

COLLECTIVE AGREEMENT

BETWEEN

**AIR LIQUIDE CANADA INC.
VANCOUVER ISLAND**

AND

**MACHINISTS, FITTERS & HELPERS
INDUSTRIAL UNION LOCAL NO. 3**

SEPTEMBER 1, 2003 - AUGUST 31, 2008

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Article I - Recognition

The parties here to agree as follows:

(a) The Company agrees to recognize the Union as the sole bargaining agent for the employees working in a unit composed of employees on Vancouver Island except sales staff and those excluded by the Code, employed by Air Liquide Canada Inc.

Definition of employee

The term "employee" as used in and for the purpose of this Agreement shall include any employee or employees covered by the certification of the Union.

(b) The Company further agrees not to discriminate or discharge the employees because of their affiliation with the Union.

(c) The Union recognizes that the management and direction of the working forces are fixed exclusively in the Company, and without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to:

- (1) Maintain order and efficiency;
- (2) Hire, retire, discharge, direct, classify, transfer, lay-off, recall and suspend or otherwise discipline employees, provided that if an employee has been discharged or disciplined without reasonable cause, a grievance may be filed and dealt with in accordance with the Grievance Procedure;
- (3) Make and enforce and alter from time to time rules and regulations to be observed by employees;
- (4) Determine the nature and kind of business conducted by the Company, the kinds and locations of equipment and materials to be used, the control of materials and parts, the methods and techniques of work, the schedules of work, number of personnel to be employed, the extension, limitation, curtailment or cessation of operations, and to determine all other functions and prerogatives hereinbefore vested in and exercised by the Company which shall remain solely with the Company except as specifically limited by the express provisions of this Agreement.

The Company agrees that any exercising of these rights and powers in conflict with any provisions of this Agreement shall be subject to the provisions of the Grievance Procedure.

(d) The Company agrees that it will not sub-contract out any work which will result in the lay-off of any employees in the bargaining unit or which will reduce the number of employees from those employed prior to sub-contracting out of such work, unless the employees leave of their own accord.

(e) All work which is normally performed by the bargaining unit, shall be performed by those persons coming within the Bargaining Unit who are members of the union as prescribed herein, except work involving customer service or when employees normally performing that work are not available.

No employee shall be laid off or suffer a reduction of hours worked as a result.

Article II - Shop Stewards

The employees will elect one (1) Shop Steward for each location, one of whom will be a Head Shop Steward. The Shop Stewards shall continue to perform their regular work in order to maintain efficiency of the operations. The Shop Stewards and/or the aggrieved employee will be paid at their regular hourly rate for time spent discussing a grievance with the appropriate Company representative as provided by this Agreement during his/her regular working hours on Company premises.

The Company shall allow time-off work with pay up to the mediation stage to the Head Shop Steward while serving on the Union negotiating committee for the purpose of discussion with the Company.

Employees shall have the right to have a Shop Steward present, or another employee if the Shop Steward is not available, during a meeting with a Company Representative concerning a disciplinary measure.

There shall be no discrimination against the Shop Stewards for lawful union activities.

Article III - Union Dues & Union Membership

The Company agrees that all present and all future employees must become members of the Union and remain members in good standing throughout the life of this Agreement in order to maintain seniority and recall rights.

A new employee coming under the jurisdiction of the Union will make application to become a member of the Union within the thirty (30) day period following his/her date of employment with the Company.

The Company agrees that, upon written authorization, it will, during the term of this Contract, deduct from the employee's pay, on the first pay day of each calendar month, the amount of Union Dues and Initiation Fees so authorized to be remitted to the Secretary-Treasurer of the Union on or before the tenth (10th) day of the following calendar month.

