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AGREEMENT

2006 - 2013

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between

SEAFARERS' INTERNATIONAL UNION OF CANADA

and

SEASPAN INTERNATIONAL LTD.
(Kingcome, Cates and Seaforth)

13698(01)

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AGREEMENT

2006 - 2013

between

SEASPAN INTERNATIONAL LTD.
(Kingcome, Cates and Seaforth)
(hereinafter **called** the "Company")

and

SEAFARERS' INTERNATIONAL UNION OF CANADA
(hereinafter **called** the "Union")

3.01 SENIORITY AND PROMOTIONS

- (a) **An** employee shall acquire **seniority** as of his date of employment with the Company provided **he** has completed six (6) months continuous employment.
- (b) **A** seniority list **will** be compiled by the Company and **will** be revised annually. Such list will show names, positions, and date of last entry into service in positions covered by this Agreement.
- (c) A copy of the seniority list shall be forwarded to the Union, and shall also be posted on each vessel for **all** to see, **annually**, no more **than** fifteen (**15**) days after it is compiled.
- (d) It is agreed that in layoffs **and** rehires, Preference **will** be given to employees **with** the greatest length of service with the Company and that for placements within the bargaining unit, where skill and efficiency are relatively equal, preference **will** be given to the employee with the greatest length of service **with** the Company.
 - (i) Employees shall be notified of any openings on vessels in their area **of** operation and subject to experience and ability, the most senior employee shall be given the **first** opportunity to accept or

decline.

- (ii) The employees will notify the Company in writing one week in advance if they are interested in working additional relief work. This work will be assigned with seniority considered **as** one of the determining factors.
- (e) An employee who has been laid off will retain his seniority and the right to be recalled for a period of eighteen (18) months, provided he reports to the Company when recalled. **An** employee who **is** given reasonable notice and **fails** to report for work upon recall **is** subject to discharge from service.

An employee on leave of absence for any reason including medical leave or lay off shall be responsible to maintain required Union dues and failure to do so may, at the Union's direction, result **in** loss of seniority.

- (f) When an employee **is** physically unable to work in his present classification he shall have the right to retrain for a different classification within the bargaining unit and shall maintain full seniority within the Company.
- (g) Where the Company promotes an Unlicensed employee to Officer status on board its vessels, the following shall apply:

- i) When the Company is making initial temporary promotions, candidates possessing the necessary certification and successfully passing the normal pre-promotion assessment, will receive fair and equitable consideration for such promotion from the Company.

It is intended that any problems over the interpretation of this section (i) **will** be resolved by discussion between the affected parties concerned, not by recourse to the grievance procedure.

- ii) **An** employee who **has** prior acceptable Company service **as** an Officer (with no break in Company service) will be promoted first.
- iii) Employees seeking promotions to Officer status must be members of the Union in good standing and shall **only** retain their seniority rights with the Unlicensed Union provided they remain as members in good standing with the Union including the payment of dues **in** the manner required by the Union.
- iv) Employees who are temporarily promoted for the purpose of training and /or relieving permanent Officers, shall continue to accrue unlicensed seniority provided they do not work in **an** Officer category **for** more than a total of ninety (90) days (excluding lay days) in any calendar year. This period may be extended in order to allow for the completion of a trip, provided the Company notifies the Union **in** advance. During these ninety (90) day periods the employee is required to pay dues to the Union.
- v) Upon promotion to a full-time officer's position with the Company, an unlicensed employee will have his unlicensed seniority frozen so as to enable later possible returns to an unlicensed position pursuant to a lay-off due to lack of work. Such recall right shall continue for a period of (5) five years from the date of his initial full time position. Following this **he** shall

have no further claim to unlicensed seniority. Any employee exercising this option may only work in a relief position until such time as vacancies arise which cannot be filled from within the Company.

(h) Where **an** employee who has positive lay days is subject to layoff pursuant to subsection (d) above he shall be entitled at **his** election to continue on the Company's payroll as follows:

1. His leave will be run out.
2. He **shall** have the option of banking, cashing out or running out annual vacation and Statutory holidays that have been converted to leave.
3. Overtime converted to leave to be banked or cashed out at the employee's discretion.
4. Any statutory holiday that falls in the employee's run out time will not be paid.

Recall to work shall be in accordance with the Collective Agreement.

3.02 STATUTORY HOLIDAYS

(a) **All** Unlicensed Personnel will be given the following paid statutory holidays and any Federal or Province of B.C. proclaimed Statutory Holiday.

| | | |
|----------------|------------------|----------------------|
| New Year's Day | Canada Day | Remembrance Day |
| Good Friday | B.C. Day | Christmas Day |
| Easter Monday | Labour Day | Boxing Day |
| Victoria Day | Thanksgiving Day | |

(b) Twelve (12) Hour Employees

- (i) If it is not possible to take a holiday listed above and an employee is called to work on that day, he shall be granted **an** alternate day off in lieu thereof **This** day off shall be in addition to the normal pay and leave for the day worked.
- (ii) The rate of pay for **work** on **a** Statutory Holiday shall be time and one half the straight **time** hourly rate. Only the straight time value of the leave portion of earnings shall be credited to the lay day account, i.e. 1.24 of the normal day's pay.
- (iii) For each statutory holiday not worked or for each alternate day off in place of **a** statutory holiday worked, **an** employee shall be paid his regular pay for a normal day worked (12 hours) plus the leave he would earn for that day.
- (iv) Earnings **and** Credit Summary:

Twelve Hour Day

| | Earnings | Day | Leave | Cash |
|-------------------------------------|--------------------------|---------------|---------------------|---------------------|
| Holiday Credit Time Worked | 2.24 days | 1 | | 1.24 |
| Credit | <u>3.36</u> 5.60 days | <u>1</u> 2 | <u>1.24</u> 1.24 | <u>1.12</u> 2.36 |

(c) Eight (8) Hour Employees

If not possible and they are called upon to work on any of these days, they shall be paid at time and one half for the **time** worked, and shall be given an alternate day off with pay. If the employee and the Company agree, the employee may, at his request, take eight (8) hours pay in lieu of the day off.

(d) For each statutory holiday or alternate day off in lieu of a statutory holiday, an employee shall be credited with eight (8) hours work under the Canada Labour (Standards) Code.

(e) Employees employed on vessels operating in the Home Trade Class 3 and Home Trade Class 4, including the Queen Charlotte Islands, will be granted the three (3) day period, consisting of December 24th, 25th, and 26th, as leave in the home port. Where due to cases of distress, extreme emergency or continuous on station operations, all or any part of this three (3) day period is not granted, then the three (3) day period of December 31st and January 1st and 2nd will be granted. Regarding the servicing of customers which operate December 24, 25 and 26; it is recognized that the employer has the right to require employees to sail on these days. It is however understood that the Company shall use its best efforts to secure necessary crew firstly from volunteers, then persons in the red and then employees in the reverse order of seniority.

(f) An employee who does not receive either three (3) day period referred to in Section (e) above shall receive a three (3) consecutive day period of leave immediately upon return to his home port. All such three (3) day periods will be paid for at the statutory holiday rate.

(g) In recognition of the Employer's requirement to sustain operations during the ~~Christmas~~ period, the following premiums will be paid:

| | |
|---------------------------------------|------|
| December 24 th before noon | 2.24 |
| December 24 th after noon | 4.48 |
| December 25 th | 6.72 |
| December 26 th | 6.72 |

An Employee that is normally assigned to a vessel will have first right of refusal to work the dates outlined above and will not be displaced should he not volunteer to work those dates.

(h) Where a Statutory Holiday falls on a Friday, employees shall be paid on the prior Thursday.

3.03 SUPPLES, EQUIPMENT. AND CLOTHING

(a) Clothing

1. If a Company requires any Unlicensed Crew member to wear a uniform, the Company will supply, maintain, and clean it.
2. The Company will provide any protective clothing or equipment required by applicable Federal and Provincial regulations for the handling of cargo requiring same.
3. Any Unlicensed crew member who suffers clothing damage **as** a result of handling dangerous cargo or corrosive material, shall have the clothing replaced or be paid the present day replacement value, provided such clothing was suitable for the job being performed, and was damaged to a degree to make it unsuitable for future wear.
4. Upon request by personnel, the Company shall supply the following:
 - i) Proper work gloves, free of charge, suitable for the work to be performed.
 - ii) The Employer shall provide to each employee with **six (6)** months Company service either a safety shoe or caulk boot or rain jacket and pants allowance of one hundred thirty dollars (\$130.00) against proof of purchase.

An employee may elect to carry over the full allowance to the next year. In the second year the Company will grant the employee an allowance equal to two times the annual allowance. If a shift deckhand's safety boots or any deckhand's caulk boots wear out or are damaged at work prior to the above time frames, upon approval the Company will reimburse the cost to repair or replace.

If a shift deckhand's rain gear has been damaged at work to the extent that it is rendered unusable the Company will provide a replacement.

Eligibility to the allowance shall be renewed every twelve (12) months after it was last paid,

- iii) Employees upon request will be provided free of charge with two (2) pairs of good quality coveralls as may be required for their protection while performing their duties. Coveralls will be renewed on an exchange basis. Where employees leave employment before they gain seniority the cost will be deducted from their pay.

3.04 SAFETY AND EQUIPMENT

- a) The Company shall furnish and maintain safe working **gear** and equipment for the protection of its employees **and shall** continue to make reasonable provision and rules for their safety in accordance with all federal safety regulations.

- b) Life jackets, hard hats, head lamps, ear protectors and dust protectors shall be provided by the Company for crew members who are required to work aboard vessels, scows, barges, or log tows. One (1) pair of strap-on-caulks shall be carried on each vessel. Crew members will be required to **sign** for the above safety equipment.

The above safety equipment shall be replaced when necessary on an exchange basis at no cost to the employee.

- c) When a crew member falls sick, or is injured, it **will** be the duty of the Master to see that he gets **first aid** or medical treatment **as quickly as possible**. The Company will provide for the employee's return to home port.
- d) All accidents **and injuries shall** be logged medically at the time they occur.
- e) A tug shall be supplied ~~with~~ He jackets sufficient for all crew members. A medical kit fully maintained shall be **aboard**. A stretcher shall also be aboard where space **is** available.

An employee shall be entitled **free** of charge to a D.O.T. approved floater coat including the U-Vic style upon completion of one year's service with the Company. The Company shall issue the coats and will replace them when necessary. The Company **will** make the coats available at its office.

An employee who requests in lieu anti-exposure coveralls, shall have the first \$120.00 paid by the Company and shall reimburse the Company the difference. Where the employee leaves the employ of the Company before acquiring **six (6)** months service the cost of the floater coat or the monies advanced **will** be deducted from his final pay. New employees are not covered on their first tour of duty.

- f) During the hours of darkness, outside painting must not be performed.
- g) Where existing space allows, seating **will** be provided for the helmsman.
- h) The Company agrees that crew members shall not be required to perform any work on **staging**, ladders, or Bosun's chair while the vessel is underway.
- i) Individual companies undertake to examine the possibility of making anchor chains on vessels self-stowing. New continuous operating vessels **will** be provided with self-stowing anchor chains.
- j) Survival Suits - The Company agrees to provide survival suits in accordance with the recommendations of the Joint Industry Safety Committee, drafted September 17, 1981.
- k) Whenever a crew member is required to work aboard a tow out of verbal communication range or sight from the tug control station, he shall be supplied with a suitable radio which will not restrict his movement and at the same time allow for immediate communication at **all** times.
- l) The employer will reimburse each employee for the purchase price of one set of personally fitted (filtered or unfiltered) ear plugs or ear muffs. Entitlement to replacement earplugs **will** be once every four (4) years.

3.05 SPRAY GUNS

When Unlicensed crew members are required to do spray painting, they shall be paid a premium rate of time and one-half for each hour so worked, and shall be knocked off one-half (1/2) hour early to clean up. Coveralls and respirators ~~shall~~ be supplied.

3.06 CUSTOMARY DUTIES

In addition to duties specified by **this** Agreement, employees shall perform competently the ordinary duties pertaining to their positions on the vessel.

An Unlicensed crew member shall receive first call for work customary to **his** position, both on and off watch. Should the **work** be performed by Officers, the Unlicensed crew member will receive a payment equal to the amount **of** pay he would have earned if he had worked.

The above sections shall not apply where hours of rest regulations or any emergency may prohibit same.

3.07 OVERTIME CONVERSION

Any employee covered by this Agreement shall have the option of converting all overtime and premium rates excluding flat rates into time off in lieu, subject to:

- i) **Making** an election on all overtime sheets to convert **all** or any part of said overtime.
- ii) The employee due or on scheduled leave or vacation shall be entitled to take this additional leave provided he gives the Company fourteen (**14**) days prior notice, and such leave shall not be unreasonably denied. This arrangement shall not give rise to red day payments.
- iii) Converted overtime shall be shown separately on the employee's pay statement on separation.
- iv) Flat rates including subsistence allowance and cook's whites are not to be paid on such converted leave.
- v) **An** employee may elect in writing to retain his converted overtime leave and **be** paid into the red, **as** provided elsewhere under **this** Agreement, provided that such converted leave will **be** used before red days for makeup to **full** pay when he is on medical leave and educational leave.
- (vi) Notwithstanding the foregoing, when an employee, who would otherwise **be** laid off, is allowed by the Company to be paid into the red he shall be required to apply subsequent overtime pay to his red days.

3.08 OVERTIME CLAIMS

- a) Overtime claims shall be prepared by the employee in duplicate and be presented to the ~~Master~~ for signature indicating both receipt of the claim and information that the work was ordered and performed. The duplicate copy of the claim shall be given to the employee for the record. The Master shall turn in the overtime claim with the Ship's Log at **first** return to home port (or by mail at least twice monthly).
- b) If the overtime claim is disputed, a copy of the claim is to be returned by ~~the~~ Company to the employee concerned before the next pay period together with reasons for rejecting the claim.
- c) Individual companies **shall** establish specific cut-off date(s) for the purposes of paying overtime and shall process and pay overtime in the pay period immediately following the date so specified.

3.09 MAINTENANCE WORK

- a) Maintenance work is hereby classified as painting, chipping, soogeeing, scraping, or working on ships gear. Deck maintenance work except that concerned with the safe navigation **of** the vessel and tow shall be performed between the hours of 8:00 a.m. and 5:00 p.m. Engine room personnel **shall** not be required to do any chipping or scraping between the hours of 5:00 p.m. and 8:00 a.m. Deck personnel shall be **paid** at the rate of time and one half (1 1/2) if required to perform work in the engine room.
- b) Dirty Money - Unlicensed crew members required to work cleaning smoke stacks, bilges, oil tanks, boilers, oil separating centrifuges, water tanks, **fish** oil tanks, oil **spills**, rose boxes, exhaust ports of internal combustion engines, oil separators, oil **strainers**, work under deck plates, cleaning out **of** chain lockers, work in the steering flats of certain vessels (**as** agreed by the parties), working in confined spaces, cleaning out (not hosing) towing winches and hand stowing in chain lockers shall be paid the regular straight time rate in addition to their regular wages while on watch, and the regular overtime rate in addition to the regular straight time rate while off watch. In **all** instances a one (1) hour minimum shall be paid for such work. Apprentice Engineers **shall** not receive premium pay for performance of the duties listed above.
- c) No chipping or painting **will** be performed on shift tugs when they are underway except for when under tow and where the voyage is expected to be more than one and one half (1.5) hours. This subsection shall not apply to those vessels engaged in log towing.

