

COLLECTIVE AGREEMENT
PROJECT
Covering Fueling barge
M/V ARCA

BETWEEN

VSHIPS CANADA INC

AND

THE SEAFARERS INTERNATIONAL UNION OF CANADA

WHEREAS the Company operates, **owns**, manages and/or bareboat charters ships in Canada, in both inland and home trade voyages as defined by the Canada Shipping Act as amended, but not in foreign voyages as defined under the same Act, and for which the Union may have a separate form of Agreement.

AND WHEREAS the parties are desirous of promoting collective bargaining and stability of industrial relations in the manner and upon the terms herein set out:

1. GENERAL PURPOSE OF THIS AGREEMENT

(a) The general purpose of this Agreement is, in the mutual interest of the Company and its employees **on** the fueling barge , to provide for the most reasonable operation of the Company's ships under methods which will further, to the fullest extent possible, the safety and welfare of the said employees and economy of operation. It is recognized by this Agreement to be the duty of the Union, the Company and said employees, to cooperate fully, individually and collectively, for the advancement of these conditions.

2. RECOGNITION AND MANAGEMENT RIGHTS

(a) The Company recognizes the Union as the sole and exclusive representative for the purpose of collective bargaining for the personnel employed on the Company's barge , which personnel are hereinafter referred to as "employees" which word shall include the singular as well as the masculine and feminine.

(b) The Union agrees that the Barge master , or designated Management representative have the exclusive right to hire, suspend, or discharge employees for cause, direct the crew, determine qualifications, promote or lay-off employees.

c) Probationary Employees

1. **An** Employee (other than a relief employee or job sharer as defined at Article 29) shall be considered to be a probationary employee until he/she has been employed by the Company in the bargaining unit for a period of ninety (90) days working on a vessel. During the period of probation, the employee's suitability for employment will be assessed by the Company

2. At any time during the period of probation, an employee may be released by the Company if the Company judges the employee unsuitable for employment. In the event a probationary employee grieves his/her release, the Company shall be required to show that it acted reasonably in judging the employee unsuitable for employment with the Company.

3. Relief employees and job sharers (as defined in Article 29) are not considered employees on probation and may be released at any time.

(d) Discipline shall be governed by the principles and procedures laid out in the Disciplinary Code as agreed to by the Company and the Union.

3. CLAUSE PARAMOUNT

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.

4. GOVERNMENT LAWS AND REGULATIONS

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 manner whatsoever the authority of the barge master

5. MAINTENANCE OF MEMBERSHIP AND EMPLOYMENT

(a) **An** employee covered by this Agreement who is not a member of the union shall, within thirty (30) days of employment, make application for membership in the Union. If the Union refuses to accept such employee, a satisfactory written statement of reason must be supplied by the Union to the Company.

(b) The Company agrees to maintain in their employ only members of the Union in good standing. "Good standing" is herein interpreted to mean that a member has not failed to pay the periodic dues, assessments and initiation fees uniformly required to be paid by all members of the Union.

(c) The Company shall not be required to discharge any employee under paragraphs (a) and (b) above unless and until a qualified replacement is available, subject to the master's determination and the grievance procedure.

(d) The Company agrees to deduct initiation fees and/or monthly Union dues and/or assessments in respect to all employees covered by this Agreement in the amounts as established by the Union.

In addition to the above amounts, the Company also agrees to deduct and remit to Union Headquarters any other amount of money when requested to do so by the Union.

All amounts required to be deducted by the Company by this Article shall be remitted to Union Headquarters no later than the 25th day following the end of the pay period.

(e) The Union shall indemnify the Company and hold it harmless against any and all suits, claims, demands and liabilities that shall arise out of or by reason of any action that shall be taken by the Company for the purpose of complying with the foregoing provisions of this Article or in compliance with any notice which shall have been furnished to the Company under any of such provisions.

(f) The Company agrees that during the period this Agreement is in effect, all personnel to be hired shall be requested through the offices of the Union closest to the location of the vessel for which the request is made. In addition, the Union shall supply the name of the employee to be dispatched as soon as such name is determined to the person having made such a request.

(g) The union agrees that its dispatch facilities shall be available as follows:

1. The Union Dispatch Halls shall be open Monday through Friday from 09:00 hrs. to 17:00 hrs.
2. Shipping shall be conducted at all ports in accordance with the above stated hours, Monday through Friday.
3. Telephone numbers of Union officials in each port shall be furnished to the Company in case of emergency calls for employment.
4. Outside the hours of 09:00 hrs. to 17:00 hrs. the Union Hall shall have an answering service available for incoming calls which are received.
5. The Union Dispatch facilities shall be closed on all statutory holidays specified in Article 12 herein and on all other Federal and/or applicable Provincial statutory holidays. Where such statutory holidays fall on a Saturday or Sunday, the Union Dispatch Halls shall be closed on the following Monday or on the next juridical day should the following Monday be a statutory holiday.

