
COLLECTIVE AGREEMENT

Between

VICTORIA SHIPYARDS CO LTD

And

INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS
AND HELPERS, LODGE 191

Victoria BC

March 1, 2013 – February 29, 2016



1. **UNION RECOGNITION**

The Company recognizes the Union as the exclusive representative of all unionized employees involved in performing work at and from the Company's operations at the Esquimalt Graving Dock.

2. **MANAGEMENT RIGHTS**

The Union recognizes that the management and operation of the Company and the direction of the work force is vested exclusively in the Employer.

3. **UNION REPRESENTATIVES**

The Representatives of the Unions may have access to the Company's Shops or Yards by applying for permission through the office, provided that eligible workers are not caused to neglect their work. Management may withdraw this privilege for good reason.

4. **UNION SECURITY**

- (a) Each employee covered by this agreement shall, as a condition of employment, be and remain or become and remain a member of the Union.
- (b) When the Company requires employees, it shall request the Union to refer suitable members. In cases where the Company rejects individuals it does not consider qualified and suitable, the Union will be notified in writing of the reasons for rejection and the Union shall promptly furnish a replacement. Rejections shall not be arbitrary or without valid reason. The Company may name request Chargehands based on previously demonstrated supervisory experience.

New employees and employees who have been out of service for two (2) years or more will be required to attend a Company paid fitness evaluation prior to being hired.

For employees who have completed their probationary period but corrective performance or behaviour (i.e. poor attendance, etc.) measures are necessary, the principles of progressive discipline will apply (i.e. verbal, written, suspension, termination) subject to the severity of the matter and previous personnel record.

A Union representative shall be present at any disciplinary meeting and/or investigative meeting that may lead to disciplinary action against any member of the bargaining unit.

- (c) Upon written authorization from the employee, the Company will deduct Union initiation fees, dues and assessments from the wages of each employee and remit same to the Union monthly, together with a list showing the amount deducted for each employee.
- (d) The Company shall recognize a Shop Steward(s) appointed by the Union.

- (e) Union dues shall be deducted from the employee's first pay cheque.
- (f) There shall be no discrimination against a member of the Unions because of his/her or her lawful activities on behalf of the Unions.

5. HOURS OF WORK

- (a) **Day Shift** – 8 working hours/day – Normally 0730 – 1600.
- (b) **Afternoon Shift** – 8 working hours/day (1600 – 0030) – Shift differential of \$2.50 per hour earned.
- (c) **Graveyard Shift** – 8 hours paid for 7 hours worked/day (2400 – 0730) – plus 50 cent shift premium per hour earned. Health and Welfare, Pension and Stabilization payments will equal 8 hours for 7 hours worked.
- (d) **Two (2) Hours Flexibility** – two (2) hours flexibility for earlier or later starting times as may be required to meet specific job requirements is applicable to all shifts.
- (e) **Shift Changes** – When an employee is instructed to change shifts (Days, Afternoons, and Graveyards) they will be provided 8 hours rest between shifts. If that shift change does not last three (3) shifts or more, the time worked on these shifts shall be paid at overtime rates, unless there is a break of two (2) non-working days or in extenuating circumstances, mutually agreed to between the Parties.

An employee, who has completed their shift, where there is less than 8 hours between shifts, may not be required to report for their shift until there is 8 hours from the time they finished work. In such cases, they will be paid for the portion of the 8 hours which they would have been working on their shift at straight time rates. If required to report to work, without an 8 hour break, overtime shall be paid for hours worked within the 8 hour rest period.

- (f) It is the intention of the Company to use an audible signal five (5) minutes before the end of the shift to allow employees to clean up their work site and put away tools. Employees are to remain at their job site until the final whistle except under extraordinary conditions as previously agreed to by their supervisor.
- (g) **Lunch Break** – Thirty minute unpaid meal break to be provided each shift.