3.10 BARGE WORK AND CARGO . GEAR OR BOOMCHAIN HANDLING

Work aboard barges, the handling of cargo, and the handling of gear or boomchains shall be paid for **m** accordance with the following table of rates:

(a) **BARGEWORK**

- 1) Tying up, letting go, and duties necessary to safe navigation
 - On Watch* (No Premium)
 - Off Watch* (Applicable overtime rate per Article 2.01)

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- 2) Cargo Handling
 - On Watch* (Rate in **addition to salary**, time and one-half)
 - Off Watch* (Doubletime)
- 3) Work other than 1) and 2)
 - On Watch* (Rate in **addition to salary**, time and one-half)
 - Off Watch* (Applicable overtime rate per Article 2.01)

(b) HANDLING OF GEAR CARGO OR BOOM-CHAINS ON TUG

- 1) For Vessel's own use
 - On Watch* (No Premium)
 - Off Watch* (Applicable overtime rate per Article 2.01)
- 2) Gear or boom-chain handling other than the above
 - On Watch* (Rate in **addition to salary**, straight the)
 - Off Watch* (Applicable overtime rate per Article 2.01)
- 3) cargo
 - On Watch* (Rate in **addition to salary**, time and one-half)
 - Off Watch* (Doubletime)

3.11 SHIPS STORES AND FUEL

- a) Ships Stores - Ships crew shall load ships stores as part of their normal duties, such stores being for use on their own vessel, or on occasion for one other Company vessel.

If the ship's stores are other **than** as described above, the loading of such stores shall be paid for in accordance with Article 2.12(b)(2). If Unlicensed crew members are required to load stores off watch, they shall receive the regular overtime rate.

- b) Fuel - Fuel for the vessel's own use shall not **be** considered **as** cargo so long **as** it is loaded from the **tow** or from **an** oil dock or barge which **is** alongside the vessel. In conditions other than this, when Unlicensed crew members are required to go off the vessel, dock or barge to load fuel, it shall be paid for in accordance with Article 2.12(b)(2).
- c) Garbage - The handling **of** garbage from another vessel shall attract premium payment as set out in 2.12(b)(2) above. A suitable garbage container shall be situated on deck.

PART III - SHIFT TUGS

3.12 SHIFT TUGS

The term "shift tugs" shall mean vessels where Unlicensed crew members work on **shifts** of eight (8) consecutive hours per day, or twelve (12) consecutive hours per day, or as agreed to by the Companies and the Unlicensed crew members concerned.

- a) The Shift starting time shall be constant on **all tugs** and any change in shift starting times shall require seven (7) calendar days notice, provided that where tidal problems are experienced in a river operation, **shift** starting times may be altered by agreement between the parties in accord with the Memorandum of Understanding set out in Appendix "C" to the Agreement. Employees working variable starting times under the progressive tide work day concept, shall receive an additional one (1) hour straight time pay for each **shift so** worked.
- b) Seven (7) calendar days notice shall be given of the intent to change from **an eight (8) hour shift** to a twelve (12) hour **shift**, or vice versa.
- c) There **shall** be no crew change between 2400 hours and 0600 hours except for emergencies such as injuries or illness and where the Union and individual Companies agree by mutual written agreement to allow crewing between these hours to accommodate specific jobs/operations.
- d) In the event that it is necessary to cancel a regular **shift**, at least eight (8) hours notice of cancellation shall be given for the day shift and six (6) hours notice of cancellation for the afternoon or night shifts, unless unforeseen circumstances clearly beyond the control of the Company prevent such notice.
- e)
 1. **An** employee who is called back to work after completing his shift and leaving the vessel, or who is called out on his regular days off or when he would not normally expect to work shall receive a minimum of four (4) hours pay at the regular overtime rate. However, if the call out **is** within two (2) hours of **his** regular shift starting time, and he continues working into **his** regular **shift**, **his** pay for the call out shall be two (2) hours at the regular overtime rate.
 2. Where an employee is available of **his** own accord (at the dock) and agrees to relieve the on-shift employee so as not to necessitate him working overtime, he will be paid in increments of one-half (1/2) hour with a one (1) hour **minimum** for the overtime worked.
 3. Employees employed on call out duties **will** be informed of the specific job(s) to be performed when called by the Company and be given an estimate of time required. (see letter of intent)
 4. The Company shall keep accurate records of all call-outs which will include the date, time, employees called and employee awarded the job. Records will be made

available to the Union upon request.

- f) An employee required to commence a shift two or more hours before his regular shift starting time or ~~an~~ employee required to work two (2) hours or more beyond the regular shift shall be paid a meal allowance of twelve dollars **and** eighty-eight cents (\$12.88) as of October 1, 2006 and this will increase in accordance with annual wage percentage increases.
- g) **When** an employee on a shift tug **is** required to work overtime, a ~~minimum~~ rest period of not less than nine (9) consecutive hours free of the vessel shall be allowed before he returns to work. If by **taking** his rest period, he commences work later than the normal starting time of the shift following, he shall nevertheless receive a normal day's pay for that shift, however, if he **is** required to commence work before completing nine (9) hours rest, overtime shall **be** deemed to be continuous through out the following **shift**.
- h) Subsistence Allowance
 - i) An employee shall be paid a subsistence allowance for each day he works or per shift where it crosses midnight, in the amount of:

As of October 1, 2006 - \$18.80 per 12 hour day and \$12.52 per 8 hour day.

The above rates will increase in accordance ~~with~~ annual wage percentage increases.

- ii) Where an employee works mainly call-outs he shall be paid a monthly ~~flat~~ rate subsistence allowance of \$274.87 based on a calendar day rate (and will increase in accordance with annual wage percentage increases), namely:

| | |
|---|---|
| $\frac{\text{Dollars} \times 12 \text{ (months)}}{365} =$ | Rate per calendar day for each day in the employ of the Company excepting when in receipt of Workers' Compensation, benefit payments, while on vacation or while on "leave of absence". |
|---|---|

Flat rate payments shall be made once each month whether an employee is working or taking leave. The payment shall be prorated for an employee who is not engaged in this capacity for the full month.

The monthly rate is determined as follows:
$$\frac{\$20.24 \times 30.42}{2.24}$$

- iii) NOTE: The rates ~~will~~ increase in accordance with annual wage percentage increases.

PER DAY
WORKED OCT 1/06

12 HOUR \$20.24
8 HOUR \$14.10

MONTHLY
FLAT RATE \$274.87

- (i) Employees will be required to assist the Officer **in** charge as they perform duties related to the maintenance of the main or auxiliary engines, including fuelling. At no time is the checking of oil gauges or checking of fuel and/or water levels to be regarded as servicing engines.
- j) Where an Unlicensed crew member performs the specific services on main **and** auxiliary engines described below or assists the Master in the performance of these duties, he shall receive a premium equal to his hourly rate over and above his normal rate of wages.
 - i) Change lube oil and lube oil filters.
 - ii) Change **fuel** filters.
 - iii) Change oil and filters in reduction gear.
- k) A lunch break of thirty (30) minutes shall be allowed each crew member on shift tugs. This break may **only** commence from forty five (45) minutes before to forty five (45) minutes after the midpoint of the shift. If the break cannot be taken within this period, it will be taken as soon as possible afterwards, and the crew members shall be paid one-half (1/2) hour at the double time rate. It is agreed that such a break can be taken while the vessel is underway. Crew members shall be given coffee breaks consistent with Article 2.08(b).
- l) **An** Unlicensed crew member when employed on a shift tug shall report to a designated place known as the "home dock" at shift starting time. If he does not return to the home dock by the end of his shift, the Company agrees to provide transportation back to the home dock. The overtime rate shall be paid during **all** travel time which occurs after the time the employee's shift would normally have ended. **Any** change in the home dock location shall require seven (7) days notice except for bridge damage and where structural damage to the dock prevents its safe use.
- m) If an employee is required to be available for a call to work on his regular day off, he must be informed of this in writing, or if that is not possible, by telephone. In such case, he shall be paid four (4) hours at time and one half for each regular shift he is on standby duty and does not work.
- n) The Company will post employee work forecasts at least every ninety (90) days.
- o) Referred for operational direction/ safety committee item.
- p) Direction to be provided to training committee re tie-ups, use of training deckhands if available.

- q) The Company will provide return cab fare for a regular 12 hour shift tug deckhand who works more than fifteen hours in a shift.

3.13 EIGHT HOUR SHIFT TUGS

- a) The regular working day shall be eight (8) hours per day, forty (40) hours per week; **all** work in excess of eight (8) hours per day and/or forty (40) hours per week shall be considered and paid for as overtime at the overtime rate. The intent **of** this Section is that five (5) consecutive days work providing for two (2) consecutive days off shall constitute a week.
- b) For each regular eight (8) hour day worked an employee shall be credited with .493 days leave.
- c) On eight (8) hour shift **tugs**, employees will be employed on a monthly basis except when a shortage of work necessitates a lay-off of personnel.
- d) An eight (8) hour shift tug shall not normally be dispatched to work in excess **of eight (8) hours**.

3.14 TWELVE HOUR SHIFT TUGS

- a) On twelve (12) hour **shift tugs**, Unlicensed crew members shall be employed **on** a monthly pay and leave basis.
- b) No twelve (12) hour shift tug shall be dispatched to work in excess of twelve (12) hours. However, should adverse conditions arise shortly before the end of a shift which necessitates working longer than twelve (12) hours, overtime shall be compensated for in accordance with the terms of Article 2.01.

SCHEDULE "A"

AGREEMENT

2006 - 2013

between

SEAFARERS' INTERNATIONAL UNION OF CANADA

and

**SEASPAN INTERNATIONAL LTD.
(Kingcome, Cates and Seaforth)**

| <u>SCHEDULE "A"</u> | | |
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AGREEMENT

2006-2013

between

SEASPANINTERNATIONAL LTD.
(Kingcome, Cates and **Seaforth**)
(hereinafter called the "Company")

and

SEAFARERS INTERNATIONAL UNION OF CANADA
(hereinafter called the "Union")

PREAMBLE

For the purposes of this Agreement, the "Company" shall mean Seaspan International Ltd. (Kingcome, Cates **and** Seaforth) as of the date of signing this Agreement.

The general purpose of this Agreement is to secure for the Company, the Union, and the Unlicensed Personnel, the full benefits of orderly and legal collective bargaining and to ensure to the utmost extent possible the safety **and** physical welfare of the Unlicensed Personnel, economy of the operation, standard of service, and protection of property. It is recognized by this Agreement to be the duty of the Company, the **Union**, and the Unlicensed Personnel to co-operate fully, individually, and collectively for the advancement of said conditions.

PART I - GENERAL

1.01 RECOGNITION

- (a) The Company recognizes the Union **as** the only certified bargaining agent for **all** Unlicensed Personnel employed in the Deck Department of vessels owned, operated, or directly or indirectly controlled by the Company provided that such vessels are operated **within** the coastal and inland waters **of** British Columbia or on waters bordering on the Yukon **and** North West Territories, or if operated on a national or international basis, that the port from which the vessel is dispatched is **within** the coastal waters **of** British Columbia.
- (b) Where a vessel covered by this Agreement is chartered or leased, the terms of such charter or lease shall provide that this Agreement shall apply unless a vessel is chartered or leased to a Company which has an Agreement with another Union to man and operate vessels and such Agreement contains the provision that the other Union has jurisdiction over the work to be performed.

Should **the** charterer or lessee fail or neglect to abide by the terms of this Agreement, the Company, or lessor, shall be liable to the Unlicensed Personnel concerned for wages or other monetary benefits which are not paid by the charterer or lessee.

- (c) Where a vessel covered by this Agreement is sold to another company or to an individual, satisfactory proof **of** such sale shall be provided to the **Union** within seven (7) days.
- (d) For greater clarity, the company shall **furnish** the Union with a list of the vessels described above, and the parties recognize that the **list** may be altered from time to time.
- (e) The term Unlicensed Personnel or employee as used in this Agreement does not include the Masters, Mates, and Engineers sailing on these vessels.
- (f) A Labour Management Committee shall be established consisting of members **of** the Unions and representatives of the companies that jointly participated in the negotiation **of** the present agreement.

The purpose of the Labour Management Committee shall be to discuss and make every effort to resolve matters of mutual interest to the parties, and the Committee may discuss grievances, noise abatement, crew accommodation and **safety**, which occur on specific vessels. Where the Committee cannot resolve grievable matters, then such grievances may be disposed of by either party under the "Grievance Procedure" contained in this agreement.

Committee meetings shall be held no less than once every two months, on the third Monday of each second month. Each of the parties shall submit to the other an agenda of matters to be discussed at least fourteen (14) days prior to the meeting day.

- (g) The Company agrees that only tugs **whose** full crews are covered by a "recognized" Marine

Union Agreement will be utilized to perform work except in those areas in which members of other unions have been historically employed. It is understood that the only exception to this would be in the event of Union vessels being unavailable to do the job when required, including remote areas where Union vessels do not exist.

- (h) The Company and the Union agree that the provisions of the Canada Labour Code, Part V, pertaining to Successor Rights and Obligations shall apply to the present Agreement.

1.02 SUPPLYING OF PERSONNEL

The Company agrees that Unlicensed Personnel to be **hired** shall be requested through the dispatch office of the Union. Where forty-eight (**48**) hours notice of personnel requirements is given by the Company, the Union will make every reasonable effort to refer applicants to the Company in advance of the day they are required to commence work. In cases where the Company rejects individuals that it does not consider satisfactory, it shall notify the Union immediately of the rejection, **and** the individual on request shall be provided with written reason for such rejection as well as the Union, and the Union shall furnish replacements with sufficient promptness to avoid delay in sailing at the appointed time. Rejection shall not be arbitrary or without valid reason. Should the Union be unable to furnish employees that are capable, competent, and satisfactory to the Company with sufficient promptness to avoid delay in sailing at the appointed **time**, the Company may secure replacements from other sources on a temporary basis subject to Article 1.03, and the Company shall make every reasonable effort to so notify the Union within twenty-four (24) hours. The Union reserves the right to replace "replacements" once the temporary requirement has been met.

1.03 UNION SECURITY AND CHECK-OFF

All Unlicensed Personnel presently employed, or when **hired**, shall be required **after six (60)** days employment, as a condition of employment, either to join the Union and continue **as** members thereof during their employment, or in the alternative, to tender to the Union one month's dues and initiation fees and to pay subsequent monthly dues and assessments **as** required of Union members. Such monthly dues, assessments, and initiation fees in the amount **as** established by the Union shall be deducted by the Company and remitted to the Union for **all** employees covered by this Agreement by the fifteenth (15th) of the month following the month for which they **are** deducted.

