



COLLECTIVE AGREEMENT

BETWEEN

ALLIANCE ENGINEERING WORKS (1985) LTD.

AND

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

VICTORIA LODGE 456

May 1, 2026 - April 30, 2029

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DEFINITIONS

for the purpose of this Agreement

1. Employee - The term "Employee", as used in and for the purpose of this Agreement, shall include all hourly-rated persons employed in a Company's operations and as covered by the British Columbia Government certification, except and excluding foremen and those having authority to hire or discharge employees. Any employee who has more than one (1) year's employment with the Company shall be deemed to be a competent man, and incompetence shall not be a reason for any subsequent layoff or discharge.
2. A Lead Hand is an employee who is able and willing to instruct others in the performance of their work or who, because of exceptional skill and ability or the nature of his work, is so recognized by the Company.
3. A Journeyman must possess the ability and qualifications to carry out any work in this trade as required by the Company with the aid of issued drawings or relevant information.

The classification of Journeyman-Tradesman shall apply to those who are or become certified in their trade, plus those employees who are, in the opinion of the Company, proficient to perform the required work in the trade.

Employees who are not classified as Journeymen-Tradesmen, and who claim that they are proficient to perform the work required in the trade, may ask and be given a test as arranged in conjunction with the Union, Companies and the Department of Labour, PROVIDED they can fulfil the requirements of the International Association of Machinists and Aerospace Workers' Constitution and the Bylaws of Victoria Lodge 456.

4. A Specialist is an employee who is employed in some branch or sub-division of the Machinist trade, or an employee who performs some particular line of work commonly recognized as work connected with the Machinist trade or the Metal Industry; e.g., repetitious work on turret lathes, drill presses, do-all saws or other similar machines.

It is understood that employees in this classification shall not perform work normally associated with journeymen skills; e.g., machining.

5. A Helper is an employee working in the Machine or Metal Industry in any of its branches or subdivisions and assigned to assist a Journeyman in the Machinist trade in the performance of his duties.
6. A Labourer (General Plant Cleanup) will not be employed to displace Helpers.

COLLECTIVE AGREEMENT

BY AND BETWEEN: **ALLIANCE ENGINEERING WORKS (1985) LTD.**

(hereinafter called "the Company", of the FIRST PART)

AND: **INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS
VICTORIA LODGE 456**

(hereinafter called "The Union", of the SECOND PART)

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

ARTICLE 1 - 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 2 - UNION RECOGNITION AND RIGHTS

2.01 Recognition

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

2.02 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.

2.03 Correspondence

- (a) The Company agrees that all 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 correspondence between the Company and any employee in the bargaining unit covered by this Agreement shall be forwarded to the Business Representative of the Union or his/her designate.

2.04 Access to Company Premises

An authorized agent of the Union shall have access to the Company's shops or yards during coffee breaks or during the lunch period for the purpose of conducting Union business. Before entering at any other time, such agent shall first request permission through the office.

2.05 Seniority List

Upon request of the Business Representative (but not more than once in any three (3) month period) the Company shall furnish a list of all employees in the bargaining unit, with their date of commencement of employment and classification.

2.06 Bargaining Unit Work

The Company agrees that only bargaining unit members may perform bargaining unit work. It is understood that, from time to time, staff members may perform minor tasks considered to be "customer good will".

2.07 Shop Stewards

- (a) The Union shall select one or more members from each shop or shift who will be known as shop stewards or the shop committee; and same shall be recognized by the Company.
- (b) No shop steward, committee or employee shall be discriminated against or suffer loss of employment on account of membership or activity in the Union. Nothing in this section shall permit an employee to discuss Company or Union affairs, except grievances being processed, during the paid hours of employment unless at the request of the management.
- (c) When the Company finds it necessary to lay off or discharge a shop steward, the Business Representative of the Union shall be notified prior to such layoff or discharge.

- (d) Shop stewards shall be considered at the top of the seniority list in their various job classifications when staff cutbacks are made; i.e., for shortage of work.

2.08 Notice Board

A notice board will be provided for the posting of all official Union notices.

ARTICLE 3 - UNION SECURITY AND DUES CHECKOFF

3.01 Maintenance of Membership

The Company agrees that any present employee of the Company who, at the date of this Agreement, is a member of the Union shall, as a condition of continued employment, maintain membership in good standing.

3.02 Application for Membership

All new employees, upon being hired, shall be required to sign an application for membership in the Union and a checkoff authorization, before commencing work. The application for membership and the checkoff authorization for deduction of monthly dues and initiation or reinstatement fee may be completed by the employee reporting to the Union office or through the shop steward or the Company personnel department and, when signed, shall be forwarded to the Union office. These forms shall be supplied by the Union.

