

COLLECTIVE AGREEMENT

between

VANCOUVER SHIPYARDS CO. LTD.

and

(Panamax site)

and

**MARINE WORKERS & BOILERMAKERS
INDUSTRIAL UNION
LOCAL 1**

**INTERNATIONAL ASSOCIATION OF
MACHINISTS LODGE 692**

**INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS LOCAL 213**

**UNITED ASSOCIATION OF PIPEFITTERS
LOCAL 170**

MARINE AND SHIPBUILDERS LOCAL 506

March 1, 2013 – February 28, 2018

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WHEREAS it is the intent and purpose of the parties to this Agreement that this Agreement is to provide orderly Collective Bargaining between the parties, to facilitate the peaceful adjustment of all disputes and grievances, to prevent strikes, lockouts, waste expense, avoidable and unnecessary delays in construction and repair work.

NOW THEREFORE this Agreement witnesseth that, in consideration of the promises and mutual covenants and agreement hereinafter contained, the parties agree as follows:

ARTICLE I - RECOGNITION

1.01 The Company recognizes the Union as the sole bargaining agency for its employees as duly certified under the Labour Relations Code of British Columbia, for the purposes of Collective Bargaining with respect to rates of pay, hours of work, and all other working conditions. Wages and classifications shall be set out in appendixes attached hereto and forming part of this Agreement.

ARTICLE II - MANAGEMENT RIGHTS

2.01 The entire management of the Company and the direction of the working forces are vested exclusively in the Company and the Union shall not in any way interfere with those rights.

2.02 No employee will be discharged except for just cause.

ARTICLE III - UNION REPRESENTATIVES

3.01 The Representatives of the Unions will be placed on a pre-approved list by management so that they shall have timely access to the Company's Shops or Yards. Attendance will be at the least disruptive times, whenever possible, (i.e. coffee and lunch breaks) provided that eligible workers are not caused to neglect their work, and will follow Company security protocols while on site.

3.02 No Shop Steward, Safety Committee member or any employee shall be discriminated against or jeopardized in seniority standing or suffer any loss of employment on account of membership or activity in the Union.

3.03 The Union members employed by the Company shall select a Committee of one for each shop or shift which shall be known as the Shop Steward Committee and such shall be recognized by the Company.

3.04 A shop steward shall be present at any disciplinary meeting and/or

investigative meeting that may lead to disciplinary action against any member of the bargaining unit.

ARTICLE IV - UNION SECURITY

- 4.01** The Company agrees that any employee who at the date of this Agreement is a member of the Union, or any employee who hereafter during the term of this Agreement becomes a member of the Union shall, as a condition of continued employment, maintain membership in good standing.
- 4.02** The Company agrees that when in need of additional help it shall call the Union office and give it a reasonable opportunity to supply a qualified and suitable worker(s). If the Union is unable to provide such a worker(s) within a reasonable time, the Company shall be free to hire any worker(s) of its choosing. With mutual agreement, which will not be unreasonably withheld, the company may name request a Chargehand who has been trained by Vancouver Shipyards Co. Ltd. (Panamax site) and has previously demonstrated Supervisory experience for the project/job intended. (see Letter of Understanding re: Manpower Dispatch, Local 506).
- 4.03** All new, substitute and/or casual employees, as a condition of continued employment, shall make application within thirty (30) days to the Union for membership in accordance with the Union's Constitution and By-Laws.
- 4.04** The Union may at its discretion waive the application for Membership provided the casual employee is a member in good standing of another Union recognized by the Union signatory to this Agreement.
- 4.05** It is further agreed and understood that all employees shall, as a condition of continued employment, sign an authorization to have union dues deducted from their pay. New employees, when signing such authorization shall also authorize initiation or reinstatement fees by payroll deduction as may from time to time be established by the Union for its members in accordance with its Constitution and/or By-Laws. Deductions shall be made only at the end of the first period in each calendar month during which the said employees work. The monies so deducted will be forwarded by the Company to the Secretary of the Unions not later than the 15th day of the month following, accompanied by a statement listing the names of the employees for whom the deductions were made and the amount of each deduction.
- 4.06** Notwithstanding the provisions of Article IV, Section 4.05 preceding, the Company shall deduct from each new employee an amount equal to the

union dues from the employees first payroll cheque after completion of five (5) days of work in a calendar month and add that employee's name and said amount to the closest applicable check off, i.e. if the check off for that month has been remitted, it shall be added to the following months check off and shown as the previous months work.

- 4.07** It is also agreed and understood that in the case of lay off and/or reduction in the working force, all Permit Workers must be laid off before any union members in any work classification.

ARTICLE V - HOURS OF WORK

- 5.01** **Day Shift** Seven and three quarters (7 3/4) hours shall constitute a days work (7:00 am to 3:15 pm) Monday to Friday inclusive, subject to the provisions of Section 5.02 of this Article.

Thirty eight and three quarter (38 3/4) hours shall constitute a week's work on day shift.

Work Breaks 1st break 9:20 am to 9:30 am, 2nd break 12:00 noon to 12:30 pm, shift ends at 3:00 pm but paid to 3:15 pm.

- 5.02** (a) When existing conditions render it desirable to start the day shift at an earlier or later hour such starting time may, with the consent of the parties hereto, be made earlier but in no event earlier than 7:00 am and not later than 8:30 am. It is agreed and understood that the starting time and/or the terminating time of existing shifts may be varied by written mutual consent of the parties to this Agreement.
- (b) The Company and the Union may, by mutual consent, temporarily alter normal starting and stopping times of existing shifts for specific employees by one (1) hour.

- 5.03** **Afternoon Shift** The Afternoon Shift shall be from 3:00 p.m. to 11:00 p.m. with a designated thirty (30) minute lunch break, i.e. seven and one half (7 1/2) hours worked. Shift differential will be \$2.65 per hour earned. Five (5) shifts shall constitute a week's work for this shift commencing at 3:00 pm, Monday.

Effective March 1, 2016, the Afternoon Shift differential will increase to \$2.70 per hour earned. Effective March 1, 2017, the Afternoon Shift differential will increase to \$2.75 per hour earned.

Work Breaks 1st break 5:20 pm to 5:30 pm, 2nd break 8:00 pm to 8:30 pm, shift ends at 10:45 pm but paid to 11:00 pm.

5.04 Graveyard Shift The Graveyard Shift hours shall be from 10:45 pm to 6:00 am. with a designated thirty (30) minute period for lunch, i.e. seven (7) hours worked. Shift differential will be \$4.05 per hour earned. Five (5) shifts shall constitute a week's work for this shift commencing at 10:45 pm, Sunday.

Effective March 1, 2016, the Graveyard Shift differential will increase to \$4.10 per hour earned. Effective March 1, 2017, the Graveyard Shift differential will increase to \$4.15 per hour earned.

Work Breaks 1st break 12:55 am to 1:05 am, 2nd break 3:15 am to 3:45 am, shift ends at 6:00 am but paid to 6:15 am.

5.05 In the matter of shift assignment, common practice will be followed subject to management's overall right to ensure availability of necessary qualifications, experience and suitability of work force.

5.06 Shift Changes When an employee is instructed to change shifts and that shift change does not last three (3) shifts or more, the time worked on these shifts shall be paid at double time rate.

5.07 It is the intention of the Company to continue to blow a warning whistle five (5) minutes before the end of the shift to allow employees to put away journeyman tools. Any abuse of this privilege by the employees shall be subject to immediate corrective action by the Company.

5.08 Hiring Every employee upon hiring shall be guaranteed (3) shifts unless discharged for just cause, provided that, in order to fulfill either of the above guarantees, the Company may change an employee's shift without the payment of overtime, providing the employee has at least eight (8) hours' notice between shifts.

- 5.09**
- (a) Employees sent home on compensation are to be paid until the end of the shift.
 - (b) When an employee requires medical treatment for a compensable injury such employee shall be permitted access to such treatment.

ARTICLE VI - OVERTIME WORK AND CALL OUT TIME

6.01 It is understood by both parties that overtime work is not the desire of either party but is a condition peculiar to the ship repairing industry. The Unions

agree to co-operate to provide adequate and competent help to carry out the work which is necessary to be done on overtime.

The Company agrees to co-operate by making every effort to eliminate excessive overtime when workers are idle. When overtime work is required, the Company will distribute overtime work in a fair manner bearing in mind the nature of the shipbuilding and repair business, operational requirements, employee skills and productivity.

Time refused will count as time worked for the purpose of establishing fair distribution.

6.02 All hours worked in excess of those stipulated in Article V of this Agreement shall be considered overtime and be paid at the overtime rate.

6.03 All overtime shall be paid for at the rate of double time including double time for work done on Saturday, Sunday and Statutory Holidays.

6.04 Double time shall be paid for all time worked prior to the regular shift starting time except as provided for in Article V, Section 5.02.

6.05 Employees who work continuous overtime after the completion of their Regular Shift are to have nine (9) hours free from work between the time they finish such overtime and the start of their next regular shift.

