



Marine Atlantic
Marine Atlantique

Canada

Collective Agreement “E”

Between

The Canadian Merchant Service Guild

And

Marine Atlantic Inc.

1 January 2013 to 31 December 2016



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ARTICLE 1
RECOGNITION, SCOPE AND GENERAL PURPOSE

- 1.1 The Company` recognizes the Canadian Merchant Service Guild as the sole collective bargaining agent with respect to wages, hours of work and other working conditions for all Classifications indicated in the certification order issued by the Canada Industrial Relations Board dated January 19, 1999, namely, Senior Master, Master, Senior Chief Engineer, Chief Engineer, Chief Electrical Engineer, and Senior Chief Electrical Engineer.
- 1.2 The use of the masculine gender in this collective agreement includes the feminine and vice versa.
- 1.3 This Agreement is to ensure for the Company, the Guild, and the Ships Officers named in 1.1, the full benefits of orderly and legal Collective Bargaining, and to ensure to the utmost extent possible the physical welfare of said Officers on vessels owned and operated by the Company.
- 1.4 **The use of the masculine gender includes the feminine and vice versa.**

ARTICLE 2
STOPPAGE OF WORK

- 2.1 There shall be no strike, lock-out, or stoppage of work while this agreement is in effect.
- 2.2 If a bargaining unit member is confronted by a picket line the Employer shall provide security when requested.

ARTICLE 3
EMERGENCY DUTIES

- 3.1 Any work necessary for the safety of the vessel, passengers, crew or cargo, or for the saving of other vessels, lives or cargoes, shall be performed at any time on immediate call, notwithstanding any provision of this Agreement which might be construed to the contrary. The Master will be the sole judge.

ARTICLE 4
COMPANY SAFETY REGULATIONS

- 4.1 Any safety regulations which the Company may now have in force for the safety of the vessel, crew and passengers, and any further safety regulations or amendments, which the Company shall put into effect during the term of this Agreement, or which are promulgated by the Government of Canada and which are brought to the attention of the appropriate Officers coming within the scope of this agreement shall be given strict adherence. Failure of an Officer to comply with these regulations shall be subject to investigation and may result in disciplinary action.

ARTICLE 5
GOVERNMENT LAWS AND REGULATIONS

- 5.1 Nothing contained in this agreement shall be construed as to render null and void the obligations of the signatories under the provisions of the Canada Shipping Act or other Government legislation or regulations, nor to impair in any manner whatsoever the authority of the Master under said Acts and Regulations.

ARTICLE 6
GUILD REPRESENTATIVES BOARDING VESSELS

- 6.1 **Designated Union representatives will be permitted** access to Marine Atlantic Inc. property in accordance with the Company procedures to contact members covered by this Agreement. Such representatives shall be allowed aboard at any time which will not interfere with the regular operation of the ship's business. Such representatives shall follow all safety and security regulations.
- 6.2 The Guild shall provide the Employer with a list of the designated representatives and shall advise the designated officer of the company promptly of any changes to the list.
- 6.3 Should any Guild representative fail to observe the above provision, this shall be grounds for revocation of boarding privileges.

ARTICLE 7
DRILLS

- 7.1 The Master will ensure that whenever practicable, lifeboat, fire and

other emergency drills shall be held on weekdays, Monday to Friday inclusive, between the hours of 0600 and 2200. Preparation for drills, shall not be done prior to the signal for such drills, and after drill is over all equipment shall be secured in safe custody. The Master will ensure as soon as is practicable following each drill a debriefing session is carried out.

ARTICLE 8
DEDUCTION OF GUILD DUES

- 8.1 The Company shall deduct each pay period from wages due and payable to each officer coming within the scope of this Collective Agreement an amount equivalent to the uniform monthly union dues of the Guild subject to the conditions and exceptions set forth hereunder.
- 8.2 The amount to be deducted shall be equivalent to the uniform, regular dues payment of the Guild. The amount to be deducted shall not be changed during the term of the agreement excepting to conform with a change in the amount of regular dues of the Guild in accordance with its constitutional provisions.
- The provisions of this Article shall be applicable to the Guild on receipt by the Company of notice in writing from the Guild of the amount of regular monthly dues.
- 8.3 All officers occupying positions covered by this Collective Agreement shall become members of the Guild. For those officers joining the Bargaining Unit who are not Guild members, they shall, become or apply to become members to the Guild within thirty (30) days. Guild membership must be maintained throughout the term of this Collective Agreement.
- 8.4 Membership in the Guild shall be available to any Officer coming within the scope of this agreement eligible under the constitution of the Guild, on payment of the initiation or reinstatement fees uniformly required of all other such applicants.
- 8.5 Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Company, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.

- 8.6 The amounts of dues so deducted from wages accompanied by a statement of deductions from officers shall be remitted by the Company to the officer or officers of the Guild as may be mutually agreed by the Company and the Guild not later than 30 calendar days following the pay period which contains the twenty-fourth day of the month.
- 8.7 The Company shall not be responsible financially or otherwise, either to the Guild or to any officer, for any failure to make deductions or for making improper or inaccurate deductions or remittance. However, in any instance in which an error occurs in the amount of any deduction of dues from an officers wages, the Company shall adjust it directly with the officer. In the event of any mistake by the Company in the amount of its remittance to the Guild, the Company shall adjust the amounts. The Company's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amount payable to the designated officer or officers of the Guild.
- 8.8 In the event of any action at law against the parties hereto or either of them resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to Article 8.1, both parties shall cooperate fully in the defence of such action. Each party shall bear its own cost of such defence except that if, at the request of Guild counsel fees are incurred these shall be borne by the Guild. The Guild shall indemnify and save harmless the Company from any losses, damages, cost, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.
- 8.9 Relieving officers shall become members of the Guild and shall pay dues as per other members of the bargaining unit in accordance with this Article.

ARTICLE 9
SENIORITY GROUPINGS

- 9.1 For the purpose of promotion and seniority groupings, the following classifications and groupings shall apply:
- A. Masters
 - B. Chief Engineers

C. Chief Electrical Engineers

The seniority list for the bargaining unit as at **31 January 2015** is attached at Appendix **B**.

ARTICLE 10 SENIORITY STATUS AND LISTS

- 10.1 Seniority lists will be compiled and posted to the respective seniority groups in January of each year. Such lists shall show each officer's name, employee number, classification and seniority date. Copies shall be furnished to the Guild.
- 10.2 Protests in regard to seniority standing must be submitted in writing within 60 calendar days from the date seniority lists are posted. When proof of error is presented by an officer, or his representative, such error will be corrected and when so corrected the agreed upon seniority date shall be final. No change shall be made in the existing seniority status of an officer unless concurred in writing by the appropriate Representative of the Guild.
- 10.3 No change shall be made in the seniority date accredited an officer which has appeared on two consecutive annual seniority lists unless the seniority date appearing on such list was protested in writing within the 60-day period allowed for correctional purposes. Names which have not appeared on two consecutive annual seniority lists shall not be restored to such seniority lists except in accordance with Article 10.7, or by agreement between the appropriate Representative of the Company and the appropriate Representative of the Guild.
- 10.4 Except as otherwise provided, an officer shall establish seniority in a seniority group under this agreement on successful completion of the probationary period. He shall then establish seniority dating from his first day of work in the seniority group from the commencement of that probationary period.

NOTE: This shall not apply in the case of an officer engaged in an emergency when the process described in Article 10 has not applied. Such officers shall not establish seniority and shall be replaced at first opportunity.

- 10.5 An officer having worked 90 working days or less will be considered as on probation, and if found unsuitable will not be retained.
- 10.6 An officer who transfers to a position within the Company that is not covered by this collective agreement , shall retain seniority rights and continue to accumulate seniority in the group from which transferred, subject to conditions set forth in Article 10, but shall not be entitled to apply for positions or vacancies therein, while employed in official or exempted employment.
- 10.7 An officer who has been discharged and is subsequently returned to a position covered by this agreement, unless reinstated to his former seniority standing will only be allowed his seniority from the date of return of service.
- 10.8 When two or more officers commence work in the seniority group on the same day, the officer who commenced work at the earliest hour of the day shall be senior. When the officers commence to work at the same time, the one who ranked highest in the recruitment and selection process shall be senior. All other things being equal, they shall be placed on the seniority list as mutually agreed in writing between the proper officer of the Company and the appropriate Guild Representative.

ARTICLE 11
PROMOTIONS/BULLETINS CLAUSE

- 11.1 Vacancies will be bulletined to the seniority groups, as required in accordance with the procedures established in the service to appropriate seniority groups.
- 11.2 Bulletins will be posted on board vessels promptly in places accessible to officers affected, with copy to the Guild. The name and seniority date of the appointees to a bulletined vacancy will be bulletined to the seniority group. The bulletined position shall be awarded to the Officer who has the qualifications, skill and ability to perform the work. Qualifications, skill and ability being equal, the Officer with the greatest seniority shall be awarded the bulletined position.
- 11.3 When the senior applicant is not awarded to a bulletined vacancy, he may appeal the appointment through the grievance procedure, providing however, that the appeal shall be submitted in writing to

the designated officer within 30 calendar days of the date of bulletin making the appointment.

- 11.4 In the event there is a vacancy which cannot be filled immediately under the process described in this Article, the officer within the seniority group who is qualified and immediately available may be required to fill the vacancy temporarily. In such cases the Company will arrange to fill the assignment as soon as is practicable.
- 11.5 An officer who is assigned to any vacancy shall receive a full explanation of the duties of the position and must demonstrate his ability to perform the work within a reasonable period of up to 30 working days (exclusive of vacation or leave of absence), the length of time dependent upon the character and circumstances of the work. Extension of time beyond 30 working days may be locally arranged. Failing to demonstrate his ability to do the work he shall be returned to his former position or status, and any other officer so displaced shall return to their former position. The junior officer so displaced shall be allowed to exercise his seniority.
- 11.6 An Officer returning after leave of absence, vacation or accumulated rest days shall resume his former position or status and / or, within 5 calendar days, exercise his seniority rights to any vacancy which he is qualified to fill which was bulletined within his seniority group during his absence.
- 11.7 Any bargaining unit member filling a bulletined vacancy, on its termination or on his displacement from such assignment, shall be assigned to displace a junior officer in the seniority group.
- 11.8 A bargaining unit member who is laid off from his seniority group shall be recalled in order of his seniority. Unless exempted from doing so, the officer shall commence work within 10 days of recall. The recall process is understood to be direct contact by telephone or registered mail with the Officer involved. The Officer shall keep the Company informed of current address and telephone number.
- 11.9 An Officer released from exempted or official employment, except by dismissal, shall exercise his seniority rights to any position which he is qualified to fill in the seniority group from which promoted. In the event the Officer is unable to take assignment in such group, he shall be governed by this Article.

- 11.10 In exercising seniority rights under this Article 11, election shall be made in writing within 10 calendar days and he shall commence work on the position of his choice within 30 days.
- 11.11 **Officers holding a bulletined position may be temporarily assigned to a vessel or vessels other than their bulletined position for the purpose of fleet familiarization. Each temporary assignment to a vessel for familiarization will not normally be more than one full tour, and will normally be completed during the Officer's regularly assigned tour. Upon completion of the temporary assignment, the Officer will return to their bulletined position.**
- 11.12 **Officers holding a bulletined position may be temporarily assigned to a vessel or vessels other than their bulletined position in exceptional circumstances which may otherwise result in disruption of operations, for example:**

**Mechanical or electrical failure
Family emergencies of an Officer
Illness or injury of an Officer**

Such temporary assignment will not normally exceed one full tour. Upon completion of the temporary assignment, the Officer will return to their bulletined position.

