

COLLECTIVE AGREEMENT

BETWEEN:

VARSTEEL LTD.
(hereinafter called "the Employer")

AND:

**UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY,
ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION
(UNITED STEELWORKERS)
LOCAL 1-423
*(hereinafter called "the Union")***

May 1, 2017 – April 30, 2020

Errors & Omissions Excepted
vh/cope-343

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ARTICLE 1 PURPOSE

1.01 Whereas it is the intent and purpose of the Parties hereto that this Agreement, which has been negotiated and entered into in good faith, will promote and improve industrial relationships between the Employer and the Union, and to set forth herein the basic Agreement covering rates of pay, hours of work and conditions of employment to be observed between the Parties hereto and:

- (a) to recognize mutually the respective rights, responsibilities and functions of the Parties hereto;
- (b) to provide and maintain working conditions, hours of work, wage rates and benefits set forth herein;
- (c) to establish an equitable system for the promotion, transfer, layoff and recall of employees;
- (d) to establish a just and prompt procedure for the disposition of grievances;
- (e) and generally, through the full and fair administration of all terms and provisions contained herein, to develop and achieve a relationship between the Union, the Employer, and the employees which will be conducive to their mutual well being.

ARTICLE 2 RECOGNITION

2.01 In this Agreement, Bargaining Unit means employees employed by the Employer at and from 280 Bubna Road, except salespeople, office staff, and those excluded from collective bargaining by Section 1 of the *Labour Relations Code, R.S.B.C. 1996, c. 244 as am.*

- (a) The Employer recognizes the Union as the sole bargaining agent for the employees in the bargaining unit for the purposes of collective bargaining with respect to rates of pay, hours of work and conditions of employment.

2.02 Bargaining unit work shall be performed by bargaining unit personnel. It is understood and agreed that management excluded personnel shall continue the present practice of occasionally doing bargaining unit work in order to better serve the customers. It is also understood and agreed that management personnel's principle duties are primarily to manage.

2.03 The Employer agrees that no excluded personnel shall perform the job of a regular employee while any employee capable of performing that job is on layoff.

2.04 No employee shall be required or permitted to make a written or oral agreement with the Employer which conflicts with the express terms of this Agreement.

ARTICLE 3 MANAGEMENT

3.01 Subject to the express provisions of this Agreement, the Union acknowledges that the Employer has and retains the exclusive right to manage its business in all respects including but not limited to the following:

- (a)** To plan, direct, and control operations, to schedule work, to determine the methods, processes, and means of work, to determine the location and facilities, and the extent to which locations shall operate.
- (b)** To hire, promote, demote, classify, transfer, assign, reassign and layoff employees and to discipline, suspend and discharge employees for just and reasonable cause.
- (c)** To direct the work force, including the right to decide on the number of employees needed by the Employer, to organize the work, to assign the work, to schedule shifts, to maintain order, discipline and efficiency in the operations.
- (d)** To make and to alter from time to time reasonable rules and regulations to be observed by all employees provided such alteration does not conflict with an express provision of this Agreement. The Union and the employee(s) affected shall be notified prior to any new or changed rules or regulations taking effect.

ARTICLE 4 UNION SECURITY PROVISIONS

4.01 Union Recognition: The Employer agrees that as a condition of continued employment, every employee covered by this Agreement shall become a member and remain a member in good standing.

4.02 All employees of the Employer shall as a condition of continued employment join the Union before commencing work.

4.03 (a) The Employer shall deduct from the pay of each employee such union dues, fees and assessments as prescribed by the Constitution of the Union.

- 4.03 (b) The dues so deducted shall be remitted, along with a list of the names of employees from whom such deductions have been made, within two (2) weeks after the end of the month payable to:

International Secretary - Treasurer
United Steelworkers
Unit D Box 34223
Vancouver, BC V6J 4N1

- (c) A duplicate itemized statement shall be forwarded as follows:

United Steelworkers Local 1-423
141 Commercial Drive
Kelowna, BC V1X 8H4

- (d) The monthly remittance shall be accompanied by a statement showing the names of each employee from whose pay deductions have been made and the total amount deducted for the month. Such statements shall also list the names of the employees from whom no deductions have been made and the reasons why, along with a completed R115 Form required by the International Union.

- (e) The Employer agrees to print the amount of total deductions paid by each employee for the previous calendar year on the Income Tax T4 Form.

- (f) The Union agrees to indemnify the Employer and save it harmless against any claims which may arise in complying with the provisions of this Article.

- 4.04 (a) Prior to contracting out any work coming within the Union's jurisdiction normally performed by member(s) of the bargaining unit, the Employer agrees to notify the Union in advance of such intentions and will meet with the Union in an effort to resolve any concerns related to such contracting.

- (b) The Employer agrees that no employee in the bargaining unit will be displaced or continue to be laid off as a result of any contracting out of work.

- 4.05 During the term of this Agreement, or while negotiations for a further Agreement are being held, the Union and its members, agree that they will not permit, cause, or encourage or take part in any sit-down, slowdown, or stoppage of work on any department or any strike or stoppage of any of the **Employer's** operations nor authorize or condone any curtailment of work or restriction or interference with production at any of the Employer's operations.

- 4.06** During the term of this Agreement, or while negotiations for a further Agreement are being held, the Employer will not engage in any lockout of its employees.
- 4.07** The Union has the right to appoint or elect **two (2)** members of the Bargaining Unit to a Negotiating Committee provided that any costs associated with wages/benefits accruing to the employees of the Employer so appointed are borne by the Union.
- 4.08** There shall be no Union activity on **Employer's** time or premises except as expressly provided for in this Agreement, unless otherwise authorized by the Employer.