3.03 Dues Remittance

Upon receipt of a signed authorization from the employee, the Company agrees to deduct and pay over to the Secretary-Treasurer of the Union any initiation or reinstatement fee and the monthly dues of the Union. The Company agrees to forward such deductions to the Union office no later than the fifteenth (15th) day of the month following that for which the deductions were made.

ARTICLE 4 - COMPANY AND UNION TO ACQUAINT NEW EMPLOYEES

The Company agrees to acquaint new employees with the fact that a Collective Agreement is in effect, and with the conditions of employment set out in articles dealing with membership application and dues checkoff. A new employee shall be advised of the name and location of his/her steward. The employee's immediate supervisor will introduce him/her to his/her steward, who will provide the employee with a copy of the Collective Agreement.

ARTICLE 5 - MANAGEMENT

5.01 Management Rights

The Union recognizes and agrees that:

- (a) The management and operation of the plants and the direction of the working forces are vested exclusively in the Company.
- (b) The Company has, and shall retain, the right to hire, discharge, classify, transfer, promote, demote or discipline employees, provided that a claim of discrimination against any employee may be the subject of a grievance and be dealt with as hereinafter provided.

5.02 Management Orders

Employees shall recognize and carry out all standing orders of the management delivered to them through their plant superintendent or foreman, as the case may be, or of any person delegated by the management to be in specific charge in the absence of their regular foreman or supervisor.

5.03 Company Rules

Any employee being discharged for disobeying the rules of the Company will be paid only up to the time of discharge. Company rules shall be posted in a conspicuous place within the plant.

ARTICLE 6 - GRIEVANCES AND COMPLAINTS

- (a) In this Agreement, unless the context otherwise requires, "grievance" means:
 - (i) Any difference or dispute between the Company and the International Association of Machinists and Aerospace Workers, Lodge 456, governing the dismissal or suspension of an employee bound by this Agreement; and
 - (ii) Any difference between the persons bound by this Agreement, concerning its interpretation, application, operation or any alleged violation thereof, including any question as to whether any matter is arbitrable.
- (b) It is agreed that grievances which may arise during the life of this Agreement will be promptly discussed, and the parties hereto will diligently co-operate in an effort to adjust such grievances at the earliest possible time.
- (c) If any grievance arises, affecting any employee bound by this Agreement, it shall be finally and conclusively settled without stoppage of work in the following manner:

- (i) The individual employee involved shall first take up the matter with the foreman directly in charge.
- (ii) If the question is not satisfactorily settled within five (5) days, the same individual, with the shop steward, shall take up the problem with either the foreman or the head of the Company.
- (iii) If a satisfactory settlement is not then reached, the grievance will be submitted in writing within ten (10) working days to the head of the Company who shall reply within three (3) working days.
- (iv) If the problem is not satisfactorily solved, it shall be referred to the Union and the management.
- (v) If a satisfactory settlement is not reached, it shall be dealt with by arbitration as set forth in Article 7.
- (d) 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 grievance, beginning with step 6 (c) 4 of the grievance procedure; e.g., by discussion between the Business Representative of the Union and the Company.

ARTICLE 7 - ARBITRATION

7.01 In the case of a dispute arising under this Agreement, which the parties are unable to settle between themselves as set out in Article 6, the matter shall be determined by arbitration in the following manner:

- (a) Either party may notify the other party in writing, by registered mail, of the question or questions to be arbitrated.
- (b) After receiving such notice and statement, the other party shall, within three (3) days, acknowledge receipt.
- (c) The parties agree to jointly seek a single arbitrator, to be agreed on mutually.
- (d) All decisions will be final and binding upon the Parties of the First and Second Parts.
- (e) The Parties of the First and Second Parts shall bear in equal proportions the expenses and allowances of the arbitrator, stenographic, secretarial expenses, and rent connected with his duties as arbitrator.

- (f) The arbitrator shall be required to hand down his decision within ten (10) days following the completion of the hearing.
- (g) The parties shall appoint a panel of four (4) arbitrators. The single arbitrator shall be selected from this panel. If the parties fail to appoint the required four (4) arbitrators they shall forthwith request the Minister of Labour to appoint the arbitrator required.
- (h) If the parties fail to agree on the selection of a single arbitrator from amongst the panel, they shall request the Minister of Labour to make the appointment from amongst the panel.

