

# **A G R E E M E N T**

Between:

**NORTHUMBERLAND FERRIES LIMITED**

Charlottetown, Prince Edward Island  
(Hereinafter referred to as the "Company")

and

**THE NATIONAL AUTOMOBILE, AEROSPACE,  
TRANSPORTATION AND GENERAL WORKERS  
UNION OF CANADA  
(CAW CANADA)**

(hereinafter referred to as the "Union")

for

**ENGINEER OFFICERS AND ELECTRICIANS**

(as employed by Northumberland Ferries Limited)

**January 1, 2006 - December 31, 2006**

June 28, 2006

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Wage Rates 2006

## ARTICLE 1 - RECOGNITION\*

The Company agrees to recognize The National Automobile, Aerospace Transportation and General Workers Union of Canada (CAW) as the sole collective bargaining agent for the employees covered by this Agreement.

## ARTICLE 2 - SENIORITY STATUS AND LISTS

- 2.01 (a) Seniority Lists will be compiled and posted to the Engineer group in the spring of each year. Such lists will show names, positions and date of last entry into the service in positions covered by this Agreement, from which date seniority will accumulate. The name of an employee shall be placed on the seniority list immediately on being employed in a position covered by this agreement. Copies of the list will be furnished to the Union Representative, the Grievance Chairman of each vessel and the President of the Local.
- (b) Any discrepancy in the seniority list will be reported to the Company in writing within thirty (30) days from date of posting. The posted list, with exception of obvious typing errors, will be considered as being correct in following years hereafter, if notice in writing is not given to the Company within the thirty (30) day period.
- 2.02 Any employee having ninety days or less service will be considered as on probation, shall hold no rights under the promotion rules of this Agreement and if found unsuitable, will not be retained in the service.
- 2.03 The name of an employee who has been, or is, promoted from a position now covered by this Agreement, to an official or excepted position with the Company, will be continued on the seniority list for the group from which promoted, and he shall retain his seniority while so employed. Such person, when released from official or excepted employment, except by dismissal, may within thirty (30) days of such release, exercise his seniority rights to any position in his seniority group which he is qualified to fill, and failing to do so, will forfeit his seniority in which event his name will be placed on the bottom of the seniority list.
- 2.04 (a) At least twenty-one (21) days prior to the commencement of the operating season, Engineers having completed their probationary period may apply in writing to the Company for their preferences, if any, of vessels for the operating season. Positions shall be filled on the basis of ability, certificate, conduct and seniority. Decisions pursuant to this Article shall be subject to the grievance procedure.
- (b) On recall pertaining to spring refit, Engineer employees covered by this agreement will be recalled to a position before the company places any outside Engineers, including BFL Engineer's position, in an Engineer's position.

- 2.05 An employee whose established position is abolished or who is displaced from his established position may displace a junior employee in any seniority for whose position they have qualifications.

### ARTICLE 3 - PROMOTION

- 3.01 Subject to appeal, promotion shall be by seniority with due regard to ability, certification, competence and conduct. The question of promotion must therefore be left to the Company, which will give due regard to seniority. After ninety (90) days employment in the new position, the employee, if found to be satisfactory will be retained in the position. In the event the successful employee proves unsatisfactory in the position during this probationary period or if the employee is unable to perform the duties of the new job, he shall be returned to his former position.
- 3.02 When an Engineer Officer or Electrician is due for promotion and he is sick or on holiday, or leave of absence, or is otherwise not available through no fault of his own, the next senior officer may be temporarily promoted to fill the position, but such officer shall hold acting rank only. Such acting rank will confer all privileges and rates of pay that go with that rank, but time spent in an acting capacity shall not be counted towards seniority in that position. Engineers will not accumulate seniority while working with a permit in that position.
- 3.03 When vacancies occur or are created within the established licensed group, they shall be bulletined within three (3) working days of the position becoming vacant or created. Appointment shall be made within ten (10) days after the expiry date of the bulletin.

### ARTICLE 4 - LEAVE OF ABSENCE

- 4.01 Engineer Officers and Electricians may apply for Leave of Absence for up to one (1) year. Any one of the following conditions will apply:
- (i) Company operational requirements for granting Leave of Absence will be subject to grievance procedure.
  - (ii) Engineer Officers and Electricians may apply for and be granted Leave of Absence anytime during the calendar year.
  - (iii) Engineer Officers and Electricians on annual pay who have already received a portion thereof when Leave of Absence is granted for the one year period must remain on leave for the full year.
- 4.02 Leave may be extended by application in writing to the designated Company Officer in ample time to receive permission or return to duty at the expiration of such leave.

- 4.03 (a) The name of an employee on authorized leave of absence shall be continued on the seniority list.
- (b) Any employee not on approved leave of absence and who is recalled to work to a position his/her seniority warrants, and subsequently refuses the assigned position, will be severed from the company and removed from the seniority list provided the company and union agree.
- 4.04 However, it is agreed that Elected Delegates or the negotiating Committee will not have their pay reduced for lost time and that the Company will be fully reimbursed by the Union Local.
- 4.05 Leave of Absence shall not be extended for a period of more than two (2) years and upon return to work, employees shall work a period equal to his/her former leave before being eligible for another approved leave of absence.

#### ARTICLE 5 - DISPUTES AND APPEALS

5.01 If an employee of the Union alleges a violation of this Agreement, then the employee shall inform the appropriate Master or Terminal Supervisor as well as their Local Union Representative not later than five (5) working days after the incident of the basis of the grievance, but the Union shall inform such level of management as is appropriate in the circumstances.

First Step – if the disposition by the appropriate Master or the appropriate Terminal Supervisor is not acceptable the Local Representative, with or without the aggrieved employee, shall meet within three (3) working days with the appropriate Master or Terminal Supervisor.