ARTICLE 12
TRANSFER OF OFFICERS

- 12.1 Officers when required by the Company when on tour of duty to transfer from one ship to another will be paid for actual time lost, and will be allowed reasonable travelling expenses in accordance with Company Policy.

ARTICLE 13
MEDICAL FITNESS

- 13.1 Officers who have been absent on account of illness will be required to produce a Doctor's certificate before being permitted to resume duty.
- 13.2 When an officer has become unfit to follow his usual occupation, the officer shall obtain clearance from his physician prior to returning to work. In order to determine whether the officer is fit

to perform his duties the Company may upon giving reasonable notice to the officer require the officer to be medically examined by a doctor designated by the Company. In the event that the two medical opinions differ, consultation with a third Doctor shall be undertaken, such Doctor to be chosen by the other two. All expenses incurred for medical examinations shall be borne by the Company.

ARTICLE 14
REPORTING ON BOARD

- 14.1 All officers covered by this Agreement shall be required to report on board and be available for duty not less than one hour before the commencement of their tour of duty. Officers must ensure that a proper hand over takes place.
- 14.2 Officers leaving their vessel after completing tour of duty will be required to leave a contacting address and contacting telephone number with the vessel and the Crew Calling Department. The Company will confirm reporting back on board if there is a change in assignment.
- 14.3 Officers unable to report back on board vessel on the date required to do so due to illness or other bona fide reason must notify the Crew Calling Department as soon as possible.
- 14.4 Officers unable to rejoin vessel in accordance with Article 14.3 must notify the Company when they are available for duty. Such officers will be instructed when and where to report.

ARTICLE 15
TRANSPORTATION

- 15.1 When an Officer who has to travel to meet a vessel is unable to join the vessel due to lateness of the vessel, or the vessel not being available, he shall be paid for the time spent waiting as if he had joined on time. Reasonable expenses incurred by the Officer as a result of the delay shall be reimbursed by the Company in accordance with Company Policy.
- 15.2 If an Officer is not on a tour of duty, when travel time is incurred that is additional to that which the Officer would normally incur given his assignment or spare status, time reasonably spent travelling from and to their home or terminal port will be

compensated at the employee's regular rate of pay, subject to one day for each day combined with travel and time required in training, meetings, courses, court or other functions required by the employer.

ARTICLE 16
REST DAYS

16.1 Rest days shall be granted at terminal ports.

16.2 The principle of fifteen day tours of duty shall continue to apply, with two tours scheduled as follows from July 1, 2007 to December 31, 2007:

Tour 1 – 15 days, normally 4th to 18th of the month
Tour 2 – 15 days, normally 19th to 3rd of the month

From January 1, 2008:

Tour 1 – 15 days, normally 7th to 21st of the month
Tour 2 – 15 days, normally 22nd to 6th of the month

Officers on the seniority list dated May 1, 2007 and any Officers, who complete their probationary period before July 1, 2007 provided that they are in the service on that date, shall receive a one time bonus in the amount of \$2000. Officers not on active duty because of illness or injury will not receive the \$2000 bonus until they return to work in active service on the tour pattern.

The Company agrees to continue its current practice of facilitating agreement to changes in the schedules to ensure that an officer is not required to work Christmas Eve / Christmas Day / Boxing Day and New Year's Eve / New Year's Day / January 2.

16.3 Current practice of rest day accumulation based on one rest day earned for each day worked shall continue.

16.4 Officers requesting bank time off shall be provided bank time in order of their seniority, subject to operational requirements.

16.5 An officer who does not request bank time off after a full shift has been accumulated may be scheduled off subject to operational

requirements. Officers shall normally be scheduled off on bank time in order of the officer with the least seniority.

- 16.6 The designated representative of the Guild shall be provided with a record of bank days monthly.
- 16.7 When officer provides written notice of their retirement, they shall be provided the opportunity to cash in their bank time at their retirement. The period of notice for the purpose of cashing in bank time in accordance with this article, shall be a minimum of 3 months and a maximum of 12 months.
- 16.8 **When an officer provides the Company with written notice, they shall be provided the opportunity once per calendar year to cash in a maximum of 15 bank days per calendar year, inclusive of Senior Officers Allowance, at the straight time rate of pay.**

ARTICLE 17
SENIOR OFFICERS ALLOWANCE

- 17.1 An Officer who is a member of the bargaining unit who is assigned as a Master, Chief Engineer or Chief Electrical Engineer on vessels owned, operated, or chartered by the Company shall be paid a Senior Officers Allowance, in lieu of overtime and handover pay, and to compensate for the extra responsibilities associated with their respective positions. This Senior Officers Allowance shall be as follows:

1 January	Master	Chief Engineer	Chief Electrical Engineer
2013	\$15,119	\$13,663	\$12,095
2014	\$15,383	\$13,902	\$12,307
2015	\$16,403	\$14,896	\$13,272
2016	\$16,940	\$15,406	\$13,754

The Allowance shall be prorated for Officers doing Relief work.

- 17.2 The Senior Officer Allowance will continue to be paid to an Officer assigned to shore for training purposes, or to a shore-based position on an acting basis, for any period up to a maximum of one hundred and twenty (120) calendar days.

- 17.3 The Senior Officers Allowance shall be considered as part of pay for purposes of pension, vacation pay, disability insurance (DI), and severance pay.
- 17.4 This allowance shall be paid on the same basis as the Officer's pay.

ARTICLE 18
GENERAL HOLIDAYS

- 18.1 An Officer who qualifies in accordance with Article 18.5 shall be granted a holiday with pay on each of the following general holidays. When a general holiday falls on an Officer's rest day, such holiday shall be moved to the normal working day immediately following the officer's rest day.

New Year's Day

The day after that on which New Year's Day is observed

Good Friday

Victoria Day

Discovery Day

Canada Day

Labour Day

Thanksgiving Day

Remembrance Day

Christmas Day

Boxing Day

If the Government of Canada designates Heritage Day or such other day as a general holiday, the day so designated by the Government shall be substituted for the day after that on which New Year's Day is observed.

- 18.2 Where an Officer employed by the Company does not work on a holiday, he shall be paid 8 hours for that day, at his basic hourly rate.
- 18.3 If any such holiday falls during an officer's vacation, he shall bank 8 hours holiday pay at straight time rates for that day.
- 18.4 Where an Officer is required by the Company to work on the holiday, he shall be paid 8 hours straight time plus time and one half for each hour worked during the holiday.

- 18.5 In order to qualify for pay for any one of the holidays specified in Article 18.1 an employee must have been in the service of the Company and available for duty for at least 30 calendar days. This Clause does not apply to an employee who is required to work on the holiday.
- 18.6 Officers may elect to receive additional time off in lieu of pay for time worked on general holidays. Officers will keep banking statutory holidays until they notify the Accounting Department not to continue. Election to commence or notification to cease banking time for the following year will be in December of each year.
- (a) Such time off shall be calculated as one and one-half the hours worked, less any hours which may be applied to produce regular pay under modified work week systems.
 - (b) Such time off shall be taken as locally arranged and only when an officer can be released or a suitable replacement is available. It is not the intention that days be taken in such a manner that would cause unreasonably short periods of relief.
 - (c) All accumulated “banked” time must be cleared prior to the end of the calendar year following the year in which it was “banked”.

ARTICLE 19
ANNUAL VACATION

19.1 Vacation and vacation pay for the calendar year will be allotted in accordance with the following table:

Years of Continuous Employment Relationship at Preceding 31 Dec	1	4	10	27
Vacation Entitlement	3 weeks	4 weeks	5 weeks	6 weeks

Accumulation factor:

- 3 weeks
 - One day vacation with pay for each 16 2/3 compensated working days
- 4 weeks
 - One day vacation with pay for each 12 1/2 compensated working days
- 5 weeks
 - One day vacation with pay for each 10 compensated working days
- 6 weeks
 - One day vacation with pay for each 8 1/3 compensated working days

For employees with less than one year of service vacation will be pro rated.

Note Vacation entitlement and accumulation factors above are based on 8 hour working days. Appropriate conversion will be made for officers working 12 hours daily.

- 19.2 (a) Seniority shall determine the order for vacation placement. Officers shall provide the Company by October 31st with notice of a request for vacation leave for tours within the following calendar period of January 1st to June 30th and the Company shall provide notice of whether a request for vacation leave has been approved by November 30th. By April 30th Officers shall provide the Company with notice of a request for vacation leave for tours within the calendar period of July 1st to December 31st and the Company shall provide notice of whether a request for vacation has been approved by May 31st.
- (b) Failure by the Company to provide notice In accordance with Article 19.2(a) will be considered as approval of the officer's vacation request.
- (c) Unless mutually agreed, officers who do not apply for vacation by April 30th in accordance with Article 19.2(a) shall be required to take their vacation at a time to be prescribed by the Company.
- 19.3 An officer who is unable to take or complete his annual vacation in that year due to illness, injury or vacation that is cancelled by the Company that cannot be rescheduled, shall upon request have the option to have such vacation carried forward to the following year or receive payment for the remaining balance at the end of the calendar year.
- 19.4 Provided an officer renders compensated working service in any calendar year, unpaid leave of absence on account of bona fide illness, injury, authorized pregnancy leave, or for uncompensated jury duty, shall be included in the computation of service in that year for vacation purposes.
- 19.5 Vacation days shall be exclusive of the assigned rest days.
- 19.6 An Officer who is entitled to vacation shall take that vacation at

the time scheduled. If, however, it becomes necessary for the Employer to reschedule an Officer's scheduled vacation dates, he will be paid at the rate of time and one half his regular rate of pay for work performed during the scheduled vacation period. The rescheduled vacation with pay to which he is entitled will be granted at a mutually agreed upon later date. This Article 19.6 does not apply where rescheduling is a result of an officer exercising his seniority to a position covered by another vacation schedule.

- 19.7 An officer terminating his employment for any reason including retirement at a time when an unused period of vacation with pay stands to his credit shall be allowed vacation pay calculated to the date of his leaving the service as provided for in Article # 19.
- 19.8 An officer who has become entitled to a vacation with pay shall be granted such vacation within a twelve month period immediately following the completion of the calendar year of employment in respect of which the officer became entitled to the vacation.

ARTICLE 20 BEREAVEMENT

- 20.1 If a death occurs in the immediate family of an officer, the employee shall be entitled to five (5) work day's bereavement leave. Immediate family for the purpose of bereavement leave shall be spouse (including common-law partner), child, mother, father, brother or sister.
- 20.2 In the case of the death of a step-parent, father-in-law, mother-in-law, brother-in-law, sister-in-law, grandparent, grandchild or relative permanently residing in the officer's household or with whom the employee resides, the employee shall be entitled to 3 work day's bereavement leave.
- 20.3 Bereavement leave shall commence on the calendar day following the day of death. An employee on his rest days or who commences his rest days during bereavement leave, the bereavement leave will commence or continue on his first working day.
- 20.4 Bereavement leave shall be without loss of pay provided the employee has not less than three (3) months cumulative compensated service.