Article IV - Statutory Holidays

Section 1

The following Statutory Holidays, or the days which are designated for them, and any other days declared as legal holidays by the Provincial and or Federal Governments, shall be observed:

New Year's Day	B.C. Day	Boxing Day
Good Friday	Labour Day	1/2 Day (4 hours)
Victoria Day	Thanksgiving Day	Christmas Eve
Canada Day	Remembrance Day	1/2 Day (4 hours)
Floating Holiday	Christmas Day	New Years Eve

Section 2

When a Statutory Holiday falls on a Saturday or a Sunday, the following Monday shall be observed by the Company and the employees as the paid holiday. When Statutory Holidays fall on a Saturday and a Sunday, the following Monday and Tuesday shall be observed by the Company and the employees as the paid holidays.

Section 3

The Company will pay each employee one full days pay in lieu of Statutory Holiday pay. Payment will be made along with the employees regular pay each pay day.

Section 4

No work shall be done on Labour Day except to protect life and property.

Section 5

Statutory Holidays are to be paid if employee is away from work due to illness or on vacation, not to exceed three (3) such holidays in any one (1) calendar year.

Section 6

Statutory Holiday pay will also be paid if failure to return to work is beyond the control of the employee.

Article V - Vacations With Pay

Section 1

The vacation year for the purpose of this Article will be from July 1st to June 30th. Time off must be taken equivalent to the employees entitlement and vacations not taken during the twelve (12) months subsequent to June 30th in any one year cannot become cumulative and no employees shall receive any money in lieu of annual vacation.

Section 2

In the event of broken or temporary employment, this vacation credit shall be paid on separation. Vacation time is to be arranged by mutual agreement between the Company and the employee.

Section 3

Employees with less than one (1) year of service with the Company as of June 30th shall be entitled to one (1) day's vacation with pay for each calendar month worked up to a maximum of ten (10) working days that year or four percent (4%) of gross annual earnings, whichever is the greater.

Employees who have completed one (1) year of service with the Company as of June 30th each year shall be entitled to two (2) weeks pay that year, or four percent (4%) of gross annual earnings, whichever is the greater.

Section 4

Employees who have completed three (3) years of service with the Company as of June 30th each year shall be entitled to three (3) weeks pay that year, or six percent (6%) of gross annual earnings, whichever is the greater.

Section 5

Employees who have complete nine (9) years of service with the Company as of June 30th each year shall be entitled to four (4) weeks pay that year, or eight percent (8%) of gross annual earnings, whichever is the greater.

Section 6

Employees who have completed seventeen (17) years of service with the Company as of June 30th each year shall be entitled to five (5) weeks pay that year, or ten percent (10%) of gross annual earnings, whichever is the greater.

Section 7

Employees who have completed twenty-four (24) years of service with the Company as of June 30th each year shall be entitled to six (6) weeks pay that year, or twelve percent (12%) of gross annual earnings, whichever is the greater.

Section 8

Gross earnings is defined as all monies earned during the vacation year.

Section 9

To qualify for annual vacation, all employees must work twenty-six (26) pay periods each year in the service of the Company. Only pay periods in which the employee has worked five (5) days or more will count. Any employee who is within four (4) weeks of qualifying shall be entitled to his/her vacation time accordingly.

Section 10

Employees shall not take more than three (3) weeks (fifteen (15) working days for eight (8) hour shift employees and twelve (12) working days for ten (10) hour shift employees) at one time, except by arrangement with the Company. Three (3) weeks of vacation time to be requested by employees in writing, not later than February 28th, approved by employer and posted by March 15th of current year. Remaining vacation time to be requested by employees in writing with three (3) weeks notice to employer and approved by employer. The employer will respond within one (1) week. Cancelled vacation will be reposted and offered to junior employees by seniority. Employees working ten (10) hour shifts will not be required to book a regular day-off as a vacation day.

Section 11

(a) Employees on Workers Compensation shall be given time credit up to one year for vacation accumulation.

(b) End of June each year, percentage of vacation pay, total hours for vacation year and total amount of monies earned for vacation pay for year will be shown on pay stub.

(c) On termination of employment, an employee will receive vacation pay for vacations earned but not taken.

(d) An employee shall be paid the appropriate vacation pay at the time that he takes his vacation, in accordance with the normal payroll.