1.04 NOTIFICATION OF SUSPENSION AND DISMISSAL

The Company will notify the Union of suspensions and dismissals within seventy-two (72) hours of their occurrence. Any notice of disciplinary action that is intended to form **part** of an employee's employment record shall be given to the employee in writing with a copy to the Union. The employee shall be able to view his personnel file by appointment and no reasonable request to obtain copies of documents in his file will be denied.

1.05 COMPLAINT AND GRIEVANCE PROCEDURES

For the **purpose** of **this** Article, the word "party" is defined **as** either the Company or the **Union**.

Any Unlicensed crew member or the Union with a complaint or grievance shall discuss the complaint or grievance with the Master or the Company where appropriate. **If** a settlement satisfactory to the crew member is not reached, then the following procedures will be carried out:

- (a) A written statement of the complaint or grievance shall be presented to the Master or Company by the crew member concerned, accompanied if he so desires by a fellow employee who is a Union Committee member or may be presented by the Union.
- (b) If the Master or employer fails to adjust the complaint or grievance in a satisfactory manner, it shall be dealt with between the representatives of the Company and the Union.
- (c) A grievance is any difference concerning the interpretation, application or operation of this Agreement or any alleged violation thereof, including any question as to whether any matter is arbitrable and shall be dealt with without stoppage of work.
- (d)
 - (i) The **maximum** time for raising a grievance shall be ninety (90) days from the time the incident occurs which gives rise to the grievance. However, in the case of suspensions and **dismissals** the maximum time for raising a grievance shall be fifteen (**15**) days from the date of receipt by the employee of written notification of said discipline.
 - (ii) In the event arbitration is desired, written notice must be given within the ninety (**90**) day time period.
 - (iii) Time limits under this clause may be extended by mutual agreement between the parties. Failing mutual agreement to extend the time limits, a grievance not raised and processed within the aforesaid time periods shall be deemed abandoned and all rights or recourse including arbitration in respect of this grievance shall be at an end.
- (e) If the grievance **is** not satisfactorily concluded under procedures **(a) and (b)**, then it shall be dealt with by arbitration in accordance with the following procedure:
 - (i) The party desiring to arbitrate under this procedure shall **notify** the other party in writing of this intention and the particulars **of** the matter in dispute.
 - (ii) The **party** receiving such notice shall within five (5) days thereafter confirm such notification in writing.
 - (iii) **The** parties shall **then** confer and shall within five (5) days choose **a** single arbitrator to

arbitrate the dispute and shall abide by the decision of such arbitrator. The arbitrator shall be chosen by mutual agreement of the parties. Failing mutual agreement, the Minister of Labour will be asked to select the arbitrator.

- (iv) Once the arbitrator is chosen and if either party to the dispute desires it, the following procedure shall take place within a further five (5) days:

The Company and the Union shall each select a person active in the towboat industry to sit with the arbitrator during this arbitration hearing. Such persons shall be available to the arbitrator jointly, but not individually at his discretion, to advise him on any matters which he, the arbitrator, deems advisable. These persons, who shall be known as advisors shall take no part in the hearing other than to be available for technical advice during the hearing. Nor shall they take part in the making or publishing of the award of an arbitrator.

The arbitrator shall be entitled to accept or reject any advice he may have received from such persons, but he shall not in his award, make reference to such persons, or to any advice he may have received, or to his acceptance or rejection thereof

- (v) The Board of Arbitration shall not have any power to alter any of the terms of this Agreement nor to substitute new provisions for existing provisions nor to give any decision inconsistent with the terms of this Agreement.
- (vi) The expenses of the Arbitration Board chairman shall be borne equally by the parties,

1.06 BOARDING PASSES

Union representatives shall be given access to Company property and aboard Company vessels by checking with the Company office. It is agreed that these visits will not interfere with the sailing or maintenance of the vessel.

At the time when the Company office is not open, permission shall be obtained from the Master of the vessel. It is agreed that the Company assumes no liability for injury to any Union representative while he is on Company property.

1.07 DISCRIMINATION

The Company agrees not to discriminate against any person for legitimate Union activity and agrees to abide with the Canadian Human Rights Act.

1.08 STOPPAGE OF WORK

- (a) The Company, signatory to this Agreement, and the Union agree there shall be no strikes or lockouts during the life of this Agreement.

- (b) *All* controversies and disputes shall be settled through the Grievance Procedure.
- (c) There shall be no slow down or stoppage of work **during** the period when a grievance is being resolved.
- (d) Refusal to pass through a picket line which has not been held to be illegal shall not be construed **as** a violation of this Article.
- (e) The Company will not require any member of the Union to continue with the tow, if such tow has been brought through a picket line by other than Union Personnel.
- (f) When **an** employee on paid leave takes employment with another Company within the Towboat Industry he shall be deemed to have terminated employment **with** the Company from which he took leave.

1.09 MEDICAL EXAMINATIONS

- a) The Union agrees that the Company has the right to have **all** personnel examined for fitness, and any personnel found medically unfit for service at sea **shall** not be employed, or if employed, may be dismissed. The Company agrees that all personnel handling, preparing, and serving food shall be required to have a medical examination at least once each calendar year. All such medical examinations shall be at the Company's expense and the employee shall be compensated with one-half (1/2) of a calendar day's pay for each such examination except for pre-employment medicals.
- b) Where the Company refuses to employ any man for medical reasons, the question of that man's fitness for **full** sea duties in the category in which he is to be employed may be referred to a competent medical authority for determination acceptable to both the Company and the Union. Where an employee is required to travel away from home for an examination the Employer will reimburse the employee for **all** travel expenses and will compensate the employee one calendar day's pay. In the instance **an** employee is removed from his vessel or not dispatched to facilitate such an examination, the Company will reimburse the employee **all** lost earnings and any associated travel costs.
- c) For employees with **seniority** the Employer will pay **up** to one hundred and twenty five dollars (\$125.00) **until** October 1, 2008 and then increase the amount to one hundred and fifty dollars (\$150.00) thereafter of the doctor's charge for a D.O.T. required medical exam where Medicare or the Benefit Plan does not cover this. Employees must supply the Employer with proof of payment to be eligible for reimbursement.

1.10 ANNUAL VACATIONS

- (a) The Unlicensed employee shall receive fourteen (14) consecutive days annual vacation and shall be paid annual vacation pay of four (4) percent gross wages earned during each year until eligible for the increased benefits.
- (b) **An** employee shall receive twenty-one (21) consecutive days annual vacation upon completion of two (2) years of service with the Company. He shall be paid for such vacation on the basis of six (6) percent of gross wages earned during his second (2nd) year of service.
- (c) **An** employee shall receive twenty-eight (28) consecutive days annual vacation upon completion of seven (7) years of service with the Company. He shall be paid for such vacation on the basis of eight (8) percent of gross wages earned during his seventh (7th) year of service.
- (d) **An** employee shall receive thirty-five (35) consecutive days annual vacation upon completion of fifteen (15) years of service with the Company. He shall be paid for such vacation on the basis of ten (10) percent of gross wages earned during his fifteenth (15th) year of service.
- (e) **An** employee shall receive forty-two (42) consecutive days annual vacation upon completion of twenty-two (22) years of service with the Company. He shall be paid for such vacation on the basis of twelve (12) percent of gross wages earned during his twenty-second (22nd) year of service.
- (f) **An** employee with thirty (30) years of service with the company shall receive an additional two (2) percent of gross wages earned during his thirtieth (30) and succeeding years of service.
- (g) In all cases under (a), (b), (c), (d), (e), and (f) above, if the Unlicensed employee has worked less than a normal year and he is not entitled to the full annual vacation days allowed, they shall be in accordance with his vacation pay earned.
- (h) Annual vacations may be taken in conjunction with time off but shall be taken during the ten (10) months following the year in which service was rendered.
- (i) Vacation pay shall be accumulated throughout the year and shall be paid to the employee on the pay day prior to his vacation. The dollar value shall be shown on the employee's monthly pay statement.
- (j) **An** employee shall be entitled to select the period desirable to him for his vacation period on the basis of seniority with the Company, subject to the Company having the right to approve the vacation schedule as a whole.
- (k) For the purpose of this Article, the term "gross wages" shall include all monies credited as a result of wages, overtime, excessive hours, subsistence allowances and the previous vacation pay.
- (l) Employees terminating their employment shall be paid all vacation pay due them, up to the date of leaving, calculated in accordance with Section (a), (b), (c), (d), (e), (f), and (k).

- (m) Notwithstanding any provision contained herein, the employee shall have the option of taking his vacation pay without taking vacation days, subject only to the provisions of the Canada Labour Code.

1.11 BENEFIT PLAN

1. Health Plan

The Company shall pay for each Unlicensed crew member in its employ who is eligible for and participates in the B.C. Marine Industry Employee Health Benefit Plan (the "Plan") the **fill** cost of the Group Insurance, Weekly Indemnity, Long Term Disability, Dental and Extended **Health** Benefits portion of the Plan.

(a) Weekly Indemnity

- (i) The benefit shall be based on ~~sixtySix~~ and two-thirds (66 2/3) percent of the employee's monthly basic rate.
- (ii) Employees with one (1) year of continuous service with the Company shall be paid lay days (including red days) during the waiting period for weekly indemnity payments.
- (iii) **An** employee on Weekly Indemnity shall be entitled to top off **his** weekly indemnity income up to **fill** basic wages with lay days. Such lay days shall include red days (unearned leave) as follows: Seven days red day credit for each year of service with the company up to a **maximum** of forty-five (**45**) red days, inclusive of any red days that the employee might have had when going off on weekly indemnity.

Employees who would otherwise have been laid off will not be entitled to be supplemented with red days. Where an employee is not expected to return to work (doctor's advice) before going on L.T.D., red days will not be available for top off

Employees who qualify for and elect red day top up under this clause will be required to sign a reasonable debt repayment agreement ~~with~~ the company prior to any red day top up being paid."

(b) Long Term Disability Plan

- (i) The benefit shall be based on sixty-three and two thirds (63 2/3) percent of the employee's basic monthly rate in effect at the time he is entitled to L.T.D. benefits for total disability from the fifty second week of disability through to normal retirement.
- (ii) "Totally Disabled" means an employee is unable to perform any gainful occupation for which he **is** or may become reasonably qualified by training, education, or experience

and which will enable the employee to earn at least sixty (60) percent of his dation-indexed, pre-disability earnings.

- (iii) When an employee is on L.T.D. the premium for B.C. Medical will be paid by the Health Plan.

(c) Dental Plan:

The plan shall provide three types of coverage as follows:

- (i) Basic - 100% coverage
- (ii) Restorative - 50% employee co-insurance
- (iii) Orthodontia - 50% employee co-insurance to cover employee, spouse, and dependent children with a \$2,500.00 lifetime maximum.
- (iv) The plan shall only pay up to a maximum of two thousand dollars (\$2,000.00) per person per year. This maximum may only be exceeded on approval by the Board of Trustees of the Health Plan and then only for work required for dental health. Orthodontia is excluded from this subsection (iv).

Employees on Long Term Disability are covered by the plan.

(d) Extended Health Benefit Plan

The plan provides a variety of medical services and supplies not covered by Provincial or Medicare Acts including:

- (i) Vision Care (to a maximum of \$400)
- (ii) The cost of eye exams will be covered
- (iii) Hearing Aids
- (iv) Out-of-Province Medical
- (v) Paramedical
- (vi) Supplementary Hospital
- (vii) Prescription Drugs
- (viii) Plan to pay up to twenty-five (\$25.00) dollars for doctor's reports for Long Term Disability up to a maximum of one hundred (\$100.00) dollars per year.

Employees on Long Term Disability are covered by the plan.

(e) Life Insurance

The plan shall provide Life Insurance and Accidental Death and Dismemberment as follows:

- | | | | |
|-----|----------------------|---|-----------|
| (i) | Life Insurance | \$100,000.00; Effective October 1, 2002 | \$105,000 |
| | A.D. & D. to maximum | \$100,000.00; Effective October 1, 2002 | \$105,000 |

(f) Company Plans

A company which has an existing Health Plan **equal** or more acceptable to the Union, may substitute it for this Health Plan.

(g) Health Plan Booklet

The Board of Trustees shall provide a Health Plan Booklet **summarizing** all of the terms, conditions, **and** benefits of the Health Plan.

(h) A Board of Trustees will continue to administer the Health Plan. The Trustees shall be five (5) in number, comprised of three (3) Company Trustees, one (1) I.L.W.U. Trustee, and one (1) S.I.U. Trustee. The Company Trustees shall only have an equal vote to that of the **Union** Trustees.

NOTE: Any rebate of E.I. Premiums shall be applied to offset the cost of Health Plan improvements.

2. B.C. Medical Services Plan

The company shall pay the full premium for eligible employees.

3. Employee Family Assistance Program

The Company listed in this agreement (Seaspan International Ltd.-Kingcome, Cates and Seaforth) shall have in place an EFAP Plan.

4. Pension Plan

A money purchase pension plan shall be provided as follows:

1. The employer shall contribute for each employee eight **and** one half percent (8 ½%) of his earned **basic** monthly *salary* upon completion of three (3) months continuous service. The employee may contribute on a voluntary basis.
2. Portable within Seaspan International Ltd. (Kingcome, Cates **and** Seaforth) and no waiting period for a plan participant when changing employers.
3. All Employer contributions to be **fully** vested for each employee.

4. Employee to have option of remaining in existing Company plan, if any (Company not obliged to pay into more than one Plan).
5. Employee leaving service entitled to return of his contributions, plus interest.
6. Joint trusteeship.
7. Employer to **notify** employees annually as to amount of contributions made to D.A. Townley & Associates, Plan Administrators, and Townley will provide an annual financial statement on the members account.

5. Retiree Benefits

Certain health plan benefits will be made available to employees who retire after January 1, 2002 pursuant to Appendix "S" hereto and as to be finalized by the Plan Trustees.

The Employer will provide a monthly contribution of **1%** of each member's monthly rate of pay effective October 1, 2006 to subsidize post-retirement benefits. The plan will provide 100% less administration fees to all members that retire after October 1, 2006.

6. Retirement Phase In

- (i) **An** employee may request to work up to half time subject to approval by the Company.

Entitlement to this provision shall be dependent on the following age and service formula: Service: 15 years Age: 50 years

The minimum period shall be one year. The work/leave of absence arrangement shall be as mutually agreed between the employee and the Company. The intent of this clause is for retirement phase in, not alternate employment.

- (ii) Such employee shall only accrue further seniority and service for actual days worked and corresponding leave.
- (iii) Pension contributions shall be maintained as per Article 1.13(4).
- (iv) Benefit Plan premiums: Once half time arrangement is implemented the Monthly Benefit Plan premiums, including BC Medical Services Plan, will be paid as follows. The company will continue to pay 100% when the employee is on the payroll and the employee will pay 100% when he is on leave of absence.