- 20.5 Bereavement leave may also include an additional leave of absence without pay of (3) three work days for the purpose of travel.

ARTICLE 21
LEAVE OF ABSENCE

- 21.1 Officers elected/appointed as salaried representative of the officers may, upon request, be granted leave of absence without pay while so engaged. Such leave shall not normally be withheld.
- 21.2 Leave of absence without pay may be granted to attend General Meetings upon the request of the appropriate Guild Representative. Such leave shall not normally be withheld.
- 21.3 Officers shall, upon request, be granted leave of absence without pay to attend Guild meetings. Such leave of absence will be granted only when it will not interfere with the Company's business nor put the company to additional expense.
- 21.4 Officers, at the discretion of the Company, may be granted leave of absence without pay in accordance with the Company regulations effective at the time. Applications for leave of absence should be made in writing to the designated manager of the Company. Leave of absence may be extended by application in writing to the designated manager in ample time to receive permission or return to duty at the expiration of such leave. Unless such extension of leave of absence is granted or absolute proof is furnished of bona fide sickness preventing such return, officers failing to report for duty, on or before the expiration of their leave of absence, shall forfeit their seniority.
- 21.5 A personal leave of absence without pay may be granted when made the subject of mutual agreement between the proper officer of the Company and the appropriate Guild Representative.
- 21.6 The name of an officer on authorized leave of absence shall be continued on the seniority list for the group in which he has established seniority rights.

ARTICLE 22
RATES & METHOD OF PAY

- 22.1 Officers shall be paid by a direct deposit system to the employee's designated bank account.

Classification	1-Jan-13 2.50%	1-Jan-14 1.75%	1-Jan-15 1.75%	1-Jan-16 1.75%
Master	\$54.900	\$55.861	\$56.838	\$57.833
Chief Engineer	\$49.205	\$50.066	\$50.942	\$51.834
Chief Electrical Engineer	\$39.212	\$39.899	\$40.597	\$41.307

Consumer Price Index (CPI) is defined as the percentage change in the index published by Statistics Canada for the 12 month period ending December 31, 2007 in accordance with Arbitrator Ashley's decision between MAI and the ILA dated 17 December 2004.

ARTICLE 23
SHORT PAID

23.1 When an Officer is short paid by \$164.76 or more, a voucher will be issued within three working days (Accounting Department days) of an Officer's request for payment to cover the shortage. The amount specified herein will be adjusted by subsequent general wage increases.

ARTICLE 24
UNIFORMS AND CLOTHING

24.1 Officers required by the Company to wear uniforms shall be supplied with the following, free of charge.

- (a) One uniform dress suit, tie, cap and badge, synthetic fur hat, Burberry coat on appointment as an officer and then every three years if required.
- (b) One battle dress on appointment as an officer and then each year thereafter. An extra pair of pants or uniform sweater may be substituted for the battle dress jacket after the initial issue.
- (c) Parka on initial issue and then every two years and may be substituted for a windbreaker after the initial issue.
- (d) Six uniform shirts on initial issue and three each year.

24.2 Officers shall be issued coveralls as required in accordance with Personal Protective Equipment requirements.

NOTE: 1) All items so furnished in accordance with this article to remain the property of the Company.

- 2) A new officer to the Company will be provided with the initial issue of clothing. An officer promoted within the Company will be provided with items of clothing under initial issue that have not been provided to him in his previous position(s).

ARTICLE 25
ACCOMMODATION

- 25.1 Each Master, Chief Engineer and Chief Electrical Engineer shall have his own stateroom, furnished and equipped in accordance with general standards for the class of ship. The Master will ensure that those rooms will be regularly cleaned and maintained.

ARTICLE 26
STANDBY WAGES

- 26.1 When a vessel is laid up for overhaul all officers assigned to such vessel will be employed in their usual capacities, or in similar employment, and at the rates of pay for their respective ranks. It is understood that similar employment may include attendance at meetings or training of one or two day duration or transfer to another vessel for emergency trips. This will not result in the officer being replaced on the laid up vessel. This provision will apply to the actual period only during which the vessel is undergoing overhaul.
- 26.2 Overhaul shall mean planned worked period, routine refit and or dockside maintenance and repairs.
- 26.3 If a midlife refit occurs during the life of this agreement, the parties agree to meet to discuss plans and any crewing complement required.
- 26.4 If any Marine Atlantic Inc. vessel is put into cold lay up, officers shall be able to exercise their seniority and move to positions as per Article 11 Promotions / Bulletins.

ARTICLE 27
SUBSISTENCE

- 27.1 When officers are required to work and meals and accommodations are not provided on board the vessels, officers shall be provided with suitable meals and accommodations on shore.

ARTICLE 28
JURY DUTY

- 28.1 An officer who is summoned for jury duty and is required to lose time from his assignment as a result thereof, shall be paid for actual time lost with a maximum of one basic days pay based on his position for each day lost less the amount allowed him for jury duty for each such day excluding allowances paid by the court to the following requirements and limitations:
- (a) An officer must furnish the Company with a statement from the court of jury allowances paid and the days on which jury duty was performed.
 - (b) Jury duty pay shall be paid based on 12-hour days to a maximum of 40 days in a calendar year.
 - (c) No jury duty pay will be allowed for any days for which Officers are entitled to vacation or general holiday pay. Officers who have been allotted vacation dates may terminate their vacation because they are called for jury duty, and will take remaining vacation entitlement at a time prescribed by the Company.

ARTICLE 29
ATTENDING COURT

- 29.1 Officers who lose time by reason of being required to attend court, Coroners inquest, or to appear as witnesses, in cases in which the Company is involved, will be paid for time so lost. If no time is lost they will be paid from the time required to report until actually released at one and one half times the hourly rate, with a minimum of two hours. Necessary actual expenses while away from his position will be allowed upon production of receipts. Any fee or mileage accruing shall be assigned to the Company.

ARTICLE 30
HELD FOR INVESTIGATION OR COMPANY'S BUSINESS

- 30.1 Officers held for Company investigations or Transport Canada investigations specific to Marine Atlantic, or on training, meetings, or on Company's business on instruction of the Company's designated manager, will be paid for the day. If an officer is on his rest days, he will be compensated for one day's pay for each day until released. Necessary out of pocket expenses will be paid in accordance with Company Policy.

ARTICLE 31
DISCIPLINE INVESTIGATION PROCEDURE

- 31.1 An officer covered by this agreement who has completed his probationary period, will not be disciplined or discharged without an investigation.
- 31.2 Investigations in connection with alleged irregularities will be held as quickly as possible. An officer may be held out of service for investigation and shall not suffer a loss of regular pay and or benefits. An officer required to provide a statement in regards to an investigation will be given at least 24 hours notice to appear and will be provided with any charges against him. When an officer requests a change to the date stated in the above notice of investigation, that delay shall not normally be in excess of seven calendar days. This shall not be construed to mean that a proper official of the Company, who may be on the ground when the cause for investigation occurs, shall be prevented from making an immediate investigation.

An officer may, if he so desires, have the assistance of one or two fellow officers, or accredited representatives of the Guild, at the investigation. At the hearing, prior to commencement of the investigation, the officer under investigation will be provided with a copy of all the written evidence as well as any oral evidence which has been recorded and which has a bearing on his involvement. The officer being investigated shall be furnished with a copy of his own statement. The decision will be rendered within twenty-one calendar days from the conclusion of the investigation. An officer will not be held out of service pending the rendering of a decision, except in the case of a dismissible offence.

- 31.3 If the decision is considered unjust, an appeal may be made in

writing in accordance with the grievance procedure. Such appeal shall set forth the grounds upon which it is made. On request, the appropriate Guild Representative shall be shown all evidence in the case.

- 31.4 Should an officer be exonerated he shall be paid at his regular rate of pay for any time lost (one day for each twenty four hours). If away from home he shall, on production of receipts, be reimbursed reasonable expenses for travelling to and from the investigation.
- 31.5 Should an officer believe he has been unjustly dealt with in the Investigation Process appeal shall be made under the Grievance Procedure.

ARTICLE 32
GRIEVANCE PROCEDURE

- 32.1 Grievance Procedure: Any difference concerning discipline or the interpretation, application or operation or alleged violation of a provision of this Agreement including a question as to whether or not a matter is subject to arbitration shall be dealt with in the following manner:

Any grievance lodged by an Officer of the Guild shall be presented to a person designated for that purpose by the Employer. The Employer shall provide a list of designated persons to the Guild. The Guild shall provide a list of designated Officers to the Employer.

- Step 1 Within thirty (30) calendar days from the cause of grievance the designated representative of the Guild shall submit the grievance in writing to the Employer. The grievance shall include a written statement of the grievance and where it concerns the interpretation or alleged violation of the agreement, the statement shall identify the Article and the paragraph of the Article involved.

A decision will be rendered within twenty-eight (28) calendar days of the date that the grievance was received.

- Step 2 Within twenty-eight (28) calendar days of receiving the decision under Step 1, the designated representative of the Guild may appeal in writing to the person designated by the Employer. A decision will be rendered within sixty (60)

calendar days of receiving the appeal. The appeal shall include a written statement of the grievance and where it concerns the interpretation or alleged violation of the agreement, the statement shall identify the Article and the paragraph of the Article involved.

- 32.2 The settlement of a dispute shall not under any circumstances involve retroactive payment beyond a period of thirty (30) calendar days prior to the date that such grievance was submitted at Step 1.
- 32.3 The time limits as provided under this Article may be extended by mutual agreement of the parties. Failing mutual agreement to extend time limits a grievance which has not been progressed by the Guild within the time limits shall be deemed to be abandoned and all rights of recourse to the Grievance Procedure under this Agreement in respect to the grievance shall be at an end. Where a decision is not rendered by the Employer within the designated time limits the Guild may progress the grievance to the next step of the grievance procedure.
- 32.4 The Guild shall also have the right to submit a grievance on behalf of, some or all of the officers covered by this Collective Agreement. Such grievance, when submitted shall begin at Step 2 of this procedure.

ARTICLE 33 FINAL SETTLEMENT OF DISPUTES

- 33.1 Failing settlement in accordance with the last step of Article 32 the dispute may be referred by either party to a single arbitrator for final and binding settlement without stoppage of work.
- 33.2 The request for arbitration must be made in writing by either party to the other within 45 calendar days from the date the decision was rendered by the Company in the last step of the Grievance Procedure. If the request is not so made the matter will be considered to have been satisfactorily settled and shall not be processed to arbitration.
- 33.3 The party requesting arbitration shall submit with its request the names of three potential arbitrators. If the other party does not agree to at least one of the nominees so proposed, it shall in its turn submit within 21 calendar days to the other party a further list of three arbitrators. If the parties still cannot agree upon the

arbitrator to be appointed, the Minister of Labour shall be requested to select an arbitrator, and his selection shall be final.