Section 12

Holidays - The Company is a cooperative operation and all staff members will have equal rights as to allotment of holiday time, except where a conflict of dates exist in which case seniority will apply. The provision being that where an employee is working in a dual capacity, management will have the authority to adjust said holiday schedule times to allow for inventory, audit, or the general well being and smooth operation of the Company business during holiday periods. No discrimination or favoritism of any individual will be condoned or intended.

Section 13

It shall be the duty of the Employer and the Union to enforce the provision that all holidays to which the employee is entitled shall be taken.

Article VI - Hours of Work and Overtime

(a) The regular work week shall be forty (40) hours from Monday to Friday inclusive and the regular work day shall be eight (8) hours from 8:00 a.m. until 4:30 p.m. or 7:00 a.m. until 3:30 p.m. with an unpaid half (1/2) hour lunch period to be taken between 11:30 a.m. and 1:00 p.m. It is agreed that the starting time, when necessary, can vary between 6:00 a.m. and 8:00 a.m. which must be mutually agreed upon between the Company and the employee concerned. A relief employee will assume the shift of the employee being relieved.

Effective January 1, 2005, delete and replace with:

The regular work week shall be forty (40) hours from Monday to Friday inclusive and the regular work day shall be eight (8) hours from 8:00 a.m. until 4:30 p.m. with an unpaid half (1/2) hour lunch period to be taken between 11:30 a.m. and 1:00 p.m. It is agreed that the starting time, when necessary, can vary between 6:00 a.m. and 8:00 a.m. which must be mutually agreed upon between the Company and the employee concerned. A relief employee will assume the shift of the employee being relieved.

(b) Double time (2X) shall be paid for all overtime worked except as specifically set out in this Collective Agreement.

Over eight (8) hours but less than ten (10) hours, plant employees shall be paid one and one half (1.5) times the hourly rate. Over ten (10) hours, two times (2X) the hourly rate shall be paid.

One and one-half (1.5) times the hourly rate shall be paid for hours worked on Saturdays up to four (4) and double time (2x) for hours worked thereafter.

Double time (2X) will be paid for all work performed on Sundays and Statutory Holidays.

When it is necessary to work two (2) or more hours of overtime following completion of shift, employees will be provided a meal or be given a meal allowance of eleven dollars (\$11.00) (\$12.00 effective August 3, 2004) unless said meal is covered by clause XI b).

(c) Unless otherwise notified, employees who report for their regular shift shall receive a minimum of four (4) hours pay, unless reason beyond the control of the Employer make it necessary to close the Plant or any part there of, when employees may be sent home and paid only for the actual time worked within a minimum of two (2) hours.

(d) Employees required to work their regular lunch period shall be paid one and one-half times (1-1/2) for their lunch period, and be given sufficient time to eat their lunch by 1:30 p.m.

(e) Employees who work overtime so that eight (8) hours do not elapse between the end of the overtime and the beginning of their regular shift shall not be required to report to work until there has been a break of eight (8) hours, when straight time will be paid for the remainder of their shift. If, for emergency reasons, they are called in without an eight (8) hour break, double time (2x) will be paid for the hours worked.

(f) Employees who have worked their regular shift, and worked overtime to the extent of not getting an eight (8) hour break, will not lose the time taken from their next regular shift to make up the eight (8) hour break.

(g) Employees, who have left the plant at the end of a normal shift and are called in to work, shall be paid the usual overtime rate for the time worked but in no case shall it be less than a minimum of four (4) hours pay at straight time rate.

Article VII - Dual Classification

In the case of an employee working in a dual capacity, he/she shall be paid at the rate applicable to the work performed. It is understood, however, that an employee temporarily leaving his/her own classification of work to one carrying a lower rate shall be paid his/her regular rate.

