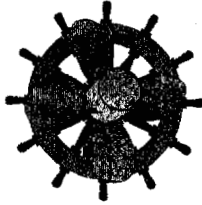

MEMORANDUM OF AGREEMENT

BETWEEN:



CANADIAN MARINE OFFICERS UNION

AND:

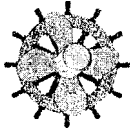


ALGOMA CENTRAL CORPORATION

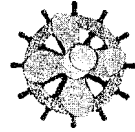
Expiry Date : May 31, 2006



13182(01)



Canadian Marine Officers Union



National office: 9670 Notre-Dame Street East, Montreal, Qc. H1L 3P8
Tel.: (514) 354-8321 • Fax: (514) 354-8368
cmou@videotron.ca

Branch: 17 Front Street North, Thorold, Ont. L2V 1X3
Tel.: (905) 227-6226 • Fax: (905) 227-9164

President: **Richard Vézina**
Secretary-Treasurer: **Harold Anderson**
Maritime Vice-president: **Mario Elrick**
Non Maritime Vice-president: **François Latreille**

CMOU Pension Plan

Administrators: Société conseil Mercer Ltée
600, blvd, de Maisonneuve West, Suite 1100, Mtl, Qc, H3A 3J4
Tel.: (514) 285-1802 • Fax: (514) 285-8831

CMOU Welfare

Administrators: André Gingras et Associés Inc.
4150, Ste. Catherine Street West, Westmount, Qc. H3Z 2W8
Tel.: (514) 935-5444



Algoma Central Corporation

610 Welland Avenue
St. Catharines, Ont. L2M 5V6
Tel.: (905) 708-3800
Fax: (905) 708-3841

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1. PURPOSE OF AGREEMENT

The general purpose of this Agreement is to ensure for the Company, the Union and the Marine Engineer Officers covered hereby the full benefits of orderly and legal collective bargaining, and to ensure to the utmost extent possible safety and physical welfare of such Marine Engineer Officers, economy of operation, standards of service and protection of the Company's property. It is recognized to be the duty of the Company and the Union and such Marine Engineer Officers to cooperate fully, individually and collectively for advancing of such purposes.

2. RECOGNITION

- a) The Union is recognized to be the exclusive bargaining agent for a unit of the employees of the Company comprising Marine Engineer Officers. In this Agreement, Marine Engineer Officers shall mean all Marine Engineer Officers employed by the Company and serving on the Company's vessels but shall not include the Chief Engineer Officers.
- b) When an assistant to the Chief Engineer is appointed he shall be supernumerary, and his duties shall be to assist the Chief Engineer. He shall not take over a watch or perform repair work and the Union will be notified when the Company employs such supernumerary on board a ship.
- c) The Company agrees to issue passes to the Union's representatives for the purpose of consulting with its members aboard vessels of the Company covered by this Agreement. Representatives of the Union shall be allowed on board vessels at principal loading and unloading ports as well as in the St. Lawrence Seaway and the Welland Canal. Such representatives shall have the right to engage in negotiation with the Captain or officers in charge of the ship in respect of any dispute or grievance, but shall not have the right to interfere in any way with the operations of the vessel.
- d) The Union shall submit to the Company the name and relevant particulars of the bona fide Union members authorized by the Union to act as its representatives provided that the Company, upon receiving from any representatives a waiver, in form satisfactory to the Company, of any claim for any damage resulting from any accident or injury in or about Company property, shall thereupon issue a Pass to each such representative enabling him to board the Company's ships in port for the purpose herein provided. In the event that such privilege is withdrawn from the designated Union representative, the Union will undertake to notify the Company to revoke such pass.

- e) The Union representative shall not violate any provision of this Agreement or interfere with the Officers aboard the ship or retard the work of the vessels, subject to penalty of revocation of the Pass granted herein. Any such revocation shall be subject to the Grievance Procedure. Upon such revocation, the parties agree to meet within seven (7) days to attempt to resolve the matter; should it not be resolved, then the matter will proceed to expedited arbitration.
- f) The Company assumes no responsibility for securing passes to or through property owned or controlled by others, but the Company agrees to cooperate with the Union in endeavoring to secure such passes.
- g) The Company grants to the Union the use of the bulletin boards for the posting of notices of Union meetings, elections, election results, appointments and social and recreational events or other legitimate Union business. The bulletin boards shall not be used by the Union or its representatives for posting and distributing brochures of a political or advertising nature.

3. CLAUSE PARAMOUNT

- a) The parties to this Agreement will not establish rules or enforce regulations which will in any way be contrary to or interfere with the effective implementation of all clauses in this Agreement.
- b) Nothing in this Agreement shall be so construed as to affect the obligations of the signatories under the provisions of the Canada Shipping Act as amended, or other Government legislation, or to impair in any way or manner whatsoever the authority of the Captain.
- c) Interpretation- Except where the context requires, all words and expressions used herein shall have the meaning ascribed to them by the Canada Labour Code.
- d) It is agreed between the parties, that should a difference of opinion arise on the interpretation of the Collective Agreement that the English Text shall prevail.
- e) All references in this Agreement to the masculine gender shall apply as well to the feminine gender.

4. STRIKES AND LOCKOUTS

The Canadian Marine Officers Union and the Company declare it to be their common intention that all disputes and grievances shall be resolved amicably in accordance with the provisions of this Agreement, and to this end:

- a) The Canadian Marine Officers Union agrees that there shall be no strikes, slow-downs or stoppages of work for any cause, and
- b) The Company agrees that there shall be no lock-outs for any cause during the term of this Agreement.
- c) It is agreed for the purposes of this Agreement that the refusal of a member to pass through a lawful picket line shall not be construed as a violation of this Agreement and shall not be a reason for dismissal.

5. CONDITIONS OF EMPLOYMENT

- a) 1. The Company will endeavour to employ as Engineer Officers only members of the Union in good standing. All Engineer Officers as a condition of employment must possess a valid Medical Fitness Card.
- a) 2. An Engineer Officer is deemed to be a member in good standing of the CMOU until the CMOU determines that the Engineer Officer is not in good standing and so informs the Company in writing. The Company shall not be required to discharge any Engineer Officer under the provisions of this Article until a replacement satisfactory to the Company is made available.
- b) The Company recognizes the Union as a source of employment for Engineer Officers covered by this Agreement. After exhausting the Company's supply of Engineer Officers on lay-off possessing the requisite qualifications and ability, the Company shall be free to use any source of supply for such personnel, including the Union hiring hall. The Company shall advise the Union of any Engineer Officers so hired.
- c) 1. The actual selection and hiring of Marine Engineer Officers shall be at the discretion of the Company's office representative or the Chief Engineer.

Engineers who are not accepted must be supplied with the reason in writing at the time of rejection, with a copy to the Union.

- 2. When an Engineer is dispatched on a ship upon the Company's request, and is refused by the Chief Engineer, this Engineer shall be paid reasonable transportation to and from the vessel, plus eight (8) hours' pay at his basic hourly rate.

If a ship is delayed in transit and the Engineer must stay overnight waiting for a vessel, the Company agrees to pay reasonable living expenses (as per article 11 e)) supported by

receipts until the arrival of the vessel or until the call is cancelled, and his basic hourly rate will be paid from the date on which he was to report for duty.