The employee will leave on deposit with the company sufficient funds to pay for 100% of the benefit premium to cover the Leave of Absence period.

The premiums to be paid for the available benefits under this Letter of Agreement will be determined by the Trustees of the BC Marine Industry Benefit Plan and BC

Medical Services Plan.

- (v) Weekly Indemnity Benefits will be provided as follows:
- a) Where an employee works six (**6**) months on and six (**6**) months on leave of absence Weekly Indemnity benefits are only available during the six month scheduled period of work. The benefit rate is the regular benefit rate is the regular benefit rate for full time employees (100%). However, the employee shall only be entitled to the benefit up to the end of the six month scheduled period of work. There will be no extension of employed time due to any earned time of any kind including laydays, converted overtime days, vacation days, etc. At the end of the scheduled **work** period Weekly Indemnity benefits cease.
 - b) Where an employee works a monthly half time schedule the employee is only entitled to Weekly Indemnity benefit of 50% of the regular benefit rate for full time employees. Further, benefit payments will only commence on scheduled work days. If the employee becomes sick on a leave day the WI benefit will commence on his first day of scheduled work that he misses, subject to waiting time provisions.
 - c) An employee will only be eligible for further Weekly Indemnity benefits after return to work and the employee works at least thirty (**30**) days,
 - d) Top up with red days as under Article 1.13 (a) iii is not available.
- (vi) The Long Term Disability Benefit is not available to employees who elect to work any half-time arrangement and as such no premium payment is required for this benefit.
- (vii) The employee will only be entitled to Statutory Holiday compensation which coincides with his being on the Company payroll, ie. on a sea day, work by or a lay day.
- (viii) Annual vacation days accrual shall be fifty percent (50%) of the employees normal vacation days entitlement from commencement of this half time arrangement.
- (ix) At the time the employee commences his leave of absence period all accrued monies including leave will be paid out.
- (x) Red days will not be available for any reason including top **up** under Weekly Indemnity when an employee is employed under a half time arrangement.
- (xi) The employee will sign a letter acknowledging and agreeing to his/her half-time work arrangement and this modified arrangement for benefits and premiums.

- (xii) This Letter of Agreement may be reviewed and amended by mutual agreement between the Union **and** the Company.

1.12 EMERGENCY DUTIES

Any work necessary for **the** safety of the vessel, passengers, crew or cargo, or for the saving of other vessels, lives, cargoes, or tows, shall be performed at any time on immediate call by all crew members notwithstanding any provision or agreement which might be construed to the contrary.

Payment of overtime shall not apply in the event of an emergency at sea involving the safety of the vessels **and** crew.

1.13 DRILLS

Whenever practicable, lifeboat and other emergency **drills** shall be held on week-days between the hours of 10:00 a.m. and 2:00 p.m.

Preparations for drills **such** as **stretching** out fire hoses and hoisting or **swinging** out boats shall not be made prior to the signal for such drills. After drill is over **all** hands shall secure boats and gear and replace fire hoses in safe custody. In no event shall overtime be paid for **work** performed in connection with such **drills**.

1.14 RETURN TO PORT OF ENGAGEMENT

In the event a **ship** of the Company is laid up, delivered, or sold, interned or lost, anywhere away from home port, the crew shall be given transportation back to port of engagement **with** subsistence, berth, and wages. **An** employee who quits without just cause at a place other than his port of engagement or the home port of the vessel shall pay **his** own return travel expenses.

1.15 CARRYING WORKAWAYS IN LIEU OF CREW

No workaways or passengers shall be carried in lieu of crew.

1.16 JOINT SAFETY COMMITTEE

The Joint Union-Management Safety Committee shall be comprised of equal representation from the Company and the Union concerned. Its terms of reference shall be **as** follows:

1. To review all safety issues tabled during Agreement negotiations, and recommend action to the parties as appropriate.

2. To meet monthly or at regular intervals to consider such *safety* matters of an industry-wide character as may be placed on the agenda by individual committee members.
3. To deal ~~with~~ such other matters as the parties may assign from time to time.
4. No employee will be required to work in unsafe places or conditions.
5. None of the above shall exclude the Union from meeting with individual companies on specific *safety* issues.
6. To observe the provisions of the *Marine* Occupational Safety and Health Regulations.

1.17 CREWING

- a) Manning shall remain **as** in effect during the **last** agreement unless vessels are taken out of operation, changed from watchkeeping to shift vessels, or Vice-versa, reconverted or where there is mutual agreement to change between **the** Company and the Union. Vessels taken out of operations and returned to operations without change shall carry the same number of crew **as** when the vessel paid off. Where vessels are changed to watch-keeping or shift operations, or vice-versa, they shall *carry* the same number of crew as vessels of equal characteristics. If there are no such watchkeeping or shift vessels, whichever is the case, in service at the time of the change, the parties shall endeavour to reach agreement on crew size in accordance with the provisions of Section (b) of this Article. For the purpose of this Agreement, converted or reconverted vessels shall be classed **as** new vessels.

For the purposes of this Agreement, the term "manning scale" shall mean the number of Unlicensed Personnel on the vessel customarily carried in the area in which the vessel is operating.

- b) In the manning of new ships, vessels and equipment, the parties agree that the governing factors shall be to provide crew complements of a size and quality sufficient to meet the requirements of the operations efficiently, safely, and within the terms of this Agreement.
- c) The following rules shall be applied to determine the crew of a tug from the point of view of maintaining a **safe and** efficient operation at **all** times:
 - (i) The crew of any commercially operated tug shall be a minimum of two (2) men. including one (1) unlicensed seamen. (This not to include red circled mates employed as such in 1970).
 - (ii) The manning of a tug shall allow for two (2) men being available to the wheelhouse at all times the vessel is underway. This means one Deck Officer in charge, and one *further* person who shall be under the direct control of and readily available to assist the Officer in charge.
 - iii) Every tug shall have sufficient crew aboard so that life-saving and fire extinguishing equipment may be used simultaneously in the event of a fire aboard.

- iv) In the case of a dispute between the parties when implementing the above principles and they are unable to reach a mutually satisfactory decision.
 - 1. **The** number of crew shall be the number determined by the Department of Transport as complying with the appropriate regulations.
 - 2. The Department of Transport shall be requested to provide a report regarding compliance with statutory provisions.
 - 3. If the dispute at this stage cannot be mutually resolved, it **will** be handled under the terms of the Grievance Procedure set out in Article 1.05.

1.18 LEAVE OF ABSENCE

- a) Any employee who is required to be available for Jury Duty, Coroner's Duty, Coroner's Witness, Crown Witness and where the employee represents his Employer in a court action, will be paid while on such duty, provided such court action is not occasioned by the Employee's private **affairs**. The pay will be such so as to maintain the Employee's monthly basic rate. Leave banks will be frozen during this time. Such pay shall be offset where **an** employee's pay is remunerated by **a third party**, eg. when acting as a witness.
- b) The Company will grant leave of absence to employees who are appointed or elected to **an** S.I.U. office (or who go ashore to work for the Company and remain members in good standing with the Union) for a period up to **an** including three (3) years and then his seniority shall remain dormant until his return.

Further leave of absence will be granted if requested. Any employee who obtains such leave of absence shall return to the Company within **thirty (30)** calendar days after completion of his term of employment with the Union.

- c)
 - i) An Employee shall be entitled to compassionate leave of up to seven (7) days to attend to urgent domestic affairs. Leave of more than seven (7) days may be **taken**, subject to Company approval, if the circumstances warrant.
 - ii) Bereavement leave is provided in accordance with the provisions of the Canada Labour Code excepting that the entitlement shall be four (4) calendar days pay and immediate family means, in respect of any employee, the spouse, parents, children, grandparents, grandchildren, sisters, brothers, father-in-law and mother-in-law of the employee, and includes any relative permanently residing in the employee's household or **with** whom the employee resides.
- d) The Company **will** grant leave of absence to employees who are elected as representatives to attend Union meetings, Union conventions, conventions of labour organizations to which the Union nominates the employee as delegate on **its** behalf or

act as members of any Union negotiating committee provided the company is given due notice in writing by the Union in order to be able to replace the employee during his absence with a competent substitute.

- e) The Company will grant leave of absence to employees suffering injury or illness, subject to a medical certificate if required by the employer.

An extended leave of absence may be granted regarding illness in the immediate family.

- f) The Company will grant leave of absence to an employee who takes education leave pursuant to the terms of Article 4.02.

- g) An employee desiring leave of absence for reasons other than those set out above must provide sufficient reasons for the request, acceptable to both Company and the Union and must obtain authorization in writing from the Company and the Union.

- h) When an employee on regular tour of duty requests and is granted relief from duty, that employee shall bear extra wage cost (any double payment) for his relief except under (c) and (e) above.

- i) Leave of absence for child care responsibility shall be as provided for in the Canada Labour Code.

- j) Where an employee on a Worker's Compensation Board claim is medically determined by the WCB to be unable to return to the employ of the Company and evaluation or re-training for alternate employment under the WCB Vocational Rehabilitation Phase has commenced, the employment relationship between the employee and the Company is ended. The foregoing shall apply providing the medical determination is not in dispute or where in dispute until settled.

1.19 BULLETIN BOARD

An Employee bulletin board shall be provided by the Company on its premises.

1.20 SEVERANCE PAY

Employees With more than one year's service, who are displaced and for whom no job is available due to automation, mechanization, or permanent reduction in the number of vessels or number of employees will be entitled to severance pay. Severance pay will be paid in the following manner: - (Under the Canada Labour Code or this Article, whichever is the greater). One (1) week's pay per year of total uninterrupted service with the Company as an employee. The calculation of one (1) week's pay is the monthly basic x 7/30.42.

An employee on indefinite layoff, who has been employed for less than two months in a period of a year shall have the option of collecting severance pay. Employees who receive severance pay

forfeit their recall rights with the employer.

1.21 TRAWL INSURANCE

When **an** employee is dispatched to or discharged from a vessel away from **its** home port, the Company will provide travel insurance of \$200,000 for each employee and will be responsible for his transportation, wages, and board and lodging costs until such time as he is returned.

1.23 LAID UP SHIPS

- a) When a vessel is tied up for repairs or overhaul, watches may be broken provided reasonable notice is given. Employees may **be** assigned to day work on the basis of seven and one half (7 1/2) hours per day. Three (3) shifts shall be permitted. Eight (8) hours pay shall be paid for seven and one half (7 1/2) hours work. For work in the afternoon or graveyard shifts, a seven percent (7%) differential shall be paid, over and above the basic rate of wages.
- b) Work on laid **up ships** shall be at the hourly rate of pay set forth in the Fay Appendix. It is understood and agreed that such work for Unlicensed crew members **will** be on a voluntary basis.
- c) When **an** employee works under this Article and under the sea-day provisions in the same calendar day his total time worked for the company in any calendar day shall be taken into account when calculating overtime. **All** hours worked over eight (8) hours shall be paid at the overtime rate. Sea-days continue to commence at 1200, 1800 and 2400.
- d) Hours worked in excess of the normal shift will be paid for at the overtime rate as set out in Article 2.01(l)(i) including all time worked on Saturdays, Sundays and Statutory holidays.
- e) **Dirty** Money - Unlicensed crew members required to work cleaning smoke stacks, bilges, oil tanks, boilers, oil separating centrifuges, water tanks, fish oil tanks, oil spills, rose boxes, exhaust ports of internal combustion engines, oil separators, oil strainers, work under deck plates, cleaning out of chain lockers, **work** in the steering flats of certain vessels (as agreed by the parties), and working in confined spaces shall be paid the regular straight time rate in addition to their regular wages while on watch, and the regular overtime rate in addition to the regular straight time rate while off watch. In **all** instances **a** one (1) hour minimum shall be paid for such work. Apprentice Engineers **shall** not receive premium pay for performance of the duties listed above.

1.24 MARINE DISASTER

Unlicensed crew members who suffer loss of personal effects and clothes through wreck or marine disaster shall be compensated by a lump **sum** payment of four hundred dollars (\$400.00) and, subject to satisfactory proof of **loss**, an additional payment not to exceed eight hundred dollars (\$800.00). For employees on outside (continuous) vessels the additional payment **maximum is**

\$1,100.00 (in lieu of \$800.00).

In the event of **loss** of life, these monies shall be paid to the beneficiary.

1.25 RATES AND FREQUENCY OF PAY

The rates of pay shall be set forth in the Pay Appendix "T" to this Agreement. Employees shall be paid at regular intervals, i.e. bi-weekly or on specific pay dates as established in advance. In the event that a pay date falls on a week-end, employees shall be paid on the Friday immediately preceding.

Employees shall receive wages in **full** (save late over-time claims) within forty-eight (**48**) hours of termination excluding week-ends and statutory holiday.

The rates shown in the Pay Appendix are adjusted over the September 30, 2006 rates and the increases are as follows:

| | |
|------------------------|--|
| October 1, 2006 | 3% or COLA |
| October 1, 2007 | 3% or COLA |
| October 1, 2008 | 3% or COLA |
| October █, 2009 | 3% or COLA |
| October 1, 2010 | 3% or COLA or "me too"* whichever is greater plus \$1500 per member |
| October 1, 2011 | wage re-opener and \$1500 per member |
| October █, 2012 | wage re-opener and \$1500 per member |

COLA to be based on annual Vancouver CPI as published by Statistics Canada in the month of April preceding the October █ increase.

"me too" to be based on Guild or ILWU 2010 negotiations**

Employees paid on specific dates shall be entitled to a mid pay period draw up to fifty percent (50%) of their basic rate and may also on occasion request **an** additional draw.

1.26 EDUCATION AND TRAINING

a) An Education and Training Committee shall be established to foster the education and training of Unlicensed crew members.

It shall be comprised of four (4) members, two (2) from the Company and two (2) from the Unions concerned.

b) Its duties shall be to develop and approve courses which are mutually beneficial to the industry

and its employees. Its responsibilities shall include the promulgation of rules and procedures, establishing a body of precedents, adjudicating disputed applications and maintaining a liaison with appropriate government departments.

- c) The following concepts shall govern the payment of courses:
- i) On Company required education and training programs, the employer will bear all costs of tuition, including wages.
 - ii) On voluntary upgrading courses with controlled attendance, the employer will bear the costs of tuition, books, and fees, and the employee will contribute his time, consistent with past practice. **An** employee who fails to successfully complete a course shall reimburse the Company for tuition, books, and fees.
 - iii) On required upgrading arising out of government regulations, the employer will assist the employee along the lines outlined in (ii) above.
 - iv) Cook-Deckhands - In order to improve the cooking skills of Cook-Deckhands, the Company shall arrange from time to time to send employees on cooking courses sponsored by Canada Manpower, and **will** pay the costs of tuition and books, and reasonable out of pocket expenses incurred. The company **will** also pay one half of the regular rate of wages (excluding lay day entitlement) while the employee **is** attending the course, this amount to be reduced by the amount of the grant allowed by Canada Manpower, if any. (The rate of pay to be determined as follows:

one-half(1/2) of the daily rate times 7/5).
- d) The employer will provide wage assistance to eligible employees who take courses leading to certificates for which the employer deems he has use and which require lengthy absence from work. Wage assistance shall be fifty percent (50%) of the employee's basic rate commencing with the eighth (8th) week of the course through its completion including up to an additional two (2) weeks for the taking of exams.
- e) The employer will continue to pay its share of health plan premium costs and will pay for Statutory Holidays during the period an employee is on educational leave. The Benefit Plan Trustees to review the payment of Weekly Indemnity where the employee continues to participate in the course.
- (f) The Company will pay an expense allowance to each employee who attends a required upgrading course necessary to maintain his marine certificates.