6.06 **Waiting Time For Prescheduled Overtime** It is understood that uncontrollable delays and/or cancellation may occur due to inclement weather, tides, customer requirements, etc.

In the event that workers are scheduled to report and the job is postponed, such workers shall be paid:

(a) one (1) hour straight time if postponement is greater than one (1) hour, but less than four (4) hours.

(b) one (1) hour of overtime if postponement is greater than four (4) hours.

AND/OR

In the event the job is cancelled, workers shall be paid one (1) hour straight time rate to compensate for their waiting time.

6.07 Every employee called into work after the end of a normal shift, on Saturdays, Sundays, or on Statutory Holidays shall be paid double time for the hours worked with a guarantee of four (4) hours work. This does not apply to pre-scheduled overtime.

- 6.08** Employees notified to report for work on a regular shift and do so shall receive a minimum of two (2) hours pay.
- 6.09** Except as provided for in Article VI, Section 6.11, employees who start work on a regular shift shall be guaranteed four (4) hours pay.
- 6.10** Except as provided for in Article VI, Section 6.11, employees who complete the first half of a regular shift and resume work in the second half of the shift shall be paid not less than seven and three quarters (7 3/4) hours pay.
- 6.11** If for reasons beyond the control of the Company such as plant breakdown or inclement weather, it is necessary to close the yard or any part thereof, employees may be sent home and paid only for the time worked with a guarantee of two (2) hours pay provided that the employees have not been advised not to report for work by their Department Supervisors.
- 6.12** **Overtime Meals** In case of an employee required to work overtime immediately following their regular shift, for more than two (2) hours but not more than three and one-half (3 1/2) hours, the employee shall receive an extra thirty (30) minutes pay at the prevailing overtime rate in lieu of a meal break, and in place of a hot meal, a dollar amount equivalent to 70% of the Straight Time hourly journey-person's rate, to a maximum of \$15.00, to compensate for the cost of the meal.

When an employee is required to work more than three and one-half (3 1/2) hours overtime immediately following the regular shift, the Company shall supply a hot meal and the employee will be given a thirty (30) minute meal break which will count as time worked and be paid the prevailing overtime rate. Thereafter the Company will supply a hot meal every four (4) hours and the employee shall be given a thirty (30) minute meal break which will count as time worked and be paid at the prevailing overtime rate.

All employees working overtime for less than two (2) hours following their regular shift, will receive a ten (10) minute coffee break at the conclusion of their regular shift. In the case where employees are pre-scheduled to work more than three and one-half (3 1/2) hours overtime past the end of their regular shift, such employees shall have their hot meal supplied immediately at the end of their shift. This meal break replaces the ten (10) minute coffee break.

- 6.13** Employees, other than launching, docking and undocking crews, called in four (4) hours or less before the start of their regular shift, will be paid overtime rates up to the start of their regular shift and straight time rates for the duration of their regular shift.
- Employees called in more than four (4) hours prior to the start of their regular shift who have worked a long enough time so that there is less than eight (8) hours elapsed time between the time they finish work until the

starting time of their regular shift, shall not be required to report for their regular shift until eight (8) hours from the time they finish work. In such cases, they will be paid for the portion of the eight (8) hours which they would have been working on their regular shift, at straight time rates. If the elapsed eight (8) hour period results in only two (2) hours or less of their regular shift time available for work, they shall not be required to report for work on that shift, but shall be paid at straight time rates as though they had worked for the entire shift.

If, for emergency reasons, they are called in or continue to work without an eight (8) hour break, double time shall be paid for the hours worked including hours worked on their regular shift. Such call, for administrative purposes, must be authorized by the Shipyard Manager or delegate.

6.14 No employee shall be permitted to work more than sixteen (16) continuous hours, except in the case of emergency or critically scheduled projects. The Union to be informed of critically scheduled projects.

6.15 The parties agree to waive the contract conditions on "call out time" provisions of their respective Collective Agreement with respect to the docking crew under the following conditions. When an employee is called in, after their regular shift, to dock or undock a vessel, they shall be paid as follows:

- (a) If the docking or undocking of a vessel takes less than two (2) hours, the employee shall be paid two (2) hours at the overtime rate.
- (b) If the docking or undocking of a vessel takes more than two (2) hours, the employee shall be paid for the time worked at the overtime rate.

6.16 There shall be no requirements to remain on the job doing other work, for the unexpended period of time under (a).

ARTICLE VII - STATUTORY HOLIDAYS

7.01 The following days are to be recognized as Statutory Holidays by the Company and any work performed on these days shall be paid at double time rates:

New Year's Day	Canada Day	Remembrance Day
Family Day	Good Friday	B.C. Day
Christmas Day	Easter Monday	Labour Day
Boxing Day	Victoria Day	Thanksgiving Day
One Floating Day (to be mutually agreed)		

and/or any other days that may be stated as a legal holiday by the Federal and/or Provincial Government.

Statutory Holidays falling on a Saturday or Sunday shall be observed on the Monday and/or Tuesday next following and if worked, to be paid at double time rates. The parties may, by unanimous consent of all the Unions, agree to observe any of the Holidays on an alternative day.

7.02 In either of the above cases, if a day or days other than Monday or Tuesday is officially declared as the Holiday by the Federal or Provincial Government, then that day or days will be the Holiday and not Monday or Tuesday as outlined above.
In all situations, the day upon which the Holiday is observed will be the Holiday for the purpose of this Agreement.

- 7.03**
- (a) Statutory Holiday pay will be calculated as five point four percent (5.4%) of gross earnings and shall be added to each employee's pay each pay period.
 - (b) As and when a fourteenth (14th) compulsory Statutory Holiday is declared by the Federal and/or Provincial Government and becomes effective, the five point four percent (5.4%) calculation of gross earnings shall be increased to five point eight percent (5.8%).
 - (c) On termination or lay off, employees shall receive the five point four percent (5.4%) or five point eight percent (5.8%) as the case may be, for those hours accrued since their previous pay cheque and this amount will be paid on their final cheque.

ARTICLE VIII - ANNUAL VACATIONS

8.01 The vacation year for the purpose of this Agreement will be from the first pay period in July to the last pay period in June.

8.02 Time off must be taken for vacation earned. The time at which the vacation is to be taken is to be arranged by mutual agreement between the parties.

8.03 Each June, all employees on the payroll will be given an option as to whether they wish to accumulate vacation pay during the year or to be paid vacation pay each pay day. New employees will be given this option upon hiring.

8.04 On any date, on which an employee qualified for an increased vacation entitlement, that employee will be entitled to the new vacation time off, with pay being earned at the new vacation rate. The earnings of such pay to be

retroactive to the start of the current vacation year.

- 8.05** Employees with less than two (2) years of service with the Company, shall receive vacations in accordance with the Employment Standards Act of British Columbia.
- 8.06** Employees who have completed two (2) years of service with the Company, shall receive three (3) weeks vacation that year and subsequent years with vacation pay at the rate of six percent (6%) of gross earnings.
- 8.07** Employees who have completed eight (8) years of service with the Company, shall receive four (4) weeks vacation in that year and subsequent years with vacation pay at the rate of eight percent (8%) of gross earnings.
- 8.08** Employees who have completed fifteen (15) years of service with the Company shall receive five (5) weeks vacation in that year and subsequent years with vacation pay at the rate of ten percent (10%) of gross earnings.
- 8.09** Employees who have completed twenty (20) years of service with the Company shall receive six (6) weeks vacation in that year and subsequent years with vacation pay at the rate of twelve percent (12%) of gross earnings.
- 8.10** Employees who have completed twenty-five (25) years of service with the Company shall receive an additional point four percent (0.4%) of gross earnings for each year of service with the Company over twenty-five (25) years with a maximum entitlement of extra vacation of five (5) days paid at the rate of fourteen percent (14%) of gross earnings.
- 8.11** For the purpose of establishing years of service with the Company, the following shall apply:
- Years**
- | | |
|------------------|---|
| Two (2) | 52 pay periods at six percent (6%) |
| Eight (8) | 204 pay periods at eight percent (8%) |
| Fifteen (15) | 382 pay periods at ten percent (10%) |
| Twenty (20) | 512 pay periods at twelve percent (12%) |
| Twenty-five (25) | 636 pay periods at twelve percent (12%) |
- plus
- (Only pay periods in which the employee has worked at least five(5) days shall count.)
- NOTE:** Pay periods are of two (2) weeks duration.
- 8.12** Time off on Workers' Compensation or an Indemnity entitlement to count as time worked in calculating pay periods for vacation entitlement.

- 8.13** Service with the Company will be considered broken by:
- (a) Any employee who quits of their own accord.
 - (b) An employee who is discharged for just cause and who is not reinstated by the Company under the process of the grievance procedure of this Agreement.
 - (c) An employee who is out of the service of the Company for an unbroken period of two (2) years for any reason except for a temporary disability/sickness or injury (confirmed with medical documentation satisfactory to the Company) and as otherwise provided in this section.