ARTICLE 5 RATES OF PAY

- 5.01** Employees within the Bargaining Unit shall be paid in accordance with the rates of pay for the applicable classification as negotiated by the Employer and the Union. The applicable rates of pay are found in Schedule "A" to this Agreement.
- 5.02** Additional classifications may be established by the Employer from time to time. The rates for same shall be subject to negotiation between the Employer and the Union. If the Parties are unable to agree upon a rate for the new classification, the dispute may be referred to Arbitration by either Party.
- 5.03** When an employee from a higher classification is requested to work temporarily, or until permanently reclassified, at a lower-rated classification, he shall continue to be paid at the rate for the higher-rated classification.
- 5.04** An employee reclassified or assigned to a lower-rated classification on a permanent basis shall be paid the established rate for the reclassified or lower-rated position.
- 5.05** An employee reclassified or assigned to a higher rated classification on a temporary or permanent basis shall be paid the established rate for that classification for all hours worked in the classification.

ARTICLE 6 HOURS OF WORK AND REST PERIODS

- 6.01 (a) Day Shift**
- The standard work day will consist of eight (8) hours and start up time(s) will be assigned between 6:00 a.m. and 10:00 a.m. with a designated thirty (30) minute unpaid lunch period.

(b) Afternoon Shift

Where a second shift is employed, the hours of work will be eight (8) hours for which eight (8) hours will be paid plus the employees will be given an unpaid one-half (½) hour lunch break, plus a premium of **one dollar (\$1.00)** per hour. Start up time(s) will be assigned between 12:00 noon and 3:30 p.m. There will be a thirty (30) minute lunch period.

- (c)** Where a third shift is employed, the hours of work will be eight (8) hours for which eight (8) hours will be paid plus the employees will be given an unpaid one-half (1/2) hour lunch break, plus a premium of two dollars (\$2.00) per hour. Start time(s) will be assigned between 10:00 p.m. and 2:00 a.m.

Shift assignment to be determined after consultation and if parties cannot agree, employees will be assigned in reverse order of seniority by classification.

(d) Change of Start & Stop Times

By mutual agreement between the Employer and the **Local** Union, the regular starting and stopping times of standard work shifts may be changed.

- (e)** The work week will consist of five (5) eight (8) hour shifts Monday to Friday inclusive or four (4) ten (10) hours shifts Monday to Thursday inclusive. This will constitute a work week for all employees. It is further agreed that where there is mutual agreement between the Employer and the **Local** Union the work week may be altered to start on Sunday or end on Saturday.

- (f)** Employees shall be granted five (5) minutes prior to the end of their shift to clean up their workstation and wash up.

- (g)** There shall be two (2) scheduled fifteen (15) minute paid coffee breaks in each standard shift, approximately midway between each half of the shift.

- (h)** On occasion, employees may be required to work into their coffee or lunch break to satisfy a customer. In this event the employee will be allowed the equivalent time for their break following the completion of the required work. In no event will any employee be required to work more than five (5) hours without a scheduled lunch break.

6.02

Subject to the exceptions set forth in this Section, any employee reporting for work shall receive a minimum of four (4) hours pay at his regular rate, providing that, if four (4) hours is not available at his regular job, he shall perform such other work as may be assigned to him to qualify for such pay.

The provision of this Section shall not apply in case of shutdown necessitated by emergencies or completely beyond the control of the Employer, or if the employee:

- (a) voluntarily quits, or
- (b) was previously instructed not to report, and in any such event or circumstance he shall then be paid for the actual time worked.

6.03

Call-in Pay

In the event that an employee is called in to work outside his scheduled shift of a day in which an employee is scheduled to work or has worked, he shall be paid overtime rates for the hours worked outside of his scheduled shift with a minimum payment of two (2) hours at time and one-half (1 ½x).

6.04

Daily Overtime

- (a) For the purpose of this Article, overtime is paid to an employee for approved time worked outside of or in excess of regular scheduled hours for the day at the rate of one and one-half times (1½x) the regular rate of pay for the first two (2) hours worked thereafter in any one day and double time (2x) for all hours worked thereafter in any one day.

Any work scheduled and performed on Sunday shall be paid at double time (2x).

6.04

(b)

Weekly Overtime

Overtime is paid to an employee for approved hours worked in excess of forty (40) in any week at the rate of time and one-half (1½x) for all hours up to forty-eight and double time (2x) for all hours worked thereafter in any week. Calculation for payment of weekly overtime hours excludes those hours in 6.01 above.

(c)

Overtime distribution

Overtime will be distributed equitably among the employees in a particular job classification who have signified voluntarily that they will work overtime. The Company will prepare a list, which will be posted, of such employees, commencing with the most senior employee, and the overtime work will be rotated among the employees on that list commencing with the most senior employees. Overtime hours that have been offered to an employee and refused will be credited to that employee's overtime hours worked. When no employees are available to perform work within a classification, senior employees in other classifications will be offered the overtime hours.

6.05 **Shift Changes**

Shift changes at the request of an employee or as a result of an exchange of shifts between employees as approved by the Employer shall not result in any overtime payment by the Employer.

6.06 **Shift Schedules**

(a) Shift schedules shall be posted by the Employer for three (3) working days in advance. If employees are not given three (3) working days notice in advance of a shift change, they will receive one and one-half times (1½x) for all hours worked for the first three (3) shifts following the change.

(b) **Shift Rotation**

Yard Work and Machine Operators – Day Shift and Afternoon Shift: Shifts will rotate every two (2) weeks to allow employees equal time on each shift.

(c) Machine Operators and apprentices, where applicable, will be assigned to the same shift for the purposes of training.

6.07 Except as may be expressly provided in this Agreement, there shall be no pyramiding of overtime benefits.

6.08 The Parties agree that available overtime will be distributed in an equitable manner to those employees interested and qualified to do the work. It is understood and agreed that there may be times when overtime is required.

6.09 Work performed on Statutory Holidays as listed in Article 7 will be reimbursed at one and one-half times (1½x) plus eight (8) hours Statutory Holiday pay.

6.10 The Parties are agreed that all overtime will be by mutual agreement.

6.11 When employees work more than two (2) hours overtime after completion of their regular shift they will be allowed a one-half (½) hour paid meal break.

