

# **COLLECTIVE AGREEMENT**

between

**Cancrew Enterprises Limited**

and

**International Union of Operating Engineers  
Local 904**

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## Table of Contents

<u>ARTICLE 1.00 - GENERAL PURPOSE AND SCOPE OF THIS AGREEMENT.</u>	1
1.01 <b>Purpose.</b>	1
1.02 <b>Cooperate.</b>	1
1.03 <b>Compliance of Rules.</b>	1
<u>ARTICLE 2.00 - RECOGNITION.</u>	1
2.01 <b>Company Recognition.</b>	1
<u>ARTICLE 3.00 - DEFINITIONS.</u>	1
3.01 <b>Officer.</b>	1
3.02 <b>Company.</b>	1
3.03 <b>Permanent Officer.</b>	1
3.04 <b>Probationary Officer.</b>	1
3.05 <b>Service.</b>	1
3.06 <b>Union.</b>	1
3.07 <b>Casual Officer.</b>	1
<u>ARTICLE 4.00 - UNION SECURITY, DUES AND CHECK OFF.</u>	1
4.01 <b>Union Security.</b>	1
4.02 <b>Acquaint Officers.</b>	2
4.03 <b>Discrimination.</b>	2
4.04 <b>Union Dues (Checkoff).</b>	2
4.05 <b>Check-off Remittance.</b>	2
4.06 <b>Indemnification.</b>	2
4.07 <b>Provide List of Names.</b>	2
<u>ARTICLE 5.00 - MANAGEMENT RIGHTS.</u>	2
5.01 <b>Management Rights.</b>	2
<u>ARTICLE 6.00 - AUTHORITY OF MASTER AND COMPANY.</u>	2
6.01 <b>Authority of Master &amp; Company.</b>	2
<u>ARTICLE 7.00 - PROBATIONARY PERIOD.</u>	3
7.01 <b>Probationary Period.</b>	3
7.02 <b>Probationary Period - Release.</b>	3
<u>ARTICLE 8.00 - INTER-DEPARTMENT FLEXIBILITY.</u>	3
8.01 <b>Duties in Other Departments.</b>	3
8.02 <b>Move to Other Vessels.</b>	3
<u>ARTICLE 9.00 - PREREQUISITES TO EMPLOYMENT.</u>	3
9.01 <b>Prerequisites to Employment.</b>	3
<u>ARTICLE 10.00 - MEDICAL FITNESS.</u>	3
10.01 <b>Medical Fitness.</b>	3
<u>ARTICLE 11.00 - TRAVEL.</u>	3
11.01 <b>Travel Policy.</b>	3
11.02 <b>Company Sponsored Travel.</b>	4
11.03 <b>Crew Changes at Base of Operation.</b>	4
11.04 <b>Crew Changes for Other Than Base of Operation.</b>	4
11.05 <b>Transportation - Personal Vehicle.</b>	4
11.06 <b>Accommodation.</b>	4
11.07 <b>Private Accommodation.</b>	4
11.08 <b>Telephone Calls - Business.</b>	4

11.09	<b>Telephone Calls - Personal</b>	4
11.10	<b>Meal Rates</b>	4
11.11	<b>Submission of Receipts</b>	5
11.12	<b>Claim Procedures</b>	5
11.13	<b>Travel Outside Province</b>	5
11.14	<b>OFFICER DISCHARGE - TRAVEL</b>	5
<b>ARTICLE 12.00 - PROTECTIVE CLOTHING, UNIFORMS &amp; SAFETY EQUIPMENT</b>		5
12.01	<b>Protective Clothing and Safety Equipment</b>	5
12.02	<b>Mandatory Use</b>	5
12.03	<b>Coveralls and Rain Gear</b>	5
12.04	<b>TOTAL ISSUE</b>	5
<b>ARTICLE 13.00 - TOUR OF DUTY</b>		6
13.01	<b>Tour of Duty</b>	6
13.02	<b>Leave System</b>	6
<b>ARTICLE 14.00 - NORMAL WORK ROUTINE</b>		6
14.01	<b>Normal Hours of Work</b>	6
14.02	<b>Vessel Operation</b>	6
14.03	<b>Duty - 24 Hours</b>	6
14.04	<b>Transport Canada Regulations</b>	6
14.05	<b>Work Day</b>	6
<b>ARTICLE 15.00 - STANDBY PAY</b>		6
15.01	<b>Standby Pay</b>	6
<b>ARTICLE 16.00 - INCENTIVE SUPPLEMENTS AND BONUS</b>		6
16.01	<b>Incentive Bonus</b>	6
16.02	<b>Seniority Bonus</b>	6
<b>ARTICLE 17.00 - STATUTORY HOLIDAY PAY AND VACATION PAY</b>		7
17.01	<b>HOLIDAYS RECOGNIZED</b>	7
17.02	<b>VACATION PAY</b>	7
<b>ARTICLE 18.00 - REMUNERATION</b>		7
18.01	<b>Rumuneration</b>	7
18.02	<b>Handover Pay</b>	7
<b>ARTICLE 19.00 - SHORTHAND PAYMENT</b>		7
19.01	<b>Shorthand Payment</b>	7
<b>ARTICLE 20.00 - TERMINATION OF EMPLOYMENT</b>		7
20.01	<b>Termination of Employment</b>	7
20.02	<b>Termination of Employment - 14 Calendar Days Notice</b>	7
<b>ARTICLE 21.00 - SENIORITY, LAYOFF AND RECALL</b>		8
21.01	<b>Seniority List</b>	8
21.02	<b>Seniority</b>	8
21.03	<b>Seniority List for Permanent Officers</b>	8
21.04	<b>Officers with less than One Hundred and Eighty (180) Days of Service</b>	8
21.05	<b>Lose Seniority</b>	8
21.06	<b>Retain and Accumulate Seniority</b>	8
21.07	<b>Layoff/Recall</b>	8
21.08	<b>RECALL</b>	8
21.09	<b>Recall - Less Than 48 Hours</b>	9
<b>ARTICLE 22.00 - MARINE MISHAP</b>		9

