

# **MEMORANDUM OF SETTLEMENT**

## **COLLECTIVE AGREEMENT NEGOTIATIONS**

### **BETWEEN**

Shell Canada Limited  
(Shellburn Terminal)

Hereinafter referred to as "the Company"

AND

Unifor  
Local 114

Hereinafter referred to as "the Union"

Effective April 1, 2016 to March 31, 2019

This Memorandum of Settlement is entered on the 6 day of February 2017. The undersigned parties unanimously agree to present and recommend complete acceptance of all the terms of this memorandum to their respective principals, as constituting final settlement of a new renewed collective agreement.

The Union agrees to schedule their ratification vote for no later than February 15, 2017.

The parties agree that the new collective agreement shall continue to include the terms of the previous collective agreement which expired on March 31, 2016 except for the following mutually agreed to changes and amendments which are to be incorporated into the new collective agreement.

**1. Period of Agreement [Article 1.01]**

- Term to be for three (3) years commencing April 1, 2016 and expiring March 31, 2019.
- With the intent of attaining a settlement for a renewed collective agreement between the parties

**2. Discretionary Payment**

- A non-precedent, one-time lump sum payment of \$300.00 shall be paid to all active hourly employees within 30 days of ratification in recognition for the amendments made for a renewed collective agreement between the parties.

**3. Wage Rates [Schedule B]:**

- The Company agrees to provide a two percent (2%) general wage increase in 2017, effective April 1, 2017, and a two and one half percent (2.5%) general wage increase in 2018, effective April 1, 2018. The rate increases will be rounded to the nearest cent. See Appendix 1 for the wage rate table to be applied.

**4. Shift Bonus [Schedule B]**

- Shift bonus shall be increased as per the 2017 and 2018 wage increase stated in Sections 2 of this Agreement, shown in Appendix 1.
- Shift bonus will be calculated using % in Shell Payroll System vs. specific dollar amount to reduce administration burden. There is no impact to the dollar amount paid. See Appendix 1.

**5. Vacations [Article 7.07] NEW**

- If an employee accepts an overtime shift on a vacation day (v-day) the employee will be able to take the vacation day at another time that is mutually agreed upon between the Union and the Company.
- It is understood that employees on vacation should be called only if there are no other employees able to cover the shift.

**6. Hours of Work [Article 11.01(b) and 11.03]**

- Effective date of ratification, a regular work day for Shiftworkers will start at 5:30am or 5:30pm instead of current time of 6:30am or 6:30pm.
- All articles that refer to the start times of Shiftworkers will be updated (ie. Article 13.0).

#### **7. Disruption Pay [Article 12.13(C)]**

Disruption pay will apply if the vessel arrival time changes and an employee is given less than eight (8) hours' notice (instead of the current time of four (4) hours) of the change to the vessel arrival time.

#### **8. Harassment & Discrimination [Article 19.02]**

- Effective date of ratification, the Company and the Union agree to replace the wording of "Harassment & Discrimination" to "Respectful Workplace". The Company has a comprehensive Respectful Workplace Policy which the Union endorses.

#### **9. Meals [LOU 1]**

- (a) It is the intention of the Company to provide suitable meals when:
- an employee is called out without two (2) hours prior notice to his/her normally scheduled shift starting time
  - an employee is called out on his/her day off and works more than two (2) hours and no provision can be made for him/her to prepare his/her own meal (ie. without two (2) hours prior notice) shall receive a meal after two (2) hours worked and an additional meal every four (4) hours thereafter.
  - an employee is requested to work overtime for a continuous period beyond his/her normal quitting time and no provision can be made for him/her to prepare his/her meal (ie. without two (2) hours prior notice to start of shift) shall receive a meal after two (2) hours of overtime and an additional meal every four (4) hours thereafter.
  - meals shall have a maximum value of (\$18.00)
- (b) An employee may claim a meal allowance (\$18.00) in lieu of the provisions above with a Company supervisor's prior-approval.

#### **10. UNIFOR Leadership Training Fund (LOU 4)**

Effective date of ratification, the Company and Union agree that the UNIFOR Leadership Training Fund will be renamed to Paid Education Leave (PEL). The Company agrees to support Unifor's PEL Program by contributing 5 cents (\$0.05) per hour of regular work for each full time employee. LOU language is written as follows:

The Company agrees to pay into a special fund five cents (5 cents) per hour per employee for all regular hours for the purpose of providing paid education leave. Payments should be made on an annual basis. Cheques will be made payable to:

UNIFOR Leadership Training Fund

UNIFOR  
205 Placer Court  
Toronto, Ontario  
M2H 3H9

Leaves of Absence without Pay will be provided to employees participating in these programs under the terms of Article 17.02, Union Business. Leaves for any one employee will be restricted to twenty days maximum per calendar year for situations covered by the understanding.

The continuation of this Letter of Understanding will be reviewed at the end of this renewal period.

#### **11. Canadian Community Fund [LOU 6] - NEW**

As part of the Collective Agreement dated April 1, 2016 to March 31, 2019, the Company agrees to contribute monies to the National Union for a Canadian Community Fund ("CCF").