5.02 The National Representative may be present at all steps referred to in this Article is so desired by the Union.

5.03 If the Union is not satisfied with the disposition of the grievance by the Company, the matter in dispute may be submitted to arbitration in accordance with the provision of the following article.

5.04 Meetings of the Company and Union Representatives to discuss a grievance will be held at a time suitable to the operation of the business by arrangement between the appropriate Master or Terminal Supervisor and the Local Union Representative.

5.05 The time limits specified herein shall be deemed to apply to appropriate working days and may be extended by mutual consent of the parties.

5.06 The Company or the Union may refer any complaint or question it may have regarding the administration, interpretation or violation of this Agreement to the other party for clarification. If such matters are not settled to the mutual satisfaction of both parties, either party may refer the matter to arbitration.

## Arbitration

5.07 Any grievance or other matter in dispute between the Company and the Union involving the interpretation, application, operation or alleged violation of any article of this Agreement may, in the event of failure to reach agreement therein, be referred to arbitration. A single Arbitrator shall be selected and act as hereinafter provided.

5.08 Within fourteen (14) days of the last step in the Grievance Procedure as outlined in Article 7 above, the party desiring to submit a matter to arbitration shall deliver to the other party a notice of Intention to Arbitrate. This notice shall state the matter at issue and shall state in what respect the Agreement has been violated or misinterpreted. The notice shall also stipulate the nature of the relief or remedy sought.

5.09 Within ten (10) days after the date of delivery of the foregoing notice, the party initiating arbitration shall notify the other **party** of the name of the suggested Arbitrator. The other party must advise of their agreement or disagreement of the selected Arbitrator within ten (10) days of receipt of this notification.

5.10 In the vent that the parties fail to agree on the appointment of an Arbitrator, the Minister of Labour of the province shall be requested to appoint an Arbitrator.

5.11 After the Arbitrator has been selected, he/she shall meet with the parties and hear the evidence of both parties and render a decision within twenty-one (21) days after the completion of taking evidence.

5.12 The time limits specified herein shall be deemed to apply to appropriate working days, and may be extended by mutual consent of the parties but in any case, time limits breached by either shall not be used as a technical argument to prevent the Arbitrator from deciding the case on its merits.

5.13 The decision of the Arbitrator shall be final and binding on both parties providing he does not subtract from, alter or amend this Agreement in any respect. The Arbitrator shall, however, have the authority to modify or substitute any penalty imposed by the Company.

5.14 Each party shall pay its own costs and the fees and expenses of witnesses called by it and of its representatives. The fees and expenses of the Arbitrator shall be shared equally between the parties.

5.15 At the start of the arbitration, with both parties agreeing to proceed to arbitration, no technical objection will be presented to either party to stop proceedings.

## ARTICLE 6 - UNIFORMS

- 6.01 Engineer Officers and Electricians required by the Company to wear uniforms shall be furnished, free of charge:
- (a) One (1) uniform jacket every four (4) years or one (1) multi-climate bomber jacket every three (3) years and two (2) pair of pants every year.
  - (b) Two (2) sets of coveralls each year for all personnel - either lightweight or heavyweight.
  - (c) One (1) uniform cap with badge every four years. One (1) baseball type cap every year.
  - (d) Three (3) white shirts and two (2) t-shirts every year.
  - (e) One (1) pair of regulation epaulets for each position served every three (3) years for wear with the white shirts in (d) above.
  - (f) Two (2) storm coats per vessel every three (3) years (to be stencilled).
  - (g) Seasonal Officers (not established) who served three or more months the previous season:
    - Two (2) shirts and one (1) pair of pants every year.
    - One (1) pair of epaulets every three years.
    - One (1) set of coveralls every year (not entitled if received under Unlicensed Agreement).
  - (h) Engineers and Electricians to be supplied with a winter parka when on winter watch.
- 6.02 In order to expedite delivery of uniforms, measurements will be taken in the fall of the year before the issue is to be made. The Company will notify the local Chairman of the name of the supplier.

## ARTICLE 7 - HOURS OF WORK AND OVERTIME

- 7.01 The work week shall consist of forty (40) hours except that such work week may be averaged over a period of eight (8) consecutive weeks (hereinafter called "the averaging period") consisting of three hundred and twenty (320) hours (hereinafter called "the Standard Hours"). The following rules shall apply to the averaging period and the standard hours.
- 7.02 The first averaging period shall commence at 0001 hours on September 15, 1985 and shall end at 2400 hours eight (8) weeks later, and shall be followed by continuous and successive averaging periods as herein before described.

- 7.03 Engineer Officers or Electricians completing regular assigned shifts between Sunday and Saturday will be guaranteed forty (40) hours wages a week.
- 7.04 An Engineer Officer or Electrician will be paid at time and one-half (1 1/2) if required to work over 40 hours in that given week when a vessel enters into refit, lay-up or dry-dock or subsequently returns from refit, lay-up and dry-dock. This does not include a vessel on regular sea watches for a full week.
- 7.05 Engineer Officers or Electricians on regular assigned shifts and who are recalled to work for relief purposes due to sick or compassionate leave will be paid at applicable overtime rate of one and one-half (1 1/2).
- 7.06 If during the averaging period Engineer Officers or Electricians are absent due to sick or compassionate leave, the number of standard hours shall be reduced by the hours which the Officer was scheduled to have worked had he been available, but by not more than forty (40) hours in a week.
- 7.07 Any hours for which a rate of wages of one and one-half (1 1/2) times the regular wage has been paid shall not be counted in determining the overtime pay that the Engineer Officer is to be paid at the end of the averaging period or upon termination of employment.
- 7.08 Any additional hours worked during the averaging period due to shift changes, promotion/demotion, application of seniority rights will be counted within the standard hours.
- 7.09 Upon being notified by the employee, the Company agrees that any error in pay in the amount of \$40.00 or more will be corrected within five (5) days of receipt of such notification.
- 7.10 Subject to a two (2) week hold-back, pay day will be every second Friday except if Friday is a Statutory Holiday, pay day will be Thursday. Payment will be made by a direct deposit to a bank of the Engineer Officers or Electricians choice.
- 7.11 Overtime shall be paid on the next succeeding payroll after the averaging period, or in any event, not later than the next regular payday.
- 7.12 Engineer Officers or Electricians who commence employment after the beginning of the averaging period or are laid-off before the end of an averaging period, shall have their averaging period reduced by forty (40) hours per week or portion thereof.
- 7.13 Any Engineer Officer or Electrician granted a days holiday in lieu of an extra days pay will have the averaging period reduced by the normal hours he would have worked.