6.12 Employees will have eight (8) hours rest between shifts.

6.13

Banking of Overtime

The Employer agrees to give the individual employee the option to receive overtime pay as specified in Article 6 or to receive Banked time off as follows:

Examples:

- (a) An employee who works ten (10) hours on a weekday would have the option of:
 - (i) eight (8) hours straight time plus two (2) hours overtime; or
 - (ii) eight (8) hours straight time plus three (3) banked hours.
- (b) An employee who works eight (8) hours on a Saturday would have the option of:
 - (i) eight (8) hours overtime; or
 - (ii) twelve (12) banked hours.
- (c) An Employee who works eight (8) hours on Sunday would have the option of:
 - (i) eight (8) hours at double time (2x) pay; or
 - (ii) sixteen (16) banked hours.

A written request to withdraw a banked day(s) is required to be given to the Employer no later than seventy-two (72) hours prior to the date in which it is to be taken. By mutual agreement between the employee and his supervisor, less notice may be given.

Banked days must be taken within thirty (30) days of being earned or at a time that has been mutually agreed by the employee and his supervisor.

Time off for banked days will be granted on a first-come, first-serve basis. If more than one employee requests banked time at the same time, then seniority will prevail.

All banked time not taken by December 1st of each calendar year in which it is accumulated will be paid out by December 15th of such year at overtime rates under this Agreement.

ARTICLE 7 STATUTORY HOLIDAYS

7.01 All employees who qualify for payment of the General Holidays listed below shall receive their regular straight time rate of pay for each of the General Holidays for which they qualify in addition to any wage to which they may be entitled as a result of any work which the employee performs on such General Holiday(s) as listed below or as designated by statute.

Employees who are on a ten (10) hour shift work week when the statutory holiday falls will receive ten (10) hours statutory holiday pay.

7.02 General Holidays to be observed by this Agreement are:

New Year's Day	Family Day
Good Friday	Victoria Day
Canada Day	BC Day
Labour Day	Thanksgiving Day
Remembrance Day	December 24
Christmas Day	Boxing Day

7.03 An employee qualifies for payment on the General Holidays listed in 7.02 where the employee has been and remains employed for the thirty (30) calendar days preceding the General Holiday and who has worked on ten (10) of the thirty (30) calendar days preceding the General Holiday including his scheduled shift immediately preceding and his scheduled shift following the General Holiday.

7.04 An employee who works on a General Holiday shall be paid overtime rates in accordance with Article 6 of this Agreement and shall receive another working day off with pay at his regular straight time rate at some other time but not later than his next annual vacation or termination date, whichever occurs first.

7.05 Should any of the above-stipulated twelve (12) Holidays occur during the employee's vacation period and the employee qualifies for payment of the Holiday pursuant to 7.03 above, he shall be given an extra day's vacation with pay for each Holiday, to be taken at the beginning of or at the end of the Holiday period.

7.06 In calculating days worked for the purposes of determining an employee's qualifying for payment for a General Holiday pursuant to 7.03 above, the following will be deemed as a "work day":

(i) regular scheduled shift worked;

- (ii) absence due to Workers' Compensation Board approved claim and for which the employee is in receipt of Workers' Compensation Board wage loss benefits;
- (iii) approved annual vacation pursuant to Article 8;
- (iv) approved leave of absence;
- (v) Employer sponsored training days;
- (vi) absence due to verified illness or approved disability leave.

ARTICLE 8 VACATIONS

8.01 Entitlement

- (a) Employees who have completed one (1) year to three (3) years of service inclusive shall receive two (2) weeks' vacation with pay based on four percent (4%) of gross earnings for the year for which they are receiving their vacation.
- (b) Employees who have completed three (3) years but less than eight (8) years of service inclusive shall receive three (3) weeks' vacation with pay or six percent (6%) of gross earnings for the vacation year, whichever is greater.
- (c) Employees who have completed eight (8) years but less than fourteen (14) years of service inclusive shall receive four (4) weeks' vacation with pay or eight percent (8%) of gross earnings for the vacation year, whichever is greater.
- (d) Employees who have completed fourteen (14) years but less than eighteen (18) years of service inclusive shall receive five (5) weeks' vacation with pay or ten percent (10%) of gross earnings for the vacation year, whichever is greater.
- (e) Employees who have completed eighteen (18) years or more shall receive six (6) weeks vacation with pay or twelve percent (12%) of gross earnings for the vacation year, whichever is greater.
- (f) An employee's anniversary date of employment shall be used to calculate his annual vacation entitlement and pay.

8.02 Vacation Pay Upon Termination

In the event that an employee's employment is terminated during the course of a working year in respect of which he has not received an annual vacation, he shall receive the appropriate percentage of his gross

pay earned during the portion of the year that he has worked in accordance with the provisions of Article 8.01 above.

8.03

Vacation Scheduling

- (a) Vacations within each calendar year must be requested by the employees by March 15th of that year. Vacations will insofar as practicable be scheduled consistent with the policy of the Employer at times desired by the employees, on the basis of seniority. The Employer will post a confirmation of the employees' vacation schedule no later than April 1st of that year. Once confirmed, no changes can be made to the vacation schedule without the approval of the employee.

Employees who have their vacation scheduled by the Employer in accordance with this Article, or who request a change after March 31st will not be entitled to later bump another employee's selected vacation time.

- (b) Employees will be permitted to split their annual vacation entitlement into two (2) periods, should they so wish, provided that each such period must be a multiple of at least a calendar week period, that is to say, one or two weeks. Preference of vacation time on the basis of seniority will apply only to one portion of an employee's annual vacation should he decide to split his total entitlement. Preference for the other portion will only be granted after all other employees at the particular location have first had the opportunity to indicate their preference for their first vacation period.
- (c) Once the employee(s) vacation selection is confirmed and posted in accordance with Article 8.03 (a), employees shall receive their vacation pay for the period of vacation they are taking on their regular pay cheque preceding the commencement of their scheduled vacation.