- 33.4 At the hearing before the arbitrator, argument may be given orally or in writing, and each party may call such witnesses as it deems necessary.
- 33.5 Disputes arising out of proposed changes in rates of pay, rules or working conditions, modifications in or additions to the scope of the Agreement, are specifically excluded from the jurisdiction of the arbitrator, and he shall have no power to add to, or subtract from or modify any of the terms of the Agreement.
- 33.6 The arbitrator shall render his decision, in writing together with his written reasons to the parties concerned within 30 calendar days following the conclusion of the hearing.
- 33.7 The Company and the Guild shall respectively bear any expenses each has incurred in the presentation of the case to the arbitrator, but any general or common expenses, including the remuneration of the arbitrator, shall be divided equally.
- 33.8 The time limits as provided herein may be extended by mutual agreement.

ARTICLE 34
HEALTH, DENTAL, INSURANCE BENEFITS AND SICK LEAVE
PAYMENTS

- 34.1 The Company agrees to grandfather Bargaining Unit Members who were named on the Seniority List dated 23 January 2002 as attached at Appendix **G** for benefits in accordance with Marine Atlantic Inc. Policies for non union management employees as detailed below:

Sick Leave Payment
Long Term Disability
Life Insurance
Health and Dental
Accidental Death & Dismemberment

For new members of the Guild hired to positions after the date of certification, who are not listed on the List attached at Appendix **G** benefits shall be provided in accordance with the following policies:

Weekly Indemnity
Benefit Basic Life Insurance
Paid Maternity Leave
Accidental Death & Dismemberment
Extended & Supplementary Health Insurance
Dental Care Insurance

The Company will provide the Canadian Merchant Service Guild with the name of the carrier, policy number of the policies noted above.

ARTICLE 35
LIFE INSURANCE ON RETIREMENT

- 35.1 An officer who retires from the service of the Employer will, provided he is fifty five years of age or over and has not less than ten years' cumulative compensated service, be entitled, upon retirement, to a twelve thousand five hundred dollar (\$12,500) life insurance policy, premiums to be fully paid by the Employer.
- 36.1 An officer grand fathered in accordance with Article 34.1 shall be grand fathered on their current benefit and provided with one quarter the amount available to active officers subject to a minimum of twelve thousand five hundred dollars (\$12,500.) and a maximum benefit of fifteen thousand dollars (\$15,000.).

ARTICLE 36
MARINE DISASTER

- 36.1 An officer who, while in the employ of the Company, suffers loss of clothing and or/personal effects actually incurred through marine disaster or shipwreck, shall be compensated by the payment of an amount up to \$1,700 on production of a notarized affidavit detailing the items lost.

ARTICLE 37
INJURED ON DUTY

- 37.1 Any bargaining unit member who is unable to complete a shift on a given day due to a bona fide injury sustained while on shift shall be paid for his full day at his regular rate of pay, unless the officer receives Workers Compensation for the day of the injury; in which

case the Officer will receive the difference between the Compensation Rate and his regular daily rate of pay.

ARTICLE 38

USE OF PRIVATE AUTOMOBILE

38.1 Where an automobile mileage allowance is paid, such allowance shall be in accordance with Company Policy.

ARTICLE 39

INCOME SECURITY AGREEMENT

39.1 The provision of the Marine Atlantic "Income Security Agreement" will apply to officers covered by this Agreement.

39.2 For purposes of Article 7 of the Income Security Agreement:

- a) Seasonal officers will be defined as those officers engaged or recalled to provide additional staff for summer traffic in the respective service, and
- b) The seasonal working period is defined as:
 - i) 1 June to 15 September each year.
 - c) These provisions do not apply to officers who entered service prior to 1 January 1970.

39.3 The seasonal working period, shall be applied in the following manner:

- a) The number of positions established each year to provide additional staff for summer traffic shall be determined. The precise dates on which the positions are established will not be regarded as critical.
- b) The equivalent number of junior officers on each seniority list will be identified and regarded as seasonal officers.
- c) The seasonal working period specified, shall be regarded as applying solely for seasonal officers, to determine the period, if any, in which benefits are payable to such officers.

- d) In order to qualify for benefit, officer shall be required to exhaust all seniority rights, which they may hold in any group, in any vessel agreement.

ARTICLE 40
REQUIRED CERTIFICATION UPGRADES

Preamble: It is understood that members of this bargaining unit hold the proper certification for their positions, as required by Transport Canada.

- 40.1 In the event a regulatory change is mandated by Transport Canada and this change results in a bargaining unit member having to upgrade their level of certification, then the Company agrees to pay for the officer on one occasion only to obtain that certification. The bargaining unit member shall apply for an approved leave with the appropriate documentation. Course fees, any related expenses in accordance with Company Policy and any wages for the period the bargaining unit member is upgrading to the new certification level will be paid by the Company.

ARTICLE 41
INTERPRETATION

- 41.1 All questions with respect to the application or interpretation of the provisions of this Agreement shall be referred through the proper Officers of the Company to the Human Resources Department. Interpretations when agreed upon by the Guild and the Company will be issued by the Human Resources Department after signing by the signatories to this Agreement and shall only then be incorporated as an addendum to this Agreement.

ARTICLE 42
LEGAL DEFENSE INSURANCE

- 42.1 The Company agrees to remit the sum of \$2.00 per Officer per day to the Guild Legal Defense Fund to provide legal defense insurance to Guild members in good standing covered by this agreement. This remittance shall be made monthly, not later than the fifteenth of the following month to the fund administrator; Coughlin and Associate, P.O. Box 3517, Station C, Ottawa, Ontario, K1Y 4H5.

ARTICLE 43
RETIREMENT FROM THE SERVICE

- 43.1 Where practicable, officers shall provide as much notice as possible, but not less than thirty (30) days written notice prior to their retirement from the service. Subject to an officer's personal circumstance this thirty (30) day notice period may be waived.

ARTICLE 44
RETROACTIVITY

- 44.1 The increases to rates of pay, Senior Officers Allowance and any resulting increases to any other payments that are calculated on the basis of the above (including but not limited to statutory holiday pay, vacation pay, paid leaves of absence, and vacation pay-out but excluding weekly Indemnity Benefits) shall be paid retroactively to **1 January 2013**.

Any Officer who performed work, or who was otherwise compensated, in the bargaining unit on or after **1 January 2013** but who has left the bargaining unit prior to **1 February 2015** shall also receive these retroactive payments, but the retroactive adjustment will not result in the recalculation of the pension benefits for any Officer who has retired prior to **1 February 2015**.

ARTICLE 45
DURATION OF AGREEMENT

45.1 This agreement shall remain in effect until **31 December 2016**, and thereafter subject to four (4) months notice in writing from either party of the Agreement of its desire to revise, amend or terminate it. Such notice may be served at any time subsequent to **31 August 2016**.

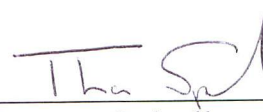
Signed at North Sydney this 24th day of April 2015

For Marine Atlantic Inc.


For the Canadian Merchant
Service Guild



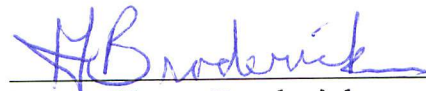
Paul Griffin
President and CEO



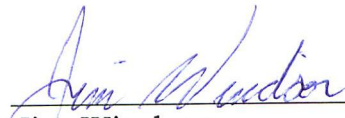
Thomas Spindler
Assistant Secretary Treasurer




Denise Forgeron
Labour Relations Manager



Capt. Glenn Broderick
Master



Jim Windsor
Chief Engineer



Richard McInnis
Chief Electrical Engineer

**Letter of Understanding:
Charter Vessels****Appendix A**

The parties agree that if the Company charters a vessel from another operator or company and if that vessel is a “bare boat” charter, it will be crewed by members of the bargaining unit. If the charter vessel is a “time charter” the Company agrees to communicate the details to the Guild and discuss requirements for positions, if any, on that chartered vessel. If the Company charters a vessel to another operator or company, and such charter is a “time charter”, it is agreed that members of this bargaining unit will accompany that vessel for the period of that charter. If such charter is a “bare boat” charter the Company agrees to communicate that to the Guild.

Seniority List**Appendix B**

Masters			
NAME	PIN	SERVICE DATE	SENIORITY DATE
Peet, Stan	964341	25-Apr-05	25-Apr-05
Broderick, Glenn	122520	17-Jul-80	30-Jul-05
Parsons, Roy	964040	19-May-02	10-Jul-07
Strickland, Daniel	964000	9-Jun-01	16-Jul-07
Andrews, Michael	962519	17-Jul-89	15-Sep-08
Carter, Christopher	964056	18-Jul-02	1-Mar-10
Carter, Colin	964007	15-Jun-01	29-Mar-10
Marsden, L. Stanley	964050	17-May-02	15-Dec-10
Dowding, C. Scott	964344	25-May-10	1-Jun-12
Keeping, Allan	964027	20-Jul-01	1-Jun-12
Noel, Barry	964027	15-Nov-10	24-Mar-14
Chief Electrical Engineers			
NAME	PIN	SERVICE DATE	SENIORITY DATE
McInnis, Richard	964039	14-Nov-01	8-Jun-02
Parsons, David	962653	16-Oct-02	22-Aug-06
Holloway, William	964262	16-Jul-03	30-Aug-06
Tucker, G. Ross	964014	27-Jun-01	29-Mar-09
Woods, Steve	964713	26-Jan-09	26-Jun-09
Kirby, Clive	964715	26-Jan-09	7-Sep-09
Sweetapple, James	965319	27-Aug-12	27-Aug-12
Howard, Michael	965320	27-Aug-12	27-Aug-12
Chief Engineers			
NAME	PIN	SERVICE DATE	SENIORITY DATE
Noseworthy, Lewis	962308	14-Aug-88	9-Oct-95
Critchley, William	962641	9-Mar-90	15-Mar-99
Livadonov, Sergei	963924	1-Aug-00	9-Jan-02
Windsor, James	964003	18-Jun-01	16-Jun-02
Shyrnin, Sergiy	964267	26-Nov-03	26-Nov-03
Hudson, Arnold	964268	5-Jan-04	5-Jan-04
Carroll, Cameron	964572	14-Feb-08	14-Feb-08
Gaudet, Robert	962992	15-Jan-09	15-Jan-09
Lewis, Mark	962169	15-Sep-09	15-Sep-09
Pye, Terence	964126	12-Aug-02	1-Sep-10
Prosniewski, Jacek	963412	28-Aug-12	17-Jul-13

Notes:

1. Seniority date has been provided for employees who have completed their probationary period per Article 10.5 for time worked up to **31 January 2015**.
2. CE Noseworthy does not have the opportunity to bump CE Critchley who was placed in a bulletined position on the Leif prior to the commencement of negotiations.

Administration Fund**Appendix C**

Effective on the first day of the month following the date of notice of ratification is received by the Company; the Company will provide five thousand (5,000) dollars to the Canadian Merchant Service Guild for administration.

Insurance and Vision Care Benefits**Appendix D**

For Officers whose benefits are not grandfathered in accordance with Article 34.1 life and accidental death insurance shall:

Effective on 1 September 2002, the basic life and accidental death insurance will be increased from \$40000 to \$43000 for Officers who have compensated service with the Company on, or subsequent to the effective date, if otherwise qualified under the provisions of the Plan.

Effective 1 January 2003 the basic life and accidental death insurance will be increased from \$43000 to \$44000 for Officers who have compensated service with the Company on, or subsequent to the effective date, if otherwise qualified under the provisions of the Plan.