ARTICLE 8 - DISMISSAL, SUSPENSION AND DISCIPLINE

8.01 Dismissal and Burden of Proof

The Company shall not dismiss or discipline an employee bound by this Agreement except for just and reasonable cause. In all cases the burden of proof shall rest with the Company.

8.02 Probation Period

When a new employee is hired, it is agreed that he shall be on probation for two (2) months and, during this period, seniority will not be applicable. When the probationary period is completed, seniority will commence from the date of hiring. The Company may, during the first thirty (30) days of employment, advise the Union in writing that certain employees have been placed on the seniority list and are not to be considered as probationary.

8.03 Layoffs

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.

8.04 Layoff Out of Seniority

Discussions will be held with the Union Business Representative(s) before a layoff out of seniority is made.

8.05 Layoff or Termination Notice

Employees shall be told if a release from employment is a layoff or termination. The Union office shall be advised in writing whether an employee is laid off or terminated.

ARTICLE 9 - SENIORITY**9.01 Principle**

In all layoffs and re-employment, the rule of seniority shall prevail, provided employees to be retained or recalled by reason of seniority have the ability to perform the work available. Resignation at any time forfeits seniority except in the case of an employee obtaining from the Company authorized leave-of-absence in writing, a copy of which shall be filed with the Union office.

9.02 Seniority in Shift Work, Overtime and Vacations

Provided that employees have the ability to perform the work, the principle of seniority shall govern and control in all cases of assignment to overtime, shift work and choice of vacation period. In the case of overtime, the employee working on the job will be given first opportunity.

9.03 Promotion

When new jobs or an apprenticeship is available, wherever possible the Company will promote or transfer employees, in order of seniority, to a better-paying job.

9.04 Recall

New employees will not be hired in a classification while employees in the same classification are on layoff.

9.05 Seniority Retention

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

- (a) Less than twelve (12) months of seniority:
Six (6) months following the date of layoff
- (b) Twelve (12) months or more of seniority:
Twelve (12) months following the date of layoff

9.06 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 9.05 above.

9.07 Seniority Maintained

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.

9.08 Seniority Cancelled

Seniority of an employee will be cancelled if he:

- (a) accepts Severance pay;
- (b) is discharged for cause and is not reinstated as a result of the grievance procedure;
- (c) In the case of absence due to sickness or accident, fails to report for work immediately after he is declared fit for work. It is understood that employees who are off work due to injury or illness shall continue to be on leave of absence until such time as his doctor states that he can return to work. Seniority shall accumulate during such leave of absence.
- (d) employees who accept a position with the Company which is outside the bargaining unit, will on a "once per employee" basis, retain bargaining unit seniority for a three (3) month period only. During this period, the employee may request and shall be permitted to return to their former position with accumulated seniority.
- (e) Failure to report back to work within three (3) days after notification to return to work unless the failure to report to work is proved to be unavoidable. Proof of such failure may be required of the employee by the Company.

It is understood that the work-recall is for a minimum of one (1) week duration.

ARTICLE 10 - HOURS OF WORK

10.01 Starting, Stopping Time and Meal Period

The starting and stopping time, as well as the meal period, shall be mutually arranged by the Company and the Union, it being understood that the meal period shall not be less than thirty (30) minutes.

10.02 Hours of Work

The standard work day shall consist of eight (8) hours and the standard work week shall consist of forty (40) hours on the first shift.

10.03 Second Shift

If a second shift is employed, the hours of work shall be seven and one-half (7-1/2) hours per shift, for which eight (8) hours will be paid.

10.04 Third Shift

If a third shift is employed, the hours of work shall be seven (7) hours per shift, for which eight (8) hours shall be paid.

10.05 Shift Description

Five (5) shifts, Monday to Friday, inclusive, shall constitute a regular week's work on all shifts.

10.06 Coffee Breaks

A ten (10) minute rest and coffee break shall be observed every four (4) hour working shift.

ARTICLE 11 - OVERTIME

11.01 Overtime Voluntary

No employee shall be required to work overtime against his/her will.

11.02 Overtime Entitlement

Time worked in excess of standard hours of work shall be considered as overtime; and overtime rates of pay shall be paid, as follows:

- (a) Time and one-half (1-1/2 x) for the first two (2) hours after a regular shift, and double time (2 x) thereafter; and double time (2 x) for all time worked on Saturday and Sunday.

Employees shall receive their overtime pay as it is earned. They shall be entitled to bank actual hours worked as unpaid overtime leave to a maximum of forty (40) hours in a year. The employee shall notify the Company of his intention to bank his overtime leave. A minimum of eight (8) hours shall be banked before leave may be taken. The Company shall receive one (1) week's advance notice before the leave may be taken.

