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**COLLECTIVE AGREEMENT**

**BETWEEN**

**OCEANEX INC.**

**AND**

**INTERNATIONAL LONGSHOREMEN ASSOCIATION  
LOCAL 1953**

**(representing the -Maintenance Division of Oceanex)**

14218 (01)

Re: 3886

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## COLLECTIVE AGREEMENT

### Oceanex Inc. and I.L.A. Local 1953 (St. John's Maintenance)

#### ARTICLE 1 - PURPOSE

1:01 The purpose of this Agreement is to provide constructive industrial relations between the Employer and its employees covered by this Agreement and to secure prompt disposition of grievances, to secure the efficient operation of the Employer's business without interruption or interference with work, and to provide fair and equitable wages, hours of work and working conditions for the employees. It is recognized by this Agreement to be the desire of the Employer and the Union to co-operate fully for the advancement of these objectives.

#### ARTICLE 2 - STRIKES AND LOCKOUTS

- 2.01 The Union agrees that during the lifetime of this Agreement there shall be no strike, slowdown, or stoppage of work either partial or complete and the Company agrees that there will be no lockout.
- 2.02 If a strike, stoppage of work or lockout should occur, contrary to the terms of this Agreement, either party shall be liable to such penalty as may be prescribed under Canadian Law.
- 2.03 For the purpose of this Article, the word "Strike" includes (a) a cessation of work or a refusal of/to work or to continue to work by the employees in combination or in concert or in accordance with a common understanding, and (b) a "Slowdown" of work or other concerted activity on the part of the employees in relation to the work that is designed to restrict or limit output.
- 2.04 "Lockout" means the close of a place of employment done to compel employees to agree to terms or conditions of employment.

#### ARTICLE 3 – RECOGNITION

- 3.01 The Union also agrees that, in the mutual interest of the Union and the Company in the future operations of the Port, it will henceforth maintain a level of qualified regular membership in the Maintenance Division sufficient to meet the normal labour requirements in the Port.
- 3.02 It is agreed by both Oceanex Inc. and the Union that employees of the Company who are involved in the repair & maintenance of machinery, either Company (Oceanex) owned or leased, shall become members of the I.L.A. Local 1953 L.S.P. Union, subject to the terms and conditions of this agreement.
- 3.03 Employees involved in the repair, maintenance and associated work of Company owned or leased equipment shall be recognized as the Maintenance Division of the I.L.A. Local 1953, L.S.P. U.

## **ARTICLE 4 – SENIORITY**

- 4.01 Employees of the Maintenance Division shall be ranked in seniority in order from the date of original employment with the Company.
- 4.02 In the event of a layoff, either temporary or permanent, an employee within their classification and with the lowest seniority will be laid off first and called back last regardless of the number of employees laid off or the duration of the layoff. Jobs to be posted and filled internally, if possible, within their classifications
- 4.03 An employee's seniority and employment shall be deemed to have terminated if he:
- (a) resigns from his employment with the Employer;
  - (b) retires or is retired by the Employer;
  - (c) is discharged for just cause;

## **ARTICLE 5 – OVERTIME**

- 5.01 Overtime for Maintenance Division employees shall be shared on a relatively equal basis, starting with the highest employee in seniority and continuing to the lowest in seniority. This shall be done on a rotation basis as per mechanics, welders, parts clerks and utility men. There shall be at least one designated crane mechanic on shift when a ship is working or when crane maintenance is required.
- 5.02 An employee who is offered to work overtime and refuses to do so shall be credited for purposes of credited overtime, as if he had worked that overtime.

## **ARTICLE 6 – CONTRACTING OUT**

- 6.01 The Company agrees that during the term of this contract, it will not contract out maintenance or repair work that can be carried out by maintenance employees, other than tire repair. The Company will contract out work only when all regular mechanics are fully employed.

## **ARTICLE 7 – TRAINING**

- 7.01 The Company will provide equal training opportunities for all mechanics. Training will be provided on all types of equipment. Oceanex agrees that the age of the employee or his present qualifications shall not be a factor in the order of selection for the training of employees within the mechanical division.
- 7.02 The Company will offer training to all regular power equipment mechanics and will be provided independent aptitude and capability assessments by the crane manufacturer. Seniority will apply for those who have successfully passed the manufacturer's assessment. Should a mechanic choose not to participate in a scheduled training session, he may apply for training in the future when training becomes available. In the event of a layoff, division wide seniority will apply so long as there are three crane mechanics remaining in the reduced workforce.

- 7.03 The Company agrees to train members in the Maintenance Division of the Union where and when there is a necessity.
- 7.04 The Company agrees to initiate training programs whereby employees will be able to upgrade their qualifications in order to meet the requirements of the workplace based on seniority.
- 7.05 First consideration for the training programs will be given to those employees with the necessary seniority, and who have applied, in writing, to the employer for such training. Employees will be given reasonable notice of training programs and a reasonable period of time to apply for such training. All employees who attend training shall be paid for all hours at their regular rate subject to the terms of this agreement.

#### **ARTICLE 8 – TOOL ALLOWANCE**

- 8.01 The Company will provide an annual tool allowance of \$400.00 to each mechanic. Maintenance personnel must, at all times, have the tools required to perform their duties and responsibilities in their possession when at work.