Article VIII - Seniority

(a) In the event of a work shortage, for the purpose of lay-offs and recalling those to work who have been laid off, Bargaining Unit seniority will apply where any employee has the ability and efficiency to perform within a reasonable period of time any job in the premises to which his/her seniority would entitle him/her. In the event of a job opening arising while a laid off employee maintains recall rights, the Company will inform the employee of the opening by registered mail to the last address recorded with the Company, and the employee may then apply for the position. If the employee does not apply for the position within forty-eight (48) hours of receipt of the notice, the employee will not be eligible for consideration for the position in question.

(b) When filling job vacancies (excluding promotions to positions outside of the Bargaining Unit, which shall not be subject to the provisions of this Agreement), Bargaining Unit seniority will apply where an employee has the ability and efficiency to perform any job in the premises to which his/her seniority would entitle him/her.

Transfers between locations will be done through the posting procedure.

Job Posting

When it is necessary to fill a job vacancy or if a new job is created, the Company shall post a notice on the Notice Board for seventy-two (72) hours, excluding Saturdays, Sundays and Statutory Holidays, advising that a vacancy exists in a particular job, giving the details of the job, rates of pay, etc.

Employees desiring such job may apply in writing within the above posting period. The vacancy shall be filled in accordance with Article VIII (b). Employees on vacation may apply on their return to work. The Shop Steward will be given a copy of the notice referred to above.

The Company shall post the name of the successful applicant as soon as the decision is made.

(c) The successful applicant on a job vacancy within the Bargaining Unit will be given a reasonable trial period. The trial period shall not be less than thirty (30) calendar days or greater than ninety (90) calendar days. If, after the conclusion of at least thirty (30) calendar days, the said employee is unable to perform the work satisfactorily, he/she may revert to his/her former position and rate of pay without loss of seniority.

When an employee accepts a position outside the Bargaining Unit and at a later date returns to a position in the Bargaining Unit, the time worked by such employee out of the Bargaining Unit shall not be counted and accrued for the purposes of determining his/her seniority regarding layoffs, recalls and promotions up to a maximum of twelve (12) months. Previous Bargaining Unit seniority will also apply for twenty-four (24) months.

Probationary Employees

An employee will be on probation until he/she has completed sixty (60) working days of employment with the Company within a twelve (12) month period. (While an employee is on probation, he/she may be dismissed if he/she is unsuitable for continued employment in the opinion of the Company.) All other provisions of this Agreement apply to probationary employees except that a probationary employee who is laid off will have preference to be rehired during the ninety (90) calendar days following the date of his/her layoff. When an employee has completed probation, his/her name will be placed on the seniority list with seniority dated from the date he/she commenced employment.

(d) The Company shall prepare one (1) seniority list and it shall make such list available to the Union and the Shop Stewards upon request.

(e) Service with the Company shall be considered broken by:

1. Employees quitting on their own accord;
2. Employees discharged for cause and who are not reinstated by the Company under the Grievance Procedure of this Agreement;
3. Employees being absent for three (3) consecutive working days without notification to the Company, except where the ability to notify the Company is beyond the control of the employee;
4. Employees who are out of the service of the Company for an unbroken period of more than one (1) year for any reason excepting:

An Employee who is on Long Term Disability or on Workers' Compensation as the result of an accident during the course of his/her work for the Company, and who is absent from work for this reason for a period of more than one (1) year, when returning to work, unless he/she has been laid off, in accordance with seniority, during the time absent on LTD or on Compensation, and the extent of the layoff on LTD or on Compensation, is more than one (1) year.

Article IX - Grievance and Arbitration Procedure

Section 1

“Grievance” means any difference between the persons bound by this Agreement concerning its interpretation, application, operation, or any alleged violation thereof, and the “Party” means one of the parties to this Agreement.

Section 2

Grievances shall be settled in the following manner:

(a) Between the aggrieved party and the Supervisor.

(b) Between the Shop Steward and the Supervisor.

(c) Between the aggrieved party, the Shop Steward, the Business Agent and the Management.