- 7.14 Existing practise of utilizing Engineer Officers or Electricians during winter lay-up is to be continued.
- 7.15 It is agreed by the Company that the Engineer Officers and Electricians employed on the company vessels set out a schedule for their assigned hours and their assigned lay-off days. This working schedule (subject to Company approval) must be consistent with the sailing schedule and comply with the Safe Manning Regulations.
- 7.16 For the purpose of this Agreement, Engineer Officers and Electricians when working during refit or lay-up shall work eight (8) hours per day, Monday to Friday with Saturday and Sunday as lay-off days, except for the maintenance of heat and necessary services when alternate arrangements will be made for time-off. Any hours in excess of this shall be deemed and paid at the rate of time and one-half (1 1/2).

However by mutual agreement and subject to the requirements of the company, in particular during refit at shipyards and weeks in which statutory holidays are in effect, crews will be allowed certain flexibility with regard to hours of work as follows:

- (a) P.E.I. resident refit crew Monday - Wednesday 0800 - 1930 hours, Thursday 0800 - 1700 hours.
  - (b) Nova Scotia resident refit crew Monday - Thursday 0800 - 1700 hours, Friday 0800 - 1430 hours. Posted meal times will be one-half hour period.
- 7.17 During the operating season, 2<sup>nd</sup> Engineers in charge shall work a schedule of six (6) days on duty followed by three (3) days off duty and shall operate on a two (2) shift schedule consisting of a morning shift and an evening shift.
- 7.18 During the operating season, Junior 4th Engineers including Junior 4th Night Engineers shall have a rotating work schedule and shall receive a minimum of two (2) consecutive days off. However, due to operational demands, promotion, demotion and crew changes, Junior 4th Engineers or Junior 4th Night Engineers may not receive the two days off.
- 7.19 Unscheduled maintenance or emergency repairs before or after regular hours shall be compensated for at the rate of one and one-half (1 1/2) times the applicable hourly rate.
- 7.20 Engineers and Electricians are required to file overtime slips the day following such overtime with the ship's officer and are permitted to retain a copy of such slips.

- 7.21 Winter boiler stand-by watch hours shall be counted to a maximum of forty (40) hours per week.
- 7.22 Engineers and Electricians on annual pay and not actually working, will be credited forty (40) hours per week.
- 7.23 Overtime shall be paid on the next succeeding payroll after the averaging period, or in any event, not later than the next regular payday. Subject to two weeks prior notice and provided a replacement is available, employees may take time off in lieu of paid overtime to a maximum of four weeks annually. This time off may be taken any time during the operating season and any accumulated pay not taken will be paid at the end of the operating season.
- 7.24 Hours worked in excess of regularly scheduled hours which are required to order to perform additional unplanned revenue generating sailings triggered by unexpected consumer demand, shall be paid at overtime rate. Hours worked because of extra trips attributable to unforeseen circumstances such as mechanical failures will not be paid at overtime rate.

#### ARTICLE 8 - RECALL TO WORK ON REST DAYS

- 8.01 When an Engineer Officer or Electrician has completed his designated hours of work and has left the Employer's premises and is subsequently required to return to the Employer's premises to work overtime, he shall be paid the greater of
- (a) compensation at the applicable overtime rate for any work performed,
  - or
  - (b) compensation equivalent to four (4) hours pay at the straight time rate.
  - (c) When an engineering officer or electrician is onboard and has completed his designated hours of work and is recalled, he/she will be paid a minimum of 2 hours at regular rate of pay.

#### ARTICLE 9 - STATUTORY HOLIDAYS

- 9.01 Employees required to work on the following legal holidays shall be paid an extra day's pay at the pro-rata rate in addition to their regular salary.
- New Years Day
  - Good Friday
  - Victoria Day
  - Canada Day
  - Labour Day
  - Thanksgiving Day

- Armistice Day
- Christmas Day
- Boxing Day
- Heritage Day (when proclaimed)

The day observed by the Federal Government shall be considered a statutory holiday.

- 9.02 When the rest day of an employee falls on one of the specified holidays mentioned in 9.01 above, the employee concerned will be paid an extra day's pay at the pro-rata rate, in addition to his regular salary.
- 9.03 Engineer Officers and Electricians required to perform work on Victoria Day, Canada Day and Labour Day, shall be paid in addition to his/her regular rate of wages for these days, an extra 8 hours pay at a rate of one and one-half times (1 1/2) his/her regular rate of wages.
- 9.04 When the rest day of an Engineer Officer or Electrician falls on Victoria Day, Canada Day, Labour Day, the Engineer Officer or Electrician shall be paid in addition to his/her regular rate of wages, an extra 8 hours pay at a rate of one and one-half times (1 1/2) his/her regular rate of wages.
- 9.05 Engineer Officers or Electricians on sick leave, bereavement leave, leave of absence or disciplinary suspension will not be entitled to this statutory holiday pay benefit.
- 9.06 In lieu of Statutory Holiday pay, the employee shall have the option of banking statutory holiday hours.