#### **ARTICLE 9 – SICK LEAVE**

- 9.01 This policy outlines the benefits granted to eligible Maintenance Division full time staff who are absent due to illness or an accident which occurred outside working hours.
- (a) Maintenance Division full time staff are eligible for these benefits after having completed three (3) months of continuous service, which generally corresponds to the probation period. Once the three-month period is over, sick leave benefits are retroactive to the date of employment.
  - (b) Maintenance Division full time staff members are allocated one (1) day of sick leave with pay for every month worked. Sick days are accumulated for use when needed by way of one (1) day with pay for each day of absence. If deemed appropriate, the supervisor can request a medical certificate at any time.
  - (c) The maximum sick leave Maintenance Division full time staff may use at one time is limited to four (4) calendar months. Once this has been reached, they are then eligible for long-term disability insurance.
  - (d) Accumulated sick leave is not credited to Maintenance Division full time staff upon leaving or retirement. Furthermore, no sick leave credits are earned when Maintenance Division full time staff members are not working.
  - (e) Sick leave benefits end on the effective date of layoff or termination of a Maintenance Division full time staff member, providing that the sickness began after the Maintenance Division full time staff member received the notice of layoff or termination. However, if the sickness began more than two (2) months before the layoff or termination, sick leave benefits will apply regardless of whether the Maintenance Division full time staff member received the notice of layoff or termination beforehand.

**ARTICLE 10 – BEREAVEMENT**

10.01 An employee will be granted a paid leave of absence upon the death of a close family member. This policy allows the employee to spend time with loved ones during this trying period and help plan funeral arrangements.

The terms and conditions for bereavement leaves are as follows:

- (a) A paid leave of absence applies only to regular working days that coincide with the day of death and end on the day of the funeral.
- (b) A maximum of three (3) days is granted in the event of the death of an employee's spouse, child, mother, father, sister, brother, mother-in-law, or father-in-law.
- (c) One (1) day of leave is granted to attend the funeral in the event of the death of an employee's grandmother, grandfather, sister-in-law, or brother-in-law.

**ARTICLE 11 – HOURS OF WORK**

11.01 (a) The general hours of work are as follows:

<b>Day</b>	<b>Working Hours</b>	<b>Rate of Pay</b>
<b>Monday to Friday</b>	8:00 to 17:00	Straight
	18:00 to 22:00	1 ½
	23:00 to 7:00	2x
<b>Saturday</b>	All day	1 ½
<b>Sunday</b>	All day	2x
<b>Meal Hours</b>	12:00 to 13:00	1 ½
	17:00 to 18:00	1 ½
	22:00 to 23:00	2x

- (b) A minimum of 3 hours will be paid at the appropriate rate for any "call out".
- (c) Overtime may be banked to a maximum fifty hours.
- (d) Any employee who is required to work up to 3 am shall be entitled to the next day **off** with pay.
- (e) A ten (10) minute wash up period will be provided before dinner and supper.

11.02 (a) The Employer and the Union recognize that the regular work hours of employees are currently Monday to Friday, 8:00 to 17:00. In the event that the Employer determines it needs to implement a second shift, it shall be from 16:00 to 24:00. The Employer shall give the Union and any affected employees fifteen (15) days' notice of the implementation or discontinuance of the new shift.

- (b) Rates of pay as provided in Article 11.01 shall apply to the new shift as follows:

<b>Working Hours</b>	<b>Rate of Pay</b>
16:00 to 18:00	Straight
18:00 to 22:00	1 ½
22:00 to 24:00	2x

Should an employee be working the 8:00 to 17:00 shift, time worked after 17:00 shall be overtime payable at time and a half until 22:00 and at double time thereafter.

- (c) Employees working the 16:00 to 24:00 shift will be entitled to 2 paid 15-minute breaks and 1 half-hour paid meal break. These breaks shall be taken on a floating basis at the employee's option. Employees working the 8:00 to 17:00 shift required to work beyond 17:00 shall be entitled to a paid one-hour meal break plus the cost of a meal in accordance **with** the current practice.

## **ARTICLE 12 – VACATION**

12.01 Maintenance Division employees will be provided the following vacation benefits:

<b>Length of Service</b>	<b>Vacation</b>	<b>Vacation Pay</b>
Less than 1 month	None	4%
Greater than 1 month but less than 10 months	1 day/month	4%
10 months but less than 3 years	2 weeks	4%
3 years but less than 6 years	3 weeks	6%
6 years but less than 20 years	4 weeks	9%
20 years or more	5 weeks	10%

12.02 As well, a service recognition program will allow the employee to take an additional week of vacation for every multiple of five (5) years of continued service based on the person's date of hire with Oceanex and effects exclusively the anniversary year.

- 12.03 If a person is entitled to three or more weeks vacation, they have the option of taking three consecutive weeks vacation during the summer period subject to seniority and scheduling.
- 12.04 Part time employees who complete ninety (90) working days of employment shall be entitled to all vacation benefits as stated above.
- 12.05 Any employee who is off sick from work is entitled to their annual vacation or percentage, whichever is greater.
- 12.06 The application of Article 12.01 is based on a vacation reference year of May 1<sup>st</sup> to April 30<sup>th</sup> of the following year.
- 12.07 Employees are paid their entire vacation entitlement between May 1<sup>st</sup> and September 1<sup>st</sup> for the reference year in question.
- 12.08 The Employee must request in writing, his vacation pay at least three (3) weeks prior to payment.