The expense allowance is \$115.00 effective October 1, 2006 for each day in attendance at such course up to a maximum of ten (10) calendar days every five (5) years not including medicals. Leave banks may be frozen at the discretion of the individual employee while attending such upgrading courses.

1.27 LETTER OF INTENT

No addenda or Letter of Intent shall be added to this Agreement unless voted on by the unit of employees concerned.

1.28 SUBSISTENCE

When food is **supplied**, it shall be of first class quality and sufficient quantity. There **will** be no substitute for milk, **eggs**, butter, and bacon.

1.29 UNION HIRING HALL FUND

Seaspan International Ltd., on behalf of the companies covered by this Agreement (Cates, Kingcome and Seaforth) shall pay monthly to the Union hiring hall fees. Current union hiring hall fees of \$1.23 per member per day to a max of \$37.42 per month will be increased effective October 1, 2006 and annually for the duration of the agreement in accordance with percentage increases for wages as set out below:

| | | |
|-----------------|---|-------------------------------------|
| October 1, 2006 | 3% or COLA | Hiring Hall \$1.27 |
| October 1, 2007 | 3% or COLA | Hiring Hall \$1.31 |
| October 1, 2008 | 3% or COLA | Hiring Hall \$1.35 |
| October 1, 2009 | 3% or COLA | Hiring Hall \$1.39 |
| October 1, 2010 | 3% or COLA or "me too"* whichever is greater plus \$1500 per member | Hiring Hall \$1.41 |
| October 1, 2011 | wage re-opener and \$1500 per member | Hiring Hall to be determined |
| October 1, 2012 | wage re-opener and \$1500 per member | Hiring Hall to be determined |

COLA to **be** based on annual Vancouver CPI as published by Statistics Canada in the month of April preceding the October 1 increase.

*

"me too" to be based on Guild or ILWU 2010 negotiations

1.30 DURATION OF AGREEMENT

This Agreement shall be effective from October 1, 2006 and shall remain in effect until September **30, 2013**, and thereafter from year to year subject to five (5) months notice in writing of desire to revise, amend, or terminate same. Such notice may be given anytime after **April 30, 2013**.

1.31 TERMS AND CONDITIONS

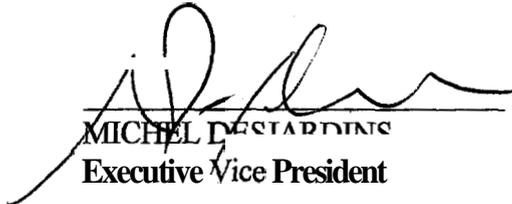
The terms and conditions set out in this Collective Agreement shall apply to the companies named herein. Additional conditions, amendments to this Agreement and wages are set out in Appendix "B" to and including "T" to this Agreement.

**EXECUTED ON BEHALF OF
SEASPAN INTERNATIONAL LTD.
(KINGCOME, CATES AND SEAFORTH)**



BRENT GEEN
President

**EXECUTED ON BEHALF OF
SEAFARERS' INTERNATIONAL UNION
OF CANADA**



MICHEL DESJARDINS
Executive Vice President

DATED AT VANCOUVER, B.C. THIS 5th day of March, 2007

APPENDIX "B"

NOISE ABATEMENT PROGRAM

1. **STANDARDS**

The Company agrees to adhere to the **Transport Canada Coast Guard Standards Respecting Noise Control and Hearing Protection in Canadian Towboats over 15 tons, Gross Tonnage** referenced herein as "**the Standards**".

2. **NOISE LEVEL TESTING**

Individual companies shall take noise level readings in accommodation areas, specifically sleeping cabins, galleys, mess-rooms, wheelhouses, and recreation rooms immediately **after** the vessel's quadrennial and major refit. Such readings shall be taken in accordance with the Standards.

A copy of the noise level readings shall be forwarded to the Union as soon as they are available.

3. **AUDIOMETRIC TESTING**

All employees are to be given audio-metric testing on an annual basis. Testing shall be done by Certified Audiometric Technicians, as acknowledged by the W.C.B. and the employee tested to be given his results, where available.

4. **HEARING PROTECTION**

On vessels where there exists steady state **and** impact noise considered excessive, employees shall be provided with adequate hearing protective devices. The noise exposure levels **and** standards of protective equipment shall be as provided for in the Standards, subject to the Marine Occupational Safety and Health Regulations.

5. **COMPLAINTS**

Crew member complaints regarding noise are to first be taken up with the shipboard safety representative and he shall raise the ~~matter~~ with the individual company safety committee for attention.

APPENDIX "F"

RE: CREW COMPLEMENTS

1. New Vessels

Henceforth, all new towboats ~~with~~ four or five man crews shall carry a minimum of two Unlicensed Personnel, in one or other of the following groupings: a cook and deckhand, or two cook-deckhands. On **all** new six-man vessels, a minimum of three Unlicensed Personnel shall be carried,

2. Existing Vessels

Existing four and five ~~man~~ vessels shall carry a minimum of two Unlicensed Personnel, consistent with the arrangement set out in 1. above.

It is agreed that you will be notified and that discussion **will** take place should any C.M.C. member desire to increase the size of the crew of an existing five-man vessel.

APPENDIX "G"

BAREBOAT CHARTERS - CLAIMS INVOLVING THIRD PARTIES

Section (b) of Article 1.01 (Recognition) provides in part that should a charterer fail or neglect to abide by the terms of our Collective Agreement, the Company **will** be liable to the Unlicensed members concerned for unpaid wages and other monetary benefits. It is agreed that a six (6) month limitation shall apply to any claims that might arise out of such third party arrangements. In other words, in the event that a C.M.C. company chartered a vessel to a third **party** who failed to meet his obligations under the Agreement terms, **an** Unlicensed member with a valid claim would be obliged to register his claim with us not later than six (6) months from the date the claim first arose. It is understood that a claim instituted beyond this point in time will not be recognized.

APPENDIX "H"

HEADINGS IN THE COLLECTIVE AGREEMENT

The Agreement has been structured for ease of reference into 'Parts' and then further into 'Articles'. The 'Parts' are for reference purposes only and those provisions of a general nature apply to all employees. For example, the Article 'Marine Disaster', found in ~~Part~~ **Part II** - Continuous Operating Vessels, applies equally to Shift Vessels.

APPENDIX "K"

RE: SERVICE CREDITS FOR SEVERANCE PAY CALCULATIONS

The Intent of the phrase "per year of total uninterrupted service" as contained in the new language of Article 1.25. is as follows:

The intent is not to give service credit to those periods of time when **an** employee is not receiving wages. The exceptions to this are when an employee is on Weekly Indemnity, on W.C.B. claim, and on non-repetitive short term (**a** few weeks) lay off and leaves of absence. Additionally, where **an** employee **has** been rehired after a termination and recall rights were not maintained, the prior period of employment is not credited.

In situations involving interrupted service, the employee's periods of employment will be added together to determine the total number of years service.

APPENDIX "L"

RE: M.E.D. B1 & B2 TRAINING COSTS

Article 4.02 c(ii) of the Collective Agreement applies in respect of the M.E.D. B1 & B2 course.

APPENDIX "M"

TOWBOAT ACCOMMODATION STANDARDS

A. GENERAL

1. A Committee will be established to be known as the Towboat Accommodation Standards Committee. It shall be made up of equal representation from Management and the Unions concerned. Its function shall be **as** follows:
 - a) To receive and study plans and layouts of vessel modifications and new vessel construction.
 - b) To approve or advise on that portion of the plans which fall within the jurisdiction of this Article.
 - c) To act in matters concerning government regulations which have a direct effect on safety, efficiency, and comfort in the West Coast towing industry, using outside assistance as may be required, e.g. Naval Architect, Ministry of Transport.
2. For the purposes of this Article, the application of the term "wherever practicable" shall be determined by the committee. Consideration shall be given to the size of vessel and type of operation.
3. In instances where the **Committee** is unable to reach a solution, within its terms of reference, an arbitration procedure is to be developed and adopted. The decision of the arbitrator is to be final and binding on the parties to this Agreement.
4. The Committee shall act only on written request in dealing with problems on specific vessels. Such a request may be made **by** any one of the parties.

1. DEFINITIONS

1. New Tug Means
 - i) A tug the keel of which is laid on or after the effective date of this Agreement.
 - ii) A tug purchased from outside the country on or after the date of signing this Agreement.
 - iii) A tug on which major modifications **are** commenced on or after the date of signing this Agreement.

2. Existing Tug Means
 - i) A **tug other** than a new tug.
3. Continuous Operating Tug; Means
 - i) A **tug** on which the crew sleeps and eats on board and where meals are prepared on board.
4. Shift Tug Means
 - i) A tug operating in a restricted area where the crew does not sleep on board.

C. NEW TUGS OTHER THAN SHIFT TUGS

1. Design Standards for Sleeping Rooms
 - (a) Vessels up to 50' in length between perpendiculars
 - i) *All* accommodation space to be situated above the deepest water line.
 - ii) Maximum number of persons in one sleeping room shall be two.
 - iii) Officers shall be accommodated in single berth rooms.
 - (b) Vessels over 50' and up to 90' in length between perpendiculars
 - i) All accommodation space to be above the deepest waterline.
 - ii) *All* sleeping rooms to be on or above the main deck.
 - iii) Officers shall be accommodated in single berth rooms.
 - iv) Maximum number of persons in one sleeping room shall be two.
 - v) All sleeping rooms to be **single** berth rooms where practicable.
 - (c) Vessels over 90' in length between perpendiculars
 - i) *All* sleeping rooms to be situated on or above the **main** deck.
 - ii) All sleeping rooms to be single berth rooms.
 - iii) **all** accommodation space to be situated on or above the main deck, where practicable.
 - (d) Vessels over 70' in length between perpendiculars

For new towboats whose plans have yet to be approved by the Towboat Accommodation Standards Committee and where the vessels exceed 70' in length between perpendiculars, they shall provide for unlicensed personnel to be accommodated in **single** berth rooms.

(e) Square foot area of sleeping rooms

- i) All single berth sleeping rooms shall have a minimum total area of 50 square feet.
- ii) *All* two berth sleeping rooms shall have a minimum total floor area of 55 square feet.

Where practicable, and space is available, priority shall be given to increasing the total floor **area** in two (2) berth cabins.
- iii) Any accommodation space that is inadequate by reasonable standards shall not be included in the calculation of floor area.
- iv) Every sleeping room shall be constructed to provide clear headroom of **6'6"** at every point in the room which is available for free movement.
- v) Where practicable, every sleeping room shall have at least one window or side light with a clear opening of not less than **18"**.
- vi) Every bed shall be fitted with a spring filled mattress.
- vii) Every bed shall be large enough to accommodate a mattress of **6'6"** in length and 2'3" in width. Where practicable, mattress width will be increased to **2'6"**.
- viii) Every sleeping room shall be fitted with a drawer of at least four (4) cubic feet capacity.

- (f) i) Every tug shall have a washing machine **and** proper facilities for drying clothes.

For the purposes of this Section C, vessel classes refer to classes established in the Agreement and apply only to continuous operating vessels.

2. WASHROOMS AND W.C.'s

- (a) i) Every vessel shall have a properly installed and functioning W.C.
- ii) For a crew complement up to **and** including *six (6)* men, there shall be at least one W.C.
- iii) For a crew complement of 7 to 13 , there shall be at least two W.C.'s. For each six (6) additional crew members, there shall be **an** additional W.C.
- (b) i) Every vessel shall have a properly installed and functioning shower supplied with hot and cold fresh water through taps.
- ii) For a crew complement up to and including 7 men, there shall be one shower.
- iii) For a crew complement of 8 to 15 men, there shall be two showers. For each 7

additional men, there **shall** be **an** additional **shower**.

- (c) On new vessels each sleeping accommodation will be provided with a wash basin:

3. DINING AREAS

- (a) i) A dining area shall be provided with sufficient seating area to accommodate all of the crew at one time.
- ii) Wherever practicable, the dining area shall be separated from the galley area.
- iii) Wherever practicable, a portion of the dining area shall be set aside as recreational area in a manner that will not interfere with setting up for meals.
- iv) Galleys, dining areas, heads, showers, sleeping rooms, and recreation spaces shall be separated from the wheelhouse, and steering area by a permanent bulkhead.

4. INSULATION

(a) Noise

- i) All accommodation space shall be insulated against engine and other noise based on the result of "Noise Reduction Program" described in Appendix B to this Agreement.

(b) Heat and Cold

- i) All accommodation shall be properly and adequately insulated against heat and cold and have provision for heating when weather conditions require it.

D. NEW SHIFT TUGS

- (a) i) Every tug shall be provided with a wash basin, which shall be separate from the sink used to wash cups and dishes. All wash basins shall be supplied with piped hot and cold fresh water, where practicable.
- ii) Every tug shall be provided with a properly functioning shower, where practicable. All showers shall be supplied with piped hot and cold water.
- iii) Every tug shall have a properly installed and properly functioning head.
- iv) Every tug shall be provided with a galley stove, or permanently installed hot plate fitted with rails and fiddles.
- v) Every tug shall be provided with a supply of potable water from tanks of adequate

capacity.

- vi) All accommodation shall be properly and adequately insulated against heat and cold, and have provision for heating when weather conditions require it.
- vii) All accommodation shall be properly and adequately insulated against engine noise and other noise based on the result of the "Noise Reduction Program".
- viii) All accommodation shall be properly and adequately ventilated.
- ix) Sufficient clean tea towels, hand and shower towels shall be supplied and kept clean.

E. EXISTING SHIFT TUGS

- (a)
 - i) Where hot and cold water supply exists and space is available, wash basins, separate to sinks, shall be provided.
 - ii) Existing shower facilities shall be maintained in good working order.
 - iii) Every tug shall have properly installed and properly functioning head.
 - iv) Every tug shall be provided with a galley stove, or permanently installed hot plate fitted with rails and fiddles.
 - v) Every tug shall be provided with a supply of potable water from tanks of adequate capacity.
 - vi) All accommodation shall be properly and adequately insulated against heat and cold, and have provision for heating when weather conditions require it.
 - vii) All accommodations shall be properly and adequately insulated against engine noise and other noise based on the result of the "Noise Reduction Program".
 - viii) All accommodation shall be properly and adequately ventilated.
 - ix) Sufficient clean tea towels, hand and shower towels shall be supplied and kept clean.