22.01	<b>Marine Mishap</b> .....	9
22.02	<b>Marine Mishap - Loss of Clothing</b> .....	9
22.03	<b>Marine Mishap - Affidavit</b> .....	9
<u>ARTICLE 23.00 - BEREAVEMENT LEAVE</u> .....		9
23.01	<b>Bereavement Leave</b> .....	9
23.02	<b>Bereavement Leave - Extended</b> .....	9
<u>ARTICLE 24.00 - SAFETY</u> .....		9
24.01	<b>Safe Operation of Vessel</b> .....	9
24.02	<b>Reporting On Time</b> .....	9
24.03	<b>Tug Officer Onshore</b> .....	10
24.04	<b>Safety Committee</b> .....	10
<u>ARTICLE 25.00 - DRUG AND ALCOHOL TESTING</u> .....		10
25.01	<b>Drug and Alcohol Testing</b> .....	10
25.02	<b>Zero Tolerance</b> .....	10
25.03	<b>Copy of Policy</b> .....	10
<u>ARTICLE 26.00 - GROUP RRSP AND HEALTH &amp; WELFARE</u> .....		10
26.01	<b>Group RRSP &amp; Benefit Plan</b> .....	10
26.02	<b>Group RRSP 6%</b> .....	10
26.03	<b>Group RRSP - Monthly Installments</b> .....	10
26.04	<b>Group RRSP Mandatory</b> .....	10
26.05	<b>Health &amp; Welfare</b> .....	10
<u>ARTICLE 27.00 - SEVERANCE PAY</u> .....		10
27.01	<b>Severance Pay</b> .....	10
27.02	<b>Severance Pay - Not Eligible</b> .....	11
27.03	<b>Prorated Bonuses</b> .....	11
<u>ARTICLE 28.00 - LEAVE OF ABSENCE</u> .....		11
28.01	<b>Leave Application</b> .....	11
28.02	<b>Leave Granted</b> .....	11
<u>ARTICLE 29.00 - TRAINING</u> .....		11
29.01	<b>Training Required</b> .....	11
29.02	<b>Training Mandatory</b> .....	11
29.03	<b>Training - No Loss of Income</b> .....	11
29.04	<b>Travel During Training</b> .....	12
<u>ARTICLE 30.00 - EDUCATION LEAVE</u> .....		12
30.01	<b>Education Leave</b> .....	12
<u>ARTICLE 31.00 - CADETS &amp; OTHER SUPERNUMERARIES</u> .....		12
31.01	<b>Cadets</b> .....	12
31.02	<b>Supernumeraries</b> .....	12
<u>ARTICLE 32.00 - DISCIPLINE</u> .....		12
32.01	<b>DISCIPLINE</b> .....	12
32.02	<b>DISCIPLINE - IN WRITING</b> .....	12
32.03	<b>GRIEVANCE FILING</b> .....	12
<u>ARTICLE 33.00 - GRIEVANCE PROCEDURE</u> .....		13
33.01	<b>GRIEVANCE DEFINED</b> .....	13
33.02	<b>ARBITRATION</b> .....	13
33.03	<b>FINAL AND BINDING DECISION</b> .....	14
33.04	<b>ARBITRATION COSTS</b> .....	14

33.05	<b>EXPEDITED ARBITRATION</b>	14
<b>ARTICLE 34.00 - STRIKES AND LOCKOUTS</b>		
34.01	<b>Strikes and Lockouts</b>	14
34.02	<b>Crossing Picket Line</b>	14
<b>ARTICLE 35.00 - SHOP STEWARD</b>		
35.01	<b>Steward Appointment</b>	14
35.02	<b>Steward Layoff / Terminate</b>	14
35.03	<b>Union Access</b>	15
35.04	<b>Steward Allowed Time</b>	15
<b>ARTICLE 36.00 - JURY DUTY</b>		
36.01	<b>JURY DUTY</b>	15
<b>ARTICLE 37.00 - SUB CONTRACTING</b>		
37.01	<b>Sub Contracting</b>	15
<b>ARTICLE 38.00 - CLAUSE PARAMOUNT</b>		
38.01	<b>Clause Paramount</b>	15
<b>ARTICLE 39.00 - STATUTORY REQUIREMENTS</b>		
39.01	<b>Statutory Requirements</b>	15
<b>ARTICLE 40.00 - SAVINGS CLAUSE</b>		
40.01	<b>Invalid Articles</b>	15
40.02	<b>Invalid Articles/replacement Articles</b>	15
<b>ARTICLE 41.00 - DURATION</b>		
41.01	<b>Duration</b>	15
<b>SIGNATURE PAGE</b>		17
<b>APPENDIX A</b>		18
<b>MEMORANDUM OF AGREEMENT</b>		19

## ARTICLE 1.00 - GENERAL PURPOSE AND SCOPE OF THIS AGREEMENT

- 1.01 **Purpose** - The general purpose of this Agreement is to ensure the full benefits of orderly and legal collective bargaining and to support the mutual interests of the International Union of Operating Engineers, Local 904 and Cancrew Enterprises Limited and all licensed personnel employed by Cancrew Enterprises Limited on board the escort tugs within Placentia Bay and based in Arnold's Cove, Newfoundland and Labrador.
- 1.02 **Cooperate** - This agreement supports the mutual interests of the company and its officers to provide the most reliable operation for these tugs in support of firefighting and escort services, docking, and undocking of tankers at designated points. The parties to this agreement will use methods that will further to the fullest extent possible, the safety of the vessel's operations, environment and personnel, while retaining above average standards and good economic operations. The parties to this agreement recognize that it is the duty of the company and officers to cooperate fully, individually, and collectively for the advancement of these conditions.
- 1.03 **Compliance of Rules** - Officers will be expected to demonstrate a high degree of pride in the vessel and comply with the Company, Owners and the Charter's rules and policies.

## ARTICLE 2.00 - RECOGNITION

- 2.01 **Company Recognition** - The Company recognizes the International Union of Operating Engineers, Local 904 as the certified bargaining agent to represent all licensed personnel employed by Cancrew Enterprises Limited on board the escort tugs within Placentia Bay and based in Arnold's Cove, Newfoundland and Labrador.

## ARTICLE 3.00 - DEFINITIONS

- 3.01 **Officer** - Any permanent or probationary licensed personnel who is a member of the bargaining unit.
- 3.02 **Company** - Cancrew Enterprises Limited, located at St. John's, Newfoundland & Labrador.
- 3.03 **Permanent Officer** - A person who has successfully completed the probationary period.
- 3.04 **Probationary Officer** - A person hired to fill a vacancy, but has not completed the probationary period.
- 3.05 **Service** - Shall mean all paid time with the Company but shall not include any unpaid leave of absence.
- 3.06 **Union** - The International Union of Operating Engineers, Local 904.
- 3.07 **Casual Officer** - A person hired on a day-to-day basis as required. The Casual Officer shall be paid in accordance with Appendix A and shall pay Union dues in accordance with Article 4.00, but otherwise will not be covered by any of the terms of this Collective Agreement. The Company also agrees to provide on board necessary water safety equipment required for casuals.