(h) The Union agrees to cooperate fully with the ships' officers and management of the Company in obtaining qualified, reliable employees to fill vacancies as they occur. When employees are requested, the Union agrees that the Company's requirements will be filled as quickly as possible.

(i) When presenting themselves for employment, members shall remit a Union dispatch slip and discharge book to the master or designated ship's officer. Members who are refused for employment must be immediately furnished in writing with a valid reason for such refusal. If the member is not accepted by the Company as a result of or because of an error committed by the Company in placing a call for a replacement, the said member shall be reimbursed any and all reasonable transportation costs to and from the vessel, living expenses supported by receipts and shall receive one day's basic pay.

(j) The right of any employee to employment with the Company shall be conditional upon the employee being medically fit to perform his duties and in possession of a valid Medical Fitness Card. The Company may, at any time, cause the employee to be medically examined at the Company's expense.

(k) Refusal of any employee to work as directed or to obey lawful orders of his superior officers shall be grounds for discharge. Any employee who leaves a vessel without being properly relieved shall forfeit his or her job with the Company.

(l) The parties agree that where the Union fails or is unable to fill a request for unlicensed replacement personnel acceptable to the Company within forty-eight (48) hours of the receipt of the Company's request, the Company shall be free to engage such unlicensed personnel through any other available source, subject to appropriate rules hereinafter.

1. Where an employee terminates his employment with the Company, he shall provide an officer with a minimum of forty-eight (48) hours written notice. Such notice shall be in writing and in duplicate so that the employee can retain a signed copy from the officer. The officer shall immediately thereafter request the Union to supply the required personnel.

If the union is unable to dispatch the replacement personnel within forty-eight (48) hours, the Company may hire replacement personnel from any other source available on a temporary basis only. Should this occur, the barge master upon hiring temporary personnel shall immediately notify the nearest Union office so that the replacement personnel hired by the Company will be replaced by a Union member as soon as possible.

2. When, as indicated above, the officer does not provide the Union with a minimum of forty-eight (48) hours notice for replacement personnel, the Union shall in any event endeavour to dispatch the requested personnel within the time limits required by the Company. However, if the union is unable to dispatch within the time limits required by the Company, the Company shall be free to hire replacement personnel on a temporary basis only. Should this occur, the master upon hiring temporary personnel shall immediately notify the nearest Union office so that the replacement personnel hired by the Company will be replaced by a Union member as soon as possible.

3. Where an employee terminates his employment without giving forty-eight (48) hours written notice to an officer, an officer shall notify the nearest Union hall immediately with the request for replacement personnel. However, if the Union is unable to dispatch within the time limits required by the Company, the Company shall be free to hire replacement personnel on a temporary basis only. Should this occur, the Captain upon hiring temporary personnel shall immediately notify the nearest Union office so that the replacement personnel hired by the Company will be replaced by a Union member as soon as possible.

4. Where an employee is discharged for cause, an officer shall notify the nearest Union hall immediately with the request for replacement personnel. However, if the Union is unable to dispatch within the time limits required by the Company, the Company shall be free to hire replacement personnel on a temporary basis only. Should this occur, the barge master upon hiring temporary personnel shall immediately notify the nearest Union office so that the replacement personnel hired by the Company will be replaced by a Union member as soon as possible.

5. Where an employee is discharged for cause, suspended or laid off from his employment, the barge master shall immediately furnish to the employee in writing the reasons for such discharge, suspension or lay off which the Barge master shall sign.

(m) The forty-eight (48) hour notice shall be waived at the employee's request, where there has been a death or other emergency in the immediate family of the employee.

(n) Where the barge master decides to lay off, twenty-four (24) hours' written notice shall be given to the employee affected, stating therein the reason for such lay off. Such notice may be in the form of an announcement placed on the ship's bulletin board.

(o) It is agreed between the parties that when an employee returns from sick leave or a regular leave, he will notify the barge master twenty-four (24) hours ahead of time in order to facilitate the paying off of the relieving employee.

6. GRIEVANCE PROCEDURE

- (a) An employee who is refused employment, discharged, suspended, laid off or transferred from his employment has the right to file a grievance with the Company through the Union within five (5) days of its occurrence subject to the procedure outlined herein.
- (b) Where the employee has a grievance while working on board a vessel, he must present his grievance on Standard Grievance Form (if available) to the barge master with a copy to the ship's delegate within ten (10) days of the alleged occurrence,
- (c) Upon request of the grieving employee, the Ship's delegate shall assist in the grievance procedure. He shall not be subject to discipline for assisting the griever in the grievance procedure, provided such assistance does not interfere with the operation of the ship.
- (d) The barge master shall acknowledge receipt and reply to the grievance by completing and returning to the griever a duly completed Standard Grievance Form (if available) within five (5) days of receipt of grievance.
- (e) If settlement is not achieved upon receipt by the griever of the barge master's reply, the griever shall submit the Standard Grievance Form to the Union immediately.
- (f) Within thirty (30) days of the barge master's reply, the union shall submit the duly completed Standard Grievance Form to the head office of the Company.
- (g) Within thirty (30) days of the date the grievance is submitted by the Union to the Company's head office, the Company shall reply to the grievance.
- (h) The Union shall also have the right to submit a grievance in writing to the representative of the Company on behalf of all the employees in the bargaining unit or a group or category thereof within thirty (30) days of the occurrence giving rise to the grievance. In both these instances above, the Company shall reply to the grievance as per clause (g) above.
- (i) A labour management meeting shall be held between the Company and the SIU prior to a grievance being referred to arbitration.
- (j) If the grievance is not settled at the meeting referred to in clause (i) of this Article, the grievance must be referred to arbitration within ten (10) days thereafter.