### **ARTICLE 13 – PENSION PLAN**

- 13.01 All employees of the Maintenance Division are eligible for the pension program described in Appendix C of this Agreement. This is a non-negotiable plan and its conditions and terms will be established by the Company.

### **ARTICLE 14 – GROUP BENEFIT PLAN**

- 14.01 All employees of the Maintenance Division are eligible for the Group Benefit Plan described in Appendix D of this Agreement. This is a non-negotiable plan and its conditions and terms will be established by the Plan's managers. Should additional benefits be realized in the future, said benefits will be passed on to the Maintenance Division employees at no additional cost to Oceanex.

### **ARTICLE 15 –CLOTHING #**

- 15.01 - Personal Protective Equipment “PPE” as per Company policy;
- Personal
  - Gloves as required;
  - 2 pairs of safety boots every year as per Company policy;
  - 5 pairs of pants and shirts every 2 years;
  - Rain gear every 2 years;
  - 9 pairs of summer coveralls every 2 years;
  - 2 pairs of insulated coveralls every 2 years;
  - 1 pair of Helly Hanson coveralls and 1 pair of insulated coveralls every 2 years.



## **ARTICLE 16 – LUNCHROOM**

16.01 Oceanex will supply lunchroom facilities. The Company will supply overtime meals (if, and only if, meal hours are abbreviated to twenty minutes in order to expedite timely repairs). Coffee, tea and related supplies will also be supplied including hand cleaner, soap, paper towels and water cooler

## **ARTICLE 17 – DISPUTES AND ARBITRATION PROCEDURE**

17.01 **Permanent Joint Committee:** The Union shall appoint or otherwise select three (3) members to serve on the Disputes Committee and shall notify the Company of the names of the members so appointed or selected within seven (7) days of the signing of this Agreement. The Company will likewise appoint three (3) members to serve on the Disputes Committee. It is agreed that the Union and the Company may appoint or otherwise select a substitute for any of their respective committee members whenever they deem substitution necessary.

### **17.02 INDIVIDUAL DISPUTES**

**Step 1 -** Any dispute between one or more employees and the Company shall be immediately communicated verbally to the Maintenance Supervisor.

**Step 2 -** If the dispute is not resolved immediately at Step 1, then the Union may formulate a grievance and present same in writing within the following two (2) working days to the General Manager-Operations, St. John's, NL who will render a decision in writing within the following two (2) working days.

**Step 3 -** Within two (2) working days following the decision of the General Manager-Operations, St. John's, NL, the party wishing to pursue the dispute will notify the Permanent Joint Committee in writing. The Permanent Joint Committee will attempt to settle the dispute within five (5) working days following receipt of such notice.

**Step 4 -** If the dispute is not resolved in Step 3, it may be submitted to a sole arbitrator by either party notifying the other party in writing within ten (10) working days of when a decision should have been reached in Step 3 and a decision will be rendered as provided below:

- (a) Any matter referred to arbitration under this Agreement, shall be submitted to a single arbitrator who shall be chosen having regard to his impartiality, his qualifications in the interpretations of the agreements and his familiarity with the industry matters.
- (b) The party giving notice of intent to refer a matter to Arbitration shall include in the writing notice given to the other party, the names of at least three (3) persons for the consideration of the other party as an Arbitrator. Failing agreement on such selection of an arbitrator, the Federal Minister of Labour, on the request of either party, may appoint an Arbitrator.
- (c) Following the selection or appointment of the Arbitrator, the party initiating the grievance will, within five (5) working days of said selection or appointment, contact the Arbitrator and advise him of the matter to be arbitrated. Within fifteen (15) working days of his selection or appointment, or at such time that is acceptable to

the Company and the Union, the arbitrator shall hold a hearing.

- (d) The Arbitrator shall hear and determine the difference or allegations and shall make a decision within seven (7) days, or within such other period as the parties may agree upon or the arbitrator may reasonably require, following the hearing. The decision of the Arbitrator shall be final and binding upon the parties.

- 17.03 Should the Company wish to file a dispute alleging violation of this Agreement, it may do so by commencing at Step 3 of this procedure and submit the dispute in writing to the Permanent Joint Committee. A request for arbitration may be initiated by either the Union or the Company.
- 17.04 General Disputes: Should a dispute arise between the Union and the Company, the matter shall be discussed between the Union and the Company with a view to resolving the dispute. If no settlement can be reached within ten (10) working days, then the dispute will be handled in accordance with the procedures laid out in Step 4 of Clause 17.02.
- 17.05 The arbitrator's fee and expenses will be equally divided between the parties.
- 17.06 The Arbitrator shall have jurisdiction over any question relating to the interpretation or application of any clause of this Agreement and the implementation of the Arbitration decision, but the Arbitrator shall in no case be empowered to amend, modify, add to or delete any part of this Agreement.
- 17.07 The Permanent Joint Committee shall not alter, modify, or amend any part of this Agreement.
- 17.08 Pending disposal of a dispute in accordance with the above procedure, the employees shall continue to work as instructed by the Employer.
- 17.09 (a) Failure to follow the above procedure, within the time limits agreed on, shall be conclusive evidence of the abandoning or non-existence of a dispute or grievance.  
  