Employees on a Tuesday to Saturday work-week will be paid double time (2 x) for all hours worked on Monday.

Employees on a Tuesday to Saturday work-week will be paid time and one-quarter (1-1/4 x) for all hours worked on sawmill carriages on Saturday.

- (b) For day-shift employees, time and one-half (1-1/2 x) will be paid for hours worked between 4:30 p.m. and 6:30 p.m., or between 5:00 p.m. and 7:00 p.m., if a one-half (1/2) hour time break is taken, and double time (2 x) thereafter.

11.03 Work Performed on Statutory Holidays

- (a) Triple time (3 x) will be paid for all work performed on the following statutory holidays:

New Year's Day	Family Day
Good Friday	Easter Monday
Victoria Day	Canada Day
Friday before BC Day	BC Day
Labour Day	Thanksgiving Day
Remembrance Day	Christmas Day
Boxing Day	National Day for Truth and Reconciliation

- (b) With reference to (a) above, when work is performed on a statutory holiday where the Company has provided for eight (8) hours' pay at the regular rates, the triple time (3 x) paid shall include such pay.

11.04 Eight Hours' Rest Between Shifts

It is intended that every employee shall have eight (8) hours' rest between shifts. In the event that an employee is recalled to work before such eight (8) full hours elapse, he shall be considered as still working on his previous shift, and he shall be paid the appropriate overtime rates for work performed after recall. No employee shall be permitted to resume work of his own accord until eight (8) full hours have elapsed.

11.05 Overtime for Call-in

Employees called in before their regular starting time shall be paid at double time (2 x) rates for time worked prior to their regular starting time.

11.06 Call-out Provisions

No employee shall be required to report back for overtime work following the regular hours of work on Monday to Friday, inclusive, for less than two (2) hours' work at the prevailing overtime rates of pay.

11.07 Eliminate Overtime Wherever Possible

In order to bring about a stabilization of employment and to provide employees with a greater degree of job security, the Company agrees, whenever feasible, to eliminate overtime.

ARTICLE 12 - HOLIDAYS

Each employee shall receive eight (8) hours' pay in accordance with his classification rate for each of the following holidays; namely:

New Year's Day	Family Day
Good Friday	Easter Monday
Victoria Day	Canada Day
Friday before BC Day	BC Day
Labour Day	Thanksgiving Day
Remembrance Day	Christmas Day
Boxing Day	National Day for Truth and Reconciliation

provided:

- (a) the employee has been in the employ of the Company for six (6) weeks;
- (b) the employee has 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 (2) 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 shall be submitted as proof.

- (iii) Temporary layoff not exceeding two (2) weeks and/or termination of service 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.

ARTICLE 13 - VACATIONS

13.01 Vacation Entitlement

Employees shall receive vacations and pay based upon the following schedule.

(a) Less Than Three Years

Each employee who has less than three (3) years of seniority with the Company shall be granted two (2) weeks vacation. Such employee shall be paid vacation pay at four percent (4%) of the employees total gross wages earned during the immediate pay period and paid on each pay cheque.

(b) Three Years But Less Than Seven

Each employee who has three (3) years of seniority with the Company but less than seven (7) years, shall be granted three (3) weeks vacation. Such employee shall be paid vacation pay at seven percent (7%) of the employees total gross wages earned during the immediate pay period and paid on each pay cheque.

(c) Seven Years But Less Than Seventeen

Each employee who has seven (7) years of seniority with the Company but less than seventeen (17) years, shall be granted four (4) weeks vacation. Such employee shall be paid vacation pay at nine percent (9%) of the employees total gross wages earned during the immediate pay period and paid on each pay cheque.

(d) Seventeen Years Or More

Each employee who has seventeen (17) years seniority or more with the Company shall be granted five (5) weeks vacation. Such employee shall be paid vacation pay at eleven percent (11%) of the employees total gross wages earned during the immediate pay period and paid on each pay cheque.

13.02 Annual Vacation Entitlement

An employee who reaches an anniversary date of employment which entitles him/her to one additional week vacation, immediately becomes entitled to one additional week vacation and the appropriate percentage increase in vacation pay.

13.03 Request for Vacation

The Company office must receive a minimum of two (2) weeks' advance knowledge of an employee's request for a vacation. No employee will be required to alter a scheduled vacation within one month of his scheduled vacation.