- (h) **Coffee Breaks** – There will be a (10) minute coffee break in the morning and in the afternoon. The employer will designate coffee break facilities near or on the job site. (Subject to LOU # 8)
- (i) **Overtime Work and Call Out Time** – It is understood by both Parties that overtime worked is not the desire of either Party but is a condition peculiar to the ship repair industry. The Unions agree to cooperate to provide adequate and competent help to carry out the work which is necessary to be done on overtime.
- The Company agrees to cooperate 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.
- (j) All overtime shall be paid at the rate of double time (including Saturdays, Sundays and all Statutory Holidays). Note: Payment of overtime under this Article is subject to different arrangements for jobs “enabled” by the Parties under Article 11(j).
- (k) Employees called in, after their regular shift, shall be paid a minimum four (4) hours at the overtime rates (this does not apply to pre-scheduled overtime). For employees called in to dock or undock a vessel, the minimum payment shall be two (2) hours, instead of the four (4) hours.
- (l) Employees who are notified to report for work on a regular shift and do so shall receive a minimum of two (2) hours pay.
- (m) Employees who start work on a regular shift shall be guaranteed four (4) hours pay, except if for reasons beyond the control of the Company, such as plant breakdown or inclement weather, it is necessary to cease partial or full operations, employees may be sent home and paid only for the time worked with a guarantee of two (2) hours pay.
- (n) **Overtime Meals** - In the case of an employee required to work unscheduled overtime following their regular shift for more than two (2) hours the employee shall receive an extra thirty (30) minutes pay at time and one half and \$20.00 to compensate for the cost of the meal. The \$20.00 does not apply to pre-scheduled overtime. Any employees working overtime for less than two (2) hours following their regular shift will receive a 10 minute coffee break at the conclusion of their regular shift.

(o) **Banked Overtime**

Employees will select one of the following three (3) Banked Overtime options:

- i) One hundred percent (100%) cash – no time off.
- ii) Fifty percent (50%) cash and fifty (50%) time off. (160 hours max)
- iii) One hundred percent (100%) time off. (160 hours max)

Time off will be taken in multiples of two (2) hours:

- 1. By Company designation, i.e. The Company may require an employee to exercise their banked overtime if the alternative is for that employee to be laid off.
- 2. By mutual agreement between the Parties.
- 3. Any banked time over 80 hours will be paid out at the end of each calendar year.
- 4. At the discretion of the Company, Banked OT may be used by employees to offset sick days in order to maintain their wages. These days will still count towards absenteeism.
- 5. Once per year the employee may cash out their banked overtime. They will then be switched to 100% cash, option i), until the employee reselects to bank their overtime at the next selection date.

- (p) Employees injured on the job and sent home on WCB will be paid for the balance of the shift.

6. **NO DISRUPTION OF WORK**

- (a) The Union agrees that there will no strikes or any other activity on the part of the Union or the employees which will halt, limit, disrupt or interfere with the normal operations, during the life of this Agreement.
- (b) The Company agrees that there will be no lockout of employees during the life of this agreement.

7. GRIEVANCE & ARBITRATION PROCEDURES

- (a) Any dispute arising out of this Agreement shall be settled under the Grievance Procedure. "Grievance" means any difference between the Parties bound by this Agreement concerning the interpretation, application, operation, or alleged violation thereof, and "Party" means one of the Parties of this Agreement.
- (b) All grievances shall be finally and conclusively settled without stoppage of work in the manner following:
1. To solve a grievance, an Employee shall first, with his/her Shop Steward, discuss it with his/her Foreman or Supervisor.
 2. Failing settlement within three (3) days under Clause 1 above, the particulars shall be set forth in writing by the Party and processed with an officer of the Union with an official of the Company.
 3. Failing settlement within three (3) days under Clause 2 above, it shall then be processed by an officer of the Union with an Official of the Company.
 4. If the grievance is not processed pursuant to Clause 3 above, within seven (7) days, or such longer term as the Parties agree to, then it shall be referred to an Arbitration Board of three (3) persons as follows:
 - i) The Party desiring the Arbitration shall appoint a member for the Board and shall notify the other Party in writing of its appointment and particulars of the matter in dispute.
 - ii) The Party receiving the notice shall within (5) days thereafter appoint a member for the Board and notify the other Party of its appointment.
 - iii) The two Arbitrators so appointed shall confer to select a third person to be Chairman and, failing to agree within three (3) days of a person willing to act, either of them may apply to the Labour Relations Board to appoint such a third member.

The Arbitration Board shall sit, hear the Parties and make its award within ten (10) days from the date of appointment of the Chairman, provided that the time may be extended by agreement of the Parties. The Board shall deliver its award to each of the Parties and the award of a majority of the Board shall be the award of the Board and shall be final and binding upon the Parties and they shall carry it out forthwith.