## ARTICLE 4.00 - UNION SECURITY, DUES AND CHECK OFF

- 4.01 **Union Security** - Each Officer covered by this Agreement who is not a member of the Union shall as a condition of employment become, and remain a Union member in good standing for the duration of their employment with the Company. Counting from the date they commence employment with the Company, each new Officer who is not a member of the Union will be allowed one hundred and eighty (180) calendar days within which to make application to join the Union and tender the

appropriate initiation fees. The Union shall have the exclusive right, acting reasonably, to determine who is a member in good standing.

- 4.02 **Acquaint Officers** - The Company or its designate agrees to advise new Officers that a collective agreement is in effect and to introduce the new Officer to the shop steward.
- 4.03 **Discrimination** - The Company and the Union agree that no Officer and no potential Officer shall in any manner be discriminated against for employment on account of membership or non-membership in any labor organization.
- 4.04 **Union Dues (Checkoff)** - The Company agrees to deduct monthly Union dues, dues in arrears, and/or assessments in the amount as established by the Union and to remit same to the Union for all Officers covered by this Agreement. It is further agreed that all initiation fees will be deducted and remitted to the Union from the Officers concerned. The Union dues and/or assessments and/or initiation fees will be remitted monthly to the Union, to the attention of the Secretary/Treasurer, no later than the 15<sup>th</sup> day of the following month.
- 4.05 **Check-off Remittance** - The Union agrees to notify the Company in writing of the amount of the dues or any initiation fees or assessments to be deducted from Officers. This amount may only be changed through written notification. Such notices must bear the seal of the Union and the signature of its proper official. Dues and other monies collected shall be remitted to the Financial Secretary for the Union accompanied by a list for said deductions by the 15<sup>th</sup> day of the following month.
- 4.06 **Indemnification** - The Union shall indemnify, the Company, its vessels, Officers, servants, agents and hold it nor any of them harmless against any and all suits and claims, demands and liabilities that arise out of or by reason of any action taken by it, them, or any of them, for the purpose of supplying the foregoing provisions of this section, or that shall arise out of or by reason of reliance by it, them or any of them, on any list or notice furnished to the Union pursuant to the provisions of this section.
- 4.07 **Provide List of Names** - The Union agrees, when requested by the Company, to provide the Company with the names of qualified candidates to fill vacancies. The hiring decision will be solely at the discretion of the Company.

#### ARTICLE 5.00 - MANAGEMENT RIGHTS

- 5.01 **Management Rights** - The Union recognizes that it is the exclusive right and function of the Company to operate and manage its business in compliance with ISM, ISO and QSMS (quality, safety management system) and in all respects to maintain order and efficiency on its vessels and to determine charters and other business to be entered into, the scheduling and types of vessels used in its operations. The Union further acknowledges that the Company has the right to make and alter from time to time rules and regulations to be observed by Officers, which rules and regulations shall not be inconsistent with the provisions of this agreement. Nothing in this Agreement shall be deemed to restrict the management in any way in the performance of all functions of management except those specifically abridged or modified by this Agreement.

#### ARTICLE 6.00 - AUTHORITY OF MASTER AND COMPANY

- 6.01 **Authority of Master & Company** - The Master or their designate and the Company have the exclusive right to direct all licensed and unlicensed personnel and to interview, hire, evaluate performance, promote, demote, transfer, layoff, recall, suspend or discharge licensed and unlicensed personnel who are subject to the particular provisions of this collective agreement.

## ARTICLE 7.00 - PROBATIONARY PERIOD

- 7.01 **Probationary Period** - All new Officers shall be considered to be a probationary Officer for a period of one hundred and eighty (180) calendar days. The probationary period shall commence on the date of the respective vessel's delivery by the shipyard or the Officers first sea day on board and Officers have completed all pre-requisite training. During the period of probation, the Company will assess the Officer's suitability for permanent employment.
- 7.02 **Probationary Period - Release** - At any time during the period of probation, the Company may release an Officer if the Company judges the Officer to be unsuitable for permanent employment.

## ARTICLE 8.00 - INTER-DEPARTMENT FLEXIBILITY

- 8.01 **Duties in Other Departments** - Due to the nature of their employment and crew size limitations, Officers shall perform duties in other departments as directed by the Master or their designate without extra compensation. Duties include, but will not be limited to, Officers of the normal deck department working in the engine department and visa versa. Similarly, all Officers shall assist the catering department with the removal of dishes from the mess room to galley, vessel cleaning and other duties, as required.
- 8.02 **Move to Other Vessels** - The Company reserves the right to assign an Officer to a particular vessel and to move an Officer to the other vessels when necessary.

## ARTICLE 9.00 - PREREQUISITES TO EMPLOYMENT

- 9.01 **Prerequisites to Employment** - All Officers must comply with the prerequisites of employment as outlined by the Company. The Company reserves the right to withdraw an offer of employment for any person who does not meet the prerequisites to employment or to terminate an existing Officer's employment where they do not meet and maintain the prerequisites to employment.

## ARTICLE 10.00 - MEDICAL FITNESS

- 10.01 **Medical Fitness** - An Officer's right to employment with the Company shall be conditional upon their presenting the Company with a proper medical certificate as prescribed by the Canada Shipping Act declaring the Officer as medically fit to perform their duties at sea. The doctor performing this medical shall be listed on the standard Transport Canada Ship Safety approved list of physicians. The Officer shall arrange, pay for, and provide the Company with a certificate of fitness prior to the first sea duty and again at intervals no greater than two years. The Company may request that an Officer complete a Company medical at any time using the Company's designated doctor. The Company will cover the cost of any medicals required after the commencement of employment except the regulatory Seafarers Medical, which is required by Transport Canada. However, after an Officer has completed three (3) years of service, the company will cover the cost of the regulatory Seafarers Medical Examination.

## ARTICLE 11.00 - TRAVEL

- 11.01 **Travel Policy** - Travel policy for employees of the Company employed on the Placentia Pride and Placentia Hope. This policy will assist employees in planning, documenting and receiving reimbursement for Company approved travel expenses. This is based on the premise all employees live in Newfoundland and all travel will originate from a location in Newfoundland.

Base of Operations - Arnolds Cove

Kilometer Rate - The kilometer rate is fifty (\$0.50) cents per kilometer



Meal Allowance - The meal allowance per diem is \$13.00 for breakfast, \$12.40 for lunch and \$35.30 for Dinner, for a total of \$60.70.