3. In the event that the Union does not supply the Company with the name of the member and the certificate that he holds, then the Company will not be required to pay the requirements of paragraph 2.
 4. Should the Company require an Engineer Officer to present himself for an interview at the Company's office, reasonable travel expenses supported by acceptable receipts (credit card receipts included) shall be paid to the candidate.
- d) 1. As a condition of employment an employee covered by this Agreement who is not a member of the Union at the time of hiring, shall within thirty (30) days of employment, become a member of the Union and shall maintain his membership in the Union for the duration of this Agreement. If the Union refuses to accept such an employee as a member, he shall not be removed from the ship until the Union gives satisfactory reasons for its refusal to accept such an employee as a member.
2. Probation period refers to the period where Engineer Officers are employed for the first time in a permanent position with the Company. Such Engineer Officer shall complete a ninety (90) day probation period. The Engineer Officer on probation shall be covered by the existing Labour Agreement with the exception of the grievance and arbitration articles in the case of lay-Off.
- After completing the probation period, the employee becomes a permanent employee and his seniority shall commence as of the date of his hire.
- e) The Company shall not be required to discharge any employee under the provisions of this article, unless and until a replacement satisfactory to the Company is made available.
 - f) The Union shall indemnify the Company and hold it harmless against any and all suits, claims, demands and liabilities that may arise out of or by reason of any action taken by the Company for the purpose of complying with the foregoing provisions of this article or in reliance on any notice furnished to the Company under any of such provisions.
- g) Dispatch hall**

The Company agrees to pay the Canadian Marine Officers Union the sum of \$2.50 per job per payroll day for the purpose of ensur-

ing the provision by the Union of adequate arrangements for the supply of Engineer Officers to the Company. This **sum is to be** remitted to the Canadian Marine Officers Union, 9670 Notre Dame Street East, Montreal, Quebec, H1L 3P8 not later than the 15th of the following month.

Effective June 1, 2003, the above contribution will be increased to \$2.75 per job per payroll day.

6. DEDUCTION OF FINANCIAL OBLIGATIONS

- a) The Company shall deduct from the monthly wages of each employee covered by this Agreement, the monthly amount of dues. It is further agreed that in addition to the monthly dues, the Company will also deduct any other amount of money when billed by the Union. The Union dues and /or assessments and/or initiation fees will be remitted to the Union Headquarters at Montreal, Quebec, not later than the 15th of the following month.

When requested by the Union auditors, confirmation shall be supplied of the total Union dues deducted and remitted to the Union during the fiscal year under review.

- b) The Union further agrees that it shall indemnify the Company and hold it harmless against any and all suits, claims, demands, and liabilities that may arise out of or by reason of any action taken by the Company for the purpose of complying with the foregoing provision of this article or in compliance with any notice furnished to the Company under the foregoing provision.
- c) The Company shall remit to the Union a complete list of all its licensed Engineer Officers and the positions held when such list is requested by the Union.

d) Penalty Clause

Failure by the Company to remit its contributions and deductions to the Union for dues deductions, dispatch hall, Pension Plan and Life Insurance Plan by the 15th of the following month for which deductions are made or contributions due, shall incur a penalty of \$50.00 per day for each day of delay until such time as deductions or contributions are made. The post mark on the envelope shall be the determining factor provided there is no interruption in postal services. Such penalty shall be paid to the C.M.O.U. dispatch hall.

7. WORK WEEK AND OVERTIME

- a) 1. During the navigation season, while the Engineers are on the ship's articles, all Engineers, whether watchkeeping Engineers

or day-working Engineers shall be paid for seven (7) days a week at the rates set out hereafter. The Company agrees not to lay off Engineers on week-ends for the purpose of saving overtime.

2. The regular work week shall be forty (**40**) hours, consisting of five (5) days of eight (8) hours per day, Monday through Friday.
 3. All watchkeeping Engineers shall work the traditional system of four (**4**) hours on and eight (8) hours off.
 4. All day-working Engineers shall work any eight (8) consecutive hours between 06:00 and 18:00 hours. They shall have one (**1**) hour off for lunch at the usual time.
- b)** All Engineers shall receive wages at the appropriate hourly wage rate for each job classification, as stipulated in Article 8 for eight (8) hours per regular work day (Monday through Friday), whether or not they are called upon on any of the aforesaid days to work the full eight (8) hours.
- c)** Considering that the operation of ships is of a continuous nature and that consequently work must be performed in excess of the regular work week, it is agreed that overtime shall be paid for such work in accordance with the following provisions.
- d) 1. a)** The overtime rate for the first eight (8) hours worked on Saturday and for all hours worked in excess of eight (8) hours per day, Monday through Friday, is defined as being the time and one half hourly wage rate for each **job** classification as stipulated in Article 8.
- b)** The overtime rate for all hours worked on Sunday is defined as being the double time hourly wage rate for each job classification as stipulated in Article 8.
2. The overtime rate for hours worked in excess of eight (8) hours on Saturday or Sunday is defined as being the double (2) time hourly wage rate for each **job** classification as stipulated in Article 8.
- e) 1.** During the annual repair period, an Engineer Officer who is required to work on a Saturday shall be paid at the time and one half ($1\frac{1}{2}$) rate of pay for the first eight (8) hours and double time (2) after eight (8) hours.
2. If required to work on a Sunday during the annual repair period, he shall be paid at the double time (**2**) hourly wage rate for all hours worked.

3. All Engineers whether Watchkeeping Engineers or Day-Working Engineers shall in any event, whether or not called upon to work be paid for seven (7) days a week at the rates set out hereafter. If an Engineer is not called upon to work a Saturday or Sunday he shall be paid his basic hourly rate of pay for each of these days, eight (8) hours for each day.
 4. Repair period shall commence when the majority of the unlicensed deck personnel is signed off ship's articles and the repair period shall end when the majority of unlicensed deck personnel is signed on ship's articles.
- f) An Engineer Officer performing overtime work which ceases before the expiration of one (1) hour shall nevertheless be credited with one (1) hour's overtime. After the first hour of overtime each further period of one half (1/2) hour shall entitle the Engineer Officer to one half (1/2) hour at the overtime rate.
- g) When men are called out to work on overtime and then "knocked off for less than two (2) hours, excepting where a man is recalled for his regular duties, overtime shall be paid straight through.
- h) For the purpose of calculating overtime, a "day" shall refer in all cases to the period from midnight to midnight.
- i) Overtime payment shall not be duplicated for any hour of work, i.e. there shall be no pyramiding of overtime.
- j) 1. At the completion of any overtime work the Engineer Officer and the officer in charge shall both sign duplicate overtime sheets recording the duration of such work. One (1) copy of the sheet shall be given to the Engineer Officer and the other retained by the Captain.
2. In the event a question arises as to whether work performed is payable as overtime, or if claim is rejected, the senior Officer must sign "Disputed" and the reason(s) for non-approval. In case of a dispute, the matter shall immediately enter the Grievance Procedure as provided for in this Agreement.
- k) Overtime shall be divided as equally as may be reasonably practicable among the Engineer Officers who normally perform the work.
- l) When an officer has to stand 6/6 for any reason, the watches shall be set as follows:

00:00 - 06:30 06:30 - 12:00
12:00 - 17:30 17:30 - 24:00

m) Stand-by premium

Marine Engineer Officers required to remain on board in port after the completion of their watches or the regular day work, shall be paid all hours required to remain on board at the appropriate hourly wage rate. The order to remain on board should be given in writing to the Engineers.

n) Premium Pay

In any calendar year, for every day worked on board a Company vessel while the ship is operating in excess of two hundred and sixty (260) navigational days, a bonus of ten percent (10%) of his basic daily rate shall be paid for all additional days worked at the end of the calendar year.