- iv) Each Party shall pay its own costs and expenses of Arbitration; the remuneration and disbursements of its appointee to the Board, and one-half (1/2) of the compensation and expenses of the Chairman and Stenographer and other expenses of the Board.

Both Parties may agree to use a single Arbitrator.

8. PROBATION, SENIORITY AND RECALL

- (a) The probationary period for new employees is sixty (60) days worked within a six (6) month period.
- (b) Layoff and recall to be on basis of Company seniority, provided qualifications, experience and demonstrated ability are equal.
- (c) The Company shall have the right to temporarily retain Charge hands out of seniority for the balance of a project, providing that the Chargehand had been appointed for at least fifty (50%) of the job. Also, junior employees may be temporarily retained out of seniority in order to complete specific short-term jobs they are working on.
- (d) Recall period is two (2) years, after which seniority and employee status is lost.
- (e) Employees to be given one (1) hour notice of layoff and the Company will inform the Union at that time or earlier.
- (f) In March 1996, the "Manpower supply unions" were given the opportunity of opting out of seniority provisions of the collective agreement, substituting instead 50/50 name hire arrangements. Their decisions were communicated to the Company in writing by the Boilermakers, Lodge 191 on April 3, 1996.

9. STATUTORY HOLIDAYS

- (a) 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
Good Friday	BC Day	Christmas Day
Easter Monday	Labour Day	Boxing Day
Victoria Day	Thanksgiving Day	One Floating Day (to be observed in the Christmas period)
Family Day		

- (b) Statutory Holidays falling on a Saturday or Sunday shall be observed on the Monday and/or Tuesday following.
- (c) Statutory Holiday pay will be calculated as five and four tenths percent (5.4%) of gross earnings (Effective March 1, 2013) and shall be added to each employee's pay each pay period.

10. **VACATIONS**

- (a) The vacation year shall be from the first pay period in July to the last pay period in June.
- (b) All employees covered by the agreement with less than two (2) years' service with the Company, shall receive vacations in accordance with the Employment Standards Act – 4% of gross earnings.

Otherwise, entitlement is as follows:

2 years or more	3 weeks	6% of gross earnings
8 years or more	4 weeks	8% of gross earnings
15 years or more	5 weeks	10% of gross earnings
20 years or more	6 weeks	12% of gross earnings
25 years or more	additional 1 day/.4% per year to a maximum of 35 days	14% of gross earnings.

- (c) Vacation pay and entitlement to be calculated on a basis of pay periods (26=1 year), of which the employee must work at least five (5) days to count (including time off on WCB or Weekly Indemnity).
- (d) Increased vacation percentage to be effective from date of accumulation of sufficient credit.
- (e) 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.

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. If vacation entitlement is not taken by June, all monies will be paid out and the earned vacation entitlement for that year will be forfeited.

11. GENERAL PROVISIONS

- (a) **Productivity & Flexibility** The Union and employees shall cooperate with the Company to the fullest extent to increase production and facilitate completion of all jobs in the best possible time frame.

Work assignments shall be allocated on the basis of employee skills and manpower necessary to work safely and efficiently. While each employee will normally be assigned work on the basis of his/her acquired skills and certified competency, in order to progress the job as efficiently as possible, he/she will also do all other things necessary to advance his/her assigned work including assisting other workers and generally contributing to an effective, efficient work team.

- (b) With respect to Lodge 191 classifications, and consistent with Article 11(a) 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. The intention is for one (1) person to perform a one (1) person job and do what is necessary to advance his/her assigned task. For example, during the course of a shift and subject to an employee's demonstrated skills, Shipfitters may be assigned tacking and burning duties. Welders may be assigned fitting duties. The applicable Shop Steward will be kept informed of determination by the Company of newly established one person jobs in advance and given the opportunity to voice any concerns.

- (c) **Bereavement Pay** In case of death in the immediate family, each employee shall be granted leave of absence for the purpose of arranging or attending a funeral, to a maximum of three (3) consecutive working days, with full pay. Immediate family shall mean spouse, children, parent, step-parent, sister, brother, mother-in-law, father-in-law, grandparent, grandchildren. In order to qualify for Bereavement Pay, employees must have worked the sixty (60) day probationary period to attain seniority. Employees, who are not on the seniority system, must have worked sixty (60) days in the previous two (2) years.