- 11.02 **Company Sponsored Travel** - All Company sponsored travel by employees must be authorized by the Human Resource Department and properly documented before any expenses are paid to the employee. Travel expenses should not be incurred until the proper authorization is confirmed. Employees are reminded that while traveling on Company business, they should conduct themselves in a professional manner while exhibiting good behavior and common sense. Employees who do not comply with this directive will be subject to disciplinary action up to and including dismissal.
- 11.03 **Crew Changes at Base of Operation** - Normally crew changes will occur at the base of operation. For crew changes that occur at the base of operation, employees are responsible for arranging their travel and are responsible for all costs associated with this travel to and from the base of operation and the employees' residence.
- 11.04 **Crew Changes for Other Than Base of Operation** - If the crew change is scheduled outside the base of operation, then employees are entitled to submit a travel claim for the increase in kilometers for the distance traveled from the base of operations to the crew change port and visa versa. This may include the distance to get employee vehicle back to base of operations.
- 11.05 **Transportation - Personal Vehicle** - When traveling on Company business, other than crew change as the base of operations, the Company may authorize travel by personal vehicle when this is the more economical and practical mode of transport. In this instance, the employee will be paid a kilometer rate for the distance traveled and submit an Expense voucher with details.
- 11.06 **Accommodation** - When overnight accommodation is necessary, this is normally arranged through Human Resources. However in an emergency, the employee may arrange for accommodations but should ensure the type, standard and cost is not in excess of the minimum rate in a commercial establishment for a single room. Employees should request commercial rates and wherever possible use establishments that offer discount rates. The Company will reimburse an employee for the cost of the room excluding telephone calls, room service, mini bar and meals. Telephone calls and meals will be reimbursed as outlined in Articles 11.08, 11.09 and 11.10.
- 11.07 **Private Accommodation** - Where an employee uses private accommodation, the rate shall be thirty (\$30.00) dollars per night. Employees must submit an Expense voucher with details of expense in order to receive compensation.
- 11.08 **Telephone Calls - Business** - Costs for long distance business calls while on travel may be reimbursed. Calls may be charged to a separate hotel bill or your home number and a copy of the telephone bill with name of company and person called included with your travel claim for reimbursement.
- 11.09 **Telephone Calls - Personal** - While on extended travel for company business or training, employees are permitted one, fifteen (15) minute telephone call home per week. Advantage should be taken of any special discounts for calls made outside regular business hours. The onus is on the employee to demonstrate the calls are within the allotted time.
- All personal telephone calls from the vessel are the responsibility of crew members and should be made collect, charged to a third party number or to a calling card. In no instances should these calls be charged to the vessel.
- 11.10 **Meal Rates** - When the cost of meals is included in another reimbursable item such as an airline ticket or other transportation charge, an employee should not claim a separate expense for these meals. Claims for breakfast and dinner are reimbursable if travel starts before 0700 hours and in the case of dinner ends later than 1900 hours. If travel on the first and last day is less than one full day, the meals may be reimbursed as per the maximum reimbursable amounts listed in Article 11.01

The employee shall submit **all receipts** for meals and will be reimbursed for cost up to the maximums as outlined in Article 11.01.

- 11.11 **Submission of Receipts** - To be eligible for reimbursement of expenses, employees must complete the appropriate Expense voucher for travel expenses supported with original receipts. Claimants should photocopy original receipts for their records before forwarding them to the office. The Company will reimburse only expenses supported by original receipts from the Company or agent providing the service. **Credit card receipts are not acceptable.**
- 11.12 **Claim Procedures** - Before submitting a claim, the employee should ensure the expenses are in accordance with this policy. Receipts, tickets and stubs should be numbered and included in chronological order. Details should be provided for all entries and items listed as general or miscellaneous expenses will not be approved for payment.
- Any questions concerning the travel guidelines should be directed to the Human Resource Department.
- 11.13 **Travel Outside Province** - Should an Officer be required to join a vessel or go on leave at a port located outside Newfoundland and Labrador, the Company, at its sole discretion, will arrange transportation to and from a regular commercial Newfoundland airport closest to the Officer's residence or the Company's head office. All travel claims must be fully detailed on the Company's "Officer's Expense Account Report" and supported by the relevant vouchers. Except in cases of emergency, all Officers shall receive authority from the Company's Human Resource Office prior to making any travel arrangements or incurring expenses on the Company's behalf.
- 11.14 **OFFICER DISCHARGE - TRAVEL** - Officers discharged for cause or voluntary signing-off shall not be eligible for travel expenses from their point of discharge or sign-off.

#### ARTICLE 12.00 - PROTECTIVE CLOTHING, UNIFORMS & SAFETY EQUIPMENT

- 12.01 **Protective Clothing and Safety Equipment** - Protective clothing and safety equipment shall be issued by the Master, acting on behalf of the Company, and will remain the property of the Company. Officers who are issued protective clothing or safety equipment shall be responsible for those items that are issued by the Master. New items shall be issued only on presentation of worn out or damaged items. The Master or their designate in consultation with the vessel safety Officer shall decide when new items will be re-issued.
- 12.02 **Mandatory Use** - Whenever items of clothing or other safety equipment are supplied to Officers, as per the Company's policy, or where the Company has identified tasks where the wearing of safety clothing or the use of related safety equipment is mandatory and the Officers are in receipt of an allowance or have been provided with such items, then the Officers must wear or use these items whenever they are on duty in accordance with their departmental and Company policy.
- 12.03 **Coveralls and Rain Gear** - Upon commencement of employment with the company, during probationary period, new Officers will receive one pair of summer coveralls, one rain jacket, one rain pants, one CSA approved helmet (hard hat), work gloves, one pair of rubber safety boots, hearing protection, one pair non-prescription safety glasses and between November and April, one pair of winter insulated coveralls and one floater suit (MOB). All Officers shall report to work with CSA approved protective footwear (boots and/or shoes) for use at all times while working on board.
- 12.04 **TOTAL ISSUE** - Upon completion of probationary period and the Officer is considered a permanent Officer, the Officer shall receive additional protective clothing to increase total annual issue to, two pairs of summer coveralls, one pair of winter insulated coveralls and one floater suit (MOB), and receive a safety footwear allowance of \$100.00 towards CSA approved protective footwear (boots and/or shoes). All Officers shall report to work with CSA approved protective footwear (boots and/or shoes) that meet the Company policy for safety footwear. Floater suit will be replaced when

necessary, but no later than five years. Rain gear will be replaced only when necessary and the original suit is returned.