8. RATES OF PAY

1. The rates of pay in effect from June 1, 2001 to May 31, 2002 inclusive are:

	BASIC HOURLY	TIME AND ONE HALF	DOUBLE TIME	DOUBLE TIME AND ONE HALF
2 nd Engineer	\$27.15	\$40.73	\$54.30	\$67.88
3 rd Engineer	\$24.66	\$36.99	\$49.32	\$61.65
4 th Engineer	\$23.99	\$35.99	\$47.98	\$59.98

Wages – For Self-Unloaders

Effective June 1, 2002 – The then existing base rate will be increased by COLA

Effective June 1, 2003 – The then existing base rate will be increased by COLA

Effective June 1, 2004 – The then existing base rate will be increased by COLA

Effective June 1, 2005 – The then existing base rate will be increased by COLA

Wages – For Bulk Carriers

Effective June 1, 2002 – The then existing base rate will be increased by COLA less one half percent (1/2%)

Effective June 1, 2003 - The then existing base rate will be increased by COLA less one half percent (1/2%)

Effective June 1, 2004 - The then existing base rate will be increased by COLA less one half percent (1/2%)

Effective June 1, 2005 - The then existing base rate will be increased by COLA less one half percent (1/2%)

2. a) Wages shall be paid by way of a direct deposit into the employee's bank account on the first day of the month for the pay period ending on the 15th of the preceding month. The pay period shall run from the 16th day of the month to the 15th day of the following month, inclusively, and shall cover basic wages as well as overtime pay.
- b) The employee must provide the Company with an authorization and all pertinent banking information. It will be the responsibility of the employee to notify the Company expeditiously of any changes of address or banking arrangements on a Company authorization form.
- c) The pay stub will be sent to the employee aboard the vessel in a separate sealed envelope.
- d) During the term of this Collective Agreement the Company undertakes to review its current payroll system in an effort to accommodate the needs of its employees with respect to the payment of wages. To this end, it agrees to meet with the Union Representatives in order to explore the various options available and to keep them informed of all progress in this regard.

3. Vacation Pay

- a) An Engineer Officer having completed less than one (1) full season of service with the Company shall receive vacation pay at the time of pay off equal to four percent (4%) of his gross wages earned during the then current season with the Company up to the time of the said pay off.
- b) An Engineer Officer having completed between one (1) and less than five (5) full consecutive seasons of service with the Company shall receive vacation pay at the time of pay off equal to five percent (5%) of his gross wages earned during the then current season with the Company.
- c) An Engineer Officer having completed between five and less than ten (10) full consecutive seasons of service with the Company shall receive vacation pay at the time of pay off equal to seven percent (7%) of his gross wages earned during the then current season with the Company.
- d) An Engineer Officer having completed ten (10) or more full consecutive seasons of service with the Company shall receive vacation pay at the time of pay-off equal to nine percent (9%) of his gross wages earned during the then current season with the Company.

- e) The right of an Engineer Officer to receive vacation pay pursuant to paragraphs b), c) and d) above shall not be affected in any way where such Engineer Officer is absent from his employment for reasons satisfactory to the Company.
- f) The Company shall pay all accumulated vacation pay to an Engineer Officer at the end of each pay period.
- g) Unlicensed personnel promoted to a permanent position as an Engineer, shall retain their Company seniority for vacation pay purposes only.
- h) A year of service is defined as consecutive year(s) of service from the date of hire to the anniversary date. The percentages shall change one (1) day after the anniversary date.

4. Allotment

Engineer Officers will be paid an advance on the 16th of each month approximately equal to fifty percent (50%) of one month's basic wages, less taxes and other deductions, if they have been on board ship since the 1st of the current month.

If the Company amends its payroll system as provided in paragraph 2d) above, this clause will be deleted.

5. Pay Advance

When an Engineer Officer is paid off a vessel, he shall receive in cash an amount up to one thousand five hundred dollars (\$1500.00) or less depending on his accrued credits, if requested by the Engineer Officer.

If the Company amends its payroll system as provided in paragraph 2d) above, the amount of one thousand five hundred dollars (\$1500.00) shall be replaced by five hundred dollars (\$500.00).

9. STATUTORY HOLIDAYS

a) In this Agreement, the term "holiday" includes:

- | | |
|----------------------|-------------------------|
| New Year's Day | First, Monday in August |
| January Second | Labour Day |
| Good Friday | Thanksgiving Day |
| Easter Monday | Remembrance Day |
| Victoria Day | Christmas Day |
| First Monday in June | Boxing Day |
| Canada Day | |

- b) In the event a holiday falls on a Saturday or a Sunday, the following Monday will be observed as a holiday.
- c) An Engineer employed by the Company who does not work on a statutory holiday shall be paid his basic hourly rate (8 hours) for each of the statutory holidays listed in paragraph a) above.
- d) An Engineer Officer employed by the Company who works on a statutory holiday shall be paid for each hour worked during the holiday at the double time and one half (2½) wage rate, (i.e. hours worked at time and one half (1½) plus 8 hours basic hourly rate for the statutory holiday).
- e) If any statutory holiday falls during an Officer's period of leave, he shall receive one day additional basic pay on the first payday following his return to work. This does not apply when the Engineer Officer schedules his period of leave between December 20 and January 5. That Officer will be entitled to only one (1) day's basic pay.

10. LIVING CONDITIONS ABOARD SHIP

- a) **1.** Where accommodation is available, every Marine Engineer Officer shall have living quarters aboard ship in line with the position he holds.
- a) **2.** On all vessels not equipped with central air conditioning systems, Engineers' cabins shall be fitted with port hole air conditioning units.
- b) Where there is an Officers' lounge or an Officers' dining room, the Company agrees to make a colour T.V. set and a Video (VHS) available and to bear the cost of normal maintenance. This clause will not take effect if there is a central VHS system aboard the vessel.
- c) The Company further agrees that on existing vessels where separate washroom facilities are available for Engineer Officers, they shall be clearly marked "For Engineers' Use Only", or alternatively they shall be locked and only the Engineer Officers shall be provided with a key.
- 3.** Where washing machines and drying facilities are presently available on a vessel, the Company will ensure that these facilities are for the use of all crew members by posting bilingual signs to this effect. The Company also agrees to provide a refrigerator in the engine room.
- 4.** From the time of joining the vessel to the end of their employ-

ment, all Marine Engineer Officers shall be supplied with clean linen and hand towels weekly. Sufficient soap for personal and laundry use shall be provided.

5. An Engineer Officer who has completed ninety (90) days' service and where accommodations provide for one Engineer Officer per room, the Engineer Officer shall be allowed to have his wife aboard or common-law wife aboard for a period of up to twenty-three (23) days per calendar year. It is understood and agreed that the Company may insist on having no more than two (2) Engineer Officer's wives aboard at one time. Wives will not interfere with the normal operation of the vessel and will be required to sign a waiver releasing the Company from all liability, and the officer involved will be responsible for the cleaning of his quarters while his wife is aboard.
6. All beds in Engineers' cabins shall be at least $\frac{3}{4}$ the size of a regular double bed.
7. While the vessel is in port, and with the approval of the Master, a Marine Engineer Officer may bring his wife or common-law wife and family aboard for a visit, with the exception of children under twelve (12) years of age. Prior to their coming on board the Marine Engineer Officer must sign a Company waiver releasing the Company of all liability.

11. TRANSPORTATION, MEALS AND ROOM ALLOWANCE

- a) The Company agrees to pay reasonable transportation costs to an Engineer Officer *to* and from his home in Canada. These costs are to include first class surface passage plus meals and berth or economy air fare or two-way car allowance. Effective June 1st 2002, the car allowance will be thirty five cents (\$0.35) per kilometre.

For the purpose of identifying a home, all permanent employees will be required upon ratification of this Agreement and at the commencement of each season to confirm with the Company a home address. Should at any time during the season, a permanent employee relocate to another location, the Company will not be responsible for any increase in travel costs as the result of the relocation.