- (d) **Jury Duty** All the 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 his/her regular pay and the amount he/she receives for such jury duty, provided however, that any such employee shall make himself/herself available for work before or after being required for such

jury duty whenever practicable. This clause is applicable only to employees that have been employed continuously for one (1) month.

- (e) **Dirty Money** Premium of eight percent (8%) per hour worked. Not applicable when part of normal duties for classification.
- (f) **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 his/her tools on a form supplied by the Company to be eligible for replacement. This list to be made up on Company time.
- (g) **Welder's Gloves** Welder's gloves will be replaced upon acceptable verification of loss or when rendered useless for welding.
- (h) **Plant & Safety Rules** The Company's Plant and Safety Rules will be incorporated into booklet form and given to all employees or posted in a conspicuous place. Such rules will not be inconsistent with the Collective Agreement and any violation of same will be subject to disciplinary action.
- (i) **Short Term Manpower Requirements** To fulfill short-term manpower requirements, the Parties agree to meet on an as needed basis to establish provisions for interchange of work force between Seaspan unionized Shipyards and to attract manpower from out of town.
- (j) **Enabling Clause** To enable the Company to obtain more work, the Parties may determine, on a job by job basis, to amend the terms of this collective agreement.
- (k) The Parties will meet to determine conditions necessary for successful implementation of a Trades Helper classification and training program. All existing seniority ranked Helpers will be grandfathered.
- (l) The Company utilizes outside contractors for all staging due to liability and lack of certified equipment, training and documentation. Existing stagers will be classified as Trades Helpers and offered training opportunities to become journeymen.
- (m) **Harassment** The Union and the Employer recognize the right of the employee to work in an environment free from 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.

- (n) **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 wherever possible.

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 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 and the Company will consider same.

12. **SEVERANCE PAY**

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 per year (minimum 15 days)
Greater than 20 years service	1 day/year (if age 60 or over, minimum 30 days)

Pay period accumulation for vacation credits will be used to determine length of service when calculating severance pay entitlement.

In cases where an employee has earned severance pay but dies before retirement, the severance pay will be paid to his/her designated beneficiary.

13. **WELFARE & PENSION**

- (a) Company to remit one hour's contribution for each vacation and statutory holiday hour earned.
- (b) Contribution remittances to Union plans shall be made by the Company not later than the 15th day of the month following, together with a list of the employees and the number of hours earned by each.
- (c) Any rebate of EI premiums will be retained by the Company to offset increased plan costs. Should, in any contract year, the EI rebate exceed the negotiated increase in employer costs under this Article, then the difference would be paid directly to the Union plan.

14. **MONETARY PACKAGE**

Wages & Health, Welfare and Pension Increases:

<u>Date</u>	<u>Wages</u>	<u>HW& P</u>
March 1, 2013	2%	\$0.20
March 1, 2014	2.5%	\$0.20
March 1, 2015	2.5%	\$0.20

Wages and Statutory Holiday pay will be retroactively calculated from March 1, 2013 and will be paid by a separate EFT.

15. **Wage Rates, Welfare & Pension Contributions, Tool and Stabilization Fund**

	<u>Mar 1, 2013</u>	<u>Mar 1, 2014</u>	<u>Mar 1, 2015</u>
Trade	\$36.55	\$37.46	\$38.40
Stabilization Fund	\$ 0.12	\$ 0.12	\$ 0.12
Welfare & Pension	\$ 7.40	\$ 7.60	\$ 7.80
Tool Allowance	<u>\$ 0.12</u>	<u>\$ 0.12</u>	<u>\$ 0.12</u>
	\$44.19	\$45.30	\$46.44
Semi-Skilled	\$33.55	\$34.39	\$35.25
Stabilization Fund	\$ 0.12	\$ 0.12	\$ 0.12
Welfare & Pension	<u>\$ 7.40</u>	<u>\$ 7.60</u>	<u>\$ 7.80</u>
	\$41.07	\$42.11	\$43.17
Unskilled	\$29.25	\$29.98	\$30.73
Stabilization Fund	\$ 0.12	\$ 0.12	\$ 0.12
Welfare & Pension	<u>\$ 7.40</u>	<u>\$ 7.60</u>	<u>\$ 7.80</u>
	\$36.77	\$37.70	\$38.65
Unskilled Probationary	\$24.77	\$25.39	\$26.02
Stabilization Fund	\$ 0.12	\$ 0.12	\$ 0.12
Welfare & Pension	<u>\$ 7.40</u>	<u>\$ 7.60</u>	<u>\$ 7.80</u>
	\$32.29	\$33.11	\$33.94
Entry Level Unskilled Probationary	\$18.28	\$18.74	\$19.21
Stabilization Fund	\$ 0.12	\$ 0.12	\$ 0.12
Welfare & Pension	<u>\$ 7.40</u>	<u>\$ 7.60</u>	<u>\$ 7.80</u>
	\$25.80	\$26.46	\$27.13