#### ARTICLE 10 - REQUIREMENT TO ATTEND COURT OR CORONERS INQUEST

- 10.01 In cases in which the Company is involved and employees lose time by reason of being required to attend Court or Coroner's Inquests, or to appear as witnesses, such employees will be paid for the time lost. Necessary actual expenses while away from his position will be allowed upon production of receipts. Any fee or mileage accruing shall be assigned to the Company.
- 10.02 An Engineer Officer or Electrician who is summoned for jury duty and is required to lose time from work as a result thereof, will not lose any regular wages, but will be required to remit to the Company the amount allowed for such jury duty.

## ARTICLE 11 - HELD FOR INVESTIGATION OR COMPANY'S BUSINESS

11.01 Employees held for Company's investigations or Department of Transport investigations and where no responsibility is attached to them in connection with the matter under investigation (i.e. not subject to discipline), or on Company's business or instructions of the Company's designated officers, will, if required to lose time by reason thereof be paid for time lost. Necessary actual expenses while away from his position will be allowed upon production of receipts.

## ARTICLE 12 - EMERGENCY DUTIES

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

## ARTICLE 13 - COMPANY'S SAFETY REGULATIONS

- 13.01 Any safety regulations which the Company may now have in force, for the safety of the vessel, crew and passengers, and any further safety regulations or amendments to existing safety regulations which the Company shall put into effect during the term of this Agreement, and which are brought to the attention of the employees, shall be strictly adhered to by all employees. Violation of such regulations shall be sufficient cause for dismissal.
- 13.02 The company shall provide the Health & Safety Officer appointed by the Union with copies of all Health and Safety Committee meetings from each ship within 24 hours.
- 13.03 Any health and safety concerns forwarded by the Health & Safety Committee will be investigated within 72 hours.
- 13.04 The company agrees that the Local's Health and Safety Officer will be given an open invitation to attend shipboard safety meetings and the meeting dates on either vessel, scheduled on a date when the Health and Safety Officer attends and is required to miss scheduled work time, the Health and Safety Officer will not have the time deducted. It is also recognized that if it is necessary for the Health and Safety Officer to attend a work related official investigation of an incident involving health and safety in the workplace, the Health and Safety Representative is to be paid for all time required to be spent at meetings or on other duties as assigned by the company at his/her last rate of pay.

- 13.05 The National Automobile, Aerospace, Transportation and General Workers of Canada (CAW) and Northumberland Ferries Limited agrees to the formation of a Safety Committee. Composition of such a Committee will be consistent with the requirements set out in the Canada Labour Code Part II and Transport Canada (Marine Safety Directorate).
- 13.06 The Company will provide CSA approved protective footwear to employees every 24 months of employment as per government directives. With company approval, employees required to wear safety footwear shall have the option of purchasing their own footwear. The company will contribute an amount not to exceed the cost of the company issued footwear on a separate cheque. All footwear shall comply to CSA standards.
- 13.07 The Company shall comply with regulations on air quality, noise control and hearing conservation and shall on an individual basis where required provide a hearing protection device approved by CSA. If the employee wants a different variety of device, the company will contribute an amount not to exceed the cost of the company supplied device. The Health and Safety Committees shall ensure that all devices comply with CSA standards.
- 13.08 The Company agrees to the formation of an employee assistance program committee composed of Company and Local CAW Representatives. Such committee shall be instituted within 60 days after ratification of this agreement.

#### ARTICLE 14 - AUTHORITY OF MASTER

- 14.01 The Union agrees that the Master of the vessel has the exclusive right to direct the crew and to hire, promote, demote, transfer, lay-off, suspend or discharge employees and that such hours shall be worked at sea and in port, as shall be directed by the Master or his deputy.
- 14.02 The Company agrees that these powers and rights will not be exercised in conflict with any of the provisions of this Agreement, and by the Union that when any employee considers that an order or direction of the Master is, in his opinion, in conflict with the terms of this Agreement, he shall nevertheless, obey such order or direction and thereafter, through the grievance procedure herein provided, seek redress.

#### ARTICLE 15 - DRILLS

- 15.01 No overtime whatsoever will be payable for the carrying out of fire drills or lifeboat drills, and the Company agrees to carry them out as far as possible during normal working hours.

ARTICLE 16 - STOPPAGE OF WORK

- 16.01 There shall be no strikes, lock-outs or stoppage of work while the provisions of this Agreement are in effect.
- 16.02 (a) Refusal by employees covered wider this Agreement to cross a picket line which they have established to be legal and which has been formed by locals belonging to Northumberland Ferries Limited shall not constitute a violation of this Article.
- (b) Such employees who refuse to cross a picket line agree to take the ships to a safe and secure berth.

ARTICLE 17 - GENERAL

- 17.01 Proper clean, *dry* and ventilated sleeping quarters shall be provided as far as is reasonable and economically possible.
- 17.02 The Company shall furnish each employee onboard the ship with bed linen; two (2) towels each week, soap in dispensers or one (1) cake of standard size soap each week. The employee must turn in his linen and towels to proper officer for renewal each week. The above items will be provided at the shore-based accommodations.
- 17.03 A lunch will be made available to Engineer Officers and Electricians employed during the evening shift or a back shift provided there is no overtime involved to the company employee.
- 17.04 Any employee covered by this Agreement who suffers loss or clothing and/or personal effects through marine disaster or shipwreck, shall be compensated by payment of an amount up to \$300.00.
- 17.05 It will be permissible for notices of interest to employees to be posted on a Notice Board on vessels.
- 17.06 The Company will maintain the present Group Insurance Plan in effect during the term of this Agreement. The following benefit program will apply.
1. Life insurance: \$75,000.
  2. A.D. & D: \$75,000.