ARTICLE IX - VACATION OVERTIME

- 9.01** Employees will have two (2) options per year, January 1st and July 1st, at which time they will declare one of the following three options:
1. Fifty percent (50%) cash and fifty percent (50%) time off.
 2. One hundred percent (100%) cash - no time off.
 3. One hundred percent (100%) time off - no cash.
- 9.02** New employees after hiring shall make their declaration on the first declaration date following. Employees on the seniority list, who miss the declaration date by reason of lay off, compensation, vacation, or sickness, to make their declaration on return to work.
- 9.03** Time off may be taken in multiples of full shifts as follows:
- | | |
|--|---|
| <p>(a) Up to and including
four days accumulation.</p> | <p>Forty-eight hours
notice to the Foreman.</p> |
| <p>(b) Over four days
accumulation.</p> | <p>Approval from the
Foreman.</p> |
- NOTE:** A signed voucher by the Foreman is required for (a) and (b) above.
- 9.04** An employee may carry over eighty (80) hours of banked time. Unused bank time will be paid out annually.
- 9.05** Accumulated credits and money may be carried to the next year by mutual consent.
- 9.06** Employees working on repair work cannot claim vacation overtime until such time as the repair job has been completed.
- 9.07** Vacation overtime (banked time) to be reported on pay stubs as hours

accrued.

ARTICLE X - GRIEVANCE PROCEDURE

In the event of a dispute or grievance arising out of the interpretation, application or any alleged violation of the Agreement, the following procedure will be carried out:

10.01 The matter shall first be discussed between the employee or employees concerned with the Shop Steward in the Department and the Foreman of the Department concerned. Failing settlement, the provisions of Section 10.02 of the Article will be invoked.

NOTE: All grievances and complaints not settled by the Foreman shall be reduced to writing by the employee(s) and filed with the Company through the Shop Steward or Shop Committee within ten (10) days of occurrence. Any grievance or complaint not so filed shall be deemed to have been waived and shall not be entitled to consideration.

10.02 The matter shall be discussed between the Union Representative and the Superintendent or Manager of the Yard. Failing settlement, the provisions of Section 10.03 of this Article shall be invoked.

10.03 Either party shall notify the other, in writing, of the question or questions to be arbitrated and the name and address of its chosen representative on the Arbitration Board. After receiving such notice and statement, the other party shall, within five (5) days, appoint its representative and give notice in writing, of such appointment to the other party. The two representatives shall endeavor to select a third representative to act as Chairman of the Arbitration Board. If the two representatives fail to select a third representative within three (3) days, they shall, forthwith, request the Labour Relations Board to appoint a Chairman.

10.04 The decision of this Arbitration Board shall be by majority vote and shall be final and binding upon both parties.

10.05 The parties may, by mutual agreement, elect to use a single arbitrator instead of a three man Arbitration Board.

ARTICLE XI - SENIORITY

11.01 (a) When the Company increases or decreases the working force, and when in the opinion of the Company and the Union, the skill and ability of the employee concerned is equal, length of service with the Company, in their classification as defined in the following

clauses shall be the determining factor in deciding the order of lay off or rehire as the case may be, however a senior Employee may volunteer, in writing, to be laid off prior to a junior Employee to allow a junior Employee to remain employed. In these cases it is the Employer's discretion whether such request will or will not be approved. Voluntary layoff will not affect the Employee's seniority recall rights but, upon taking a lay off out of seniority, the Employee may only return to work by way of a legitimate recall.

- (b) In conjunction with the above the Company, when required, will make application to the Employment Insurance Workforce Reduction Program Due to Downsizing.
- (c) When the Company increases the workforce and the current seniority list in the applicable classification is fully employed, the Company may on occasion name request qualified and suitable members from the Union for dispatch. The name request will be granted provided the request is in accordance with the current dispatch procedure of the applicable Union. Granting the request will not be unreasonably withheld.

11.02 In order to lay off or re-hire out of seniority, the difference in skill and ability must be distinct or seniority will apply.

- 11.03**
- (a) The Company agrees that the Shop Steward and the Union shall be advised of the order of lay off twenty-four (24) hours prior to said lay off, when possible under normal circumstances. The Union Office will be advised of anticipated lay offs as soon as the information becomes available.
 - (b) The Parties will appreciate the fact that the timing of hires and lay offs, particularly with respect to repair work, is extremely difficult. Operational requirements permitting, the Company will instruct all Superintendents and Foreman to schedule hires before Wednesday of each week and lay offs after Wednesday of each week. If exceptions to the above are necessary, the Union Office and/or the Shop Steward will be notified of the reason why.

11.04 In the application of this Section and all clauses thereto, where discretion prevails, said discretion shall not be used in an arbitrary nor discriminatory manner.

11.05 **Probationary Period** No employee shall attain seniority standing until having completed four hundred and fifty (450) hours worked within a six (6) month period of the date of hiring. When approved, the new employee's

seniority date shall be their first hiring date added to the bottom of the seniority list. Employees who have not attained seniority, i.e., with less than four hundred and fifty (450) hours worked shall not be subject to the seniority provisions of this Agreement.

- 11.06** The Company shall prepare seniority lists from their records and where a doubt exists regarding an employee's original hiring date or length of service, the Company records shall be deemed correct.
- 11.07** When employees are laid off, due to lack of work, seniority shall be maintained for a period of two (2) years providing work is not available. Any employee, with seniority standing, when recalled for work shall have the right to compare the length of work involved with present employment to decide on a by pass. After by passing the work call once, the employee shall lose their seniority standing if they do not come in on the next call. The second notice to work, if used to terminate an employee's seniority on lay-off, may not be given until 180 calendar days (6 months) has passed subsequent to the day in which the first notice was given and if and when rehired, such worker shall be treated as a new employee. (sickness confirmed by a doctor will not count as a bypass). By-passes will not be issued automatically by the Company without first consulting both the Union and the employee, provided contact is possible. If an employee is not called for a period of nine (9) months after taking a by-pass, the by-pass will be cancelled.
- 11.08** Seniority of employees shall be lost in the following circumstances and any employee who has thus lost seniority and who is subsequently re-hired shall be re-hired as a new employee and serve a new probationary period.
- (a) Any employee who is discharged for cause and who is not re-instated under the grievance procedure.
 - (b) Any employee who quits of their own accord.
 - (c) Any employee who is out of the service of the Company, for any reason, for an unbroken period of two (2) years except for a temporary disability/sickness of injury (confirmed with medical documentation satisfactory to the Company) and as otherwise provided in this section. (See Letter of Understanding re:Recall) Employees may be granted leave of absence without affecting their seniority. Such leave of absence must be granted in advance, in writing, by the Foreman and an approved copy kept on the employee's file in the Human Resource Department and a copy sent to the applicable Union.
Employees with ten (10) years service or more may, once every five (5) years apply for an unpaid Leave of Absence for an extended vacation.

- 11.09** The Company reserves the right to make all promotions to supervisory positions. Employees who have been promoted to salaried positions (Foreman and up) and who are later demoted to their former position, shall continue to accrue seniority during the six (6) month probationary period. The Company shall remit the Employee's deductions for Health & Welfare, pension and dues to the respective Union during the six (6) month probationary period.
- 11.10** When the Company and Union concur, the Company may promote Helpers to Mechanics when the Union is unable to supply competent Mechanics. Helpers thus promoted shall retain their seniority in the Helpers classification as long as the shortage of Mechanics lasts. Should Helpers thus promoted, wish to remain as Mechanics and both the Union and Company concur, the employee's seniority shall date from the time of transfer to the Mechanics classification. Apprentices, upon successful completion of their apprenticeship, shall be given seniority in their trade equal to their apprenticeship training period with the Company as of date of hire.
- 11.11** When new techniques become available or special training is required in a Department, the opportunity to train in any such new techniques shall be extended on a seniority basis to the employees of the department concerned. Provided always the Company shall have the right to decide if the skills, qualifications and abilities of the employees in question are suitable for the training required. Should an employee fail to qualify in the new technique in the prescribed training period, and a worker lower in the seniority list does qualify, the Company shall have the right to retain the junior employee in work for which the new technique is required.
- 11.12** The Company shall have the right to temporarily retain a junior employee, including a Chargehand, out of seniority if, at the time of layoff, the employee junior to those being laid off is engaged in a specific short term job. If the specific short term job lasts longer than one (1) week the matter will be discussed between the Parties and, by mutual agreement which will not be unreasonably withheld, the junior employee may be retained to the end of the specific short term job. At the end of the short term job the junior employee will be laid off.
- 11.13** When a laid off seniority ranked employee misses a call to work due to a confirmed sickness or injury, such employee shall return to employment as soon as medically cleared (medical documentation required) to perform his/her normal duties on a full time basis with five (5) working days notice.