CHARGEHAND RATE

Classification rate plus 9%

SENIOR CHARGEHAND RATE

Classification rate plus 14%

16. APPRENTICESHIP WAGE SCALE

The rates of pay for Apprentices, shown as a percentage of the Journeyman rate are:

1 st Term	850 Hours* and six months	55%
2 nd Term	850 Hours* and six months	60%
3 rd Term	850 Hours* and six months	65%
4 th Term	850 Hours* and six months	70%
5 th Term	850 Hours* and six months	75%
6 th Term	850 Hours* and six months	80%
7 th Term	850 Hours* and six months	85%
8 th Term	850 Hours* and six months	90%
9 th Term**	850 Hours* and six months	95%

* Worked hours not including school period.

** 9th term is for five (5) year programs

- Apprentice will receive trade rate upon verification of Trade Qualification by the Company.
- The increase will be in accordance with the above and the completion of the required school period. Unforeseen circumstances will be discussed.
- The Company may adjust the requirements to recognize previous experience and Trade Qualification challenges as necessary.
- The Unions agree to provide the Company with the required documents needed to obtain any tax credits, grants or government funds related to Apprentices.

APPRENTICESHIP COMMITTEE

Committee Composition

The Committee shall be comprised of equal representation of Management representatives and Union representatives who will meet on a bi-monthly basis with the following Terms of Reference:

Terms of Reference

- Ensure all Apprentices are employed in accordance with the provisions of the British Columbia Apprenticeship Act and all requirements of the Industry Training Authority (ITA) for Apprenticeship training are incorporated into the Company Apprenticeship Training Program;
- Make recommendations to Senior Management on the operation of the VSL Apprenticeship Training Program;
- Review the work activity and trade requirements and make recommendations to senior management to determine the number of Apprentices to Journeypersons in each classification;
- Identify trades where apprenticeships are required and should be established;
- Monitor and review the job training and progress of apprentices, including trade/apprentice ratios;
- Develop competency based assessment criteria for the selection of Apprentices.

Apprenticeship Principles

Apprentices are employees in training and entitled to:

- Instruction in all aspects of the trade being learned including the use of tools.
- The support of Supervision and Journeyperson working on the job on which Apprentices are employed. Under the guidance of the Journeyperson and Supervisor the Apprentice may perform any part of the trade of a Journeyperson.

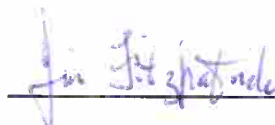
Attendance and training at a recognized vocational institute in accordance with the ITA/Apprenticeship contract and/or any other formal training recommended by the Company.

17. **DURATION**

- (a) This Agreement shall remain in effect to February 29, 2016 and shall continue from year to year thereafter subject to the right of either Party, within four (4) months immediately preceding the expiry date or the anniversary date in any year thereafter, by written notice to the other Party, to require collective bargaining to commence with a view to bargaining a renewal Agreement.
- (b) Should either Party give written notice to the other Party to commence bargaining as per (a) above, this Agreement shall continue in full force and effect until a strike or lockout actually commences, or the Parties conclude a renewal Agreement.
- (c) The operation of Section 50 (2) and (3) of the BC Labour Code is hereby excluded from the operation of this Agreement.

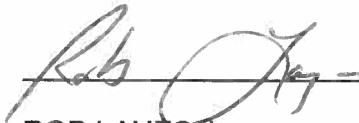
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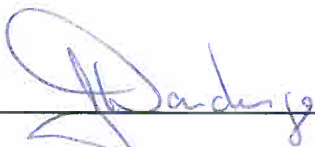
MALCOLM BARKER

JIM FITZPATRICK



IAN LEWIS

ROB LAUZON



JERRY DARDENGO

RICHARD MACINTOSH

Dated at Victoria, British Columbia this 18 day of MARCH, 2014.