7. ARBITRATION

Any grievance involving the interpretation or alleged violation of the 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 arbitration board shall consist of one (1) Arbitrator who shall be jointly selected by the Union and the Company. This selection shall be made within ten (10) days after the request for arbitration has been made by either party to this Agreement. In the event that the parties fail within the said ten (10) day period to agree upon the selection of an Arbitrator, the matter may be referred by either party to the Minister of Labour for Canada, who shall select and designate the Arbitrator.

(b) In the event the arbitration board is vacated by reason of death, incapacity or resignation, or for any other reason, such vacancy shall be filled in the same manner as is provided herein for the establishment of the board in the first instance.

(c) A statement of the dispute or question to be arbitrated shall be submitted by both parties, either jointly or separately, to the Arbitrator within fifteen (15) days of his appointment. The arbitration board shall convene within twenty (20) days following the appointment of the Arbitrator unless otherwise mutually agreed by the parties, and shall render its decision as soon thereafter as possible.

(d) The decision of the board shall be limited to the dispute or question contained in the statement or statements submitted to it by the parties. The decision of the arbitration board 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, and the Union and all persons concerned.

(e) 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 responsibility that each side had in the production of the grievance.

8. UNION OFFICERS BOARDING VESSELS

(a) 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 vessel at the loading port. Such representatives shall have the right to engage in negotiation with the barge master or officer 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.

(b) 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 representative 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 ship 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.

(c) 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 vessel, subject to penalty of revocation of the Pass granted herein. Any such revocation shall be subject to the Grievance Procedure.

(d) 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 endeavouring to secure such passes.

(e) The Company grants to the union the use of the bulletin boards for the posting of notices of Union meetings, elections, 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.

9. SENIORITY AND PROMOTIONS

(a) At the lay-up of the vessel for the season, the vessel/Company shall provide each satisfactory employee with a Notice of Intent which will contain the following information:

Name of Ship
Employees' Name Home Address
Home Telephone
Rating
Barge master

This notice will certify that the employees listed have indicated their intention to resume their employment with that vessel for the following navigation season. The notice will be signed by the master as acceptance of the notice of intent and his endorsement. An employee is entitled to return only to the ship that the employee laid up.

The notice does not constitute a promise of employment if the vessel which was laid up is not placed in operation by the Company. Unlicensed personnel will receive a notice of seventy-two (72) hours prior to joining the ship unless exceptional circumstances arise. In this case a relief employee will be called for those unable to join on short notice.

The company reserve the right to promote the person of its choosing to the position of barge foreman .

10. VACATION PAY

(a) An employee having completed less than one (1) full year of service with the Company shall receive vacation pay as per Article 10 (e) equal to four percent (4%) of his gross wages earned during the current pay period.

(b) An employee having completed one (1) year of service with the Company or up to and including five (5) full consecutive years of service with the same employer shall receive vacation pay as per Article 10 (e) equal to five percent (5%) of his gross wages earned during the current pay period.

(c) An employee having completed more than five (5) full consecutive years of service with the Company shall receive vacation pay as per Article 10 (e) equal to seven percent (7%) of his gross wages earned during the current pay period.

(d) The right of an employee to receive vacation pay pursuant to paragraphs (b) and (c) above shall not be affected in any way where such employee is absent from his employment for reasons satisfactory to the barge master

(e) The Company shall pay all accumulated vacation pay to an employee at the end of each pay period.

(f) A season of service is defined as consecutive season(s) from hire to anniversary date and, in accordance with the preceding clauses of this Article, the percentages shall change one (1) day after anniversary date..

(g) If the vessel is sold or transferred to a Company which is covered by an S.I.U. Collective Agreement, transferred employees will carry their entire seniority to the new owner or operator for the purpose of vacation pay calculations.

11. GENERAL AND EMERGENCY DUTIES

(a) In addition to the duties specifically imposed by this document, all employees shall perform competently the ordinary duties pertaining to their positions on the vessel.

(b) Any work necessary for the safety of the vessel, passengers, crew or cargo, or for the saving of or rendering assistance to other vessels, lives, property or cargoes, shall be performed at any time on immediate call by all employees and notwithstanding any provisions of this Agreement which might be construed to the contrary, in no event shall overtime be paid for the work performed in connection with such emergency duties of which the Captain shall be the sole judge.