13.04 Choice of Vacation Period

Vacations will, so far as is practicable, be granted to conform with the wishes of the employees concerned, having regard to the necessity of maintaining production.

13.05 Consecutive Weeks Entitlement

- (a) Any vacation granted may be taken in one continuous period, except the third (3rd) week, which will be granted at the discretion of the Company.
- (b) Employees entitled to three (3) weeks or more vacation will be entitled to take three (3) continuous weeks every second (2nd) year.

ARTICLE 14 - SPECIAL AND OTHER LEAVE

14.01 Jury Duty

If an employee is called or selected for jury duty and/or called as a subpoenaed witness for the Company, the Company shall make up the difference of the employee's regular pay and the amount received for such jury duty and, if called as a witness, as described above, the employee shall receive his regular pay for two (2) days while absent from work. If an employee is called for jury duty but not selected he will return to work within a reasonable length of time.

Note - The Company will pay this benefit for only two (2) employees in each year of this Agreement.

14.02 Bereavement Leave

In the event of a death in the immediate family of an employee, the Company shall grant two (2) days' leave-of-absence with pay for the employee to arrange for and/or attend the funeral. Immediate family is to include spouse, parents, children, stepmother, stepfather, brother, sister, mother-in-law, father-in-law and grandparents.

14.03 Leave Without Pay

Any employee, upon application in writing, shall be granted a leave-of-absence without pay, not to exceed one (1) year, because of official Union business, personal illness, maternity leave, illness in his immediate family, disability, attending school or serving in an elected or appointed public office.

14.04 Leave for Union Representative

Employees accepting full-time positions as Union representatives shall be given an automatic leave-of-absence without pay for the term of their office, or any renewal thereof, without loss of seniority rights and with the privilege of returning to their former positions. In the event that their former positions have since been abolished, they then shall be assigned to an equivalent position at the prevailing rate of pay for the jobs to which they are assigned.

ARTICLE 15 - OCCUPATIONAL HEALTH AND SAFETY

15.01 Safety Committee

It is mutually agreed that a safety committee, consisting of employees selected by the Union, shall meet with a management representative or representatives not less frequently than once a month. The minutes of such meetings will be posted on the notice board, and a copy sent to the Union and to the Workers' Compensation Board. When a plant inspection is made by the WCB, a Union representative of the safety committee shall be included in the tour, and a copy of the inspector's report shall be made available to the safety committee, and a copy shall be forwarded to the Union office. An adequate allowance of time during working hours, with full pay, will be provided for these meetings.

15.02 Safety Equipment Supplied

Where the following articles of equipment are required to be used by the Company or by the Workers' Compensation Board, the Company shall:

- (a) supply new or present employees with the articles of equipment as required, thereafter
- (b) replace articles of equipment as required when they are presented worn, or damaged beyond repair, by an employee, at no cost to the employee:

- | | |
|--------------------------|--|
| 1. Hard hats | 5. Respirator (for painting) |
| 2. Burning goggles, etc. | 6. Gloves (safety) except as provided under 18.04) |
| 3. Eye protection | 7. Lens for helmets |
| 4. Ear protection | 8. Prescription Safety Glasses
(1 pair per year and after 1 year employment to a maximum of \$400.00) |

Receipt to be provided and must be CSA approved.

15.03 Report of Injury

Any employee suffering injury while in the employ of the Company must report immediately to the first aid department in the office or as soon thereafter as possible, and also report to this department on returning to work.

ARTICLE 16 - HEALTH AND WELFARE

16.01 Contributions for the Plan

The Company agrees to pay one hundred percent (100%) of the monthly premium to maintain the Machinists Health and Welfare Plan as follows with the exception of 16.03 Wage Loss Insurance. The employees shall pay one hundred percent (100%) of the monthly premium for 16.03 Wage Loss Insurance and benefits will be non-taxable to the employee. (See Section 17.04 Pension Plan) All premiums shall be forwarded to the Plan by the Company.

16.02 Life Insurance

Life insurance of Forty-five Thousand (\$45,000) dollars, with double indemnity, for accidental death or dismemberment.

16.03 Wage Loss Insurance

Weekly indemnity benefits will be equal to 66.67% of the employee's weekly rate, but not to exceed the E.I. maximum. Future benefits will be indexed to the E.I. maximum per week. Benefits will commence on the first day of accident, the fourth day of illness and will continue for a maximum of twenty-six (26) weeks.

16.04 Medical Care Plan

Medical Services Plan of British Columbia coverage.

16.05 Extended Medical

Extended health benefits.