(d) Failing satisfactory settlement within seven (7) days, or within such time as the Parties may agree to, it shall be referred to an Arbitration Board of three (3) persons as follows:

1. The Party desiring arbitration shall appoint a member for the Board and shall notify the other Party, in writing, of its appointment. The Party receiving the notice shall appoint a member for the Board and notify the other Party in writing of its appointment.
2. The two (2) arbitrators so appointed shall confer to select a third (3rd) person to be Chairperson and failing for three (3) days from the appointment of the second (2nd) of them to agree upon a person willing to act, either of them may apply to the Minister of Labour to appoint such a third (3rd) person.

(e) The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award within ten (10) days from the date of the appointment of the Chairperson. The time may be extended by agreement of the Parties.

The Board shall deliver its award, in writing, to each of the Parties and the award of the Board shall be final, conclusive and binding upon the Parties and they shall implement it forthwith.

The Arbitration Board shall not be vested with power to change, modify or alter any of the terms of this Agreement.

(f) Each Party shall pay its own cost and expenses of arbitration, the remuneration of its appointee to the Board and one-half (1/2) the compensation and expenses of the Chairperson and stenographic and other expenses of the Arbitration Board.

Section 3

All interpretation of this Agreement shall be made in writing and signed by the representatives of both Parties, and shall become part of this Agreement.

Article X - Bereavement Pay, Jury Duty Pay, and Severance Pay

Section 1

In the event of death in the immediate family of an employee, the Company will grant three (3) days leave of absence, if required, with full pay. Up to five (5) full days with pay will be granted as may be required where out-of-town travel is involved. Immediate family shall mean; husband, wife, mother, father, step-mother, step-father, mother-in-law, father-in-law, sister, brother, children or grandparents.

Section 2

All time lost by an employee due to necessary attendance on Jury Duty or on call for Jury Duty or as a Subpoenaed Witness shall be paid for at the difference between his/her regularly hourly pay and the amount he/she received for such duty, provided, however, that any such employee shall make himself/herself available for work before or after being required for such duty, wherever practical.

Section 3

When the employment of a regular full-time employee is permanently terminated by the Company due to a loss of business by the Company or due to technological changes, such employee, provided he/she has been in the employ of the Company for a minimum of one (1) year upon request shall receive one (1) week's pay for each year of service with the Company commencing with the second (2nd) year of service, subject to the following stipulations. The payment will not effect the employees right to be recalled, however, an employee who receives such payment and is subsequently recalled to work will only accumulate further rights to such payment commencing with the date he/she was recalled.

Section 4

When any employee is discharged for cause he/she will receive his/her pay and any other monies he/she is entitled to on the same day he/she is discharged. When an employee terminates his/her services he/she will receive his/her pay and any other monies he/she is entitled to within two (2) business days of his/her termination as well as Record of Employment.

Article XI - Transportation

(a) Transportation will be supplied or allowed to and from home to employees called out when regular transportation services are not in operation.

(b) When employees are required to work at points outside the boundaries of Greater Nanaimo, Greater Victoria and Greater Campbell River, they shall be supplied with first class transportation. Employees required to stay away from home overnight shall receive eleven dollars (\$11.00) (\$12.00 effective August 3, 2004) per meal to a maximum of three (3) meals per day and reasonable hotel expenses which will normally be the responsibility of the Company. Traveling time shall be paid for at the rate of pay applicable to said employee.

(c) Any employee required to use his/her personal vehicle for Company business shall be reimbursed as per National Corporate policy.

(d) When an employee is required to travel for training, he/she will be paid at straight time rates for all traveling time.

Article XII - General Provisions

(a) Any employee on sick leave, compensation, attending school or convention, and receiving remuneration from any source, shall not have the time taken classed as holidays.

(b) The Company will supply uniforms, gloves, hard hats and will clean and maintain the uniforms as per Agreement September 1st, 1980.

(c) For employees who desire coverall service, up to three (3) pair a week, the Company agrees to pay the full cost of this service. The Company agrees that if any employee is required to wear any kind of uniform as a condition of his/her continued employment, such uniforms shall be furnished and maintained by the Company, free of charge, at the standard required by the Company.