(b) Any of the time limits referred to in this Article may be extended by mutual agreement, in writing, between the parties to this Agreement.

## **ARTICLE 18 – ANNUAL MEETING**

- 18.01 The Company agrees that all work on the waterfront shall cease at 17:00 on the third Thursday in May so that all men may attend the Annual Meeting of the Union. Every effort will be made to structure the meeting to minimize disruption to regular terminal operations.
- 18.02 When special Union meetings are required during the year, the Union will advise the Company forty-eight (48) hours in advance and an agreement between both parties will be reached to allocate an evening which will be least disruptive to the members of the Company and Port.

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## **ARTICLE 19 – HIRING HALL FUND**

- 19.01 The Company agrees to deduct from each employee's pay payable to him during the life of this Agreement such amounts as may be certified, in writing, as being the amount of Union dues currently payable.
- 19.02 Union dues deducted by the Company shall be remitted to the Union in each payday, together with such details and explanations as may be reasonably required.
- 19.03 The Company shall have no financial responsibility for fees or dues of an employee unless there are sufficient unpaid wages of that employee in the Company's hands.
- 19.04 The Employer will pay into a hiring hall fund an amount of \$3,500 annually and will be paid in one lump sum at the beginning of each contract year, beginning in 2010.

## **ARTICLE 20 – PAY AGENT**

- 20.01 The Union accepts that the Company may contract with an outside supplier to operate as their agent in the compilation and payment of weekly payroll and that the Company retains the right to change to another pay agent if and as advantageous. **As** payment agent, the outside supplier is responsible for all statutory deductions and remittances to government bodies.
- 20.02 It shall be the responsibility of each employee to notify the Employer promptly, in writing, of any change of address or telephone number.

## **ARTICLE 21 – WORK DESCRIPTION**

- 21.01 Both the Union and the Company agree that, Maintenance Division employees will be required **ONLY** to perform the work that they have historically done and shall not be required, expected or permitted to carry out any work that has in the past been done by the long shoring division of the Union and vice versa, the long shoring division employees of the Company shall not be required, expected or permitted to carry out work that has historically been completed by the Maintenance Division. All activity, including the lifting of equipment and any other work that is carried out inside the maintenance building, will be performed by employees of the mechanical division.
- 21.02 On days when a vessel is working in the port and in a situation where a yardman is not available, a qualified mechanic may move any motorized equipment to and from the garage for maintenance work or repairs. This includes top lifts, reach stackers, forklifts and shunt trucks only. No Third Party operators shall be permitted, required or expected to operate any equipment at any time. i.e. City Tire, etc. **Chassis are exempt from the above and may be moved by maintenance staff in and out of the garage at any time.**

## **ARTICLE 22 – SUPERVISORY ASSESSMENTS**

22.01 It shall be the responsibility of the supervisor to direct the men in relationship to their work. A supervisor shall not operate any mechanical equipment except in the assessment of a mechanical problem and its repair. A supervisor shall not start, repair or perform maintenance on any mechanical equipment (except in the event of an emergency) where there exists the potential for the loss or danger to personnel and equipment. Should a supervisor perform work under this clause, a three-hour call in will be paid to the next mechanic out. If work is performed beyond the three hours, that mechanic will be paid as per Schedule A.

## **ARTICLE 23 – DISCIPLINE**

- 23.01 (a) The Union agrees that it will not uphold incompetence, insubordination, shirking of work, absenteeism, pilfering or broaching of cargo, consuming intoxicants (including alcohol and drugs) on the job or reporting for work under the influence of same or failure to perform work, as required, under the terms of this Agreement. An employee may be discharged or otherwise dealt with, as the employer sees fit, for committing any of the above offences or for any other reasonable cause. A claim by an employee that he has been disciplined without just cause may be the subject of a grievance. A man suspended for any of the above infractions shall not be allowed to work for any other employer on the waterfront while under suspension.
- (b) The parties are committed to maintaining a safe and productive work environment which is free of drugs and alcohol, so in the case of an employee disciplined for consuming intoxicants on the job or reporting to work under the influence, the employer shall apply the following disciplinary action, 1<sup>st</sup> offence – 2 week suspension, 2<sup>nd</sup> offence – 1 month suspension and rehabilitation program, 3<sup>rd</sup> offence – indefinite suspension. All subject to 23:01 (a)

## **ARTICLE 24 – USE PREVENTION & REMEDIATION PROCEDURES**

### **24.01 Intent**

The employer and the union acknowledge that this article is an important component of the overall safety program of Oceanex ("the employer") designed to ensure a safe, healthy and productive workplace. It recognizes that the use of illicit drugs and the misuse of alcohol or prescription drugs can limit employees' abilities to properly do their job, and can have a serious negative impact on the health and safety of all concerned.

The purpose of the policy is to:

- Support our responsibility for a commitment toward our employees to ensure a safe and health workplace;
- To ensure that all employees have a work environment which is free of alcohol and drug use/abuse;
- To outline the employer's expectations and requirements for creating and maintaining an alcohol and drug free work environment and for dealing with substance abuse in the workplace;

- To provide an opportunity for employees to get assistance in dealing with a substance abuse problem.

## 24.02 **Scope**

This policy applies to employees covered by this Collective Agreement.