ARTICLE XII - GENERAL CONDITIONS

- 12.01 Travelling** Travelling time on any day shall be paid at straight time rates for the hours lost travelling to a maximum of seven and three quarter (7 3/4) hours in each calendar day subject to the specific provisions mentioned in this Article. There will be no travel on weekends or Statutory Holidays, if at all possible.
- 12.02** If employees detailed for work away from the yard are instructed to report at the Company's plant for materials or tools, travelling will then be done on Company time and expense.
- 12.03**
- (a)** Employees required to work at outside points other than above, on ship repair or new unit ship construction work, shall be provided either economy class air transportation or ship or first class transportation and first class room and board while away and sleeper for travelling at night provided such services are available. Travelling shall be paid at the rate of one days pay for each day lost travelling and the yard scale of pay while actually on the job at the outside points. On other than ship repair or new unit ship construction, the above condition shall prevail and employees shall be paid at the prevailing field scale rate and conditions governing Statutory Holidays and Vacation Pay.
 - (b)** Prior to employees commencing work at outside points where room and board provision apply, a pre-job conference will be held, with the Unions involved, to discuss the nature of the project, anticipated duration, hours of work, room and board arrangements, medical first aid arrangements, local transportation, etc.
 - (c)** When employees are required to be absent from home on marine work and the room and board provisions apply, upon request, the employee will be entitled to return home after sixty (60) days worked. The employer will pay the normal cost of transportation and the employee's travel time.
- 12.04** When employees are required to be absent from home on marine work and the room and board provisions apply, the employee shall be paid for such work at the rate of sixteen percent (16%) above the basic yard rate. It is mutually agreed and understood that all marine work performed within a 100-mile radius of Vancouver City Hall, where the room and board provisions apply, shall be paid at the rate of ten percent (10%) above the basic yard rate.
- 12.05** It shall not be a violation of this Agreement for an employee to refuse to use

their personal automobile on Company business.

- 12.06** When an employee does agree to use their automobile, they will be paid a minimum of fifty cents (50¢) per kilometer for such use. Should the Company amend its corporate mileage policy, any changes would automatically apply.
- 12.07** Any employee suffering injury while on the job must, if possible, report immediately to the First Aid Attendant and also report to the First Aid Attendant when returning to work.
- 12.08**
- (a)** The tools of an employee starting work shall be in good condition and shall be kept so on Company time.
 - (b)** **Loss of Tools** The Company will replace employee's personal tools with tools of equal value in cases where it can be verified that the tools were lost, damaged or stolen other than by employee negligence during or in connection with the employee's employment duties. Each employee shall provide an inventory of their tools on a form supplied by the Company to be eligible for replacement. This list to be made up on Company time.
- 12.09**
- (a)** Welders gloves shall be supplied at no cost to the employee when the welder is gouging. The Company agrees to maintain a reasonable supply of leathers in Stores for employees to draw on when air arc gouging.
 - (b)** **Loss of Welders Gloves** Welders gloves will be replaced on acceptable verification of loss or when rendered useless for welding.
- 12.10** Employees will be given one-half (1/2) hours notice of lay-off in order to obtain clearance from the Yard. Journeyperson with tools will be allowed one (1) hour. With respect to this one-half (1/2) hour clearance time, where fifty (50) or more employees are laid-off on the same shift, the Foreman will endeavor to release said employees in sufficient time to ensure the employees will clear the Yard not later than the end of the normal shift.
- 12.11**
- (a)** Any employee whose employment is terminated, shall be paid immediately when employment terminates.
 - (b)** Any employee discharged for disobeying the Rules of the Company shall only be paid up to the time of discharge and the Company agrees that he shall be paid off within twenty-four (24) hours of the time of discharge provided the office is normally open. The Company's Plant and Safety Rules will be incorporated into booklet form and given to all employees or posted in a conspicuous place within the Shipyard. Such rules will not be inconsistent with the

Collective Agreement and any violation of same, will be subject to disciplinary action.

- 12.12** Insofar as reasonably possible, all toilets and washrooms shall be kept in a clean and sanitary condition, properly heated and ventilated. Suitable quarters with heat shall be provided where employees may eat their lunch.
- 12.13** The Parties hereto agree to encourage and aid the promoting of Trade Schools with a view to improving the skill and knowledge of the craft.
- 12.14** Employees who are required to carry hand tools for the performance of their duties, may purchase them at cost from the Company. It is agreed that employees shall either pay cash at the time of purchase or authorize a deduction from their first pay cheque to cover the purchase. The Company shall exercise control on the amount of such purchases made during each pay period.
- 12.15** **Dirty Money** A premium of twelve percent (12%) per hour shall be paid for all dirty work. The Management of the Company and the Shop Steward to decide on work to be so classified at the start of such work, where possible. Where the work of non-tradesman classifications is considered part of the normal duties of that classification, payment of this premium will not apply. It is understood that unique circumstances will be discussed by the parties prior to the commencement of the work.
- 12.16** **Restricted Space** Time and one quarter (1 ¼) shall be paid when an employee is required to work continuously for one (1) hour or more or two (2) hours cumulatively, per shift in a restricted work space, the dimensions of which restrain the employee to working in a kneeling position or lower and preclude an employee from periodically standing. Other unique situations will be discussed between the Company and the Union Representatives and evaluated on their merits before the job starts.
- The Parties will define and maintain a list of qualifying restricted spaces under this Clause in order to ensure consistent application of the Article.
- 12.17** **Air Quality** Time and one quarter (1 1/4) shall be paid to employees while working in compartments full of gases and fumes where it is impossible to provide sufficient ventilation to make air conditions come up to the standard set by the Workers Compensation Board. When the Company removes the hazard by providing proper ventilation and/or proper protective equipment, this premium will not be paid. Employees shall not be requested to work in such places until ventilation is provided.

- 12.18 High Money** When an employee (other than rigging or staging crews) is required to work in a hazardous location, at a height of more than twenty (20) feet from a base and where railing or other safeguards are not arranged and where such work is not, or has not been normally encountered in ship repair, barge repair, or new construction, then the Company will pay a premium of twelve percent (12%) per hour for the hours in which the employee is exposed to the hazard upon application. On barge repair, the base shall be the main or foc'sle decks. The Foreman and the Shop Steward on the job to decide if the work in question is to be classed as hazardous before the job starts.
- 12.19 Galvanized Work** Time and one quarter (1 1/4) will be allowed employees affected by the welding or burning of galvanized work where sufficient ventilation is not provided. The Superintendent, or Foreman, and Shop Steward shall decide if the work in question is to be so classified. When the Company removes the hazard by providing proper ventilation and/or proper protective equipment, this premium will not be paid. Employees shall not be requested to work in such places until ventilation is provided.
- 12.20 Coffee Break** Employees shall be permitted a ten (10) minute coffee break in accordance with the schedule outlined in Article V. Time of the coffee break to be indicated by Yard whistle or by arrangements agreed upon by the Union and the Company.
- 12.21 Bereavement Pay** In the case of death in the family of an employee registered on the seniority list, or employed for a minimum of one full pay period of employment, leave of absence with pay shall be granted for a period of three (3) consecutive working days for the purpose of attending or arranging the funeral. When the employee is on authorized vacation leave and a death occurs in immediate family, the employee may substitute vacation leave with bereavement leave days subject to and in accordance with the terms of the Collective Agreement governing Bereavement Leave.

The Company may request bereavement verification from the employee. Immediate family shall mean none other than spouse, children, parents, stepfather, stepmother, sister, brother, mother-in-law, father-in-law, grandparents and grandchildren.

Additional leave of absence without pay may be granted where an employee is required to travel outside the country. Approval for such extended leave of absence will not be unreasonably withheld.

Employees must notify the Human Resource Department when such leave is requested or taken.

- 12.22** **Jury Duty** All time lost by an employee due to necessary attendance on jury duty or on call for jury duty or when required to attend court by subpoena, as a crown witness, provided such court attendance is not occasioned by the employee's private affairs, shall be paid for at the difference between regular pay and the amount received for such jury duty, provided, however, that any such employee shall make themselves available for work before or after being required for such jury duty whenever practicable.
- 12.23** **Moonlighting** The Company and the Union agree that the practice commonly known as "moonlighting" is wrong in principle. The term "moonlighting" for the purpose of this Agreement 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 Company business, or the employees ability to perform their normal duties, 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.
- 12.24** Employees shall only take orders from their respective Foreman or General Management. Employees, when not doing work covered by their own classification, shall do such work as instructed by Management.
- 12.25** A notice board shall be provided for the posting of all official notices with the Company and over the signature of the Business Representative of the Union.
- 12.26** **Contracting Out** The Union agrees to work with the employees of and on materials supplied by outside contractors providing sub-contractors use only Union labour. Prior to contracting in or out, and providing one of the certified Unions in the Yard covers the classification which is required in sub-contracting, the matter will be discussed with the appropriate Union or Unions involved. The Unions will keep the Company advised of any Unions it considers objectionable under this clause and the Company will consider same.
- 12.27** **Enabling Clause** To enable the Company to attain more work in the field or in the Yard, i.e. accommodating unique customer requirements. The Company and the Union's involved may determine on a job by job basis if special arrangements are required. The Parties, may, by mutual agreement

in writing, amend the terms of the Collective Agreement for the length of that particular job.