3. Medical: As per plan booklet-- major medical change to:
- mandatory generic substitution
  - drug co-pay \$5.00
  - present \$60,000 lifetime maximum to unlimited
  - eliminate smoking cessation
  - eliminate fertility drugs

4. Weekly Indemnity-- 70% of basic weekly earnings to a maximum weekly benefit of \$750.00.

- benefit reduced by other incomes
  - maximum period 47 weeks
  - 1<sup>st</sup> day hospital
  - 4<sup>th</sup> day illness
  - 47 week duration integrated with EI
- (a) The carrier would pay the first 2 weeks.  
(b) EI would pay the next 15 weeks.  
(c) The carrier would finish off the 47 week duration period. Note: If for some reason EI did not pay, the carrier would pay the full 47 week period.

Contribution: Employee -- single \$20.00"  
Employee -- family \$35.00"

"Employee contributions will be first directed towards Life Premiums

NOTE: Upon notification from the carrier of any premium increases, the company agrees to provide the Local with any experience or utilization figures provided by the carrier. The company further agrees to arrange a joint meeting with the Local, company and the carrier to fully explain any adjustments.

Eligible employees laid off, on leave of absence or on strike will be responsible for their own payments.

- 17.07 The Company will as far as practicable and economical, employ their own employees for work during lay-up and refit.
- 17.08 When work is performed during lay-up and refit, the company shall pay a boarding allowance of thirty (\$30.00) per day or pay in full whichever is the most economical; this will only apply when Cooks are not working on the ship.
- 17.09 Engineers or Electricians when required to clean any bilges, tanks, separators, boilers, ports, crankcase, open sewage system or propulsion motors/generators shall be paid a bonus of four dollars (\$4.00) per hour extra as "Dirty Money", and shall be supplied with heat while performing such duties.

- 17.10 (a) Established employees shall be paid Severance Pay in accordance with the Canada labour Code. Period of employment shall be considered as continuous for the calculation of Severance Pay.
- (b) Seasonal employment shall be considered as accumulated time worked for the calculation of Severance Pay.
- 17.11 (a) Employees will be granted reasonable transportation free for themselves and dependent members of their immediate families on services provided by the Company during their period of employment.
- (b) Any employee past or present with 15 years continuous service and retires prior to age 65 will continue to receive pass privileges until age 70.
- (c) Any employee on regular shifts during any part of the operating season and goes to normal lay-off, will be provided free transportation for the remainder of the season.
- (d) Employees receiving free transportation cannot displace revenue producing customers.
- (e) Provided CSO stated standard guidelines are followed, all Northumberland Ferries employees will be granted a maximum of two (2) free transportations in each calendar year for themselves and their immediate household dependent family members on services provided by Bay Ferries Limited.
- 17.12 A work schedule for Junior Engineers will be prepared prior to the commencement of operation through to the Thanksgiving Weekend. This work schedule may be altered due to operational requirements.
- 17.13 Engineer Officers and Electricians required to travel from P.E.I. to Nova Scotia or Nova Scotia to P.E.I. for refit, joining the vessel prior to the operating season will be given a one time annual payment of \$200.00. However, any employee who is required to travel around for training prior to commencing refit employment would be entitled to a separate \$60.00
- 17.14 The Company agrees during each year of this Agreement, to pay a sum upon being notified from the Local of \$3,500.00 towards paid Education Leave and Social Justice Fund (the sum is the total for both Locals 4508 and 4508A) annually.
- 17.15 The Company agrees to print 60 copies of the Collective Agreement for distribution to Local 4508A.



- 17.16 Engineer Officers and Electricians serving on the HOLIDAY ISLAND in *dry-dock* will be provided with weekly hotel/motel rooms (maximum of 2 persons per room), reasonable transportation as required and supplied with prepared meals onboard the ship during the regular work week and access to the galley and reasonable food supplies on weekends.
- 17.17 The company agrees during each year of this Agreement, to pay a sum upon being invoiced from the Local of \$1,000.00 for "Lost Time For Union Business" (the sum is the total for both Locals 4508 and 4508A).
- 17.18 Trading of shifts. Observing the following guidelines, Engineer Officers and Electricians may be allowed to trade winter watch shifts.
- (a) Before a trade is authorized, the person requesting must supply his/her Department Head with the completed arrangements, i.e. reason, the day on which the shift will be repaid.
  - (b) The Department Head will inform the Duty Master of any trading of working days.
- 17.19 For the purpose of definition the word "operating season" used in this Agreement shall mean the time for which the vessel starts the sailing schedule in the first part of the year until the end of the sailing schedule in the last part of the year. This means the individual vessels that may be operating, and does not include those vessels in lay-up, refit or stand-by basis whereby less crew may be required.
- 17.20 For the purpose of this Agreement, where the word "Engineer" appears, it is intended that the Electricians are to be included, where applicable.
- 17.21 The Company agrees to form a group similar to the Trusteed Pension Plan Committee to study health plan costs and benefits.
- 17.22 The company agrees to pay for Doctor's cost for Marine Medical certificate as required.

#### ARTICLE 18 - DEDUCTION OF DUES

- 18.01 The Company agrees to notify all employees of the existence of the Union at this workplace and all employees who at the date of the signing of this Agreement, were members of the Union and any new employees covered by this Agreement shall become members of the Union as a condition of employment and shall maintain their membership in the Union. Upon hiring, each new employee shall be introduced to the appropriate Union Officer and be issued with a copy of the Collective Agreement.

- 18.02 The minimum monthly Union dues are equivalent to 2 hours and 20 minutes straight-time pay for all members who work 40 hours or more in a month. For those members who work less than 40 hours in a month, the minimum monthly dues will be equivalent to 1 hour and 10 minutes straight time pay. Total deductions for the year shall be shown on each employees T4 slip.
- 18.03 (a) The Company shall provide new hires with the proper authorization form for the purpose of deduction of union dues and initiation fees. The Local Union Financial Secretary will advise the Company, in writing, of the amount of initiation fees to be deducted and the Company shall forward such monthly dues and initiation fees to the Local Union Financial Secretary.
- (b) The Local Union Financial Secretary shall receive an alphabetical list of the names of all bargaining unit persons by the 15<sup>th</sup> day of the month following the month in which the deductions were made.
- 18.04 The Company agrees that the monthly dues check-off list shall provide the following information– names of employees, rates of pay, names of new hires, persons on lay-off, compensation, sick leave or personal leave and hours worked in the month for which the dues check-off covers.
- 18.05 The Company agrees that no employee shall be asked or permitted to make any verbal or written agreement which may be in conflict with the provisions of this Agreement.
- 18.06 During the term of this Agreement, the Company agrees to permit Union Officers who are employees of the Company to put notices of Union meetings upon bulletin boards customarily used for such purposes. The Union agrees not to distribute any other notices or publications upon the Company's premises without prior approval of the Company.