Effective 1 January 2004 the basic life and accidental death insurance will be increased from \$44000 to \$46000 for Officers who have compensated service with the Company on, or subsequent to the effective date, if otherwise qualified under the provisions of the Plan

Effective 1 February 2015, the basic life and accidental death insurance will be increased to \$75,000 for Officers who have compensated service with the Company on, or subsequent to the effective date, if otherwise qualified under the provisions of the Plan.

Vision Care

For all Officers, effective on 1 September 2002, for treatment on or after that date, the maximum benefit reimbursement increases to \$200 in any two calendar years. (1 calendar year if under age 21)

Effective 1 January 2004 increase to \$225 in any two calendar years. (1 calendar year if under age 21)

This Vision care benefit may be applied to regular contact lenses or to Laser surgery.

**Letter of Understanding:
Travel****Appendix E**

1. For the purposes of this letter understanding, Officers shall be assigned a home port of Port aux Basques NF, North Sydney NS or Argentia NF depending on which port is closer to their homes.
2. At 31 December of each year, the Company shall pay a total amount of travel allowance of \$2100 to an Officer who resides 150 kilometers (one way) from their assigned home port.
3. Officers who are provided transportation to and from work by the Company during the year, absent from the workplace or not required to travel shall have the annual amount in 2 above adjusted accordingly.
4. An Officer may request to be paid the annual amount on a prorated monthly basis.
5. This letter of understanding will commence effective the first of the month following notice of ratification. The annual amount shall be prorated for any part year.

Letter of Understanding:**Appendix F**

The Parties have agreed to maintain the attached letter of understanding in this collective agreement. The maintenance of this letter of understanding does not result in an opportunity to buy back time under the terms of the new agreement effective 1 January 2005 to 31 December 2008. This buy back option was applicable only to the agreement ending 31 December 2004.

Buy Back of Pension Time

Relative to the issue of officers being permitted the option to buy back authorized periods of lay-off or authorized leave of absence due to illness for pension purposes. This will confirm that the company is agreeable to permitting eligible employees an election to buy back such time, for pension purposes, subject to the following conditions:

- The time bought back will be for pension purposes only and will not be recognized for any other purposes.
- The program will apply to authorized periods of lay-off or leave of absence illness between January 1959 and December 1991 only.
- The program will be a one-time offer and employees will have a specified limited time to apply.
- The time for conducting the program and duration of application period will be determined by the company.
- The maximum total period of buyback permitted by any employee is limited to a maximum of 60 months inclusive of time previously bought back under article 12.5.5 of the Pension Plan for Employees of Marine Atlantic Inc.
- With respect to periods of authorized leaves of absence due to illness the 24 months maximum for periods of lay-off described in 12.5.5. of the plan shall not apply, but such periods of authorized leave of absence due to illness shall be included in the overall 60 months.
- Active members of the bargaining unit listed in Appendix 19 (Agreement D) will be allowed to buy back non-union time for the

period 1970 to 30 June 1975 as applicable subject to the necessary data being available to establish eligibility.

- Each buyback is subject to Canada Customs and Revenue Agency (CCRA) legislation, regulations, rules and limitations which may have to be determined on a case by case basis in consultation with CCRA
- The buyback program can only be implemented after the required plan amendments are approved by the Marine Atlantic Pension Management Committee, the Marine Atlantic Board of Directors, the Federal Office of the Superintendent of Financial Institutions and CCRA.
- This buyback opportunity will apply to employees who are in active service only and will not be applicable to any individual who has terminated service for any reason, including retirement.
- The employee's contribution obligation will be based on current rates of pay of the employee at the time of application for buyback, and employee contribution rates for the buyback will be 7.7% of that part of the employee's compensation which does not exceed the maximum pensionable earnings under the Canada Pension Plan and 9.8% of any amount in excess thereof.
- Any contribution deficiency will accumulate interest as defined in section 1.21 of the Pension Plan for employees of Marine Atlantic Inc.
- Any employee who has attained 35 years of allowable service as defined in the Pension Plan for employees of Marine Atlantic Inc. at this time of application for buyback will not be eligible for the buyback program.

Grandfathered Officers – Group Benefits**Appendix G****CANADIAN MERCHANT SERVICE GUILD****CHIEF ELECTRICAL ENGINEER**

<u>NAME</u>	<u>PIN</u>	<u>Service Date</u>	<u>Position Date</u>
Carl Murphy	785223	67/07/03	85/02/27
Ron Bowers	782625	75/05/25	88/06/24
Bill Freeborne	789211	73/06/03	89/04/15

CHIEF ENGINEER

<u>NAME</u>	<u>PIN</u>	<u>Service Date</u>	<u>Position Date</u>
Carl Green	778840	88/07/12	88/07/12
Ross Thomas	787952	88/07/07	95/10/04
William Critchley	962641	90/03/09	99/03/15
Lew Noseworthy	962308	88/08/14	95/10/09

Letter of Understanding:**Appendix H****Bulletins and Promotions**

The provisions of Article 11 – Promotions and Bulletins also apply to positions on newly acquired or chartered vessels. However, Officers who obtain assignments under Article 11 on these vessels shall agree to remain in the assignment for a minimum of two years from the date the vessel comes into service in a Marine Atlantic designated port, unless the Company desires to shorten the two-year minimum. After the Officer has served the minimum two years on that vessel, the provisions of this LOU will no longer apply for the assignment to that vessel. For greater clarity, this Letter of Understanding only applies to the initial filling of vacancies on newly acquired or chartered vessels and not to the subsequent filling of vacancies on those vessels. Article 11 applies without modification to the subsequent filling of vacancies on those vessels.

Letter of Understanding:**Appendix I****Performance Pay**

The Guild and the Company agree to negotiate a system of performance pay. If the parties cannot agree to a system of performance pay by May 31, 2008, the parties agree to refer the terms of that system to binding arbitration. The arbitrator shall be mutually agreed upon in accordance with the Collective Agreement. The performance pay shall not impact any other entitlements in the Collective Agreement. One of the objectives of the performance pay system shall be to promote safety. Performance pay shall be pensionable subject to the limit for registered pension plans as governed by Canada Revenue Agency regulation or legislation.

Letter of Understanding:

Appendix J

Retiree Health Benefits

The Company agrees to continue the current Retiree Health Benefits and its contribution of 25% of the premiums for those benefits to the expiry date of this Collective Agreement.

Letter of Understanding:

Appendix K

Weekly Indemnity Benefits Non-Grandfathered Employees

The Company agrees to amend the Weekly Indemnity Benefit Insurance for non-grandfathered Officers from the present 41 week benefit to 52 weeks of benefits and to increase the benefit level to 50% of the Officers weekly wage. For clarification the additional 11 weeks will be added to the “back end” of the benefit.

Adjustment effective 1 December 2010;

For claims resulting from the illnesses commencing on or after the first of the month following the date the notice of ratification is received by the Company, the weekly cap for Weekly Indemnity benefits will increase to 70% of the Officers weekly wage to a maximum of \$1750 per week.

Letter of Understanding:

Appendix L

Extended Supplemental Health Insurance and Dental Care Insurance

Effective 1, July 2007, Officers commencing employment with the Company in positions covered by this Collective Agreement will cost share 80% Employer and 20% Employee for Extended Supplemental Health Insurance and Dental Care Insurance.

Employees transferring from within Marine Atlantic to positions covered by this Collective Agreement shall retain their cost sharing arrangement as of their date of transfer.

INCOME SECURITY AGREEMENT

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DEFINITIONS

For the purposes of this Agreement the following terms will be defined as follows:

ELIGIBLE EMPLOYEE - an employee of the Company represented by one of the Organizations signatory hereto who is eligible for benefits pursuant to the eligibility requirements of Articles 2 or 4.

BASIC WEEKLY RATE - the Basic Weekly Rate of pay applicable to the position held at the time of change. (Hourly rated employees, 40 x the basic hourly rate; seasonal and spare employees, 80 percent of average weekly earnings over the eight weeks preceding layoff.)

ELIGIBILITY TERRITORIES - those territories as described in Appendix "A".

CUMULATIVE COMPENSATED SERVICE -

- (i) one month of Cumulative Compensated Service which will consist of 21 days or major portion thereof.
- (ii) Twelve months of Cumulative Compensated Service shall constitute one year of Cumulative Compensated Service calculated from the last date of entry into the Company's service as a new employee. For partial year credit, six or more months of Cumulative Compensated Service shall be considered as the major portion thereof and shall be counted as a year of credit towards computation of severance or layoff benefits. Service of less than six months of Cumulative Compensated Service shall not be included in the computation.
- (iii) For an employee who renders compensated working service in any calendar year, time off duty, account bona fide illness, injury, authorized maternity leave, to attend committee meetings, called to court as a witness or for uncompensated jury duty, not exceeding a total of 100 days in any calendar year, shall be included in the computation of Cumulative Compensated Service.

ARTICLE 1 GENERAL

- 1.1 The purpose of this Income Security Agreement is to provide the benefits provided herein in order to assist employees who are laid off or are affected by a technological, operational or organizational change.
- 1.2 Except as otherwise provided in this Agreement, should any dispute arise respecting the meaning, interpretation, application, administration or alleged violation of this Agreement, such dispute shall be progressed in accordance with the provisions of the applicable collective agreement commencing at the final step of the grievance procedure.
- 1.3 The parties agree that it is their intent that Supplemental Unemployment Benefits be paid only for temporary periods (the specific duration being set out in the provisions of this Agreement). Employees in receipt of SUB continue their employment relationship with the Company, retain their seniority rights, and are required to accept temporary or permanent assignments as provided in this Agreement or become disentitled to such benefits. Article 5 notices reflect permanent changes. Lay-offs therefore are indefinite; however, they may be temporary since employees retain their seniority and are subject to recall to work in accordance with the provisions of their collective agreement.
- 1.4 Employees have no vested right to payments under the plan except to payments during a period of unemployment specified in the plan.
- 1.5 Payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance pay benefits are not reduced or increased by payments received under the plan.

ARTICLE 2 WEEKLY LAYOFF BENEFITS AND SEVERANCE PAYMENTS

Benefit Accumulation - Layoff Payments

- 2.1 (a) For each year of Cumulative Compensated Service (or major portion thereof) an employee will be allowed a gross layoff benefit credit of five weeks for each such year.

Note: In arriving at net layoff benefits available for an employee, any previous layoff payments made under the provisions of previous Agreements of similar purpose and Article 2 of this Agreement must be taken into account on a "weeks of benefits paid" basis. For example, if an employee with 10 years cumulative compensated service was laid off under the provisions of this Agreement, he would be treated as follows:

Gross weeks of layoff benefits entitlement - 10 (yrs) x 5 (weeks)	<u>50 weeks</u>
Less weeks of layoff benefits paid under the provisions of previous Agreements and Article 2 of this Agreement	<u>10 weeks</u>
Net Layoff Benefit available	<u>40 weeks</u>

- (b) Except as provided in Article 2.3 of this Agreement, an eligible employee who is laid off, and whose layoff benefit credit is reduced due to weekly layoff benefit payment being made during the period of layoff in accordance with Article 2 of this Agreement, will, on recall, accumulate layoff benefit credits in accordance with the above provisions.