- 12.28** Protective Equipment will be kept as a tool crib item and issued to spray painters and/or sandblasters when required.
- 12.29** No sandblasting or spray painting will be performed in areas where any other employees have to work in the immediate area of the sandblasting or spray painting. Any employee who becomes irritated from the dust or spray paint may leave that area with no disciplinary action provided they report immediately to their Foreman.
- 12.30** Any generally recognized working conditions within a Yard will not be lessened or cancelled because of the signing of this Agreement.
- 12.31** **Sexual Harassment** The Union and the Employer recognize the right of the employee to work in an environment free from sexual harassment. The Union may initiate a grievance under this clause at any step in the grievance procedures. Grievance in this clause will be handled with all possible confidentiality and dispatch.
- 12.32** The Company agrees to consult with the Unions re: employee training requirements and programs.

ARTICLE XIII - TOOL AND CLOTHING ALLOWANCE

- 13.01** Apprentices, Journeypersons, and above, shall receive thirty five cents (\$0.35 cents) per hour for all hours worked to compensate them for tool and clothing allowance.
- 13.02** Where the Company supplies coveralls, the above referred to thirty five cents (\$0.35 cents) shall be reduced to twenty five cents (\$0.25 cents) per hour worked.
- 13.03** All employees receiving less than Journeyperson's rate shall receive eighteen cents (\$0.18 cents) per hour for all hours worked to compensate for clothing allowance.
- 13.04** Where the Company supplies coveralls, the above referred to eighteen cents (\$0.18 cents) will not be applicable.

ARTICLE XIV - SEVERANCE PAY

- 14.01** All employees, forced to retire because of ill health, by reaching retirement age or qualifying for Union Pension on retirement, shall be entitled to

severance pay as follows:

- less than 5 years service - 1 day per year
- 5 years to 10 years service - 10 days
- 10 years to 20 years service - 1 day/year (minimum 15 days)
- greater than 20 years service - 1 day/year
- greater than 20 years service and if age sixty (60) or more, entitled to one (1) day/year service for first twenty (20) years and two (2) day/year service for each year thereafter to a maximum of forty (40) days. Greater than forty (40) years service, entitled to one (1) day/year service with no maximum.

14.02 Employees terminated directly as a result of permanent full or permanent partial yard closure, would be entitled to receive severance pay calculated at one week per year of service, instead of at the above rate.

14.03 Any employee who has earned severance pay and dies before retirement, the severance pay will be paid to their designated beneficiary.

ARTICLE XV - TECHNOLOGICAL CHANGE

The Company may introduce technological change for the improvement and sustainability of its operations. The Company will consult with the Union when technological change may impact training or employment. To this end, a Committee will be established consisting of equal representatives by the Company and the Union. The Committees duties shall be to investigate and submit recommendations on training or retraining of affected employees or alternate employment opportunities within the Yard.

In addition, the Company will, if possible, inform the Unions involved six (6) months prior to the introduction of any new equipment which may impact training.

In addition, the Company will co-operate with the Unions and the Government in matters of training and re-training.

ARTICLE XVI - PRODUCTIVITY

16.01 The Company and the Union agree that it is the mutual desire of the parties to enhance productivity and efficiency by ensuring uninterrupted, efficient and safe completion of jobs, elimination of inefficient work practices and the fullest utilization of an employee's experience and skills to progress the work.

With respect to Local 506 classifications and Marine Workers Local 1, the intention is for one (1) person to perform a one (1) person job and do what is necessary to advance his assigned task. For example, during the course of a shift and subject to an employees demonstrated skills, Shipfitters may be assigned tacking and burning duties. Welders may be assigned fitting duties and Sandblasters and Labourers may be assigned duties in each other's areas, as long as the work can be done safely. The applicable shop steward will be kept informed of determination by the Company of newly established one (1) person jobs in advance and given the opportunity to voice any concerns.

- 16.02** The parties agree to promote efficient production and reduce waiting time in the yard. To this end, the normal practices is for tradesmen from different trades who are assigned to work together on a job, to assist one another. The parties agree to encourage the furtherance of this practice for the term of the agreement.
- 16.03** In order to facilitate 16.01 and 16.02 above, the Company and Union agree that Article 12.30 will be waived and that they jointly support the implementation of this clause on the shop floor by supervision on a day to day basis. It is further agreed that a review committee of Union and Management Representatives will meet bi-monthly (monthly – 1st year) to review the progress of implementation of this clause, including training, and any concerns related to same. Also, it is understood that the grievance procedure (Article X) remains applicable to this clause.
- 16.04** It is understood that some work/tasks can only be performed by employees who possess the required trades qualifications and government certifications to comply with regulatory requirements and codes.
- 16.05** The Company and Union to cooperate in developing a training/upgrading program that will enhance the existing skills of employees to facilitate the above as well as address apprenticeship development. To this end, any affected employees who wish additional training/upgrading, should advise his/her foreman so that the necessary arrangements will be made.
- 16.06** The Company agrees with the Union's concern that should it ever intend to invoke the skill and ability clause (Article 11.02) under this section, it will only apply to the individual's classification.
- 16.07** Any job requiring two (2) or more consecutive shifts to complete shall be done by the appropriate classification (this does not apply to one person performing a one person job) with present hiring and recall practices adhered to.

16.08 It is not the intention of this clause to favour one classification over another by limiting the work available to any classification of employees and the Company commits to implementing this clause in a fair manner on the basis discussed during negotiations.

ARTICLE XVII - SAFETY

17.01 The Company and the Union fully support the adoption and implementation of Safety Procedures and standards and agree to give full support to the promotion of safety consciousness and a personal sense of responsibility among the employees.

17.02 The Company agrees to supply respirators as required.

17.03 The Company agrees to reimburse seniority ranked employees for the purchase of one (1) set of custom fitted ear plugs.

17.04 The parties agree to set up a Safety Committee in accordance with Compensation Board Regulations.

17.05 The Company agrees to cover employees under the Marine Industry Employee Assistance Program.

17.06 **Burning Torch Tag Washer and Electrical Lock-Out Safety Policy**
Adherence to the above safety policies (No. 30 and 39 in the Company's Plant and Safety Rules Booklet) are a condition of employment.

Any violation will attract the following disciplinary penalties:

First Offence	- suspended for balance of shift
Second Offence	- five (5) days' suspension
Third Offence	- ten (10) days' suspension
Fourth Offence	- termination

Each full calendar year without a subsequent offence drops the disciplinary penalty for the next infraction back one level.

Article X will not be used to modify the above disciplinary action.

17.07 The Company's Plant and Safety Rules will be incorporated into booklet form and given to all employees or posted in a conspicuous place within the Yard. Such rules will not be inconsistent with the Collective Agreement and any violation of same will be subject to disciplinary action.

ARTICLE XVIII - WELFARE AND PENSION

- 18.01** Effective March 1, 2013 the Company will contribute \$6.40 per hour on all hours earned to the Union Welfare and Pension Plan. Effective March 1, 2014 the Company will contribute \$6.60 per hour on all hours earned to the Union Welfare and Pension Plan. Effective March 1, 2015 the Company will contribute \$6.80 per hour on all hours earned to the Union Welfare and Pension Plan. Effective March 1, 2016 the Company will contribute \$7.00 per hour on all hours earned to the Union Welfare and Pension Plan. Effective March 1, 2017 the Company will contribute \$7.20 per hour on all hours earned to the Union Welfare and Pension Plan. The Union to advise the Company as to the allocation of this.
- 18.02** For employees who exercise the option to take their vacation pay each pay day, as per Article VIII, Section 8.03, the Company will remit one (1) hour Welfare contribution and one (1) hour Pension contribution for each vacation hour earned each month.
- 18.03** For employees who opt for cumulative vacation pay, the Company will remit one (1) hour Welfare contribution and one (1) hour Pension contribution when the employee receives vacation pay.
- 18.04** The Company will remit one (1) hour Welfare and one (1) hour Pension contribution for each Statutory Holiday hour earned when the employee receives Statutory Holiday Pay.
- 18.05** Normal retirement for all employees is the first day of the month coincident with or immediately following attainment of age sixty-five (65).
- 18.06** All Apprentices will receive Welfare and Pension contributions while attending Trade Schools.
- 18.07** Contribution remittances shall be made by the Company not later than the fifteenth (15th) day of the month following the month of required contributions.
- 18.08** The Company further agrees to submit a list of the employees for whom the contribution is made, together with the number of hours worked by each employee covered by the Company's remittance to the Union.

ARTICLE XIX - MONETARY PACKAGE

Wages & Health, Welfare and Pension Increases

	<u>Wages</u>	<u>HW&P</u>
March 1/13	2.0%	\$0.20/hour
March 1/14	2.5%	\$0.20/hour
March 1/15	2.5%	\$0.20/hour
March 1/16	3.0% or COLA**, whichever is greater, to a max of 5%	\$0.20/hour
March 1/17	3.0% or COLA**, whichever is greater, to a max of 5%	\$0.20/hour

**In the event the average annual all items Vancouver CPI exceeds 3.0% in the year prior to the contractual increase the wages will be increased by the amount above 3.0% to maximum of 5.0%.