- b) Twenty-one days after an Engineer Officer has **mailed** his reasonable receipts for travelling expenses the Company shall reimburse him. In the case of discharge for cause or leaving the ship for personal reasons, all return travelling costs shall be borne by the Engineer Officer.

- c) Subject as herein provided, where employees have been continuously on board a vessel for a period of twelve (12) consecutive hours commencing from the time that a vessel anchors or otherwise becomes stationary away from the dock, upon and after the expiration of such period, the Captain upon the request of not less than three (3) employees, shall provide launch service, if such is available, for such employees to travel to and from the shore, provided that the provision of such launch service shall be not more than twice every twenty-four (24) hours and shall be subject to the Captain's discretion with respect to weather conditions.

When the majority of the unlicensed crew members are paid off, the three (3) employees' requirement of this section will not apply.

- d) An Engineer Officer shall be given seventy-two (72) hours notice prior to joining his vessel. If it is necessary for an Engineer Officer to travel the previous day when joining his vessel, he shall be paid eight (8) hours' pay at his basic hourly rate to cover travelling time.
- e) When the Company does not provide room and board, an Engineer Officer, during the course of his employment, shall receive fifteen dollars (\$15.00) per meal exclusive of taxes and ninety dollars (\$90.00) per room, exclusive of taxes. The expenses are to be paid by the Company upon the production by the Engineer Officer of acceptable vouchers (credit card receipts included). Transportation will be arranged by the Chief Engineer.
- f) An Engineer Officer, who is unable to comply with the strict terms of this section by reason only that he is justifiably absent from his employment other than on C.M.O.U. business in accordance with the provisions of this Agreement, shall nevertheless be entitled to receive from the Company, his transportation, meal and room expenses pursuant to the terms of this section.
- g) The Company shall not be liable to reimburse the expenses referred to in this section of an Engineer Officer:
1. who is dismissed for cause, or
 2. who leaves a vessel for any reason not satisfactory to the Company, excepting of course justifiable absence from employment in accordance with the provisions of this Agreement.
- h) The Company shall reimburse to an Engineer, following a work accident or sickness, all transportation expenses from his place of work to the nearest hospital or clinic. On the doctor's recommendation, the Company shall reimburse transportation expenses

from his place of work or from the hospital or clinic to his residence, providing he qualifies for Canadian Marine Officers Medical Plan sick leave benefits or Workers' Compensation.

- i) The parties agree to develop an alternative travel reimbursement option. The Company would have the option to offer and the employees would have the option to accept a fixed amount paid directly to the employee, without receipts, upon arrival on or departure from the vessel, in lieu of reimbursement of their travel expenses. Employees selecting the fixed amount option would then be responsible for their own transportation arrangements and costs. The fixed amount would vary according to the location of the ship and the origin or destination of the employee.

12. TRANSFER EXPENSES

In the event that an Engineer Officer is transferred by the Company from one vessel to another vessel of the Company, the Company shall continue to pay the Engineer Officer his regular pay and reasonable expenses (in accordance with Article 11) during the time period necessary to enable him to make his transfer. However, Engineers shall have the right to refuse any transfer except for his annual appointment to a vessel.

13. SENIORITY AND PROMOTIONS

- a) A seniority list showing the Engineers seniority in his classification will be compiled by the Company with revisions at the closing of each season and copies shall be mailed to each Engineer and the Union. Such list will show names, classifications and the date of last entry into service in positions covered by this Agreement, from which date seniority will accumulate.

Engineers will receive notice of their annual appointment to a vessel of the Company by February 15th, but no later than March 15th of each year.

- b) After completing his probation period, the name of the newly employed marine Engineer Officer shall be placed on the seniority list immediately.
- c) In the case of promotion, demotion, transfer, lay-off and recall after lay-off, the most senior employee with sufficient qualifications shall be entitled to preference where ability and physical fitness are relatively equal.
- d) It is agreed that all promotions will be given with a ninety (90) running day trial period. This ninety (90) day trial period is to allow the Company enough time to evaluate the promoted Engineer's

ability in his new position. If the Engineer Officer remains in the promoted position over a ninety (90) running day trial period, he shall be confirmed in that position and his name will be registered as such on a seniority roster as of the first day he took that promotion. However, should the Engineer promoted not be confirmed in his promotion, he shall revert to his old position. All Engineers called to replace a newly promoted Engineer shall be called on the basis of a relief job until confirmation of the promotion. In the case of temporary promotions due to sickness or injury to another Engineer, the above conditions will not apply.

- e) Engineer Officers shall be protected by their notices of intent for the following navigation season. Should any natural vacancy occur during a navigation season, any unemployed Company Engineer Officer covered by this Agreement shall have the right to exercise his seniority to fill such natural vacancy, provided he possesses the required qualifications and ability.
- f) When any ship is sold or transferred among CLCA owners, the Engineer transfers his seniority accrued with the old Company to the new owner or operator for the purpose of vacation pay calculations.
- g) An Engineer's seniority with the Company will not be broken for the following reasons:
 - 1. Article 14, Scheduled Time Off Without Pay;
 - 2. Sickness;
 - 3. Accident at work;
 - 4. While laid off by the Company if the Engineer has been given Notice of Intent; or
 - 5. For any leave of absence authorized by the Company.
- h) In the event a Chief Engineer is laid off and providing that the Chief Engineer has maintained his membership in the CMOU for at least twenty-four (24) consecutive months and there is no Chief Engineer's position available to him, he shall have the right to be transferred to and to occupy the position of the Second Engineer of the Company and be reinstated with his original seniority date prior to his promotion as Chief Engineer. If the Officer was hired by the Company as Chief Engineer, his seniority date as Second Engineer shall be the date he was hired by the Company provided the 24 consecutive months as above apply.

14. SCHEDULED TIME-OFF WITHOUT PAY

- a) Subject to the conditions and exceptions stated in this section, each Engineer Officer shall be entitled to take time off without pay from the vessel on which he works. The time off to be calculated is equivalent to one (1) day off for each two (2) full days worked.
- b) Accumulated time off without pay will not be granted for periods of less than twenty-one (21) days without mutual consent.
- c) When an Engineer Officer has accumulated twenty-one (21) days or more of time off without pay, and provided he has made his request *in writing* fifteen (15) days in advance, he shall be granted a minimum of twenty-one (21) days time off without pay.
- d) If an Engineer Officer does not apply for scheduled time-off without pay and the Engineer Officer has worked continuously for 135 calendar days, the Company can compel the Engineer Officer to take time off without pay, providing it does not prevent any other Engineer Officer of their previously approved time off without pay.
- e) During the months of June, July and August, Engineer Officers will not be permitted to take time off without pay for more than 30 days, unless otherwise mutually agreed upon amongst the Engineer Officers involved.
- f) See Annex "A"
- g) An Engineer Officer who has at least one year of seniority with the Company, shall be paid an allowance to defray reasonable travel expenses between the port of disembarkation and his home in Canada twice per season, two ways when taking scheduled time-off without pay. These costs shall be in accordance with Article 11. All claims for scheduled time off transportation allowance shall be supported by original receipts for the actual funds expended.
- h) An Engineering Officer, prior to proceeding on time off, will notify the Chief, in writing, of his intended date of return to the vessel. If he is recalled to work prior to the expiration of such time off, and he returns voluntarily, he shall be paid at the regular hourly rate of pay for all work performed between time of recall and the time his time off would normally have expired as per notification. However, if he is compelled to return by the Company he shall be paid at the overtime rate of pay.