Effective date of ratification, the Company will remit 3 cents (\$0.03) for each full time employee's regular hours of work to the CCF. Contributions will be calculated annually on March 31, and paid annually to the Fund.

The Company and the Union Local 114 will annually agree on a list of charitable organizations that the parties will submit to the fund for consideration. The Union agrees to annually provide a report of CCF projects in-progress or completed locally the prior year.

#### **12. Employment Security [LOU 7] - NEW**

In the event of technological change or the permanent closure of all or part of the plant which will result in a permanent work force reduction of employees covered by this agreement, the Company will:

1. Attempt to provide other employment for affected employees who, in the opinion of the Company, have the basic qualifications and aptitude to be considered for vacancies which may exist at that time in other locations within the Company and provide training or retraining for employees placed in new jobs.
2. Meet with local executive to review the work being performed at that time by employees discuss alternatives that could create the potential of retaining employees in revised or new roles. Any job opportunities and retraining costs created through this process must be, in the opinion of the Company, cost effective and otherwise desirable to the Company.
3. Provide provisions for outplacement assistance at the time of the termination up to the budget of \$2000.

#### **13. LOU Renewals/Amendments:**

- LOU's stated herein shall be renewed:
  - LOU 1 – Meal (*Amended as per above*)
  - LOU 2 – Contracting Out
  - LOU 3 – Scheduling Shiftworker Unpaid Time
  - LOU 4 – UNIFOR Leadership Training Fund (*Amended as per above*)
  - LOU 5 – Temporary Employment/Summer Students

**APPENDIX 1:**

**SCHEDULE B: WAGE SCHEDULE (Amendments only)**

All regular employees will be eligible for the following wage adjustments:

0.00% increase to rates of pay effective April 1, 2016

2.00% increase to rates of pay effective April 1, 2017

2.50% increase to rates of pay effective April 1, 2018

Table 1: Effective April 1, 2016, employees hired prior to December 7th, 2004 will adopt the following schedule of wages:

Terminal Operator	Hourly rate as of April 1, 2016	Hourly rate as of April 1, 2017	Hourly rate as of April 1, 2018
After 30 Months	44.99	45.89	47.04
Shift Bonus \$	2.69	2.75	2.82
Shift Bonus %	6.0%	6%	6%

Table 2: February 1st, 2013 to December 31st, 2013, all regular employees at Shellburn, excluding those in Table 1, will adopt the following schedule of wages:

Terminal Operator	Hourly Rates as of Feb 1, 2013
Start Rate	\$32.75
After 6 Months	\$34.32
After 12 Months	\$35.96
After 18 Months	\$37.60
After 30 Months	\$39.07
Shift Bonus	\$2.34

Rail Car Offloader / Dockman	Hourly Rates as of Feb 1, 2013
Start Rate	\$32.75
After 6 Months	\$34.32
After 12 Months	\$35.96
After 18 Months	\$37.60

Rail Car Offloader	Hourly Rates as of Feb 1, 2013
Start Rate	\$28.39
After 6 Months	\$29.67
After 12 Months	\$30.98

Note: Table 2 is not in use. Date: February 6, 2017.

Table 3: Effective April 1, 2016, all regular employees at Shellburn, excluding those in Table 1, will adopt the following schedule of wages:

<b>Terminal Operator</b>	<b>Hourly rate as of April 1, 2016</b>	<b>Hourly rate as of April 1, 2017</b>	<b>Hourly rate as of April 1, 2018</b>
<b>Start Rate</b>	\$30.49	\$31.10	\$31.88
<b>After 6 months</b>	\$35.17	\$35.87	\$36.77
<b>After 12 Months</b>	\$36.85	\$37.59	\$38.53
<b>After 18 Months</b>	\$38.62	\$39.39	\$40.38
<b>After 30 Months</b>	\$40.38	\$41.19	\$42.22
<b>After 36 Months</b>	\$41.95	\$42.79	\$43.86
<b>Shift Bonus \$</b>	\$2.52	\$2.57	\$2.63
<b>Shift Bonus %</b>	6%	6%	6%



The parties herein accept and agree to the terms of the above memorandum as constituting the complete and full settlement of all matters in dispute. All other related proposals tabled by the Company and the Union during negotiations for inclusion into the new Collective Agreement have been dropped or have been specifically agreed to that will be administered separately by Site Administration Guidelines and not form part of the Collective Agreement.

Signed and agreed to this on February 6, 2017, in Burnaby, BC.

**FOR SHELL CANADA LIMITED**

  
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Todd McMahon

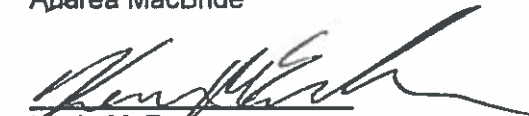
  
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Todd Anvick

  
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Humaira Ghiacy

  
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Jade Jocko

**FOR UNIFOR LOCAL 114**

  
\_\_\_\_\_  
Andrea MacBride

  
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Kevin McEachern

  
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Chris Dalton

  
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Trevor Berg