(d) All employees will be reimbursed either:

1. One hundred percent (100%) of the cost of metatarsal type safety boots approved by the Company not more than twice per year, if such purchases are required, on submission of a receipt, or
2. Up to seventy dollars (\$70.00) not more than twice per year, (or one hundred and forty dollars (\$140.00) once per year) if such purchases are required, on submission of a receipt verifying the purchase of a pair of safety boots.

(e) The Company will provide rain gear for truck drivers and one set for each store.

(f) It is to the mutual advantage of both the Company and the employees that employees should not operate vehicles which are not in safe operating condition.

(g) When an employee suffers an injury or illness which requires his/her absence, they shall report the fact to the Company as soon as possible, prior to their actual starting time, so adequate replacement may be made if necessary.

(h) No employee shall be asked to perform work alone at the Plant which will endanger their well being. If assistance is required, it will necessitate the bringing on to the job another employee with the appropriate skill and ability.

Long Term Leave of Absence

When an employee suffers an injury, whether on the job or not, or suffers any verified illness, preventing him/her from reporting to work, he/she will automatically be granted Leave of Absence without pay up to eighteen (18) months, which period may be extended by mutual agreement.

Short Term Leave of Absence

Employees may be granted Leave of Absence without affecting their seniority. Such Leave of absence must be granted in advance, in writing by the Company and approved copy kept in the employees file in the Personnel Department, and a copy also to be sent to the Union.

No Passengers in Service Vehicles

It will be against the policy of Air Liquide Canada Inc. for drivers of service vehicles to transport passengers other than employees, without the explicit permission and approval of management. Failure to comply will be dealt with in the following manner:

(a) First offense: written warning to the employee. One (1) copy to the Union, one (1) copy to the employee.

(b) Second offense: Dismissal.

Article XIII - Moonlighting

Section 1

The Company and the Union agree that the practice commonly known as “moonlighting” for the purpose of this clause shall refer to a full time employee who regularly makes a practice of working for another employer for a substantial number of hours during the week.

(a) When this practice affects or conflicts with the company’s business or the employee’s ability to perform his/her job, it shall be cause for reprimand or dismissal.

(b) When this practice affects or conflicts with the Union policy the Company agrees to co-operate with the Union in reprimand or dismissal.

Article XIV - Welfare Plan

Section 1

Company to pay one hundred percent (100%) of the premium to a maximum of one dollar and seventy-five cents (\$1.75) per hour for the present Welfare Plan for employees covered by the terms of this Agreement. This amount will be increased to one dollar and eighty-five cents (\$1.85) per hour effective September 1, 2004 and to one dollar and ninety cents (\$1.90) per hour effective September 1, 2005.

Section 2

The Company agrees to submit to the Union, by the fifteenth (15th) of the following month, a list of employees, together with the number of actual hours worked by each employee covered by the Company's remittance to the Union Welfare Plan, regardless of shift worked, as defined in the Hours of Work, Article VI; deductions from the employee and Company will be on all hours worked.

Section 3

The Union will submit an audited statement of their Welfare Plan to the Company annually.

Section 4

Sick Pay

If the employee is off a full two (2) weeks due to illness, the Company will pay the waiting period at Machinists Fitters and Helpers Union Local #3 C.L.C. Welfare Plan rates. A doctor's certificate is required.

Section 5

Five (5) days per year at the employee's rate of pay with an accumulation of fifteen (15) days to be paid at Air Liquide Canada Inc. rates. Office to be advised when banked days are used. Doctor's certificate is required to substantiate claim.

Section 6

Pension Plan

The Company agrees to maintain the current Pension Plan during the life of the present Agreement.

Article XV - Wages

The Company agrees to the following wage increases:

Effective September 1, 2003 – See Appendix "A"

Effective September 1, 2004 - See Appendix "A"

Effective September 1, 2005 - See Appendix "A"

Effective September 1, 2006 - See Appendix "A"

Effective September 1, 2007 - See Appendix "A"

Hourly rates will be shown on pay slips when changes occur.

Any change in wage rates shall be effective from the beginning of the nearest pay period.