15. CHARACTER OF WORK

- a) The work of all Marine Engineer Officers shall be under the direction of the Chief Engineer officer.

- b) 1. Except in an emergency, Marine Engineer Officers will be required to do only the work and perform only **the duties normally** expected of their rank, and shall not be required to perform any duties usually assigned to unlicensed crew members.
- 2. It is agreed that Marine Engineer Officers will not be required to do non operational clerical or computer related duties during any portion of their normal watch when there is no other Engineer Officer in the engine room, except when the vessel is at anchor or not underway and circumstances affecting the safety of the ship will allow.

Operational clerical and computer duties are those which are required by the Company as normal engineering functions. They include, but are not limited to: Planned Maintenance Management, Inventory Management, Equipment Status Record Keeping and Work Hour Record Keeping.

- c) Marine Engineer Officers will not be requested or ordered to carry out painting, chipping, scraping, soogeeing or any other form of cleaning.

It is recognized that some Engineers may have special competency and skills beyond their normal qualifications, in particular relating to welding, burning , or operation of a lathe, and, when a man is called upon to do work of this nature, he will be paid at the rate of one time (1) the basic hourly rate in addition to the appropriate hourly rate at the time the work is performed. It is agreed, however, that use of a welding torch or lathe for simple operations not requiring special skill shall not be subject to this special payment. For greater clarity, the use of a welding torch for heating or the use of a lathe for operations not involving machining, cutting or boring shall not be considered to be work entitling employees to this special payment. To qualify for premium payment, the work in question must have prior approval of the Chief Engineer.

- d) When an Engineer Officer on regular watch is requested to perform work outside the engine room, he shall, while performing the work outside, be relieved by an Engineer Officer off duty, except when a ship is in Port. In this case the Officer on watch can work outside of the engine room without a second Engineer being called out.
- e) When Engineer Officers are recalled after being laid off from any particular vessel, except during periods of winter work or dry-docking, all Engineer Officers employed on that vessel shall be recalled within a reasonable time of each other but in no event more than **ten (10)** days after the first Engineer Officer reports for work.

- f) The Chief Engineer and the Electrician will not usually perform any of the work normally performed by the Engineers. However, the Chief Engineer may supervise such work.

16. CLOTHING ALLOWANCE

- a) 1. Two (2) pairs of coveralls, one (1) of which may be insulated, will be supplied by the Company to each Engineer Officer at the start of each season (fit out) and are to be replaced, when necessary, upon verification as to the condition of such coveralls. Relief Engineer Officers employed for periods of two (2) or more months shall **be** supplied with one (1) pair of coveralls.
2. Asbestos gloves, welding goggles, welding aprons and masks will be made available for the use **of** Engineers, when necessary.
- b) When Marine Engineer Officers are required by the Company to wear uniforms, the cost of such uniforms shall be borne by the Company.
- c) The Company agrees to make available an oil-skin suit and boots to Marine Engineer Officers required to work in tanks, boilers, bilges or areas requiring the aforementioned protective equipment.
- d) All permanent Engineers will be given a one hundred dollars (\$100.00) allowance towards the purchase of safety boots. This allowance shall be paid to each permanent Engineer Officer at the end of November of each year on a separate cheque. Only CSA approved **boots** are acceptable.

17. GRIEVANCE PROCEDURE

- a) Where a Marine Engineer Officer has a grievance while employed on board a vessel, he shall reduce same to writing and present it to the Chief Engineer within ten (10) days of his obtaining knowledge of the occurrence giving rise to the grievance and shall thereafter send a copy thereof to his Union Headquarters.
- b) in the case **of** a Marine Engineer Officer who **is** refused employment, discharged, suspended, laid off or transferred from his employment, as well as in **all** other cases where the person is no longer on board a vessel, the grievance shall be reduced to writing and mailed or delivered to the designated office of the Company with a copy **to** his Union Headquarters within ten (10) days of his obtaining knowledge of the occurrence giving rise to the grievance.

- c) The Union shall have the right to submit a grievance to the Company on behalf of all the employees in the bargaining unit or a group thereof. In such case the grievance shall be reduced to writing and mailed or delivered to the designated office of the Company within ten (10) days of obtaining knowledge by the Union of an occurrence giving rise to the grievance.
- d) The Union shall also have the right to submit a grievance in writing to the Company on behalf of a Marine Engineer Officer who is unable to file same within the delay of ten (10) days provided for in either paragraphs a) and b) above. In such cases, the grievance shall be mailed or delivered to the designated office of the Company within ten (10) days of obtaining knowledge by the Union of the occurrence giving rise to the grievance.
- e) Within thirty (30) days following receipt of a grievance from a Marine Engineer Officer or the Union, the Union and the Company representatives shall meet to discuss the grievance and attempt to reach a settlement.
- f) Should the parties fail to meet or should the grievance not be settled within the thirty (30) days referred to in sub-section e) above, the matter may, thereafter, be referred to arbitration within a delay of fifteen (15) days.
- g) The parties may, by mutual agreement expressed in writing, agree to extend any of the delays hereinabove provided for, where the circumstances so warrant.
- h) When any incident occurs during the Christmas holidays (between December 23rd and January 2nd) which may give rise to a grievance, the time delays provided for in Article 17 will commence on the first working day following January 2nd.
- l) It is agreed that for purposes of interpretation of this Agreement the English text shall prevail.

18. ARBITRATION

Any grievance involving the interpretation or alleged violation of any provisions of this Agreement which has not been settled to the satisfaction of the Company and the Union by conference or negotiation, may be submitted to an arbitration board. Matters involving any request for a modification of this Agreement or which are not covered by this Agreement shall not be subject to arbitration.

- a) The parties agree that any grievance not settled in accordance with Article 17 may be submitted to arbitration. The parties agree that the following persons shall act as sole arbitrator on an availability basis during the life of this Agreement:

When the arbitration hearing is held in the Province of Quebec:
SYLVESTRE, Andre

When the arbitration hearing is held in the Province of Ontario:
BRENT, Gail
KELLER, Brian

Within fifteen (15) days after the request for arbitration has been made by either party to this Agreement, the party requesting the arbitration will write to the arbitrator and a copy of the letter will be mailed to the other party.

- b) In the event that all of the above named persons are unable or unwilling to act as arbitrator within six (6) months from the submission to arbitration, for any reason whatsoever, the matter may be referred by either party to the Minister of Labour for Canada, who shall then select and designate the arbitrator.
- c) The decision of the arbitrator shall be limited to the dispute or question contained in the statement or statements submitted to him. The decision of the arbitrator shall not change, add to, vary or disregard any conditions of this Agreement. The decisions of the arbitrator which are made under the authority of this Arbitration article shall be final and binding upon the Company, the Union and all persons concerned.
- d) The expenses, fees and costs of the arbitrator shall be paid by the party to this Agreement found to be in default upon the arbitrator's resolution of the grievance or, if the arbitrator resolves the grievance in such a way that neither side shall be found wholly in the right, then the arbitrator shall also establish the proper split of the expenses, fees and costs between the two parties in the proportion appropriate to the share of the responsibility that each side had in the production of the grievance.

19. NOTICE OF INTENT

At the time an Engineer is laid off, the Company shall provide each Marine Engineer Officer, who has given satisfactory performance during the season, with the following letter of intent:

COMPANY LETTERHEAD

NOTICE OF INTENT

Engineer Officer's name	Chief Engineer's name
Home Address	Home Address
Name of Ship	Telephone Number
Telephone Number	

This will certify that the above named Marine Engineer Officer has indicated his intention to resume his employment with this Company for the _____ navigation season. I have accepted his notice of intent, and accordingly endorse same.