## 24.03 **Definitions**

**Alcohol** means the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols including methyl and isopropyl.

**Employer Business** refers to all business activities undertaken by employees in the course of the employer's operations, whether conducted on or off employer's premises. It includes all situations when employees are representing the employer.

**Employer Premises** includes, but is not necessarily restricted to all land, property, structures, installations, vessels and equipment used, owned, leased, operated or otherwise directly controlled by the employer or under the employer's operating authority.

**Drug** means any substance, drug or medication, the use of which has the potential to change or adversely affect the way a person thinks, feels or acts. For purposes of this policy, drugs of concern are those that inhibit a worker's ability to perform his/her job safely and productively.

**Employees** include all regular full time, part time, seasonal, temporary and casual employees when on employer business or employer premises.

**Fitness for Work/Duty** in the context of this policy means being able to safely and acceptably perform assigned duties without any limitations due to the use or after-effects of alcohol, illicit drugs or medications other than prescription drugs taken in accordance with a prescription and any failure to perform without such limitations is **Unfitness for Work/Duty**.

**Illicit** drug means any drug or substance whose use, sale, possession, purchase or transfer is restricted or prohibited by law.

**Return to Work Agreement** is an agreement entered into between an employee, the union and the employer governing the conditions of return to work following treatment of the employee for alcohol or drug problems.

**Safety-Sensitive Positions** are positions in which employees have a key and direct role in an operation where impaired performance could result in safety risk to self, co-workers, property, the community or the environment.

## 24.04 **Expectations**

- (i) Employees are expected to be fit for duty when they report for work or are called into work and to remain that way for the duration of their shift or other period of work.

(ii) **No employee shall:**

- (a) report for duty or working while unfit for work;
- (b) misuse or make unauthorized use of medications, whether prescribed or over-the-counter, including misuse of prescription medication (e.g. not using the medication as prescribed or directed by a physician or pharmacist, using some else's prescription medication or combining medications with alcohol contrary to the directions of a physician or pharmacist);
- (c) use, possess, distribute or offer for sale illicit drugs, or any prescription drugs on the employer premises provided that an employee may possess prescription drugs while on the employer premises for the purposes for complying with such prescription;
- (d) use, possess, distribute or offer for sale alcoholic beverages on the employer premises.

(iii) **Authorized Medication:** Employees are expected to responsibly use prescribed and over-the-counter medications in accordance with the physician's or pharmacist's instructions. They must:

- Review their duties with their physician or pharmacist to confirm that the use of medication will not impair their ability to work safely;
- Report immediately any concerns to their supervisor.

Supervisors are required to ensure that work assignments for affected employees are adjusted, if an as possible, without unduly compromising employer business, safety and welfare. The employer reserves the right to confirm the nature and duration of any required work modifications with the treating physician and as a condition of employment with the employer the employee involved consents for the treating physician to meaningfully participate in such discussions.

(iv) **Scheduled Standby:** Employees on call are expected to remain fit for duty while on call and be capable of reporting to work in accordance with the expectations of this article.

(v) **Unexpected Call-In:** Employees requested to perform unscheduled work (i.e. not scheduled or on call) must refuse such request if they are not fit for work/duty. A refusal in these circumstances will not result in any disciplinary or other corrective action.

(vi) **Unfit for Work Situations:** Employees at the work site who are observed behaving in an unusual manner such that there are reasonable grounds to suspect their ability to safely and efficiently perform their duties for any reason will be removed from duty. If an employee is required to leave the employer premises because there are grounds to believe the employee unfit for work, transportation will be provided. In the event the that employer reaches a conclusion that an employee's ability to work is impaired by alcohol or a drug, the employer may require the employee to leave the worksite, but there shall be no loss of wages unless testing verifies that the ability of the employee to work was impaired by alcohol or an illicit drug.

## 24.05 Social Events

- (i) **Events During Normal Work Hours:** Alcohol consumption is not permitted on employer worksites except under special circumstances for social events approved by senior management.
- (ii) Possession, distribution or use of illicit drugs or the excessive use of alcohol by employees on employer premises or at a social event sponsored by or organized by the employer is strictly forbidden.
- (iii) The employer will reimburse employees for reasonable cost of transportation home from an employer sponsored event where alcohol is served.

## 24.06 Violations

- (i) Violation of this article may constitute grounds for disciplinary action. Any discipline imposed must be imposed in a progressive fashion and the standards for discipline should be consistent with Article 23.01 of the Collective Agreement. In all situations, an investigation will be conducted to verify if a violation has occurred. No discipline may be imposed unless impairment can be established.
- (ii) An employee believed to be involved in an incident that could lead to disciplinary action may be placed on leave with pay pending the results of the investigation.
- (iii) Disciplinary action will be determined in accordance with the facts of the case, including the circumstances of the violation, the culpability of the conduct and the work history of the employee. Disciplinary action or testing for unfitness to work or impairment (in circumstances where testing is applicable) cannot be avoided by a request for assistance with a substance abuse program or by disclosure that the employee is already involved in a treatment program. Discipline will not preclude participation in the employer/employee assistance program.