8.04

Except as provided for in Article 8.03, employees must take their annual vacation as time off within the vacation year following their entitlement of date earned. Employees who do not select their vacation in accordance with Article 8.03 (a) will have their vacation scheduled by the Employer. Annual vacation may not be carried over or accrued to the following year.

8.05

The following shall be included in calculating years of service for the determination of vacation entitlement following one (1) continuous year of employment:

- (i) absence on Workers' Compensation up to a period of one (1) year provided the employee returns to full active employment;
- (ii) absence due to illness up to a period of one (1) year, provided the employee returns to full active employment;
- (iii) any other absence approved by the Employer.

ARTICLE 9 SENIORITY

9.01 The Employer recognizes that job opportunity and seniority should increase according to length of service. Seniority shall mean length of continuous service with the Employer as an employee within the bargaining unit and shall include credit for all service with this Employer.

9.02 **Probation**

(a) All new employees will be considered probationary for **four hundred eighty (480) hours** commencing with their first day of employment, and thereafter will become regular. An employee may be terminated at any time during his probationary period at the sole discretion of the Employer. The employee shall have the right of grievance as a result of the actions of the Employer.

(b) Upon completion of the probationary period, an employee's seniority shall be effective the date of employment.

(c) Where the Employer deems an extension to the probationary period necessary, the Employer shall request that the Union agrees to extend the notice period and such request shall not be unreasonably denied by the Union.

9.03 **Maintenance of Seniority**

Seniority shall be maintained and accumulate during absence due to:

1. Layoff;
2. Illness, or non-compensable accident covered by approved leave of absence or wage indemnity benefits;
3. Authorized leave of absence;
4. Absence from employment on approved Union business; and
5. Compensable illness or accident covered by W.C.B. Wage Loss benefits.

9.04 **Cancellation of Seniority**

Seniority will be lost if an employee:

1. voluntarily leaves the employ of the Employer;
2. is discharged for cause;

3. fails to report for work within five (5) calendar days of recall from layoff or fails to return to work from an authorized leave of absence;
4. is absent without leave or leaves the Plant without permission of the Manager, or in the event of an emergency only, a Charge hand;
5. has been laid off for a period of longer than twenty-four months, or, accepts any severance pay he may be entitled to by statute at any time during his layoff.

9.05

Lay-off and Recall

- (a) In the event that a reduction in the regular workforce is deemed necessary, the Employer will first effect the lay-off in the area or department of the Employer where the lay-off is required. The Employer will first lay-off the employee with the least seniority within the particular classification.
- (b) Five (5) working days notice of lay-off will be given to each employee to be laid off. The notice will be given in writing, except no notice will be given to those employees who are recalled from lay off for periods of less than five (5) days work.
- (c) In the event of work shortages, the **Local Union** and the Company will meet to discuss alternatives to lay off, including shorter work days/work weeks. Any changes to the hours of work must have mutual agreement of the Parties.

9.06

In the event of reduction and/or lay off, an employee may use his seniority to bump into the job of another employee with less seniority in another classification.

9.07

The employee bumping into a job of a less senior employee will assume the duties and the classification's wage rate of the job into which he has bumped. The employee bumping a junior employee will be entitled to a training period of up to sixty (60) working days.

9.08

Recall From Lay-off

Laid off employees shall be recalled in order of seniority provided they possess the requisite qualifications, skill and ability to perform the work available.

A recall to work is effected by the Employer advising the employee by a telephone call and confirmed by courier at the number or address on file

with the Employer of the date and time that the employee is to be recalled to work.

An employee being recalled to work must return to work as soon as possible after the notice of recall but in any event not longer than five (5) calendar days after the registered notice is delivered.

9.09

Employees in receipt of benefits coverage who are laid off and elect to be placed on the lay-off recall list will have their medical benefits coverage maintained for one (1) month following the date of lay-off. Thereafter, the employee may elect to maintain their medical benefits coverage provided by the Employer during their recall period provided they pay to the Employer monthly in advance the total cost of the premiums for that coverage.

9.10

Seniority Lists

The Employer will prepare a seniority list of all employees and present the list to the Union within thirty (30) days of the signing of the Agreement. These lists will commence with the most senior employee and carry downwards to the most junior employee and contain the following information:

1. Employees name;
2. Employees date of hire;
3. Employees classification.

The Employer will revise and post a seniority list every six (6) months.

9.11

Posting Provisions

In the event that a new job or classification, **excluding Yardman/Helper**, is created or a vacancy occurs within the bargaining unit, the Employer shall post a notice for five (5) calendar days notifying that a vacancy exists.

9.12

Employees desiring the position shall then apply, in writing, within the posting period for the position. Where the position applied for is outside the employee's existing classification, the employee shall provide the Employer with an outline of the employee's qualifications and abilities.

9.13

Vacancies, New Positions or Transfers

The Employer, when filling vacancies or new positions or offering transfers, will apply seniority. Any employee who fills a vacancy or new position shall be on a trial period for up to one hundred and eighty (180) working hours.

- 9.14 Employee(s) on lay-off may, in accordance with Article 9.12, apply for and be considered for any position vacancies of which they become aware which may arise at the Employer. **The Employer will contact all laid-off individuals via phone to advise of any position vacancies that become available during lay-off. It is the Employee's responsibility to provide accurate contact information.**

ARTICLE 10 SAFETY AND HEALTH

- 10.01 The Employer agrees to make reasonable provisions for the safety and health of its employees at the plants during the hours of their employment.
- 10.02 It is mutually agreed that a Safety Committee consisting of equal representation of the Employer and the employees (one (1) plus one (1) alternate each selected by the Employer and the Union) shall meet not less frequently than once per month in accordance with the W.C.B. Industrial Health and Safety Regulations. Minutes of the meetings will be posted on the bulletin board at the plant(s) of the Employer.
- 10.03 Any employee suffering an injury while at work in the employ of the Employer must report immediately to the First Aid Attendant/Department or as soon thereafter as possible, and also report to his Supervisor on returning to work.
- 10.04 Adequate washroom, lunchroom and, where necessary, locker facilities will be provided by the Employer and kept in a sanitary condition.
- Employees will cooperate by observing the simple rules of cleanliness.
- 10.05 All employees as well as the Employer shall observe the simple rules of good housekeeping and sanitation.
- 10.06 **Injured Employee - Daily Earnings**
- Where an employee is injured on the job to the extent that he is required to obtain treatment at a medical facility or doctor's office, and the doctor recommends that the employee not return to work on that day, the Employer will maintain the employee's normal daily earnings for the day of injury.
- 10.07 **Employees Working Alone**
- The Employer agrees that no employee will work alone.
- 10.08 The Employer understands the importance of having qualified First Aid attendants and therefore, agrees to train at least one (1) employee on each shift. The Employer will pay for the training.