Union Notices

The Company agrees to provide space that is readily accessible on its notice boards for the official Union notices of direct interest to the employees. Such notices shall be posted only by the Shop Steward.

Incidentals

If the employee has to leave the shop for any reason, he/she is to notify Management of his/her intention to leave and his/her reason for leaving.

Coffee Breaks

Coffee breaks of ten (10) minutes duration are to be provided twice during the regular shift at a time agreeable to Management and Employee.

Charge Hands

When a charge hand is required the rate for such classification will be negotiated between the Company and the Union.

Overload Fines

The Company will pay overload fines if vehicles are overloaded at Company request.

Payroll Deductions

Canada Savings Bonds will be deducted from payroll at request of employee.

Protection of Rights

It shall not be a violation of this Agreement and it shall not be cause for discharge if any employee or employees refuse to go through the Legal Picket Line of a Union.

Savings Clause

If any Article or Section of this Agreement should be held invalid by operation of law or by tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Sections to persons or circumstances, other than those at to which it has been invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

Safety and Health

The Union will co-operate with the Company in encouraging employees to observe any safety and health regulations.

Any employee who considers that any practice being carried out within the vehicles or premises is unsafe or detrimental to the health of any person working therein, shall have the right to speak to his/her superior about the matter. If the situation is not corrected in a reasonable period to time, the matter may be considered the cause for a grievance to be handled through the grievance procedure.

Definition of a Student

An employee shall be classified as a student if he/she attends school full time and is only available for work after classes, weekends and when school is not in session. A student will not operate a vehicle in excess of 8,000 Kg (Gross Vehicle Weight).

Student rate

A student will be paid 50% of the P&D Truck Driver/Shipper Receiver/Filling Plant Operator rate.

New Employees

Progressive wage rates for employees hired after September 1, 2000 will be as follows:

Start	65% of going rate
6 months	75%(new employees with Class 3 Air start here)
12 months	85%
18 months	95%
24 months	100%

Training for new employees will include all aspects of:

- Cylinder handling, dangerous goods
- Warehouse stocking, receiving and shipping
- Counter sales, small truck deliveries
- Product knowledge courses (as considered necessary by Company)

Employees hired with previous experience in the industry may be given credit for their experience in determining their applicable rate.

Article XVI - Duration of Agreement

The Company and the Union mutually agree to exclude the operation of subsection 2) and 3) of Section 50 of the British Columbia Labour Relations Code.

This Agreement is to remain in effect from September 1, 2003 to and including August 31, 2008 subject to the Labour Relations Code.

Signed this ____ day of _____, 2005 at the city of Nanaimo, in the Province of British Columbia.

Air Liquide Canada Inc.
Vancouver Island

Machinists, Fitters & Helpers
Industrial Union Local No. 3

APPENDIX "A"

WAGE SCHEDULE

Classification	Effective September 1, 2003	Effective September 1, 2004	Effective September 1, 2005	Effective September 1, 2006	Effective September 1, 2007
P & D Truck Driver/ Shipper Receiver/ Filling Plant Operator	\$24.56	\$25.05	\$25.55	\$26.19	\$26.84
Trailer Driver	\$24.87	\$25.37	\$25.88	\$26.53	\$27.19

LETTER OF UNDERSTANDING

Re: BANKED OVERTIME

It is agreed that:

1. By mutual agreement in writing the Company and its employee, arrangements may be made for the duration of the Contract, to bank accumulated overtime. The employee may then request his/her overtime in time off. However, he/she must inform the Company as to his/her request which will remain in effect for the term of this Contract. Upon request by the employee, such time off will be taken at the Company's discretion consistent with the efficient operation of the business. The maximum amount of banked overtime which can be accumulated is equivalent to forty-eight (48) regular hours.

2. Where an employee desires to bank his/her overtime he/she shall request in writing indicating this, which will be binding for the duration of the calendar year. An employee shall give at least ten (10) days notice when desiring to take banked overtime off. Once approved by the Company, changes may be made by mutual agreement.