16.06 Dental Plan

Dental plan which provides:

Basic Dental -	100%
Prosthetic Appliances, Crowns, Bridges -	75%
Maximum Coverage of \$2,500 per family member per year	
Orthodontia	50%
Lifetime Maximum of \$2,500 per person	

16.07 **Vision Plan**

100% of the actual expenses incurred or **\$600.00** every twenty-four (24) months.

16.08 **Participation in the Plan**

All employees shall participate in the above Plan as a condition of employment. New employees shall be covered by 16.04 Medical Care Plan on the first day of the month following the date of hire and required to subscribe to 16.02 Life Insurance, 16.03 Wage Loss Insurance, and 16.05 Extended Medical on the first day of the month after the probationary period has expired. New employees will be eligible and shall participate in 16.06 Dental Plan on the first day of the Fourth month of employment.

ARTICLE 17 - PAYMENT OF WAGES AND ALLOWANCES

17.01 **Wages Covered in Appendix A**

Wages and classifications shall be those agreed upon and set out in the Appendix attached hereto and forming part of this Agreement.

17.02 **Creating New Classifications**

Before any new classification is created, the wage rate thereof shall be settled by negotiations between the Company and the Union.

17.03 **Retirement Savings Plan**

- (a) The Company shall contribute monthly, for each employee in the bargaining unit, to an R.R.S.P. or Pension Plan designated by the Union, the amounts shown in Appendix A: Classifications, Wages and Pensions. Employees' will contribute \$0.075 per hour worked.
- (b) In addition to the Company contribution provided above, the Company shall contribute to the Pension Plan monthly, an amount which is equal to the premium contributed by the employee to maintain 16.03 Wage Loss Insurance. The Pension contribution shall be adjusted from time to time to maintain parity with the employee's contribution to 16.03 Wage Loss Insurance.

- (c) The payment for the above Plan shall be made directly to the Plan not later than the fifteenth (15th) of the month following that for which the payment is due.

- (d) Participation Mandatory

All employees shall participate in the above Plan as a condition of employment. New employees hired will be required to subscribe to the Plan on the first month after the two (2) month probationary period has expired.

- (e) In the event that the cost of the premiums to maintain the Machinist Health and Welfare Plan increase more than the cost of living, the contributions to the Pension Plan shall be reduced by that difference. The cost of living will be based on the latest 12-Month Average Index of the Consumer Price Index (CPI) for Victoria as published by Statistics Canada (2002 = 100), and the base month shall be the May, 2011 figure.

17.04 Tool Allowance

On every pay day, each employee covered by the Agreement shall receive an amount equal to **fifteen (\$0.15)** cents applicable to each hour for which the employee receives compensation, in any form. The amount calculated above shall appear as a separate entry on each pay stub.

17.05 Payment For Reporting to Work

Subject to the exceptions set forth in this Section, any employee reporting for work on his regular shift shall receive a minimum of two (2) hours' pay at his regular rate if no work is available, and four (4) hours' pay at his regular rate if work is available, provided that, if four (4) hours' work is not available at his regular job, he shall perform such temporary work as may be assigned to him to qualify for such pay.

The provisions of this Section shall not apply in the event of an emergency, such as fire, flood, power failure, etc., beyond the control of the Company, or if:

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

17.06 Outside Rates

When a Company's operations include work performed outside of the premises of the shop, a premium of one dollar (\$1.00) per hour shall be paid to all employees engaged in such work, which will be in addition to any wage already received by the employees.

Work for industrial customers done in the shop will attract the Outside Rate premium. Industrial customers include trucking companies, pulp, paper and saw mills and mines.

17.07 Field Scale Rate

Employees who are assigned and/or engaged or hired for outside installation of machinery, where work is performed through general contractors and in conjunction with the Building Trades, shall receive the going field rate of wages for the duration of that job. The rate for outside trades will be listed by the Union and approved by the Company. If the job is out of town, first-class room and board and transportation shall be provided.

17.08 Travel Pay

When an employee is required to work at points outside the city of Victoria which requires him to be absent from his home, he shall receive eight (8) hours' pay in each twenty-four (24) hours of travelling time, first class fare, accommodation and board.

17.09 Travel Time

In going to work outside the city limits of Victoria and returning daily, men shall be at such city limits at the starting time, and allowed time 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 the place of work or, alternatively, be supplied with transportation by the Company. 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 place detailed by their foreman or supervisor at the regular starting and stopping time.

17.10 Spray Painting and Galvanizing

Employees who performs any spray painting, priming, grinding of galvanized material will be paid an additional one dollar (\$1.00) per hour over their classification rate.