F. EXISTING VESSELS OTHER THAN SHIFT TUGS

The Company agrees to upgrade accommodation in existing continuous operated vessels in accordance with the terms laid out in this Section. If in the opinion of the Committee, the accommodation in an existing continuous operating vessel cannot be upgraded to acceptable standards,

it shall be treated in accordance with the terms of the Group in which it is classified by the Committee.

The **Committee will** take into consideration the following factors, and MOT Accommodation Regulations in order to **classify** the vessels **within** the industry.

Classification Factors.

- (a)
 - i) **Every** crew member shall be provided **with** a properly built bed that is not less than 79 inches in length and 27 inches in width, inside measurements.
 - ii) The bed shall be fitted with a spring-filled mattress.
- (b)
 - i) A dining area shall be provided, with sufficient dimensions to accommodate **all** of the crew at one time.
 - ii) No dining area shall be combined with a sleeping room.
 - iii) Every **dining area** shall be **furnished** with sufficient tables and chairs to allow **all** of the crew to be seated at one time, and to **allow** a space of at least 27 inches, measured along the edge of the table for each person.
 - iv) Every table shall be at least:
 - 1. 27 inches wide if the seats are provided on both sides of the table.
 - 2. 20 inches wide if seats are provided on only one side of the table.
- (c) Every **tug** shall have a properly installed and properly functioning shower and a wash basin that is separate from the galley sink.
- (d) Every tug shall have a properly installed and properly functioning head.
- (e)
 - i) Every tug shall be provided with a galley, situated next to the dining area.
 - ii) Every galley shall be provided with exhaust **fans** and hoods which will draw off fumes **from** the galley ranges and discharge the fumes into the open air.
- (f) Every tug shall be provided with piped potable water which is provided in the crew accommodation from tanks of adequate capacity for the purpose.
- (g) In every tug piped fresh hot and cold water shall be available for wash basins, baths, and showers.
- (h) All accommodation shall be properly and adequately insulated against heat and cold and have provisions for heating when weather conditions require it.
- (i) *All* accommodation shall be properly and adequately insulated against engine noise and other

noise.

- (j) All accommodation shall be properly and adequately ventilated.
- (k) On any tug that **the** crew works longer than seven (7) days at one **time**, a **washing machine** and proper facilities for drying clothes shall be provided.
- (l) *All* Unlicensed crew accommodation shall have properly functioning wash basins wherever practicable

Vessel Groups

- GROUP I Vessels that completely comply with the terms of this section.
- GROUP II Vessels whose existing accommodation is only slightly inferior to the terms of this Section, and the Committee agrees that minor changes shall be made, where practicable, during the term of the Agreement.
- GROUP III Vessels whose existing accommodation is inferior to the terms of this Section, and in the opinion of the Committee can be upgraded sufficiently to continue to operate as a continuous operating vessel for a period of two years from the date of signing this Agreement. In instances where it is evident to the Committee that the upgrading of such a vessel to Group II can, and will be undertaken, or where definite plans to replace such a vessel are evident, extension of the operating period beyond two years will be allowed.
- GROUP IV A vessel whose existing accommodation is so inferior to the terms of this Section shall not be employed as a continuous operating vessel.

APPENDIX "O"

RE: EXTENDED EDUCATIONAL LEAVE

This Letter of Understanding is entered into to provide increased access under controlled circumstances to longer term educational leave **for** both marine and non-marine training not specifically referenced in the Collective Agreement.

The terms and conditions under which an employee may be granted such educational leave and the provision of certain benefits while the employee is on such leave are as follows:

1. **An** employee may be granted extended educational leave for up to one (1) year,
2. Requests for such leave shall be dealt with in accordance with Article 1.23 (g) of the Collective Agreement,
3. The courses/training need not be related to the marine industry,
4. To be eligible for such leave the employee shall have a minimum service of six (6) years in the marine industry, three (3) of which are continuous with the present employer.
5. The employee shall continue to acquire seniority when the training is marine related. His seniority will be frozen when the training is not related to the industry.
6.
 - (i) Where **an** employee undertakes a course of study to upgrade or attain a recognized seagoing certificate, coverage under the Health Plan may be continued for up to twelve (12) months subject to the employee paying the premiums.
 - (ii) Where the employee is on non-marine education leave the present option for extended coverage of two (2) months shall apply.
 - (iii) The employee will be entitled to immediate reinstatement of coverage on return from such leave under (i) and (ii) above.
7. This Letter shall not interfere with layoff procedures and is void where the layoff is permanent.

APPENDIX "Q"

LETTER OF UNDERSTANDING

This Letter of Understanding amends Article 2.04 (g) of this Collective Agreement in order to order to provide one additional time to noon and midnight at which times the pay **and** leave earned system shall commence. The additional time **is** 1800 hours.

APPENDIX "S"

RETIREE BENEFIT COVERAGE – JANUARY 1, 2002
as per Item 28 of the Memorandum of Agreement dated Nov. 2, 2001
between the Council and the Union as follows:

Benefit Plan to provide coverage for eligible employees at retirement for MSP and EHB coverage subject *to* the following:

1. Trustees to establish

Cost of program not to exceed the total value of contributions of \$5.00 per month per participating member.

Active in industry at time of retirement (including **if** on WI, WCB, LTD, layoff),

Pension funds used to buy annuity or pension paid by Plan,

Member in good standing with ILWU and/or SIU.

Target coverage, subject to funds available:

a) MSP premiums

b) EHB – **up** to \$200 maximum *of* claims after the **Plan's** deductible is met.

c) Underfunding will require a reduction in the benefit levels,

Applicable **only** to new retirees on or after the implementation date,

Implementation date: January 1, 2002

**Letter of Understanding
Between
Seaspan International Ltd.
and
Seafarers' International Union**

July 19, 2006

Upgrading and Education for Deckhands

The Company supports continued education of deckhands. Upon approval by the Employer this support may include:

- Payment of tuition and books
- Approval of positive leave days to be accrued beyond the 45 day limit
- Other monetary scholarships or bursaries

Employees must have accrued necessary sea time and demonstrate exemplary performance in order to be eligible.

Agreed on the 12 day of JANUARY, 2007 by:

For Seaspan:

For the SIU:



Lisa Bumbaco



James P. Meredith



Doug Towill



Steve Thompson

Seaspan International Ltd. And Seafarers' International Union

Collective Agreement Negotiations July 19, 2006

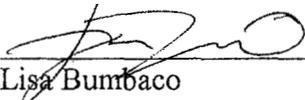
Letter of Intent re Wage Re-openers

It is understood by the parties that the wages in years six and seven will be negotiated subject to timelines outlined in Article 4.08. Failing acceptable settlement, the matter may, by mutual agreement, be referred to binding arbitration by a panel consisting of three arbitrators. One arbitrator shall be selected by the Union, one by the Employer and one by mutual agreement.

Agreed on the 12 day of JANUARY, 2007 by:

For Seaspan:

For the SIU:



Lisa Bumbaco



James P. Meredith



Doug Towill



Steve Thompson

Seaspan International Ltd. And Seafarers' International Union

Collective Agreement Negotiations July 19, 2006

Letter of Intent re Article 3.12 (e) (Inside Division)

It is understood by the parties that the intent of the noted Article is to advise the employee with an estimate of jobs to be performed, recognizing that this may be subject to change given the nature of the business.

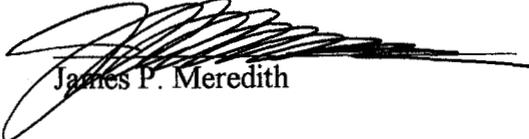
Agreed on the 12 day of JANUARY, 2007 by:

For Seaspan:

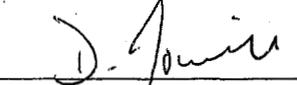
For the SIU:



Lisa Bumbaco



James P. Meredith



Doug Towill



Steve Thompson

**Letter of Understanding
Between
Seaspan International Ltd.
and
Seafarers' International Union of Canada**

July 19, 2006

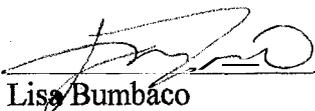
Training on the Seaspan Master

It is understood that the Company **will** make every attempt to utilize the Harmac Cedar **and** / or the Seaspan Valiant for **training** purposes before utilizing the Seaspan Master.

Agreed on the 12 day of JANUARY , 2007 by:

For Seaspan:

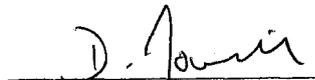
For the SIU:



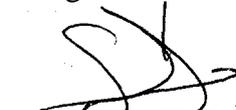
Lisa Bumbaco



James P. Meredith



Doug Towil

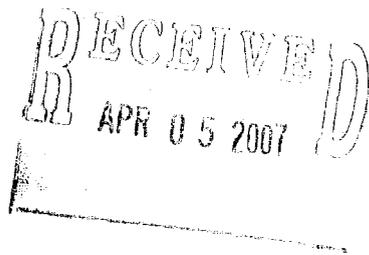


Steve Thompson

OUTSIDE DIVISION

AGREEMENT

2006 - 2013



between

SEAFARERS' INTERNATIONAL UNION OF CANADA

and

**SEASPAN INTERNATIONAL LTD.
(Kingcome, Cates and Seaforth)**

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AGREEMENT

2006 - 2013

between

SEASPAN INTERNATIONAL LTD.

(Kingcome, Cates and Seaforth)

(hereinafter called the "Company")

and

SEAFARERS' INTERNATIONAL UNION OF CANADA

(hereinafter called the "Union")

2.01 SENIORITY AND PROMOTIONS

- (a) **An** employee shall acquire seniority **as** of **his** date of employment with the company provided he has completed **six (6)** months continuous employment.
- (b) **A** seniority list will be compiled by the Company and **will** be revised annually. Such **list** will show names, **positions**, and date of last entry into service in positions covered by this Agreement.
- (c) **A** copy of the seniority list shall be forwarded to the Union, and **shall** also be posted on each vessel for all to see, annually, **no** more **than** fifteen (15) days after it **is** compiled.
- (d) **It is** agreed that in layoffs and rehires, preference will be given to employees with the greatest length of service with the company and that for placements within the **bargaining** unit, where skill and efficiency are relatively **equal**, preference will be given to the employee **with** the greatest length of service with the Company.
 - (i) Employees **shall** be notified of any openings on vessels in their area of operation and subject to experience and ability, the most senior employee shall be given the first opportunity to accept or decline.
 - (ii) The employees **will** **notify** the **Company** in writing one week in advance if they are interested in working additional relief work. This work will be assigned with seniority considered as one of the determining **factors**.
- (e) **An** employee **who** has been laid off will **retain his seniority** and the right to **be** recalled for a **period** of eighteen (18) months, provided he reports to the company when recalled. **An** employee who **is** given

reasonable notice and **fails** to report for work upon recall is subject to discharge from service.

An employee on leave of absence for any reason including medical leave or lay off **shall** be responsible to **maintain required** Union **dues** and failure to do so may, at the Union's direction, result in loss of seniority.

(f) When **an** employee is physically unable to work in **his** present classification he shall have the right to retrain for a different classification within the bargaining **unit and** shall maintain full seniority within the company.

(g) Where the Company promotes **an** Unlicensed employee to Officer status on board its vessels, the following shall apply:

i) When a Company **is making** initial temporary promotions, candidates possessing the necessary certification and successfully passing the normal pre-promotion assessment, will receive **fair** and equitable consideration for such promotion from the company.

It **is** intended that any problems over the interpretation of this section (i) will be resolved by discussion between the affected parties concerned, not by recourse to the grievance procedure.

ii) An employee who has prior acceptable Company service as **an** Officer (with no break in Company service) will be promoted **first**.

iii) Employees **seeking** promotion to Officer status must be members of the Union in good standing and shall only retain their seniority rights with the Unlicensed Union provided they remain as members in good standing with the Union including the payment of dues in the manner required by the Union.

iv) Employees who are temporarily promoted for the purpose of training **and/or** relieving permanent Officers, shall continue to accrue unlicensed seniority provided they do not work in **an** Officer category for more than a total of **ninety** (90) days (excluding lay days) in any calendar year. This period may be extended in order to allow for the completion of a trip, provided the company notifies the Union in advance. During these ninety (90) day periods the employee is required to pay dues to the Union.

v) Upon promotion to a full-time officer's position with the company, an unlicensed employee will have his unlicensed seniority frozen so as to enable later possible returns to an unlicensed position pursuant to a lay-off due to lack of work. Such recall right shall continue for a **period** of (**5**) five years from the date of his initial full time position. Following this he shall have no further claim to unlicensed seniority, Any employee exercising this option may only work in a relief position until such time as vacancies arise which cannot be filled from within the company.

(h) Where an employee who has positive lay days is subject to layoff pursuant to subsection (d) above he shall be entitled at his election to continue on the Company's payroll **as** follows:

1. His leave will be run out
2. He shall have the option of banking, cashing out or **running** out annual vacation and Statutory holidays that have been converted to leave.
3. Overtime converted to leave to be banked or cashed out at the employee's discretion.
4. Any statutory holiday that falls in the employee's run out time **will** not be paid.

Recall to work shall be in accordance with the Collective Agreement.

2.02 STATUTORY HOLIDAYS

- (a) All Unlicensed Personnel will be given the following paid statutory holidays and any Federal or Province of B.C. proclaimed Statutory Holiday.

| | | |
|----------------|------------------|-----------------|
| New Year's Day | Canada Day | Remembrance Day |
| Good Friday | B.C. Day | Christmas Day |
| Easter Monday | Labour Day | Boxing Day |
| Victoria Day | Thanksgiving Day | |

- (b) Twelve (12) Hour Employees

- (i) If it is not possible to take a holiday listed above and **an** employee is called to work on that day, he shall be granted **an** alternate day off in lieu thereof. This day off shall be in addition to the normal pay and leave for the day worked.
- (ii) The rate of pay for work on a Statutory Holiday shall be time and one half the **straight** time hourly rate. **Only** the straight time value of the leave portion of earnings shall be credited to the lay day account, i.e. 1.24 of the normal day's pay.
- (iii) For each statutory holiday not worked or for **each** alternate day off in place of a statutory holiday worked, an employee shall be paid **his** regular pay for a normal day worked (12 hours) plus the leave he would earn for that day.
- (iv) Earnings and Credit Summary:

TwelveHour Day

| | Earnings | Day | Leave | Cash |
|--------------------------|--------------------------|---------------|---------------------|---------------------|
| Holiday Credit | 2.24 days | 1 | | 1.24 |
| Time Worked Credit | <u>3.36</u> 5.60 days | <u>1</u> 2 | <u>1.24</u> 1.24 | <u>1.12</u> 2.36 |

(c) Eight (8) Hour Employees

If not possible and they are called upon to work on any of these days, they shall be paid at time and one half for the time worked, and shall be given an alternate day off with pay. If the employee and the Company agree, the employee may, at his request, take eight (8) hours pay in lieu of the day off.