10.09 The Employer shall establish a policy and cover the cost, cleaning, repair and replacement of the supply and availability of Standard Safety and personal protective equipment, which shall include:

- | | |
|------------------------------|-----------------------------|
| 1. Leather Faced Work Gloves | 9. Coveralls |
| 2. Mono Goggles | 10. Rubber boots & liners |
| 3. Face Shields | 11. Rain Coat |
| 4. Ear Protection | 12. Rain Pants |
| 5. Welding Gloves | 13. Rubber Gloves |
| 6. Safety Glasses | 14. Rain Hat |
| 7. Welding Helmets | 15. Insulated Winter Gloves |
| 8. Welding Jackets | |

Employees will be required to sign for new safety protective equipment when they return the old item.

Any other Safety Equipment required will be requested through the Joint Safety and Health Committee.

10.10 The Employer shall contribute, once per contract year, **two hundred and fifty dollar (\$250.00)** voucher towards the cost of CSA Met Guard approved safety footwear to all employees.

Employees shall purchase their footwear from any outlet of their choice provided that the footwear is CSA approved.

May 1st of every contract year every employees' boot allowance resets.

10.11	First Aid Attendants:	\$.75 per hour – Level I
		\$1.20 per hour – Level II

The Employer will pay course fees and cost of books for employees attending First Aid courses. Any employee that has a course paid for by the Employer will have to reimburse the Employer for the course if they leave the Employer within six (6) months after the course is taken, and if they leave within the next six (6) months, those employees will have to reimburse the Employer for half (½) the cost of the course.

10.12 **Serious Incidents and Fatalities**

Investigations under this section must be carried out by persons knowledgeable about the type of work involved and, with the participation of the employer or a representative of the employer, and a worker representative selected by the local union. In addition, the company will notify the local union office and a representative of the Union shall have access to the incident site.

10.13

Right to Refuse Unsafe Work

The Company and the Union agree to cooperate in developing and maintaining a strong sense of safety awareness among employees and supervisors. It is, therefore, recognized that every employee has the right to refuse work if he has reasonable cause to believe that to perform the work would create undue hazard to the health or safety of any person. For the purpose of this section, all rules, procedures and outcomes will be as outlined in Section 3.12 of WorkSafe BC Occupational Health and Safety Regulation which are as follows:

(1) A person must not carry out or cause to be carried out any work process or operate or cause to be operated any tool, appliance or equipment if that person has reasonable cause to believe that to do so would create an undue hazard to the health and safety of any person.

(2) A worker who refuses to carry out a work process or operate a tool, appliance or equipment pursuant to subsection (1) must immediately report the circumstances of the unsafe condition to his or her supervisor or employer.

(3) A supervisor or employer receiving a report made under subsection (2) must immediately investigate the matter and,

(a) ensure that any unsafe condition is remedied without delay, or

(b) if in his or her opinion the report is not valid, must so inform the person who made the report.

(4) If the procedure under subsection (3) does not resolve the matter and the worker continues to refuse to carry out the work process or operate the tool, appliance or equipment, the supervisor or employer must investigate the matter in the presence of the worker who made the report and in the presence of,

(a) a worker member of the joint committee,

(b) a worker who is selected by a trade union representing the worker, or

(c) if there is no joint committee or the worker is not represented by a trade union, any other reasonably available worker selected by the worker.

(5) If the investigation under subsection (4) does not resolve the matter and the worker continues to refuse to carry out the work process or operate the tool, appliance or equipment, both the supervisor, or the employer, and the worker must immediately notify an officer, who must investigate the matter without undue delay and issue whatever orders are deemed necessary.

No discriminatory action:

(1) A worker must not be subject to discriminatory action as defined in Section 150 of Part 3 of the Workers Compensation Act because the worker has acted in compliance with Section 3.12 or with an order made by an officer.

(2) Temporary assignment to alternative work at no loss in pay to the worker until the matter in Section 3.12 is resolved is deemed not to constitute discriminatory action.

ARTICLE 11 GENERAL PROVISIONS

11.01 The Employer agrees, where practicable, to confer with the Shop Steward prior to discharging or suspending any employee.

11.02 The Union shall have the exclusive use of a Bulletin Board on the premises of the Employer and provided by the Employer for the purpose of posting paper, notices, etc., which may be of interest to Union members.

11.03 Any notice required to be given by the Union to the Employer under the terms of this Agreement shall be given by courier or facsimile addressed to it at its registered address in the City of Kelowna, BC. Any notice to be given by the Employer to the Union under the terms of this Agreement shall be given by courier or facsimile addressed to the Secretary of the Union at its registered address in the City of Kelowna, BC.

11.04 When the Employer finds it necessary to discharge a Shop Steward, the **Local** Union Representative shall be notified prior to such discharge.

11.05 On the request of either party, the Parties shall meet at least once every two (2) months until this Agreement is terminated for the purpose of discussing issues related to the workplace that affect the Parties or any employee bound by this Agreement.

11.06 Prior to accessing the plant or the operations of the Employer. **The Local Union and/or** a Union Representative shall first obtain permission from the Employer. Permission shall not be unreasonably withheld. The Union agrees that there will be no undue disruption of normal operations. It is understood that permission is not to be construed as unlimited free access.