17.11 Meal Allowance

A meal allowance of twenty dollars (\$20.00) shall be paid after any regular shift where overtime has arisen during that shift amounting to or exceeding two (2) hours continuing or immediately following the shift. Weekend work would be excluded where the shift is less than eight (8) hours. Over eight (8) hours, the meal allowance would be paid if the time amounts to more than one and one-half (1-1/2) hours.

17.12 Boot Allowance

The Company will, once per calendar year, pay **Three Hundred (\$300.00)** dollars to each employee towards the purchase of CSA approved safety footwear. The amount is inclusive of taxes. Any employee receiving this benefit shall wear safety footwear at work. Any unused portion may be carried over to the following year only.

To claim reimbursement, a receipt or other proof of purchase must be presented. Minimum of one (1) year of service to qualify for this benefit.

17.13 First Aid Attendants

An employee designated as the first aid attendant shall receive the rates as provided hereafter, in addition to his/her regular hourly rate:

#1 Ticket	2% of Machinists rate
#2 Ticket	3% of Machinists rate
#3 Ticket	4% of Machinists rate

The first aid certificate requirement of WorkSafeBC for each individual Company will determine the premium that will be paid.

17.14 Lost Time on Day of Injury

In the event of an employee being injured on the job and requiring medical attention, straight time will be paid for time lost to visit a doctor on the day the injury occurs, and for any additional time lost on the day of injury if it is recommended by the doctor that the employee not return to work.

17.15 Welding Test Allowance

Where the Company requires that welders possess a specific welding ticket, the employee shall be paid at his regular rate while being tested. In the event that the employee is unsuccessful at his first attempt he will not be paid for lost time while being retested.

17.16 Pay Days

All employees covered by this Agreement shall be paid bi-weekly.

ARTICLE 18 - GENERAL PROVISIONS

18.01 Notice of Outside Work

The Company shall notify each employee the day before he is required to work outside the shop premises unless the Company was not aware the day before that such work was necessary.

18.02 Rain Gear

The Company shall have rain wear and boots available at no cost to the employees requiring same.

18.03 Coveralls or Overalls

The Company shall provide and maintain coveralls at no cost to the employee.

Employees are expected to take reasonable care of such clothing and return them to the Company upon termination. It is understood that employees will not be responsible for clothing lost or stolen beyond the employee's control and where such incidences are reported immediately to the supervisor.

18.04 Welder Gloves

The Company shall provide Welders Gloves.

18.05 Washrooms

Adequate washroom facilities will be provided by the Company, and kept in a sanitary condition. Employees will co-operate by observing the simple rules of cleanliness.

18.06 Loss of Tools

Once an employee has completed his/her probation period, the Company will repair or replace employees' personal tools if a tool list has been submitted to the Company and if it can be verified that the tools were lost, damaged or stolen during, or in connection with, the employee's employment duties other than by employee gross negligence.

Digital images as well as a written tool list are required. The Company may refuse to cover tools it considers inappropriate for the workplace.

Once per year, the Company shall supply each employee, who has completed his probation, with a metric tape measure and an English tape measure.

Normal wear and tear will not be covered.

18.07 Working Alone

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

ARTICLE 19 - APPRENTICES

19.01 Apprentices Covered by Agreement

Apprentices shall be entitled to all of the conditions of the Collective Agreement.

19.02 Wages in Appendix A

Apprentice wages rates shall be as set out in Appendix A.

19.03 Working in Field

Apprentices shall not be required to work alone in the field until the final year of apprenticeship.

19.04 Training Improvements

During the terms of this Agreement, the parties will meet at least every six (6) months to discuss and implement improvements to the apprenticeship training.

19.05 Apprentice Ratio

The maximum number of apprentices to journeymen in the shop shall not exceed three (3) journeymen to one (1) apprentice plus two (2) apprentices for the shop.

- (a) Apprentices are required to be engaged in their apprenticeship to receive scheduled wage increases.

19.06 Reclassification on Completion

An apprentice, having served his required time at the trade, and having passed the necessary examinations, will automatically be classified as a journeyman, and paid rates and conditions as enumerated in the Agreement for the journeyman classification.

ARTICLE 20 – SEVERANCE PAY AND LIABILITY RESULTING FROM LENGTH OF SERVICE

Part 8 of the Employment Standards Act will be applicable to all situations regarding liability resulting from length of service and severance pay.

ARTICLE 21 - SAVING CLAUSES

21.01 Special Ability Rate

Nothing herein contained shall preclude higher wages being paid to employees of special ability.