#### ARTICLE 19 - REHABILITATION

- 19.01 When mutually agreed between the proper officer of the Company and the appropriate National Representative of the Union, an employee who has become unfit\* to follow his usual occupation may:
- (a) displace a junior employee in his own seniority group for whose position he is qualified, or;
- (b) be placed, when mutually agreed between the proper Officer of the Company and the appropriate National Representative of the Union, in another position, notwithstanding that it may be necessary to displace an able-bodied employee to provide suitable employment for him.

Note: The Company Medical Representative will determine an employee's fitness to follow his usual occupation. The appropriate National Representative of the Union will be advised when a rehabilitated employee becomes fit to follow his usual occupation. When dealing with incapacitated employees, seniority shall govern in respect to preference of shift and employment.

19.02 A rehabilitated employee placed on a position shall not be displaced by an able-bodied employee so long as he remains on such position, except when a senior employee is otherwise unable to hold a position in his seniority group. Should he subsequently recuperate, he shall be subject to displacement, in which case he shall exercise his seniority rights.

#### ARTICLE 20 - GOVERNMENT LAWS AND REGULATIONS

20.01 Nothing contained in this Agreement shall be construed as to render null and void the obligations of the signatories under the provisions of the Canada Shipping Act or other government legislation or regulations, not to impair in any manner whatsoever the absolute authority of the Master.

20.02 Neither the Union nor the Company will interfere directly or indirectly with the rights granted under Section 183 and 184 of the Canada Shipping Act.

#### ARTICLE 21 - PENSION PLAN

21.01 The Trusteed Pension Plan which came into force January 1, 1981 to remain in effect during the duration of this Agreement. Effective May 1, 1998, the contribution will be 5.25% employer and 5.25% employee of regular earnings. Statutory holiday pay to be included in pension plan contribution.

#### ARTICLE 22 - SCHOOL PLAN

22.01 Employees covered by this Agreement who are not paid on a full calendar year basis who obtain a certificate covering a qualification senior to the current certificate held by them and return to the employment of the Company will be paid the sum of Two Hundred and Fifty Dollars (\$250.00) to assist in the expenses incurred by such employee in obtaining such certificate. Employees who obtain 3rd Class Certificate or better will be paid the sum of Seven Hundred and Fifty Dollars (\$750.00). This amount is not in addition to Two Hundred and Fifty Dollars (\$250.00) or if not paid fully by the Company.

22.02 (a) If personnel are required by the Company to take training/certificates related to their work, the employer will pay all costs incurred including, accommodations, mileage, meals and lost wages.

- (b) The Company agrees to pursue with the Union all avenues so to have training (voluntary and compulsory) provided by both Federal and Provincial governments. However if it becomes necessary that additional funding is required and it cannot be obtained from levels of government, the Company and Union agree to meet within 60 days so to negotiate a funding formula. To the best extent possible, training will be taken during the period that the service is not operating.

22.03 Engineer Officers or Electricians renewing their 1st Aid or St. John's Ambulance Certificates will be reimbursed for the cost of the renewals of these certificates.

22.04 When an Engineer Officer is required to obtain training to revalidate his certificate, the Officer will make application through the company to apply for assistance under government sponsored training programs to minimize the cost of the Officer. However if funding is not otherwise available, the Company agrees to provide a maximum of \$500.00 to any Engineer Officer on the seniority list.

#### ARTICLE 23 - RATES OF PAY

- 23.01 (a) There shall be ten (exclusive of two Senior Chief Engineers) covered by this Agreement paid on an annual basis provided they remain employees of the Company. Engineer Officers employed by the Company shall qualify for 12 months pay as vacancies occur in these classifications provided the Engineer Officers possesses a minimum of a 3rd Class Certificate. In the cases where Engineer Officers hold qualifying certificate (3rd Class or better), seniority with the company shall prevail.
- (b) Existing Engineer Officers who are presently covered under this Article will continue to be recognized as being 10 Senior Engineer Officers covered under this Article.
- (c) Notwithstanding (a) above, those Engineer Officers without a 3rd Class Certificate and presently enjoying 12 months pay will continue to do so.
- (d) Notwithstanding (a) above, if the two existing Chief Engineers return to this bargaining unit under *the* provisions of Article 2.03, the employee returning will continue to receive their winter pay.
- (e) Electricians (2) currently paid on an annual basis will be guaranteed twelve (12) months salary in each year of this Agreement providing they remain employees of the Company. Other Electricians employed by the Company will qualify for the twelve (12) month guarantee as vacancies occur in this Classification providing he has the necessary qualifications. For cases where Electricians hold the same certificate, seniority with the Company will prevail.