(c) The barge master may, whenever he deems it advisable, require any employee to participate in lifeboat or other emergency drills. Such drills will take place at least once per calendar month.

(d) Each employee shall report on board at loading port and be available for duty not less than thirty (30) minutes before time of sailing, as posted on the notice board, or as otherwise informed by the Officers in charge.

(e) The barge foreman and ordinary seamen may be assigned to maintenance duties as designated by the barge master .

(f) When an employee is required to work in a classification outside of his regular classification he shall be paid at the appropriate rate of pay of an employee working that classification or his own rate of pay, whichever is greater.

12. STATUTORY HOLIDAYS

(a) The Company agrees to recognize the following holidays:

- | | |
|---------------------|---------------------------|
| 1. New Years Day | 2. Boxing day |
| 3. Good Friday | 4. Easter Monday |
| 5. Victoria Day | 6. St Jean Baprtiste day |
| 7. Dominion Day | 8. First Monday in August |
| 9. Labour Day | 10. Thanksgiving Day |
| 11. Remembrance Day | 12. Christmas Day |

(b) In the event that any of the above holidays fall on a Saturday or a Sunday, the following Monday will be observed and paid at the same rate as a Statutory Holiday. The work performed on a holiday shall be that usually performed on a Sunday. If an employee does not work on a Statutory Holiday, he will receive his usual daily wage. If an employee is required to work on a Statutory Holiday, he will be paid for each hour worked double time and one half (2 1/2) his basic hourly rate.

(c) If any Statutory Holiday falls during an employee scheduled time off, he will be paid a day's basic pay on the first pay day following his return to work. This paragraph will not apply in the case where an employee takes time- off after November 30th and does not return to work prior to fit- out.

13. OTHER CONVENIENCES

(a) The following items shall be supplied to the unlicensed personnel employed aboard vessels of the Company.

1. A suitable number of clean blankets for each employee.
2. An adequate supply of sheets, pillow cases, hand and bath towels, standard brand or generic face soap and laundry soap or detergent, to be supplied at least once a week.
3. An adequate supply of crockery.
4. The Company agrees to supply on each vessel a washing machine, and where electrical capacity and space are available an electric dryer, and where space presently permits, space for drying clothes will be made available.
5. When the company requires that the personnel obtain their own room and board during fit – out, reimbursement for such expenses will be made upon submission of properly authorized expense statements supported by receipts . Any fraud will warrant immediate dismissal .

The Company agrees to pay the cost of maintenance of these appliances necessitated by normal wear and tear. Any member willfully damaging or destroying linen, mattresses, and/or any of the above equipment, shall be held accountable for same and may be terminated.

(b) Upon request, the Company shall supply two (2) pairs of coveralls to all permanent or permanent relief employees of who have been in the employ of the Company for a minimum of ninety (90) days. The personnel may request that one (1) pair of coveralls be insulated . Such items shall be replaced annually, if necessary, upon presentation of the old items.

(c) All permanent employees, including permanent reliefs, will be given a one hundred (\$100.00) dollar allowance towards the purchase of safety boots. This allowance shall be paid to each permanent and permanent relief employee at the end of November of each year on a separate cheque. Only CSA approved boots are acceptable. To receive this payment the employee must have been in the employ of the Company for a minimum of ninety (90) days.

14. MEALS, COFFEE TIME AND LUNCHESES

(a) Meal hours, when practicable, shall be as follows, unless otherwise directed by the master.

BREAKFAST	from 07: 00 hrs. to 08: 00 hrs.
LUNCH	from 11: 30 hrs. to 12: 30 hrs.
DINNER	from 16: 30 hrs. to 17: 30 hrs.

(b) A fifteen (15) minute coffee break shall be allowed each member of the crew, each morning and afternoon. Such coffee breaks for shall be taken at the hours of 10:00 and 15:00 when the nature of the work permits, otherwise as near as possible to those hours

15. GROCERY ALLOWANCE

For each day worked ,a daily allowance of twenty one (\$21.00) will given to each crew member covered by this agreement This allowance will be paid semi-monthly.
Starting July 1 , 2006 this allowance will be raised to twenty two (\$22.00) daily .

16. TRANSPORTATION COSTS

(a) The Company shall provide for a permanent employee’s transportation expenses to the employee’s home only under the following circumstances:

- (i) When the employee has to get off the ship due to illness or injury or is returning to work after same. In this case he shall have to show evidence of qualification for U.I.C. or S.M.P. sick benefits or Worker’s Compensation.
- (ii) When the employee is being transported by the Company during the course of his employment.
- (iii) Surface passage train or bus and or economy air fare and or (where no public transportation is available) two-way car allowance.
- (iv) They shall provide hotel accommodation to a maximum of ninety dollars(\$90.00) and meal expenses to a maximum of fifteen (\$15.00) per meal
- (v) Where no public transportation is available and the employee must use his own vehicle, the Company shall pay a two-way car allowance of thirty-five (\$0.35) cents per kilometre.
- (vi) For the purpose of establishing home in (i) above, all permanent employees will be required 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 a result of the relocation
- (vii) At annual fit-out an employee shall be given seventy-two (72) hours notice prior to joining his vessel. Notice shall be given in accordance with article 9a .