**Substance Abuse Program:** Employees who may have a substance abuse problem are expected to assume ownership of their problem and to use counselling and treatment services that are available. For these purposes, the employer agrees to fund an employee assistance program for employees who have problems with the abuse of either drugs or alcohol. Employees are encouraged to report to their employer if they believe they have a substance abuse problem. No penalty shall operate in the event of an employee self-reporting. Notwithstanding the foregoing, if an employee reports to work under the influence of illicit drugs or alcohol, Article 23.01 will apply.

**Loss of Licence/Impaired Driving Charge:** Employees who generally or periodically operate any motorized vehicle on behalf of the employer must advise their supervisor immediately if charged with an impaired driving offence or loss of licence. Failure to report the charge will be grounds for appropriate disciplinary action which could include termination of employment.

## 24.07 Employer Responsibilities

The employer shall:

- (i) actively promote a safe and healthy working environment that strives to eliminate any negative affects due to inappropriate use of alcohol or drugs.
- (ii) provide prevention programs emphasizing awareness, education, training and peer participation.
- (iii) provide employer funded access to confidential assessment counselling, referral and aftercare services.
- (iv) identify specific standards to be met by employees holding safety sensitive positions.
- (v) monitor and take appropriate action if an employee who is required to have a valid driver's licence as a condition of employment is charged with impaired driving or convicted of impaired driving at any time.
- (vi) subject to the provisions of this article, provide drug and alcohol testing for employees as permitted by this article only.
- (vii) ensure that the results of any testing are held confidential by the employer's medical staff and Human Resources Department only and not disclose to any other persons without the written consent of the employee, unless such employee challenges the appropriateness or validity of such tests.

## 24.08 Assistance and Rehabilitation

The employer recognizes that alcohol and drug addiction are treatable illnesses for which early intervention greatly improves the probability of a lasting recovery. Employees who suspect they have a substance dependency or emerging alcohol or drug problem are encouraged to seek assistance from the employer Employee Assistance Program (EAP), their personal physician or appropriate community services and to follow appropriate treatment promptly before job performance is affected or violations of this policy occur. Access to rehabilitation programs, medical benefits and partial funding for programs is available to help employees overcome substance abuse. In order to access Employee Assistance Program, a worker must contact the Human Resources Department.

**Assistance:** Employees who come forward voluntarily for help with an alcohol or drug problem will be referred to a Substance Abuse Professional (SAP) for assessment and will be supported through a treatment and aftercare program consistent with the SAP's recommendations and the applicable benefit coverage. Employees should understand that accessing assistance or declaring a problem does not eliminate the requirement for maintenance of satisfactory performance levels. Employees who voluntarily seek assistance through the employer's EAP services will not be disciplined for doing so, but employees cannot avoid disciplinary action by declaring they suffer from an addiction.

**Aftercare:** Employees who complete primary treatment (e.g. residential or out-patient treatment) for alcohol or drug problems as a result of a performance-related referral or request for assistance from the employer will be required to participate in an aftercare program when returning to work in order to assist them in recovery, consistent with the SAP's recommendations. Such employees returning to work will be expected to enter into a written Return to **Work** Agreement which will outline the conditions governing their return to work.



**Confidentiality:** Confidentiality of all records collected under this policy will be maintained except where limited disclosure is necessary for related health and safety concerns (e.g. there is deemed to be a potential risk to self, others or the employer) or if disclosure is required by law. Information limited to the medical level of functionality (e.g. fitness for work and any restrictions that may apply) may be shared with those individuals who need to be informed for purposes of determining fitness for work, appropriate work accommodation and/or work re-entry initiatives.

All records relating to employee personal information collected under this policy will be stored in accordance with the provisions of this article and only used for explicit purposes for which they were collected.

#### 24.09 Checks

- (i) There shall be no random or unit wide checks or testing for drugs or alcohol. Testing can only be required of an employee where the employer has reasonable grounds to conclude that an employee is, while at work, impaired in his/her ability to work by either alcohol or an illicit drug.
- (ii) In the event that the employer reaches a conclusion that an employee's ability to work impaired by alcohol or a drug, the employer may require the employee to leave the work site, but there shall be no loss of wages until testing verifies that the ability of the employee to work was impaired by alcohol or an illicit drug.
- (iii) Where the employer requires a test to be performed, double samples of the substances to be analysed will be taken and the employee's personal physician shall be provided with a sample of each substance to be tested, so that independent tests may be performed at no additional cost to the employer.
- (iv) Prescription drugs taken in accordance with a prescription and medical conditions shall be excused from the application of this article, provided that an employee may be required to leave the workplace if his/her ability to work is impaired by a prescription drug or medical condition, but in such circumstances there shall be no **loss** of wages. **It is** the employees' responsibility to review their duties with their physician or pharmacist to confirm that the use of medication will not impair their ability to work safely and report immediately any concerns to their supervisor who shall, if and at all possible, without unduly compromising employer business safety and welfare, ensure that the employees' work assignments are adjusted.
- (v) The employer shall provide to the union a summary of the results of all testing performed on an annual basis, without identification of the employee involved. Where the number of tests taken is **so** small that it would identify the employee concerned, no results will be provided. Employees shall be given the results of all tests performed concerning them, whether or not the results are positive.
- (vi) The employer may require pre-employment screening of perspective employees.