- (f) When the Company reverts to a strict two vessel operation, the remaining next senior Relieving Chief Engineer and next senior 3rd Engineer will not have their rates reduced.
- 23.02 Engineers holding 2nd Class Certificates when employed as 3rd and 4th Engineers shall receive another additional Nine Dollars and Thirty-Three Cents (\$9.33) per week. Engineer Officers shall receive these additional amounts during the period sea watches are in effect. All employees holding a 2nd Class Certificate shall receive no less than the 3rd Class Certificate rate of pay when moving to a lower paying classification.
- 23.03 (a) Employees temporarily assigned to work for one or more days to a higher rated position shall receive the high rates while occupying such positions, excepting employees relieving on regular days lay-off.  
(b) Existing Relief Chief Engineers working as 2<sup>nd</sup> Engineers are to retain their present Relief Chief Engineer rate of pay plus any percentage raises over the life of this agreement.
- 23.04 Employees temporarily assigned to lower rated positions shall not have their rates reduced.
- 23.05 4<sup>th</sup> Engineers recalled to refit and work a minimum of 40 hours refit and work a minimum of 200 hours before September 1 will not go below 4<sup>th</sup> Engineer wages during remainder of the operating season.
- 23.06 During refit 3rd and 4th Engineers will be paid the operating rates provided that he possesses the necessary certificate.
- 23.07 Junior 3rd Engineers and 4th Engineers who are on duty between the hours of 12:00 midnight and 5:30 a.m. shall receive a differential of Fourteen Dollars and Sixty-Five Cents (\$14.65) a week.
- 23.08 Effective the ratification of this agreement, Engineer Officers and Electricians as per Appendix 1 will be eligible for pension and health benefits.
- 23.09 Engineer Officers may relinquish winter pay and work the operating season only.
- 23.10 Engineers employed in a third engineer's position with a thud engineer's certification will receive third engineer's pay.

#### ARTICLE 24 - SICK AND COMPASSIONATE LEAVE

- 24.01 When absent, every reasonable effort shall be made by the employee to inform the Company at least two (2) hours prior to his scheduled working time.

24.02 The Company agrees to grant bereavement leave with pay on the following basis.

- (a) On the death of the employee's father, mother, spouse, or children, seven (7) days from the date of the death.
- (b) On the death of the employee's, brother, sister, mother-in-law, father-in-law, son-in-law and daughter-in-law, a maximum of four (4) days from the date of the death.
- (c) On the death of an employee's grandparents, three (3) days from the date of the death.
- (d) On the death of an employee's brother/sister-in-law, day of the funeral.
- (e) Seasonal employees on regular assigned shifts will be entitled to bereavement leave.

24.03 Written application for leave of absence, other than sick leave and compassionate leave, shall be given in advance to the Company and the Brotherhood Representative by the applicant.

#### ARTICLE 25 - VACATION PAY AND VACATIONS

25.01 Engineer Officers or Electricians not paid on an annual basis, covered by this Agreement shall receive vacation pay as follows:

- (a) One (1) to Sixty (60) months of employment - four (4%) percent.
- (b) Sixty-One (61) to One Hundred and Twenty (120) months of employment - six (6%) percent.
- (c) Over One Hundred and Twenty (120) months of employment - eight (8%) percent.
- (d) Employees with 20 or more years of service and upon retirement, will receive 10% vacation pay (difference between 8% and 10% based on earnings during last year of employment).
- (e) Engineer Officers and Electricians with 30 or more years of service will receive 10% vacation pay (non-winter pay).

25.02 Vacation Pay will be included at the applicable percentage with each pay. Engineer officers and Electricians paid on an annual basis upon termination or retirement, will be paid vacation percentage rates as provided under Article 25.01.

25.03 For Vacation Pay purposes, one (1) year will constitute a maximum of 255 days accumulative employed service. (The above clause is effective January 1, 2000).

25.04 Those paid on annual basis may make application for leave of absence for vacation as outlined under Article 4:

- (a) One (1) to five (5) years employment - three (3) weeks.
- (b) Six (6) to ten (10) years employment - four (4) weeks.
- (c) Over ten (10) years employment - five (5) weeks.

Such leaves will be granted if qualified relief is available and granted without pay.

25.05 Provided a replacement from within the Company or Canada Employment and Immigration Commission is available, Engineer Officers requesting leave of absence for vacation purposes shall make written application thirty (30) days in advance. Such leave will be without pay and limited to four (4) weeks.

ARTICLE 26 - TERMINATION \*

~~This Agreement shall become effective January 1st, 2006 and shall remain in effect until December 31st, 2006 and thereafter until revised, amended or terminated subject to sixty (60) days notice in writing from either party thereto, which notice may be served any time after September 1, 2006.~~

SIGNED at Carleton Place this 2<sup>nd</sup> day of July, 2006.

[Signature]  
Barrie Harris

[Signature]  
[Signature]  
[Signature]

For: Northumberland Ferries Limited

For: The National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW Canada)

Dated \_\_\_\_\_

## LETTER OF UNDERSTANDING #1

- A. To adequately compensate NFL employees for possible future reductions in ferry operations, 30 days after the signing of the Agreement, the parties will set up and participate in a Committee comprised of all employee bargaining units, with a common aim to commit the Federal government to consider NFL employees for a future severance consideration, similar to a final one settled upon for Borden/Tormentine Marine Atlantic employees.
- B. For any next season job losses which may result to present seasonal employees, if a ferry was permanently taken out of service due to level of service cutbacks, the company will commit to work through Federal and Provincial agencies to structure a fee paying training option for effected employees.
- C. Successor Rights. In the case of a sale, lease, transfer of Northumberland Ferries Limited, the Licensed and Unlicensed Agreements held by National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) will continue in force and effect.
- D. Provided a current Collective Agreement is in place and if an extension of service is not foreseen beyond the end of the 2004 season, it is agreed that the Federal government will be approached anytime after March 31, 2003 by Northumberland Ferries Limited and CAW on behalf of Locals 4508 and 4508A either singularly and/or jointly and request the Federal government give consideration to providing funding for employees towards a severance and training package to offset the adverse effects on the employees.
- E. The Company will provide the Executive of Locals 4508 and 4508A the earliest reasonable advanced notice possible if there is a change in the printed operating schedule.
- F. Sexual Harassment and Human Rights

A policy on sexual harassment and human rights shall contain the following provisions.