#### ARTICLE 13.00 - TOUR OF DUTY

- 13.01 **Tour of Duty** - The normal tour of duty for Officers serving on board the tugs shall be approximately fourteen (14) days on duty and fourteen (14) days on leave while operating in Placentia Bay. Tours of duty for other areas of operations may vary.
- 13.02 **Leave System** - The leave system is a 1 on and 1 off rotation with time periods on board being approximate. Only when the vessel is operational will Officers earn one day of leave for each day worked. On occasion it will be impractical to adhere strictly to the normal shift system and a delay or advancement of the relief date may be necessary for operational reasons or to provide a more cost effective crew change.

#### ARTICLE 14.00 - NORMAL WORK ROUTINE

- 14.01 **Normal Hours of Work** - Officers will work a normal twelve (12) hour day as specified by the Master.
- 14.02 **Vessel Operation** - The vessel's operation and all tasks related to its safety, marine emergencies, drills or the need to carry out any additional work required regarding the unique operations of the vessel and its maintenance, shall be completed at any time requested by the Master or their representative under the terms and conditions as outlined in this Agreement.
- 14.03 **Duty - 24 Hours** - During the fourteen (14) days on board, Officers shall live on board the vessel and be ready for duty 24 hours per day. During the normal operations, the vessels will be required to provide assistance 24 hours per day, seven (7) days per week and the crew shall be ready to respond.
- 14.04 **Transport Canada Regulations** - Hours of work shall not exceed the hours of work and rest as outlined by Transport Canada Crewing Regulations and STCW 95.
- 14.05 **Work Day** - A work day shall be defined as any day in the week.

#### ARTICLE 15.00 - STANDBY PAY

- 15.01 **Standby Pay** - Should the company request an Officer to be on standby, then they shall receive standby pay equal to regular basic day rate.

#### ARTICLE 16.00 - INCENTIVE SUPPLEMENTS AND BONUS

- 16.01 **Incentive Bonus** - The Company shall compensate licensed personnel 90% of the current value of the incentive program per position currently in place. This payment shall be implemented by increasing the consolidated day rate equal to the value of the 90% of the program.
- 16.02 **Seniority Bonus** - The seniority bonus is based on years of service with the Company as of December 31<sup>st</sup> of each year. To be eligible, an employee must have one (1) full year of service with the Company as of December 31<sup>st</sup>, and it is not pro-rated. For each year of accumulated service on December 31<sup>st</sup>, an employee will receive one thousand (\$1,000.00) dollars plus CPI to a maximum of five (5) years. Following five (5) years of service, Seniority Bonus will be increased by \$500.00 per year of service to a maximum of six thousand, five hundred (\$6,500.00) dollars. Company will pay Seniority Bonus in December of each year.

ARTICLE 17.00 - STATUTORY HOLIDAY PAY AND VACATION PAY

17.01 **HOLIDAYS RECOGNIZED** - There shall be eleven (11) paid holidays in each calendar year of this Agreement, which are included in the consolidated day rate.

17.02 **VACATION PAY** - The vacation pay shall be:

1 to 4 years	4%
5 to 9 years	7%
10 to 19 years	8%
20+ years	9%

ARTICLE 18.00 - REMUNERATION

18.01 **Rumuneration** - All Officers shall be paid at twice (2) monthly intervals with a total of twenty-four (24) payments per year. Payroll periods will be calculated up to the 15<sup>th</sup> and the last day of each month. The company has a direct deposit system and payment shall be made to the Officer's account, on the 3<sup>rd</sup> and 18<sup>th</sup> of each month.

18.02 **Handover Pay** - Handover pay shall be paid in a lump sum payment, by December 15<sup>th</sup> of each year, equal to thirteen (13) days at the regular basic day rate, based on a two week on/off rotation. Should Officers, for personal reasons change this rotation, with the agreement of their relief, this will not affect the payment of the Handover Pay.

ARTICLE 19.00 - SHORTHAND PAYMENT

19.01 **Shorthand Payment** - If for any reason the vessel sails with less than the crew number required under the minimum safe manning requirement for a particular crew classification, the wages for that part of the crew that is missing will be divided among the remaining department members provided they perform the normal work of the missing Officers.

ARTICLE 20.00 - TERMINATION OF EMPLOYMENT

20.01 **Termination of Employment** - The Company reserves the right to terminate any Officer's employment without notice in the event of serious misconduct, negligence in the performance of duties, breach of the Company, Owner's or Charterer's confidence, failing to comply with Company's zero tolerance drug and alcohol policy and/or failure to comply with Company directives. Company directives also include directives made by the vessel's on board management team including the Master, Chief Engineer or their representatives. This termination is subject to the grievance and arbitration procedure contained in this Agreement.

20.02 **Termination of Employment - 14 Calendar Days Notice** - Officers shall provide the Company with at least fourteen (14) calendar days notice of their intention to terminate their employment with the Company in writing. The Company shall provide the Officer with fourteen (14) calendar days notice of their intentions to lay off Officers as a result of a lay-up, refit, major modifications, or other conditions affecting the normal operations of the vessel(s). Failure by either party to provide the above required notices, will result in the following: The Officer upon failure to provide such required notice, will forfeit up to 14 days of earned pay and the Company by failing to provide its notice will pay the Officer up to 14 days of earned pay. The number of days will be the additional number required from the actual notice provided to comply with the fourteen (14) calendar days notice requirement.

## ARTICLE 21.00 - SENIORITY, LAYOFF AND RECALL

- 21.01 **Seniority List** - A seniority list of all Officers shall be prepared showing current classification, date of hire and Company's seniority. A copy of the seniority list may be supplied to the Officers and posted on board ship.
- 21.02 **Seniority** - Displacements, transfers, demotions and promotions to positions covered by this Agreement, shall be based on certification requirements, ability, qualifications performance and seniority. Certification, ability, qualifications and performance being sufficient, seniority shall prevail. The Company's management shall be the sole judge of ability, qualifications and performance.
- 21.03 **Seniority List for Permanent Officers** - A seniority list for permanent Officers will be compiled annually and updated as required. Officers will be added to the seniority list when they become permanent, on completion of one hundred and eighty (180) days of continuous employment in an Officer position covered by this Agreement excluding any training periods completed prior to delivery of the respective vessel. Seniority calculation will be based on an Officer's date of appointment to the licenced position with the Company.
- 21.04 **Officers with less than One Hundred and Eighty (180) Days of Service** - Officers with less than one hundred and eighty (180) calendar days of service with the Company will be considered on probation and shall have no rights under the seniority rules of the Agreement.
- 21.05 **Lose Seniority** - Officers shall lose their seniority with the Company when:
- A. they are discharged for cause,
  - B. they fail to return to work in accordance with Article 21.08 or fail to comply with Article 21.09 of the Collective Agreement,
  - C. they fail to return to work following an approved leave of absence or sick leave without just cause,
  - D. they resign, or
  - E. they are laid off for a period greater than two (2) years.
- 21.06 **Retain and Accumulate Seniority** - Officers shall retain and accumulate their seniority with the Company when absent due to:
- A. layoff, not exceeding two (2) years;
  - B. sickness;
  - C. authorized leave;
  - D. company business.
- 21.07 **Layoff/Recall** - When reducing staff, Officers with the most seniority will be retained, providing they have the required qualifications. When increasing staff, laid-off Officers will be recalled to fill vacancies for which they are qualified in order of seniority.
- 21.08 **RECALL** - Laid-off Officers recalled to work must report to the vessel within 24 hours if a resident of Newfoundland and Labrador and within 48 hours if resident from outside the province. The sailing time of a vessel will not be held up awaiting arrival of a recalled Officer. Notwithstanding Article 21.08, the company may employ any person in order that the vessel may sail when required.