(c) When an employee falls sick or is injured, it will be the duty of the barge master to see that the employee gets first-aid or medical treatment as quickly as possible. Transportation to and from the hospital or clinic shall be provided in accordance with (b) above. On the doctor’s recommendation, an employee may be assigned to light duties for up to ten (10) days otherwise he shall be transported home.

(d) All job sharing and relief employees (including medical reliefs) who complete their relief assignment shall be paid the transportation costs back to the Dispatch Hall where the job call was originally placed .

17. SAFETY AND EQUIPMENT

(a) The Company shall make every effort to furnish and maintain safe working gear and equipment for the protection of its employees and shall continue to make reasonable provisions and rules for their safety.

(b) Goggles, hard hats and respirators shall be signed for. Immersion suits which meet MOT standards shall be provided to all crew members on all vessels. It is understood that each unlicensed crew member shall be fully responsible and accountable for the suit at all times. If any of the above items are not returned at termination of employment, the Employee shall pay for the cost of replacement.

(c) During the hours of darkness outside painting must not be performed.

(d) First-aid kits, life preservers, life-jackets, portable life rafts, etc., shall not be stored away while on the run immediately prior to winter lay-up, nor shall the lifeboats be emptied of their equipment, permanently covered or securely lashed in preparation for such lay-up.

(e) It is agreed that any safety regulations that the Company may now have in force for the safety of the vessel and crew, and any further safety regulations which the Company shall put into effect and bring to the attention of the crew, shall be strictly adhered to by all crew members. Violation of any such regulations shall warrant immediate dismissal .

(f) Crew members must use safety matches . Cigarette lighters are prohibited . Smoking will be restricted to areas designated by the master .

(g) Only intrinsically safe lanterns and radios shall be used on the vessel .

18. SCHEDULE OF WAGES

Schedule of wages effective July 1 ,2003:

	Basic Hourly Wage Rate (Mon-Fri)	Overtime Rate per hour worked Sat. & Sun. & in excess of 8 hrs. Mon - Frid	Overtime Rate per hour worked in excess of 8 hrs. Sat. & Sun.
Barge Foreman	22.20	33.30	44.40
Ordinary Seaman	17.65	26.48	35.30

Effective July 1 , 2004 and on July 01 of each subsequent year to July 1 , 2007 the wage rates shall be modified by the cost of living index covering the previous twelve (12) month period ending June 30 .

19. WORK WEEK AND OVERTIME

(a) The regular work week shall be forty (40) hours, consisting of five (5) days of eight (8) hours per day, Monday through Friday. The regular work day shall be eight (8) hours per day on each day from Monday to Friday, inclusive.

(b) Each employee shall receive wages at the appropriate basic hourly wage rate for each job classification as stipulated in the Schedule of Wages contained in Article 19 hereof, for eight (8) hours per regular work day (Monday through Friday) whether or not he is called upon to work the said full eight (8) hours, provided that he is available for work during the said (8) hours.

(c) Crew members maybe called on to work on Saturdays and Sundays. It is agreed that overtime rate shall be paid for such work in accordance with the following provisions. When so called the employees shall be paid for the full eight (8) hours.

(d) When crew members are called on to work on Saturdays and Sundays, they shall be paid at the overtime rate for the first eight (8) hours between the hours of 07:00 hrs. to 19:00 hrs. for each of those days.

(e) The overtime rate is defined as being one and one-half (1 1/2) the applicable basic hourly wage rate for each job classification as stipulated in the Schedule of Wages contained in Article 19 hereof.

(f) For hours worked in excess of eight (8) on Saturdays and Sundays, the rate of pay shall be double time.

(g) No employee shall be required to perform more than sixteen (16) hours of continuous work, excluding meal hours, in a twenty-four (24) hour period.

(h) **An** employee 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 employee to one-half (1/2) hour at the overtime rate.

(i) When employees are called out to work on overtime and then "Knocked off" for less than two (2) hours, excepting where an employee is recalled for his regular duties, overtime shall be paid straight through.

(j) For the purpose of calculating overtime, a "day" shall refer in all cases to the period from midnight to midnight.

(k) Overtime payment shall not be duplicated for any hour of work, i.e., there shall be no pyramiding of overtime.

(l) **An** employee who is not on regular duty when called for overtime work shall be allowed as a general practice fifteen (15) minutes in which to dress. However, the Union recognizes that under special circumstances the barge master may not be able to comply.

(m) Within twenty-four (24) hours of completion of any overtime work, the employee 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 employee and the other retained by the barge master. In the event a question arises as to whether work performed is payable as overtime, or if the claim is rejected, the Senior Officer must sign "Disputed" and indicate the reason(s) for non-approval. In the case of a dispute, the matter shall immediately enter the Grievance Procedure as provided for in this Agreement.

