of the above options. The election of option (a) or (b) above shall be at the sole discretion of the Union. The following conditions shall apply:

- 1. The Plan must be ratified by a majority of the Union members in the Bargaining Unit. If the bargaining unit does not agree to implement one of the above, the present SEI program shall remain in place.
- 2. There shall be no additional cost to the employer above the costs already contemplated in the Collective Agreement (SEI contributions under Article 12.03)

Upon ratification by the Bargaining Unit employees, the parties shall implement the Pension Plan within ninety (90) days.

Signed at _____, B.C. This ____ Day of _____, **2012**.

FOR THE COMPANY:

INLAND KENWORTH

FOR THE UNION:

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS**

Business Representative

Committee Member