(d) For each statutory holiday or alternate day off in lieu of a statutory holiday, an employee shall be credited with eight (8) hours work under the Canada Labour (Standards) Code.

(e) Employees employed on vessels operating in the Home Trade Class 3 and Home Trade Class 4, including the Queen Charlotte Islands, will be granted the three (3) day period, consisting of December 24th, 25th, and 26th, as leave in the home port. Where due to cases of distress, extreme emergency or continuous on station operations, all or any part of this three (3) day period is not granted, then the three (3) day period of December 31st and January 1st and 2nd will be granted. Regarding the servicing of customers which operate **December 24, 25 and 26**. It is recognized that the employer has the right to require employees to sail on these days. It is however understood that the company shall use its best efforts to secure necessary crew firstly from volunteers, then persons in the red and then employees in the reverse order of seniority.

(f) An employee who does not receive either three (3) day period referred to in Section (e) above shall receive a three (3) consecutive day period of leave immediately on return to his home port. All such three (3) day periods will be paid for at the statutory holiday rate.

(g) In recognition of the Employer's requirement to sustain operations during the Christmas period, the following premiums will be paid:

| | |
|---|------|
| December 24 th before noon | 2.24 |
| December 24 th after noon | 4.48 |
| December 25 th | 6.72 |
| December 26 th | 6.72 |

An Employee that is normally assigned to a vessel will have first right of refusal to work the dates outlined above and will not be displaced should he not volunteer to work those dates.

(h) Where a Statutory Holiday falls on a Friday, employees shall be paid on the prior Thursday.

2.03 SUPPLIES, EQUIPMENT, AND CLOTHING

(a) Supplies and Equipment

1. A suitable number of good **quality** and clean blankets shall be supplied each employee.
2. White sheets and pillow cases shall be changed weekly.
3. Bath towels and face cloths shall be changed at least once weekly or more often if necessary.
4. **An** adequate quantity of crockery shall be supplied.
5. Fans and proper ventilation shall be supplied in all ship's galleys, and in Unlicensed crew's quarters, where necessary.
6. Scatter **rugs** shall be provided in crew's quarters.
7. **Aerial** jacks (radio) shall be installed in crew's quarters of new vessels, and similarly in existing vessels which undergo major refit.
8. A television set will be **installed** on every continuous operating outside vessel and directional (Omni type) television antennas will be provided no later than annual overhaul.
9. Crew's quarters to be painted every twelve (12) months, approximately, when the vessel is not underway.
10. A radio/cassette unit to be installed in the mess room of each continuously operated vessel and tied in to **an** external antennae.
11. A dirty linen locker to be provided on deck where possible.

Any member of the crew wilfully damaging, or destroying bedding or equipment as set forth above, shall **be** held accountable for same. **When** bedding is not **issued**, the employees concerned shall be **paid** seven dollars **and** twenty cents (\$7.20) each week for washing their own. Crew members **shall turn** in soiled bedding before receiving a new issue.

12. All towboats shall be furnished **with all** equipment necessary **for** storing, preparing, cooking, and serving **foods**.

(b) Clothing

1. If a Company requires any Unlicensed Crew member to wear a uniform, the Company will supply, maintain, and clean it.
2. The Company will provide any protective clothing or equipment required by applicable Federal and Provincial regulations for the handling of cargo requiring same.

3. Any Unlicensed crew member who suffers clothing damage **as** a result of handling dangerous cargo or corrosive material, shall have the clothing replaced or be paid the present day replacement value, provided such clothing **was** suitable for the job being performed, and was damaged to a degree to make it unsuitable for future wear.
4. The Company shall supply sufficient white aprons and caps for cook/deckhands and sufficient white shirts (T-shirts where mutually satisfactory) and pants to enable full time cooks on vessels to **make** changes as necessary. Such whites shall be laundered by the Company or at its expense. Whites shall be replaced upon proof of wear and tear.
5. Where the above whites **are** not supplied and laundered for cook/deckhands or full-time cooks, they shall supply and launder their own **and** shall be compensated for same at the rate of **forty** (\$40.00) dollars per month.
6. Upon request by personnel, the Company shall supply the following:
 - i) Proper work gloves, free of charge, suitable for the work to be performed.
 - ii) The Employer shall provide to each employee with six (6) months Company service either a safety shoe or caulk boot or rain jacket and pants allowance of one hundred thirty dollars (\$130.00) against proof of purchase.

An employee may elect to carry over the full allowance to the next year. In this second year the Company will **grant** the employee an allowance equal to two times the annual allowance. If a shift deckhand's safety boots or any deckhand's caulk boots wear out or are damaged at work prior to the above time frames, upon approval the Company will reimburse the cost to repair or replace.

If a shift deckhand's rain gear has been damaged at work to the extent that it is rendered unusable the Company will provide a replacement.

Eligibility to the allowance shall be renewed every twelve (12) months after it was last paid.

- iii) Employees upon request will be provided free of charge with two (2) pairs of good quality coveralls as may be required for their protection while performing their duties. Coveralls will be renewed on an exchange basis. Where employees leave employment before they gain seniority the cost will be deducted from their pay.
- iv) Strap-on caulks shall be supplied on vessels where necessary. One pair of rubberized **caulk** boots will be supplied **and** replaced when necessary on **an** exchange basis, to Unlicensed Personnel who have a minimum of three (3) months' Company service on shift vessels yarding and towing logs.
- (v) An employee entitled to coveralls under (iii) above may, in lieu, elect to purchase insulated coveralls and the company shall reimburse up to seventy five dollars (\$75.00) once every

two **(2)** years against proof of purchase.

2.04 SAFETY AND EQUIPMENT

- a) The Company shall furnish and maintain safe working gear and equipment for the protection of its employees and shall continue to make reasonable provision and rules for their safety in accordance with all federal safety regulations.
- b) Life jackets, hard hats, head lamps, ear protectors and dust protectors shall be provided by the company for crew members who are required to work aboard vessels, scows, barges, or log tows. One (1) pair of strap-on-caulks shall be carried on each vessel. Crew members will be required to sign for the above safety equipment.

The above safety equipment shall be replaced when necessary on an exchange basis at no cost to the employee.

- c) When a crew member falls sick, or is injured, it will be the duty of the Master to see that he gets first aid or medical treatment as quickly as possible. The Company will provide for the employee's return to home port.
- d) All accidents and injuries shall be logged medically at the time they occur.
- e) A tug shall be supplied with life jackets sufficient for all crew members. A medical kit fully maintained shall be aboard. A stretcher shall also be aboard where space is available.

An employee shall be entitled free of charge to a D.O.T. approved floater coat including the U-Vic style upon completion of one year's service with the Company. The Company shall issue the coats and will replace them when necessary. The Company will make the coats available at its office.

An employee who requests in lieu anti-exposure coveralls, shall have the first \$120.00 paid by the Company and shall reimburse the Company the difference. Where the employee leaves the employ of the Company before acquiring six (6) months service the cost of the floater coat or the monies advanced will be deducted from his first pay. New employees are not covered on their first tour of duty.

- f) During the hours of darkness, outside painting must not be performed.
- g) Where existing space allows, seating will be provided for the helmsman.
- h) The Company agrees that crew members shall not be required to perform any work on staging, ladders, or Bosun's chair while the vessel is underway.
- i) Individual companies undertake to examine the possibility of making anchor chains on vessels self-stowing. New continuous operating vessels will be provided with self-stowing anchor chains.
- j) Survival Suits - The Company agrees to provide survival suits in accordance with the recommendations of

the Joint ~~Industry~~ Safety Committee, drafted September 17, 1981.

- k) Whenever a crew member is required to work **aboard** a tug out of verbal communication range or sight from the tug control station, he shall be supplied with a suitable radio which will not restrict his movement and at the same **time allow** for immediate communication at all times.
- l) The employer will reimburse each employee for the purchase price of one set of personally fitted (filtered or unfiltered) ear plugs or ear muffs. Entitlement to replacement earplugs **will** be once every four (4) years.

2.05 SPRAY GUNS

When Unlicensed crew members are required to do spray painting, they shall be paid a premium rate of time and one-half for each hour so worked, and shall be knocked off one-half (1/2) hour early to clean up. Coveralls and respirators shall be supplied.

2.06 CREWING

- a) Due to sea-going conditions and the exigencies of the service, overtime work is necessary from time to time. Such overtime work will be kept to a minimum and in no case barring emergencies will an employee work more than ~~sixteen~~ (16) hours overtime in any consecutive seven (7) day period. An Unlicensed crew member who has worked the maximum overtime for the period will not be required to work **further** overtime during that period and if necessary, will be relieved. Overtime for purposes of this Section (iv) shall be all time actually worked over **and** above twelve (12) hours per day.
- b) In every calendar day each crew member of a tug shall get at least eight (8) hours of rest, **six** (6) of which must be consecutive **and** unbroken. Not more than eighteen (18) hours nor less than **six** (6) shall elapse between such **six** (6) hour rest periods.
- c) The hours of rest specified in Section (iv) shall be maintained ~~with~~ respect to each crew member who -
 - 1. transfers ~~from~~ one tug to another;
 - 2. changes from one watch to another;
 - 3. changes from day work to watchkeeping duties;
 - 4. changes from employment ashore to watchkeeping duties aboard a tug.
- d) Each **crew** member must take **the** hours of rest to which he is entitled under this Article.
- e) Hours of Rest During On Watch Period - A crew member may be instructed to take hours of rest

during the period of his watch, at the master's discretion, given the following conditions:

1. The vessel **must** be safely secured for a **minimum** of **six** (6) consecutive hours, and
2. A minimum of eight (8) hours rest **per calendar day** (**six** (6) consecutive) shall be **maintained**, and
3. The watch system (6 to 12 or 12 to 6) shall be **maintained**, and
4. Not less than six (6) nor more than eighteen (18) hours shall elapse between rest periods, and
5. He **shall** not work two (**2**) off watch periods **in** a row **except** immediately following **an** on watch rest period, **and**
6. He shall not rest two (2) on watch periods in a row, **and**
7. The rest period must be uninterrupted, and
8. Whenever possible he shall receive **six** (6) hours notice of taking **an** on watch rest, and
9. He must be given a full **meal** **at** the end of the rest period (if missed).

The foregoing shall apply only to **continuous** operating vessels with a crew of four (4) or more.

2.07 CUSTOMARY DUTIES

In addition to duties specified by this Agreement, employees shall perform competently the ordinary duties pertaining to their positions on the vessel.

An Unlicensed crew member shall receive first call for work customary to his position, both on and off watch. Should the work be performed by Officers, the **Unlicensed** crew member will receive a payment equal to the amount of pay he would have **earned** if he had worked.

The above **sections** shall **not** apply where hours of rest regulations or **any** emergency may prohibit same.

2.08 OVERTIME CONVERSION

Any employee covered by this Agreement shall have the option of converting all overtime **and** premium rates excluding flat rates into time off in lieu, **subject** to:

- i) making **an** election on **all** overtime sheets to convert all or **any** part of said overtime.

- ii) the employee due or on scheduled leave or vacation shall be entitled to take this additional leave provided he gives the Company fourteen (14) days prior notice, and such leave shall not be unreasonably denied. This arrangement **shall** not give rise to red day payments.
- iii) converted overtime shall be shown separately on the employee's pay statement on separation.
- iv) flat rates including subsistence allowance and **cook's** whites are not to be paid on such converted leave.
- v) **An** employee **may** elect in writing to retain his converted overtime leave and be paid into the red, **as** provided elsewhere under this Agreement, provided that such converted leave will be used before red days for makeup to **full** pay when he is on medical leave **and** educational leave.
- (vi) Notwithstanding the foregoing, when **an** employee, who would otherwise be laid **off**, **is** allowed by the company to be paid into the red he shall be required to apply subsequent overtime pay to **his** red days.

2.09 HOURS OF WORKS AND OVERTIME

- a) Employees **in** the deck and engine room shall be classed as either watchkeepers or day-workers.
- b) The hours of work **for** watchkeepers shall be on the basis of two (2) watch system of six (6) hours on and **six (6) hours off**, commencing at the beginning of the calendar day.
- c) The hours of work for all employees in the deck **and** engine room departments other than watchkeepers, shall be from **six (6:00) a.m.** to six (6:00) p.m. and any work performed between **six (6:00) p.m.** and six (6:00) a.m. shall be paid for at the regular overtime rate.
- d) Hours of work for cook/deckhands shall be **as** watchkeepers.
- e) The hours of **work** for watchkeepers on Offshore or Salvage tugs, where **an** eight (8) hour day is in force shall be on the basis of the three (3) watch system of four (4) hours on and eight (8) hours **off**.
- f) The hours of work for all employees in the deck department other than watchkeepers on Offshore or Salvage **tugs**, where **an** eight (8) hour day **is** in force, shall be from eight (8:00) a.m. to **five (5:00) p.m.** and any work performed between five (5:00) p.m. and eight (8:00) a.m. shall be paid for at the regular overtime rate.
- g) When employees off duty **are called** for overtime work, they **shall** be allowed twenty (20) minutes call out (30 minutes during the period **October 1st** to March 31st). Overtime increments shall be one and one half (1 ½) hour from time of call out, and thereafter paid for in one-half (1/2) hour periods. In the event a man is called more than once during **an** off watch period **and** there is less than one hour between the time of the second call and the time of completing the first call, his overtime shall be deemed to be continuous from the time of the **first** call.

The minimum payment for a call-out under this section shall be three (3) hours pay at the straight time hourly rate.

- h) When a crew member is working continuously from straight time into overtime, the minimum overtime payment shall be one hour.
- i) For the purpose of calculating overtime, a day shall refer in all cases to the period from midnight to midnight.
- j) Time worked in excess of regular hours shall be paid at the rate of double the straight time hourly rate.
- k) The hourly overtime provisions in the Agreement shall not apply and no hourly over the payments shall be made for services rendered ~~when~~ a vessel resumes its voyage ~~after~~ a layover for periods in excess of twenty-four (24) hours should broken watches have occurred. (For purposes of this Section, the term "broken watches" is understood to mean that the crew has been placed on an eight (8) hour work day for which they are entitled to their normal pay and leave).

2.10 OVERTIME CLAIMS

- a) Overtime claims shall be prepared by the employee in duplicate and be presented to the Master for signature indicating both receipt of the claim and information that the work was ordered **and** performed. The duplicate copy of the claim shall be given to the employee for the record, The Master shall turn in the overtime claim with the Ship's Log at first return to home port (or by mail at least **twice** monthly).
- b) If the overtime claim is disputed, a copy of the claim is to be returned by the Company to the employee concerned before the next pay period together with reasons for rejecting the claim.
- c) Individual companies shall establish specific cut-off date(s) for the purposes of paying overtime and shall process and pay overtime in the pay period immediately following the date so specified.

2.11 DIVISION OF OVERTIME

Unlicensed Personnel in their respective departments shall be afforded equal opportunity to participate in overtime work that has to be performed.