3. Overtime which is banked shall be credited in terms of hours and when taken as time off shall be paid out at the same hourly rate as banked. When an employee leaves the Company, all banked hours shall be paid out in total. Other unused banked overtime shall be paid on the last pay of each calendar year.

4. The Company will keep a record of all banked overtime which will be available for perusal by the employee.

5. Example of Banked Hours:

1 hour at 1 1/2 time - 1 1/2 Hours Banked

1 hour at double time - 2 Hours Banked

Signed this _____ day of _____, 2005 at the city of Nanaimo, in the Province of British Columbia.

Air Liquide Canada Inc.
Vancouver Island

Machinists, Fitters & Helpers
Industrial Union Local No. 3

Re: GRANDFATHER CLAUSE

This Letter of Agreement made between Air Liquide Canada Inc., Vancouver Island (the Company) and Machinists, Fitters and Helpers, Industrial Union Local No. 3 (the Union) agree as follows:

That the following employees, who commenced employment with the Company prior to August 31, 1988, shall be entitled to vacation with pay as stipulated below:

R. Calverley
D. LaCharite

(a) Employees who have completed three (3) years of service with the Company as of June 30th each year shall be entitled to three (3) weeks' pay that year, or seven percent (7%) of gross annual earnings, whichever is the greater.

(b) Employees who have completed eight (8) years of service with the Company as of June 30th each year shall be entitled to four (4) weeks' pay that year, or nine percent (9%) of gross annual earnings, whichever is the greater.

(c) Employees who have completed fifteen (15) years of service with the Company as of June 30th each year shall be entitled to (5) weeks' pay that year, or eleven percent (11%) of gross annual earnings, whichever is the greater.

(d) Employees who have completed twenty-five (25) years of service with the Company as of June 30th each year shall be entitled to six (6) weeks' pay that year, or thirteen percent (13%) of gross annual earnings, whichever is the greater.

All other provisions of any other agreement entered into between the parties remain in effect.

Signed this ____ day of _____, 2005 at the city of Nanaimo, in the Province of British Columbia.

Air Liquide Canada Inc.
Vancouver Island

Machinists, Fitters & Helpers
Industrial Union Local No. 3

LETTER OF UNDERSTANDING

Re: TEN HOUR SHIFTS:

1. This Letter of Understanding applies to P&D Truck Drivers.
2. This Letter of Understanding shall remain in force for the duration of the main Collective Agreement between the parties. The Company may terminate, with thirty (30) days' notice, ten (10) hour shifts if they are found to adversely affect production. Working conditions will then be as per provision of the main Collective Agreement.
3. For the life of this Letter of Understanding, the following amendments will be made to the Collective Agreement in existence, insofar as it applies to employees covered by this Letter of Understanding:
 - ◆ The normal workweek will be composed of forty (40) hours, Monday to Friday inclusive, and the normal shift will be ten (10) hours. It is agreed that 7:00 a.m. is considered as the usual starting time, but that this starting time, when necessary, can vary between 6:00 a.m. and 8:00 a.m. which must be mutually agreed upon between the Company and the employee concerned.
 - ◆ Hours worked in excess of ten (10) but less than twelve (12) in any one (1) day, shall be paid one and one-half (1.5) times the hourly rate. Over twelve (12) hours, two times (2X) the hourly rate shall be paid. On an employee's first (1st) day off, he shall be paid one and one-half (1.5) times the hourly rate for hours worked up to five (5) and double time (2X) for hours worked thereafter. On an employee's second and subsequent day-off, he shall be paid at the rate of double time (2X) for all hours worked.
 - ◆ Statutory Holiday pay will be computed on the basis of ten (10) hours at the employee's regular hourly rate. If a Statutory Holiday falls on a non-working day, the day-off will take place the day before or after at the Company's discretion.

Signed this ____ day of _____, 2005 at the city of Nanaimo, in the Province of British Columbia.

Air Liquide Canada Inc.
Vancouver Island

Machinists, Fitters & Helpers
Industrial Union Local No. 3