ARTICLE 12 LEAVES OF ABSENCE

12.01 Paid Leave - Bereavement Leave

In the event of a death in the immediate family of an employee, the Employer shall grant up to three (3) days leave of absence with pay at the employee's normal straight time rate where the employee was scheduled to work. Employees will be permitted two (2) additional days off for compassionate purposes. The additional days will be unpaid.

The term "*immediate family*" shall mean spouse (including common-law spouse), parents, children, brothers, sisters, sisters-in-law, brothers-in-law, grandparents, spouse's grandparents, grandchildren, mother-in-law and father-in-law. **All "steps" are included as "*immediate family*".** The Employer may request a proof of death.

12.02 Jury Duty

- (a) If an employee is summonsed or subpoenaed for Jury Selection, Jury Duty or as a Crown Witness in a Provincial or Supreme Court proceeding, the Employer will grant the employee leave of absence and will pay the difference between the straight time hourly rate and the monies received for Jury Duty.

The employee must show satisfactory proof of such summons or subpoena and the monies received for attendance. This paragraph shall not apply to probationary employees.

- (b) An employee discharged from such duty before the end of his regularly scheduled shift shall contact the Employer and advise the Employer of his discharge from duty. The employee may be required to report to his shift upon his discharge from duty.
- (c) An employee who reports for Jury Duty, Jury Selection or as a Crown Witness pursuant to a Summons from the Court, shall be deemed to be on a scheduled shift while so engaged by the Court.

12.03 Union Leave

Employees who have been elected or appointed by the Union to attend Union conventions or schools will be granted a leave of absence without pay for this purpose. **Two (2) employees** will be granted leave from any location of the Employer at the same time. A **third (3rd)** employee will be allowed a leave of absence if it does not interfere with the Employer's operation. However, if the Employer has **thirty (30)** employees or more, then **three (3)** employees will be granted a leave of absence at the same time. The Union must give the Employer fourteen (14) days notice in writing.

12.04 **Maternity and Parental Leave**

The Employer shall provide Maternity and Parental Leave in accordance with the provisions of the Employment Standards Act of British Columbia provided the employee meets all requirements and obligations for the granting of such leave pursuant to the Act.

ARTICLE 13 **PROCEDURE**

13.01 **DEFINITION AND RECOGNITION OF A GRIEVANCE**

- (a) Any complaint, disagreement or differences of opinion between the Parties respecting the interpretation, application, operation or alleged violation of the Collective Agreement **or any applicable legislation, acts or ordinances**, including any dispute with regard to discipline or discharge, shall be considered to be a grievance.
- (b) Any such complaint, disagreement or difference of opinion will be recognized as a grievance by following the grievance procedure.

13.02 **GRIEVANCE PROCEDURE**

(a) ***Informal Step:***

As an informal step, the employee is encouraged to make an earnest effort to resolve the grievance directly with the management person to whom he reports. **This must occur within ten (10) working days after the occurrence of the alleged grievance or of the date on which the employee first has knowledge of it.** At his option, the employee may be accompanied by the Shop Steward for the department in which the employee works.

(b) ***Step One:***

At this step, notice in writing of the grievance must be filed with a person designated by the Employer, within ten (10) working days after the **informal step has taken place.**

The notice in writing shall briefly but clearly describe the nature of the incident or occurrence which gave rise to the grievance and it shall clearly state the provision of the Agreement which has been violated.

Any meeting between the Parties at this step must involve the employee, his Shop Steward and a person from management.

The Employer's representative must answer the grievance in writing within ten (10) days.

(c) **Step Two:**

In the event that a resolution of the grievance, satisfactory to the Union and the Employer, does not result at Step One, either the Union or the Employer may advance the grievance to the next step.

The Employer's representative must answer the grievance in writing within ten (10) days.

(d) **Step Three:**

A meeting between the Parties at this step must involve the Local Union Representative and the Branch Manager.

The Employer's representative must answer the grievance in writing within ten (10) days.

In the event that a resolution of the grievance, satisfactory to the Union and the Employer, does not result at Step Three, either the Union or the Employer may advance the grievance to the next step. The next step involves going to a single Arbitrator as agreed in (e) below.

(e) **If both Parties agree, the grievance may be heard by a single Arbitrator. The Parties shall have ten (10) working days to agree on an Arbitrator. Failing such agreement, either Party may request the Minister of Labour to appoint such Arbitrator.**

(f) ***Union and Employer Policy or Group Grievance***

The Union or the Employer may file policy or group grievance.

13.03 **TIME LIMITS**

In determining the time within which any step is to be taken under the foregoing provisions of this Article, Saturdays, Sundays and General Holidays shall be excluded. Any and all time limits fixed by this Article may be extended by mutual agreement between the Employer and Union.

13.04 Neither the Arbitrator or the Investigator referred to in this Article shall have the authority to amend, modify, alter or in any way change this Collective Agreement.

ARTICLE 14 ARBITRATION

14.01 (a) Within **thirty (30)** calendar days of referral to arbitration, the Employer 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.

If the Parties are unable to agree upon the selection of an arbitrator, the Parties will 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 that shall be final and binding upon the Parties.

(c) Each Party shall bear the costs of their representatives and one-half (½) the cost of the arbitrator.

ARTICLE 15 SEVERANCE AND TERMINATION PROVISIONS**15.01 SEVERANCE PAY**

The Employer will also provide a Severance Package of one (1) weeks' pay per year of service to a maximum of twenty (20) weeks' pay. The pay will be rounded up to the next year:

- (i)** At the employee's option this severance pay may be taken at the time of lay-off or at the expiry of an employee's recall rights or at any time between the time of lay-off and the expiry of recall rights. It is understood that if an employee chooses to take severance pay then his recall rights are automatically expired;
- (ii)** The Employer agrees to pay out severance pay within forty-eight (48) working hours of the employee's request.
- (iii)** Severance will also be paid to an employees' estate upon the death of an employee.