2.12 LEAVE AND WAGE COMMENCEMENT

- a) In all classifications covered by this Agreement, monthly leave with pay shall be granted **as** set forth below, exclusive of annual vacation.
- b) Where the twelve (12) hour day applies, the time off schedule **will** consist of 1.24 days off for each day

worked.

- c) Where the eight (8) hour day applies, leave **will** be calculated on a pro-rated basis consistent with Section (b) of this Article.
- d) The Company shall give the employee twenty-four (24) hours notice of leave when the leave is to exceed five (5) days, except in extenuating circumstances and will provide twelve (12) hours confirmation. Similarly, an employee requesting leave shall give twenty-four (24) hours notice, except in extenuating circumstances. Twenty-four (24) hours notice of sailing will be given **an** employee returning from leave of more than five (5) days, if twenty-four (24) hours notice of sailing is not given, the employee may refuse to **sail**.

Employees who **are** due or are on scheduled leave (lay days) shall be entitled to take additional accumulated leave provided they give the company seven (7) days notice prior to commencing the additional leave. This arrangement shall not give **rise** to red day payments.

- e) *All* monthly leave will be granted in the vessel's home port unless otherwise mutually agreed.
- f) Twenty-four (24) consecutive hours free of the **ship shall** constitute a day off. This time shall commence any time from 8:00 a.m. until midnight.
- g) One half day's pay **and** leave earned shall be paid to any employee paid off **his** ship prior to 12:00 noon; **the** employee relieving such man prior to 12:00 noon shall receive one day's pay and leave earned. One day's pay and leave earned shall be paid any employee paid off his ship after 12:00 noon. The employee relieving such man will be paid one ^{half} day's pay and leave earned. (See Appendix "Q")

Notwithstanding the aforementioned,

- (i) when **a** crew has been called in to relieve the on-board crew and the crew change occurs one (1) hour or less after noon **or** midnight, the relieved employees **shall** only be entitled to overtime payments in accordance with Article 2.01(j) and (1).
- ii) If on occasion companies are unable to schedule regular crew changes at the home dock, crew members who are flown to and from the vessel **will** receive no additional payments so long **as** the crew change commences or **is** completed within two (2) hours either side of noon. Employees with medically recognized fear of **flying** shall not be expected to crew **change** by air.
- h) Whenever practicable, at the discretion of the master, a crew member may be permitted to go ashore for a limited period of time on his off watch.
- i) It **is** agreed that both the employer and the employee shall give forty-eight (48) hours notice of termination of employment.
- j) Where **an** employee is requested (by the employer) *to* join a vessel at **an** appointed time and the employer subsequently reschedules the employee, he shall, after forty-eight (48) hours from the original sailing time, be entitled to draw wages. Such wages shall be deducted at first opportunity **from his** calculated leave

periods. When an Unlicensed crew member is engaged for a vessel away from the base port, wages and **time** off shall commence at the time a man is dispatched by the Company from the base port and return to base port.

- k) Any crew member absent for twenty-four **(24)** hours or more from the ship without permission shall be deemed to have terminated his employment unless he contacts the Company before the end of the twenty-four **(24)** hours with a valid reason for the absence except under extenuating circumstances.
- l) At the expiration of accumulated time off, and when an employee is unable to rejoin his vessel due to its absence from the base port, any such employee who has one or more years of continuous service with the Company shall continue to receive his rate of pay until such time as he resumes duty on the vessel from which he took his leave or such other vessel as the Company may assign him, but such time shall be deducted from his ~~next~~ accumulated leave period. If the employee quits, is laid off, or is discharged for cause, the Union will co-operate in arranging that the Company is reimbursed, by the individual from his next employment.

An employee who has worked for a period of two (2) or more weeks without leave and who commences a leave shall be entitled to remain on leave for a minimum of one week, provided that an employee who has exhausted his leave entitlement (is in the red) and has taken five (5) days leave, may be required to contact his employer once each day to determine sailing instructions.

This Section shall not in any way interfere with the Company's right to lay off personnel for lack of work.

- m) No Unlicensed crew member covered by this Agreement shall accumulate more than forty-five **(45)** days leave, except where required for emergency salvage, without mutual agreement between the Union and the Company. A list of all accumulated leave shall be forwarded by the Company to the Union once every thirty **(30)** days. This list will indicate if the Unlicensed person was at sea or on leave at the end of the indicated pay period.

The foregoing shall not apply when a vessel is on a voyage, whereby the vessel does not touch at a Canadian port within thirty (30) days from commencement of the voyage. In such cases, the Company will grant leave in the home port at the first opportunity.

- n) When a vessel is laid up for overhaul, employees with any accumulated leave due shall take such leave while the vessel is laid up unless requested by the company to work by the vessel or to sail on another Company vessel, When requested to work by the vessel, Article 2.05 shall apply.
- o) Any employee away on leave who fails to report for duty at the expiry of his leave without reasonable excuse shall be considered to have terminated his employment with the Company. An employee shall contact the Company by telephone forty-eight **(48)** hours prior to expiry of his scheduled leave.
- p) Where an employee has been granted leave of twenty-four **(24)** hours, he shall return to his vessel at the end of such time unless previously requested to phone for confirmation of sailing time. In the event that a vessel is to be tied up at its home port for a period of from twenty-four (24) to forty-eight (48) hours, the employees may be granted a leave of twenty-four **(24)** hours, or forty-eight (48) hours as the case may be provided that the leave shall not commence between the hours of midnight and 0800 hours. This

provision shall only apply when the employees return to the vessel from which they took their leave. Section (g) of this Article is not applicable when this section is invoked within the above time limits. The employee shall not be required to phone more than once in that twenty-four (24) hour period. If the employee is not required to sail at the expiry of the above twenty-four (24) hour period, the onus shall **thereafter** be upon the Company to inform the employee as to sailing time.

- q) When **an** employee is being relieved from his vessel between midnight and 0700 hours and such employee requests transportation, the employer **shall** arrange and pay for said transportation to a destination within a radius of twenty-five miles of the home dock. For employees who cannot reasonably travel home under these circumstances overnight accommodation **will** be arranged and paid by the employer.
- r) When **an** employee has been recalled to work, he shall receive a minimum of one (1) day's pay and leave earned for that day before being given leave again. However, if the employee is not put to work, he shall be paid a **minimum** of one **half** (1/2) day's pay and leave earned for reporting.
- s) Tour of **Duty** - It is agreed that the existing work tours on continuously operated tugs will be maintained except as may be mutually agreed. The crew **will** be consulted.

2.13 MAINTENANCE WORK

- a) Maintenance work is hereby classified **as** painting, chipping, soogeeing, scraping, or working on ships gear. **Deck** maintenance work except that **concerned with** the safe navigation of the vessel and tow shall be performed between the hours of 8:00 a.m. and 5:00 p.m. Engine room personnel shall not be required to do any chipping or scraping between the hours of 5:00 p.m. and 8:00 a.m. Deck personnel shall be paid at the rate of time and one **half** (1 1/2) if required to perform work in the **engine** room.
- b) Dirty Money - Unlicensed crew members required to work cleaning smoke stacks, bilges, oil tanks, boilers, oil separating centrifuges, water tanks, fish oil tanks, oil spills, rose boxes, exhaust ports of internal combustion engines, oil separators, **oil** strainers, work under deck plates, cleaning out of chain lockers, work in the steering flats of certain vessels (**as** agreed by the parties), working in confined spaces, cleaning out (not hosing) towing winches and hand stowing in chain lockers shall be paid the regular straight time rate in addition to their regular wages while on watch, **and** the regular overtime rate in addition to the regular straight time rate while **off** watch. In all instances a one (1) hour **minimum** shall be paid for such work. Apprentice Engineers shall not receive premium pay for performance of the duties listed above.
- c) Chipping will not be performed on steel hulled tugs when crew is **sleeping**.

2.14 MEAL, HOURS

- (a) The meal hours for the Unlicensed crew members covered by this Agreement shall be **as** follows:

| | |
|-----------|--------------------------------|
| Breakfast | from 0530 hours to 0630 hours |
| Dinner | from 1130 hours to 1230 hours |
| Supper | from 1730 hours to 1830 hours. |

- (b) These hours may be varied for good reason, provided such variation shall not exceed one-half (1/2) hour either way and also provided that one (1) unbroken hour shall be allowed at all times for dinner and supper when the vessel is in port. In addition, there shall not be more than six hours between the end of one meal period and the start of the next meal period.
- (c) When Unlicensed crew members are required to work overtime after six (6:00) p.m. and where the safety of the vessel and tow allows, they shall be entitled to a coffee break after approximately two (2) hours work at night and lunch break of at least thirty (30) minutes after approximately four (4) hours work.
- (d)
 - i) Where an employee works from an off watch period into an on watch period, he shall be given one-half (1/2) hour in which to eat. Where an employee does not receive one-half (1/2) hour in which to eat, he shall be credited with an additional one half (1/2) hour at the overtime rate as a penalty thereof
 - ii) Where an employee works from an on watch period into an off watch period, he shall be given one-half hour in which to eat immediately following the on watch period. Where an employee does not receive one-half (1/2) hour in which to eat, he shall be credited with an additional one-half (1/2) hour at the overtime rate as a penalty thereof and his time shall be continuous.
 - iii) Notwithstanding subsections (i) and (ii) above, this section (d) shall not apply when meal hours are varied under section (b) of this Article.

2.15 COFFEE TIME AND LUNCHES

- b) Unlicensed crew members, where safe navigation allows, shall be given two (2) coffee breaks of at least twenty (20) minutes each during a six (6) hour watch. Such breaks shall be spaced approximately two (2) hours apart. The spacing of such breaks shall be at the discretion of the Officer of the watch. This clause also applies to working aboard barges and dozer boats.
- c) Ingredients for hot night lunches shall be available for crews changing watch and those called to work overtime and premium time.

2.16 MEALS IN PORT

- a) In circumstances where meals are customarily provided and where, for any reason other than overhaul, meals are not provided, Unlicensed crew members shall receive in lieu thereof, a subsistence rate per day of

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|-----------|-------------|
| Breakfast | \$11.26 |
| Lunch | \$11.26 |
| Dinner | \$18.01 |

The above rates will increase in accordance with annual wage percentage increases.

- b) Whenever (a) **above** is not in effect, **Unlicensed crew members employed** on vessels **owned** and/or operated by the Company shall pay the sum of one dollar and fifty cents (\$1.50) per day worked for subsistence and lodging provided. This provision will only apply where Revenue Canada Taxation deems 'subsistence and lodging' as taxable items for seafarers.
- c) At the end of each calendar year, Unlicensed crew members shall be provided with a receipt covering all deductions made under (b) above.
- d) In addition to the rates of pay shown in (a) of this Article, Unlicensed crew members employed on vessels owned and/or operated by the Company shall be paid the sum of one dollar and **fifty** cents (\$1.50) per day worked on all occasions that Section (a) is not in effect. This provision will only apply where Revenue Canada Taxation deems 'subsistence and lodging' as taxable items for seafarers.

2.17 COOK - DECKHAND

The customary duties of a Cook/Deckhand include ordering and menu planning to ensure balanced meals and will be arranged so that:

- a) Meals **are** served within the time limits set out in Article 2.07 (a) and (b).
- b) Sufficient time is allowed for food preparation prior to meal hours, **and for** clean-up. During **the** period of food preparation and serving the Cook/Deckhand's prime function is in the galley. During these periods, it is recognized, that in order to meet regulatory requirements **and** operational **needs** the Cook/Deckhand may be required to work outside the galley for short periods which will not adversely affect the preparation of meals.
- c) Cook/Deckhands will not be required to chip and paint or soogee on the exterior of the vessel or in the engineroom and shall only be required to hose the vessel down to maintain safe working conditions.
- d) **Any** problems encountered by either party in administering this clause will be brought to the attention of a Joint Labour-Management Committee within the affected Company for resolution.

2.18 GUEST MEALS

When extra crew or guests are served meals during the regular hours of work, the galley staff will receive an additional payment for extra meal served as follows:

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- i) Cook and Cookdeckhands \$5.30
- ii) Cook with a Steward \$4.70
- iii) Steward \$4.16

The above rates **will** increase in accordance with annual wage percentage increases.

Extra crew or guests shall be comprised of persons who are not **part** of the vessel's crew complement.

2.19 BARGE WORK AND CARGO. GEAR OR BOOMCHAIN HANDLING

Work aboard barges, the handling of cargo, and the handling of gear or boomchains shall be paid for in accordance with the following table of rates:

(a) **BARGEWORK**

- 1) Tying up, letting go, and duties necessary to safe navigation
On Watch (No Premium)
Off Watch (Applicable overtime rate per Article 2.01)
- 2) Cargo Handling
On Watch (Rate in **addition to salary**' time and one-half)
Off Watch (Double time)
- 3) Work other than 1) and 2)
On Watch (Rate in **addition to salary**, time and one-half)
Off Watch (Applicable overtime rate per Article 2.01)

(b) **HANDLING OF GEAR CARGO OR BOOM-CHAINS ON TUG**

- 1) For Vessel's own use
On Watch (No Premium)
Off Watch (Applicable overtime rate per Article 2.01)
- 2) **Gear** or boom-chain handling other than the above
On Watch (Rate in **addition to salary**' straight time)
Off Watch (Applicable overtime rate per Article 2.01)
- 3) cargo
On Watch (Rate in **addition to salary**, time and one-half)
Off Watch (Double time)

2.20 SHIPS STORES AND FUEL

- a) Ships Stores - **Ships crew** shall load ships stores as part of their normal duties, such stores being for use on their own vessel, or on occasion for one other Company vessel.

If the ship's stores are other than as described above, the loading of such stores shall be paid for in accordance with Article 2.12(b)(2). If Unlicensed crew members are required to load stores off watch, they shall receive the regular overtime rate.

- b) Fuel - Fuel for the vessel's own use shall not be considered **as** cargo **so** long as it is loaded from the tow or from an oil dock or barge which **is** alongside the vessel. In conditions other than this, when Unlicensed crew members are required to go off the vessel, dock or barge to load **fuel**, it shall be paid for in accordance with Article 2.12(b)(2).
- c) Garbage - The handling of garbage from another vessel shall attract premium payment as set out in 2.12(b)(2) above. **A** suitable garbage container **shall** be situated on deck.

2.21 NIGHT YARDING AND STRIPPING

Work involved in yarding, booms of logs, and coupling them together to make **up** a tow shall be deferred to daylight hours when in the opinion of the Master it **is** prudent to do so.

2.22 SAILING SHORT HANDED

Where, on vessels with two (2) or more Unlicensed crew, **an** Unlicensed crew member is absent, his wage **will** be distributed equally amongst the remaining Unlicensed crew. Performance of the missing crew member's duties shall not attract overtime payments.

2.23 ROOM TIME

Crew members shall be allowed one (1) hour per week when on watch to be able to clean their own rooms. The Master **shall** designate the time.