(n) The Company agrees to supply overtime books or sheets for the purpose of keeping a record of overtime worked. Where the Company fails to supply the said overtime books or sheets, employees' overtime claims shall be considered as valid on any form of paper.

(o) Overtime shall be divided as equally as may be reasonably practicable among the employees who normally perform the work.

20. HOURS OF WORK

(a) The regular hours of work for employees shall be any eight (8) consecutive hours excepting meal hours in a spread of twelve (12) hours from 07:00 hrs. to 19:00 hrs. or 10:00 hrs to 22:00 hrs from Monday through Friday.

(b) When employees are required to do spray painting, they shall be "Knocked off" one-half (1/2) hour early to clean up. Coveralls and respirators will be supplied.

(c) Between the hours of 17:00 and 06:00 employees will not be assigned duties which include painting and soogeeing without payment of the following premiums:

(d) Monday to Friday the rate of payment for the above duties will be at the rate of time and one half.

(e) On Saturday, Sunday and on Statutory Holidays, payment for the above duties will be at the rate of double time.

It is generally understood that there shall be no chipping and scraping between the hours of 17:00 and 06:00.

(f) . Every consideration shall be given to reasonable requests for time off in port for the purpose of obtaining medical care, cashing Company cheques, legal counsel or the necessities of life.

(g) The Company agrees that the fueling barge shall be manned with crews sufficient and efficient to meet the requirements of the operations.

(h) **When** employees are promoted for the purpose of replacing employees who are injured, sick or absent, they shall receive the differential in pay while so acting

(i) A night premium of seventy five cents (\$ 0.75) an hour shall be paid for each hour worked after eighteen hundred (18:00) hours. For the purpose of calculating the overtime rate, the base rate shall be used.

21 . INTERRUPTION OF WORK

(a) It is agreed that there shall be no strikes, walkouts, lockouts, secondary boycotts, or other similar interruptions of work during the term of this Agreement or any renewal thereof, and disputes and grievances shall be adjusted through the regular channels established in the Grievance Procedure.

(b) There shall be no discrimination, interference, restraints, or coercing by the Company against any employee because of membership in the Union. The Union agrees not to intimidate or coerce or threaten employees in any manner that will interfere or hinder the effective carrying out of this Agreement and the principles contained herein, and will assist and cooperate with the barge master and Executives of the Company in maintaining discipline aboard ship.

(c) It is agreed for the purpose of this Agreement that the refusal of an employee to pass through a lawful picket line shall not be construed as a violation of this Agreement and shall not be reason for dismissal.

22. PAYMENT OF WAGES

(a) Wages shall be paid by way of a direct deposit into the employee's bank account on the fifteenth (15th) day of the month for the wages earned between the 21st day of the preceding month and the 5th day of the current month. Wages earned between the 6th and the 20th day of the current month shall be paid by way of direct deposit on the last day of the current month.

(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. The pay stub will be sent to the employee aboard the vessel in a separate sealed envelope.

(c) When an employee is paid off a vessel, he shall receive in cash an amount up to sixty (\$60.00) per day for days worked and for which he has not received any payment up to a maximum of two hundred dollars (\$200.00) if requested by the employee. Except for scheduled time off, each employee on termination will be given a temporary U.I.C. separation certificate enabling the employee to immediately apply for his unemployment benefits.

23. SAILING TIME

(a) 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.

(b) If a crew member misses a vessel due to the fact it sails before the posted sailing time, he shall notify the barge master by radio telephone within two (2) hours of the original posted sailing time, and if such crew member rejoins the vessel at the first point where it can be boarded, he shall be reinstated, provided he notifies the Captain of the vessel as soon as possible of his intention to rejoin the vessel and shall be reimbursed transportation costs. Such shall not constitute a break in service.

(c) 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.

24 . MARINE DISASTER

(a) **An** employee covered by this Agreement, while employed by the Company, who suffers loss of clothing or other personal effects because of a marine disaster or shipwreck shall be compensated by the Company, for such loss, up to a maximum of two thousand dollars (\$2000.00).

(b) **An** employee or his estate making a claim under this Article shall submit reasonable proof to the Company of the actual value of the loss suffered. Such proof shall be a signed affidavit listing the individual items and values claimed.

25 . DISCRIMINATION

In addition to the anti-discrimination provisions contained in applicable legislation, the Company shall not discriminate against any employee for legitimate Union activity or on grounds of mother tongue when an employee's mother tongue is either of the two official languages of Canada.

26 . DRUG AND ALCOHOL POLICY

The Union and the crew 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 vessel and its crew.

The details of the policy and its implementation may change from time to time on advance notice to the Union and the employees but the primary elements of the policy (which is equally applicable to all members of the vessel crew) are:

(a) There will be no drugs or alcohol permitted on board the fueling barge at any time.

(b) Unlicensed crew returning to the vessel from any shore leave must be in a sober condition and free from the influence of drugs and alcohol.

(c) Failure to comply with the policy will result in the application of the discipline code which could result in dismissal.