Signed: _____
Chief Engineer
Company Authority

Note: See reverse side.

NOTICE TO EMPLOYEE

According to the terms of the Collective Agreement between the Union and the Company, you are entitled to employment with the Company in the same classification as occupied during the previous season providing a suitable vacancy is available in the Company's fleet. Engineers will receive a notice of seventy-two hours prior to joining the ship.

The notice for recall for duty shall be by letter or telegram. You MUST acknowledge receipt of the said letter or telegram within forty-eight hours of its delivery to you. Failure to acknowledge shall constitute unavailability for service.

20. PENSION PLAN

- a) The Company agrees to a contribution of seven and one half percent (7½%) of the basic hourly rate on the basis of eight (8) hours for each day worked for each Engineer Officer covered by this Agreement and to deduct from the Engineers officer's earnings an amount equivalent to seven and one half percent (7½%) of his basic rate on the basis of eight (8) hours for each day worked as his participation in the CMOU pension plan. Company contribu-

tions and deductions from Engineers Officers' pay will not be made for Engineers Officers already covered by a Company Pension Plan.

- b) It is further understood and agreed that the Company shall maintain the payment of its contribution in effect as of this date to the Canada and the Quebec Pension Plans for each employee (Marine Engineer Officer) who so adheres to the Pension Plan.
- c) The payment of the foregoing is over and above the amount of contribution provided for as participation to the C.M.O.U. Pension Plan.
- d) Where an Engineer is temporarily promoted to the position of Chief, the Company agrees to continue pension plan contributions to the C.M.O.U. Pension Plan until such time that the Union is notified that the promoted Engineer is confirmed in the position of Chief.
- e) When an Engineer Officer is confirmed in the promoted position of Chief and said Engineer Officer is a participant to the Pension Plan, the Company will continue to make contributions and deductions for said promoted Chief Engineer if he so desires. Where it is a condition of the employment as a Chief Engineer to join the Company pension plan, the Chief Engineer will not have the choice of continuing in the C.M.O.U. Pension Plan, and in no event shall the Company be required to contribute to more than one pension plan.
- f) The Company, at its discretion, may offer Officers who are permanent employees of the Company the option of becoming members of a Company pension plan. No deduction from an Officer's pay and no Company contributions will be made to the CMOU Pension Plan from the date an Officer joins the Company pension plan. Should an Officer opt for the Company plan, he may not thereafter revert back to the Union plan.

21. SCHOOL PLAN

An Engineer Officer

- a) who has completed at least one (1) navigation season of continuous employment with the Company and who qualifies for certification as an Engineer Officer with a higher certificate or part of a certificate or endorsement and
- b) who at the commencement of the navigation season immediately after he has obtained a higher certificate, part of a certificate or endorsement, is re-employed by the Company;

- c) who after his re-employment remains with the Company for a period of one hundred and twenty (120) days. shall be entitled to receive from the Company in respect of (a) and (b) above:

1 st class A or B	\$3,500.00 each
2 nd class A or B	\$3,500.00 each
3 rd class Certificate	\$3,500.00

The Company, upon approval, will pay tuition, upon successful completion, for courses to upgrade their certificates.

Should an Engineer Officer be required by his present employer to attain either a 1st or 2nd class A or B endorsement, he shall be entitled to receive \$1500 from the Company, (above as defined in the Regulations relating to the Examination of Marine Engineers).

If the Engineer Officer who has received an allowance resigns or is fired for just cause during the navigation season, reimbursement will have to be made to the Company.

- d) In the event that the Steamship Inspection Department changes the title of the certificate, this clause shall be amended to reflect these changes but in no event will the premiums be reduced.
- e) (i) When an Engineer Officer is required by the Company to attend a course during the navigation season, the Company shall pay all costs related to the training course, including two-way transportation. Also, during the period that the said employee is on course, he shall not suffer any loss in basic hourly pay or benefits as provided by this Agreement.
- (ii) When an Engineer Officer is requested by the Company to attend a course outside the navigation season, and he accepts, the Company shall pay all costs related to the training course, including two-way transportation.
- (iii) All Engineer Officers shall be given thirty (30) days' advance notice, if possible, of any such courses to be attended.
- f) Upon mutual consent with the Engineer Officer, any courses taken to improve the Engineer Officer's qualifications, performance and/or ability, he shall be entitled to receive all costs related to these courses. (Welding, Machining, Computing, Millwrights, Leadership courses etc.)

22. SAFETY RULES

- a) All ships' engine rooms shall be fitted with a locker containing the appropriate number of life belts for the watchkeeping personnel

on duty. These life belts will be in addition to the ones issued to all Marine Engineer Officers and available in their respective cabins.

- b) The Company recognizes the need for and agrees that life boat drills and fire drills shall be conducted periodically whenever it is deemed advisable by the Captain.
- c) Any vessel tied up at any wharf, dock or landing place where crew members may go ashore or come aboard, unless canalling, shall provide a suitable gangway properly secured to the ship for the safe and convenient transit of crew members and such gangway shall be properly lighted. This gangway shall be of solid construction and with fitted handrails, and a boarding platform supplied to step from gangway to deck.

A safety net shall always be placed under the gangway when gangway is in position for boarding or going ashore.

- d) Ear plugs and/or ear muffs on all motor vessels will be made available for the use of all Engineers.
- e) Hygienic facilities to be installed in all engine rooms, irrespective of the number of unlicensed crewmen aboard.

Facilities to be provided to allow engine room employees to take their coffee-breaks in the engine room.

In the case of an Engineer who has to work alone, a system, will be installed whereby he may awake his replacement without leaving the engine room.

All new Engineers will be properly instructed regarding safety matters by the Chief Engineer or his deputy.

- f) The Company agrees to provide immersion suits that conform with the standards prescribed by D.O.T. to Engineers on all vessels. It is understood that each Engineer will be fully responsible and accountable for the suit at all times. The procurement of these suits will be accomplished in the most expeditious manner.

23. MARINE DISASTERS

- a) All Engineer Officers who suffer loss of personal effects because of a marine disaster shall be compensated by the Company for such loss up to a maximum of three thousand five hundred dollars (\$3,500.00).
- b) A Marine Engineer Officer or his estate making a claim under this section shall submit reasonable proof to the Company of the actu-

al value of the loss suffered. Such proof shall be a signed affidavit, listing the individual items and value claimed.

24. BENEFITS, FACILITIES AND AMENITIES

1. The Company shall pay to the Union fourteen dollars and thirty-one cents (\$14.31) per job per payroll day; such payments will provide Marine Engineer Officers with benefits, facilities and amenities to be determined by the Union. Without in any way restricting the generality of the foregoing, these shall include a medical plan and group life insurance.

Effective June 1, 2002 - the Company's contribution to the Benefits, Facilities and amenities will increase by COLA.

Effective June 1, 2003 - the Company's contribution to the Benefits, Facilities and amenities will increase by COLA.

Effective June 1, 2004 - the Company's contribution to the Benefits, Facilities and amenities will increase by COLA.

Effective June 1, 2005 - the Company's contribution to the Benefits, Facilities and amenities will increase by COLA.

2. When an Engineer Officer is temporarily promoted to the position of Chief Engineer, the Company agrees to continue Welfare Plan contributions until such time that the Union is notified that the promoted Engineer Officer is promoted to the position of Chief Engineer.

3. Benefits Plan

The Company agrees to continue Benefits Plan contributions during any period the Engineer Officer is off work as a result of compensable disability or illness up to a period of 17 consecutive weeks for the same compensable disability or illness.

4. Medical Examination

All medical examinations required by the Company shall be paid by the Company.