- 2.2 The above layoff benefit will apply until such time as the employee has completed twenty (20) years of Cumulative Compensated Service, when the following maximum layoff benefit will apply:

<u>Yrs. of Cumulative Compensated Service</u>	<u>Maximum Period for Which Weekly Benefits are Payable For Each Period of Layoff</u>
---	---

20 years or more but less than 24 years	3 years
24 years or more but less than 28 years	4 years
28 years or more	5 years

- 2.3 An employee who at the beginning of the calendar year has completed 11 years of Cumulative Compensated Service and subsequently receives weekly benefits due to layoff in accordance with the provisions of Article 2 of this Agreement shall, upon return to service after termination of layoff, be credited with the accumulated layoff benefit weeks he had to his credit at the time of layoff.
- 2.4 (i) An employee who is not disqualified under Clause (iv) hereof, shall be eligible for a benefit payment in respect of each full week of seven consecutive calendar days of layoff (herein called "a claim week") or to a severance payment provided he meets all of the following requirements:

- (a) He has two years or more of continuous employment relationship at the beginning of the calendar year in which the period of continuous layoff in which the claim week occurs began (calendar year shall be deemed to run from January 1st to December 31st);
 - (b) For weekly layoff benefit payment a continuous waiting period of seven days in the period of layoff has expired. Each period of layoff will require a new seven-day waiting period in order to establish eligibility for weekly layoff benefits, except that once an employee has been on layoff for more than seven days, and is recalled to work for a period of less than ninety calendar days, such employee will immediately become eligible for weekly layoff benefits upon layoff within such ninety days. An employee may claim weekly layoff benefits under this paragraph pending expiration of the 30-day waiting period provided in paragraph (c) in respect of severance payment;
 - (c) For severance payment, a continuous waiting period of thirty calendar days in the period of layoff has expired except that if an employee, during such waiting period, is recalled to work for a total of less than five working days this said 30-day waiting period will not be interrupted as a consequence thereof. Each period of layoff will require a new 30-day waiting period in order to establish eligibility for a severance payment except that once an employee has been on layoff for more than thirty calendar days, and is recalled to work for a period of less than ninety calendar days, such employee will immediately become eligible for a severance payment upon layoff within such ninety days;
 - (d) He has made application for benefits in the prescribed form;
 - (e) He has exercised full seniority rights on his Eligibility Territory, except as otherwise expressly provided in Clause (iv), paragraphs (b) and (c) of this Article 2.4.
 - (f) He must apply for and must be in receipt of unemployment insurance benefits to receive Supplemental Unemployment Benefits under this Agreement.
- (ii) Notwithstanding any other provision in this Agreement, if upon the effective date of resignation from the Company's service an employee is eligible for an early retirement pension, he will not be eligible for a severance payment.

- (iii) An employee who, on being laid off, does not qualify under paragraph (a) of Article 2.4(i) shall, if still laid off in the next calendar year, qualify under said paragraph (a) if at the beginning of said next calendar year he has two years of continuous employment relationship. The seven-day waiting period and the thirty-day waiting period provided for in paragraph (b) and paragraph (c), respectively, of Article 2.4(i) shall commence from the 1st day of January of that year.
- (iv) Notwithstanding anything to the contrary in this Article, an employee shall not be regarded as laid off:
 - (a) during any day or period in which his employment is interrupted by leave of absence for any reason, sickness, injury, disciplinary action (including time held out of service pending investigation) failure to exercise seniority (except as otherwise expressly provided for in Clause (iv)(b) of this Article 2.4), retirement, Act of God, including but not limited to fire, flood, tempest or earthquake or a reduction or cessation of work due to strikes by employees of the Company;
 - (b) during any interval between the time that he is recalled to the service of the Company after a period of layoff, and the time at which he actually resumes work during any waiting period provided for in the relevant collective agreement; except that an employee who does not, as a consequence of the foregoing, return to service on the day work is available shall be governed by the provisions of Article 2.6 of this Agreement, on the same basis as if he had returned to work on the date such work became available;
 - (c) if he declines, for any reason, other than as expressly provided for in Clause (iv)(b) of this Article 2.4, recall to work on his Eligibility Territory in accordance with the seniority provisions of the relevant collective agreement;
 - (d) in respect of any period in which he is receiving other payments of any kind or nature directly from the Company, except as otherwise expressly provided in Article 2.6;
 - (e) during any recognized period of seasonal layoff as defined in Article 7;
 - (f) after his dismissal from the service of the Company.

Claims Procedure

2.5 An Eligible Employee, as defined in Article 2.4 may, at the expiration of the seven-day waiting period specified in paragraph (b) of Clause (i) of said Article 2.4, make application to a designated officer for a weekly layoff benefit as follows:

- (a) Employees with TWO or more years of continuous employment relationship and LESS THAN TWENTY YEARS' Cumulative Compensated Service:
 - (i) A weekly layoff benefit for each complete week of seven calendar days laid off following the seven-day waiting period referred to in Article 2.4 of an amount that, when added to unemployment insurance benefits and/or outside earnings in excess of those allowable under unemployment insurance for such week, will result in the employee receiving 80 per cent of his basic weekly rate at time of layoff.
 - (ii) During any week following the seven-day waiting period referred to in Article 2.4 that an eligible employee is not eligible for unemployment insurance benefits account eligibility for such benefits having been exhausted or account such employee not being insured for unemployment insurance benefits, or account unemployment insurance waiting period, such employee may claim a weekly layoff benefit for each complete week of seven calendar days laid off of the maximum unemployment insurance weekly benefit currently in force or such lesser amount that when added to the employee's outside earnings for such week will result in the employee receiving 80 per cent of his basic weekly rate at time of layoff.
 - (iii) Weekly layoff benefits provided for under Article 2.5 shall cease when an Eligible Employee has exhausted the benefit accumulation as specified in Article 2.1.
- (b) Employees with TWENTY OR MORE YEARS of Cumulative Compensated Service:
 - (i) A weekly layoff benefit for each complete week of seven calendar days laid off following the seven-day waiting period referred to in Article 2.4 of an amount that, when

added to unemployment insurance benefits and/or outside earnings in excess of those allowable under unemployment insurance for such week, will result in the employee receiving 80 per cent of his basic weekly rate at time of layoff.

- (ii) During any week following the seven-day waiting period referred to in Article 2.4 that an eligible employee is not eligible for unemployment insurance benefits account eligibility for such benefits having been exhausted or account such employee not being insured for unemployment insurance benefits, or account unemployment insurance waiting period, such employee may claim a weekly layoff benefit for each complete week of seven calendar days laid off of an amount that when added to outside earnings will result in the employee receiving 80 per cent of his basic weekly rate at time of layoff.

- (c) It shall be the responsibility of the employee to report for each week for which he is claiming a weekly layoff benefit under this Agreement any amounts received from the Department of Human Resources and Social Development in respect of such week, as well as any wages earned during such week while employed outside the Company. In the event an employee does not report all such outside earnings for any particular week, this will be interpreted as notice from him that his outside earnings for such week are the same as those for the previous week.

2.6 No weekly layoff benefit will be made for parts of a claim week as defined in Clause (i) of Article 2.4 except that:

- (a) Recall not covered by Article 2.6 (b) below

An employee who has qualified for weekly layoff benefits in accordance with Clause (i) of Article 2.4 and who returns to work for part of the last claim week and thereby receives earnings from the Company in that last claim week may make application for a partial weekly layoff benefit which, when added to the earnings received in that week and to unemployment insurance benefits and/or outside earnings in excess of those allowable under unemployment insurance for such week will result in the employee receiving 80 per cent of his basic weekly rate at time of layoff.

- (b) Temporary recall for less than five working days

An employee who has qualified for weekly layoff benefits in accordance with Clause (i) of Article 2.4 will not have his weekly benefit payment reduced for any claim week during which he returned to the service temporarily for less than five working days.

Example of Payment for Part Week on Recall

- 2.7 Assume that an employee with a rate of \$12.50 per hour (\$100.00 per day, \$500.00 per week) is laid off Friday, February 8, 1985 (last day worked February 7th) and recalled to work Wednesday, March 17th, 1985. This is 41 days, or 5 weeks and 6 days.

For the purpose of this illustration the employee's Income Security claim week is Friday to Thursday, and the unemployment insurance claim week is Sunday to Saturday.

In these circumstances the employee's benefit entitlement would be as follows:

I.S. Claim Week 1 -

Nil (waiting period)

I.S. Claim Week 2 -

(i) employee with less than 20 years of service

- unemployment insurance maximum - \$276 (from I.S.)

(ii) employee with 20 or more years of service

- 80% of basic weekly rate at the time of layoff
(80% x \$500) - \$400 (from I.S.)

I.S. Claim Week 3, 4 & 5 -

80% of basic weekly rate at the time of layoff:
(80% x \$500) -

\$400(\$276
unemployment
insurance and \$124
from I.S.)

Last I.S. Claim Week

(March 8 - March 14, 1985, inclusive)

For unemployment insurance purposes, employee works 2 days, (March 14 and 15 - both of which days fall in one unemployment insurance claim week) - earnings

- \$200.00

- Deduct unemployment insurance allowable earnings (25% of employee's unemployment insurance entitlement of \$276)	-	<u>\$ 69.00</u>
- Net earnings for unemployment insurance purposes	-	\$131.00
- Unemployment insurance entitlement during last I.S. Claim Week (\$276 - \$131)	-	\$145.00
<p>In order to make up the 80% of his Basic Weekly Rate during the last Income Security Claim Week - i.e., \$400, the employee would receive:</p>		
- One days' wages for Thursday, March 14, the last day of the I.S. Claim Week	-	\$100.00
- Unemployment Insurance entitlement	-	\$145.00
From Income Security		<u>\$155.00</u>
Total		<u>\$400.00</u>

Benefit Accumulation - Severance Payment

2.8 (a) For each year of Cumulative Compensated Service or major portion thereof, an employee will be allowed credit weeks as follows:

Employees with less than five years	one week's basic weekly pay for each year of Cumulative Compensated Service.
Employees with five or more years	two weeks' basic weekly pay for all years of Cumulative Compensated Service.

(b) (i) An employee choosing to sever within the first week following lay-off would be entitled to the full severance as provided by the above severance formula.

- (ii) An employee choosing to sever between the eighth day and the thirtieth day following lay-off would be entitled to 80% of the above determined severance if such employee has less than eight years of service, or 95% if such employee has eight or more years of service.
- (iii) An employee choosing to sever in the second or any subsequent month following lay-off will have his/her severance entitlement further reduced for each additional month by 15% if such employee has less than eight years of service, or 3% if such employee has eight or more years of service.
- (c) An employee eligible for a severance payment who resigns and who at a later date will become eligible for an early retirement pension under the Company pension rules shall be entitled to receive the lesser of:
 - (i) his severance payment entitlement under this Agreement; or
 - (ii) a lump sum amount equal to the basic pay he would have earned had he worked until eligible for an early retirement pension. The basic pay is to be calculated at the employee's Basic Weekly Rate in effect at the time of his resignation.
- (d) An Eligible Employee may, upon submission of formal resignation from the Company's service, claim a severance payment as set forth above but such severance payment shall not in any event exceed the value of one and one-half years' salary at the Basic Weekly Rate of the position held at the time he was laid off. Such severance payment may be claimed by an Eligible Employee at any time during his period of layoff following the thirty-day waiting period provided that he has not been eligible for work or has not been recalled to service prior to the time such claim is made.