ARTICLE 16 HEALTH & WELFARE PLAN

16.01

The Employer is responsible to obtain Plan(s) or Policy(s) and maintain agreements with respect to those Plan(s) and/or Policy(s) during the life of this Agreement for the provision and administration of the following Health and Welfare benefits for regular full time employees.

Employer is responsible to pay one hundred percent (100%) of the cost of MSP.

Participation in the Benefit Plan is mandatory for all eligible employees following completion of the probationary period pursuant to Article 9.02. Subject to the conditions of the Plan(s) or Policy(s), the following benefits are provided:

Extended Health

The Employer will pay one hundred percent (100%) of the cost of Extended Health premiums.

(a)

Life Insurance

- 100% of annual insurable earnings with a maximum benefit of \$80,000.00.

(b)

Accidental Death and Dismemberment

- 100% of annual insurable earnings with a maximum benefit of \$80,000.00.

(c)

Dependent Life Insurance

- Spouse: \$5,000.00
- Each child: \$2,500.00

(d)

Short Term Disability Insurance

- (i) 66.7% of weekly insurable earnings.
- (ii) payable immediately for disability resulting from bodily injury through accidental means;
- (iii) payable following four (4) days waiting period for disability resulting from disease or illness;

Once per contract year, when an employee becomes eligible for short-term disability, the Employer shall pay the employee their full wages for two (2) of the three (3) day waiting period.

- (iv) payable for not more than seventeen (17) weeks of any one disability due to one or more causes.

(e) **Long Term Disability Insurance**

- (i) 66.7% of the first \$2,250.00 of monthly insurable earnings.
- (ii) 50% of the next \$3,500.00 plus
- (iii) 44% of the balance with a maximum benefit of \$4,000.000.
- (iv) Employees will receive 66.7% of their insurable earnings with no cap.
- (v) payment commences following a waiting period of four (4) months of total disability during any period of four (4) months plus seven (7) days.
- (vi) replacement percentage 60%.

(f) **Vision Care Expense**

- (i) Maximum of \$250.00 every two (2) consecutive calendar years for each covered person.
- (ii) The Employer will pay the entire cost for one eye examination every twenty-four (24) months for the employee and their spouse.

(g) **Health Guard Insurance**

- Covered expenses 100%

(h) **Health Guard Dental Insurance**

- Basic service 100%
- restorative services payable at 80%
- orthodontic services payable at 60%

Fee Schedule:

Denturist, dental: Current fee schedule on day of treatment, approved and published by the Provincial Dental Association of the Province of residence of person covered.

(i) **Medical Service Plan of British Columbia**

In accordance with current plan provisions and schedules as required for each employee covered. **For full details and coverage levels of the Group Benefit Plan refer to “My Group Benefits Plan” booklet.**

(j) **Group Benefit Plan**

It is agreed by the Parties that the Group Benefit Plan, Article 16, forms part of the Collective Agreement.

(k) **Class 1 Driver Medicals**

As per OSMV Commercial Drivers Fitness Requirements –

- **Full** reimbursement upon provision of receipt OR provider arranged and paid for by Varsteel Ltd.

ARTICLE 17 SHOP STEWARDS

17.01 The Union is entitled to appoint or elect from among the employees three (3) Shop Stewards and three (3) alternates.

17.02 The Employer agrees to recognize the duly appointed or elected Shop Stewards provided that the Union has first advised the Employer in writing of the names of the employees so appointed or elected. The Union agrees to advise the Employer in writing of any changes made from time to time.

17.03 The Shop Stewards first obligation is the fulfilment of his responsibilities as an employee. During working hours, on any operating shift, not more than one (1) Shop Steward is entitled to engage in Union activities other than the approved reporting of and resolution of grievances.

17.04 The function of Shop Stewards are to consider, investigate and attempt to resolve formal grievances. If in the course of investigating a formal grievance a Steward requires time during working hours of his shift, he must first obtain the permission of his supervisor. Such permission shall not be unreasonably withheld.

17.05 Where such permission is granted, the reasonable time spent by the Shop Steward shall be deemed as time worked.

17.06 The Shop Steward shall not be discriminated against or disciplined solely for the proper performance of his duties on behalf of the Union.

17.07 Grievance Chairperson

(a) The Elected Steward Body may elect from their ranks a person to be the Grievance Chairperson.

- (b) The Grievance Chairperson shall be recognized by the Employer as the official spokesperson on behalf of the Union.
- (c) The Grievance Chairperson shall be involved in the adjustment or resolution of grievances which progress beyond the first step of the grievance procedure.

ARTICLE 18 DISCIPLINE & DISCHARGE OF EMPLOYEES

18.01 (a) Pursuant to Section 84 (1) of the Labour Relations Code of British Columbia the following standards shall be applied:

- (i) Employees who have completed their probation period can only be disciplined or discharged for just and reasonable cause.
- (ii) During the probation period specified in this Agreement, an employee may be discharged if he is unsuitable for status as a regular employee.

(b) In the event that an employee is disciplined or discharged for any reason, the Shop Steward or representative will be notified and will be present at any meeting the Employer has with the employee.

This provision shall not apply to discussions which involve the operational requirements of the Employer and do not involve disciplinary action by the Employer.

18.02 An employee disciplined/discharged for any cause will be notified in writing of the reasons for the discipline/discharge at the time of the discipline or, at the earliest possible date thereafter. A copy of the reasons for discipline will be sent to the Union.

18.03 An employee covered by this Agreement shall have the right to refuse to cross a legal picket line without having such refusal deemed a violation of this Agreement.

18.04 A letter of discipline regarding warning, suspensions or discharge shall be removed from an employee's file eighteen (18) months from the date the employee received the discipline, if the employee commits no other **similar** disciplinable offence during the aforementioned eighteen (18) month period.

18.05 Employees will be allowed access to their personal file upon request and permission will be granted to photocopy any document therein at no cost to the employee.