25. MEALS, COFFEE TIME AND LUNCHESES

- a) Night lunches shall be available for Engineer Officers going on watch and those called out to work overtime.
- b) As near as practicable, fifteen (15) minute coffee breaks shall be allowed at 10:00 A.M. and 3:00 P.M. daily for all Marine Engineer Officers on day work. The equipment necessary to make coffee shall be supplied in the engine rooms.

- c) When Marine Engineer Officers are on day work, they shall be allowed one hour for lunch and one hour for supper.
- d) When an Engineer Officer is required to remain on board to do the supper relief, that Engineer shall be paid one (1) hour overtime for such relief.
- e) Where overtime is worked, coffee breaks must be allowed every two (2) hours. The coffee breaks shall be taken in such a way that the operations are not unnecessarily interrupted.

26. NECESSARY LEAVE

While the vessel is in port or tied up while canalling, and with the approval of the Chief Engineer, an Engineer may make private arrangements with another Engineer to exchange watches and thereby permit him to go ashore. If approval is refused the reason for refusal shall be given in writing by the Chief Engineer, if requested by the Engineer Officer concerned.

27. COMPASSIONATE LEAVE

- a) After completion of sixty (60) days continuous employment with the Company, an Engineer Officer will be granted compassionate leave when death occurs to a member of his immediate family, that is, his father, mother, brother, sister, parents-in-law, grandparents and grandchildren. The Engineer Officer granted leave to attend the funeral, will be paid at his basic hourly rate for time lost up to a maximum of seven (7) days.

In the case of a wife, husband or children, the above mentioned period will be ten (10) days.

- b) Claims for compassionate leave pay must be submitted by the Engineer Officer in writing to the Company head office along with proof of bereavement in the Engineer Officer's immediate family.
- c) If any Engineer Officer is required to take time off while on duty to seek medical assistance such time off shall be granted without loss of wages provided a medical certificate is forwarded by the Engineer Officer to the employer. Engineer Officers requesting time off to seek medical assistance may choose the doctor or clinic, but the Company reserves the right to a second opinion by the doctor or clinic of its own choosing.

The Company will assist the Engineer Officer with travel arrangements.

d) **Parental Leave**

An Engineer Officer may request parental leave without pay at least six (6) weeks prior to the expected date of birth of his child and may be granted such leave as provided by law.

e) **Sick Leave and Compassionate Leave**

An Engineer shall be entitled to receive from the Company a reasonable leave of absence from his employment without pay in the event of either illness or injury to himself or a member of his immediate family, that is, his wife, brother, sister, children, parents, parents-in-law and grandparents.

28. SUCCESSOR RIGHTS AND OBLIGATIONS

The Company agrees not to lease or charter any vessel which it has sold and which was previously manned by employees subject to the present Collective Agreement, unless:

1. prior to the sale, the purchaser agreed in writing to recognize the Union as the exclusive bargaining agent for the Marine Engineer Officers aboard the said vessel and to apply the terms of the present Collective Agreement; or
2. the vessel is leased or chartered without Marine Engineer Officers, or
3. the parties agree otherwise.

29. SHORT PERIOD LAY-UP

Should an officer on a bulk carrier be laid off for a period of less than six (6) consecutive days, he shall not suffer any loss in basic hourly pay because of such lay-off. Period of employment for which the Engineer Officer is so recalled shall not be less than ten (10) days.

30. LEGAL SERVICES FUND

- a) The Company agrees to make contributions to the C.M.O.U. Legal Services Fund, at the rate of one dollar and thirty cents (\$1.30) per day per position.
- b) The resources of the Legal Services Fund shall be used to provide marine engineers with such benefits, facilities and legal services as may be determined by the Union but in any event shall not be used for arbitrations or legal actions against the Company.

- c) The Company agrees to send the aggregate of the contributions for each month to the Union on or before the 15th of the following month. The contribution shall be accompanied by a list in duplicate showing each Officer's name, the number of days for which contributions are being made and the number of positions on each vessel, whether such positions are filled or vacant.

31. OFFICERS FILES

- a) The employer agrees not to introduce as evidence in a hearing relating to disciplinary action any document from the file of an Officer, the existence of which the Officer was not aware the time of filing or within a reasonable period thereafter. •
- b) Any notice of disciplinary action which may have been placed on the personnel file of the Engineer Officer shall be voided after two (2) years have elapsed since the disciplinary action was taken provided that no further disciplinary action has been recorded during this period.
- c) Upon written request of an Engineer Officer, the personal file of that Engineer Officer shall be made available once per year for examination in the presence of an authorized representative of the Company. The Engineer Officer may request to be accompanied by a Union Representative.

This paragraph (c) also applies when an Engineer Officer is off ship on leaves of absence due to the following:

1. Article 14, Scheduled Time Off Without Pay;
2. Sickness;
3. Accident at work;
4. While laid off by the Company if the Engineer has been given Notice of Intent; or
5. For any leave of absence authorized by the Company.

32. MISCELLANEOUS

- a) No pets are to be carried on board ship by any of the personnel.
- b) 1. The Company agrees to place at the gangway a notice when the ship is cleared by Customs and Immigration. A sailing board shall be posted adjacent to the gangway immediately upon the arrival of the vessel in port. The time and date of sailing, together with destination if known, shall be placed upon

the board. Where the sailing time is tentative it shall be so stated, and the expected sailing time shall **be** posted **as** soon as possible.

2. If a crewmember misses a vessel due to the fact it sails before the posted sailing time, he shall notify the Captain, or officer in charge, within two (2) hours of the original posted sailing time. If such crewmember rejoins the vessel **at** the first point where it can be boarded, he shall be reinstated, provided he notifies the Captain, or the Officer in charge, of the vessel as soon as possible of his intention to rejoin the vessel and shall be reimbursed his transportation costs. This occurrence shall not constitute a break in service.
 3. If a crew member misses a vessel due to circumstances beyond his control, he shall be reinstated provided he promptly notifies the Captain of the vessel or the Company office of his intention to rejoin the vessel and rejoins the vessel **at** the first point where it can be boarded. All transportation costs will be borne by the employee.
- c) Chipping on the accommodation bulk heads can be done between the hours of 13:00 and 17:00 while the vessel is in operation.

d) Dismissal

1. No Engineer Officer shall be dismissed from his employment with the Company except for just cause.
2. A Company dismissing an Engineer Officer shall give that Engineer Officer notice in writing of his dismissal as per the disciplinary code.
3. A dismissal of an Engineer Officer shall be subject to the grievance and arbitration procedures set forth in this Agreement, and in the event the issue does proceed to arbitration, the Arbitrator may make an order:
 - a) To uphold the dismissal:
 - b) To reinstate the Engineer Officer with compensation from the Company;or
 - c) To deal with the issue in any other manner that the Arbitrator may deem just and equitable.

- e) The Company will supply a billboard in the engine room on each vessel for the exclusive use of the Union and the Engineer Officers.
- f) Discipline shall be governed by the principles and procedures laid out in the Disciplinary Code **as** agreed to by the Company and the Union. The parties agree to meet during the term of the Agreement in order **to** review the Discipline Code.

33. DURATION OF AGREEMENT

This Agreement shall become effective June 1st, 2001, and shall remain in effect until May 31st, 2006 and shall without further act of the parties be renewed from year to year thereafter unless written notice of desire *to* amend, modify or cancel any term hereof is given by either party to the other within ninety (90) days prior to May 31st, 2006. In the event neither party gives notice to reopen within ninety (90) days prior to May 31st, 2006 allowing the Agreement to continue on a year to year basis, either party may give written notice *of* desire **to** amend, modify or cancel any term hereof within ninety (90) days prior to the anniversary date of May 31st, in any given year, in which case this Agreement shall terminate on the anniversary date in that year.