## **ARTICLE 25 – LABOUR/MANAGEMENT COMMITTEE**

- 25.01 (a) A Labour-Management Committee shall be established consisting of not more than 2 representatives of the Union and an equal number of representatives of the Employer.
- (b) The Committee shall concern itself with problems and matters of mutual interest, which affect the relationship, but are not properly the subject matter of dispute or negotiations.
- (c) The Committee shall not supersede the activities of any other committee of the Union or the Employer and does not have the power to bind either the Union or the Employer to any decisions or conclusions reached in its discussion, but the Committee shall have the power to make recommendations to the Union and the Employer.
- (d) The Committee shall meet as needed at a time and place agreed upon. The meeting may be cancelled or rescheduled by mutual consent. The party requesting the meeting must submit an agenda at least five (5) days in advance of the meeting and a copy of the agenda shall be supplied to the Committee at least forty-eight (48) hours in advance of the meeting.
- (e) The Committee shall be chaired by the party requesting the meeting. Written minutes of all meetings will be recorded and distributed to all members of the Committee by the Chairperson of the meeting.

## **ARTICLE 26 – EMPLOYMENT SECURITY**

- 26.01 **LETTER OF AGREEMENT** - It is agreed that, if during the life of this agreement, work which is presently being performed by Oceanex is transferred to another Association member, then the maintenance employees who normally do this work will be retained by the new employer.

## **ARTICLE 27 – \_\_\_\_\_ I:**

- 27.01 It is agreed that the language of the **Canada Labour Code** and Clause 26.02 shall apply to any instances of technological change.
- 27.02 An employee who is displaced from his job by virtue of technological change or new method of operation will be given the opportunity to fill other vacancies according to seniority, qualifications, skills and abilities.

## **ARTICLE 28 – WAGE RATES**

- 28.01 (a) Maintenance Division employees will be paid according to those rates set out in Schedule "A".
- (b) The Apprentice Mechanic I will be paid according to those rates set out in Schedule "B".

**ARTICLE 29 – RETIREMENT SUPPLEMENT**

- 29.01 On or around January 31 of each year, the Company shall contribute the sum of twenty eight hundred dollars (\$2,800.00) to the Union for each retired employee, for five (5) years after retirement. This retirement supplement applies only to persons who have retired after January 1, 2004.
- 29.02 Exception to Article 28.01 - On or around January 31 of each year, the Company agrees to contribute the sum of twenty eight hundred dollars (\$2,800.00) to the Union, for the seven (7) years following the retirement of Michael Kavanagh. It is understood and agreed that Michael Kavanagh will not be considered for the purposes of calculating the retirement supplement described in paragraph 1 above.

**ARTICLE 30 – VOLUNTARY RECOGNITION** 

30.01 Notwithstanding anything contained in this Recognition Agreement, whether actually or impliedly to the contrary, the parties are agreed that the recognition of bargaining rights of I.L.A., Local 1953 by Oceanex for its Maintenance Division employees involved in mechanical repair and maintenance of machinery owned or leased (excluding warranty or manufacturer inspection and maintenance or repair) is conditional upon the express understanding that this Recognition Agreement and any renewals or extensions thereof shall be applicable and enforceable **only** in respect of those maintenance and repair employees employed by Oceanex at its St. John’s terminal operations (hereafter referred to as its Maintenance Division).

I.L.A. Local 1953 agrees and acknowledges that the Maintenance Division will be operated and this Agreement administered separate and apart from the General Working Agreement.

All terms and conditions of this Agreement shall be considered specific to the Maintenance Division of Oceanex and all terms and conditions of the Working Agreement are specific and conditional to that particular agreement.

**ARTICLE 31 – STATUTORY HOLIDAY**

31.01 The Company acknowledges the following Statutory Holidays subject to the conditions listed below, as holidays with pay, for which employees will be paid their regular rate of pay:

- |                   |                  |
|-------------------|------------------|
| New Year’s Day    | Orangeman’s Day  |
| St. Patrick’s Day | Regatta Day      |
| Good Friday       | Labour Day       |
| St. George’s Day  | Thanksgiving Day |
| Victoria Day      | Remembrance Day  |
| Discovery Day     | Christmas Day    |
| Canada Day        | Boxing Day       |

31.02 In order to qualify for these paid holidays, a regular full time employee must work the day before and the day after the holiday, according to his work schedule, unless absent on authorized leave.

31.03 Due to the nature of continuous operations, when an employee must work during a designated paid holiday, he shall receive payment equal to time and one half (1.5 times) his regular hourly rate for the hours worked, plus a day's pay in recognition of the holiday.

**ARTICLE 32 – DURATION OF AGREEMENT**



32.01 This Agreement shall become effective as of January 1, 2010, and will remain in force and effect until the 31st day of December 2014. It will renew itself automatically from year to year thereafter unless either party shall serve written notice sixty (60) days prior to the expiration of any year of a desire to amend or terminate the Agreement.

**IN WITNESS WHEREOF** the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives at the City of St. John's, in the Province of Newfoundland and Labrador this 21 day of March, 2011.