27 . MANNING SCALE

It is agreed between the parties that the unlicensed manning scale of the vessel covered by this Agreement shall be the manning scale which is in effect on July 1 , 2003. Under no circumstances shall there be any reduction of the manning scale during the life of this Agreement unless mutually agreed upon between the parties. The union recognizes that improvements to productivity as a result of innovation in equipment, materials or processes used by the Company may directly or indirectly result in a change to the agreed-upon manning levels and these changes will be subject to the Canada Labour Code, Part I, Sections 51 to 55.

28 . CREW ACCOMMODATIONS

(a) The Company shall see that all quarters assigned for the use of the employees are kept clean, tidy, lighted and ventilated insofar as it is practicable to do so. The Company and the employees shall cooperate to the fullest in keeping living quarters clean and tidy at all times. The Company agrees to fumigate all quarters whenever such fumigation is necessary to free them of vermin. Crew's quarters to be painted when necessary. Any inspection of any crew member's cabin shall be done in the presence of the member or the ship's delegate if the member is not present.

(b) No pets to be carried on board ship by any of the personnel

29 . 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 unlicensed personnel aboard the said vessel and to apply the terms of the present collective agreement; or
2. The vessel is leased or chartered without an unlicensed crew; or
3. The parties agree otherwise.
4. The Company agrees when selling a vessel that the Union will be notified of such sale.

30 . FRINGE BENEFITS

It is agreed between the parties that the contributions payable to the Seafarers' Medical Plan, the Seafarers' International Union of Canada Pension Plan and the Seafarers' Hiring Hall Fund provided in the Memorandum of Understanding between the parties, shall be effective on the dates indicated in the Memorandum.

31 . LEAVE OF ABSENCE

(a) After completion of ninety (90) days of continuous employment with the Company, an employee will be granted bereavement leave when death occurs to a member of an employees immediate family, that is, his father, mother, brother, sister, parents-in-law and grandparents. The employee granted leave to attend the funeral will be paid at his basic rate for time lost up to a maximum of seven (7) days.

In the case of a wife, husband or children, the above mentioned leave period of seven (7) days shall be a maximum of ten (10) days.

(b) An unlicensed crew member 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.

(c) An employee may request paternity leave without pay at least six (6) weeks prior to the expected date of birth of his child and shall be granted paternity leave for a maximum period of sixty (60) days without pay.

(d) All claims under this Article must be supported by proper medical or bereavement evidence upon returning to the vessel, otherwise the employee forfeits his right to employment with the Company.

(e) For vacation purposes only one employee will be allowed off at a time

32. EMPLOYEE'S FILE

(a) The employer agrees not to introduce as evidence in a hearing related to disciplinary action any document from the file of an unlicensed employee, the existence of which the unlicensed employee was not aware at the time of filing or within a reasonable period thereafter.

(b) Upon written request of an unlicensed employee, notice of disciplinary action which has been placed on the personal file of the unlicensed employee shall be destroyed 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 unlicensed employee, the personal file of that employee shall be made available once per year for examination in the presence of an authorized representative of the employer.

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

1. Sickness;
2. Accident at work;
3. While laid off by the Company, if the unlicensed employee has been given Notice of Intent, or;
4. For any leave of absence authorized by the Company.

33. RECREATION FACILITIES

(a) If possible the barge shall be provided with a recreation area. Such area shall be provided with adequate furnishings, such as tables, chairs and settees, and these furnishings shall be maintained in good repair. Where practicable, such rooms shall also be supplied with air conditioning.

(b) The Company shall provide at least one colour T.V. (with antenna) and V.C.R. for the recreation area. If the vessel is fitted with a central V.C.R. system the crew will have access to it

34. SEVERANCE PAY

(a) Employees who are laid off, due to temporary shortage of work, shall retain recall rights to their specific vessel for up to twelve (12) months from the date of lay off. Should they not be recalled during this time, they shall be severed and the Company shall pay each employee five (5) days basic pay for each full year of service.

(b) Where employees are displaced due to

i) automation, mechanization, permanent reduction in the number of employees, or the sale or re-flagging of the vessel on which they are employed

ii) permanent vessel lay up

the following rules shall apply:

1) Employees shall be entitled to severance pay equal to five (5) day's basic pay per full year of service with the Company effective the termination date.

35. TRAINING

The Company will provide assistance for the employees in obtaining training so that they may be better prepared for the needs of the industry.

Unlicensed employees must attend Seafarers Training Institute approved courses when so required by the Company. Failure to do so, without justifiable excuse, shall be cause for disciplinary action which may include dismissal.


36. DURATION OF AGREEMENT


This Agreement shall become effective as from July 1, 2003, unless otherwise noted herein, and shall continue in full force and effect until June 30, 2008, inclusive and thereafter from year to year unless or until either party serves written notice on the other party to the contrary at least one hundred and twenty (120) days prior to June 30, 2008 or one hundred and twenty (120) days prior to June 30 of any subsequent year.