LETTERS OF UNDERSTANDING

1. SANITATION PREMIUM

It is agreed that a 50% premium will apply for workers inside ship's sanitation tanks. Other unique circumstances will be discussed between the Parties prior to the job commencing. Once the tank has been cleaned of the sanitation contaminant, the premium does not apply.

2. STAGING EQUIPMENT

It is agreed that, due to lack of staging equipment in our facility, it has been the policy of the Company to utilize outside unionized contractors for staging. However, we confirm that wherever possible a 1-1 hire will be implemented with Local 191 personnel.

3. ENABLING CLAUSE

In the 1996 collective agreement it was agreed to delete Clause 4(g) "Alternate Work Schedule". It was agreed by both Parties that this item could be adequately covered under clause 11(j) "Enabling Clause".

The focus of the enabling clause is to institute a flexible rotational work week with premium free weekends. Both Parties would strive to implement this philosophy wherever possible as there are marked benefits to both Union and Company alike, whereas under this provision the Company could employ more individuals for a given number of man-hours and at the same time the Company could reduce costs due to premium free weekends.

4. FEDERAL CONTRACTORS PROGRAM (EMPLOYMENT EQUITY)

In view of Federal legislation on the Federal Contractors Program and the requirement to conform to the Employment Equity Policy, the Company and the Union 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, upon 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 this respect.

5. The Union will identify in writing their preference for submission of Health, Welfare and Pension cheques. (one cheque or two, to the Union or the Carrier).

6. 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, in good faith, a Letter of Understanding that will provide the necessary labour stability and be in force for the duration of the contract.

7. COPE 378

Items agreed to:

Proposal #2 – Name Change

Proposal #4 – Modify PURPOSE language to include additional discrimination language in accordance with the Human Rights Code of BC.

Proposal #6 – Assignment of Wages and Employee Information.

In addition, the Company agrees to provide updated Job Descriptions to each COPE 378 employee and the Union, and the Parties will meet within 60 days of ratification to continue to review and confirm the correct number of classifications and corresponding wage scale.

8. COFFEE BREAK (Trial Basis)

The Parties agree to experiment with an alternative break schedule within six months of ratification of the new agreement.

-2nd coffee break will be removed, allowing employees to leave 15 minutes earlier with pay; the 1st coffee break time and lunch break will be moved back to better balance the work and break times, as follows:

1 ST Shift Start (Days)	7:30 am
Coffee Break	10:00-10:10 am.
Lunch Break	12:30-01:00 pm
Shift Ends	3:45 pm
Paid to	4:00 pm
2 nd Shift (Afternoon)	3:45 pm
Coffee Break	6:15 - 6:25 pm
Lunch Break	8:45 – 9:15 pm
Shift Ends	12:00 am
Paid to	12:15 am
3 rd Shift (Graveyard)	12:00 am
Coffee Break	2:30 – 2:40 am
Lunch Break	4:30 – 5:00 am
Shift Ends	7:15 am
Paid to	7:30 am

On completion of a three month trial period, the Union members will vote to determine which schedule is preferred for implementation.

9. CONFINED SPACE – SAND BLASTING AND SPRAY PAINTING

Time and one-quarter (x 1.25) shall be paid when sandblasters and/or spray painters are required to work for one (1) hour or more in an enclosed space, the dimensions of which restrain the employee to working in a kneeling position or lower, precluding him/her from periodically standing.

Other unique situations will be discussed between the Company and Union and evaluated on their merits as soon as practicable on a job to job basis.

10. CWB CERTIFICATION PROCESS AND COSTS

If their C.W.B. tickets are about to expire while they are employed at Victoria Shipyards, their costs for the test will be covered by the Company (within recommended testing time limits).

If they are on seniority and their C.W.B. expires when they are not employed by the Company but would have worked thirty (30) in the last ninety (90) days for the Company, we would sponsor and pay these welder's school fees.

It is the responsibility of all welders to renew their C.W.B. tickets prior to the expiry date. If expired and you are within ninety (90) days, then only a check test is required and only that cost will be covered by the Company for seniority ranked employees.