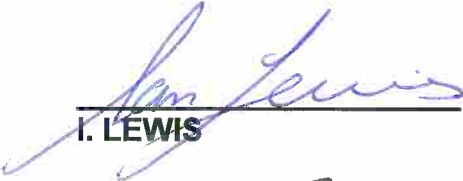
Wages may be allocated to benefits and/or pension (HW & P) at the discretion of the appropriate Union with 30 days written notice prior to the contractual anniversary each year.

ARTICLE XX - DURATION OF AGREEMENT

- 20.01** This Agreement shall be in force and effect to February 28, 2018, and shall continue in full force and effect from year to year thereafter subject to the right of either Party to this Collective Agreement, within four months immediately preceding the anniversary date in any year thereafter, by written notice to the other Party to require the other Party to commence Collective Bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement or a new Collective Agreement.
- 21.02** Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until a strike or lockout actually commences or the Parties shall conclude a renewal or revision of the Collective Agreement or a new Collective Agreement.
- 21.03** During the life of this Agreement, or while negotiations for a further Agreement are in progress, there shall be no strikes or stoppages of work on the part of the members of the Unions nor any lockout on the part of the Company.
- 21.04** The operation of Section 50(2) and (3) of the BC Labour Code is hereby excluded from the operation of this Agreement.

IN WITNESS WHEREOF the Parties hereto cause their names to be subscribed and their seals affixed by their respective officers hereunto duly authorized.

DATED at North Vancouver, British Columbia this 12th day of November 2013


I. LEWIS


MARINE WORKERS & BOILERMAKERS –
LOCAL 1

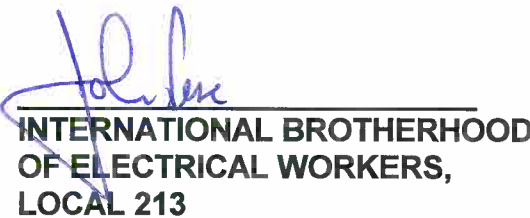

T. MATERGIO

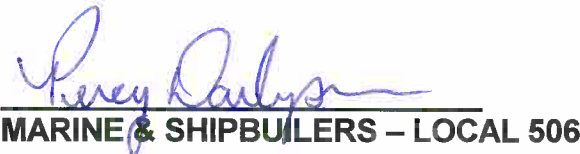

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
LODGE 692


L. BUMBACO


UNITED ASSOCIATION OF
PIPEFITTERS, LOCAL 170


F. BLAIR


INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS,
LOCAL 213


MARINE & SHIPBUILDERS – LOCAL 506

APPENDIX "A"

LETTERS OF UNDERSTANDING APPLICABLE TO ALL SIGNATORY UNIONS

A. FEDERAL CONTRACTORS PROGRAM (EMPLOYMENT EQUITY)

In view of the new Federal legislation on the Federal Contractors Program and the requirement to conform to the Employment Equity Policy, the Company and the Unions affirm their intent to further the aims of employment equity in the workplace. When real or artificial barriers to the advancement of said aims become apparent, the Parties will consult. If it is determined that the practices or conditions imposed through the Collective Agreement in fact produce an impediment, the Parties, on mutual agreement, will either set aside or amend the Agreement to correct the situation and ultimately reach compliance with all government guidelines and subsequent law in that respect.

B. RE: RECALL

Effective for the term of the Collective Agreement, when the Company increases the working force beyond the seniority listed employees set by the normal two (2) year limit:

1. The Union shall dispatch former employees in the order of their former seniority standing up to three (3) years.
2. Persons laid off due to lack of work for more than two (2) years but less than three (3) years will be dispatched as new employees, and will be required to serve a reduced probationary period of two hundred and twenty (225) hours within a six (6) month period from the date of rehire.

C. SHIFT ASSIGNMENT

Further to Article 5.05 . . . the Company and the Unions recognize the need to maintain a mix of both trade skills and yard experience on the afternoon and graveyard shifts.

However, once management is satisfied that there is a sufficient mix of skills and experience on the shift, it will assign suitable personnel who are junior in seniority when increasing the size of the shift.

The Company further understands that it will, on application, give careful and responsible consideration to requests from employees who have pressing personal reasons that would justify their being exempt from the requirement to work on these later shifts.

D. WORKING ALONE

It is understood and agreed that the Safety Committee will discuss and make recommendations regarding employees "working alone".

The Parties will monitor the progress of the Safety Committee and discuss the recommendations in the event of a concern.

E. MEDICAL SUITABILITY/SEVERANCE PAY

Employees will be entitled to severance pay as per Article 14.01 in the event they are declared medically unsuitable to perform their normal duties by two (2) qualified physicians, one (1) of which will be appointed by the Company.

In the event of a diagnostic disagreement between the physicians, they will appoint a third physician to decide.

F. VACATION ADJUSTMENT

It is understood and agreed that the Company shall pay a vacation adjustment cheque to employees who qualify at the end of the vacation year.

G. OTHER

1. The employer undertakes to provide a laid off employee with a cheque in payment for all hours earned prior to the date of lay off. A final adjustment cheque shall be prepared within two (2) working days of the day of lay off.

Employees who are laid off at the end of an afternoon or graveyard shift or who have been working overtime on the day of lay off shall be able to obtain yard clearance (on return of Company supplied tools, clothing, equipment, etc.) from their shift supervisor.

2. Any existing wage premium to be continued to individuals receiving them.
3. Present practice in the Yard with respect to coveralls will continue.
4. It is agreed between the parties hereto that the floating Statutory Holiday will be celebrated on a mutually agreeable date during the Christmas period.
5. It is agreed that Premiums specified in Section 12.04 do not apply to work done by Vancouver Shipyards Co. Ltd. at Esquimalt Graving Dock.
6. Payroll statements shall show accumulated vacation pay periods.

7. The Parties agree to establish Joint Union/Management Committees to discuss
 - retirement criteria and alternatives, and apprentice retention solutions
 - disability management program
 - issuance of lay-off cheques and records of employment
8. The Parties agree to Interyard exchange of apprentices for training purposes.
9. The Parties agree that the apprentice ratio will be one (1) apprentice to four (4) journeypersons however this ratio may be amended in circumstances that include, if the work activity and trade requirements support it; or to accommodate specific training/working with a journeyperson; or for apprentice retention. Any change will be by mutual agreement between the Company and the applicable Union and will not be unreasonably withheld.

Apprentices will be reasonably supervised at all times.

An apprentice who is attending school will be eligible for the Service Canada Supplemental Unemployment program (SUB) that allows the employer to top-up the apprentice EI benefits to ninety-five percent (95%) of his/her normal weekly earnings.

Upon successful completion of school and return to the Shipyard the Apprentice will be reimbursed the remaining five percent (5%) in the form of a one (1) time payment.

10. The Parties agree to implementation of Direct Deposit by the end of 2008.
11. The Parties agree to meet within sixty (60) days of ratification of the new collective agreement to determine conditions necessary for successful implementation of Trades Helper/Improver Training Program.
12. **Letter of Understanding if applicable for Federal Government Contract Work**

In the event a Federal Government Ship Building/Repair contract requires a commitment for a no strike or no lock-out clause as part of the bid process (e.g. JSS), the Parties commit to negotiate a Letter of Understanding in good faith that will provide the necessary labour stability and be in force for the duration of the contract. (Re: Enabling Clause, Article 12.27).
13. **Letter of Understanding – Contracting Out**
 - (a) The Union agrees to work with the employees of and on materials supplied

by outside contractors providing subcontractors use only bona fide union labour as recognized by the Poly Party Unions. Prior to contracting in or out and providing one of the certified Unions in the Yard covers the classification (on a normal and regular basis), which is required in subcontracting the matter will be discussed with the appropriate Union or Unions involved.

Unless the subcontract is one that requires long term lead commitments (i.e. greater than 6 months) or where an established sub-contract practice exists, all seniority ranked employees in the affected classification(s) shall be employed/recalled prior to subcontracting except in the following circumstances:

- The affected Union Dispatch Hall cannot provide qualified and suitable employees for the required work; or
- There are supervisory/technical expertise requirements and/or specialized equipment, and/or procedures and/or training requirements (e.g. water blast); or
- If for reasons beyond the control of the Company (e.g. plant/equipment breakdown); or
- If there is a cancellation or change in the scope of work by a customer (the Company will make every effort to redeploy the affected classification).

14. The Parties agree to Company/Union Workforce Interchange Procedures

The Parties will make every effort to reach agreement on these procedures with ninety (90) days of ratification of the collective agreement. Should the parties be unable to reach agreement within the time frame a mutually agreeable mediator will be selected to assist the parties in reaching resolution on the following:

1. In order to provide continuity and efficiencies on joint project work employees may be assigned to another shipyard site but remain under the terms and conditions of the Shipyard collective agreement she/he came from.
2. When the home "Union Dispatch Hall" is unable to supply qualified and suitable trades people.
 - Employees may be assigned from another Shipyard site where there is available capacity;
 - Employees may be assigned from another Shipyard to avoid lay-off;

In either case the employees remain under the terms and conditions of the Shipyard collective agreement she/he came from.