Signed at Montreal, Quebec this 26 day of JUNE 2003

Vships Canada Inc.

Seafarers International Union of Canada


Crew manager


Executive vice president

APPENDIX "A"

LETTER OF UNDERSTANDING

Sexual Harassment

Copies of the Labour Standards bulletin #11 entitled "Sexual Harassment", produced by Labour Canada, shall be placed in a conspicuous location on board all Company vessels both in French and in English.

APPENDIX "B"

LETTER OF UNDERSTANDING

SAFETY EQUIPMENT

It is recognized that many clauses in Article 17 of the current Collective Agreement are covered in either Government Regulations or the Company's Safety Manual which will be distributed to all ships and are available to all crew members. Therefore, the parties have agreed to delete various clauses in deference to these other sources. All Safety and Safety Equipment matters shall be governed by Company policy, Government Regulations and the Marine Safety Handbook 1990 Edition.

Any further changes to Article 17 will be discussed with the Union about the necessity of adding the changes to the Handbook. Any future modifications to the Marine Safety Handbook shall be firstly discussed with the Company Occupational Health and Safety Labour-Management Committee. It is further understood that all safety equipment mentioned in the Marine Safety Handbook be supplied by the Company unless otherwise provided for in the Collective Agreement.

APPENDIX " C "

**LETTER OF UNDERSTANDING
MANNING SCALE**

Barge Foreman	Ordinary Seaman
1	1

The company is presently engaged in discussions with Transport Canada in order to operate the barge with a three (3) men crew by fitting some automated equipment. Until such time as Transport Canada confirms the minimum safe manning, the barge will operate with a four (4) men crew composed of

1 Barge Foreman 2 Ordinary seamen

Once Transports Canada has ruled on a minimum safe manning of three (3) it is the intention of the Company to utilize the services of the fourth crewman as relief.

APPENDIX "D "

LETTER OF UNDERSTANDING

Fringe Benefits

The parties agree by Letter of Understanding that effective the dates indicated under each heading, the Company will make contributions as shown below:

SEAFARERS' MEDICAL PLAN

Effective July 1, 2003 the Company agrees to make contributions of six dollars and forty nine cents (\$6.49) per job per payroll day to the existing Seafarers' Medical Plan.

Effective, July 1, 2004 and on June 01 of each subsequent year to July 1, 2007 the rates shall be increased by the cost of living index covering the previous twelve (12) month period ending June 30.

Where a member is entitled to draw benefits under the Seafarers' Medical Plan, the Company agrees to continue Seafarers' Medical Plan contributions during any period the employee is off work as a result of compensable disability or illness up to a period of twenty-four (24) months for the same compensable disability or illness.

It is further understood that employees who are hired as job sharers and who complete their relief period prior to the expiration of the agreed term of thirty (30), sixty (60) or ninety (90) days, the Company will nevertheless make medical contributions for the assigned number of days.

S.I.U. OF CANADA PENSION PLAN

Effective July 1, 2003, or at any other time during the duration of this Collective Agreement, the Company may, at its discretion, provide all permanent and permanent relief employees membership in a Company Pension Plan, providing such plan is at least equivalent to the existing Seafarer's international Union of Canada Pension Fund and providing that the majority of the employees affected agree to such transfer. Should the Company not provide a pension plan or should membership in the Company pension plan not be approved by a majority of the employees affected, the Company then agrees:

To make a monthly contribution to the Seafarers' international Union of Canada Pension Fund for each employee covered by the Pension Fund as follows:

Effective July 1, 2003, the monthly contribution shall be based on ten and one half percent (10 1/2%) of the basic hourly wage rate of eight (8) hours per day worked.

Effective July 1, 2006 the monthly contribution shall be based on ten and three quarters percent (10 3/4%) of the basic hourly wage rate of eight (8) hours per day worked.

Effective, July 1, 2007 the monthly contribution shall be based on eleven percent (11%) of the basic hourly wage rate of eight (8) hours per day worked.

S I U HIRING HALL FUND

The company agrees to pay to the Seafarers' International Union of Canada hiring hall fund effective July 1, 2003 the sum of five dollars and fifty cents (\$5.55) per job per payroll day.

Effective July 1, 2004 and July 1 of each subsequent year to July 1 2007, the rates shall be increased by the cost of living index covering the previous twelve month period ending June 30.

APPENDIX "E"

LETTER OF UNDERSTANDING

Change in operation

It is agreed that should the operation of the barge drastically change both parties upon mutual consent would meet and review the modus operandi.

APPENDIX "F"

LETTER OF UNDERSTANDING

Recognition of services

The following individuals :

Jean - Paul Genest
Guy Rocheleau

shall be placed on a call list for a period of twelve months (12) starting at the date of the collective agreement. After this period has elapsed, if they have not shipped out, this letter of understanding will become null and void.

APPENDIX "G"

It is agreed between the parties that should some of the ex employees of Shell Canadian Tankers Ltd. be hired by Vships Canada inc. the said employees would not be subject to a lower percentage of vacation