Special Provisions for Employees with 20 Years or More of Cumulative Compensated Service

- 2.9 (i) An employee with 20 years of Cumulative Compensated Service who, in any calendar year, is laid off and unable to hold work on his Eligibility Territory shall, upon return to work, count the period of layoff, up to a maximum of 100 days in any such calendar year from 1976 on, towards the qualifying period for vacation in the ensuing years; such period of layoff in one year shall, upon return to work, also count as service for determining the vacation entitlement in the following year.

Layoff days credited for vacation purposes shall not be used in any other manner to obtain additional credit.

- (ii) An employee with 20 years of Cumulative Compensated Service who is laid off and unable to hold work on his Eligibility Territory will have his group life insurance continued during the period for which the employee is in receipt of weekly layoff benefits.
 - (iii) An employee with 20 years of Cumulative Compensated Service who is laid off and unable to work on his Eligibility Territory, in a province where Medicare premiums are required, the Company will pay the Medicare premiums but up to the amount of the maximum Medicare allowance provided under the existing collective agreements, up to a maximum period of two years from date of layoff.
- 2.10 Any agreement reached between the parties will not be valid in respect of benefits under this Agreement unless approved by the Department of Human Resources and Social Development on the basis that no deductions will be made from the Government unemployment insurance payments by reason of supplemental unemployment benefits. Notwithstanding anything contained in this Agreement, no Eligible Employee will receive for any week a layoff payment under this Agreement in excess of that which can be allowed the employee without any reduction in his unemployment insurance payment.
- 2.11 An employee who is on layoff on the effective date of this Agreement and not receiving weekly layoff benefits but who now qualifies for benefit payments in accordance with the terms of this Agreement shall be entitled to claim weekly layoff benefit payments for the period of layoff subsequent to the date such claim is received by the designated Company officer providing such claim is submitted within sixty calendar days of the effective date of this Agreement. The period of continuous layoff immediately prior to the date claim is received by the designated Company officer shall be applied to the waiting period defined in Article 2.4 (i)(b). Such employee who fails to file a claim within sixty calendar days of the effective date of this Agreement will forfeit his right to any benefit payments unless subsequently returned to work and again laid off.
- 2.12 Effective 1 September 1996, employees who are in receipt of Weekly Layoff Benefits will have their Extended Health Care Benefits and Life Insurance continued during periods of lay off while in receipt of Weekly Layoff Benefits.

ARTICLE 3 TRAINING OF EMPLOYEES

- 3.1 An employee who has two or more years of Cumulative Compensated Service and:
- (a) has been laid off or who has been advised that he may be laid off and who is, or will be, unable to hold other work in the Company because of lack of qualifications, or,
 - (b) will be adversely affected by a notice served pursuant to Article 5 of this Agreement requiring an employee to relocate or suffer a substantial reduction in his rate of pay, will be considered for training for another position within or without his seniority group, providing he has the suitability and adaptability to perform the duties of that position and provided he has indicated a willingness to work in the job for which he may be trained whenever vacancies exist.
- 3.2 At the option of the Company such training may be:
- (a) at training classes conducted by qualified Company personnel;
 - (b) at classes conducted by an approved training agency.
- The type of training for which an employee may apply must:
- (i) qualify the employee for a recognized Company position;
 - (ii) offer a likelihood of employment in the Company on completion of the training period in a position for which the employee has been qualified; or
 - (iii) in the case of employees with 20 or more years of cumulative compensated service, include the possibility of qualifying the employee for employment within or without the Company.
- 3.3 An employee will receive 80 per cent of the Basic Weekly Rate of his last job classification during his period of training. In addition, he will be provided for the training period with books, equipment, tools and allowed other necessary supplementary expenses associated with the training program.
- 3.4 Should the employee be recalled from layoff before the scheduled completion of training, the employee will be allowed to complete the program without forfeiture of pay or seniority rights.

- 3.5 Notwithstanding any agreement to the contrary, the Company may require an employee who has completed a training program to take a position for which he has been trained.
- 3.6 In addition the Company, where necessary and after discussion with any Union signatory to this Agreement, will provide classes (after work or as arranged) to prepare present Company employees for upgrading, adaptation to technological change and anticipated new types of employment in the Company. The cost of such retraining will be borne by the Company.
- 3.7 Upon request, the subject of training of an employee or groups of employees under any of the above provisions shall be discussed by the appropriate officers of the Union and the Company either prior to or at the time of layoff or at the time of the serving of the notice pursuant to Article 5 or as retraining under Article 3.6 is considered. Any unresolved differences between the parties concerning the usefulness of training for future Company service, the necessity for retraining, or the suitability and adaptability of an employee for training, may be progressed to arbitration in accordance with the provisions of the appropriate collective agreement.

ARTICLE 4 RELOCATION EXPENSES

Eligibility

- 4.1 To be eligible for relocation expenses an employee:
- (a) must have been laid off or displaced, under conditions where such layoff or displacement is likely to be of a permanent nature, with the result that no work is available at his home location and, in order to hold other work in the Company, such employee is required to relocate; or
 - (b) must be engaged in work which has been transferred to a new location and the employee moves at the instance of the Company; or
 - (c) must be affected by a notice which has been issued under Article 5 of this Agreement and he chooses to relocate as a result of receiving an appointment on a bulletined permanent vacancy which at the time is not subject to notice of abolishment under Article 5 of this Agreement and such relocation takes place in advance of the date of the change, provided this will not result in additional moves being made.

- 4.2 In addition to fulfilling at least one of the conditions set forth above, the employee:
- (a) must have two year's cumulative compensated service; and
 - (b) must be a householder, i.e., one who owns or occupies unfurnished living accommodation. This requirement does not apply to Articles 4.5, 4.6, 4.7 and 4.10; and
 - (c) must establish that it is impractical for him to commute daily to the new location by means other than privately-owned automobile.

Relocation Benefits

- 4.3 Payment of door-to-door moving expenses for the eligible employee's household goods and his automobile including packing and unpacking, insurance and up to one month's storage; the mode of transportation to be determined by the Company.
- 4.4 An allowance of up to \$750 for incidental expenses actually incurred as a result of relocation.
- 4.5 Reasonable transportation expenses from his former location to his new location by rail, or if authorized, by bus or employee-owned automobile, and up to \$185 for an employee without dependents, and that an additional amount of \$75 will be paid for each dependent for meals and temporary living accommodation. Receipts will be required for rail and bus transportation.
- 4.6 Upon authorization, an employee may drive his automobile to his new location at an allowance per mile (or kilometer) as specified in the Collective Agreement.
- 4.7 In order to seek accommodation in his new location and/or to move to his new location, an employee will be allowed a continuous period of leave up to one week (seven consecutive calendar days). Payment for such leave shall not exceed one week's pay at his Basic Weekly Rate.
- 4.8 (a) Reimbursement for full loss sustained on the sale of a relocating employee's private home (or for a home for which he has contracted to purchase prior to the date of notice provided pursuant to Article 5 of this Agreement) which the employee occupied as a year- round residence. Loss sustained

is determined as the difference between the value determined at the outset plus any real estate agent and legal fees, including those legal fees and, if applicable, the land transfer tax established by the city or municipality on purchase of a home at the new location, and the amount established as the selling price in the deed of sale.

- (b) The procedure to be followed in respect of determining the loss, if any, on the sale of a home is described in Article 4.12.
- (c) An Eligible Employee who desires to sell his house and receive any benefit to which he may be entitled under Article 4.8 must advise the Company's officer concerned accordingly within twelve months of the date the initial change takes place. No employee shall be entitled to any claim under Article 4.8 if the house is not listed for sale within sixty days of the date of the final determination of value and thereafter the house continues to be listed for sale. Any claim for reimbursement under Article 4.8 must be made within twelve months of the final determination of value.
- (d) If an employee who is required to relocate to hold employment does not wish to move one's household to the new work location, the employee may, at the time of the change, opt for a lump sum payment. Such lump sum payment shall be mutually agreed upon by the parties and will be no less than the value of all contractual relocation benefits other than those provided for in Articles 4.8, 4.10 and 4.11. The lump sum payment shall be paid to the employee, so long as the employee remains at the new location, in equal quarterly instalments over the 12-month period following the lump sum payment being agreed upon. If the employee returns to the former location during such 12-month period and remains, payment(s) shall be discontinued.

4.9 Payment of the cost of moving a wheeled mobile home which the employee occupies as a year-round residence. The selection of the mover and the cost of moving the mobile home shall require the prior approval of the Company and shall not, in any event, exceed a total cost of \$5,280. Receipts shall be required.

4.10 If an employee who is eligible for moving expenses does not wish to move his household to his new location he may opt for a monthly allowance of \$155 which will be payable for a maximum of twelve months from the date of transfer to his new location. Should an

employee elect to transfer to other locations during such twelve-month period following the date of transfer, he shall continue to receive the monthly allowance referred to above, but subject to the aforesaid 12-month limitation.

An employee who elects to move his household effects to a new location during the twelve-month period following the date of his initial transfer will only be eligible for relocation expenses under this Article for one such move and payment of the monthly allowance referred to above shall terminate as of the date of his relocation.

- 4.11
- (a) Alternatively to Article 4.8, the cost of terminating an unexpired lease and legal costs connected therewith up to a value of three months' rent where the relocating employee was renting a dwelling, will be paid. Should the law require payment of more than three months' rent in order to terminate a lease, such additional amount will be paid providing the employee first secures the Company's approval to pay in excess of three months' rent.
 - (b) Where a lease was entered into following the notice of the change without prior approval of the Company, no benefit will be provided. Such prior approval will not be unreasonably withheld.

Appraisal Procedure

- 4.12
- When an Eligible Employee desires to sell his home, under the provisions of Article 4.8(b), the following procedure will apply:
- (a) In advising the company officer concerned of his desire to sell his house, the employee shall include pertinent particulars as outlined in Article 4.12(i), including his opinion as to the fair market value of his house.
 - (b) This fair market price of the house shall be the price determined as of a date sufficiently prior to the date of the change in order that the fair value will be unaffected thereby.
 - (c) Within 15 working days from date of receipt of employee's advice of his desire to make a claim, the Company officer shall advise the employee concerned whether the suggested fair market value is satisfactory and, if so, such price shall be the fair market value as contemplated by Article 4.8(a) of this Agreement.

- (d) If, however, the officer concerned is not satisfied that the price requested by the employee is the fair market value, then an effort shall be made to resolve the matter through joint conference of the officer and employee concerned and the appropriate Union representative if so desired by the employee; such joint conference to be held within 5 working days from date of advice to employee concerned as referred to in Article 4.12(c).
- (e) If such joint conference does not resolve the matter, then within 5 days from the date of the final joint conference arrangements shall be made for an impartial appraisal to be undertaken as soon as possible by an independent real estate appraiser. The fair market price established by such appraiser shall become the fair market value for the purpose of this Agreement, and such price shall be binding on both parties.
- (f) The employee and Company officer concerned shall endeavour to mutually agree upon the independent appraiser referred to in Article 4.12(e). If they are unable to agree, then the Minister of Labour shall be requested to appoint such an independent appraiser.
- (g) The residence shall not have been listed for sale with any appraiser appointed pursuant to the provisions of this Article, nor with such appraiser's employee, fellow employee or partner.
- (h) The fees and expenses of any appraiser appointed in accordance with Article 4.12(e) or (f) shall be paid by the Company.