APPENDIX "B"

MARINE WORKERS & BOILERMAKERS LOCAL 1

The following classifications are those for which this Union has jurisdiction and the rates listed shall be paid to employees in these classifications.

CHARGEHANDS Journeyperson's rate plus nine percent (9%) per hour.
Where existing supervisory differentials are greater than shown here, they will continue to the individual receiving them.

LEADHANDS Journeyperson's rate plus two percent (2%) per hour.
Same applies.

CLASSIFICATION	WAGE RATE				
	<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
Journeyperson	\$37.80	\$38.75	\$39.71	\$40.91	\$42.13
Helper	\$34.90	\$35.78	\$36.67	\$37.77	\$38.90
Labourer (1 st – 6 months)	\$27.93	\$28.64	\$29.35	\$30.23	\$31.14
Labourer (thereafter)	\$34.32	\$35.18	\$36.06	\$37.14	\$38.26
Sandblaster	\$36.43	\$37.35	\$38.28	\$39.43	\$40.61

APPRENTICES

1. When the Company requires apprentices, it agrees to advise the Union. When an apprentice is hired the Union will be notified.
2. The apprentice will serve a four (4) year apprenticeship and upon successful completion, shall be given seniority in their trade equal to their apprenticeship training with the Company.
3. The Company will make up any difference in remuneration between the government allowance and regular pay for any apprentice attending an approved apprenticeship course.
4. The Company shall recognize the standard apprentice/journeyperson's rate as set out as follows:

Apprentices: (percentage)

		<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
1 st	6 months – 55%	\$20.79	\$21.31	\$21.84	\$22.50	\$23.17

2 nd	6 months – 60%	\$22.68	\$23.25	\$23.83	\$24.55	\$25.28
3 rd	6 months – 65%	\$24.57	\$25.19	\$25.82	\$26.59	\$27.39
4 th	6 months – 70%	\$26.46	\$27.12	\$27.80	\$28.63	\$29.49
5 th	6 months – 75%	\$28.36	\$29.06	\$29.79	\$30.69	\$31.61
6 th	6 months – 80%	\$30.24	\$31.00	\$31.77	\$32.73	\$33.71
7 th	6 months – 85%	\$32.13	\$32.93	\$33.76	\$34.77	\$35.81
8 th	6 months – 90%	\$34.02	\$34.88	\$35.74	\$36.82	\$37.92

Any employees spray painting or sandblasting are to be paid a premium of twenty (20) cents per hour over their rate while so employed.

The above schedules represent the negotiated common wage rates for each Local 1 classification.

VANCOUVER SHIPYARDS (Panamax Site) CLASSIFICATION COVERED

Welders	Burners
Shipfitters	Labourers
Painters/Sandblasters	

UPGRADING

Joint Committee to be established between the Company and the Union to evaluate the potential of in-yard employees for apprenticeships and upgrading.

All Welders who have attained seniority and are employed as a journeyman on or after June 1, 1982 shall maintain their journeyman status.

JOURNEYPERSON WELDER QUALIFICATIONS

The Company and Union agree to rewrite and update Journeyman Welder qualifications and Appendix B Welding Testing and Certification once the ITA has finalized the new Welding Apprenticeship program.

- Minimum of thirty (30) months verified welding experience, (including any documented training courses);
- Pass CWB, SMAW, and FCAW, butt weld test to visual and x-ray inspection standards;
- Pass CWB, SMAW and FCAW horizontal and overhead butt weld test to visual and x-ray inspection standards;
- Demonstrate reasonable hand burning proficiency in all positions;
- Demonstrate reasonable air-arc (gouging) proficiency in all positions;

- And any other standards the parties mutually agree to in the future;

B. WELDERS TESTING & CERTIFICATION

The Company and Union agree to rewrite and update Journeyman Welder qualifications and Appendix B Welding Testing and Certification once the ITA has finalized the new Welding Apprenticeship program.

Vancouver Shipyards Co. Ltd. complies with the Canadian Welding Bureau requirements which include the testing and certification of welders in order for them to qualify for employment with the Shipyard.

Those employees currently working are required to pass and continuously hold a valid Canadian Welding Bureau (C.W.B.) shielded metal arc welding (S.M.A.W.) certificate and flux cored arc welding (F.C.A.W.) certificate

For employed V.S.Y. seniority ranked employees testing is conducted on site in accordance with C.W.B. requirements. Failure to obtain C.W.B. revalidation of the S.M.A.W. ticket and F.C.A.W.) will subject an employee to "upgrading" which is discussed by the parties.

For unemployed V.S.Y. seniority ranked employees, the Company and the Union agree to the following:

1. All unemployed welders who are subject to recall in the immediate future will be directed by the Union to re-validate their C.W.B. S.M.A.W. and F.C.A.W. ticket prior to employment through attendance at B.C.I.T. Welding Department. (The Company will provide the proper authorization letter required for admission.)
2. The Company will provide financial assistance for the above as follows:
 - (a) \$25.00 daily welding booth rental fee at B.C.I.T. or Kwantlen College for a maximum of two (2) days in order to obtain all position S.M.A.W. and F.C.A.W. tickets
 - (b) normal C.W.B. fees for the conducting of the C.W.B. S.M.A.W./F.C.A.W welders qualification test.
 - (c) normal administration fees related to the issuance of the appropriate qualification ticket.

It is the intent of this agreement to achieve a smooth transition from non qualified to qualified and unemployed to employed by having welders tested and certified prior to recall to work. It is not the intent to use this agreement as an instrument for the termination or disqualification from rehire at V.S.Y.

C. MANPOWER DISPATCH

PREAMBLE In order to satisfy an urgent or emergency short term customer requirement, the Company may request immediate manpower dispatch from the Union.

In the event such circumstance may arise, it is understood and agreed that:

1. Senior management will advise the Union of the circumstances requiring immediate dispatch.
2. The specific job/project will be identified with the anticipated duration, if known, indicated.
3. Immediate dispatch will take place. In order to fulfill this request, the Union may be required to vary from the Seniority list.
4. If the senior person is not dispatched, it will not count as a "By-Pass".
5. In the event the dispatch is not in accordance with the Seniority provisions of the Collective Agreement, the individual dispatched will be laid off when the job/project is completed after a minimum of two (2) working days or a maximum of three (3) working days.

It is not the intent of this Agreement to circumvent the Seniority provisions of the Collective Agreement, but to allow the Company to immediately respond to an urgent short term customer need.

APPENDIX "C"

INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE WORKERS LODGE 692 WAGE RATES AND CLASSIFICATIONS

Section 1 The following classifications are those for which this Union is a Certified Bargaining Agent, and the rates listed shall be paid to workers employed in those classifications.

CLASSIFICATION

	<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
Engine Fitters	\$37.80	\$38.75	\$39.71	\$40.91	\$42.13
Mechanics	\$37.80	\$38.75	\$39.71	\$40.91	\$42.13
Machinists	\$37.80	\$38.75	\$39.71	\$40.91	\$42.13
Machinists Fitters	\$37.80	\$38.75	\$39.71	\$40.91	\$42.13
Helpers	\$34.90	\$35.78	\$36.67	\$37.77	\$38.90

NOTE: Any existing wage premiums to be continued to individuals receiving them.

LEADHANDS Two percent (2%) per hour above Journeyperson rate.

CHARGEHANDS Nine percent (9%) per hour above Journeyperson rate.

1. Where existing supervisory differentials are greater than above, they will continue to the individuals receiving them.
2. **Chargehand**
An employee who is assigned to instruct others in the performance of their work and who may be held responsible for the quantity and quality of work.
3. A "large machine" differential of ten cents (10¢) per hour over tradesmen rate to be paid to machinists tradesmen while operating such large machines at VSY. Definition of what constitutes a large machine to be clarified with each individual yard involved.
4. Machinists to receive "dirty money" while working with fibreglass.
5. A premium of fifteen cents (15¢) per hour to be paid to Machinists while operating the Large Lathe Washington, Niles Vertical Boring Mill, Niles Horizontal Boring Mill, Tos Boring Mill and Skoda Lathe at Vancouver Drydock.

6. Due to the number of personal tools required by Lodge 692 members, an additional eleven cents (11¢) per hour will be provided to assist with the purchase of tools. Company to determine tool inventory list.