- 21.09 **Recall - Less Than 48 Hours** - Provided an Officer has been given less than 48 hours notice to return to work after being laid-off and the Officer is unable to report as required, they will have the right to exercise their seniority for that position by giving the Company written notice within 14 days. To retain their seniority, they shall be available to work the following shift when they would normally have been required to return to relieve the opposite shift Officer.

#### ARTICLE 22.00 - MARINE MISHAP

- 22.01 **Marine Mishap** - In the event of a shipping accident, the company will provide the following Marine Officers Licence insurance to those Officers involved:
- A. Defence of Marine Licence
  - B. Loss of Earnings
  - C. Civil Legal Defence
- 22.02 **Marine Mishap - Loss of Clothing** - In the event of a marine mishap where an Officer suffers the loss of their clothing (other than Company issued items) and/or personal effects, the Company agrees to pay compensation for such loss up to a value of twelve hundred dollars (\$1,200.00).
- 22.03 **Marine Mishap - Affidavit** - Any Officer or their Estate making a claim under this Article shall submit a signed affidavit listing the individual items and values claimed.

#### ARTICLE 23.00 - BEREAVEMENT LEAVE

- 23.01 **Bereavement Leave** - The Company will grant three (3) days leave to an Officer in the event of a death in the Officer's immediate family. This leave is granted for the purpose of attending the funeral and shall be granted only to those Officers engaged on a tour of duty. For the purpose of this clause, "immediate family" shall be defined as the Officer's parent, grandparents, spouse, child, grandchild, brother, sister, brother-in-law, sister-in-law and parents-in-laws.
- 23.02 **Bereavement Leave - Extended** - In the event of a death to an Officer's parent, spouse or child, should they not qualify for Short Term Disability, the company will extend Bereavement Leave up to a total of fourteen (14) days including leave. The company will grant up to a total of eight (8) days including leave to an officer in the event of a death to grandparents, grandchild, brother, sister, brother-in-law, sister-in-law and parents-in-law.

#### ARTICLE 24.00 - SAFETY

- 24.01 **Safe Operation of Vessel** - Safe operation of the vessel is of paramount importance. All Officers shall participate, as required, in all safety related drills and meetings. All Officers must comply fully with the Company's operations and safety manuals. All safety related directives must be carried out with the utmost dispatch. At all times, Officers shall wear the required safety equipment and protective clothing for their work area on board the vessel. Failure to comply with the safety related directives is just cause for instant dismissal.
- 24.02 **Reporting On Time** - It is to be understood by all Officers that they are required to report on board in a well-rested suitable condition ready for work at least two hours prior to their scheduled working period or prior to the vessel's scheduled sailing time. Failure to report as scheduled for service is grounds for dismissal.

- 24.03 **Tug Officer Onshore** - When tug Officers are ashore in port during off duty periods, they must furnish the Officer on duty with details of their whereabouts and leave a contact number.
- 24.04 **Safety Committee** - It is agreed that a joint safety committee will be established with representation from each vessel. This committee shall meet on a monthly basis to discuss safety matters related to the vessel and a copy of the minutes will be forwarded to the Company office.

#### ARTICLE 25.00 - DRUG AND ALCOHOL TESTING

- 25.01 **Drug and Alcohol Testing** - The Officers and the Union recognize the Company's right to establish a drug and alcohol policy that is binding upon the Officers covered by this Agreement. The Officers and Union recognize and support the Company's policy of zero tolerance towards the presence and use of alcohol and any other non-prescribed drug use while on duty or six (6) hours prior to going on duty.
- 25.02 **Zero Tolerance** - This Zero Tolerance Drug and Alcohol Policy will include pre-employment and random testing for all Officers.
- 25.03 **Copy of Policy** - A copy of the Zero Tolerance Drug and Alcohol Policy is available to all Officers and may be obtained from the Human Resource Office.

#### ARTICLE 26.00 - GROUP RRSP AND HEALTH & WELFARE

- 26.01 **Group RRSP & Benefit Plan** - The Company shall maintain a group medical and life insurance benefit plan. The benefit plan will be cost shared 50/50 between the Company and the Officers.
- 26.02 **Group RRSP 6%** - The Officer will contribute to a Registered Retirement Savings Plan (RRSP) an amount equal to 6% of the Officer's regular basic daily rate. The company will match the Officer's contribution of 6%. The Company and the Officer will make the first payment after completion of one hundred and eighty (180) calendar day Probation Period covered in Article 7.01.
- 26.03 **Group RRSP - Monthly Installments** - Thereafter, the Company and the Officer will make monthly installments towards the Officer's RRSP.
- 26.04 **Group RRSP Mandatory** - Participation in the Company's RRSP will be mandatory. The RRSP will be a plan administered by the company designated financial institution and available to the Officer upon retirement or termination of employment with the company.

It is agreed and understood by the parties that participation in the RRSP Plan is mandatory effective November 1, 2004. For officers employed by the Company prior to this date, the plan is also mandatory unless they sign acknowledgment and waiver to opt out of the company designated financial institution and continue with the existing Officer's plan.

- 26.05 **Health & Welfare** - Please see the Memorandum of Agreement at the back of this Collective Agreement.

#### ARTICLE 27.00 - SEVERANCE PAY

- 27.01 **Severance Pay** - Officers with over six (6) years service shall receive Severance Pay, if the Company terminates their employment. They shall receive four (4) days pay for each year of service up to a maximum of sixty (60) days basic pay without leave pay.

27.02 **Severance Pay - Not Eligible** - Officers dismissed for cause, transferred to another operation while maintaining employment on similar conditions covered in this Agreement shall not be eligible for Severance Pay.

27.03 **Prorated Bonuses** - Should the company pay severance to an Officer, then they will also be entitled to a prorated Seniority Bonus for that year. Payment of this prorated bonus does not apply in the case of resignation or dismissal for just cause.