- (a) All employees have the right to a harassment-free workplace. Employees engaging in such activity are subject to disciplinary action up to and including dismissal.
- (b) Sexual harassment means any conduct, comment, gesture or contact of a sexual nature that is likely to cause offence or humiliation to any individual that might, on reasonable grounds, be perceived by that individual as placing a condition of a sexual nature on employment or on any opportunity for training or promotion.



**Note:** Sexual harassment is generally comprised of objectionable and offensive behaviour which may occur once or repeatedly, Unwelcomed sexual advances, requests for sexual favours, and other verbal, pictorial or physical conduct of a sexual nature constitutes sexual harassment.

- (c) Personal harassment is a disruptive, work related problem which can occur in any form and at any level - between peers, supervisor to subordinates, subordinates to supervisor, or employees to clients. It is unacceptable behaviour which denies individuals their dignity and respect, and which threatens to affect the well being *or* job performance of an individual and is found to be offensive, embarrassing or humiliating.
- (d) An employee who alleges that he/she has been subject to harassment may contact the employee assistance counsellor to request assistance with the problem. In the alternative, an employee who alleges he/she has been subjected to harassment may follow the steps contained in the Harassment in the Workplace Policy through the internal redress procedure. Employees maintain the option of filing a formal complaint with the Canadian Human Rights Commission.
- (e) The Employer shall post a policy regarding harassment in the workplace.

#### G. Training

The Company will arrange for a pay meal allowance, full wages, travel costs, lodging and seat costs for up to four (4) winter pay Engineers covered by this Agreement to take Propulsion Simulator Training.

The Company will arrange and pay 1/3 travel costs, board and lodging, and seat costs for up to three (3) seasonal Engineers covered by this Agreement to take Propulsion Simulator Training.

The three (3) seasonal Engineer must make application to HRDC under the Skills Development Program for the remaining 2/3 cost of travel, lodging and seat cost of the Propulsion Simulator Training.

- H. The company agrees to the formation of a Dental Health Committee. The purpose of the committee would be to seek out a dental health carrier through a “request for proposal” (REP) that would be interested in providing a dental health coverage under a payroll deduction plan.

I. The company agrees to the formation of a labour/management committee.

SIGNED at Carleton Place this 27<sup>th</sup> day of July, 2006.

[Signature]  
Barrie Harris

[Signature]  
[Signature]

For: Northumberland Ferries Limited

For: The National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW Canada)

Dated: \_\_\_\_\_

LETTER OF UNDERSTANDING #2

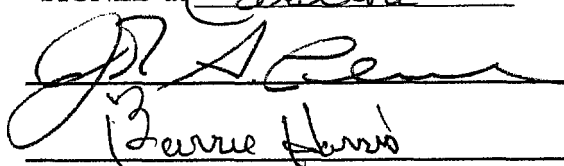
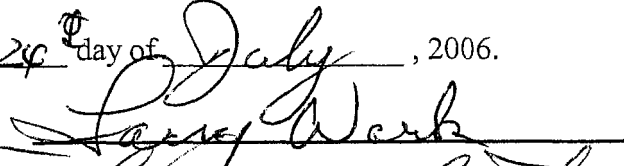
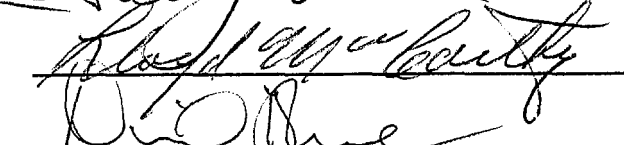
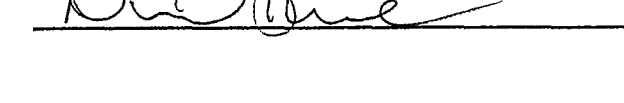
- A. The Company agrees to meet with the Union 90 days in advance to present planned or known dry-dock, refit or lay-up activities. During this meeting employees covered by this agreement and Company will have the opportunity to identify how the Company as far as practical and economical could employ their employees.
- B. The Company agrees to explore avenues for funding to provide shore-based accommodations at Wood Islands.
- C. The Company agrees to the formation of a LTD committee, the purpose of which will be to identify alternatives for the reduction of the cost of LTD benefits.
- D. During the negotiations, the parties discussed health aspects on employees associated with excessive heat and humidity conditions in the workplace.

The Company Agrees to work with Workplace Occupational Health and Safety Committees to ensure that appropriate contingency plans are implemented. These contingency plans will be developed in accordance with recognized Canadian Marine Occupational Health and Safety Regulations.

- E. For the 2006 season only, the Company agrees to pay 4<sup>th</sup> Engineers who are assigned on vessels operating on a 4 or 5 trip operating schedule two extra hours at straight time at their regular hourly rate of pay per week.

4<sup>th</sup> Engineers will continue to work existing work schedules.

SIGNED at Carleton this 24<sup>th</sup> day of July, 2006.

 _____  _____	 _____  _____  _____
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For: Northumberland Femes  
Limited

For: The National Automobile,  
Aerospace, Transportation and  
General Workers Union of Canada  
(CAW Canada)

Dated: \_\_\_\_\_

ENGINEER OFFICES AND ELECTRICIANS - LICENSED  
 NORTHUMBERLAND FERRIES **LIMITED**

Classification	2006		Stat Holiday
	Pay Rate Hourly	<b>Weekly</b>	
Rel. Chief Engineer	\$ 30.80	\$1,232.00	\$ 246.40
2nd Eng. I/C (2nds Ticket)	\$ 29.23	\$1,169.20	\$ 233.84
2nd Eng. I/C (3rds Ticket)	\$ 24.90	\$ 996.00	\$ 199.20
4th Engineer	\$ 22.95	\$ 918.00	\$ 183.60
Electrician	\$ 24.90	\$ 996.00	\$ 199.20

APPENDIX 1

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