21.02 Legislative Changes

Should any part hereof or any provisions 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 hereof; and such remaining portions shall continue in full force and effect.

21.03 Present Conditions Not Reduced

No provisions of this Agreement shall be used to remove working conditions or reduce wages presently in force.

21.04 Right to Respect Picket Lines

It shall not be a violation of this Collective Agreement if members of this Union respect and/or honour a legal picket line.

21.05 Subcontracting

When work must be subcontracted, the Company shall endeavour wherever possible to have its subcontract work performed by a Union shop.

21.06 Subheadings

The subheadings used in this Agreement are to be used for convenience only. They are not intended as a legal definition.

ARTICLE 22 - DURATION OF AGREEMENT

- (a) This Agreement shall be for the period from and including May 1, **2026**, to and including April 30, **2029**, 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, or immediately preceding the last day of April in any year thereafter, by written notice to require the other party to the Agreement to commence collective bargaining.

- (b) Should either party give written notice aforesaid, this Agreement shall thereafter 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 rates of pay of any employee for whom collective bargaining is being conducted or alter any other term of condition of employment until the Union shall give notice of strike and such strike has been implemented, or the Company shall give notice of lockout and such lockout has been implemented or either party gives notice of termination or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

Signed On _____, 2026.

Signed On _____, 2026.

On Behalf of the Company.

On Behalf of the Union.

Alliance Engineering Works (1985) Ltd.

Business Representative

Committee Member

APPENDIX A

CLASSIFICATIONS AND WAGES

Classifications, Wage Rates (hourly) and Pension (per hour worked)

Classification	May 1, 2026		May 1, 2027		May 1, 2028	
	Wage	Pension	Wage	Pension	Wage	Pension
Machinists, Fitters, Welders	\$46.02	\$2.75	\$47.63	\$2.75	\$49.29	\$2.75
Non Ticketed Fitter	\$41.17	\$2.46	\$42.61	\$2.46	\$44.10	\$2.46
Specialists	\$41.17	\$2.46	\$42.61	\$2.46	\$44.10	\$2.46
Helpers, Labourers	\$25.41	\$1.89	\$26.30	\$1.89	\$27.21	\$1.89
Starting Rate for Journeymen:						
First Month	\$43.13		\$44.64		\$46.20	
Thereafter	As per Machinists Fitters and Welders		As per Machinists Fitters and Welders		As per Machinists Fitters and Welders	

= 2026 increases will be 3.5% of the 2025 rates. The 2027 increases will be 3.5% of the 2026 rates. The 2028 increases will be 3.5% of the 2027 rates.

= Pension increased as per rates noted above per classification

Employees who are recalled or rehired shall be paid at the top rate from the date of recall or rehire.

Lead Hands - plus four and one-half percent (4-1/2) over the classification rate.

Apprenticeship - Four (4) Year Apprenticeship

1st 6 months	50% of the Journeyman rate
2nd 6 Months	55% " " " "
3rd 6 Months	65% " " " "
4th 6 Months	70% " " " "
5th 6 Months	75% " " " "
6th 6 Months	80% " " " "
7th 6 Months	95% " " " "
8th 6 Months	95% " " " "
Thereafter	100% " " " "

If a new Apprentice has previously completed the Metal Fabricator (Fitter) Foundation program (450 hours) and Level 1 training, they will be credited accordingly.

New Apprentices will be enrolled when the Employer feels the candidate has demonstrated a commitment to proactively move forward with a desire to learn more about the trade. Attitude and attendance will play a role in this decision. Apprenticeship will be offered to the appropriate candidate(s) as determined by the Company.

Payout Schedule:

1 to 6 months	65% of Journeyperson rate
6 months to completion of Level 1 training	70% of Journeyperson rate
Level 1 to 6 month	75% of Journeyperson rate
6 months to completion of Level 2 training	80% of Journeyperson rate
Level 2 to 6 month	85% of Journeyperson rate
6 months to completion of Level 3 training	95% of Journeyperson rate

Red Seal Certification and (4800) training hours will achieve 100% Journeyperson rate.

The Company strives to train our workforce to the best of their and our abilities. Recognizing there is significant costs involved in this process, the Company requires for every year spent on developing each Apprentice into a Red Seal Journeyperson the equivalent times is repaid back to the Company at the end of the three (3) year term.

Apprentices newly hired that have not previously worked for the Company will be subject to a 3 – 6 month probation period at their current Level before the Company undertakes the Apprenticeship going forward.

Successful completion of each level of schooling must be achieved (70%) in order to receive the next pay increase.