#### ARTICLE 28.00 - LEAVE OF ABSENCE

28.01 **Leave Application** - An Officer may apply for and receive a leave of absence without pay. Permission for such leave must be obtained from the Company in writing.

28.02 **Leave Granted** - An Officer granted a leave of absence under this Article shall be subject to the following conditions.

- A. The Officer's name shall be continued on the seniority list, and seniority shall accumulate during their absence.
- B. The Officer must return to work not later than the expiry date of their leave, or the expiry date of any authorized extension of it. Failure to report for work on the date required will be cause for termination of employment and termination of the Officer's rights under this Agreement.
- C. An approved leave of absence may be granted for a period of three (3) months. The Company will consider an application to extend this leave for an additional period of up to three (3) months pending operational requirements.
- D. Leave of Absence for educational purposes may be granted for a period of up to six months with no loss of seniority and Officers shall accumulate seniority during such leave.
- E. No more than one person per department shall be granted leave for any one time.
- F. During such leave of absence, Officers must pay their regular monthly Union Dues. The Company agrees to deduct from the pay of each Officer the Union Dues in arrears, if any, applicable under this clause when the Officer returns from the leave of absence.

#### ARTICLE 29.00 - TRAINING

29.01 **Training Required** - All Officers must be willing to undergo periodic training, upgrading, orientation, etc. as deemed necessary by the Company and/or the Company's client. Officers must demonstrate a minimum level of comprehension for training related to the activities of the vessel and further demonstrate the proper implementation of their specialized training through their work effort.

29.02 **Training Mandatory** - The Officer shall be responsible for any newly legislated training, courses, upgrading and/or certification that becomes mandatory in the future to maintain their current certificate of competency.

29.03 **Training - No Loss of Income** - An Officer who is required by the Company to attend training shall suffer no loss of income for attendance at such courses. Officers participating in these training activities on their time off, shall be paid at their regular basic day rate. Officers will not accumulate leave days while undergoing Company sponsored training. The Company shall pay all required registration/tuition costs prior to the commencement of any courses.



- 29.04 **Travel During Training** - Should the Company require an Officer to travel the day before a course commences or the day after it has ended, they shall be paid at a prorated regular basic day rate for the travel time based on distance.

#### ARTICLE 30.00 - EDUCATION LEAVE

- 30.01 **Education Leave** - For the Chief Mate position only, the Company will consider requests for Education Leave for higher-level certification. The Company will have to develop a paid education leave policy that will include a Return of Service Agreement, a maximum period to be funded and subject to budget approval. These requests will be reviewed, while considering the operation requirements at the time.

#### ARTICLE 31.00 - CADETS & OTHER SUPERNUMERARIES

- 31.01 **Cadets** - The Company is at liberty to have on board each vessel Nautical Science and Marine Engineering cadets or other persons in training from any training center. These persons are learning practical job skills by performing and assisting the regular crew to perform their normal duties.
- 31.02 **Supernumeraries** - Supernumeraries, including management personnel, shore based work squads, drydock personnel, shore-based trades persons and any other required support persons or observers will be engaged from time to time on board the vessel to support ongoing service maintenance, performing repairs, contract maintenance, prepare reports and as required may be used to assist the vessel's normal crew complement.

#### ARTICLE 32.00 - DISCIPLINE

- 32.01 **DISCIPLINE** - An Officer covered by this Collective Agreement may be subject to disciplinary action, for failure to comply with Company policies. For the purposes of this Agreement, disciplinary action shall mean discipline up to and including termination of employment. Some of the reasons that may result in discipline include but are not limited to the following:
- A. Failure to promptly comply with all lawful orders of the Master and/or the Superintendent of Tugs.
  - B. Failure to be present at scheduled reporting time without just cause.
  - C. The bringing or using of alcohol or illegal drugs onboard the ship or reporting to a vessel while under the influence of alcohol or illegal drugs.
  - D. Theft or damage of Company property.
  - E. Fighting or using physical force against the Master or any other employees.
  - F. Deliberate interference with the sailing of a vessel.
- 32.02 **DISCIPLINE - IN WRITING** - Matters of a disciplinary nature shall be communicated to the Officer in writing as quickly as possible. The letter of discipline will be placed in the personnel file of the Officer with a copy to the union. Letters of discipline shall be removed from the Officer's personnel file after a period of two (2) years, subject to no additional discipline during that said period.
- 32.03 **GRIEVANCE FILING** - Any Officer covered by this Agreement who is dismissed or suspended shall have the right to file a grievance with the Company through the Union within seven (7) days after such firing or suspension has taken place in accordance with Article 33.00 Grievance Procedure.

Probationary Officers dismissed for unsuitability shall not have recourse through the grievance procedure. Suitability shall be defined by ability, qualifications and performance. The Company shall be the sole judge of ability, qualifications and performance. The Company shall notify the Officer and the Union in writing of the Officer's unsuitability.

## ARTICLE 33.00 - GRIEVANCE PROCEDURE

### 33.01 **GRIEVANCE DEFINED**

- A. Any matter relating to or involving:
- I. the interpretation, meaning, application or administration of this Agreement or any provisions of the Collective Agreement,
  - ii. a violation or an allegation of a violation of this Agreement, or
  - iii. a question whether a matter is arbitrable,
- may be the subject of a grievance.
- B. Procedure:
- I. **STEP ONE** - Any such matter constituting a grievance must be filed in writing with the Company or designee within seven (7) days of the occurrence of the event given rise to the grievance.  
  
The grievance shall be discussed with the Company or their designee representative within seven (7) days of receipt of the grievance.
  - ii. **STEP TWO** - Failing settlement with the Company or their designee representative within three (3) days of receipt of the grievance at Step One, the grievance shall be referred to arbitration within a further five (5) days.
  - iii. Both parties shall, failing the above, agree to a single arbitrator within seventy-two (72) hours or one of the parties or both may apply to the Federal Minister of Labour to appoint one as per the Canada Labour Relations Code.
  - iv. The parties may, by mutual consent, refer the matter to a three (3) person Arbitration Board.
  - v. A grievance under this Agreement may also be filed by the Company.
  - vi. If advantage of the time limits specified in the grievance/arbitration procedure have not been taken, the alleged grievance shall be deemed to have been abandoned and cannot be reopened. Day shall exclude weekends and Statutory Holidays.

### 33.02 **ARBITRATION**

- A. Where no written decision has been given within the time limit specified, the grievance may be submitted to the next step of the grievance procedure, including arbitration.
- B. No grievance shall be lost through error in form or technical irregularity.
- C. The time limits set out above in the grievance and arbitration procedures may be expanded or contracted by mutual agreement of the parties in writing.