11. TRAVEL TIME

Wage rates for all travel time will be at straight time (including weekends and Statutory Holidays), up to a daily maximum of eight (8) hours. Time spent travelling, before and after their regular eight (8) hour shift, will be paid at time and one half (1-1/2).

If employees are required to commence work after their travel or travel after having worked their full shift or part time shift, time will be paid at straight time rates during their regular shift hours and at time and one half (1-1/2) for all hours before and after their regular eight (8) hour shift.

12. LATE LUNCH

In order to complete projects on time and with minimal disruptions to other workers, employees may be asked to work over their lunch period. Employees asked to work during their lunch without adequate preparation time will be paid for the time they work over the lunch break period at regular time and will be given a paid lunch break later (within five (5) hours of continuous work). Employees who have been scheduled to work over the normal lunch period will be given an unpaid lunch break as soon as possible (within five (5) hours of continuous work).

13. MILEAGE

When an employee uses his/her vehicle for Company business to attend a work station that is in excess of 16 km (10 Miles) from Victoria Shipyards site he/she shall be reimbursed the corporate mileage policy rate per kilometre.

14. WELDERS – C LEVEL/FOUNDATIONS

Level C Welders or Foundation Level Welders will be hired when the Union is unable to provide suitably qualified Welders (14.6), under the following terms:

1. An additional C/Foundation welder cannot be hired while a journeyman Union member is on seniority, available and capable of performing the work.
2. A C/Foundation level welder will have no seniority over any journeyman.
3. The C level welder shall be chosen by a Union and Company representative. The rate of pay shall be no more than 80% of the trade rate.
4. C level welders shall be given the support of the journeyman working on the job on which the C level is employed with the supervision of the Chargehand.
5. In the event of a reduction of work, the C level welder shall be laid off first and on rehiring the C level welder shall be hired after all available and capable journeyman able to perform the required work on the seniority list have been offered employment in accordance with 14.6.
6. Journeyman Welder Qualifications and Dispatching Agreement:

These are the basic Welders Qualifications the Company requires, when hiring, to be dispatched in the following sequence:

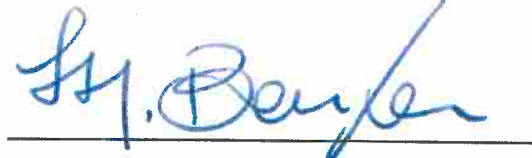
- "A"Level BC, or other equivalent provincial or nationally recognized journeyman with all positions, CWB, SMAW and FCAW.
- "B"Level BC, or other equivalent provincial or nationally recognized journeyman with all positions, CWB, SMAW and FCAW.
- "A" or "B"Level welder, as above, with ASME or other code body tickets but without CWB qualification.
- "C"Level BC Welder
- And any standards the Parties mutually agree to in the future.
- The Company and Union agree to amend the language to reflect any changes in the Welding certification terms from the ITA or RTO.

15. PRE-JOB MEETING

The Parties agree to develop a pre-job template for projects requiring an employee(s) to perform work beyond the sixteen (16) km regular working area. The pre-job meeting will establish terms and conditions for the project such as, but not limited to, hours of work, overtime, meal allowance, travel time, transportation and sea trials.

VICTORIA SHIPYARDS CO LTD

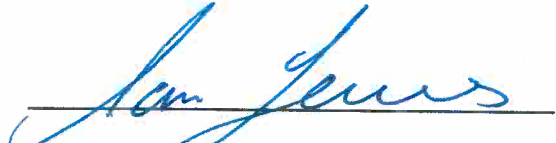
BOILERMAKER LODGE 191



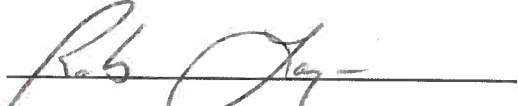
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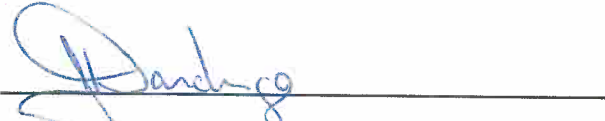
JIM FITZPATRICK



IAN LEWIS



ROB LAUZON



JERRY DARDENGO



RICHARD MACINTOSH

Dated at Victoria, British Columbia this 18 day of MARCH, 2014.