Note: In the event an employee desires to sell his home at a price which is less than the fair market value as determined by the provisions of this Article, the Company will be given the right in priority to everyone else to purchase the home.

(i) PARTICULARS OF HOUSE TO BE SOLD

Name of Owner

Address.....

No. Street City-Town

Type of House, i.e. Cottage
Bungalow
Split Level

Year Built.....No of Rooms.....Bathrooms.....

Type of Construction
(i.e. brick veneer
stucco clapboard).....

Finished Basement: Yes.....No.....

Type of Heating
(i.e. oil, coal,
gas, electricity).....

Garage: Yes.....No.....

Size of Lot:.....

Fair Market Value: \$.....

Other Comments.....
.....

Date:.....

Signature:.....

ARTICLE 5 TECHNOLOGICAL, OPERATIONAL AND ORGANIZATIONAL
CHANGES

- 5.1 The Company will not put into effect any technological, operational or organizational change of a permanent nature which will have adverse effects on employees without giving as much advance notice as possible to the bargaining agent representing such employees. In any event, not less than four months' notice shall be given, with a full description thereof and with appropriate details as to the consequent changes in working conditions and the expected number of employees who would be adversely affected.
- 5.2 When a notice is issued under Article 5.1 and it becomes known to the Company that the change will be delayed for reasons over which the Company has no control, advice will be issued to the bargaining agent, and employees involved explaining the situation and revising the implementation dates. If necessary, more than one such advice may be issued.
- 5.3 When the implementation of a technological, operational or organizational change is delayed or is to be delayed at the instance of the Company in excess of thirty calendar days, a new notice as per Article 5.1 shall be given.
- 5.4 Upon request the parties shall negotiate on items, other than those specifically dealt with in this Agreement with a view to further minimizing the adverse effects on employees. Such measures, for example, may be related to exercise of seniority rights, or such other matters as may be appropriate in the circumstances, but shall not include any item already provided for in this Agreement.
- 5.5 If the above negotiations do not result in mutual agreement within thirty calendar days of the commencement of such negotiations, or such other period of time as may be agreed upon by the parties, the matters in dispute may be referred for mediation to a Board of Review composed of an equal number of senior officers of the Company and the Union.
- 5.6 If the Board of Review is unable to resolve the differences within a fixed period of time to be determined at the commencement of its meetings, or some mutually agreed extension thereof, the matters in dispute may be referred for final and binding settlement to an arbitrator selected by the parties or, failing that, appointed by the Minister of Labour. The matters to be decided by the arbitrator shall not include any question as to the right of the Company to make the change, which right the Union

acknowledges, and shall be confined to items not otherwise dealt with in this Agreement.

- 5.7 The terms operational and organizational change shall not include normal reassignment of duties arising out of the nature of the work in which the employees are engaged nor to changes brought about by fluctuation of traffic or normal seasonal staff adjustments.
- 5.8 In addition to all other benefits contained in this Agreement which are applicable to all eligible employees, the additional benefits specified in Articles 5.9 and 5.10 are available to employees who are materially and adversely affected by technological, operational or organizational changes instituted by the Company.

Maintenance of Basic Rates

- 5.9 An employee whose rate of pay is reduced by \$2.00 or more per week, by reason of being displaced due to a technological, operational or organizational change will continue to be paid at the basic weekly or hourly rate applicable to the position permanently held at the time of the change providing that, in the exercise of seniority, he:
- (a) first accepts the highest-rated position at his location to which his seniority and qualifications entitle him; or
 - (b) if no position is available at his location, he accepts the highest rated position on his basic seniority territory to which his seniority and qualifications entitle him.

The maintenance of basic rates, and four-week guarantees if applicable, will continue until:

- (i) The dollar value of the incumbency above the prevailing job rate has been maintained for a period of five years, and thereafter until subsequent general wage increases applied on the basic rate of the position he is holding erase the incumbency differential; or
- (ii) the employee fails to apply for a position, the basic rate of which is higher, by an amount of \$2.00 per week or more than the basic rate of the position which he is presently holding and for which he is qualified at the location where he is employed; or

- (iii) the employee's services are terminated by discharge, resignation, death or retirement.

In the application of (ii) above, an employee who fails to apply for a higher-rated position, for which he is qualified, will be considered as occupying such position and his incumbency shall be reduced correspondingly. In the case of a temporary vacancy, his incumbency will be reduced only for the duration of that temporary vacancy.

An example of the application of Article 5.9(b)(i) follows:

Date	Incumbency	
	Basic Rate	Level
October 1, 1984	\$400.00	\$450.00
January 1, 1985 (4% inc.)	\$416.00	\$466.00
January 1, 1986 (4% inc.)	\$432.64	\$482.64
January 1, 1987 (4% inc.)	\$449.95	\$499.95
January 1, 1988 (4% inc.)	\$467.95	\$517.95
January 1, 1989 (4% inc.)	\$486.67	\$536.67
January 1, 1990 (4% inc.)	\$506.14	\$536.67
January 1, 1991 (4% inc.)	\$526.39	\$536.67
January 1, 1992 (4% inc.)	\$547.45 incumbency disappears	

For the purpose of this Article 5.9, the basic rate of a position paid on a four- week guarantee basis shall be converted to a basic rate on a forty-hour week basis.

Example - Four-Week Guarantee

The basic rate of an employee who is guaranteed 179.3 hours for each four-week period, comprised of 160 straight time hours and 19.3 hours at time and one-half which is the equivalent of 189 straight time hours, is \$10.00 per hour at the straight time rate. Inasmuch as his guarantee represents \$1,890.00 per four-week period, his Basic Weekly Rate shall be considered as \$472.50 and his basic hourly rate shall be considered as \$11.81.

Early Retirement Allowance

5.10 An employee who is working in a group, at a location, which is being adversely affected by a technological, operational or organizational change will, provided he is 55 years of age or older and the total of his age and allowable pensionable service equals 85 or more and elects to receive an early retirement pension, be entitled to receive a monthly

separation allowance until the age of 65 which, when added to his company pension, will give him an amount equal to a percentage of his average annual earnings over his best five-year period, as defined under the Company's pension rules, in accordance with the following formula provided this would prevent another employee in his group at that location with two or more years of service from being laid off:

Years of Service at Time Employee Elects <u>Retirement</u>	Percentage Amount <u>As Defined Above</u>
35 & over	80
34	78
33	76
32	74
31	72
30	70
29	68
28	66
27	64
26	62
25 or less	60

An employee entitled to the separation allowance herein above set out may elect to receive in its stead a lump sum payment equal to the present value of his monthly separation payments calculated on the basis of a discount rate of ten (10) percent per annum.

An employee who elects benefits under Article 5.10 will not be entitled to any other benefits provided elsewhere in this Agreement.

The early retirement allowance will cease upon the death of the employee.

- 5.11 In the application of Article 5.10 above, separation allowance will be calculated as if the employee had been a contributor to the Company's Pension Plan throughout the employees career.

ARTICLE 6 GOVERNMENT ASSISTANCE PROGRAMS

- 6.1 All payments under this Agreement are to be reduced in whole or in part in each case by any amount payable for the same purpose under a Government Assistance Program.

ARTICLE 7 SEASONAL EMPLOYEES

- 7.1 Seasonal employees are defined as those who are employed regularly by the Company but who normally only work for the Company during certain seasons of the year. Articles 2 and 5 of this Agreement shall apply to these employees except that payment may not be claimed by any seasonal employee during or in respect of any period or part of a period of layoff falling within the recognized seasonal layoff period for such group. In respect of seasonal employees laid off during the recognized seasonal working period, the seven and thirty-day waiting periods provided for in Articles 2.4(i)(b) and 2.4(i)(c) will apply, except that in the case of a seasonal employee who is not recalled to work at the commencement of the recognized seasonal working period, the seven or thirty-day waiting period, as the case may be, will begin on the commencement date of the recognized seasonal working period. Seasonal employees and recognized seasonal working periods shall be as defined in Memoranda of Agreement signed between the Company and the affected Organizations signatory thereto.

ARTICLE 8 CASUAL AND PART-TIME EMPLOYEES

- 8.1 Casual and part-time employees are those who work casually on an as-required basis from day to day, including those who work part days as distinguished from employees who work on regular or regular seasonal positions.
- 8.2 Casual and part-time employees are entirely excluded from the provisions of this Agreement.

ARTICLE 9 NON-APPLICABILITY OF SECTIONS 52, 54 and 55, PART I, AND SECTIONS 214 to 226 INCLUSIVE OF PART III OF THE CANADA LABOUR CODE

- 9.1 The provisions of this Agreement are intended to assist employees affected by any technological change to adjust to the effects of the technological change and Sections 52, 54 and 55, Part I, of the Canada Labour Code do not apply.
- 9.2 The provisions of this Agreement are intended to minimize the impact of termination of employment on the employees represented by those Unions party to this Agreement and are intended to assist those employees in obtaining other employment and Sections 214 to 226 of Part III of the Canada Labour Code do not apply.

ARTICLE 10 AMENDMENT

10.1 The parties hereto may at any time during the continuance of this Agreement amend its provisions in any respect by mutual agreement.

ARTICLE 11 COMMENCEMENT

11.1 Payment of benefits under this Agreement shall commence as follows:

<u>Agreement</u>	<u>Union</u>	<u>Representing</u>	<u>Effective</u>
Agreement "A"	CMOU	Ship's Officers	1 January 2001
Agreement "B"	CAW	Unlicensed Personnel	1 January 2001
Agreement "C"	CAW	Terminal Mtce. Employees	1 January 2001
Agreement "D"	USW/ILA Council	Terminal & Clerical Employees	1 January 2001
Agreement "E"	CMSG	Masters, Chief Engineers And Chief Electrical Officers	19 August 2002

ARTICLE 12 DURATION

- 12.1 This Agreement supersedes the Income Security Agreement signed 13 November 1998.
- 12.2 It shall remain in effect until revised in the manner and at the time provided for in respect of the revision of the Agreement which is current from time to time.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed this 25th day of September 2006 at Sydney, NS.

FOR MARINE ATLANTIC INC:

FOR THE EMPLOYEES:

(Original signed by)

(Original signed by)

Roger Flood
President and CEO

Linda MacNeil
National
Representative CAW

(Original signed by)

(Original signed by)

Rhona Green
Director of Human Resources

Richard Vezina
President Canadian Marine
Officers Union

(Original signed by)

Jim Lane,
Chairman
USW/ILA Council of
Trade Unions

(Original signed by)

Bruce Carter
Secretary Treasurer
Canadian Merchant Services
Guild

APPENDIX "A" ELIGIBILITY TERRITORIES

The following are the Eligibility Territories for purposes of application of Articles 2 (Weekly Layoff Benefits and Severance Payments) and 5 (Maintenance of Basic Rates) of this Agreement:

Shore Agreements

1. Argentina, Newfoundland
2. Port aux Basques, Newfoundland
3. North Sydney

Vessel Agreements

4. Newfoundland Service