- 33.03 **FINAL AND BINDING DECISION** - The decision of the arbitrator on the matter at issue shall be final and binding on both parties, and the Arbitrator shall deal only with the specific question(s) as submitted. But in no event shall the arbitrator have the power to add to, subtract from, alter or amend this agreement in any respect or make any decision inconsistent with this Agreement.
- 33.04 **ARBITRATION COSTS** - Each party shall pay its own costs and the fees and expenses of its witnesses. The fees and expenses of the arbitrator shall be shared equally between the parties.
- 33.05 **EXPEDITED ARBITRATION**
- A. **EXPEDITED ARBITRATION PROCEDURE** - The Expedited Arbitration Procedure can only be used by mutual agreement of the parties to the Collective Agreement.
  - B. **GENERAL PRINCIPLES** - The purpose of developing this expedited arbitration system is to both save cost and time while ensuring fair and reasonable decisions. To that end, presentations made in expedited arbitration should be short and concise and should include a comprehensive opening statement.
  - C. **ARBITRATORS** - An arbitrator will be selected by mutual consent. Arbitrators are to be familiar in arbitration, and where possible with the industry. Compensation for arbitrators will be set by mutual agreement of the parties.
  - D. **HEARING** - Where practical, hearings are to be held in Company or Union facilities to reduce costs. The parties agree that lawyers will not be used to represent either side. The Local Union shall appoint one of its Officers or members to represent the grievor, and the Company shall appoint one of the management staff or another person to represent the Company.
  - E. **AWARD** - All decisions of the expedited arbitrator are limited in application to that particular dispute. The award of the expedited arbitrator sets no precedent and is not to be referred to by either party in any subsequent proceeding. The award will be final and binding. The award is to be in written form; it should be a one to two page award setting out briefly the reasons for the decision. The arbitrator shall render their written decision within five (5) days of the hearing.

#### ARTICLE 34.00 - STRIKES AND LOCKOUTS

- 34.01 **Strikes and Lockouts** - There shall be no strikes, lockout, or stoppage of work while the provisions of this Agreement are in effect.
- 34.02 **Crossing Picket Line** - It shall not be a violation of this Agreement for the employees covered under this Agreement to refuse to cross a picket line where they have reasonable grounds to believe that crossing the picket line is dangerous to their health or safety or the health or safety of another person.

#### ARTICLE 35.00 - SHOP STEWARD

- 35.01 **Steward Appointment** - The Union may elect or appoint a Shop Steward or Shop Stewards to represent the Officers and the Union shall notify the Company in writing as to the name or names of such Shop Steward or Shop Stewards. The Company agrees that no Shop Steward shall suffer discrimination by reason of holding such office.
- 35.02 **Steward Layoff / Terminate** - When the Company for any reason finds it necessary to lay off or terminate a Shop Steward, the Business Representative of the Union shall be notified prior to such termination.

- 35.03 **Union Access** - Upon notice, the Union Representative shall be given access to the Company premises during work hours to conduct Union business. The Union Representatives visit will not disrupt normal Company operations. Arrangements for the access will be made with the Company and regulations of the Company will be abided by.
- 35.04 **Steward Allowed Time** - The Shop Steward shall be allowed reasonable time during working hours, without loss of pay, to carry out their duties provided they notify the Master and it does not interfere with their work. Any Officer being reprimanded by the Company shall have the right to request that the Shop Steward be in attendance.

#### ARTICLE 36.00 - JURY DUTY

- 36.01 **JURY DUTY** - As per Labour Standards.

#### ARTICLE 37.00 - SUB CONTRACTING

- 37.01 **Sub Contracting** - The Company shall not sub contract out any work that members of the bargaining unit have historically done or that the Union is certified and recognized for within the scope of this Agreement, if such sub contracting results in the lay off of a permanent Officer.

#### ARTICLE 38.00 - CLAUSE PARAMOUNT

- 38.01 **Clause Paramount** - The parties to the Agreement will not establish rules or enforce regulations which will in any way be contrary to or in violation of this Agreement.

#### ARTICLE 39.00 - STATUTORY REQUIREMENTS

- 39.01 **Statutory Requirements** - Nothing in this Agreement shall be so construed as to effect the obligations of the signatories under the provisions of the Canada Shipping Act as amended or other Government legislation or to impair whatsoever the lawful authority of the Master.

#### ARTICLE 40.00 - SAVINGS CLAUSE

- 40.01 **Invalid Articles** - If any article or section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Agreement or section to persons or circumstances other than those to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall be effected thereby.
- 40.02 **Invalid Articles/replacement Articles** - In the event that any article or section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties effected thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union or the Company, for the purpose of arriving at a mutually satisfactory replacement for such article or section during the period of invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the Grievance Procedure.

#### ARTICLE 41.00 - DURATION

- 41.01 **Duration** - The parties agree that this Collective Agreement shall extend from August 16, 2007 to August 15, 2012. It is understood that either party can give notice of its desire to amend, or modify

same by giving it in writing to the other within ninety (90) days of the expiration date of the agreement. Once notice has been given, proposals should be formulated and negotiations commenced without undue delay.

The parties further agree that the provision of this Agreement shall remain in effect while the negotiating process is taking place, should that process extend beyond the termination date of the contract.

**SIGNATURE PAGE**

Dated this the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

**Cancrew Enterprises Limited**

**International Union of Operating Engineers,  
Local 904**

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**APPENDIX A**

Wages					
	January 1, 2008	January 1, 2009	January 1, 2010	January 1, 2011	January 1, 2012
Base Salary Increased by:	C.P.I. min. of 2%	C.P.I. min. of 2%	C.P.I. min. of 2%	C.P.I. min. of 2%	C.P.I. min. of 2%

**Consolidated Day Rate** - The Company will increase the allowance in the Consolidated Day rate by four (4) days at regular pay.

**Negotiating Committee** - The Company shall make a one time contribution of two thousand (\$2,000.00) dollars for negotiating a first Collective Agreement.

Each permanent employee shall receive a lump sum payment of \$4,200.00 within fourteen (14) days of the signing of the Collective Agreement.

**MEMORANDUM OF AGREEMENT**  
Between  
Cancrew Enterprises Limited  
and  
International Union of Operating Engineers,  
Local 904

**Health and Welfare**

The parties agree that the existing company group welfare plan may only be altered or amended by mutual agreement between the parties.

Dated this the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

**Cancrew Enterprises Limited**

**International Union of Operating Engineers,  
Local 904**

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