APPRENTICES

- Section 1** When the Company requires apprentices, it agrees to advise the Union. When an apprentice is hired, the Union shall be advised. Apprentices, on completion of their probationary period of ninety (90) days, shall be part of the bargaining unit and shall be required to become and remain members of the Union while covered by this Agreement.
- Section 2** The apprentices will serve a four (4) year term and upon successful completion, shall be given seniority in their trade equal to their apprenticeship training period with the Company as of the date of hire.
- Section 3** The Company will make up the difference in remuneration between the Government allowance and their regular pay for any apprentice attending an approved apprenticeship course.
- Section 4** The Company shall recognize the standard apprentice/journeyman ratio as established by the Union. One (1) apprentice to four (4) journeymen.
- Section 5** Rates of pay for apprentices shall be a percentage of the journeyman's rate as set out below:

Percentage		<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
1 st	6 months – 55%	\$20.79	\$21.31	\$21.84	\$22.50	\$23.17
2 nd	6 months – 60%	\$22.68	\$23.25	\$23.83	\$24.55	\$25.28
3 rd	6 months – 65%	\$24.57	\$25.19	\$25.82	\$26.59	\$27.39
4 th	6 months – 70%	\$26.46	\$27.12	\$27.80	\$28.63	\$29.49
5 th	6 months – 75%	\$28.36	\$29.06	\$29.79	\$30.69	\$31.61
6 th	6 months – 80%	\$30.24	\$31.00	\$31.77	\$32.73	\$33.71
7 th	6 months – 85%	\$32.13	\$32.93	\$33.76	\$34.77	\$35.81
8 th	6 months – 90%	\$34.02	\$34.88	\$35.74	\$36.82	\$37.92

APPENDIX "D"

UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPEFITTING INDUSTRY OF THE UNITED STATES AND CANADA, LOCAL 170

Section 1 The following classifications are those for which this Union has jurisdiction. The rates as listed shall be paid to workers employed in those classifications.

CHARGEHANDS - Nine percent (9%) per hour differential over Journeyman's rate.

CLASSIFICATION:

Pipefitters	<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
	\$37.80	\$38.75	\$39.71	\$40.91	\$42.13

Section 2 For the purpose of this Agreement, the various tradespersons comprising the United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, Local Union No. 170 are defined as follows:

- (a) All pipe installations, renewing, removing and repairing shall be classed as Pipefitting work, with the exception of the installation of sprinkler systems for fire protection.
- (b) All work on sprinkler systems for fire protection, the Company agrees to pay the same rate of wages, plus Health, Welfare and Pension benefits to pipefitters as paid for sprinkler work as per the CLRA Local 170 Agreement.
- (c) Tool and clothing allowance shall not be applicable when sprinkler rates apply.

Section 3 Apprentices

The terms of apprenticeship for the Plumbing, Steamfitting and Sprinklerfitting Trades will be four (4) years. This means that every indentured Apprentice, who has worked at the trade for four (4) years or more, and has completed five (5) years of day school Technical Training, including successfully passing the Interprovincial Examination, will be issued a Certificate of Apprenticeship by the Provincial Government.

Minimum Apprenticeship rates shall be as follows:

Percentage		<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
1 st	6 months – 55%	\$20.79	\$21.31	\$21.84	\$22.50	\$23.17
2 nd	6 months – 60%	\$22.68	\$23.25	\$23.83	\$24.55	\$25.28
3 rd	6 months – 65%	\$24.57	\$25.19	\$25.82	\$26.59	\$27.39
4 th	6 months – 70%	\$26.46	\$27.12	\$27.80	\$28.63	\$29.49
5 th	6 months – 75%	\$28.36	\$29.06	\$29.79	\$30.69	\$31.61
6 th	6 months – 80%	\$30.24	\$31.00	\$31.77	\$32.73	\$33.71
7 th	6 months – 85%	\$32.13	\$32.93	\$33.76	\$34.77	\$35.81
8 th	6 months – 90%	\$34.02	\$34.88	\$35.74	\$36.82	\$37.92

PIPING INDUSTRY APPRENTICESHIP BOARD

The Company agrees to pay the Piping Industry Apprenticeship Board the sum of ten cents (10¢) per hour for each hour earned.

APPENDIX "E"

**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL 213**

As per the collective agreement:	<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
The common Journeyperson rate is:	\$37.80	\$38.75	\$39.71	\$40.91	\$42.13
The common Health/Welfare & Pension rate is:	\$6.40	\$6.60	\$6.80	\$7.00	\$7.20

The following classifications are those for which the Union has jurisdiction. The rates as listed below are the rates that shall be paid to workers employed in those classifications with the voluntary contribution to Health, Welfare & Pension deducted.

CHARGEHAND: Nine percent (9%) per hour differential above Journeyperson's Rate.

LEADHAND: Two percent (2%) per hour over Journeyperson's rate.

Apprentices: (percentages)

		<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
1 st	6 months – 55%	\$20.79	\$21.31	\$21.84	\$22.50	\$23.17
2 nd	6 months – 60%	\$22.68	\$23.25	\$23.83	\$24.55	\$25.28
3 rd	6 months – 65%	\$24.57	\$25.19	\$25.82	\$26.59	\$27.39
4 th	6 months – 70%	\$26.46	\$27.12	\$27.80	\$28.63	\$29.49
5 th	6 months – 75%	\$28.36	\$29.06	\$29.79	\$30.69	\$31.61
6 th	6 months – 80%	\$30.24	\$31.00	\$31.77	\$32.73	\$33.71
7 th	6 months – 85%	\$32.13	\$32.93	\$33.76	\$34.77	\$35.81
8 th	6 months – 90%	\$34.02	\$34.88	\$35.74	\$36.82	\$37.92

The Company shall recognize the standard apprentice/journeyman ratio as established by the Union.

ELECTRICIANS:

Electricians, while spray cleaning electrical equipment, are to be paid twenty cents (20¢) per hour over the classification rate of pay while so employed.

TRAINING FUND:

The Company will remit ten cents (10¢) per hour for each hour earned to the Marine Industry Joint Electrical Training Plan.

APPENDIX "F"

MARINE & SHIPBUILDERS LOCAL 506

The following classifications are those for which this Union has jurisdiction and the rates listed shall be paid to employees in these classifications.

CHARGEHANDS Journeyperson's rate plus nine percent (9%) per hour.
Where existing supervisory differentials are greater than shown here, they will continue to the individual receiving them.

LEADHANDS Journeyperson's rate plus two percent (2%) per hour.
Same applies.

CLASSIFICATION	WAGE RATE				
	<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
Journeyperson	\$37.80	\$38.75	\$39.71	\$40.91	\$42.13

APPRENTICES

1. When the Company requires apprentices, it agrees to advise the Union. When an apprentice is hired the Union will be notified.
2. The apprentice will serve a four (4) year apprenticeship and upon successful completion, shall be given seniority in their trade equal to their apprenticeship training with the Company.
3. The Company will make up any difference in remuneration between the government allowance and regular pay for any apprentice attending an approved apprenticeship course.
4. The Company shall recognize the standard apprentice/journeyperson's rate as set out as follows:

Apprentices: (percentage)

		<u>Mar 1/13</u>	<u>Mar 1/14</u>	<u>Mar 1/15</u>	<u>Mar 1/16</u>	<u>Mar 1/17</u>
1 st	6 months – 55%	\$20.79	\$21.31	\$21.84	\$22.50	\$23.17
2 nd	6 months – 60%	\$22.68	\$23.25	\$23.83	\$24.55	\$25.28
3 rd	6 months – 65%	\$24.57	\$25.19	\$25.82	\$26.59	\$27.39
4 th	6 months – 70%	\$26.46	\$27.12	\$27.80	\$28.63	\$29.49
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6 th	6 months – 80%	\$30.24	\$31.00	\$31.77	\$32.73	\$33.71

7 th	6 months – 85%	\$32.13	\$32.93	\$33.76	\$34.77	\$35.81
8 th	6 months – 90%	\$34.02	\$34.88	\$35.74	\$36.82	\$37.92

The above schedules represent the negotiated common wage rates for each Local 506 classification. In order to secure adequate funding for the Health/Welfare and Pension Plans, the members of Local 506 have directed that the hourly wage rates for each classification will be reduced by,

\$1.89/hour

The employer undertakes that in all reporting to its Local 506 employees and to Revenue Canada, no payments to the Health/Welfare and Pension Plans will be included in, or reported as, employee wages, nor will they be included when determining CPP or EI contributions nor WCB benefits.

VANCOUVER DRYDOCK CLASSIFICATION COVERED

Joiners

UPGRADING

Joint Committee to be established between the Company and the Union to evaluate the potential of in-yard employees for apprenticeships and upgrading.

LETTERS OF UNDERSTANDING

A. MANPOWER DISPATCH

PREAMBLE In order to satisfy an urgent or emergency short term customer requirement, the Company may request immediate manpower dispatch from the Union.

In the event such circumstance may arise, it is understood and agreed that:

1. Senior management will advise the Union of the circumstances requiring immediate dispatch.
2. The specific job/project will be identified with the anticipated duration, if known, indicated.
3. Immediate dispatch will take place. In order to fulfill this request, the Union may be required to vary from the Seniority list.
4. If the senior person is not dispatched, it will not count as a "By-Pass".

5. In the event the dispatch is not in accordance with the Seniority provisions of the Collective Agreement, the individual dispatched will be laid off when the job/project is completed after a minimum of two (2) working days or a maximum of three (3) working days.

It is not the intent of this Agreement to circumvent the Seniority provisions of the Collective Agreement, but to allow the Company to immediately respond to an urgent short term customer need.