ON BEHALF OF THE COMPANY

*Diane Reid*

*[Signature]*

ON BEHALF OF THE I.L.A. LOCAL 1953

*Wayne [Signature]*

*Kevin Keough*

**SCHEDULE "A"**

**Mechanic Wage Scale**

<u>Mechanic</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Regular	29.04	29.79	30.54	31.29	32.09
Overtime	43.56	44.69	45.81	46.94	48.14
Double	58.08	59.58	61.08	62.58	64.18
Increase	0.75	0.75	0.75	0.75	0.80

<u>Maintenance Helper</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Regular	19.95	20.70	21.45	22.20	23.00
Overtime	29.93	31.05	32.18	33.30	34.50
Double	39.90	41.40	42.90	44.40	46.00
Increase	0.75	0.75	0.75	0.75	0.80

<u>Parts Clerk</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Regular	21.15	21.90	22.65	23.40	24.20
Overtime	31.73	32.85	33.98	35.10	36.30
Double	42.30	43.80	45.30	46.80	48.40
Increase	0.75	0.75	0.75	0.75	0.80

<u>Chassis Mechanic/Welder</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Regular	29.04	29.79	30.54	31.29	32.09
Overtime	43.56	44.69	45.81	46.94	48.14
Double	58.08	59.58	61.08	62.58	64.18
Increase	0.75	0.75	0.75	0.75	0.80

**SCHEDULE "B"**

Apprentice Wage Scale

Apprentice Level	Journeyman Rate	Cumulative Hours to go to Next Step	Note
Level 1	70%	2,400	Nine Month HEST Course
Level 2	80%	4,800	8 Week Advance Course
Level 3	90%	7,200	8 Week Advance Course
Journeyman	100%		Must have Journeyman Certificate

## APPENDIX “C”

### **Pension Plan**

All employees covered by this Agreement are covered by the Company’s Defined Benefits Plan. The conditions and terms are already established by the Company and cannot be changed.

<b>Mandatory Employee Contributions</b>	<b>3.4%</b> of basic salary up to the YMPE (Year Maximum Pensionable Earnings) PLUS <b>5%</b> of basic salary in excess of the YMPE (Year Maximum Pensionable Earnings)
<b>Optional Contributions to the Flexible Arrangement</b>	Voluntary. Participants decide on the amount of an employee’s additional contribution he wishes to contribute, subject to a certain limits, and the payment arrangement for the year.
<b>Oceanex Contributions</b>	Oceanex pays the contributions required to fund the Oceanex DB Plan, based on actuarial recommendations.
<b>Early Retirement</b>	<b>10</b> years before <b>normal</b> retirement, with reduced pension (penalty).
<b>Normal Retirement</b>	Age 65.
<b>Postponed Retirement</b>	After age 65, both Oceanex and the Employee, continue to participate in the Oceanex DB Plan. By law, participant must start receiving his pension in his 71 <sup>st</sup> year.
<b>Termination of Plan Membership</b>	Participants remain active members of the Pension Plan as long as employed by the Company.

For more detailed information on the Pension Plan, we invite you to consult the Pension Plan booklet for Employees of Oceanex.

## APPENDIX “D”

### Benefits Summary

**Basic Life Insurance** 200% of annual earnings to a maximum of  
*Company assumes 100% of premiums* \$500,000, reducing by 50% at age 65.

**Supplementary Life Insurance** 100% of annual earnings to a maximum of  
*Company assumes 50% of premiums* \$500,000, reducing by 50% a age 65  
*Employee assumes 50% of premiums*

**Optional Life Insurance** 100% of annual earnings to a maximum of  
*Participant assumes 100% of premiums* \$200,000, subject to approval of evidence of insurability.

*Note: The combined maximum of Basic, Supplementary and Optional Life Insurance cannot exceed \$1,000,000.*

**Dependent Basic Life Insurance**  
*Company assumes 100% of premiums*

Spouse	\$10,000
Child	\$5,000

**Accidental Death, Dismemberment, Paralysis and Loss of Use** (Underwritten by Chartis Insurance Company of Canada.  
*Company assumes 100% of premiums* Accidental death: Equivalent of Basic Life amount

**Long Term Disability Income Benefits**  
*Participant assumes 100% of premiums*

Waiting Period	17 weeks
Amount	60% of the first \$4,000 of monthly gross earnings plus 40% of the remainder to a maximum benefit of \$6,000 or 85% of employee's pre-disability take-home pay, whichever is less.

Any amount of LTD insurance over \$4,000 of monthly gross earnings is subject to approval of evidence of insurability.

**Healthcare**  
*Company assumes 100% of premiums*  
Deductibles

Individual	\$25 each calendar year
Family	\$50 each calendar year

Individual and family deductibles do not apply to In-Canada Hospital, Out-of-Country Emergency Care, Global Medical Assistance and Visioncare expenses.

For more details on the Group Insurance, we invite you to consult the “Great-West Life Group Benefit” booklet for the Mechanics of Oceanex.



**Dental**

*Company assumes 100% of premiums*

**Payment Basis**

The dental fee guide in effect in the participant's province of residence on the date treatment is rendered.

**Deductibles**

Individual \$25 each calendar year  
Family \$50 each calendar year

Individual and family deductibles do not apply to Accidental Dental Injury expenses.

**Reimbursement Levels**

Basic Coverage 100%  
Major Coverage 50%  
Accidental Dental Injury Coverage 80%

**Plan Maximums**

Accidental Dental Injury Treatment Unlimited  
All Other Treatment \$2,000 each calendar year

For more details on the Group Insurance, we invite you to consult the "Great-West Life Group Benefit" booklet for the Mechanics of Oceanex.

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