ARTICLE 19 SAVINGS CLAUSE

19.01 In the event that any substantial part of this Agreement or provision thereof be rendered invalid by reason of existing or subsequently enacted legislation, court of competent jurisdiction, arbitration board, then such invalidation shall apply to the affected part or provision only and the balance of the Agreement shall remain unaffected.

The Parties shall as soon thereafter as reasonably necessary, meet to renegotiate the part or provision thus affected for the purposes of complying with legislation, court order or award of a board of arbitration.

ARTICLE 20 HUMANITY FUND

For the purpose of international aid and development, the Employer agrees to deduct on a bi-weekly basis the amount of (not less than \$0.01) per hour from the wages of all employees in the bargaining unit for all hours worked to a maximum of forty (40) straight time hours per week, and on a bi-weekly basis, to pay the amount so deducted to the "*Humanity Fund*" and to forward such payment to:

United Steelworkers
National Office
234 Eglinton Avenue E., 7th Floor
Toronto, Ontario
M4P 1K7

and to advise in writing both the Humanity Fund at the aforementioned address and the Local Union that such payment has been made, the amount of such payment and the names of all employees in the bargaining unit on whose behalf such payment has been made.

It is understood and agreed that participation by any employee in the bargaining unit in the program of deductions set forth above may be discontinued by any employee in the bargaining unit after the receipt by the Employer and the Local Union of that employee's written statement of his desire to discontinue such deductions from his pay which may be received during the four (4) weeks following ratification of the Agreement or at any time thereafter.

It is agreed that the total for each employee's yearly deduction will be entered in Box 46 (Charitable Contribution) of the Revenue Canada T4 slip for the year it has been deducted. For this purpose, the payroll department will note the following Charitable Donation number for the "Humanity Fund": R119172278 RR 0001.

ARTICLE 21 STEELWORKERS SAVINGS PLAN

The Employer agrees to make deductions for employees from each pay cheque and forward the deductions to Van City Credit Union every two weeks.

ARTICLE 22 DURATION OF AGREEMENT

22.01 Duration of Agreement shall be from May 1, 2017 up to and including the 30th day of April, 2020.

22.02 Upon receipt of notice to bargain pursuant to this Article by either Party the Parties will commence negotiations without delay and in any case they shall commence negotiations within twenty-one (21) days of receipt of such notice. The Collective Agreement shall continue in full force and effect until the provisions of the Labour Code have been met.

22.03 The Parties hereto agree that the operation of Sections 50 (2) and (3) of the Labour Relations Code of British Columbia is excluded from this Agreement.

Signed this 20th day of September, 2018.

For the Company:

Don Hardy
Hunter Becard
[Signature]
[Signature]

For the Union:

[Signature]
[Signature]
[Signature]
[Signature]

APPENDIX "A"

JOB CLASSIFICATION AND WAGE RATES

CLASSIFICATIONCURRENT WAGE RATES

	<u>May 1/17</u>	May 1/18	May 1/19
	0%	1.5%	2%
Leadhand	\$32.73	\$33.22	\$33.88
Brake Operator	\$31.90	\$32.38	\$33.03
Plasma Operator	\$31.90	\$32.38	\$33.03
Shear Operator	\$31.90	\$32.38	\$33.03
Truck Driver - Class 1	\$30.52	\$30.98	\$31.60
Bandsaw Operator	\$30.41	\$30.87	\$31.49
Brake/Shear Operator Helper	\$30.41	\$30.87	\$31.49
Yardman/Driver	\$29.12	\$29.56	\$30.15
Warehouseman	\$29.12	\$29.56	\$30.15
Yardman/Helper	\$24.84	\$25.21	\$25.71

New Hire: (Applies to new hires with less than three (3) years direct experience in the classification for which they are being hired into)

Start 20% less the Wage Rate Classification at the time

After 3 months – 15% less the Wage Rate Classification at the time

1 year – 10% less the Wage Rate Classification at the time

2nd Year – 5% less the Wage Rate Classification at the time

3rd Year – Wage Rate Classification at the time

Retro-activity: **The wage increase is retroactive to May 1, 2017.**

Upon ratification the Employer will provide a \$300.00 signing bonus to every Employee.

LETTER OF UNDERSTANDING

BETWEEN

VARSTEEL LTD.

(Of the First Part)
(hereinafter referred to as "the Employer")

AND:

UNITED STEELWORKERS, LOCAL 1-423

(Of the Second Part)
(hereinafter referred to as "the Union")

The Parties agree that during the summer months the Employer may hire summer students to perform work around the facility. It is agreed that no employee with seniority will be laid off as a result of such hiring.

It is also agreed that students will only be hired for a four (4) month period beginning in May and ending in September. An employee hired for a period longer than four (4) month shall be considered a probationary employee and all time will be credited for the purpose of seniority.

Dated this 20th day of September, 2018.

VARSTEEL LTD.

UNITED STEELWORKERS,
LOCAL 1-423

Dave Kelly
Hunter Becnel

A. J. [Signature]

[Signature]
[Signature]

LETTER OF UNDERSTANDING

BETWEEN

VARSTEEL LTD.

(Of the First Part)
(hereinafter referred to as "the Employer")

AND:

UNITED STEELWORKERS, LOCAL 1-423

(Of the Second Part)
(hereinafter referred to as "the Union")

Re: Training Program

As discussed in negotiations, the Parties agree that a training program will be established for the following classifications:

- Shear/Break Operator
- Brake Helper
- Burner Operator
- Other classifications as determined by the Company and the Union

The training program will be developed by a joint committee made up of one representative of the Union, appointed by the Union and one representative of the Company, appointed by the Company. Recommendations will be made by the Committee to the USW Staff Representative and Hunter Becenko.

As a guide for the Joint Committee, the principles agree to during negotiations will be followed.

Dated this 20th day of September, 2018.

VARSTEEL LTD.

Dave Harley
Hunter Becenko
[Signature]
[Signature]

UNITED STEELWORKERS
LOCAL 1-423

[Signature]
[Signature]
[Signature]
[Signature]