34. NOTICES

Any notice or request to be given or made to the Union hereunder may be validly given by mailing same prepaid ordinary post to the Union at 9670 Notre Dame Street East, Montreal, Quebec, H1L 3P8; and any such notice or request **to** be given to the Company may **be** validly given by mailing same prepaid ordinary post to the Company at its Head Office, 63 Church St. Suite 600, St. Catharines, Ont., L2R 3L4

35. RETROACTIVITY

Each Officer will receive a signing bonus equivalent to the amount of retroactivity, for wages only, for all hours worked between June 1, 2001 and December 1, 2001.

36. SEVERANCE PAY

An Engineer Officer shall receive severance benefits calculated on the basic daily rate of pay where the Engineer Officer has been laid off because **of** lack **of** work and not recalled **to** a permanent position during the eighteen (18) month period following his layoff. For each full year of service, he shall receive five (5) days pay at his basic daily rate. Should the Engineer Officer be offered work within the eighteen (18) month period prescribed and refuse the assignment,

that employee will be considered to have resigned and no severance pay shall be forthcoming.

37. ANNEXES AND LETTERS OF UNDERSTANDING

All Annexes and letters of Understanding form part of this Agreement.

LETTER OF UNDERSTANDING I

LETTER OF INTENT

Re: Repair Period

During the repair period, when meals are not supplied on board ship and the laid-up vessel is at a distance where more than one (1) hour is required to have lunch, the Chief Engineer, with the support of the Company Head Office, will grant additional time (up to thirty (30) minutes) for the lunch period.

Should abuses occur involving the above-mentioned policies, the cases must be brought to the attention of the Company in order that remedial action, if necessary, may be initiated.

LETTER OF UNDERSTANDING II

The Company will provide the Union with a copy of its current harassment policy and any future revisions.

LETTER OF UNDERSTANDING III

Drug and Alcohol Policy

The Union and Marine Engineer Officers recognize that the Company must have a **“ZERO TOLERANCE** drug and alcohol policy in place in order to ensure the safety and security of the vessels and their crews.

The details of the policy may change from time to time on advance notice to the Union and the Marine Engineer Officers, but the primary elements of the policy (which are equally applicable to all members of the crew) are:

- a) There will be no drugs or alcohol permitted on board any Company vessel at any time;

- b) Marine Engineer Officers returning to the vessel from shore leave must be in a sober condition and free from the influence of drugs and alcohol;

Failure to comply with the policy will result in severe disciplinary measures, including dismissal.

ANNEX "A"

NOM DE LA COMPAGNIE
COMPANY'S NAME _____

OFFICIERS ET MEMBRES D'ÉQUIPAGE
DEMANDE D'AUTORISATION DE S'ABSENTER **DU** NAVIRE

OFFICERS & CREW MEMBERS
REQUEST FOR TIME OFF FROM VESSEL

NOM DE L'EMPLOYÉ
EMPLOYEE'S NAME _____ CLASSIFICATION
RATING _____

NAVIRE
VESSEL _____

ABSENCE DU
LEAVE FROM _____ **AU**
TO _____

RAISON DE L'ABSENCE
REASON FOR LEAVING _____

Il est convenu que si je ne me rapporte pas à la date indiquée ci-dessus ou si je fais défaut d'aviser le capitaine ou le chef mécanicien, selon le cas, à la date indiquée afin de justifier mon retard, la Compagnie pourra faire appel à un remplaçant permanent.

It is agreed that if I do not report back on the date indicated above or if I fail to contact the Captain or the Chief engineer, as the case may be, on said date to satisfactorily explain my delay, a permanent replacement may be called by the Company.

APPROBATION
APPROVAL _____ SIGNATURE
SIGNED _____

Officier /
Chief Engineer

Officier /
Crew Member

ANNEX “B”

During transit through the Welland Canal, Beauharnois to St-Lambert or the Montreal Harbour, downbound or upbound, the responsibility to ensure that the vessel is adequately manned with sufficient and competent crew on board, as described in each category below, to handle watchkeeping, line handling and to deal with any emergency situation that could arise, rests with the Captain.

The minimum number and rank of personnel that must remain on board in transit is as follows:

BULKVESSELS

Captain	Chief Engineer
2 Mates	2 Engineers
1 Wheelsman or AB on watch	2 Unlicensed engine room ratings

5 other unlicensed deck ratings

If 3 in galley staff, then 1 remains aboard

SELF-UNLOADERS

Captain	Chief Engineer
2 Mates	2 Engineers
1 Wheelsman or AB on watch	2 Unlicensed engine room ratings

5 other unlicensed deck ratings

2 Unloading personnel (tunnelman or electrician)

If 3 in galley staff, then 1 remains aboard

Differences occur between day and night transits because, by contract, unlicensed day-workers because of their hours of work must be aboard the vessel between the hours of 6 A.M. and 5 P.M. (exceptions do occur with the rotating hours of galley staff). Day working engineers, the hours are from 6 A.M. to 6 P.M.

All personnel given permission to take shore leave must sign the form provided for that purpose.

ANNEX "C"

OCCUPATIONAL HEALTH AND SAFETY COMMITTEE

Terms of Reference

Article 1

A Company Occupational Health and Safety Committee is established to promote safe and healthy working conditions for persons employed in the Great Lakes shipping industry. It will not deal with matters such as operational safety or public safety. The committee will consist of the following:

- a) One (1) representative of the CMOU
- b) One (1) representative of Algoma Central Marine

Article II

The Committee shall meet quarterly and when required on an urgent basis as a result of an emergency or special circumstances.

Article III

The notice of meetings as set forth previously shall be sent by the appointed Secretary of the Committee.

Article IV

The Committee shall keep accurate records of all matters that come before it and shall keep minutes of its meetings and shall make such minutes and records available to all members of the Committee.

ANNEX – D

Labour Management Committee

A Labour Management Committee shall be established consisting of one (1) representative from the Union and one (1) representative from the Company. The purpose of the Labour Management Committee shall be to discuss and resolve matters of mutual interest. Committee meetings will be held quarterly. Each of the parties shall submit to the other agenda items to be discussed at least fourteen (14) days prior to the meeting date.

Amnesty Clause

Undertaking by Canadian Marine Officers Union

The C.M.O.U. and its officers, employees, members and representatives undertake not to impose sanctions or penalties of any nature or to take reprisals of any nature against any C.M.O.U. member or members of other unions who continued to work during the strike or against any person who replaced C.M.O.U. members on strike. This undertaking includes, without restricting the generality of the foregoing, harassment, intimidation and discrimination of whatever nature at the work place, in hiring, transfers, promotions, and in the exercise of any right, privilege or benefit pursuant to the collective agreement or the C.M.O.U.'s constitution.

Undertaking by Company

The Company, and its officers, directors, employees and representatives, undertake not to impose sanctions or penalties of any nature or to take reprisals of any nature against any C.M.O.U. officer or member for having participated in the strike against the Company which began on December 1, 2001. This undertaking includes, without restricting the generality of the foregoing, harassment, intimidation and discrimination of whatever nature at the work place, in hiring, transfers, promotions and in the exercise of any right, privilege or benefit pursuant to the collective agreement.

This undertaking does not include, however, any disciplinary action, including dismissal, which has been imposed or may be imposed against any employee who was involved in any act, before, during or after the strike, of violence, destruction of property (company or personal), or sabotage.

IN WITNESS WHEREOF the parties hereto have signed this Agreement this 31st day of May 2002.

Algoma Central Corporation Canadian Marine Officers Union